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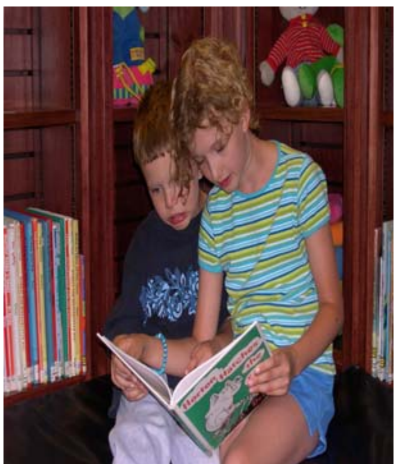
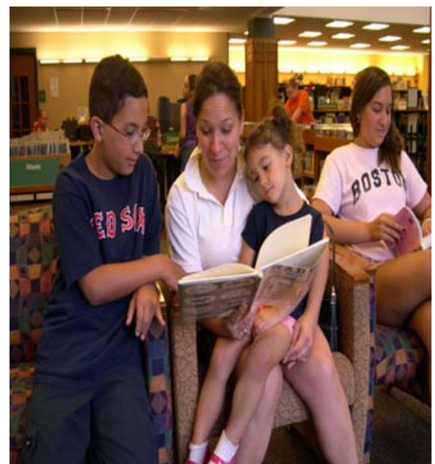
Comprehensive Annual Financial Report

For the year ending December 31, 2006





Indianapolis-Marion County Public Library

Indianapolis, Indiana

Indianapolis-Marion County
Public Library

Indianapolis, Indiana

Comprehensive Annual Financial Report

For the Fiscal Year Ended December 31, 2006

Prepared By:

Rebecca L. Dixon, CGFM
Treasurer of the Board
Chief Financial Officer

And Staff of the
Financial Services Area

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
INDIANAPOLIS, INDIANA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2006

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INTRODUCTORY

Indianapolis-Marion County Public Library

Service • Tradition • Innovation

June 30, 2007

To: Citizens of the Library District
Board Members of the Indianapolis-Marion County Public Library
and their appointing authorities:
The City-County Council
The County Commissioners
Board of School Commissioners of the Indianapolis Public Schools

We are pleased to present the Comprehensive Annual Financial Report of the Indianapolis-Marion County Public Library (Library) for the fiscal year ended December 31, 2006.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Indiana State Board of Accounts, have issued an unqualified ("clean") opinion on the Indianapolis-Marion County Public Library's financial statements for the year ended December 31, 2006 The independent auditor's report is located at the front of the financial section of this report. The Library is required to undergo an annual single audit of its federal assistance programs in conformity with the provisions of the Single Audit Act of 1984, when federal funds are received. This does not apply for 2006 as the amount of federal assistance received did not require a single audit.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of Reporting Entity

The Indianapolis-Marion County Public Library is an independent municipal corporation pursuant to Indiana Code 36-12. The Library district includes all of Marion County (including the city of Indianapolis) except for the city of Beech Grove and the town of Speedway, each having their own library district. The Library was formed in 1968 by the merger of the Indianapolis Public Library, a division of the Indianapolis Public Schools, organized in 1873, and the Marion County Public Library, formed in 1966. Cooperative agreements are in place with the Beech Grove and Speedway Libraries.

The Library is governed by a seven member Board appointed by the Indianapolis Public Schools Board of Commissioners (2), Commissioners of Marion County (3) and City-County Council (2) to serve staggered terms of four years each. The Library operates as a separate, financially independent unit, with its appointed officials being directly and separately (from City and County officials) responsible for the financial management, operations, and accountability for fiscal matters. Therefore, the Library is a separate entity for financial reporting purposes in accordance with standards promulgated by the Government Accounting Standards Board.

The Library Board has the authority to adopt the budget, levy a tax rate and approves debt issuance. The final budget approval moves to the City-County Council for the Operating Fund and Capital Projects Fund. The budget

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Indianapolis, IN
46208
www.imcpl.org

serves as the foundation for the Library's financial planning and control. Under Indiana State guidelines, the Board is responsible for adopting a budget for the general fund (Operating Fund), the Capital Projects Fund and the debt service fund (Bond and Interest Redemption Fund) by September 20th for the next fiscal year. The Library is also financially accountable for a legally separate foundation which is reported separately as a discrete component unit within the Library's financial statements. The Indianapolis-Marion County Public Library Foundation, Inc. has been included based upon criteria established by GAAP. Additional information on the foundation (component unit) can be found in the notes to the financial statements (See note 1.A)

The Board adopts its own resolutions having the effect of local law governing library matters, and issues its own general obligation bonds subject to approval of the Department of Local Government Finance. The present Board Members are listed on page nine (9).

The Indianapolis-Marion County Public Library provides library services to all individuals in order to meet the educational, informational, and recreational interests and needs of the public. Library service includes collecting and organizing books and other library materials including electronic resources and providing reference, loan, and related services to library patrons. These library services are supported by public funds. Use of Indianapolis-Marion County Public Library grew 13% in 2006.

Local Economy

The Indianapolis-Marion County Public Library falls within the boundaries of the City of Indianapolis which is the capital of the State of Indiana. The unemployment rate for the Indianapolis Metropolitan area was 4.1 compared to 4.8 for the state of Indiana in 2006. Major industries within the Library's district or in close proximity include pharmaceutical companies, ag-biotech, auto manufacturing, and the health industry.

Diversity and steady growth have long been the hallmarks of the Indianapolis economy and the foundation of Indy's strong performance during the last five years. While other manufacturing-reliant cities in the so-called "Rust Belt" of the Midwest were hit hard by job losses caused by the recent recession, Indianapolis began implementing a targeted economic development strategy to diversity the economy and support more growth-oriented businesses. According to a report released in June of 2006 by the Federal Reserve Bank of Chicago, despite the recession, Indianapolis' economy has remained strong, exceeding job growth expectations and outpacing its Midwestern competitors between 2000 and 2005. Indianapolis' economy performed well, the Chicago Fed reports, because of a "strong competitive environment for many of its major industries," including insurance and pharmaceutical manufacturing. The report also cites the city's skilled workforce, income equality, business dynamics and quality of life as contributing factors to job growth.

Indianapolis continues to establish itself as mecca of major sporting events. Each year, the city plays host to two of the biggest single-day sporting events in the world – the Indianapolis 500 and the All-State 400 at the Brickyard – which pours hundreds of millions of dollars into the local economy each year. In addition, Indianapolis is home to the Indianapolis Colts and the Indiana Pacers. In 2006, Indianapolis was awarded the Big Ten Men's and Women's tournaments for five consecutive years beginning in 2008.

Indianapolis continues to be relatively attractive to households and certain types of firms because it is a low-cost area in which to live and do business. According to *Forbes* (May, 2006) Indianapolis is the 10th best place for business and careers in a ranking of the 200 metropolitan areas. Indianapolis ranks as the #3 least-costly large city to do business (*KMPG Alternative Study, 2006*). Being intermediate in population size, Indianapolis does not have the higher living costs and urban disamenities exhibited by several of the largest metropolitan areas. Businesses reap the rewards of affordable and available office space and utility costs which are, on the average 35% lower than the rates in the nation's twenty largest cities.

The Library is an important factor in the community's quality of life providing spaces to gather, to learn and to share at any age.

Long-term Financial Planning

Unreserved, undesignated fund balance in the general operating fund (33% of the total general operating fund expenditures) exceeds the guidelines set by the Board for budgetary and planning purposes. The Library Board has made a commitment to maintain the unreserved, undesignated fund balance in the General Operating Fund at a minimum of 10% of the general operating expenditures. The Library Board envisioned the need to increase this percentage to ensure that the necessary funds would be available to cover the increase in operating costs once the newly renovated and expanded Central Library opens in 2007.

Major Initiatives for the Library

In 2006, over 5.4 million patrons visited our libraries, and we experienced an increased circulation to 13,799,846 items. Our circulation per capital increased to 16.5, while the cost per item circulated declined to $2.24. These record-setting numbers reflects our commitment to meet the 21st century information needs of our patrons while streamlining operations to exercise good stewardship of tax dollars.

Supporting these efforts has been the development of public services priorities and standards. These serve to strengthen the Library's mission statement, and give equal weight to: creating community; literacy; popular materials and hot topics; information and workforce literacy; lifelong learning; and accountability, reporting, and assessment.

During 2006, the Library's patron-focused service saw the debut of the free 24-hour reference service, "Ask-a-Librarian-Express," as well as "Live Homework Help," both powered by tutor.com. More of our libraries became full self-check facilities, allowing library staff more time to serve patrons in other ways. Our enhanced website featured a number of new services, including "Book Lovers," which allows patrons to sign up to receive recommendations of popular materials.

In 2006 we completed the last phase-in of providing wireless access to all 22 branch locations. A new digital library of downloadable audio books allowed patrons at home or other remote locations to enjoy a free online collection of over 1,900 popular and educational titles. Other digital online offerings included colorful photographs of over 1,000 natural science, cultural, and iconic artifacts from the collection of The Children's Museum of Indianapolis.

The Indianapolis-Marion County Public Library expanded its collection of nearly two million items with materials in 21 languages to enrich the lives of those in our community from all cultural backgrounds.

The 2006 Summer Reading Program, "Lost in a Book" attracted 58,007 children and families who enjoyed a tropical island adventure into reading and earned points to be exchanged for great prizes. A record 27,561 preschoolers, parents and day care leaders joined Curious George for the Read-Aloud Program. Reading to children was made easy for parents with the introduction of "Bunny Book Bags' filled with pre-selected, age-appropriate books that can be checked out. The attractive, fine-free bags are available with books in either English or Spanish. Our 24-hour "Call-a-Story" telephone line received 397,086 calls in 2006. It allowed children and families to hear recorded children's stories free of charge.

America's leading crime novelist, Patricia Cornwell, presented the 29th McFadden Memorial Lecture, sponsored by the Library Foundation. The Library joined forces with the City of Indianapolis to present "One Book, One City" for the fourth year. The book selected for the community-wide reading experience was *Catch Me If You Can* by Frank W. Abagnale. The book saw a circulation of over 1,300 and over 500 copies of the book and DVD were sold by the Foundation.

Children and families got to meet their favorite authors and illustrators in children's literature, including Peter Sis, Carolyn Crimi, and Val Gregory, during the "Meet the Authors Gala."

During 2006, work continued on the renovation and expansion of Central Library scheduled to open in late 2007. Thanks to the support of nearly 6,000 "Library Advocates," the Board of Trustees approved future bond issuances of up to $45 million dollars to complete the Central Library Project as quickly as possible. The $102.7 million dollar Transformed Central Library will result in needed improvements to meet the knowledge and information needs of the greater Indianapolis throughout the 21st Century. It will also serve as the hub of the Library system and its 22 branches.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Library for its comprehensive annual financial report for the fiscal year ended December 31, 2005. This was the 16th consecutive year that the Library has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

We wish to express our appreciation to the Indiana State Board of Accounts for the timely and professional manner in which they have conducted their audit. The preparation of the comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Library's Office. We would also like to express our appreciation to the staff in various city and county offices who provided us with updated information for some of the tables.

Respectfully submitted,

Rebecca Dixon

Rebecca Dixon, CGFM
Treasurer of the Board
Chief Financial Officer

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY

Indianapolis, Indiana
December 31, 2006

BOARD MEMBERS

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LOUIS MAHERN

Vice President
PETER PIZARRO

Secretary
MARY LOU ROTHE

Member
GREGORY N. JORDAN

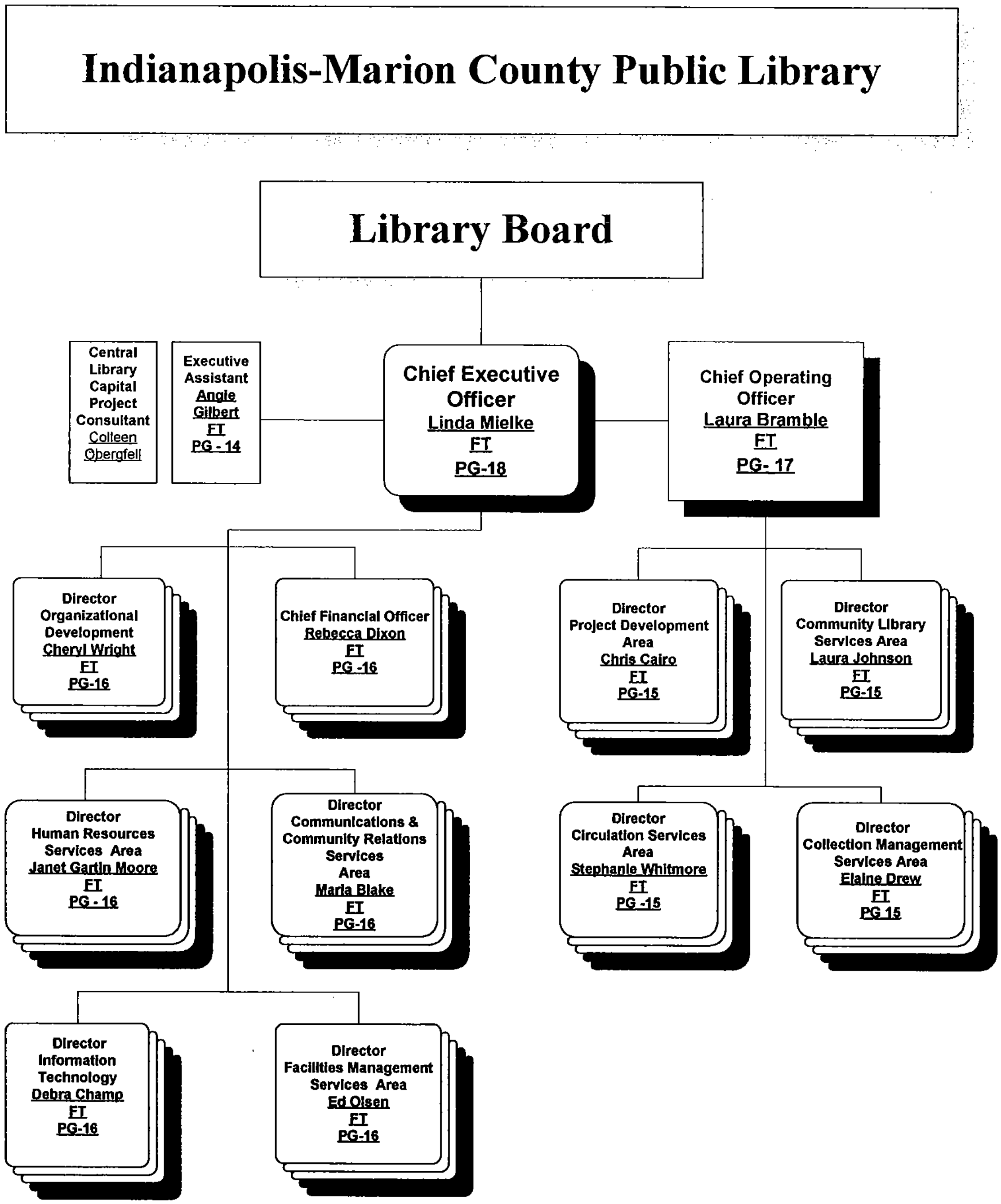
Member
JESSE B. LYNCH

Member
GARY J. MEYER

Member
SARAH M. TAYLOR

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
Indianapolis, Indiana
December 31, 2006

