



**Auditor of State  
Betty Montgomery**



**PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY  
HAMILTON COUNTY**

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**Auditor of State  
Betty Montgomery**

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

Public Library of Cincinnati and Hamilton County  
Hamilton County  
800 Vine Street  
Cincinnati, Ohio 45202

To the Board of Trustees:

We have audited the financial statements of the Public Library of Cincinnati and Hamilton County, Hamilton County, Ohio (the Library), as of and for the fiscal year ended December 31, 2002 and have issued our report thereon dated June 12, 2003. 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.

**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 audit 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*. However, we did note a certain immaterial instance of noncompliance that we have reported to the management of the Library in a separate letter dated June 12, 2003.

**Internal Control Over Financial Reporting**

In planning and performing our audit, 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.

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.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

June 12, 2003



THE  
PUBLIC  
LIBRARY

of Cincinnati  
and  
Hamilton County,  
Ohio



Comprehensive Annual  
Financial Report

For the Year Ended December 31, 2002





# Introductory Section



**THE PUBLIC LIBRARY OF  
CINCINNATI AND HAMILTON COUNTY, OHIO**

**Comprehensive Annual Financial Report**

**For the Year Ended December 31, 2002**

**Issued by :**

**Patricia Schoettker**  
Clerk-Treasurer

THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2002

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THE  
PUBLIC  
LIBRARY

of Cincinnati  
and  
Hamilton County

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1853-2003

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Clerk-Treasurer

June 12, 2003

**To the Citizens of Hamilton County and  
The Board of Library Trustees of  
The Public Library of Cincinnati and Hamilton County**

We are pleased to present to you the Comprehensive Annual Financial Report (CAFR) for The Public Library of Cincinnati and Hamilton County for the year ended December 31, 2002. This report contains the financial statements and other financial and statistical data that provide complete and full disclosure of all material financial aspects of The Public Library of Cincinnati and Hamilton County ("The Library"). This CAFR conforms to generally accepted accounting principles (GAAP) as applicable to governmental entities. The responsibility for the accuracy and completeness of all data presented, and the fairness of the presentation, rests with the management of the Library, specifically the Clerk-Treasurer's Office.

This CAFR is divided into three sections:

1. The Introductory Section contains the title page, table of contents, this letter of transmittal, the Certificate of Achievement for Excellence in Financial Reporting, a list of principal officials, and the organizational chart of the Library.
2. The Financial Section begins with the Independent Accountants' Report and includes the General Purpose Financial Statements and Notes which provide an overview of the Library's financial position and operating results, and the Financial Statements and Schedules of Individual Funds and Account Groups which provide detailed information relative to the General Purpose Financial Statements.
3. The Statistical Section presents social and economic data, and financial trend information.

# THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

## HISTORY OF THE LIBRARY

The Public Library of Cincinnati and Hamilton County dates from 1853; however, its foundations were laid fifty years earlier when, in 1802, efforts were begun to establish the first of a series of subscription libraries. The Public Library occupied several inadequate facilities until 1870, when the burgeoning Cincinnati Library moved into its own building on Vine Street in the heart of downtown. That structure served the Queen City for 85 years until the building at 8th and Vine Streets opened. During that time, the institution acquired a reputation of quality in both its collection and its service.

The modern era for the Public Library began in 1898 with the establishment of an independent Board of Library Trustees. Within two years, the Main Library opened its first Children's Room, and the first six branches were added in nearby suburbs to create a system. The following year, philanthropist Andrew Carnegie agreed to give funds for nine additional branches, seven of which are still in service.

During the depths of the Great Depression, the Ohio legislature passed a tax on intangibles for the financial support of public libraries. This tax on stocks and bonds provided a stable source of funds for five decades, enabling the State's public libraries to grow to meet increasing patron demands and to keep up with the rapid changes in information.

In 1944, the Hamilton County electorate passed a bond issue to build what would be the first modern library in the United States of the post-war period. Eleven years later, the Main Library moved into a newly built facility at its current location at 8th and Vine Streets, just two blocks from its original building. The Library then turned its efforts to enhancing services and branch facilities, adding several new branches and renovating or expanding existing ones. Demand for library materials increased so dramatically that a major addition was made to the Main Library in 1982 and plans were made to construct a half-dozen large library branches to better serve the heavily populated "beltway" areas of the county. The opening of the Sharonville Branch in November 1993 completed this master plan.

By the mid-'80s, skyrocketing public demand for downtown library services, a rapidly growing collection, and radical expansion of computerization had once again stretched the Main Library to the limits. Planning began in 1988, and in 1995, ground was broken for the further expansion of the Main Library. In January 1997, the 165,000 square-foot addition to the Main Library was opened, and in 1998 the renovation of the entire 378,000 square-foot main library south building was completed. This created a state-of-the-art, seamless main library building of over one half million square feet with 97 miles of shelving.



## THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

Since the completion of the Main Library renovation, the Library's commitment to strengthening the branches has continued. In 2001, a new Harrison Branch was dedicated, the Cheviot and Norwood branch libraries underwent major remodeling and refurbishment, and seven branches received significant face-lifts and upgrades. In 2002, an expanded and totally renovated Westwood Branch re-opened in June, design work was completed on an expansion of the Clifton Branch Library rental facility, and design work was completed on a new St. Bernard Branch but construction was put on hold due to budget cutbacks.

Today, The Public Library of Cincinnati and Hamilton County system provides comprehensive services countywide and beyond through its Main Library and 41 neighborhood branches.

### **MISSION**

*The Public Library of Cincinnati and Hamilton County provides the communities it serves with ideas, knowledge and information supporting research, popular interests, and lifelong learning.*

### **MATERIALS / SERVICES**

Library cards are free to all Ohio residents. Cards are also free by reciprocity agreement to Indiana residents of Dearborn County and through library consortium membership to Kentucky residents of Boone, Campbell and Kenton Counties. The card enables system-wide borrowing privileges, access to the Library's electronic resources, and serves as a debit card for copiers and printing. Library facilities are open up to seven days per week.

The Library has a collection of over 10.2 million items, including books, children's book and cassette kits, public documents, videos, CD-ROMs, CDs, audio books, DVDs, ebooks, slides, maps, and sheet music, plus thousands of current magazine and newspaper subscriptions. While bestsellers and audiovisual materials account for a significant percentage of the Library's annual circulation, the Library's comprehensive book collection ranges from children's picture books to literature in three dozen languages. The Library also has collections of materials for adult new readers to complement its literacy services that include GED testing, literacy tutoring, workshops and English as a Second Language programs.

The Library's web site ([www.CincinnatiLibrary.org](http://www.CincinnatiLibrary.org)) provides access to the Library's online catalog, extensive reference databases including full-text of thousands of magazine articles, connections to Cincinnati area libraries, information about the Library and its programs, and Newsdex, an index to newspaper articles of local interest. Kidspace ([www.CincinnatiLibrary.org/Kidspace/](http://www.CincinnatiLibrary.org/Kidspace/)) is the Library's web page for children up to age 12 and their parents, offering homework help, hot sites,

## THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

resources for parents and teachers, "Write On!" which gives young people the opportunity to submit online book reviews and rate their favorite books, a complete schedule of library programs, book suggestions, a fun and games section, things to do around town, and more. Teenspace (<http://teenspace.cincinnati.library.org>), the new teen component of the Library's web page, was launched October 14, 2002. It offers teens annotated booklists, homework help, interactive quizzes and polls, virtual features with topics of high interest, an opportunity to publish their own book reviews online, and an interactive portal called "Talk to Us," among other features.

