

**PUBLIC DEFENDER CORPORATION
FOR THE ELEVENTH JUDICIAL CIRCUIT**

**FINANCIAL STATEMENTS
WITH ADDITIONAL INFORMATION
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006
WITH
INDEPENDENT AUDITORS' REPORT**

**PUBLIC DEFENDER CORPORATION
FOR THE ELEVENTH JUDICIAL CIRCUIT
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006**

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MANAGEMENT DISCUSSION & ANALYSIS

This discussion and analysis of the Public Defender Corporation of the Eleventh Judicial Circuit of the State of West Virginia financial performance provides an overview of the Corporation's financial activities for the fiscal years ended June 30, 2007 and 2006 and identifies changes in the Corporation's financial position.

Overview of Basic Financial Statements

These statements are in two parts - *management's discussion and analysis* (this section) and the *basic financial statements*. The Corporation's financial statements are prepared on the accrual basis of accounting and are reported in accordance with generally accepted accounting principles. These statements include the *statement of financial position*, the *statement of activities*, the *statement of cash flows* and notes to the financial statements.

The *statement of financial position* presents the Corporation's assets, liabilities and net assets as of the financial statements date. Through this presentation one can decipher the health of the Corporation by taking the difference between the assets and liabilities. An increase or decrease in the Corporation's net assets from one year to the next is an indicator of whether its financial health is improving or deteriorating.

The *statement of activities* reports revenues and expenses when earned or obligated. This means that all of the current year's revenues and expenses are included regardless of when cash is paid or received, thus providing a view of financial position that is similar to that presented by most private-sector companies. This statement summarizes the cost of providing legal defense services to those individuals charged with a violation of the law but who cannot afford an attorney to defend themselves or to represent indigent persons or juveniles and mental hygiene cases as appointed by the court.

Financial Analysis of the Corporation

Total assets of the Corporation on June 30, 2007 and 2006 were \$392,799 and \$348,655 while liabilities were \$178,639 and \$190,751 resulting in a net asset balance of \$214,160 and \$157,904. \$270,101 and \$276,760 of the Corporation's net assets are invested in capital assets. The Corporation had outstanding debt of \$139,411 and \$151,158, of which \$13,667 and \$12,673, respectively, represents the current portion and \$125,744 and \$139,485, respectively, represents the long-term portion of debt. Unrestricted net assets were \$214,160 and \$157,904.

The Corporation's revenues are derived from funding from the West Virginia Public Defender Services and accordingly 99% of the Corporation's revenues were derived from this funding for the years ended June 30, 2007 and 2006. Total revenues were \$538,334 and \$551,370, whereas expenditures were \$482,078 and \$499,718. As a result of the excess of revenues over expenditures the Corporation's total net assets increased by \$56,256, from \$157,904 to \$214,160 for the year ended June 30, 2007. For the year ended June 30, 2006, the excess of revenues over expenditures resulted in the Corporation's total net assets increasing by \$51,653, from \$106,251 to \$157,904.

The Corporation's revenues and expenditures are all considered operating. Capital purchases were \$-0- and \$-0- for years ended June 30, 2007 and 2006, respectively. The Corporation did not have any other special or extraordinary items.

Detailed Financial Analysis of the Corporation

Cash held by the Corporation increased by \$50,803 as a result of decreased payments on long-term debt. The note payment decrease of \$52,579 was attributed to the Corporation making a \$35,000 payment in June 2006 to pay off the mortgage liability for the Marlinton office. Accrued payroll and payroll taxes decreased by \$5,052 as a result of decreased salaries and the timing of payroll. Compensated absences increased by \$6,072 as a result of employees not utilizing the accrued annual leave. All other asset and liabilities, except long-term debt which is discussed below, remained within reason from the prior year.

The Corporation's expenses for the year ended June 30, 2007 decreased by \$17,639 as compared to 2006. This decrease is a result of small decreases in each expense line item except Office costs, where there was an increase of approximately \$1,700.