ORGANIZATIONAL CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Indianapolis-Marion County Public Library, Indiana

For its Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

"The America I loved still exists,
if not in the White House,
the Supreme Court, the Senate,
the House of Representatives,
or the media.
The America I loved still exists
at the front desks
of our public libraries."

--Kurt Vonnegut

FINANCIAL

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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY, MARION COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Indianapolis-Marion County Public Library (Library), as of and for the year ended December 31, 2006, which collectively comprise the Library's basic financial statements. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Indianapolis-Marion County Public Library Foundation, Inc., a component unit, which statements reflect total assets and revenues constituting 100% of the discrete totals. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Indianapolis-Marion County Public Library, Inc., is based solely on the report of other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Library as of December 31, 2006, and the respective changes in financial position and cash flows, where applicable, thereof and for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis, Schedule of Funding Progress, and Budgetary Comparison Schedules, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Library's basic financial statements. The introductory section, combining fund financial statements, other budgetary comparison schedules and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining fund financial statements and other budgetary comparison schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical table have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

May 31, 2007

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Management's Discussion and Analysis

As management of Indianapolis-Marion County Pubic Library, Indiana (the Library), we offer readers of the Library's financial statements this narrative overview and analysis of the financial activities of the Library for the fiscal year ended December 31, 2006. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5-8 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets of the Library exceeded its liabilities at the close of the most recent fiscal year by $63,644 (net assets).
- The Library's total net assets increased by $22,931 in comparison with the prior year.
- As of the close of the current fiscal year, the Library's governmental funds reported combined ending fund balances of $33,381, an increase of $4,812 in comparison with the prior year. Approximately 96% of this total amount, $32,031 is available for spending at the library's discretion (unreserved fund balance).
- At the end of the current fiscal year, the unreserved fund balance for the general fund was $10,230 or 33% of total general fund expenditures, excluding transfers out.
- The Library's total bond related debt increased by $20,044 during the current fiscal year. The increase relates to the sale of bonds in the amount of $25,000 for the Central Library expansion project.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Library's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Library's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Library is improving or deteriorating.

The statement of activities presents information showing how the library's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Library that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Library are culture and recreation.

The government-wide financial statements can be found on pages 24-26 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Library, like state and local governments, use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Library can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Library maintains 8 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, bond and interest redemption and construction fund, which are considered to be major funds. Data from 5 Library governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in the report. The Library adopts an annual appropriated budget for its general fund, capital projects fund, and the bond and interest redemption fund. Budgetary comparison schedules have been provided for the general fund in the required supplementary information and for the capital projects fund and bond and interest redemption fund subsequent to the combining nonmajor fund information, as other information, to demonstrate compliance with the budget.

The governmental fund financial statements can be found in pages 27-29 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those are not available to support the Library's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 30-31 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32-49 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Library's budget for its major General Fund as well as reconciliation between the budget schedules and fund financial statements. In addition, the Library's progress in funding its obligation to provide pension benefits to certain employees is included as supplementary information. Required supplementary information can be found on pages 50-52 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on budgets. Combining and individual fund statements and schedules can be found on pages 54-58 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of Library's financial position. In the case of the Library, assets exceeded liabilities by $63,644 at the close of the most recent fiscal year with the Library's net assets increasing by $22,931 during 2006. This shows that the Library has been able to make sound financial decisions over the past few years leaving them with a solid equity base to build upon.

The largest portion, $26,734 (42%), of the Library's net assets reflects the investment in capital assets (e.g., land, buildings, equipment and collections); less any related debt used to acquire those assets that is still outstanding. The Library uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Library's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table reflects the condensed statement of Library net assets at 2006 and 2005:

Indianapolis-Marion County Public Library, Indiana, Net Assets

Description	Governmental Activities 2006	Governmental Activities 2005 Restated
Current and Other Assets	$ 17,967	$ 14,789
Restricted Assets	30,412	28,481
Capital Assets	137,232	97,419
Total Assets	185,611	140,689
Long-term liabilities outstanding	104,708	84,306
Liabilities payable from restricted assets	9,205	8,989
Other liabilities	8,055	6,111
Total Liabilities	121,968	99,406
Net Assets		
Invested in capital assets, net of related debt	26,734	7,361
Restricted	23,565	23,321
Unrestricted	13,345	10,031
Total Net Assets	$ 63,644	$ 40,713

An additional portion of the Library's net assets, $23,565 (37%), is restricted for capital projects and debt service. These assets cannot be used for any other purpose. The remaining balance of unrestricted net assets may be used to meet the Library's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Library is able to report a positive balance in net assets. The same situation held true for the prior fiscal year.

Governmental Activities

Governmental activities increased the Library's net assets by $22,931 during 2006. Key elements of this increase are as follows:

- Property taxes and other governmental taxes increased by $188 (.5%) during the year. Most of this relates to an increase in the assessed value of property in Marion County.
- Capital grants and contributions in the amount of $15,200 compared to $9,002 in 2005 were provided by the Indianapolis-Marion County Public Library Foundation Inc., a not-for-profit organization that was incorporated in 1969 for the purpose of promoting the development, expansion, and improvements of library facilities and services in Marion County.
- Operating grants and contributions increased by $1,090 in 2006. The Indianapolis-Marion County Public Library Foundation, Inc. created an endowment fund several years ago to help support the operations of the library. Beginning in 2006, the first payment from the endowment became available.
- Investment income increased by $805 (104%) in 2006.

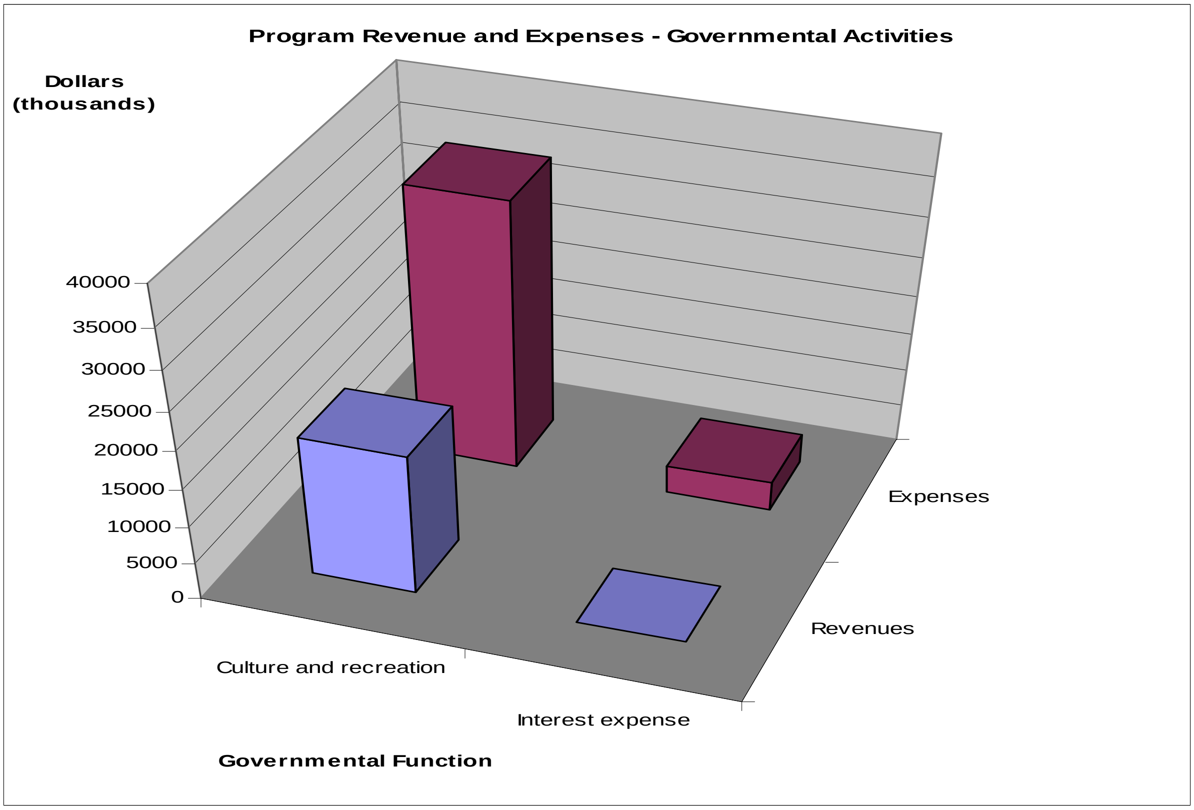
Expenditures on governmental activities decreased by $3,163 in 2006. In anticipation of the completion of the Expanded Central Library Project in 2007, the Library implemented many cost containment measures in 2006 in order to build a cash balance reserve. Faced with property tax limitations and the increased cost of staffing and maintaining the expanded Central Library, Management wanted to ensure that the necessary funds would be available when Central opened. Expenditures on long-term debt decreased by $1,059 in 2006 due to the retirement of the 2002 bond.

Indianapolis-Marion County Public Library - Changes in Net Assets

Description	Governmental Activities 2006	Governmental Activities 2005 Restated
Revenues:		
Program Revenues		
Charges for Services	$ 2,151	$ 2,353
Operating Grants and Contributions	1,114	24
Capital Grants and Contributions	15,200	9,002
General Revenues		
Property and other taxes	39,717	39,529
State aid	83	83
Grants and Contributions - not restricted	-	695
Other	3,622	1,520
Total Revenues	**61,887**	**53,206**
Expenses:		
Culture and Recreation	35,130	38,592
Interest Expense	3,826	3,527
Total Expenses	**38,956**	**42,119**
Increase (Decrease) in net assets	22,931	11,087
Net assets at January 1, 2006, restated	40,713	30,196
Prior period adjustment for unrecorded payable	-	(358)
Prior period adjustment for machinery & equipment	-	(232)
Prior period adjustment for improvements	-	20
Net assets at December 31, 2006	**$ 63,644**	**$ 40,713**

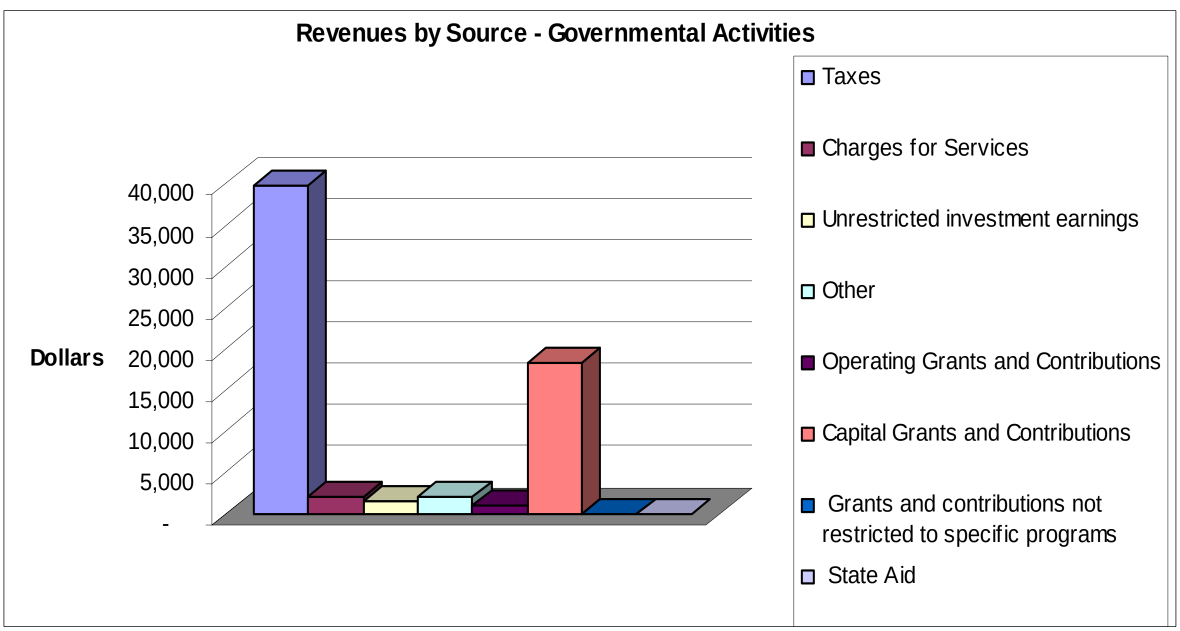
The Library's overall cash and cash equivalents plus investments position, $42,591 remained very strong in the current economic environment, which posed many challenges.

