

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

EXAMINATION REPORT
OF
PULASKI COUNTY PUBLIC LIBRARY
PULASKI COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
05/15/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Katherine Scott	01-01-06 to 12-31-08
Treasurer	Pam Leman	07-01-05 to 06-30-08
President of the Board	Paul Baker	07-01-05 to 06-30-08



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE PULASKI COUNTY PUBLIC LIBRARY, PULASKI COUNTY, INDIANA

We have examined the financial information presented herein of the Pulaski County Public Library (Library), for the period of January 1, 2006 to December 31, 2007. 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, 2006 and 2007, 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

March 31, 2008

PULASKI 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, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 218,621	\$ 611,635	\$ 593,153	\$ 237,103
Gift	197,629	26,633	12,178	212,084
Rainy Day	15,610	5,400	-	21,010
Gates Grant Fund	738	-	738	-
State Technology Grant Fund	-	768	466	302
Levy Excess	8,906	4,910	8,906	4,910
Library Improvement Reserve	373,368	51,630	-	424,998
Library Capital Projects	20,332	49,312	57,628	12,016
Fiduciary Fund:				
PLAC	28	62	59	31
Totals	<u>\$ 835,232</u>	<u>\$ 750,350</u>	<u>\$ 673,128</u>	<u>\$ 912,454</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 237,103	\$ 436,406	\$ 562,038	\$ 111,471
Gift	212,084	27,044	74,866	164,262
Rainy Day	21,010	7,533	-	28,543
State Technology Grant Fund	302	-	302	-
Levy Excess	4,910	447	4,910	447
Library Improvement Reserve	424,998	13,724	200,000	238,722
Library Capital Projects	12,016	36	49	12,003
Construction	-	1,990,169	164,110	1,826,059
Fiduciary Fund:				
PLAC	31	90	91	30
Totals	<u>\$ 912,454</u>	<u>\$ 2,475,449</u>	<u>\$ 1,006,366</u>	<u>\$ 2,381,537</u>

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

PULASKI 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 the following services: culture and recreation, and general administrative 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.

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.

PULASKI 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.

Note 7. Subsequent Event

Pulaski County Public Library issued general obligation bonds on November 15, 2007, in the amount of \$2,000,000. Payments are due semiannually on January 1 and July 1. Payments commence on July 1, 2008 and end January 1, 2023. The bonds were issued to pay for a Library renovation and expansion project. Furthermore, the Library entered into a \$1,700,000 contract with Leo Brown Construction Company to carry out this project. Work on this project is expected to be completed November 30, 2008.

PULASKI COUNTY PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2007

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.

There are no general infrastructure assets (those reported by governmental activities).

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 18,000
Buildings	1,822,724
Improvements other than buildings	68,638
Machinery and equipment	1,574,752
Construction in progress	<u>164,110</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 3,648,224</u>

PULASKI COUNTY PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 For The Year Ended December 31, 2007

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Bonds payable:		
General obligation bonds:		
Library addition and improvements	\$ 2,000,000	\$ 91,592

PULASKI COUNTY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on March 31, 2008, with Katherine Scott, Director; and Sue Kennedy, Bookkeeper. Our examination disclosed no material items that warrant comment at this time.