Using the Library's web site, Library cardholders may reserve, request, or renew items as well as offer comments, ask a reference question, and request materials from libraries throughout the world via interlibrary loan. Other services available via the Library's web site and at every Library location include online book clubs, weekly email newsletter, and automatic reserves of "hot authors." In 2002, over 12.6 million computer searches were conducted on the Library's online resources.

Free Internet access is available at all 41 branches and the Main Library. The Library continues to expand the selection of web-based research databases available through the Internet, making nearly 360 research sources accessible at every library location as well as from home, school, and office.

The Main Library serves as a public reference and resource center for Hamilton County and surrounding counties, and is widely recognized as one of the finest research collections in the country. The Library offers a complete U.S. Patent & Trademark Depository, a U.S. Documents Depository, an outstanding Rare Books & Special Collections Department, and a Grants Resource Center, providing materials on government, foundation, corporate, and private grants and scholarships. The Library has one of the nation's top genealogical research collections.

Two special services departments provide library service to those who are unable to use traditional library materials and services, including the aged, the institutionalized, the homebound, the physically and mentally disabled, and young people with special needs. The State Library has designated the Library to receive funding to provide services for blind and physically handicapped readers in Ohio's 33 southern counties through the Regional Library for the Blind & Physically Handicapped. The Outreach Services Department (formerly called Institutions/Books-by-Mail) serves the homebound, and provides programs and book collections to elementary schools, nursing homes, retirement centers, hospitals, and correctional facilities.

## THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

### REPORTING ENTITY

The Library's reporting entity has been defined in accordance with Statement No. 14 of the Governmental Accounting Standards Board. The Library is under the control and management of a Board of Trustees consisting of seven members. Four members of the Board of Library Trustees are appointed by the County Commissioners and three by the judges of the Court of Common Pleas. Board members are appointed for a term of seven years, the term of one trustee expiring each year. At its January meeting, the Board organizes for the ensuing year and elects a president, vice president, secretary and appoints a clerk treasurer. There is no potential for the Library to provide a financial benefit to or impose a financial burden on the County Commissioners, nor can the Commissioners significantly influence the programs, activities, or level of service performed or provided by the Library. Although the County Commissioners serve in a ministerial capacity as the taxing authority, the Library is fiscally independent of the county. The Board of Library Trustees makes decisions regarding whether to request approval of a tax, the rate and the purpose(s) of the levy. Once those decisions are made, the County Commissioners must place the levy on the ballot.

### ECONOMIC CONDITIONS AND OUTLOOK

The service area of the Library is the entire 413 square mile area encompassing Hamilton County and the City of Cincinnati (79 square miles), which is located wholly within the county borders. While the population of the City of Cincinnati declined 9 percent from 364,114 in 1990 to 331,285 in 2000, the total population of Hamilton County declined only 2.4 percent over the decade from 866,228 in 1990 to 845,303 in 2000. This indicates that residents are settling farther from the region's aging city core. Areas of growth over the last ten years - the fastest in both Ohio and Kentucky - completely encircle Hamilton County with Ohio's Butler County growing 14.2 percent, Warren County increasing 39 percent, Clermont County rising 18.5 percent, and double-digit increases in Kentucky's Boone, Campbell and Kenton Counties.

The Library receives the major portion of its income from the Library and Local Government Support Fund (LLGSF). The LLGSF is based on the collection of state income tax, and therefore, is dependent on the economy of the state. This fund, which previously was 5.7 percent of the personal income tax, is frozen for two years at the 2000-2001 level under the Biennium Budget that went into effect July 1, 2001. The LLGSF is distributed to Ohio's 88 counties according to a fixed formula. Within Hamilton County, the distribution is based on the Library's need. Any remainder after the Library's needs are met is distributed on a fixed formula to 37 local governments. Additional moneys are derived from services, fines, endowment funds, federal and state grants, e-rate reimbursements, gifts and investment earnings.

## THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

The economic downturn at the state level in 2002 resulted in significant reductions in the collection of state income tax and a cut of 8% in LLGSF funding for the Library. This unexpectedly large budget shortfall and anticipation of further reduced funding for 2003 saw much of the Library's efforts in 2002 directed toward reducing costs to operate within the funds available. Public outcry over a proposal announced July 16, 2002 to close five branch libraries as a cost-saving measure prompted the Board of Trustees to reconsider that decision and hold a series of public hearings. Ultimately, the decision to not close branches resulted in a reduction of services through reduced hours across the system, a staff reduction, a reduced budget for the purchase of new materials, cancellation or postponement of construction projects, and an increase in fines for overdue Library materials.

### MAJOR INITIATIVES

The Public Library of Cincinnati and Hamilton County system is widely regarded as among the best in the country, ranking among the top ten circulating libraries in the United States. In comparison with these nine other top circulating libraries, in 2002 the Library ranked first in holdings per capita (12.3 items), first in total holdings (10.3 million items), first in circulation per cardholder (35.6 items), and fourth in lowest cost per circulation (\$3.46).

The following are selected highlights of the Library's accomplishments in 2002:

#### Growth in Major Service Areas

**Library Use:** Circulation in 2002 was the highest ever. Over 14.4 million (14,403,659) items were borrowed; an average of 40,122 items for each day the Library was open. Circulation in 2002 was 4% higher than 2001 despite a reduction in service hours due to a major budget shortfall.

**Registration:** 149,742 new library cards were issued during the year, bringing the Library's total number of active borrowers to 404,655.

**Collection:** As of December 31, 2002, a collection of 10,261,257 items was available to Library users. In addition, in 2002 the Library provided 15,304 current periodical subscriptions and 478 newspaper subscriptions.

## THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

### Capital Projects

The expanded and redesigned Westwood Branch Library reopened on June 8, 2002. Improved branch amenities include separate reference and circulation desks, a much enlarged collection, five times more computers with Internet access, more parking, and a new Teen Scene space for teens with interactive CD-ROM station and a large collection of graphic novels. Over a three-year period, the Charles H. Dater Foundation provided \$580,000 of the total project cost of \$1.9 million. In recognition of this major support, the dramatically expanded children's area was named the Charles H. Dater Children's Room. A new entrance tower provides direct access from the parking lot to the program space and a newly added lift makes the branch handicapped accessible.

Design work was completed on a new St. Bernard Branch to be located on property donated by the City of St. Bernard. The Library purchased adjacent property for parking. The decision to begin construction, which had been scheduled to begin in late 2002, was postponed for a year due to major budget shortfalls.

The pledge of an anonymous donor for the majority of the construction funding allowed design work to be completed for expansion of the Clifton Branch Library into the storefront next to the current rental space on Ludlow Avenue. A gift from a second anonymous donor and two existing trust funds designated specifically for use on the Clifton Branch (Wendel Fund and Clifton Library Fund) provide additional funding for the project. Construction is scheduled to be complete by summer 2003.

### Grants, Awards and Major Gifts

The Library established its first Development Department to improve the Library's financial base by securing more diversified sources of funding, including individual, corporate and foundation donors.

The Charles H. Dater Foundation gave \$100,000 to support the collection, programs, and capital improvements for the children's section of the Westwood Branch Library. A recognition plaque acknowledging the support of the Charles H. Dater Foundation was placed in the Children's Room.