Capital Asset and Debt Activity

As of June 30, 2007 and 2006, the Corporation had capital assets amounting to \$308,133 and \$308,133, respectively. The Corporation's capital assets include land, buildings, leasehold improvements, office equipment, furniture and fixtures, and computer equipment. The assets are being depreciated over useful lives of three to thirty-nine years. The accumulated depreciation on the assets amounted to \$38,032 and \$31,373, respectively. There were no disposals during the current year.

Purchases of permanent and fixed assets for the years ended June 30, 2007 and 2006 totaled \$-0- and \$-0-, respectively.

In 2004, the Corporation borrowed \$53,000 to build the Marlinton office, with subsequent repayment of the note completed in June 2006.

During June 2005, the Corporation borrowed \$165,000 at 6.99% to purchase land and a building to house the Lewisburg office. Repayment is to occur over the next 120 months beginning in July 2005, at \$1,915 per month including interest, to be paid in full in June 2015 with a penalty for prepayment. Total payments including interest in 2007 amounted to \$22,980.

Cash Management

The Corporation's funds are deposited into a checking account at a national banking institution. The account earns interest at an average rate of 4.56% and 4.33% for the years ended June 30, 2007 and 2006, respectively. The Corporation's funds are transferred to an operating account and payroll account as needed. Interest earned during 2007 and 2006 amounted to \$4,090 and \$1,679, respectively. The Corporation's cash balances in excess of \$100,000 are collateralized with a pledged security agreement of a U.S. Treasury Note.

Economic Factors and Next Year's Budget

The State of West Virginia, Public Defender Services looked at various factors when approving the budget for 2008. Such factors considered include: the Corporation's case load in comparison to the number of professional and non-professional staff, the type, amount and rate of employee benefits, the anticipation of large or unusual cases which require additional resources, capital needs, as well as, the operating environment and its operational needs.

For the year ending June 30, 2008, the Corporation has an approved budget of \$549,591. This represents a budget increase of \$15,347 from the prior year. All budgeted line items are within a reasonable amount to the prior year.

Conclusion

This financial report is designed to provide the users with a general overview of the Corporation's finances and to demonstrate the Corporation's accountability for the money it receives.

**PUBLIC DEFENDER CORPORATION
FOR THE ELEVENTH JUDICIAL CIRCUIT
BOARD OFFICIALS
JUNE 30, 2007**

<u>Office</u>	<u>Name</u>
Acting Board Chairman:	Louis Longanacre
Board Officials:	William Hevener
	David Smith, Esq.
	Michael C. Doss, Esq.
	Perry Pauley
Managing Public Defender:	Richard Lorensen, Esq.

INDEPENDENT AUDITORS' REPORT

Honorable Members of the Board
Public Defender Corporation
for the Eleventh Judicial Circuit
Lewisburg, West Virginia

We have audited the accompanying statements of financial position of the Public Defender Corporation for the Eleventh Judicial Circuit, (the Corporation) as of June 30, 2007 and 2006 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of June 30, 2007 and 2006 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 7, 2007 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in assessing the results of our audit.

Management's Discussion and Analysis (MD&A) on pages 1 through 3 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.



Huntington, West Virginia
September 7, 2007

**PUBLIC DEFENDER CORPORATION
FOR THE ELEVENTH JUDICIAL CIRCUIT
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2007 AND 2006**