The following displays the Expenses and Program Revenues of the Library's governmental activities:



Taxes, as in prior years, were the Library's major source of revenue supporting its activities. Other sources of revenue consisted primarily of user fees and grants and contributions.

The following displays the Revenues by Source of the Library's governmental activities:



Financial Analysis of the Government's Funds

As noted earlier, the Library uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Library's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Library's financial requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Library's governmental funds reported combined ending fund balances of $33,381 an increase of $4,812 in comparison with the prior year. Approximately, 96% of this total amount $32,031 constitutes unreserved fund balance, which is available for spending at the library's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to encumbrances ($1,350).

The general fund is the chief operating fund of the Library. At the end of the current fiscal year, unreserved fund balance of the general fund was $10,230 while total fund balance reached $11,580. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total expenditures of $31,009, excluding transfers. Unreserved fund balance represents 33% of total general fund expenditures, while total fund balance represents 37% of that same amount.

The fund balance of the Library's general fund, excluding transfers, increased by $4,158 during the current fiscal year. Key factor in this increase is as follows:

- Property taxes and other governmental taxes increased by $1,044 in 2006 due to the increased assessed value of property.
- Fines revenue increased by $28 by contracting with a collection agency to pursue past due accounts.
- Interest income increased by $188 in 2006 due to changes in the interest rates.
- Grant revenue increased by $220 in 2006 for the support of general library operations.
- Expenditures decreased by $742 due to cost containment measures implemented during 2006.

The Library also has two other governmental funds which it considers major funds. These are the bond and interest redemption fund and the construction fund.

The negative fund balance of the Library bond and interest redemption fund increased by $221 during the current fiscal year. Primary reason for this is as follows:

- Property tax collections were at 97% for 2006. Under Indiana law, the amount of taxes allowed for a debt service fund can be no more than the bond and interest payments due during the budget year. The State assumes that 100% of the taxes allowed will be collected.

The fund balance of the Library construction fund increased $804 during the current fiscal year. The reason for this increase is as follows:

- This increase is due to the issuance of bonds during 2006 to complete the Expanded Central Library Project. Although the expenses for this project increased by $17,032 compared to 2005, these expenditures were offset with the issuance of $25,000 in bonds.

General Fund Budgetary Highlights

Differences between the original budget and the final budget resulted in an increase of $43. This increase along with other adjustments was distributed among the following budget classifications:

- $20 decrease in personal services due to eliminating positions through attrition.
- $20 increase in supplies for library cards due to a 13% increase in circulation for 2006.
- $43 increase in other services and charges for security, snow removal and other contractual agreements.

Actual expenditures were $6,436 (17%) less than the amended final budget for 2006. Over half of the difference was due to lower spending in personal services from hiring freezes and converting to hourly employees versus full-time positions through attrition and retirements. In addition, 20% less was spent on contractual services than anticipated due to reductions in cataloging and processing of collection materials.

During the year, revenues exceeded expenditures, excluding other financing sources, by $4,232, resulting in an increase in the fund balance for 2006.

Capital Asset and Debt Administration

Capital assets. The Library's investment in capital assets for its governmental activities as of December 31, 2006 amounts to $137,232 (net of accumulated depreciation). This investment in capital assets includes land, buildings, artwork, improvements, machinery and equipment, and collections.

The Library's main capital focus for 2006 was the renovation and expansion of the central library which is scheduled to open in 2007.

The following table displays the Library's capital assets:

Indianapolis-Marion County Public Library, Indiana, Capital Assets

	Governmental-type Activities 2006	Governmental-type Activities 2005, Restated
Land	$ 6,129	$ 6,129
Construction in Progress	96,841	58,108
Artwork	456	456
Buildings	25,520	25,511
Improvements	505	505
Collections	18,798	16,966
Machinery and Equipment	4,316	4,132
Total Assets	152,565	111,806
Depreciation	(15,333)	(14,599)
Net Assets	$ 137,232	$ 97,207

Additional information on the Library's capital assets can be found in Note IV C. on pages 42-43 of this report.

Long-term debt. At the end of the current fiscal year, the Library had total long-term debt related liabilities outstanding of $111,988. General obligation bonds represent $110,498 or the majority of total debt.

The remainder of the Library's debt of $1,490 is compensated absences.

The following table reflects the Library's long-term debt:

Indianapolis-Marion County Public Library, Indiana, Long-term debt

Description	Governmental-type Activities 2006	Governmental-type Activities 2005
General obligation debt	$ 110,498	$ 90,454
Compensated absences	1,490	1,539
Subtotal	111,988	91,993
less:		
Short term portion	(7,245)	(7,635)
Total long-term debt	$ 104,743	$ 84,358

The Library's total debt increased by $19,995 during the current fiscal year. The key factor for this increase was the addition of general obligation bonds in the amount of $25,000 for the final phase of the Central Library project, offset by current year debt payments and a decrease in compensated absences.

The Library maintains an "AAA" rating from Fitch IBCA and an "Aa2" rating from Moody's Investor Service for underlying general obligation debt. Both ratings indicate high quality and strong capacity to pay the Library's bonds.

State statutes limit the amount of general obligation debt that a government entity may issue to 2% of one-third of the total assessed valuation. The current debt limitation for the Indianapolis-Marion County Public Library is $260,508 which is significantly in excess of the Indianapolis-Marion County Public Library's outstanding general obligation debt.

Additional information of the Library's long-term debt can be found in Note IV H pages 45-46 in Notes to the Financial Statements of this report.

Economic Factors and Next Year's Budgets and Rates

- The tax rates proposed for 2007 for the Library, decreased from $0.0979 per $100 in assessed value in 2006 to $0.0974 per $100 in assessed value in 2007. This reduction is due to the change in the assessed value.
- Capital projects include the continuation of the central library project which consists of renovations, a parking garage and a new facility that will be attached via an atrium, replacement of aging facilities and additions to the Library's collections.

All of the above factors were considered in preparing the Library's budget for the 2007 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Library's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Indianapolis-Marion County Public Library, Administrative Services, at P.O. Box 211, Indianapolis, Indiana 46206-0211.

BASIC FINANCIAL STATEMENTS

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
STATEMENT OF NET ASSETS
December 31, 2006

Assets	Primary Government Governmental Activities	Component Unit
Cash and cash equivalents	$ 13,883,893	$ 451,173
Investments	600,000	5,382,285
Receivables (net of allowances for uncollectibles):		
Interest	42,012	234,785
Taxes	283,137	-
Accounts	11,787	-
Miscellaneous	710,678	-
Promises to give	-	130,077
Notes	-	22,400
Inventories	-	8,714
Prepaid expense	325,448	3,836
Beneficial interest in assets held by others	-	2,960,085
Restricted assets:		
Cash and cash equivalents	16,898,811	7,491,696
Investment in building held for resale	1,750,000	-
Investments	11,208,000	16,076,477
Receivables (net of allowances for uncollectibles):		
Accounts	346,569	-
Interest	208,468	-
Charitable grants	-	375,785
Promises to give	-	809,878
Deferred debits	910,854	-
Capital assets:		
Land, artwork, and construction in progress	103,426,105	-
Other capital assets, net of depreciation	33,806,016	3,083
Net pension asset	1,199,603	-
Total assets	185,611,381	33,950,274

The notes to the financial statements are an integral part of this statement.

Continued on next page

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
STATEMENT OF NET ASSETS
December 31, 2006
(Continued)

	Primary Government	
Liabilities	Governmental Activities	Component Unit
Current liabilities:		
Accounts payable	1,084,847	11,982
Accrued payroll and withholdings payable	398,707	-
Compensated absences	715,163	-
Contracts payable	5,842,634	-
Unearned revenue	13,217	-
Other current payables	-	65,102
Payable from restricted assets:		
General obligation bonds - due within one year	6,530,000	-
Interest payable	1,878,681	-
Retainage payable	796,439	-
Long term liabilities:		
General obligation bonds payable	103,967,629	-
Compensated absences	774,760	-
Deferral of gain (loss) on refunding	(34,584)	-
Total liabilities	121,967,493	77,084
Net Assets		
Invested in capital assets, net of related debt	26,734,494	-
Restricted for:		
Capital projects	22,948,415	-
Debt service	616,169	-
Foundation	-	26,573,469
Unrestricted	13,344,810	7,299,721
Total net assets	$ 63,643,888	$ 33,873,190

The notes to the financial statements are an integral part of this statement.

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2006

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Component Unit: Library Foundation
Primary government:						
Governmental activities:						
Culture and recreation	$ 35,129,887	$ 2,150,985	$ 1,114,063	$ 15,200,000	$ (16,664,839)	$ -
Interest on long-term debt	3,826,003	-	-	-	(3,826,003)	-
Total governmental activities	38,955,890	2,150,985	1,114,063	15,200,000	(20,490,842)	-
Total primary government	$ 38,955,890	$ 2,150,985	$ 1,114,063	$ 15,200,000	(20,490,842)	-
Component unit:						
Indianapolis-Marion County Public Library Foundation, Inc.	$ 17,100,696	$ 334,606	$ -	$ 1,288,878	-	(15,477,212)
General revenues:						
Property taxes					35,932,736	-
Intergovernmental taxes					3,784,569	-
State aid - not restricted					82,880	-
Grants and contributions - not restricted					-	1,672,374
Other general revenues					2,045,723	-
Unrestricted investment earnings					1,576,013	1,759,406
Total general revenues					43,421,921	3,431,780
Change in net assets					22,931,079	(12,045,432)
Net assets - beginning (as restated)					40,712,809	45,918,622
Net assets - ending					$ 63,643,888	$ 33,873,190

The notes to the financial statements are an integral part of this statement.

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2006

Assets	General	Bond and Interest Redemption	Construction	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 12,473,599	$ -	$ -	$ 1,410,294	$ 13,883,893
Investments	-	-	-	600,000	600,000
Receivables (net of allowances for uncollectibles):					
Interest	29,849	-	-	12,163	42,012
Taxes	221,828	53,794	-	7,515	283,137
Accounts	-	-	-	11,787	11,787
Miscellaneous	314,908	-	-	-	314,908
Interfund receivable:					
Interfund loans	181,669	-	-	-	181,669
Restricted assets:					
Cash and cash equivalents	-	3,631,178	13,267,633	-	16,898,811
Investment in building held for resale	-	-	1,750,000	-	1,750,000
Investments	-	-	11,208,000	-	11,208,000
Receivables (net of allowances for uncollectibles):					
Accounts	-	-	346,569	-	346,569
Interest	-	-	208,468	-	208,468
Total assets	$ 13,221,853	$ 3,684,972	$ 26,780,670	$ 2,041,759	$ 45,729,254
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	$ 1,021,582	$ 1,560	$ -	$ 61,705	$ 1,084,847
Accrued payroll and withholdings payable	398,707	-	-	-	398,707
Contracts payable	-	-	5,577,458	-	5,577,458
Interest payable	-	1,878,681	-	-	1,878,681
Retainage payable	-	-	796,439	-	796,439
Interfund payable:					
Interfund loans	-	-	-	181,669	181,669
General obligation bonds payable	-	2,134,000	-	-	2,134,000
Deferred revenue - unearned	221,828	53,794	-	20,732	296,354
Total liabilities	1,642,117	4,068,035	6,373,897	264,106	12,348,155
Fund balances:					
Reserved for:					
Encumbrances	1,349,969	-	-	-	1,349,969
Unreserved, reported in:					
General fund	10,229,767	-	-	-	10,229,767
Special revenue funds	-	-	-	1,112,348	1,112,348
Debt service	-	(383,063)	-	-	(383,063)
Capital projects funds	-	-	20,406,773	665,305	21,072,078
Total fund balances	11,579,736	(383,063)	20,406,773	1,777,653	33,381,099
Total liabilities and fund balances	$ 13,221,853	$ 3,684,972	$ 26,780,670	$ 2,041,759	

Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	137,232,121
The pension assets resulting from contributions in excess of the annual required contribution are not financial resources and, therefore, are not reported in the funds (see Note IV.D.).	1,199,603
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	1,915,209
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(110,084,144)
Net assets of governmental activities	$ 63,643,888

The notes to the financial statements are an integral part of this statement.

