

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

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



FILED
12/29/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Elizabeth Booth Poor	01-01-06 to 12-31-08
Treasurer	Russell Taylor Betty Lu McGuire	01-01-06 to 12-31-07 01-01-08 to 12-31-08
President of the Board	Beth Stroh	01-01-06 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Bartholomew County Public 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.

STATE BOARD OF ACCOUNTS

October 15, 2008

BARTHOLOMEW 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	\$ 536,034	\$ 3,216,897	\$ 3,524,804	\$ 228,127
Gifts and Bequests	231,832	14,518	7,103	239,247
Levy Excess	113,061	-	113,061	-
Library Improvement Reserve	3,195,385	602,112	516,225	3,281,272
LSTA Grants	343	-	343	-
State Technology Grant Fund	-	5,565	-	5,565
Talking Books	-	65,922	65,922	-
Fiduciary Funds:				
Employee Benefit Trust Fund	969,663	503,606	363,118	1,110,151
PLAC	-	2,170	2,170	-
Totals	<u>\$ 5,046,318</u>	<u>\$ 4,410,790</u>	<u>\$ 4,592,746</u>	<u>\$ 4,864,362</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 228,127	\$ 3,996,963	\$ 3,034,073	\$ 1,191,017
Gifts and Bequests	239,247	10,163	25,026	224,384
Levy Excess	-	105,292	-	105,292
Library Improvement Reserve	3,281,272	110,597	1,400,000	1,991,869
State Technology Grant Fund	5,565	7,809	5,101	8,273
Talking Books	-	68,689	68,689	-
Fiduciary Funds:				
Employee Benefit Trust Fund	1,110,151	430,755	252,458	1,288,448
PLAC	-	2,310	2,310	-
Totals	<u>\$ 4,864,362</u>	<u>\$ 4,732,578</u>	<u>\$ 4,787,657</u>	<u>\$ 4,809,283</u>

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

BARTHOLOMEW 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 or received 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.

Due to reassessment issues, property taxes were not all received as of December 31, 2006 and 2007.

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.

BARTHOLOMEW 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

The Library Board authorized the Library Treasurer to declare an emergency and delay the repayment of a temporary loan between funds. The Library Improvement Reserve Fund (LIRF) loaned the General Fund \$1,400,000 during 2007. Officials repaid the \$1,400,000 in 2008 and then reborrowed \$1,600,000.

BARTHOLOMEW COUNTY PUBLIC LIBRARY
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 8. Restatements and Reclassifications

For the year ended December 31, 2005, certain changes have been made to the financial statements to more appropriately reflect financial activity of the Library. The following schedule presents a summary of restated beginning balances by opinion unit. New Funds represents the inclusion of existing funds which were not presented in the prior report.

<u>Fund</u>	<u>Balance as Reported December 31, 2005</u>	<u>New Funds</u>	<u>Balance as Restated January 1, 2006</u>
Employee Benefit Trust	<u>\$ -</u>	<u>\$ 969,663</u>	<u>\$ 969,663</u>

BARTHOLOMEW COUNTY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on October 15, 2008, with Elizabeth Booth Poor, Director; Beth Stroh, President of the Board; Teresa Reynolds, Business Manager; and Wilma Perry, Assistant Business Manager. Our examination disclosed no material items that warrant comment at this time.