The Friends of the Public Library contributed over \$150,000 to the Library, which was used for a variety of programs for children, teens and adults and the purchase of rare or special items. This contribution also included more than \$35,000 for the purchase of books awarded as prizes for the annual summer reading club.

The Anderson Library Committee presented a gift of \$44,200. The funds were generated from the proceeds of their 22<sup>nd</sup> annual used book sale.

## THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

In the fall of 2002 the Library conducted its first Annual Fund Campaign to help meet the need for reliable funding. Appeal letters were sent to approximately 5,000 individuals, including previous donors and Friends' members. An appeal brochure was distributed to staff and to patrons as materials were checked out in the Main Library as well as our branches. To further expand the reach of the campaign a new section for the web site designed specifically to inform and electronically solicit funding for the Library was added. To encourage more gifts to the Library, for the first time the Library accepted credit cards for payment of annual fund donations. More than 450 friends, Library Trustees, staff, and companies made gifts to the 2002 Annual Fund, generating over \$65,000.

On July 29, Fifth Third Bank established a "Save the Libraries Fund" with a grant of \$10,000. This depository account was designed to collect public funds in support of keeping open the five branch libraries in Bond Hill, Deer Park, Elmwood Place, Greenhills, and Mount Healthy proposed for closing.

Two anonymous gifts of up to \$125,000 were pledged for the Clifton Branch Library expansion.

Funds of \$135,646 were received from the Dr. Warren Hattendorf Estate.

The Charles E. Work Trust gave a contribution of \$54,249.

\$8,126 was received from the Hamilton County Chapter of the Ohio Genealogical Society for purchase of the 1930 U.S. Census for Ohio and Enumeration Maps.

In honor of the Library's 150th anniversary in 2003, a major book written by award-winning author John Fleischman was published and released on February 1, 2003. Major financial support to assist with the design and printing costs of the book was provided in 2002 by the Friends of the Public Library and the Armstrong Trust Fund. Through the support of Library Trustee Elizabeth H. LaMacchia, the LaMacchia Family Foundation gave a contribution of \$10,000. Ten gifts of \$1,500 were received from area businesses along with smaller gifts from five other businesses and individuals.

Local philanthropist Charles Fleischmann donated a 35-volume set of the works of Samuel Clemens (Mark Twain), *The Writings of Mark Twain*, was published from 1922-1925. Its value is enhanced by Clemens' signature "S.L. Clemens, Mark Twain" in Volume 1. The set represents an important addition to the Clemens' collection in the Main Library's Rare Books & Special Collection Department.

## THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

The Greater Cincinnati ESL Consortium (GCEC) pledged a donation of English-as-a second-language (ESL) instructional materials valued at \$5,000 to the Library. These donated materials are part of a Title VII grant awarded to the University of Cincinnati and the Hamilton County Educational Service Center by the U.S. Department of Education's Office of Bilingual and Minority Language Affairs. These materials, to be added to the collections at the Main Library, Norwood and Sharonville branches, will help the Library build stronger ESL collections, foster understanding of literacy needs for language minorities, and develop a partnership with a new literacy provider.

### Public Service Improvements

Collection development procedures including the evaluation, selection, and acquisition of print materials, audiovisual materials, and electronic resources were centralized. This will result in greater efficiencies and time savings and better service for Library customers. This change will also enable the Library to respond more quickly to external factors and free branch managers to spend more time on management duties.

A major focus of the Library in 2002 was to expand and enhance Library service to teens. Efforts included hiring Paula Brehm-Heeger as the first Teen Coordinator, debuting Teenspace--a teen component of the web site, actively involving teens in decision-making through teen advisory boards, adding items to the collection that appeal to a contemporary teen audience, publishing *Seven Hills Review* as an ezine, and creating areas specifically designed for teens in many branch libraries. As a result of these efforts, attendance at teen programs rose by 63% and system wide circulation of teen materials was 21% higher over that of 2001.

Some important genealogy resources were added to the History & Genealogy Department collection in 2002, including a significant portion of the 1930 U.S. census. The remaining states of the 1930 census will be received in 2003. With this acquisition, the Library will return to the position of one of three public libraries in the country with the entire available census population schedules.

### Program Activity

A total of 13,935 free library programs were offered in 2002, reaching 288,464 people of all ages throughout the county and beyond.

Most notable of the Library's extensive programming efforts in 2002 were the outstanding roster of author visits ranging from regional writers to nationally renowned bestselling authors, and the Summer Reading Club, which included separate reading clubs for teens and adults, as well as children, under the unified theme of "Read Around the World." Underscoring the multicultural theme, Tibetan

## THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

monks from the Drepung Gomang Monastery created a sand mandala for world peace in the Main Library from August 1 – 5, which over 1,000 people came to observe.

In an effort to build community through literature, the Library partnered with the Cincinnati Mayor's Office, public schools, *Cincinnati Enquirer*, booksellers, public libraries throughout the Tri-state, and others to organize a special book club, *On the Same Page Cincinnati*. The goal of the project was to bring the diverse region together around one great book by cultivating a culture of reading and discussion. A book dealing with race and racial diversity, *A Lesson Before Dying* by Ernest J. Gaines, was selected to serve as the centerpiece of talks, workshops, discussions, and other activities by organizations throughout the region, which culminated on April 23, 2002, with two programs with the author at the University of Cincinnati and television station WCET48.

Extensive programming commemorated the 100<sup>th</sup> anniversary of the Science & Technology Department in April 2002. Marking this milestone were lectures by former NASA astronaut Captain Winston Scott and noted food writers Jane and Michael Stern, plus Astronomy Day at the Library and the first ever Pet Day at the Library.

### Staff Development

A unified program of training entitled The Library Academy was developed to orient and guide new employees, improve job and people skills, provide opportunities for workplace and personal growth and development, and promote a better understanding of Library policies, performance expectations, and benefits. The number of available workshops increased by 33% from 48 to 64.

All Library staff attended diversity-training classes to expand awareness of personal filters acquired through the socialization process and to develop an enhanced sensitivity to customers and co-workers with diverse cultures, customs, beliefs, or values.

To encourage staff to further their education, educational assistance grants totaling over \$83,000 were made from three trust funds for undergraduate education, attendance at workshops, and graduate courses in Library Science.

### Expanded Access

To support the Library's vision of being an integral part of the community, extensive energies were expended on reaching out to the community and increasing awareness about the diverse services available at the Library. Many staff participated in community festivals and events to raise the Library's visibility and to educate the public about the range of resources it offers. In addition to promoting our services,



## THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

Library representatives encouraged people to sign up for a library card at events including the Northside Community-Police Outreach Festival, Pooch Parade in French Park, Community Outreach Festival in Laurel Park, Madeira Art Fair, Senior Expo at Old Coney Island, Ridge Days in Pleasant Ridge, Literacy Rally on Fountain Square, Blue Ash Family Fun Day, Harvest Home Parade, Westfest, Delhi Business Association 2002 Annual Christmas Parade, Meijer's KidsFest, and both Price Hill Days at Mt. Echo Park and Price Hill Back to School Fair at Seton High School.

The Library began actively seeking ways to serve the growing Spanish-speaking population. This included participating in the annual Hispanic Festival where Spanish-language versions of Library card applications for adults and children were officially launched. The Library partnered with WCET48 on a series of workshops for Latino childcare providers and parents, offered bilingual story times at several library locations, added the first Spanish-language audio books to the collection, and created Spanish sections in the Education & Religion and Films & Recordings departments. In addition, the Main Library and West End Branch Library began hosting regularly scheduled English as a Second Language Conversation Groups.