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2006

	General	Bond and Interest Redemption	Construction	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 29,005,697	$ 7,034,862	$ -	$ 983,368	$ 37,023,927
Intergovernmental	3,004,402	699,410	11,848	151,789	3,867,449
Charges for services	170,281	-	-	212,184	382,465
Fines and forfeits	1,683,962	-	-	-	1,683,962
Other	1,301,994	30,076	17,595,326	952,597	19,879,993
Total revenues	35,166,336	7,764,348	17,607,174	2,299,938	62,837,796
Expenditures:					
Current:					
Culture and recreation	24,708,642	-	-	1,443,467	26,152,109
Debt service:					
Principal	-	4,159,000	-	-	4,159,000
Interest and fiscal charges	-	3,826,003	-	-	3,826,003
Capital outlay	6,300,137	-	41,665,267	785,393	48,750,797
Total expenditures	31,008,779	7,985,003	41,665,267	2,228,860	82,887,909
Excess (deficiency) of revenues over (under) expenditures	4,157,557	(220,655)	(24,058,093)	71,078	(20,050,113)
Other financing sources (uses):					
General obligation bond issuance	-	-	25,000,000	-	25,000,000
Discount on general obligation bonds	-	-	(138,248)	-	(138,248)
Total other financing sources and uses	-	-	24,861,752	-	24,861,752
Net change in fund balances	4,157,557	(220,655)	803,659	71,078	4,811,639
Fund balances - beginning (as restated)	7,422,179	(162,408)	19,603,114	1,706,575	28,569,460
Fund balances - ending	$ 11,579,736	$ (383,063)	$ 20,406,773	$ 1,777,653	$ 33,381,099

The notes to the financial statements are an integral part of this statement.

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2006

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds (Statement of Revenues, Expenditures and Changes in Fund Balances)	$ 4,811,639
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	40,024,723
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(946,995)
The issuance of long-term debt (e.g., bonds, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(20,664,238)
Negative net pension obligations, including the Public Employees' Retirement Plan, are considered a net pension asset of the general government and, therefore, are not reported as current expenditures in the funds.	(215,320)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(78,730)
Change in net assets of governmental activities (statement of activities)	**$ 22,931,079**

The notes to the financial statements are an integral part of this statement.

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
December 31, 2006

	Private-Purpose Trust Fund	Agency Funds
Assets		
Cash and cash equivalents	$ 118,668	$ 205,840
Receivables (net of allowance for uncollectibles):		
Accounts receivable	-	695
Total assets	118,668	$ 206,535
Liabilities		
Payroll withholdings payable	-	$ 204,175
Accounts payable	4,370	2,360
Total liabilities	4,370	$ 206,535
Net Assets		
Held in trust for the Indianapolis-Marion County Public Library Foundation, Inc.	**$ 114,298**	

The notes to the financial statements are an integral part of this statement.

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For The Year Ended December 31, 2006

	Private-Purpose Trust Fund
Additions	
Contributions:	
Private donations	$ 342,397
Investment income:	
Interest	689
Total additions	343,086
Deductions	
Educational outreach	309,822
Change in net assets	33,264
Net assets - beginning	81,034
Net assets - ending	$ 114,298

The notes to the financial statements are an integral part of this statement.

I. Summary of Significant Accounting Policies

A. Reporting Entity

The Indianapolis-Marion County Public Library (primary government) was established under the laws of the State of Indiana. The primary government operates under a Library Board and provides culture and recreation services.

The accompanying financial statements present the activities of the primary government and its significant component unit. The component unit discussed below is included in the primary government government's reporting entity because of the significance of its operational or financial relationship with the primary government. Discretely presented component units are involved in activities of an operational nature independent from the government; their transactions are reported in a separate column in the government-wide financial statements.

Discretely Presented Component Units

The Indianapolis-Marion County Public Library Foundation, Inc. (Foundation) is a significant discretely presented component unit of the primary government. It would be misleading to exclude the Foundation from the primary government's financial statements because of its relationship with the primary government.

The financial statements of the component unit may be obtained from its administrative office as follows:

Indianapolis-Marion County Public Library Foundation, Inc.
2450 North Meridian Street
Indianapolis, IN 46208

B. Government-Wide and Fund Financial Statements

Government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Changes in Fiduciary Net Assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which direct expenses of a given function or segments are offset by program revenues. Direct expenses are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the fiduciary fund financial statements. Agency funds, however, report only assets and liabilities. Since they do not report equity (or changes in equity), they have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the primary government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the primary government receives cash.

The primary government reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The bond and interest redemption fund accounts for all money derived from the taxes levied for the purpose of retiring bonds.

The construction fund accounts for all the money received from the sale of bonds for the purpose of construction, reconstruction or alteration of library buildings.

Additionally, the primary government reports the following fund types:

Agency funds account for the collection and payment of assets held by the primary government for other entities.

The private-purpose trust fund is used to account for the resources legally held in trust for use by a not-for-profit organization devoted to fundraising for the support of educational programs for the public. All resources of the fund, including any earnings on invested resources, may be used to support the organization's activities. There is no requirement that any portion of these resources be preserved as capital.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the primary government's policy to use restricted resources first, then unrestricted resources as they are needed.

The discretely presented component unit has adopted Statement of Financial Accounting Standards No. 117, "Financial Statements for Not-For-Profit Organizations." Under this provision, net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

The primary government's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statute (IC 5-13-9) authorizes the primary government to invest in securities, including but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Nonparticipating certificates of deposit, demand deposits and similar nonparticipating negotiable instruments that are not reported as cash and cash equivalents are reported as investments at cost.

Debt securities are reported at fair value. Debt securities are defined as securities backed by the full faith and credit of the United States Treasury or fully insured or guaranteed by the United States or any United States government agency.

Investment income, including changes in the fair value of investments, is reported as revenue in the operating statement.

Investments of the discretely presented component unit, including U.S. government securities and corporate stock, are carried at fair value, and realized and unrealized gains and losses are reflected in the statement of activity in accordance with FASB 117.

2. Interfund Transactions and Balances

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "interfund receivables/payables" (i.e., the current and noncurrent portion of interfund loans).

3. Component Unit – Pledges Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using a discount rate commensurate with the risks involved. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the primary government in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments that become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the primary government prior to December 31 of the year collected. Delinquent property taxes outstanding at year end for governmental funds, net of allowances for uncollectible accounts, are recorded as a receivable with an offset to unearned revenue since the amounts are not considered available.

5. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide statements.

6. Beneficial Interest in Assets Held by Others – Component Unit

The Foundation has established four designated endowment funds with Central Indiana Community Foundation, Inc. (CICF). As part of the fund agreements, variance power was transferred to CICF. The purpose of such funds is to provide support to Indianapolis-Marion County Public Library Foundation, Inc. In connection with the agreements establishing the designated funds, CICF has agreed to match funds in the amount of $1 for every $2 raised by the Foundation in irrevocable gifts specified for the designated fund.

Annual earnings are allocated to the fund and a portion of the fund balance is available for distribution during the succeeding year in accordance with the spending policy adopted by the CICF Board of Directors. At the time of execution of the agreements, the spending policy provided for 5% of the December 31 fund balance as the portion available for distribution. At December 31, 2006, the fair values of the designated funds were $933,885 for the Operating Endowment Fund, $1,142,102 for the Humanities Fund, $527,632 for the Lifelong Learning Fund, and $356,466 for the Childhood Literacy Endowment Fund.

7. Restricted Assets

Certain proceeds of the general obligation bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets balance sheet because their use is limited by applicable bond covenants.

8. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the governmental activities column in the government-wide financial statements.

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	$ 5,000	Straight-line	50 years
Improvements other than buildings	5,000	Straight-line	15 years
Machinery and equipment	2,000	Straight-line	5 to 20 years
Computers	2,000	Straight-line	3 years
Collections	All	Composite	4 years
Land	All	N/A	N/A
Artwork	All	N/A	N/A

N/A = Not applicable

For depreciated assets, the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

For the discretely presented component unit, expenditures for property and equipment and items which substantially increase the useful lives of existing assets are capitalized at cost. Depreciation of furnishings and equipment is provided over the estimated useful lives of the respective assets using the straight-line method. Depreciation expense for the year ended December 31, 2006, was $1,044.

9. Compensated Absences

a. Annual Leave – primary government employees earn leave at the rate of 15 to 30 days per year, based on the length of service, degree qualifications, level of responsibility, and number of hours worked per year. Annual leave may be accumulated up to 480 hours. Unused leave is paid upon separation from service.

b. Sick Leave – primary government employees earn 10 days of sick leave per year. Unused sick leave may be accumulated up to 10 days. Employees who retire are paid accumulated sick leave at a rate of 1 hour for every 2 hours accumulated in excess of 160 hours.

Annual and sick leave is accrued when incurred. The general fund is typically used to liquidate the liability for compensated absences.

10. Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as debt service expenditures.

11. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

12. Other Revenue

Other revenues in the Statement of Revenues, Expenditures and Changes in Fund Balances are as follows:

	Governmental Funds			
	General	Bond and Interest Redemption	Construction	Other Governmental Funds
Interest and dividends	$ 356,552	$ 30,076	$ 1,114,424	$ 74,961
Donations and grants	220,278	-	15,200,000	876,690
Noncurrent period:				
Refunds/reimbursements	675,181	-	1,280,902	946
Other	49,983	-	-	-
Totals	$ 1,301,994	$ 30,076	$ 17,595,326	$ 952,597

13. Reclassify Prior Year Data

Certain amounts presented in the prior year have been reclassified in order to be consistent with the current years' presentation.

II. Reconciliation of Government-Wide and Fund Financial Statements

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets:

Other long-term assets:	
Prepaids	$ 325,448
Other receivables	395,770
Deferred debits	910,854
Deferred revenue	283,137
Total	$ 1,915,209

Long-term liabilities:	
Current bonds payable	$ (4,396,000)
Long-term bonds payable	(103,925,000)
Deferred premium	(42,629)
Current compensated absences	(715,163)
Long-term compensated absences	(774,760)
Contracts payable	(265,176)
Loss on deferral of refunding	34,584
Total	$ (110,084,144)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities:

Revenues not current financial resources:	
Deferred revenues	$ (1,091,190)
Gain on deferred debit	59,637
Other	84,558
Total	$ (946,995)

Issuance of long-term debt:	
Bond issuance	$ (25,000,000)
Bonds payable	4,159,000
Amortization of discount	55,806
Discount on new issuance	138,248
Amortization - advance refunding	(17,292)
Total	$ (20,664,238)

Other expenses:		
Contracts payable	$	(265,176)
Compensated absences increase		49,378
Prepaid expenses		137,068
Total	$	(78,730)

III. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted for the General Fund, the Capital Project Fund, and the Bond and Interest Redemption Fund on the cash basis which is not consistent with accounting principles generally accepted in the United States. The Construction Fund has a legally adopted project-length budget. The Library Improvement Reserve Fund (Capital Project Fund) is required to have a legally adopted budget; however, no budget was established for fiscal year 2006. All annual appropriations lapse at fiscal year end.

On or before August 31, the Treasurer submits to the Library Board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the Library Board to obtain taxpayer comments. In September of each year, the Library Board through the passage of an ordinance approves the budget for the next year. Copies of the budget ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the Treasurer receives approval of the Indiana Department of Local Government Finance.

The primary government's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the Library Board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object within the fund for all budgeted funds.

IV. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits and Investments – Primary Government

Authorization for investment activity is stated in Indiana Code 5-13. As of December 31, 2006, the Library had a deposit balance held by JP Morgan Chase in the amount of $16,680,275. This balance was used to purchase overnight repurchase agreements collateralized with securities held by the pledging financial institution. Remaining bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which cover all public funds held in approved depositories.

Investment Policies

Indiana Code 5-13-9 authorizes the Library to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the unit to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the Library and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

The Library may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the unit's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The Library does not have a formal investment policy for custodial credit risk for investments. At December 31, 2006, all Library investments and all collateral securities pledged against Library deposits are held by the counterparty's trust department or agent in the Library's name.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Library must follow state statute and limit the stated final maturities of the investments to no more than two years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit ratings of securities purchased as overnight repurchased agreements are unknown.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Library does not have a policy in regards to concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from this policy requirement.

Foreign Currency Risk

The Library does not have a formal policy in regards to foreign currency risk.

2. Deposits and Investments – Component Unit

The Foundation is a private nonprofit organization that reports under FASB standards, including FASB Statement No. 117, Financial Reporting for Non-Profit Organizations. As such, certain reporting criteria and presentation features are different from GASB reporting criteria and presentation features. No modifications have been made to the Foundation's financials in the Library's financial reporting entity for these differences.

The Foundation's investments and certain cash and cash equivalents are held primarily by national banking and financial services companies and managed by investment advisors in accordance with the terms of investment and advisory agreements.

Deposits and investments, at fair value, consist of the following at December 31:

Cash and cash equivalents	$ 305,261
Certificates of deposit	14,505,780
Equity securities	4,827,970
Corporate bonds	1,819,751
Total	$ 21,458,762

Investment returns consist of the following at December 31:

Dividends and interest	$ 1,652,127
Realized gains on investments	279,200
Unrealized gains on investments	48,542
Total	1,979,869
Investment fees	(32,677)
Total	$ 1,947,192

Concentration of Credit Risk

The Foundation has significant investments in equity and debt securities and is therefore subject to concentration of credit risk. Investments are managed by investment advisors. Though the market value of investments is subject to the fluctuations on a year to year basis, the directors believe that the investment policy is prudent for the long-term welfare of the Foundation.

B. Receivables – Component Unit

The following receivable accounts have timing and credit characteristics different from typical accounts receivable.

