

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

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



FILED
12/31/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Donald Johnson James Cline	07-01-05 to 06-30-06 07-01-06 to 12-31-08
Treasurer	Sheila Minton	11-01-05 to 06-30-09
President of the Board	Scott Falk William Eckert Jr.	07-01-05 to 06-30-07 07-01-07 to 06-30-09



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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Porter 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.

STATE BOARD OF ACCOUNTS

November 20, 2008

PORTER 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:				
Operating	\$ 675,250	\$ 6,625,995	\$ 7,167,843	\$ 133,402
Gift	50,683	546,126	583,726	13,083
Bond and Interest Redemption	544,762	6,012,461	6,557,208	15
Library Improvement Reserve	128,122	1,391,542	1,519,560	104
Library Capital Projects	2,061,797	15,897,538	17,909,420	49,915
Fiduciary Funds:				
PLAC	56	558	552	62
State Technology Grant	-	20,952	-	20,952
Totals	<u>\$ 3,460,670</u>	<u>\$ 30,495,172</u>	<u>\$ 33,738,309</u>	<u>\$ 217,533</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 133,402	\$ 4,081,856	\$ 3,697,489	\$ 517,769
Gift	13,083	478,491	450,180	41,394
Bond and Interest Redemption	15	4,253,450	4,189,255	64,210
Library Improvement Reserve	104	1,423,695	1,303,390	120,409
Library Capital Projects	49,915	15,848,713	15,614,164	284,464
Fiduciary Funds:				
PLAC	62	361	423	-
State Technology Grant	20,952	8,606	14,564	14,994
Totals	<u>\$ 217,533</u>	<u>\$ 26,095,172</u>	<u>\$ 25,269,465</u>	<u>\$ 1,043,240</u>

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

PORTER 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.

PORTER 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

Property Taxes

In accordance with state statutes, all counties were required to reassess property values prior to billing taxes in 2008. Significant delays in the reassessment process have resulted in delays in billing taxes in 2008. Taxes are normally billed in two installments, the first due in May and the second in November.

On March 20, 2008, the County Council approved a resolution electing to send provisional tax statements because the County did not complete the abstract of the property, assessments, taxes, deductions, and exemptions for taxes payable in 2008 in each taxing district before March 16, 2008. The provisional taxes are based upon 50% of the 2006 payable 2007 tax liability less the projected 2008 state tax relief plus all other charges. The provisional bills were mailed with the taxes due by July 18, 2008. After the abstract of property is complete, a reconciling statement in the amount of the actual tax liability for taxes payable in 2008 minus the amount paid under the provisional statement will be billed. It is anticipated the final billing will occur on December 5, 2008, with the taxes due by December 22, 2008.

PORTER COUNTY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on November 20, 2008, with Sheila Minton, Treasurer. Our examination disclosed no material items that warrant comment at this time.