In order to further its reach into the community and share limited resources, the Library partnered and collaborated with a number of other nonprofit cultural and educational organizations, as well as with a major sports team. The Library partnered with Metro on the Haunted Bus, The Taft Museum of Art on its Artful Evenings Series, with the Cincinnati Art Museum and Cincinnati Ballet on a celebration of the Ballet Russe de Monte Carlo, Artworks on Flower Power, and with WCET48 on several educational projects. The Library is one of the partners in Project GILEAD that will provide online access to information on faith-based community services. In an ongoing collaboration, the Library partnered with the Cincinnati Reds to bring literacy and baseball together during the baseball season.

For the first time, the Library hired an advertising firm to help get the word out. Working with Barefoot Advertising, the Library was scheduled to launch a comprehensive Advertising and Marketing Campaign in August 2002. Because of the budget situation, the planned campaign was cancelled for the remaining year.

The Library's web site received numerous enhancements, including a newly designed bold, brightly colored Kidspace web site and a brand new Teenspace, created specifically for teens with major teen input. Both of these sites offer interactive features with extensive home help resources and the ability for both children and teens to write their own book reviews. A free customizable email newsletter, *@ the Library*, became available through the Library's web site as an efficient, cost-effective way to communicate every week with customers. Several new databases, including Infotrac OneFile, HeritageQuest Online, and ReferenceLink, were added to the collection of web-based resources--all of which are available at all Library locations and most with remote access as well. A new section, Support the Library, was added to the web page

## THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

to make it easier for individuals, businesses, and community groups to find out about the variety of ways they can contribute to the Library.

The Network Upgrade project begun in 2001 was completed in late 2002 in preparation for the implementation of a new Integrated Library System (ILS) and to provide tools to improve service to the public and staff. The Network Upgrade project included replacing all "dumb" terminals with Wyse thin client devices, thus enabling Internet access on all work stations and resulting in a increase of 122% for Internet access computers. It improved printing capabilities through implementation of a new Pay-for-Print solution at all locations.

### PROSPECTS FOR 2003 AND BEYOND

#### Capital Projects

The income received from the Library and Local Government Support Fund (LLGSF) in 2002 was \$4 million less than in 2001 and, based on current economic conditions, the Library anticipates no increase in revenue from the LLGSF in 2003. Given the severe projected budget shortfall, no funding is budgeted for any capital projects in 2003, although the Integrated Library System (ILS) computerization project, already funded, will go forward. A decision to build a new St. Bernard Branch has been put on hold until the fall of 2003. A special-purpose library in the Trailside Nature Center, planned in cooperation with the Cincinnati Park Board, has been cancelled.

The expansion of the Clifton Branch Library into the storefront next to the current rental space on Ludlow Avenue will go forward, as the cost of construction has been funded through gifts and two trust funds (Wendel Fund and Clifton Library Fund). Construction is underway and is scheduled to be complete by summer 2003.

#### Technology Plan

The Library is moving forward towards the implementation of a new Integrated Library System (ILS). The first phase of this project to upgrade the existing infrastructure, including the network and terminals, was completed in 2002. The new ILS will support a much-needed web-based catalog and will permit a variety of applications not currently possible with the old computer system. In late 2002 the Board approved the recommendation of the ILS Selection Team to purchase Sirsi's Unicorn system. A contract has been negotiated and is currently under legal review.

## THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

### Major Programs

To assist with decision making given shrinking financial and personnel resources, the Library is working on a Strategic Plan. The Board of Trustees established an Ad Hoc Strategic Planning Committee and a request for proposal was issued to hire a strategic planning consultant. The firm of Himmel & Wilson was hired in 2003.

Increased efforts are being taken to expand the base of support for the Library through establishment of a Library Foundation. As a separate non-profit, 501(C)(3) organization, the Foundation would be able to accept contributions from individuals, corporations, and foundations.

Following intensive investigation by a Staff Task Force in late 2002, the Library is planning to initiate a volunteer program to help address some of the issues resulting from significant staffing and funding reductions. A launch of this program is planned by fall 2003.

2003 marks the 150<sup>th</sup> anniversary of the Public Library of Cincinnati and Hamilton County. This significant milestone in the Library's history will be celebrated throughout the year with a series of events that began on February 1 with the launch of a richly textured book written by John Fleischman, *Free & Public: One Hundred and Fifty Years at the Public Library of Cincinnati and Hamilton County 1853 – 2003*. A number of exhibits, special events, and activities will be hosted culminating with the dedication of an Ohio Bicentennial Historical Marker at the Main Library in late fall 2003.

### Promotional Efforts

The Library is planning to conduct its first comprehensive marketing and advertising campaign in the fall of 2003. The campaign was ready for implementation in 2002 but was cancelled due to the budget shortfall.

## FINANCIAL INFORMATION

### Basis of Accounting

The Library's financial records are maintained on a cash basis for all fund types. Prior to the year-end closing, adjusting entries are prepared for the various funds to convert the cash basis records to the modified accrual basis for all governmental and expendable trust funds and the accrual basis for the non-expendable trust funds. The modified accrual basis of accounting requires that revenues be recognized when they are both measurable and available. Expenditures are generally recorded when the fund liability is incurred. The accrual basis of accounting recognizes revenues when earned and expenses when incurred.

## THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

### Internal Control Structure and Budgetary Controls

Development of the Library's accounting system included consideration of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance states that internal control should be evaluated to insure that the expense associated with providing internal controls does not exceed the benefit expected to be derived from their implementation. This evaluation involves estimates and judgment by the Library administration and members of the finance office. The administrative and financial management personnel believe that the Library's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

Budgetary control is maintained by the encumbrance of purchase amounts prior to the release of purchase orders to vendors. Purchase orders are not issued when insufficient appropriations preclude the encumbrance of the amount of the purchase.

### Governmental Funds - Revenues and Expenditures

The following schedule presents a summary of the governmental funds' revenues for the years ended December 31, 2002 and 2001 and the dollar and percentage variance between the two years.

<u>Revenues</u>	<u>2002</u>	<u>2001</u>	<u>Variance</u>	<u>%</u>
Intergovernmental	\$ 49,110,014	\$ 53,258,596	\$ (4,148,582)	-7.79 %
Patron Fines and Fees	1,289,802	1,217,990	71,812	5.90 %
Interest	367,481	849,372	(481,891)	-56.73 %
Services Provided to Other Entities	10,013	25,208	(15,195)	-60.28 %
Contributions, Gifts and Donations	144,883	111,715	33,168	29.69 %
Miscellaneous	2,555,349	952,770	1,602,579	168.20 %
	<u>\$ 53,477,542</u>	<u>\$ 56,415,651</u>	<u>\$ (2,938,109)</u>	<u>-5.21 %</u>

Overall, revenues decreased in 2002 compared to 2001. A reduction in income tax collections and action taken by the Ohio legislature to balance the state budget resulted in reduced LLGSF funding and there was a significant decrease in interest revenue as a result of lower interest rates throughout the year. The large increase in miscellaneous income reflects a \$1,961,533 one-time distribution from Anthem as part of their demutualization.

**THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY**

The following schedule presents a summary of the governmental funds' expenditures for the years ended December 31, 2002 and 2001 and the dollar and percentage variance between the two years.