Pledges receivable at December 31, 2006, are as follows:

Past due	$ 268,532
Receivable in one year or less	569,315
Receivable in one to five years	152,108
Less: Allowance for doubtful pledges	(50,000)
Total	$ 939,955

Of the pledges receivable classified as "past due" at December 31, approximately $181,500 was paid as of February 28, 2007. In 2004, the Foundation received a conditional promise to give from the National Endowment for the Humanities. This conditional promise provided matching funds of up to $300,000 on certain types of funds raised for establishing an endowment for the humanities. To receive the full amount of the challenge grant award, specified amounts of new nonfederal contributions had to be raised according to the timelines and terms of the grant. The matching funds are available in years 2005-2008, upon the Foundation certifying receipt of gifts in accordance with the schedule set out by the donor. Through December 31, 2006, the Foundation has received matching funds from the grantor aggregating to $214,900, which have been recorded as permanently restricted contribution revenue in the statement of activities.

C. Capital Assets

Capital asset activity for the year ended December 31, 2006, was as follows:

Primary Government	Beginning Balance (Restated)	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 6,128,886	$ -	$ -	$ 6,128,886
Construction in progress	58,108,437	38,732,982	-	96,841,419
Artwork	455,800	-	-	455,800
Total capital assets, not being depreciated	64,693,123	38,732,982	-	103,426,105
Capital assets, being depreciated:				
Buildings	25,510,717	9,025	-	25,519,742
Improvements other than buildings	504,965	-	-	504,965
Machinery and equipment	4,131,548	502,546	317,744	4,316,350
Collections	16,966,135	6,539,277	4,707,256	18,798,156
Totals	47,113,365	7,050,848	5,025,000	49,139,213

Primary Government	Beginning Balance (Restated)	Increases	Decreases	Ending Balance
Governmental activities (continued):				
Less accumulated depreciation for:				
Buildings	7,390,143	478,612	-	7,868,755
Improvements	359,013	19,101	-	378,114
Machinery and equipment	2,445,838	561,853	317,744	2,689,947
Collections	4,404,097	4,699,540	4,707,256	4,396,382
Totals	14,599,091	5,759,107	5,025,000	15,333,197
Total capital assets, being depreciated, net	32,514,274	1,291,742	-	33,806,016
Total governmental activities capital assets, net	$ 97,207,397	$ 40,024,724	$ -	$ 137,232,121
Discretely Presented Component Unit				
Capital assets, being depreciated:				
Office equipment and furnishings	$ 11,356	$ -	$ -	$ 11,356
Software	12,411	-	-	12,411
Totals	23,767	-	-	23,767
Less accumulated depreciation	19,640	1,044	-	18,596
Total discretely presented component unit capital assets, net	$ 4,127	$ (1,044)	$ -	$ 3,083

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
Culture and recreation	$ 5,759,106

D. Construction Commitments

Construction work in progress is composed of the following:

Project	Total Project Authorized	Expended to December 31, 2006	Committed	Required Future Funding
Branch construction and renovations	$ 139,700,184	$ 96,841,419	$ 42,858,765	$ -

E. Interfund Balances and Activity

Due To	Due From Nonmajor Governmental
General Fund	$ 181,669

Interfund balances resulted from the time lag between the dates that (1) interfund loans are repaid, (2) interfund goods and services are provided or reimbursable expenditures occur, (3) transactions are recorded in the accounting system and (4) payments between funds are made.

F. Operating Leases

The primary government has entered into various operating leases having initial or remaining non-cancelable terms exceeding one year for a parking lot, buildings, copiers, postage meters, and security radios. Rental expenditures for these leases were $599,116. The following is a schedule by years of future minimum rental payments as of December 31, 2006:

2007	$ 588,215
2008	549,233
2009	488,583
2010	204,087
2011	111,603
2012-2016	50,000
2017-2021	50,000
2022-2026	50,000
2027-2029	30,000
Total	$ 2,121,721

G. Short-Term Liabilities

<u>Tax Anticipation Notes</u>

The primary government issues tax anticipation notes in advance of property tax collections, depositing the proceeds in its general fund. These notes are necessary to help alleviate cash flow problems.

Short-term debt activity for the year ended December 31, 2006, was as follows:

	Beginning Balance	Issued/ Draws	Redeemed Repayments	Ending Balance
Tax anticipation notes	$ -	$ 5,416,870	$ 5,416,870	$ -

H. Long-Term Liabilities

1. General Obligation Bonds

The primary government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations and pledge the full faith and credit of the primary government. General obligation bonds currently outstanding at year end are as follows:

Purpose	Interest Rates	Amount
1998 Library branch improvements	4.5% to 4.9%	$ 3,640,000
2001 Library branch improvements	3.8% to 5.1%	16,360,000
2002 Library branch improvements - refunding	2.8% to 5.0%	14,645,000
2002A Central Library project	3.5% to 5.0%	29,940,000
2003 Central Library project	4.2% to 4.8%	8,000,000
2003A Library branch improvements - refunding	4.5% to 5.5%	1,330,000
2005 Central Library project	3.25% to 4.0%	11,540,000
2006 Central Library project	4.25% to 4.5%	25,000,000
Total		$ 110,455,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ended	Governmental Activities		
December 31	Principal	Interest	Total
2007	$ 6,530,000	$ 6,986,078	$ 13,516,078
2008	4,570,000	4,563,967	9,133,967
2009	4,750,000	4,388,115	9,138,115
2010	4,935,000	4,203,596	9,138,596
2011	5,130,000	4,006,554	9,136,554
2012-2016	27,635,000	16,660,231	44,295,231
2017-2021	45,710,000	8,952,089	54,662,089
2021-2023	11,195,000	379,238	11,574,238
Totals	$ 110,455,000	$ 50,139,868	$ 160,594,868

2. Advance Refundings

In prior years, the primary government defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the primary government's financial statements. The following outstanding bonds, at December 31, 2006, were considered defeased:

	Amount
Primary government:	
2000 Branch improvements	$ 13,885,000

3. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2006, was as follows:

Primary Government	Beginning Balance	Additions	Reductions	Ending Balance	Within One Year
Governmental activities:					
Bonds payable:					
General obligation	$ 90,217,000	$ 25,000,000	$ 4,762,000	$ 110,455,000	$ 6,530,000
Add deferred amount for premiums	236,683	(138,248)	55,806	42,629	-
Total bonds payable	90,453,683	24,861,752	4,817,806	110,497,629	6,530,000
Compensated absences	1,539,300	1,175,431	1,224,808	1,489,923	715,163
Total governmental activities long-term liabilities	$ 91,992,983	$ 26,037,183	$ 6,042,614	$ 111,987,552	$ 7,245,163

Compensated absences for governmental activities typically have been liquidated from the general fund. Claims and judgments typically have been liquidated from the general fund.

I. Restatements and Reclassifications

For the fiscal year ended December 31, 2006, certain changes have been made to the financial statements to more appropriately reflect financial activity of the Indianapolis-Marion County Public Library. These prior period adjustments and restatements are reflected in the beginning net assets in the government-wide statement of activities.

Prior Period Adjustments

For the government-wide statements, there is a decrease of $211,962 in net assets for capital assets. This was the result of an adjustment made in the balances of machinery and equipment and improvements. A prior period adjustment was made as of January 1, 2006, to correct for an unrecorded payable. Accordingly an adjustment totaling $358,158 was made to decrease unrestricted net assets.

Fund Type	Balance as Reported December 31, 2005	Prior Period Adjustment	Balance as Restated January 1, 2006
Governmental-Wide Statements			
Capital assets, not being depreciated	$ 64,693,123	$ -	$ 64,693,123
Capital assets, being depreciated, net	32,726,236	(211,962)	32,514,274
Total capital assets, net	$ 97,419,359	$ (211,962)	$ 97,207,397

Fund Type	Balance as Reported December 31, 2005	Prior Period Adjustment	Balance as Restated January 1, 2006
Net Assets			
Investment in capital assets, net of related debt	$ 7,573,190	$ (211,962)	$ 7,361,228
Restricted for:			
Capital projects	22,324,338	-	22,324,338
Debt service	996,090	-	996,090
Unrestricted	10,389,311	(358,158)	10,031,153
Total net assets	$ 41,282,929	$ (570,120)	$ 40,712,809
Fund Financial Statements			
General - fund balance	$ 7,780,337	$ (358,158)	$ 7,422,179

V. Other Information

A. Risk Management

The primary government is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

B. Subsequent Events

On April 11, 2007, the Library issued $20,000,000 of General Obligation Bonds to finance the completion of the Central Library expansion project. The interest rate on the bonds is 4% and the maturity date is January 1, 2018.

C. Pending Litigation

In 2002, the Library began a $102 million Central Library expansion project. In March 2004, construction on the project was halted because of cracks in the foundation. Subsequent lawsuits have been filed by and against the Library. The outcome of this litigation cannot be determined.

D. Postemployment Benefits

In addition to the pension benefits described below, the primary government provides postemployment health and dental insurance benefits, as authorized by Indiana Code 5-10-8, to all employees who retire from the primary government on or after attaining age 50 with at least 10 years of service to the Library and who have been a member of the Public Employees' Retirement Fund for 15 years.

Currently, 54 retirees meet these eligibility requirements. For retirees who maintained full-time status during employment, the primary government and retirees provide 90% and 10%, respectively, for single coverage of these postemployment benefits. For retirees who maintained part-time employment status, the primary government and retirees each provide varying amounts depending on the extent of part-time employment. Expenditures for those postemployment benefits are recognized on a pay-as-you-go basis. During the year ended December 31, 2006, expenditures of $330,689 were recognized for postemployment benefits.

E. Pension Plan

Public Employees' Retirement Fund

Plan Description

The primary government contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the primary government authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The primary government's annual pension cost and related information, as provided by the actuary, is presented in this note. The NPO is considered an obligation of the Library as a whole and is reflected in the Statement of Net Assets.

Actuarial Information for the Above Plan

	PERF
Annual required contribution	$ 1,150,052
Interest on net pension obligation	(102,582)
Adjustment to annual required contribution	116,900
Annual pension cost	1,164,370
Contributions made	949,050
Increase in net pension obligation	215,320
Net pension obligation, beginning of year	(1,414,923)
Net pension obligation, end of year	$ (1,199,603)

Contribution rates:	
Library	6.75%
Plan members	3%
Actuarial valuation date	07-01-06
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll, closed
Amortization period	40 years
Amortization period (from date)	07-01-97
Asset valuation method	75% of expected actuarial value plus 25% of market value

Actuarial Assumptions

Investment rate of return	7.25%
Projected future salary increases:	
Total	5%
Attributed to inflation	4%
Attributed to merit/seniority	1%
Cost-of-living adjustments	2%

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-04	$ 797,761	143%	$ (1,328,748)
	06-30-05	1,003,035	137%	(1,414,923)
	06-30-06	1,164,370	95%	(1,199,603)

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-04	$ 19,369,432	$ 22,522,575	$ (3,153,143)	86%	$ 16,397,965	(19%)
07-01-05	20,229,895	25,285,691	(5,055,796)	80%	15,942,960	(32%)
07-01-06	17,871,729	22,607,160	(4,735,431)	79%	14,593,128	(32%)

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For The Year Ended December 31, 2006

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 29,971,460	$ 29,971,460	$ 28,878,509	$ (1,092,951)
Intergovernmental	2,743,472	2,743,472	3,004,402	260,930
Charges for services	92,484	92,484	207,617	115,133
Fines and forfeits	1,500,000	1,500,000	1,751,471	251,471
Other	465,211	465,211	1,245,067	779,856
Total revenues	34,772,627	34,772,627	35,087,066	314,439
Expenditures:				
Current:				
Culture and recreation:				
Personal services	23,618,802	23,598,752	19,785,053	3,813,699
Supplies	529,603	549,649	530,250	19,399
Other services and charges	5,467,699	5,510,983	4,402,214	1,108,769
Capital outlay	7,631,264	7,631,264	6,137,545	1,493,719
Total culture and recreation	37,247,368	37,290,648	30,855,062	6,435,586
Total expenditures	37,247,368	37,290,648	30,855,062	6,435,586
Net change in fund balances	(2,474,741)	(2,518,021)	4,232,004	6,750,025
Fund balances - beginning	8,241,595	8,241,595	8,241,595	-
Fund balances - ending	$ 5,766,854	$ 5,723,574	$ 12,473,599	$ 6,750,025

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET/GAAP RECONCILIATION
GENERAL FUND
For The Year Ended December 31, 2006

The major differences between Budgetary (Non-GAAP) basis and GAAP basis are:

a. Revenues are recorded when received in cash (budgetary) as opposed to susceptible to accrual (GAAP).

b. Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP).

Adjustments necessary to convert the results of operations at the end of the year on a budgetary basis to a GAAP basis are as follows:

	General
Excess of revenues over expenditures (budgetary basis)	$ 4,232,004
Adjustments:	
To adjust revenues for accruals	79,178
To adjust expenditures for accruals	(153,625)
Excess of revenues over expenditures (GAAP basis)	$ 4,157,557

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Co-op Projects Fund - This fund is used to account for money received from participating Indianapolis high schools for computerizing, cataloging and processing library materials.

E-Rate Fund – This fund is used to account for money received from a universal service fee charged to companies that provide interstate and/or international telecommunications services and is administered under the direction of the Federal Communications Commission (FCC). The funds collected are distributed to libraries to support telecommunication services, internet access, internal connections, and basic maintenance of internal connections.

Grant Fund – This fund is used to account for money received from grants.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Library Improvement Reserve Fund – This fund is used to accumulate money for the purpose of anticipating necessary future capital expenditures such as the purchase of land, the purchase and construction of buildings or structures, the construction of additions or improvements to existing structures, the purchase of equipment, and all repairs or replacements of buildings or equipment.

