



**IDA RUPP PUBLIC LIBRARY
OTTAWA COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

IDA RUPP PUBLIC LIBRARY
OTTAWA COUNTY

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REPORT OF INDEPENDENT ACCOUNTANTS

Ida Rupp Public Library
Ottawa County
310 Madison Street
Port Clinton, Ohio 43452-1921

To the Board of Trustees:

We have audited the accompanying financial statements of Ida Rupp Public Library, Ottawa County, Ohio, (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 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.

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 combined fund cash balances and reserves for encumbrances of the Library as of December 31, 2000 and 1999, and its combined 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 August 13, 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 audit committee, 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

August 13, 2001

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**IDA RUPP PUBLIC LIBRARY
OTTAWA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	Governmental Fund Types	
	General	Special Revenue
Cash Receipts:		
Property and Other Local Taxes	\$834,317	
Other Government Grants-In-Aid	10,350	
Patron Fines and Fees	25,099	
Earnings on Investments	26,732	\$129
Contributions, Gifts and Donations	7,044	
Miscellaneous Receipts	5,940	
	909,482	129
Total Cash Receipts	909,482	129
Cash Disbursements:		
Current:		
Salaries and Benefits	454,375	
Supplies	21,832	
Purchased and Contracted Services	119,186	
Library Materials and Services	132,760	
Other Objects	54,927	
Capital Outlay	10,968	
	794,048	
Total Cash Disbursements	794,048	
Total Cash Receipts Over/(Under) Cash Disbursements	115,434	129
Other Financing Receipts/(Disbursements):		
Transfers-In	2,406	
Transfers-Out	(168)	(2,406)
	2,238	(2,406)
Total Other Financing Receipts/(Disbursements)	2,238	(2,406)
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	117,672	(2,277)
Fund Cash Balances, January 1	415,264	8,155
Fund Cash Balances, December 31	\$532,936	\$5,878
Reserves for Encumbrances, December 31	\$91,973	

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

<u>Fiduciary Fund Types</u>		<u>Totals</u>
<u>Expendable</u>	<u>Nonexpendable</u>	<u>(Memorandum</u>
<u>Trust</u>	<u>Trust</u>	<u>Only)</u>
		\$834,317
		10,350
		25,099
\$175		27,036
		7,044
		5,940
<u>175</u>		<u>909,786</u>
		454,375
		21,832
		119,186
		132,760
		54,927
		10,968
		<u>794,048</u>
<u>175</u>		<u>115,738</u>
168		2,574
		(2,574)
<u>168</u>		
343		115,738
<u>19,157</u>	<u>\$1,915</u>	<u>444,491</u>
<u>\$19,500</u>	<u>\$1,915</u>	<u>\$560,229</u>
		<u>\$91,973</u>

**IDA RUPP PUBLIC LIBRARY
OTTAWA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Governmental Fund Types	
	General	Special Revenue
Cash Receipts:		
Property and Other Local Taxes	\$773,509	
Other Government Grants-In-Aid	4,737	
Patron Fines and Fees	25,059	
Earnings on Investments	20,741	\$69
Contributions, Gifts and Donations	11,270	
Miscellaneous Receipts	5,058	
	840,374	69
Total Cash Receipts	840,374	69
Cash Disbursements:		
Current:		
Salaries and Benefits	412,752	
Supplies	17,305	
Purchased and Contracted Services	92,779	
Library Materials and Information	119,717	
Other Objects	7,929	
Capital Outlay	157,333	
	807,815	
Total Cash Disbursements	807,815	
Total Cash Receipts Over/(Under) Cash Disbursements	32,559	69
Other Financing Receipts/(Disbursements):		
Transfers-In		291
Transfers-Out	(758)	
	(758)	291
Total Other Financing Receipts/(Disbursements)	(758)	291
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	31,801	360
Fund Cash Balances, January 1	383,463	7,795
Fund Cash Balances, December 31	\$415,264	\$8,155
Reserves for Encumbrances, December 31	\$3,099	

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

<u>Fiduciary Fund Types</u>		<u>Totals</u>
<u>Expendable</u>	<u>Nonexpendable</u>	<u>(Memorandum</u>
<u>Trust</u>	<u>Trust</u>	<u>Only)</u>
		\$773,509
		4,737
		25,059
\$212		21,022
		11,270
		5,058
<u>212</u>		<u>840,655</u>
		412,752
		17,305
		92,779
		119,717
		7,929
		157,333
		<u>807,815</u>
<u>212</u>		<u>32,840</u>
467		758
		(758)
<u>467</u>		
679		32,840
<u>18,478</u>	<u>\$1,915</u>	<u>411,651</u>
<u>\$19,157</u>	<u>\$1,915</u>	<u>\$444,491</u>
		<u>\$3,099</u>

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**IDA RUPP PUBLIC LIBRARY
OTTAWA COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Ida Rupp Public Library, Ottawa County, (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 seven-member Board of Trustees appointed by Port Clinton City School District Board of Education. The Library provides the community with various educational and literary resources.