<u>Expenditures</u>	<u>2002</u>	<u>2001</u>	<u>Variance</u>	<u>%</u>
<b>Current</b>				
Salaries and Benefits	\$ 34,518,009	\$ 33,265,746	\$ 1,252,263	3.76 %
Supplies	878,330	1,227,160	(348,830)	-28.43 %
Purchased and Contracted Services	7,322,432	8,926,904	(1,604,472)	-17.97 %
Library Materials and Information	8,564,275	7,907,692	656,583	8.30 %
Other Objects	127,003	61,514	65,489	106.46 %
Capital Outlay	1,736,946	6,273,840	(4,536,894)	-72.31 %
Debt Service	0	101,533	(101,533)	-100.00 %
	<u>\$ 53,146,995</u>	<u>\$ 57,764,389</u>	<u>\$ (4,617,394)</u>	<u>-7.99 %</u>

Total expenditures decreased by \$4,617,394, or 7.99 percent, from 2002 to 2001. This is the direct result of a conscious effort to reduce expenditures because of the reduction in revenue. Several capital projects were put on hold during the year, resulting in a large reduction in capital outlay.

Fiduciary Funds

The Library reports six expendable trust funds as listed below:

	<u>Unreserved Undesignated Fund Balance</u>
Various Expendable	\$893,631
Library Materials	150,973
Maibaugh	237,094
Dater	41,900
Hannaford	3,157
Library Programs	142,666

The Various Expendable Trust Fund represents several individual expendable trust funds accounted for separately on the Library's records but combined for reporting purposes.

## THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

The Library reports eight non-expendable trust funds as listed below:

	<u>Unreserved Undesignated Fund Balance</u>
Various Non-Expendable	\$276,416
Armstrong	778,433
Feld	303,986
Hadley	39,168
Heisel/Dunlap	13,310
Kersten	404,726
Dwyer	68,719
Howard	129,188

The Various Non-Expendable Trust Fund represents many individual non-expendable trust funds accounted for separately on the Library's records but combined for reporting purposes.

### Debt Administration

The Library has no outstanding debt. All capital projects are funded with available cash.

### Cash Management

The Library pursues an aggressive cash management program by expediting the receipt of revenues and prudently investing available cash in obligations issued by the United States Government or the State of Ohio. The Library's deposits are insured by the Federal Deposit Insurance Corporation or collateralized by pooled securities. The total interest and dividends earned for the year ended December 31, 2002, was \$773,527 and represents an average annual interest rate of approximately 3% percent.

### Risk Management

The Library is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees and natural disasters. The Library carries three layers of insurance coverage.

Various limits associated with each type of insurance are outlined in detail in the notes to the general purpose financial statements.

# THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

## OTHER INFORMATION

### Independent Audit

An audit team from the office of Auditor of State, Betty Montgomery, has performed this year's audit. The results of the audit are presented in the Independent Accountants Report.

### Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to The Public Library of Cincinnati and Hamilton County for its 2001 Comprehensive Annual Financial Report.

GFOA awards a Certificate of Achievement for Excellence in Financial Reporting to a government unit which publishes an easily readable and efficiently organized CAFR which conforms to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is the highest form of recognition in the area of government financial reporting, and its attainment is a significant accomplishment by a governmental unit. The Library's CAFR has consistently received this award each year since preparation of the first report in 1993.

We believe this report conforms to the reporting standards set forth by GFOA. Thus, we are submitting our current CAFR to the GFOA for review and determination of eligibility for a certificate for 2002.

### Acknowledgements

A special thanks is extended to my Financial Services staff for their hard work and dedication in compiling cash reports, accrual information and fixed asset information. I would also like to express appreciation to Ms. Betty Montgomery, Auditor of State, and to her Local Government Services staff for their assistance in preparing this report.



PATRICIA SCHOETTKER  
CLERK-TREASURER

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## The Public Library of Cincinnati and Hamilton County, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2001

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*William Patrick Harte*

President

*Jeffrey R. Emer*

Executive Director



THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

LIST OF PRINCIPAL OFFICIALS  
AS OF DECEMBER 31, 2002

Board of Library Trustees

President	Bailey W. Turner
Vice President	Elizabeth H. LaMacchia
Secretary	Joseph S. Stern, Jr.
Board Members	Charles W. Anness Tara L. Khoury Charles D. Lindberg William J. Moran

Appointed Officials

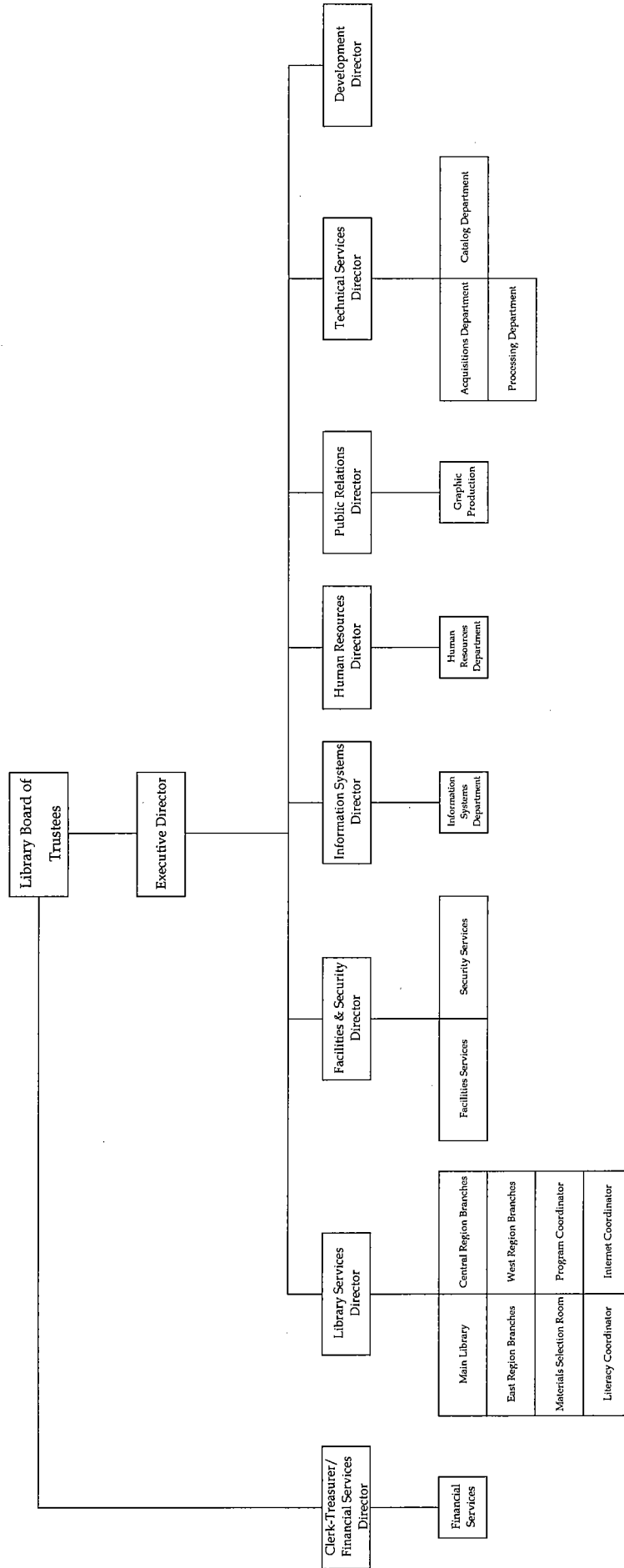
Executive Director	Kimber L. Fender
Clerk-Treasurer/Financial Service Director	Patricia Schoettker