ASSETS

	<u>2007</u>	<u>2006</u>
CURRENT ASSETS		
Cash	\$ 122,698	\$ 71,895
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	122,698	71,895
	<hr/>	<hr/>
PROPERTY AND EQUIPMENT		
Land	97,196	97,196
Buildings and improvements	181,658	181,658
Furniture and fixtures	11,893	11,893
Computer equipment	17,386	17,386
	<hr/>	<hr/>
	308,133	308,133
	<hr/>	<hr/>
Less accumulated depreciation:		
Buildings and improvements	(10,472)	(5,814)
Other equipment and furnishings	(27,560)	(25,559)
	<hr/>	<hr/>
	(38,032)	(31,373)
	<hr/>	<hr/>
PROPERTY AND EQUIPMENT, NET	270,101	276,760
	<hr/>	<hr/>
TOTAL ASSETS	\$ 392,799	\$ 348,655
	<hr/>	<hr/>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Current portion of long-term debt	\$ 13,667	\$ 12,673
Accounts Payable	2,055	2,440
Accrued payroll and payroll taxes	7,503	12,555
Compensated absences	29,670	23,598
	<hr/>	<hr/>
TOTAL CURRENT LIABILITIES	52,895	51,266
	<hr/>	<hr/>
LONG-TERM LIABILITIES		
Long-term debt	125,744	139,485
	<hr/>	<hr/>
TOTAL LIABILITIES	178,639	190,751
	<hr/>	<hr/>
NET ASSETS		
Unrestricted (See Note 9)	214,160	157,904
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET ASSETS	\$ 392,799	\$ 348,655
	<hr/>	<hr/>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

**PUBLIC DEFENDER CORPORATION
FOR THE ELEVENTH JUDICIAL CIRCUIT
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
REVENUE AND SUPPORT		
West Virginia Public Defender		
Services Grant Revenue	\$ 534,244	\$ 549,691
Interest income	4,090	1,679
	<u>538,334</u>	<u>551,370</u>
EXPENSES		
Personal services	318,144	319,689
Employee benefits	101,093	102,126
Supportive services	4,834	7,795
Administrative support	7,907	9,775
Office	23,069	22,115
Other	2,881	8,472
Acquisitions	7,258	7,206
Depreciation	6,659	8,217
Interest	10,233	14,322
	<u>482,078</u>	<u>499,717</u>
CHANGE IN UNRESTRICTED NET ASSETS	56,256	51,653
NET ASSETS		
Unrestricted - Beginning of year	<u>157,904</u>	<u>106,251</u>
Unrestricted - End of year	<u>\$ 214,160</u>	<u>\$ 157,904</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

**PUBLIC DEFENDER CORPORATION
FOR THE ELEVENTH JUDICIAL CIRCUIT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from grants	\$ 534,244	\$ 549,691
Cash paid for expenses	(474,784)	(476,203)
Interest received	4,090	1,679
	<hr/>	<hr/>
NET CASH PROVIDED BY OPERATING ACTIVITIES	63,550	75,167
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on long-term debt	(12,747)	(60,106)
	<hr/>	<hr/>
NET CASH (USED IN) FINANCING ACTIVITIES	(12,747)	(60,106)
	<hr/>	<hr/>
NET INCREASE (DECREASE) IN CASH	50,803	15,061
Cash balance, Beginning of year	71,895	56,834
	<hr/>	<hr/>
Cash balance, End of year	\$ 122,698	\$ 71,895
	<hr/> <hr/>	<hr/> <hr/>
RECONCILIATION OF CHANGE IN UNRESTRICTED NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Change in net assets	\$ 56,256	\$ 51,653
	<hr/>	<hr/>
Adjustments:		
Depreciation	6,659	8,217
Decrease (increase) in operating assets		
Other current assets	- 0 -	248
(Decrease) increase in operating liabilities:		
Accrued expenses	(5,437)	5,889
Compensated absences	6,072	9,160
	<hr/>	<hr/>
TOTAL ADJUSTMENTS	7,294	23,514
	<hr/>	<hr/>
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 63,550	\$ 75,167
	<hr/> <hr/>	<hr/> <hr/>
SUPPLEMENTAL INFORMATION		
Interest paid	\$ 10,233	\$ 15,450
	<hr/> <hr/>	<hr/> <hr/>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

**PUBLIC DEFENDER CORPORATION
FOR THE ELEVENTH JUDICIAL CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007 AND 2006**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Public Defender Corporation for the Eleventh Judicial Circuit (the Corporation) is a not-for-profit Corporation created under authority of Article 21, Chapter 29 of the West Virginia Code. The Corporation is a component unit of the State of West Virginia and is funded by the West Virginia Public Defender Services. The purpose of the Corporation is to provide high quality legal assistance to indigent persons, at no cost, who would be otherwise unable to afford adequate legal counsel.