Capital Project Fund – This fund is tax supported and can be used for the construction, repair, remodeling or replacement of library facilities, site acquisition or development, and the repair, lease, or purchase of equipment to be used by the library district. Also, this fund can be used to pay for the purchase, lease, upgrading, maintenance, or repair of computer hardware or software.

AGENCY FUNDS

Agency funds are used to account for resources held by the reporting government in a purely custodial capacity.

Payroll Deductions Fund – This fund was established to account for the transactions and accumulations of certain payroll withholdings. These withholdings accumulate in this fund until the due date of the obligation for which the monies were withheld from employees' gross pay. The monies so received are disbursed from this fund without appropriation and may be disbursed solely for the purpose for which these obligations create.

Foundation Fund – This fund was established to account for donations and/or sales of merchandise belonging to a private foundation. The funds are collected at each public library branch and then disbursed back to the foundation on a monthly basis.

Staff Association Fund – This fund was established to account for sales of "Bunny Book Bags" belonging to the staff association. The funds are collected at each public library branch and then disbursed back to the staff association on a monthly basis.

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2006

	Special Revenue			Capital Projects		
Assets	Co-op Projects Fund	E-Rate Fund	Grant Fund	Library Improvement Reserve Fund	Capital Project Fund	Total Nonmajor Governmental Funds
Cash and cash equivalents	$ 893,429	$ 53,442	$ 392,911	$ 12,193	$ 58,319	$ 1,410,294
Investments	-	-	-	600,000	-	600,000
Receivables (net of allowances for uncollectibles):						
Interest	2,301	-	-	9,862	-	12,163
Taxes	-	-	-	-	7,515	7,515
Accounts	11,787	-	-	-	-	11,787
Total assets	$ 907,517	$ 53,442	$ 392,911	$ 622,055	$ 65,834	$ 2,041,759
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	$ 11,844	$ 5,007	$ 29,785	$ -	$ 15,069	$ 61,705
Interfund payable:						
Interfund loans	181,669	-	-	-	-	181,669
Deferred revenue	13,217	-	-	-	7,515	20,732
Total liabilities	206,730	5,007	29,785	-	22,584	264,106
Fund balances:						
Unreserved, reported in:						
Special revenue funds	700,787	48,435	363,126	-	-	1,112,348
Capital projects funds	-	-	-	622,055	43,250	665,305
Total fund balances	700,787	48,435	363,126	622,055	43,250	1,777,653
Total liabilities and fund balances	$ 907,517	$ 53,442	$ 392,911	$ 622,055	$ 65,834	$ 2,041,759

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended December 31, 2006

	Special Revenue			Capital Projects		
	Co-op Projects Fund	E-Rate Fund	Grant Fund	Library Improvement Reserve Fund	Capital Project Fund	Total Nonmajor Governmental Funds
Revenues:						
Property taxes	$ -	$ -	$ -	$ -	$ 983,368	$ 983,368
Intergovernmental	964	36,910	16,149	-	97,766	151,789
Charges for services	212,184	-	-	-	-	212,184
Other	42,024	-	877,636	30,317	2,620	952,597
Total revenues	255,172	36,910	893,785	30,317	1,083,754	2,299,938
Expenditures:						
Current:						
Culture and recreation	183,827	54,595	164,541	-	1,040,504	1,443,467
Capital outlay	100,778	-	684,615	-	-	785,393
Total expenditures	284,605	54,595	849,156	-	1,040,504	2,228,860
Net change in fund balances	(29,433)	(17,685)	44,629	30,317	43,250	71,078
Fund balances - beginning	730,220	66,120	318,497	591,738	-	1,706,575
Fund balances - ending	$ 700,787	$ 48,435	$ 363,126	$ 622,055	$ 43,250	$ 1,777,653

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
BUDGETARY COMPARISON SCHEDULE
BOND AND INTEREST REDEMPTION FUND
For The Year Ended December 31, 2006

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 7,268,177	$ 7,268,177	$ 6,996,621	$ (271,556)
Intergovernmental	664,316	664,316	699,409	35,093
Other	8,430	8,430	30,077	21,647
Total revenues	7,940,923	7,940,923	7,726,107	(214,816)
Expenditures:				
Debt service:				
Principal	4,762,000	4,762,000	4,762,000	-
Interest and fiscal charges	3,688,304	3,688,304	3,688,134	170
Total debt service	8,450,304	8,450,304	8,450,134	170
Total expenditures	8,450,304	8,450,304	8,450,134	170
Net change in fund balances	(509,381)	(509,381)	(724,027)	(214,646)
Fund balances - beginning	4,355,205	4,355,205	4,355,205	-
Fund balances - ending	$ 3,845,824	$ 3,845,824	$ 3,631,178	$ (214,646)

The major differences between Budgetary (Non-GAAP) basis and GAAP basis are:

a. Revenues are recorded when received in cash (budgetary) as opposed to susceptible to accrual (GAAP).

b. Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP).

Adjustments necessary to convert the results of operations at the end of the year on a budgetary basis to a GAAP basis are as follows:

Deficiency of revenues under expenditures (budgetary basis)	$ (724,027)
Adjustments:	
To adjust revenues for accruals	38,241
To adjust expenditures for accruals	465,131
Deficiency of revenues under expenditures (GAAP basis)	$ (220,655)

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
For The Year Ended December 31, 2006

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 1,015,982	$ 1,015,982	$ 989,904	$ (26,078)
Intergovernmental	92,999	92,999	91,230	(1,769)
Other	-	-	2,620	2,620
Total revenues	1,108,981	1,108,981	1,083,754	(25,227)
Expenditures:				
Culture and recreation				
Other services and charges	1,108,981	1,108,981	1,025,435	83,546
Total expenditures	1,108,981	1,108,981	1,025,435	83,546
Net change in fund balances	-	-	58,319	58,319
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ 58,319	$ 58,319

The major differences between Budgetary (Non-GAAP) basis and GAAP basis are:

a. Revenues are recorded when received in cash (budgetary) as opposed to susceptible to accrual (GAAP).

b. Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP).

Adjustments necessary to convert the results of operations at the end of the year on a budgetary basis to a GAAP basis are as follows:

Excess of revenues over expenditures (budgetary basis)	$ 58,319
Adjustments:	
To adjust expenditures for accruals	(15,069)
Excess of revenues over expenditures (GAAP basis)	$ 43,250

INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For The Year Ended December 31, 2006

	Payroll Deductions	Foundation Fund	Staff Association	Total Agency Fund
Assets:				
Cash and cash equivalents, January 1	$ 195,259	$ 4,928	$ -	$ 200,187
Additions	4,709,152	34,024	3,615	4,746,791
Deductions	(4,700,931)	(36,808)	(3,399)	(4,741,138)
Cash and cash equivalents, December 31	203,480	2,144	216	205,840
Accounts receivable, January 1	934	-	-	934
Additions	695	-	-	695
Deductions	(934)	-	-	(934)
Accounts receivable, December 31	695	-	-	695
Total assets, December 31	$ 204,175	$ 2,144	$ 216	$ 206,535
Liabilities:				
Payroll withholdings payable, January 1	$ 196,193	$ -	$ -	$ 196,193
Additions	4,708,913	-	-	4,708,913
Deductions	(4,700,931)	-	-	(4,700,931)
Payroll withholdings payable, December 31	204,175	-	-	204,175
Accounts payable, January 1	-	4,928	-	4,928
Additions	-	34,024	3,615	37,639
Deductions	-	(36,808)	(3,399)	(40,207)
Accounts payable, December 31	-	2,144	216	2,360
Total liabilities, December 31	$ 204,175	$ 2,144	$ 216	$ 206,535

STATISTICAL

Table 1

Indianapolis-Marion County Public Library
Government-Wide Net Assets by Component
Last Four Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2003	**2004***	**2005***	**2006**
Governmental Activities				
Invested in capital assets, net of related debt	$ 7,714	$ (1,385)	$ 7,361	$ 26,734
Restricted	20,721	22,581	23,321	23,565
Unrestricted	6,394	9,000	10,031	13,345
Total primary government net assets	$ 34,829	$ 30,196	$ 40,713	$ 63,644

Notes:
Effective January, 2003, I-MCPL implemented GASB Statement 34 and began the annual process of calculating government-wide data.

*2004 & 2005 Restated

Table 2

Indianapolis-Marion County Public Library
Government-Wide Changes in Net Assets
Last Four Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year 2003	2004	2005	2006
Expenses				
Governmental Activities:				
Culture and recreation	$ 49,847	$ 35,263	$ 38,592	$ 35,130
Interest on long-term debt	3,680	3,726	3,527	3,826
Total primary government expenses	$ 53,527	$ 38,989	$ 42,119	$ 38,956
Program Revenues				
Governmental Activities:				
Charges for Services	$ 1,288	$ 1,908	$ 2,353	$ 2,151
Operating Grants and Contributions	1,070	292	24	1,114
Capital Grants and Contributions	-	-	9,002	15,200
Total primary government program revenues	$ 2,358	$ 2,200	$ 11,379	$ 18,465
Net (expense)/revenue				
Primary government	$(51,169)	$ (36,789)	$ (30,740)	$(20,491)
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property taxes	$ 44,062	$ 33,371	$ 35,564	$ 35,933
Other local sources		3,571	3,965	3,784
State aid		89	83	83
Unrestricted grants and contributions		683	695	-
Other	57	496	749	2,046
Investment earnings	688	622	771	1,576
Total primary government	$ 44,807	$ 38,832	$ 41,827	$ 43,422
Changes in Net Assets				
Primary government	$ (6,362)	$ 2,043	$ 11,087	$ 22,931

Note:
Effective January, 2003, I-MCPL implemented GASB Statement 34 and began the annual process of calculating government-wide data.

Indianapolis-Marion County Public Library
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Table 3

	Fiscal Year									
	1997	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**	**2004***	**2005***	**2006**
General Fund										
Reserved	$ 1,560	$ 2,235	$ 2,462	$ 1,945	$ 2,466	$ 3,068	$ 2,337	$ 1,876	$ 1,875	$ 1,350
Unreserved	1,014	1,260	3,527	4,799	4,565	4,283	1,493	4,035	5,547	10,230
Total general fund	$ 2,574	$ 3,495	$ 5,989	$ 6,744	$ 7,031	$ 7,351	$ 3,830	$ 5,911	$ 7,422	$ 11,580
All other governmental funds										
Reserved	$ 448	$ 585	$ 36	$ 213	$ 85	$ 319	$ 1,090	$ -	$ -	$ -
Unreserved, reported in:										
Special revenue funds	289	585	750	1,053	1,157	1,336	1,369	962	1,115	1,112
Debt service	-	-	-	-	-	-	-	(421)	(162)	(383)
Capital projects fund	843	11,458	4,435	9,981	20,923	55,341	40,104	23,278	20,195	21,072
Total all other governmental funds	$ 1,580	$ 12,628	$ 5,221	$ 11,247	$ 22,165	$ 56,996	$ 42,563	$ 23,819	$ 21,148	$ 21,801

*2004 & 2005 Restated

Table 4

Indianapolis-Marion County Public Library
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Revenues										
Taxes[1]	$ 26,487	$ 27,579	$ 32,780	$ 32,938	$ 34,017	$ 34,696	$ 42,915	$ 33,849	$ 36,332	$ 37,024
Intergovernmental	304	437	659	471	361	848	22	3,661	4,057	3,867
Charges for services	467	352	171	336	435	298	319	370	486	382
Fines and forfeits	977	1,045	889	847	884	1,280	936	1,018	1,656	1,684
Other	526	1,673	2,396	3,239	2,136	674	1,845	2,392	11,144	19,880
Total revenues	28,761	31,086	36,895	37,831	37,833	37,796	46,037	41,290	53,675	62,837
Expenditures										
Culture and recreation	26,963	27,478	29,406	32,725	32,789	31,297	31,963	28,532	28,485	26,152
Capital outlay	1,199	2,557	7,506	9,510	8,853	10,229	30,956	20,323	28,908	48,751
Debt service										
Principal	650	715	1,465	3,720	1,925	2,650	7,269	5,281	5,517	4,159
Interest	622	541	3,432	900	2,154	2,155	3,583	3,725	3,527	3,826
Other charges	-	74	-	-	-	-	66	-	-	-
Total expenditures	29,434	31,365	41,809	46,855	45,721	46,331	73,837	57,861	66,437	82,888
Excess of revenues over (under) expenditures	(673)	(279)	(4,914)	(9,024)	(7,888)	(8,535)	(27,800)	(16,571)	(12,762)	(20,051)
Other financing sources (uses)										
Transfers in	-	-	318	1,319	400	-	-	105	198	-
Transfers out	-	-	(318)	(1,319)	(400)	-	-	(105)	(198)	-
Refunding bonds issued	-	-	-	-	-	-	3,058	-	-	-
Payment on refunded bond escrow agent	-	-	-	-	-	(16,173)	(3,024)	-	-	-
General obligation bonds issued	-	12,250	-	15,805	18,952	59,861	8,000	-	12,000	25,000
Discount on general obligation debt	-	-	-	-	-	-	(24)	-	(41)	(138)
Capital lease	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of property	-	-	-	-	-	-	86	-	-	-
Total other financing sources (uses)	-	12,250	-	15,805	18,952	43,688	8,096	-	11,959	24,862
Net changes in fund balances	$ (673)	$ 11,971	$ (4,914)	$ 6,781	$ 11,064	$ 35,153	$ (19,704)	$ (16,571)	$ (803)	$ 4,811
Debt service as a percentage of noncapital expenditures	4.6%	4.7%	14.9%	13.7%	11.7%	14.4%	30.7%	27.9%	28.3%	26.6%

Note:
[1]Beginning in 2004 certain taxes were reclassified as intergovernmental.