Administrative Staff

Director, Information Systems	Anne Herbert
Director, Human Resources	Mary Bennett
Director, Public Services	Keith Kuhn
Director, Public Relations	Amy Banister
Director, Technical Services	Catherine Sheanshang
Director, Facilities and Security	Ray Hils

THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

ORGANIZATIONAL CHART



# Financial Section





**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Public Library of Cincinnati and Hamilton County  
Hamilton County  
800 Vine Street  
Cincinnati, Ohio 45202-2071

To the Board of Trustees:

We have audited the accompanying general purpose financial statements of the Public Library of Cincinnati and Hamilton County, Hamilton County, Ohio, (the Library) as of and for the year ended December 31, 2002, as listed in the table of contents. These general purpose financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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. Those standards require that we plan and perform the audit 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 audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Public Library of Cincinnati and Hamilton County, Hamilton County, Ohio, as of December 31, 2002, and the results of its operations and the cash flows of its nonexpendable trust funds for the year 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 June 12, 2003, 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 audit.

The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for additional analysis and are not a required part of the general purpose financial statements. We subjected this information to the auditing procedures applied in the audit of the general purpose financial statements. In our opinion, it is fairly stated in all material respects, in relation to the general purpose financial statements taken as a whole.

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

June 12, 2003

## GENERAL PURPOSE FINANCIAL STATEMENTS

The following general purpose financial statements, along with the notes to the general purpose financial statements, present an overview of the Library's financial position on December 31, 2002, and the results of operations and cash flows of its non-expendable trust funds for the year then ended.

**The Public Library of Cincinnati and Hamilton County**  
**Combined Balance Sheet**  
**All Fund Types and Account Groups**  
**December 31, 2002**

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
<b><u>Assets and Other Debits</u></b>			
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 7,540,403	\$ 367,616	\$ 9,304,187
Restricted Cash:			
Cash and Cash Equivalents with Escrow Agent	0	0	44,727
Investments	0	0	0
Receivables:			
Accrued Interest	48,678	0	0
Intergovernmental	27,908,372	0	0
Prepaid Items	74,004	0	0
Supplies Inventory	348,106	0	0
Advances To Other Funds	150,000	0	0
Fixed Assets	0	0	0
<b>Other Debits</b>			
Amount to be Provided for Retirement of General Long-Term Obligations	0	0	0
<b>Total Assets and Other Debits</b>	<b>\$ 36,069,563</b>	<b>\$ 367,616</b>	<b>\$ 9,348,914</b>
<b><u>Liabilities, Fund Equity and Other Credits</u></b>			
<b>Liabilities</b>			
Accounts Payable	\$ 1,424,000	\$ 2,775	\$ 55,305
Contracts Payable	0	0	4,884
Contracts Payable - Retainage	0	0	44,727
Accrued Salaries Payable	676,890	10,154	0
Intergovernmental Payable	98,058	1,444	0
Advances From Other Funds	0	150,000	0
Compensated Absences	343,759	4,113	0
Deferred Revenue	24,423,525	0	0
<b>Total Liabilities</b>	<b>26,966,232</b>	<b>168,486</b>	<b>104,916</b>
<b>Fund Equity and Other Credits</b>			
Investment in General Fixed Assets	0	0	0
Fund Balance:			
Reserved for Encumbrances	2,216,403	15,477	316,281
Reserved for Inventory	348,106	0	0
Reserved for Advances	150,000	0	0
Reserved for Restricted Principal	0	0	0
Unreserved:			
Designated for Capital Projects	0	0	8,927,717
Undesignated	6,388,822	183,653	0
<b>Total Fund Equity and Other Credits</b>	<b>9,103,331</b>	<b>199,130</b>	<b>9,243,998</b>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$ 36,069,563</b>	<b>\$ 367,616</b>	<b>\$ 9,348,914</b>

See accompanying notes to the general purpose financial statements.



Fiduciary Fund Type	Account Groups			Total (Memorandum Only)
Trust	General Fixed Assets	General Long-Term Obligations		
\$ 4,086,658	\$ 0	\$ 0	\$	21,298,864
0	0	0		44,727
6,107,760	0	0		6,107,760
89,556	0	0		138,234
0	0	0		27,908,372
0	0	0		74,004
0	0	0		348,106
0	0	0		150,000
0	115,771,541	0		115,771,541
0	0	3,927,502		3,927,502
<u>\$ 10,283,974</u>	<u>\$ 115,771,541</u>	<u>\$ 3,927,502</u>	<u>\$</u>	<u>175,769,110</u>
\$ 74,740	\$ 0	\$ 0	\$	1,556,820
0	0	0		4,884
0	0	0		44,727
0	0	0		687,044
0	0	796,082		895,584
0	0	0		150,000
0	0	3,131,420		3,479,292
0	0	0		24,423,525
<u>74,740</u>	<u>0</u>	<u>3,927,502</u>		<u>31,241,876</u>
0	115,771,541	0		115,771,541
42,646	0	0		2,590,807
0	0	0		348,106
0	0	0		150,000
6,683,221	0	0		6,683,221
0	0	0		8,927,717
3,483,367	0	0		10,055,842
<u>10,209,234</u>	<u>115,771,541</u>	<u>0</u>		<u>144,527,234</u>
<u>\$ 10,283,974</u>	<u>\$ 115,771,541</u>	<u>\$ 3,927,502</u>	<u>\$</u>	<u>175,769,110</u>

The Public Library of Cincinnati and Hamilton County  
 Combined Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 All Governmental Fund Types and Expendable Trust Funds  
 For the Year Ended December 31, 2002

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
Revenues:			
Intergovernmental	\$ 48,337,997	\$ 772,017	\$ 0
Patron Fines and Fees	1,289,802	0	0
Interest	367,481	0	0
Services Provided to Other Entities	10,013	0	0
Contributions, Gifts and Donations	62,383	0	82,500
Miscellaneous	2,555,349	0	0
Total Revenues	52,623,025	772,017	82,500
Expenditures:			
Current:			
Salaries and Benefits	34,035,706	482,303	0
Supplies	865,064	13,266	0
Purchased and Contracted Services	6,000,749	302,542	1,019,141
Library Materials and Information	8,539,462	24,813	0
Other Objects	127,003	0	0
Capital Outlay	101,307	2,859	1,632,780
Total Expenditures	49,669,291	825,783	2,651,921
Excess of Revenues Over (Under) Expenditures	2,953,734	(53,766)	(2,569,421)
Other Financing Sources (Uses):			
Operating Transfers - In	1,400,000	0	2,162,739
Operating Transfers - Out	(1,986,116)	0	(1,510,023)
Total Other Financing Sources (Uses)	(586,116)	0	652,716
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	2,367,618	(53,766)	(1,916,705)
Fund Balances at Beginning of Year	6,714,041	252,896	11,160,703
Increase in Reserve for Inventory	21,672	0	0
Fund Balances at End of Year	\$ 9,103,331	\$ 199,130	\$ 9,243,998

See accompanying notes to the general purpose financial statements.