Approximately 87% of the Corporations revenues are utilized for program-related purposes and 13% are for management and general purposes.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and in accordance with generally accepted accounting principles whereby revenues are recognized when earned and expenses when incurred and accordingly, reflect all significant assets, receivables, payables and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-For-Profit Organizations*. Under SFAS No. 117, the Corporation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. At June 30, 2007 and 2006, the Corporation did not have any temporarily or permanently restricted net assets.

Property and Equipment

Property and equipment are stated at cost. Assets with a basis in excess of \$1,000 and a useful life of more than one year are capitalized at cost. Depreciation is computed using the straight line method over the estimated useful lives of the respective assets, ranging from three to thirty-nine years. Depreciation expense for the years ended June 30, 2007 and 2006 was \$6,659 and \$8,217, respectively.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Corporation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Corporation had no cash equivalents as of June 30, 2007 and 2006.

Income Taxes

The Corporation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Corporation is classified by the Internal Revenue Service as an other than a private foundation.

**PUBLIC DEFENDER CORPORATION
FOR THE ELEVENTH JUDICIAL CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007 AND 2006**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unrestricted Net Assets

Unrestricted net assets are comprised of funds whose use is limited only to the extent that the Corporation's enabling legislation and bylaws limit the activities of the Corporation. Currently all of the Corporation's assets and activities are considered unrestricted.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Compensated Absences

Accrued Annual Leave

Estimated obligations arise for vacation leave at the current rate of employee pay. Employees vest in a maximum of 35 days of unused vacation leave which is paid at the time of separation from employment.

Sick Leave

The Corporation grants sick leave based on time worked. The Corporation does not accrue any liability for sick leave because no amount is paid at the time of separation of employment.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

NOTE 2 - DEFINED CONTRIBUTION RETIREMENT PLAN

The Corporation participates in the State of West Virginia Public Employee Retirement System (the Plan) which covers all eligible employees who agree to participate in the Plan. The Corporation is required to make contributions to the Plan equal to 10.5% of the participants' compensation. For the years ended June 30, 2007 and 2006, total Plan costs were \$33,887 and \$31,894, respectively.

**PUBLIC DEFENDER CORPORATION
FOR THE ELEVENTH JUDICIAL CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007 AND 2006**

NOTE 2 - DEFINED CONTRIBUTION RETIREMENT PLAN (CONTINUED)

Under the Plan guidelines, if an employee is hired by the Corporation and joins the Plan after they have been previously employed by another state agency, this employee has the ability to make a retroactive purchase of prior service time or "buy-back." Under the current contract with the Public Defender Services office of the State of West Virginia, the Corporation will only fund the employer portion of such buy-backs on a case by case scenario after consideration by the Public Defender Services. Public Defender Services expressly declines to purchase retroactive service credit. For the years ended June 30, 2007 and 2006, the Corporation did not authorize the employer portion of any buy-backs for Plan participants.

NOTE 4 - CONCENTRATIONS

The Corporation maintains its account balances in three accounts at a local financial institution. These accounts are insured by the Federal Deposit Insurance Corporation in total up to \$100,000. The Corporation had unreconciled bank balances at June 30, 2007 and 2006 of \$133,083 and \$84,835, respectively. The difference between reconciled and unreconciled cash is due to outstanding checks. Additionally, the Corporation has obtained a treasury bond from the respective financial institution with a par value of \$300,000. Therefore all monies were considered insured at the respective year ends.

The Corporation receives approximately all of its funding from West Virginia Public Defender Services. A significant reduction in this level of support would have a significant adverse effect on the Corporation.

NOTE 5 - CONTINGENCY

The Corporation is on a reimbursement plan with the State of West Virginia, Bureau of Employment Programs, Unemployment Compensation Division, whereby they no longer pay quarterly premiums. When a liability arises regarding the payment of unemployment, the Corporation will be assessed 100% of the awarded claim filed and payment to the Bureau would be made at that time. Any liability arising from the dismissal of employment is uncertain at this time.