Table 5

Indianapolis-Marion County Public Library
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Taxable Real Property		Taxable Personal Property		Total Taxable Property		Percentage of Taxable Assessed value to Estimated Actual Taxable Value	Total Direct Tax Rate
Tax Year[1]	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
1997	$6,424,300	$19,272,900	$2,291,233	$6,873,699	$8,715,533	$26,146,599	33.33%	0.3013
1998	6,425,243	19,275,729	2,430,647	7,291,941	8,855,890	26,567,670	33.33	0.2972
1999	6,553,357	19,660,071	2,550,800	7,652,400	9,104,157	27,312,471	33.33	0.3465
2000	6,636,936	19,910,808	2,574,548	7,723,644	9,211,484	27,634,452	33.33	0.3465
2001	6,839,830	20,519,490	2,653,315	7,959,945	9,493,145	28,479,435	33.33	0.3465
2002	20,820,046	20,820,046	8,162,071	8,162,071	28,982,117	28,982,117	100	0.1150
2003	32,982,779	32,982,779	8,845,067	8,845,067	41,827,846	41,827,846	100	0.1004
2004	34,606,376	34,606,376	5,323,745	5,323,754	39,930,121	39,930,130	100	0.0904
2005	32,400,972	32,400,972	7,229,661	7,229,661	39,630,633	39,630,633	100	0.0982
2006	33,030,628	33,030,628	8,695,944	8,695,944	41,726,572	41,726,572	100	0.0979

Source: Marion County Auditor's Office

Notes:
[1]Assessed values for a given fiscal year are from the prior calendar year's tax roll.

This table includes information for all of Marion County. Since other public library districts exist in Marion County, a portion of the property values do not relate to the Indianapolis-Marion County Public Library. Information by individual library districts within Marion County is not available.

Property was assessed at one third of true value until 2002. Real property was reassessed at 100% of true tax value in 2002 payable in 2003.

Table 6

Indianapolis-Marion County Public Library
Property Tax Rates
Direct and Overlapping [1] Governments
Last Ten Fiscal Years

	Indianapolis-Marion County Public Library				Overlapping Rates						
Fiscal Year	**Operating**	**Debt Service**	**Capital Projects [2]**	**Total Library**	**Total State**	**Total City**	**Total County**	**Total School**	**Total Municipal Corportions**	**Total Other**	**Total Direct & Overlapping Rates**
1997	0.2888	0.0125	N/A	0.3013	0.0100	3.8033	1.4179	5.5778	1.2042	0.5380	12.8525
1998	0.2848	0.0124	N/A	0.2972	0.0100	3.7968	1.4021	5.3888	1.1989	0.3952	12.4890
1999	0.3014	0.0451	N/A	0.3465	0.0100	3.7948	1.4042	5.8477	1.2486	0.3281	12.9799
2000	0.2986	0.0479	N/A	0.3465	0.0100	3.7825	1.4038	5.9552	1.2491	0.2756	13.0227
2001	0.3080	0.0385	N/A	0.3465	0.0100	3.7670	1.4043	5.9811	1.2497	0.2599	13.0185
2002	0.0983	0.0167	N/A	0.1150	0.0033	1.2254	0.5354	1.9594	0.4309	0.0799	4.3493
2003	0.0732	0.0272	N/A	0.1004	0.0033	0.9603	0.4443	1.5503	0.3555	0.1403	3.5544
2004	0.0723	0.0181	N/A	0.0904	0.0024	0.9485	0.4129	1.7827	0.3442	0.0607	3.6418
2005	0.0755	0.0227	N/A	0.0982	0.0024	0.9532	0.4163	1.6744	0.3650	0.0637	3.5732
2006	0.0767	0.0186	0.0026	0.0979	0.1538	0.9425	0.3555	1.7172	0.2772	0.0523	3.5964

Notes:

[1]Overlapping rates are those of local and county governments that apply to property owners within Marion County. Not all overlapping rates apply to all Marion County property owners.

[2]Capital Project Fund was established in 2006.

Property was assessed at one third of true value until 2002. Real property was reassessed at 100% of true tax value in 2002 payable in 2003.

For Marion County, tax rates are calculated at $100 of assessed property value.

Source: Indianapolis, Controller's office

Indianapolis-Marion County Public Library
Principal Property Taxpayers
Current Year and Nine Years Ago

Table 7

Taxpayer	Type of Business	1997 Taxable Assessed Value	1997 Percentage of Total Assessed Value	2006 Taxable Assessed Value	2006 Percentage of Total Assessed Value
Eli Lilly and Company	Pharmaceuticals Research	$ 221,900,070	2.77%	$ 843,528,630	2.16%
Indianapolis Power & Light Co.	Electric Utility	132,207,320	1.65	341,321,850	0.87
Ford Motor Company	Manufacturing - Automotive	84,494,630	1.05	-	-
SBC	Telephone Utility	-	-	304,605,920	0.78
Allison Transmission	Mfg. Automatic Transmissions	81,990,210	1.02	197,018,220	0.50
Citizen's Gas & Coke Utility	Utility	59,936,170	0.75	-	-
Navistar International	Manufacturing	48,176,364	0.60	-	-
Indianapolis Water Co.	Utility	47,278,340	0.59	-	-
General Motors Corporation	Metal Fabricating Division	37,378,237	0.47		
Marsh	Retail/Grocers	32,474,061	0.41		
CVS, Inc.	Pharmacy/Warehouse	-	-	187,278,030	0.48
Federal Express Corporation	Distribution Center	-	-	174,681,560	0.45
Visteon Corporation	Manufacturing - Automotive	-	-	145,750,270	0.37
American United Life	Insurance/Office Building	31,526,110	0.39	117,919,270	0.30
Dugan Financing LLC	Real Estate Holding Company	-	-	115,129,400	0.29
Duke Realty Limited/ Duke-Weeks Realty	Real Estate Holding Company	-	-	113,450,800	0.29
Total Top Ten Principal Taxpayers		$ 777,361,512	9.70%	$ 2,540,683,950	6.50%
Total Assessed Valuation		$ 8,018,024,433	100.00%	$ 39,076,218,596	100.00%

Source: Township Assessors in Marion County

Indianapolis-Marion County Public Library

Property Tax Levies and Collections[1]

Last Ten Fiscal Years

(amounts expressed in thousands)

Table 8

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1997	24,158,308	24,645,353	102.0	910,269	25,555,622	105.8
1998	25,015,381	23,656,573	94.6	945,541	24,602,114	98.3
1999	29,694,039	28,185,111	94.9	1,094,361	29,279,472	98.6
2000	30,367,396	28,882,246	95.1	1,082,820	29,965,066	98.7
2001	30,637,990	29,472,574	96.2	1,073,749	30,546,323	99.7
2002	31,485,737	31,232,764	99.2	1,142,932	32,375,696	102.8
2003	38,003,007	37,577,088	98.9	1,429,986	39,007,074	102.6
2004	34,601,188	33,848,850	97.8	1,256,023	35,104,873	101.5
2005	37,529,591	36,331,990	96.8	1,374,328	37,706,318	100.5
2006	38,255,619	37,023,927	96.8	2,061,978	39,085,905	102.2

[1]Includes General, Debt Service and Capital Projects.

Source: Marion County Auditor

Table 9

Indianapolis-Marion County Public Library
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita
Last Ten Fiscal Years

YEAR [1]	SERVICE AREA POPULATION [2]	ASSESSED VALUE [3]	GROSS BONDED DEBT [4,5]	DEBT SERVICE MONIES AVAILABLE	NET BONDED DEBT	RATIO OF NET BONDED DEBT TO ASSESSED VALUE	NET BONDED DEBT PER CAPITA
2006	839,027	$39,076,218,596	$110,497,629	$0	$110,497,629	.28 : 1	$131.70
2005	836,341	$38,217,505,811	$90,453,683	$0	$90,453,683	.23 : 1	$108.15
2004	836,790	$38,275,649,835	$81,362,823	$0	$81,362,823	.21 : 1	$97.23
2003	836,119	$37,851,600,704	$86,731,570	$1,089,671	$85,641,899	.23 : 1	$102.43
2002	835,088	$27,281,931,969	$86,249,789	$319,423	$85,430,577	.23 : 1	$102.32
2001	835,876	$8,842,132,901	$43,215,000	$84,992	$43,130,008	.49 : 1	$51.59
2000	832,765	$8,764,039,168	$26,140,000	$213,267	$25,926,733	.31 : 1	$31.13
1999	810,946	$8,569,708,291	$15,930,000	$36,119	$15,893,881	.20 : 1	$19.60
1998	813,405	$8,417,019,389	$17,100,000	$585,249	$16,514,751	.20 : 1	$20.30
1997	814,286	$8,018,024,433	$5,860,000	$447,601	$5,412,399	.07 : 1	$6.65

Notes:

1 Year indicates when taxes are due and payable for assessments as of March 1 of the prior year.
2 The Indianapolis-Marion County Public Library service area is all of Marion County except for the City of Beech Grove and the Town of Speedway.
3 Taxable property is assessed at 33 1/3% of the true cash value until 2002.
4 Bonding limit is 2% of assessed value.
5 Effective 2003, includes the deferred amount for issuance premiums.

Indianapolis-Marion County Public Library
Direct and Overlapping Governmental Activities Debt
As of December 31, 2006
(amounts expressed in thousands)

Table 10

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable[1]	Estimated Share of Overlapping Debt
Debt repaid with property taxes: Marion County	$ 1,962,307	94.03%	$ 1,845,157
Subtotal, overlapping debt			1,845,157
Indianapolis-Marion County Public Library direct debt			110,455
Total direct and overlapping debt			$ 1,955,612

Source: Marion County Auditor

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Indianapolis-Marion County Public Library. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

[1]The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of Marion County's taxable assessed value that is within the Indianapolis-Marion County Public Library's boundaries and dividing it by Marion County's total taxable assessed value.

Table 11

Indianapolis-Marion County Public Library
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Debt Limit	$ 160,360	$ 168,340	$ 171,394	$ 175,281	$ 176,843	$ 181,880	$ 252,344	$ 254,783	$ 257,581	$ 260,508
Total net debt applicable to limit	5,860	17,100	15,930	26,140	43,215	86,250	86,732	81,363	90,454	110,498
Legal debt margin	$ 154,500	$ 151,240	$ 155,464	$ 149,141	$ 133,628	$ 95,630	$ 165,612	$ 173,420	$ 167,127	$ 150,010
Total net debt applicable to the limit as the percentage of debt limit	3.65%	10.16%	9.29%	14.91%	24.44%	47.42%	34.37%	31.93%	35.12%	42.42%

Legal Debt Margin Calculation for Fiscal Year 2006

Assessed value	$ 39,076,219
Debt Limit (2% of one third of assessed value)	260,508
Debt applicable to limit:	
General obligation bonds	110,498
Legal debt margin	$ 150,010

Note: Under state finance law, the Indianapolis-Marion County Public Library's outstanding general obligation debt should not exceed 2 percent of one third of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Indianapolis-Marion County Public Library — Table 12

Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures

Last Ten Fiscal Years

YEAR	DEBT SERVICE REQUIREMENTS [1] PRINCIPAL	INTEREST	TOTAL	TOTAL GENERAL EXPENDITURES [2]	RATIO OF DEBT SERVICE TO GENERAL EXPENDITURES
2006	$4,159,000	$3,826,003	$7,985,003	$82,887,909	.096 : 1
2005	$5,517,000	$3,526,937	$9,043,937	$66,436,970	.136 : 1
2004	$5,281,000	$3,725,484	$9,006,484	$57,860,824	.156 : 1
2003	$7,269,000	$3,582,737	$10,851,737	$73,836,880	.147 : 1
2002	$2,650,000	$2,155,490	$4,805,490	$46,331,493	.104 : 1
2001	$1,925,000	$2,083,190	$4,008,190	$45,720,759	.088 : 1
2000	$3,720,000	$696,278	$4,416,278	$46,854,845	.095 : 1
1999	$1,465,000	$1,044,053	$2,509,053	$41,809,071	.060 : 1
1998	$715,000	$413,786	$1,128,786	$31,365,419	.036 : 1
1997	$665,000	$457,263	$1,122,263	$29,434,077	.038 : 1
1996	$625,000	$506,513	$1,131,513	$27,553,070	.041 : 1

[1] Source: Indianapolis-Marion County Public Library Annual Audit

[2] Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

Table 13

Indianapolis-Marion County Public Library
Demographic and Economic Information
Last Ten Fiscal Years

Calender Year	Population[1]	Personal Income[2]	Per Capita Personal Income	Unemployment Rate	Households Total	Households Average Size	Median Age	School Enrollment
1997	814,286	21,634,296	26,578	2.7%	332,592	N/A	33.5	150,295
1998	813,405	23,684,798	29,133	2.4	332,110	N/A	33.7	152,005
1999	810,946	24,420,134	30,111	2.3	334,000	N/A	34.1	147,147
2000	832,765	26,403,440	31,697	2.4	334,600	2.39	34.3	152,515
2001	835,876	27,178,761	32,510	3.3	357,099	2.32	33.6	154,053
2002	835,088	27,994,389	33,526	4.6	355,100	2.31	33.9	157,892
2003	836,119	28,573,705	34,179	4.6	358,500	2.40	34.5	157,265
2004	836,790	29,892,584	35,714	4.7	355,400	2.39	34.4	159,595
2005	836,341	31,270,050	37,404	4.9	356,400	2.34	34.8	157,665
2006	838,603	*	*	4.1	*	*	*	*

[1]Esitmated population of I-MCPL service area which is all of Marion County except for the City of Beech Grove and Speedway.