Fiduciary  
Fund Type

Expendable Trust	Total (Memorandum Only)
---------------------	-------------------------------

\$	0	\$	49,110,014
	0		1,289,802
	22,505		389,986
	0		10,013
	565,740		710,623
	0		2,555,349
	<u>588,245</u>		<u>54,065,787</u>

	0		34,518,009
	9,695		888,025
	129,294		7,451,726
	117,119		8,681,394
	0		127,003
	22,850		1,759,796
	<u>278,958</u>		<u>53,425,953</u>

	<u>309,287</u>		<u>639,834</u>
--	----------------	--	----------------

	0		3,562,739
	(66,600)		(3,562,739)
	<u>(66,600)</u>		<u>0</u>

	242,687		639,834
--	---------	--	---------

	1,234,543		19,362,183
--	-----------	--	------------

	<u>0</u>		<u>21,672</u>
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\$	<u>1,477,230</u>	\$	<u>20,023,689</u>
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The Public Library of Cincinnati and Hamilton County  
 Combined Statement of Revenues, Expenditures and  
 Changes in Fund Balances - Budget and Actual (Budget Basis)  
 All Governmental Fund Types and Expendable Trust Funds  
 For the Year Ended December 31, 2002

	General Fund		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
Revenues:			
Intergovernmental	\$ 48,338,996	\$ 48,338,996	\$ -
Patron Fines and Fees	1,291,259	1,289,802	(1,457)
Interest	353,918	318,803	(35,115)
Services Provided to Other Entities	10,013	10,013	-
Contributions, Gifts and Donations	597	62,383	61,786
Miscellaneous	2,532,734	2,555,349	22,615
Total Revenues	<u>52,527,517</u>	<u>52,575,346</u>	<u>47,829</u>
Expenditures:			
Current:			
Salaries and Benefits	35,952,842	35,343,719	609,123
Supplies	1,178,123	996,966	181,157
Purchased and Contracted Services	7,135,786	6,869,689	266,097
Library Materials and Information	9,837,769	9,646,919	190,850
Other Objects	144,990	124,162	20,828
Capital Outlay	250,821	231,706	19,115
Total Expenditures	<u>54,500,331</u>	<u>53,213,161</u>	<u>1,287,170</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,972,814)</u>	<u>(637,815)</u>	<u>1,334,999</u>
Other Financing Sources (Uses):			
Operating Transfers - In	1,400,000	1,400,000	0
Operating Transfers - Out	(1,986,117)	(1,986,117)	0
Total Other Financing Sources (Uses)	<u>(586,117)</u>	<u>(586,117)</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(2,558,931)</u>	<u>(1,223,932)</u>	<u>1,334,999</u>
Fund Balance at Beginning of Year	1,165,001	1,165,001	0
Prior Year Encumbrances Appropriated	3,958,931	3,958,931	0
Fund Balance at End of Year	<u>\$ 2,565,001</u>	<u>\$ 3,900,000</u>	<u>\$ 1,334,999</u>

See accompanying notes to the general purpose financial statements.

Special Revenue Funds			Capital Project Funds		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ 786,103	\$ 772,017	\$ (14,086)	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	80,000	82,500	2,500
0	0	0	0	0	0
<u>786,103</u>	<u>772,017</u>	<u>(14,086)</u>	<u>80,000</u>	<u>82,500</u>	<u>2,500</u>
					0
489,218	481,282	7,936	0	0	0
13,266	13,266	0	0	0	0
325,096	319,880	5,216	1,722,679	1,449,280	273,399
25,191	24,997	194	0	0	0
0	0	0	0	0	0
2,859	2,859	0	8,011,587	2,175,352	5,836,235
<u>855,630</u>	<u>842,284</u>	<u>13,346</u>	<u>9,734,266</u>	<u>3,624,632</u>	<u>6,109,634</u>
<u>(69,527)</u>	<u>(70,267)</u>	<u>(740)</u>	<u>(9,654,266)</u>	<u>(3,542,132)</u>	<u>6,112,134</u>
0	0	0	2,162,739	2,162,739	0
0	0	0	(1,510,022)	(1,510,022)	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>652,717</u>	<u>652,717</u>	<u>0</u>
(69,527)	(70,267)	(740)	(9,001,549)	(2,889,415)	6,112,134
415,635	415,635	0	8,715,884	8,715,884	0
3,995	3,995	0	3,101,245	3,101,245	0
<u>\$ 350,103</u>	<u>\$ 349,363</u>	<u>\$ (740)</u>	<u>\$ 2,815,580</u>	<u>\$ 8,927,714</u>	<u>\$ 6,112,134</u>

(continued)

The Public Library of Cincinnati and Hamilton County  
 Combined Statement of Revenues, Expenditures and  
 Changes in Fund Balances - Budget and Actual (Budget Basis)  
 All Governmental Fund Types and Expendable Trust Funds  
 For the Year Ended December 31, 2002  
 (continued)

	Expendable Trust Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 0	\$ 0	\$ 0
Patron Fines and Fees	0	0	0
Interest	11,789	22,505	10,716
Services Provided to Other Entities	0	0	0
Contributions, Gifts and Donations	143,278	565,737	422,459
Miscellaneous	150	3	(147)
Total Revenues	<u>155,217</u>	<u>588,245</u>	<u>433,028</u>
Expenditures:			
Current:			
Salaries and Benefits	0	0	0
Supplies	30,837	9,974	20,863
Purchased and Contracted Services	226,085	129,367	96,718
Library Materials and Information	443,858	160,892	282,966
Other Objects	4,147	0	4,147
Capital Outlay	152,058	50,038	102,020
Total Expenditures	<u>856,985</u>	<u>350,271</u>	<u>506,714</u>
Excess of Revenues Over (Under) Expenditures	<u>(701,768)</u>	<u>237,974</u>	<u>939,742</u>
Other Financing Sources (Uses)			
Operating Transfers - In	0	0	0
Operating Transfers - Out	(66,600)	(66,600)	0
Total Other Financing Sources (Uses)	<u>(66,600)</u>	<u>(66,600)</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(768,368)</u>	<u>171,374</u>	<u>939,742</u>
Fund Balance at Beginning of Year	1,184,090	1,184,090	0
Prior Year Encumbrances Appropriated	113,953	113,953	0
Fund Balance at End of Year	<u>\$ 529,675</u>	<u>\$ 1,469,417</u>	<u>\$ 939,742</u>

See accompanying notes to the general purpose financial statements.

Total (Memorandum Only)

Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ 49,125,099	\$ 49,111,013	\$ (14,086)
1,291,259	1,289,802	(1,457)
365,707	341,308	(24,399)
10,013	10,013	0
223,875	710,620	486,745
2,532,884	2,555,352	22,468
<u>53,548,837</u>	<u>54,018,108</u>	<u>469,271</u>
36,442,060	35,825,001	617,059
1,222,226	1,020,206	202,020
9,409,646	8,768,216	641,430
10,306,818	9,832,808	474,010
149,137	124,162	24,975
8,417,325	2,459,955	5,957,370
<u>65,947,212</u>	<u>58,030,348</u>	<u>7,916,864</u>
<u>(12,398,375)</u>	<u>(4,012,240)</u>	<u>8,386,135</u>
3,562,739	3,562,739	0
(3,562,739)	(3,562,739)	0
<u>0</u>	<u>0</u>	<u>0</u>
(12,398,375)	(4,012,240)	8,386,135
11,480,610	11,480,610	0
7,178,124	7,178,124	0
<u>\$ 6,260,359</u>	<u>\$ 14,646,494</u>	<u>\$ 8,386,135</u>

**The Public Library of Cincinnati and Hamilton County**  
**Combined Statement of Revenues, Expenses and**  
**Changes in Fund Balances**  
**All Non-Expendable Trust Funds**  
**For the Year Ended December 31, 2002**

Operating Revenues:	
Interest and Dividends	\$ 383,541
Contributions, Gifts and Donations	17,115
Miscellaneous	705
Net Decrease in Fair Value of Investments	<u>(46,535)</u>
 Total Operating Revenues	 <u>354,826</u>
Operating Expenses:	
Salaries and Benefits	87,963
Supplies	9,114
Purchased and Contracted Services	122,824
Library Materials and Information	136,058
Other Objects	<u>31,325</u>
 Total Operating Expenses	 <u>387,284</u>
 Net Loss	 (32,458)
 Fund Balances at Beginning of Year	 <u>8,764,462</u>
 Fund Balances at End of Year	 <u>\$ 8,732,004</u>

See accompanying notes to the general purpose financial statements.



