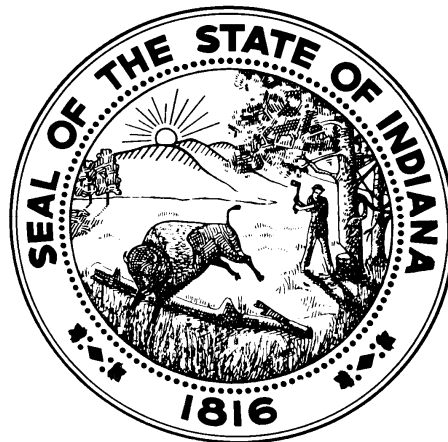


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

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



FILED
01/15/2009

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Information:	
Schedules of Receipts, Disbursements, and Cash and Investment Balances	4
Notes to Financial Information	5-6
Supplementary Information:	
Schedule of Long-Term Debt	7
Exit Conference	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Sandra L. Petrie	01-01-06 to 12-31-08
Treasurer	Harriet A. Metz	01-01-06 to 12-31-08
President of the Board	James Shrock	01-01-06 to 12-31-06
	Geoff Brose	01-01-07 to 12-31-08



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AN EQUAL OPPORTUNITY EMPLOYER

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Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Noble 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 Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

December 17, 2008

NOBLE 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	\$ 408,729	\$ 696,961	\$ 740,208	\$ 365,482
Gift	242,914	672,494	627,797	287,611
Bond and Interest Redemption	49,653	548,480	375,788	222,345
Library Improvement Reserve	75,390	20,000	36,322	59,068
Library Capital Projects	174,871	85,667	126,881	133,657
Construction	887,079	4,113	891,192	-
Fiduciary Funds:				
Payroll Withholdings	-	117,015	117,015	-
Escrow Retainage	143,873	56,073	178,251	21,695
PLAC	-	434	434	-
Totals	<u>\$ 1,982,509</u>	<u>\$ 2,201,237</u>	<u>\$ 3,093,888</u>	<u>\$ 1,089,858</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 365,482	\$ 791,902	\$ 756,155	\$ 401,229
Gift	287,611	64,594	73,426	278,779
Bond and Interest Redemption	222,345	383,737	387,216	218,866
Library Improvement Reserve	59,068	15,000	-	74,068
Library Capital Projects	133,657	109,396	75,649	167,404
Fiduciary Funds:				
Payroll Withholdings	-	122,136	121,603	533
Escrow Retainage	21,695	191	21,886	-
PLAC	-	600	600	-
Totals	<u>\$ 1,089,858</u>	<u>\$ 1,487,556</u>	<u>\$ 1,436,535</u>	<u>\$ 1,140,879</u>

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

NOBLE 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. 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.

NOBLE 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.

NOBLE COUNTY PUBLIC LIBRARY
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
December 31, 2007

The Library has entered into the following debt:

Description of Debt	Ending Principal or Capital Lease Balance	Principal and Interest or Capital Lease Due Within One Year
Governmental Activities:		
Capital leases:		
Main library branch	\$ 922,000	\$ 100,000
Bonds payable:		
General obligation bonds:		
Library improvements	<u>3,365,000</u>	<u>279,591</u>
Total governmental activities debt	<u>\$ 4,287,000</u>	<u>\$ 379,591</u>

NOBLE COUNTY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on December 17, 2008, with Harriet A. Metz, Treasurer; and Sandra L. Petrie, Director. Our examination disclosed no material items that warrant comment at this time.