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. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

C. Cash and Investments

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Except gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Certificates of deposit are valued at cost. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

D. Fund Accounting

The Library uses fund accounting to segregate cash and investments that are restricted as to use. The Library classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts) that are restricted to expenditure for specific purposes. The Library had the following significant Special Revenue Funds:

**IDA RUPP PUBLIC LIBRARY
OTTAWA COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

Fine Arts Fund - This fund was set up by the Board to account for monies set aside for the purchase of a statue outside the Library.

V. Bracken Memorial Fund - This fund was established to account for monies given to the Library by a family for a particular purpose.

3. Fiduciary Funds (Trust Funds)

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Library to maintain the corpus of the trust, the fund is classified as a nonexpendable trust fund. Other trust funds are classified as expendable. The Library had the following significant fiduciary funds:

Trust Fund - This expendable trust fund receives donations and contributions which have been earmarked by the grantors for other than routine expenditures. Expenditures are primarily for equipment and specific collections of books.

Endowment Fund - This nonexpendable trust fund is to account for resources restricted by legally binding agreements.

E. Budgetary Process

The Ohio Administrative Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, and object level of control. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1.

3. Encumbrances

The Ohio Administrative Code requires the Library to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

**IDA RUPP PUBLIC LIBRARY
OTTAWA COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Library.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Library maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$217,375	\$112,239
Certificates of deposit	3,638	13,465
Total deposits	<u>221,013</u>	<u>125,704</u>
STAR Ohio	339,216	318,787
Total deposits and investments	<u>\$560,229</u>	<u>\$444,491</u>

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation or (2) collateralized by the financial institution's public entity deposit pool.

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$840,939	\$911,888	\$70,949
Special Revenue	100	129	29
Fiduciary	900	343	(557)
Total	<u>\$841,939</u>	<u>\$912,360</u>	<u>\$70,421</u>

**IDA RUPP PUBLIC LIBRARY
OTTAWA COUNTY**

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

3. BUDGETARY ACTIVITY (Continued)

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$886,599	\$886,189	\$410
Special Revenue		2,406	(2,406)
Fiduciary	18,000		18,000
Total	<u>\$904,599</u>	<u>\$888,595</u>	<u>\$16,004</u>

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$753,057	\$840,374	\$87,317
Special Revenue		360	360
Fiduciary		679	679
Total	<u>\$753,057</u>	<u>\$841,413</u>	<u>\$88,356</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	<u>\$885,741</u>	<u>\$811,672</u>	<u>\$74,069</u>

4. GRANTS-IN-AID AND TAX RECEIPTS

The primary source of revenue for Ohio public libraries is the State Library and Local Government Support Fund (LLGSF). The LLGSF is allocated to each county based on the county's prior intangibles tax of LLGSF revenues, and its population. The County Budget Commission allocates these funds to the Library based on its needs such as for the construction of new library buildings, improvements, operation, maintenance, or other expenses. The Budget Commission cannot reduce its allocation of these funds to the Library on account of any additional revenues realized by the Library.

5. RETIREMENT SYSTEM

The Public Employees Retirement System of Ohio (PERS) is a state operated, cost-sharing, multiple employer public employee retirement system. PERS provides retirement benefits to vested employees who are eligible to retire based upon years of service. PERS also provides survivor and disability benefits to vested employees.

**IDA RUPP PUBLIC LIBRARY
OTTAWA COUNTY**

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

5. RETIREMENT SYSTEM (Continued)

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

6. RISK MANAGEMENT

The Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability; and
- Errors and omissions.

The Library also provides health insurance coverage to full-time employees through a private carrier.

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

Ida Rupp Public Library
Ottawa County
310 Madison Street
Port Clinton, Ohio 43452-1921

To the Board of Trustees:

We have audited the accompanying financial statements of Ida Rupp Public Library (the Library) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated August 13, 2001. 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.

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 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 the management of the Library in a separate letter dated August 13, 2001.

This report is intended for the information and use of the audit committee, 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

August 13, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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IDA RUPP PUBLIC LIBRARY

OTTAWA 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
SEPTEMBER 11, 2001**