[2]Amounts expressed in thousands

N/A Not available

* Not yet available

Source: U.S. Bureau of Economic Analysis

Indianapolis-Marion County Public Library
Principal Employers
Current Year and Nine Years Ago

Table 14

	1997		2006	
Employer	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Eli Lilly and Company	8,210	1.05%	14,000	1.57%
Kroger Company	7,506	0.96	-	-
I.U.P.U.I.	5,200	0.66	7,066	0.79
Community Health Network	4,787	0.61	8,800	0.99
Allison Transmissions/Div. of GMC	3,607	0.46	4,000	0.45
Bank One Corporation	3,561	0.45	-	-
Anthem, Inc.	3,305	0.42	-	-
Marsh	3,060	0.39	-	-
GM Indianapolis Metal Center	3,018	0.38	2,000	0.22
Ford Motor Company	3,015	0.38	-	-
Clarian Health (Methodist, IU, Riley Hospitals)	-	-	7,503	0.84
Federal Express	-	-	6,311	0.71
St. Vincent Hospital and Health Care Center	-	-	6,000	0.67
Rolls Royce Allison	-	-	4,500	0.50
SBC	-	-	3,500	0.39
St. Francis Hospital and Health Centers	-	-	3,000	0.34
	45,269	5.77%	66,680	7.48%

Source: The Indy Partnership

Indianapolis-Marion County Public Library **Table 15**
District Employees by Function
Last Five Fiscal Years

	Full-time-Equivalent Employees				
	2002	2003	2004	2005	2006
Public Services					
Brightwood Library	4	5	4	4	3
College Avenue Library	8.5	7.5	8.6	8	6.5
Decatur Library	5	7.5	6.5	6.5	6.5
Eagle Library	10.5	10.5	10.5	10.5	8
East 38th Street Library	5.5	5.5	9	8	6.5
East Washington Library	4	4	4	3	4
Flanner House Library	2.6	2.6	2.1	2.6	2.6
Fountain Square Library	4.1	4	4	4	4.5
Franklin Road Library	9	9.5	9.5	10	9.5
Glendale Library	19.5	20	19.5	18.5	14.5
Haughville Library	4	5	7	6	5
InfoZone (at The Children's Museum)	3.5	3	3.5	3	3.5
Interim Central Library	68.5	66.8	64.5	59.3	47.3
Irvington Branch Library	10	12	12	11.5	9
Lawrence Library	15	15.5	15.5	15.5	15.5
Nora Library	16.5	15.5	16.5	14.5	13.5
Outreach Service Section	12.5	12.5	12.5	11.5	13
Pike Library	13.5	9.5	13	12	11.5
Shelby Library	6.5	5	6	7	6.5
Southport Library	16.1	15.1	17.5	16	15
Spades Park Library	4.2	4.2	4.2	3.6	3.6
Warren Library	12.5	12	14	13	10.5
Wayne Library	11	11.5	12.5	11	9.5
West Indianapolis Library	4.7	4.7	4.7	4.7	4.2
Administrative Services	13	14	15	13	12
Information Technology Services	18	17	20	20	18.5
Collection Management Services	50	51.5	55	49.25	42.25
Project Development Services	9.1	10.1	10.6	10.6	10
Community Relations Services	17.5	16.5	18	17.5	16
Human Resources	8	10	10	8	6
Facility Services	44	44	43.5	40	30.1
Total	430.8	431.5	453.2	422.05	368.05

Notes:
A full-time employee is scheduled to work 2,088 hours per year (including vacation and sick leave). Full-time-equivalent employee is calculated by dividing total labor hours by 2,088.

Table 16

Indianapolis-Marion County Public Library
Library Materials Purchased and Circulated
Last Ten Fiscal Years

Fiscal Year	Number of Volumes Owned	Acquisition Cost of Collections	Cost of new Acquisitions	Net Book Value of Collections[1]	Number of Items Circulated	Turnover Rate
1997	1,748,965	N/A	N/A	N/A	8,779,536	5.02
1998	1,786,562	N/A	N/A	N/A	9,506,576	5.32
1999	1,829,282	N/A	4,978,528	N/A	9,014,900	4.93
2000	1,846,314	N/A	5,442,460	N/A	9,725,789	5.27
2001	2,123,350	12,744,780	5,060,984	N/A	11,444,749	5.39
2002	2,380,284	20,948,154	8,203,374	N/A	12,644,394	5.31
2003	2,304,196	26,063,168	5,115,014	N/A	13,476,589	5.85
2004	1,989,026	30,612,355	4,549,187	14,076,389	11,693,669	5.88
2005	1,987,493	37,197,889	6,585,534	12,562,038	12,201,665	6.14
2006	2,000,286	43,737,165	6,539,277	14,401,776	13,799,846	6.90

N/A = Not Available

Notes:

[1] GASB Statement 34, implemented in 2003, requires that capital assets be depreciated. The Library's collection of books and materials is considered a capital asset. Net book value represents total acquisition cost of circulating materials less accumulated depreciation to date.

[2] Turnover rate is the number of times an item is checked out. This is an average of all publicly circulating items in the total collection.

Table 17

Indianapolis-Marion County Public Library
Circulation by Location
Last Ten Fiscal Years

	Fiscal Year									
Location	**1997**	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**
Brightwood Library	N/A	N/A	N/A	35,771	32,831	35,034	33,624	31,783	44,691	60,295
College Avenue Library (Formerly Broadway Library)	N/A	N/A	N/A	106,039	138,693	157,986	166,071	171,015	198,390	215,982
Decatur Library	N/A	N/A	N/A	165,625	159,869	176,908	192,431	186,249	237,595	257,881
Eagle Library	N/A	N/A	N/A	302,573	276,535	283,158	272,605	235,437	306,753	328,867
East 38th Street Library (Formerly Emerson Library)	N/A	N/A	N/A	89,254	81,015	78,680	93,660	111,800	151,574	147,443
East Washington Library	N/A	N/A	N/A	59,491	53,851	58,816	53,221	47,255	80,011	83,221
Flanner House Library	N/A	N/A	N/A	26,179	27,273	27,114	30,694	32,435	53,976	62,827
Fountain Square Library	N/A	N/A	N/A	59,310	57,418	64,255	65,065	60,092	85,112	97,515
Franklin Road Library (Formerly Wanamaker Library)	N/A	N/A	N/A	244,316	307,068	344,483	375,137	377,378	435,930	476,547
Glendale Library (Formerly Broad Ripple Library)	N/A	N/A	N/A	448,671	586,396	610,430	626,084	625,978	662,538	646,219
Haughville Library	N/A	N/A	N/A	66,351	59,680	61,048	77,668	97,681	138,101	151,875
InfoZone (at The Children's Museum)	N/A	N/A	N/A	1,737	36,761	38,369	39,115	38,165	45,675	51,481
Central Library	N/A	N/A	N/A	747,136	748,640	549,375	390,303	423,339	476,356	436,076
Irvington Branch Library (Formerly Brown Library)	N/A	N/A	N/A	230,418	235,741	324,990	335,699	343,607	424,246	443,059
Lawrence Library	N/A	N/A	N/A	649,560	670,152	672,438	652,111	671,571	775,244	794,169
Nora Library	N/A	N/A	N/A	550,996	543,189	532,901	512,598	501,970	564,522	593,965
Outreach Service Section	N/A	N/A	N/A	183,402	159,555	142,712	144,982	117,368	153,631	188,055
Pike Library	N/A	N/A	N/A	385,774	464,749	489,278	498,540	502,021	563,445	562,561
Shelby Library	N/A	N/A	N/A	137,666	133,204	141,091	138,249	142,446	198,398	221,174
Southport Library	N/A	N/A	N/A	604,838	641,382	669,055	670,208	676,079	683,429	764,213
Spades Park Library	N/A	N/A	N/A	55,042	52,799	52,370	50,068	48,097	65,232	69,048
Warren Library	N/A	N/A	N/A	491,417	481,826	510,581	515,683	479,227	551,207	573,544
Wayne Library	N/A	N/A	N/A	340,337	370,048	379,002	368,116	374,474	455,973	488,492
West Indianapolis Library	N/A	N/A	N/A	70,776	68,207	64,680	60,470	60,657	90,017	93,590
	N/A	N/A	N/A							
Total	N/A	N/A	N/A	6,052,679	6,386,882	6,464,754	6,362,402	6,356,124	7,442,046	7,808,099

Notes:
In late 1999, the Library implemented a new collection management software. Circulation data before this date is unavailable.

Indianapolis-Marion County Public Library
Service Location Information
Last Ten Fiscal Years

Table 18

	Current Address	Current Status	Square Footage as of Fiscal Year-End 1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
LIBRARIES												
Brightwood Library	2435 N. Sherman Dr. Indianapolis, IN 46218	L	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400
College Avenue Library (Formerly Broadway Library)	4180 N. College Ave. Indianapolis, IN 46205	O	6,525	6,525	6,525	15,970	15,970	15,970	15,970	15,970	15,970	15,970
Decatur Library	5301 Kentucky Ave. Indianapolis, IN 46221	O	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300
Eagle Library	3325 Lowry Rd. Indianapolis, IN 46222	O	12,215	12,215	12,215	12,215	12,215	12,215	12,215	12,215	12,215	12,215
East 38th Street Library (Formerly Emerson Library)	5420 E. 38th St. Indianapolis, IN 46218	O	7,510	7,510	7,510	7,510	7,510	7,510	15,900	15,900	15,900	15,900
East Washington Library	2822 E. Washington St. Indianapolis, IN 46201	O	6,810	6,810	6,810	6,810	6,810	6,810	6,810	6,810	6,810	6,810
Flanner House Library	2424 Dr. M.L. King Jr. St. Indianapolis, IN 46208	L	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050
Fountain Square Library	1066 Virginia Ave. Indianapolis, IN 46203	L	5,145	5,145	5,145	5,145	5,145	5,145	5,145	5,145	5,145	5,145
Franklin Road Library (Formerly Wanamaker Library)	5550 S. Franklin Rd. Indianapolis, IN 46239	O	2,560	2,560	2,560	18,345	18,345	18,345	18,345	18,345	18,345	18,345
Glendale Library (Formerly Broad Ripple Library)	6101 N. Keystone Ave. Indianapolis, IN 46220	L	11,500	11,500	11,500	29,000	29,000	29,000	29,000	29,000	29,000	29,000
Haughville Library	2121 W. Michigan St. Indianapolis, IN 46222	O	3,700	3,700	3,700	3,700	3,700	3,700	11,600	11,600	11,600	11,600
InfoZone (at The Children's Museum)	3000 N. Meridian St. Indianapolis, IN 46208	L					3,000	3,000	3,000	3,000	3,000	3,000
Central Library[1]	202 N. Alabama St. Indianapolis, IN 46204	L	120,000	120,000	120,000	120,000	120,000	98,000	98,000	98,000	98,000	98,000
Irvington Branch Library (Formerly Brown Library)	5625 E. Washington St. Indianapolis, IN 46219	O	6,668	6,668	6,668	6,668	16,050	16,050	16,050	16,050	16,050	16,050
Lawrence Library	7898 N. Hague Rd. Indianapolis, IN 46256	O	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500
Nora Library	8625 Guilford Ave. Indianapolis, IN 46240	O	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500
Outreach Service Section	2450 N. Meridian St. Indianapolis, IN 46206	O	8,540	8,540	8,540	8,540	8,540	8,540	8,540	8,540	8,540	8,540

Table 18

Indianapolis-Marion County Public Library
Service Location Information
Last Ten Fiscal Years

	Current Address	Current Status	Square Footage as of Fiscal Year-End									
			1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Pike Library	6525 Zionsville Rd. Indianapolis, IN 46268	O	13,000	13,000	13,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Shelby Library	2502 Shelby St. Indianapolis, IN 46203	O	6,435	6,435	6,435	6,435	6,435	6,435	6,435	6,435	6,435	6,435
Southport Library	2630 East Stop 11 Rd. Indianapolis, In 46227	O	15,740	15,740	15,740	15,740	15,740	15,740	15,740	15,740	15,740	15,740
Spades Park Library	1801 Nowland Ave. Indianapolis, IN 46201	O	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480
Warren Library	9701 E. 21st St. Indianapolis, IN 46229	O	15,740	15,740	15,740	15,740	15,740	15,740	15,740	15,740	15,740	15,740
Wayne Library	198 S. Girls School Rd. Indianapolis, IN 46231	O	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500
West Indianapolis Library	1216 S. Kappes St. Indianapolis, In 46221	O	5,010	5,010	5,010	5,010	5,010	5,010	5,010	5,010	5,010	5,010
SUPPORT SERVICES												
Library Service Center	2450 N. Meridian St. Indianapolis, IN 46206	O	79,920	79,920	79,920	79,920	79,920	79,920	79,920	79,920	79,920	79,920

O = Owned. L = Leased.

Notes:
[1] In 2002, Central Library moved to a temporary location to allow for the renovation and expansion of it's current building. The new Central Library is expected to be completed in 2007.

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