



**HOLMES COUNTY LAW LIBRARY
HOLMES COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

HOLMES COUNTY LAW LIBRARY
HOLMES COUNTY

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REPORT OF INDEPENDENT ACCOUNTANTS

Holmes County Law Library
Holmes County
1 East Jackson Street
Millersburg, Ohio 44654

To the Board of Trustees:

We have audited the accompanying financial statements of the Holmes County Law Library, (the Library) as of and for the years ended December 31, 2000 and 1999. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards 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.

As discussed in Note 1, the Library prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the Library as of December 31, 2000 and 1999, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2001 on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

This report is intended solely for the information and use of the management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

March 31, 2001

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**HOLMES COUNTY LAW LIBRARY
HOLMES COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND
CASH BALANCES - GOVERNMENTAL FUND TYPE
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999**

	General Fund	
	2000	1999
Cash Receipts:		
Fines	\$70,142	\$55,849
Interest Income	403	381
Miscellaneous	355	835
	70,900	57,065
Total Cash Receipts	70,900	57,065
Cash Disbursements:		
Current:		
Library Materials and Supplies	67,609	53,131
Return of Unused Funds to the County	3,198	7,517
	70,807	60,648
Total Cash Disbursements	70,807	60,648
Total Cash Receipts Over Cash Disbursements	93	(3,583)
Fund Cash Balances, January 1	17,668	21,251
Fund Cash Balances, December 31	\$17,761	\$17,668

The notes to the financial statements are an integral part of this statement.

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**HOLMES COUNTY LAW LIBRARY
HOLMES COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Holmes County Law Library (the Library) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Library is directed by a three-member Board of Trustees (Board) appointed by the Holmes County Bar Association.

The Library's management believes these financial statements present all activities for which the Library is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash

All funds of the Library are held in a non-interest bearing checking account and an interest bearing savings account. The Library has no investments.

D. Fund Accounting

The Library uses fund accounting to segregate cash that is restricted as to use. The Library classifies its fund as a General Fund which is the general operating fund and it is used to account for all financial resources of the Library.

2. CASH

The Ohio Revised Code prescribes allowable deposits. The carrying amount of cash at December 31 follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$17,761	\$17,668

Deposits:

Deposits are insured by the Federal Depository Insurance Corporation.

**HOLMES COUNTY LAW LIBRARY
HOLMES COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

3. LAW LIBRARY FUNDING

The primary source of revenue of the Library is fines, penalties and forfeited bail from municipal and county courts, including common pleas and probate courts; and fines, penalties and forfeited bail from cases involving violations of liquor control laws.

This funding method varies for each of the courts and violations as prescribed by Ohio Rev. Code Sections 3375.50 through 3375.53.

4. RETIREMENT SYSTEM

The Library's Clerk-Treasurer is a County employee who belongs to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including post retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contributions rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, PERS members contributed 8.5% of their gross salaries. The County contributed an amount equal to 10.84% and 13.55% for 2000 and 1999, respectively, of the participant's gross salary. The County has paid all contributions required through December 31, 2000.

5. RISK MANAGEMENT

The Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Errors and omissions



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Holmes County Law Library
Holmes County
1 East Jackson Street
Millersburg, Ohio 44654

To the Board of Trustees:

We have audited the accompanying financial statements of the Holmes County Law Library, (the Library) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated March 31, 2001. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Library's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Library'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 assurance 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 over financial reporting that might be material weaknesses. A material weakness is a 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 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.

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Library in a separate letter dated March 31, 2001.

Holmes County Law Library
Holmes County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

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

Jim Petro
Auditor of State

March 31, 2001



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HOLMES COUNTY LAW LIBRARY

HOLMES COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 15, 2001**