

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT  
OF  
TELL CITY-PERRY COUNTY PUBLIC LIBRARY  
PERRY COUNTY, INDIANA  
January 1, 2005 to December 31, 2006



**FILED**  
09/27/2007



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Larry Oathout	01-01-05 to 12-31-07
Treasurer	Larry Beatty Patsy Alvey	01-01-05 to 12-31-06 01-01-07 to 12-31-07
President of the Board	Mickey Fischer	01-01-05 to 12-31-07



**STATE OF INDIANA**  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TELL CITY-PERRY COUNTY PUBLIC LIBRARY, PERRY COUNTY, INDIANA

We have examined the financial information presented herein of the Tell City-Perry County Public Library (Library), for the period of January 1, 2005 to December 31, 2006. The Library's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Library for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

July 23, 2007

TELL CITY-PERRY COUNTY PUBLIC LIBRARY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 528,546	\$ 643,258	\$ 632,758	\$ 539,046
Gift	6,956	11,801	7,201	11,556
Levy Excess	-	33,058	-	33,058
Bond and Interest Redemption	112,142	212,601	214,712	110,031
Library Improvement Reserve	109,833	16,383	-	126,216
Fiduciary Fund:				
PLAC	-	28	28	-
Totals	<u>\$ 757,477</u>	<u>\$ 917,129</u>	<u>\$ 854,699</u>	<u>\$ 819,907</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 539,046	\$ 691,485	\$ 634,548	\$ 595,983
Gift	11,556	3,282	7,721	7,117
State Technology Grant	-	5,361	1,800	3,561
Levy Excess	33,058	-	33,058	-
Bond and Interest Redemption	110,031	207,813	210,859	106,985
Library Improvement Reserve	126,216	33,526	17,000	142,742
Totals	<u>\$ 819,907</u>	<u>\$ 941,467</u>	<u>\$ 904,986</u>	<u>\$ 856,388</u>

The accompanying notes are an integral part of the financial information.

TELL CITY-PERRY COUNTY PUBLIC LIBRARY  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides culture services.

Note 2. Fund Accounting

The Library uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Library in June and 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 which 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 Library on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Library 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.

TELL CITY-PERRY COUNTY PUBLIC LIBRARY  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Library 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 this 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 Library 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 members' 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. That 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 the plan members for PERF are established by the Board of Trustees of PERF.

TELL CITY-PERRY COUNTY PUBLIC LIBRARY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended December 31, 2006

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.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 120,000
Buildings	2,100,000
Machinery and equipment	<u>3,347,030</u>
Total governmental activities, capital assets not being depreciated	<u><u>\$ 5,567,030</u></u>

TELL CITY-PERRY COUNTY PUBLIC LIBRARY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 For The Year Ended December 31, 2006

Description of Asset	Ending Balance	Due Within One Year
Governmental Activities:		
Bonds payable:		
General obligation bonds:		
Library Construction	\$ <u>855,000</u>	\$ <u>175,000</u>

TELL CITY-PERRY COUNTY PUBLIC LIBRARY  
EXAMINATION RESULT AND COMMENT

APPROPRIATIONS

The following expenditures were in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Bond and Interest Redemption Fund	2006	<u>\$ 859</u>

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

TELL CITY-PERRY COUNTY PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on July 23, 2007, with Larry Oathout, Director; Paul Sanders, Assistant Director; Norma Jean Rogier, Board member; and Ginger Alvey, Business Manager. The officials concurred with our finding.