**PUBLIC DEFENDER CORPORATION
FOR THE ELEVENTH JUDICIAL CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007 AND 2006**

NOTE 6 - LONG-TERM DEBT

The Organization's long-term debt consists of the following:

Note payable to Lawrence J. Ickes, due in 120 installments of \$1,915 including interest at an annual rate of 6.99%, secured by land and building, with maturity in June 2015.	\$ 139,411
Less: Current portion	<u>13,667</u>
Long-term debt	\$ <u>125,744</u>

Future scheduled maturities of long-term debt are as follows:

<u>Year s ending June 30</u>	
2008	\$ 13,667
2009	14,568
2010	15,620
2011	16,748
2012 and thereafter	<u>78,808</u>
TOTAL FUTURE MATURITIES OF LONG-TERM DEBT	\$ <u>139,411</u>

NOTE 7 - CONTINGENT LIABILITIES

The Corporation's programs are funded from state sources, principal of which are programs of West Virginia Public Defender Services. State grants received for specific purposes are subject to audit and review by grantor agencies. Such audits and reviews could result in request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grants. The amount, if any, of expenditures which may be disallowed by grantor agencies cannot be determined at this time, although management believes such amounts, if any, to be immaterial.

NOTE 8 - RISK MANAGEMENT

The Corporation is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The Corporation manages these risks of loss through the purchase of various insurance policies.

**PUBLIC DEFENDER CORPORATION
FOR THE ELEVENTH JUDICIAL CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007 AND 2006**

NOTE 9 - CASH HELD AT FISCAL YEAR END

At June 30, 2007, the Corporation held cash and cash equivalents of \$122,698 consisting of unexpended 2006/2007 Public Defender Corporation grant funds. Public Defender Services considered this amount in determining the appropriate level of disbursements in the succeeding fiscal year necessary to fund the Corporation's normal operating activities.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

**Honorable Members of the Board
Public Defender Corporation
for the Eleventh Judicial Circuit
Lewisburg, West Virginia**

We have audited the financial statements of the Public Defender Corporation for the Eleventh Judicial Circuit (a non-profit Corporation), as of and for the year ended June 30, 2007, and have issued our report thereon dated September 7, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Public Defender Corporation for the Eleventh Judicial Circuit's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Public Defender Corporation for the Eleventh Judicial Circuit's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted other matters involving the internal control over financial reporting, which we have reported to management of the Public Defender Corporation for the Eleventh Judicial Circuit in a separate letter dated October 1, 2007.

This report is intended solely for the information and use of the Board, management, and grantor or regulatory agencies and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Franer, Wright & Paterno".

Huntington, West Virginia
September 7, 2007

ADDITIONAL INFORMATION

**INDEPENDENT AUDITORS' REPORT
ON ADDITIONAL INFORMATION**

**Honorable Members of the Board
Public Defender Corporation
for the Eleventh Judicial Circuit
Lewisburg, West Virginia**

Our report on our audit of the basic financial statements of the Public Defender Corporation for the Eleventh Judicial Circuit for the years ended June 30, 2007 and 2006 appears on page 5. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of budget to actual - expenses - cash basis is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



**Huntington, West Virginia
September 7, 2007**

**PUBLIC DEFENDER CORPORATION
FOR THE ELEVENTH JUDICIAL CIRCUIT
BUDGET TO ACTUAL - EXPENSES - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2007**

	<u>Budget</u>	<u>Actual</u>	<u>(Over)/Under Budget to Actual</u>
Personal services	\$ 326,380	\$ 312,072	\$ 14,308
Employee benefits	108,883	106,145	2,738
Support services	8,850	4,834	4,016
Administrative services	12,150	7,907	4,243
Office	27,250	23,454	3,796
Other	6,600	2,881	3,719
Acquisitions	44,131	7,258	36,873
TOTAL	<u><u>\$ 534,244</u></u>	<u><u>\$ 464,551</u></u>	<u><u>\$ 69,693</u></u>