**The Public Library of Cincinnati and Hamilton County**  
**Combined Schedule of Revenues, Expenses and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**All Non-Expendable Trust Funds**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$ 379,489	\$ 404,103	\$ 24,614
Contributions, Gifts and Donations	9,000	17,115	8,115
Miscellaneous	0	705	705
Total Revenues	<u>388,489</u>	<u>421,923</u>	<u>33,434</u>
Expenses:			
Current:			
Salaries and Benefits	211,532	137,481	74,051
Supplies	18,829	7,731	11,098
Purchased and Contracted Services	327,655	127,824	199,831
Library Materials and Information	246,924	166,863	80,061
Capital Outlay	31,985	30,392	1,593
Other Objects	13,308	3,993	9,315
Total Expenses	<u>850,233</u>	<u>474,284</u>	<u>375,949</u>
Excess of Revenues Over (Under) Expenses	(461,744)	(52,361)	409,383
Fund Balance at Beginning of Year	8,427,810	8,427,810	0
Prior Year Encumbrances Appropriated	88,070	88,070	0
Fund Balance at End of Year	<u>\$ 8,054,136</u>	<u>\$ 8,463,519</u>	<u>\$ 409,383</u>

See accompanying notes to the general purpose financial statements.

The Public Library of Cincinnati and Hamilton County  
**Combined Statement of Cash Flows**  
**All Non-Expendable Trust Funds**  
**For the Year Ended December 31, 2002**

Increase (Decrease) in Cash and Cash Equivalents

Cash Flows from Operating Activities:	
Cash Received from Contributions and Donations	\$ 17,115
Cash Received from Other Revenues	705
Cash Payments to Suppliers for Goods and Services	(294,426)
Cash Payments for Employee Services and Benefits	<u>(85,958)</u>
Net Cash Used for Operating Activities	<u>(362,564)</u>
Cash Flows from Investing Activities:	
Sale of Investment	2,154,805
Purchase of Investments	(3,317,257)
Interest and Dividends	<u>403,797</u>
Net Cash Used by Investing Activities	<u>(758,655)</u>
Net Decrease in Cash and Cash Equivalents	(1,121,219)
Cash and Cash Equivalents at Beginning of Year	<u>3,716,967</u>
Cash and Cash Equivalents at End of Year	<u>\$ 2,595,748</u>
Reconciliation of Net Loss to Net	
Cash Used for Operating Activities:	
Net Loss	\$ <u>(32,458)</u>
Adjustments to Reconcile Net Loss to Net	
<u>Cash Used for Operating Activities:</u>	
Interest	(383,541)
Net Decrease in Fair Value of Investments	46,535
Changes in Assets and Liabilities:	
Increase in Accounts Payable	<u>6,900</u>
Total Adjustments	<u>(330,106)</u>
Net Cash Used for Operating Activities	<u>\$ (362,564)</u>
Non-Cash Transactions	
Unrealized Decrease in Fair Value of Investments of \$46,535	
Reconciliation of Non-Expendable Trust Funds to Balance Sheet:	
Cash and Cash Equivalents - All Fiduciary Funds	\$ 4,086,658
Cash and Cash Equivalents - Expendable Trust Funds	<u>(1,490,910)</u>
Cash and Cash Equivalents - Non-Expendable Trust Funds	<u>\$ 2,595,748</u>

See accompanying notes to the general purpose financial statements.

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 1 - REPORTING ENTITY

The Library was founded in 1853 as a school district library of the Cincinnati School Board. In 1898 when State laws were changed, The Public Library of Cincinnati and Hamilton County, Hamilton County, Ohio (the "Library") was established as a county district library completely separate from the Cincinnati School Board. Currently there is the main library located in downtown Cincinnati, and forty-one branches located throughout Hamilton County.

The Board of Library Trustees has a membership of seven: three appointed by the Common Pleas Court Judges, and four by the Hamilton County Commissioners. Appointments are for seven-year terms and members serve without compensation. Under Ohio statutes, the Library is a body politic and corporate capable of suing and being sued, contracting, acquiring, holding, possessing and disposing of real and personal property, and of exercising such other powers and privileges as are conferred upon it by law. The Library also determines and operates under its own budget. The control and management of the Library is governed by sections 3375.22 to 3375.27 of the Ohio Revised Code. The Board of Library Trustees appoints an Executive Director, and Clerk-Treasurer to administer the day-to-day operations of the Library.

There is no potential for the Library to provide a financial benefit or to impose a financial burden on the County Commissioners, nor can the Commissioners significantly influence the programs, activities, or level of service performed or provided by the Library. The Library is fiscally independent of the county, although the County Commissioners serve in a ministerial capacity as the taxing authority. The determination to request approval of a tax, the rate and the purpose(s) of the levy are discretionary decisions made solely by the Board of Library Trustees. Once those decisions are made, the County Commissioners must place the levy on the ballot.

Under the provisions of Statement No. 14 of the Governmental Accounting Standards Board, "The Financial Reporting Entity", the Library is considered to be a related organization of Hamilton County.

Component units are legally separate organizations for which the Library is financially accountable. The Library is financially accountable for an organization if the Library appoints a voting majority of the organization's governing board and (1) the Library is able to significantly influence the programs or services performed or provided by the organization; or (2) the Library is legally entitled to or can otherwise access the organization's resources; the Library is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Library is obligated for the debt of the organization. Component units may also include organizations for which the Library approves the budget, the issuance of debt or the levying of taxes. The Library has no component units.

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of The Public Library of Cincinnati and Hamilton County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Library's accounting policies are described below.

A. Basis of Presentation - Fund Accounting

The Library uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Library functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities not recorded in the funds because they do not directly affect net available financial resources.

For financial statement presentation purposes, the various funds of the Library are grouped into the following generic fund types under the broad fund categories governmental and fiduciary.

Governmental Fund Types

Governmental funds are those through which most governmental functions of the Library are financed. The acquisition, use, and balances of the Library's expendable financial resources and the related current liabilities (except those accounted for in trust funds) are accounted for through governmental funds. The following are the Library's governmental fund types:

General Fund - This fund is the operating fund of the Library and is used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the Library for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds - These funds are established to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditure for specific purposes.

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by trust funds).

Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the Library in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The Library's fiduciary funds include expendable trust and non-expendable trust funds. Expendable trust funds are accounted for and reported as governmental funds. Non-expendable trust funds are accounted for on the full accrual basis of accounting, i.e., revenues are recorded when earned and expenses are recorded when incurred.

Account Groups

To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group - to account for all general fixed assets of the Library.

General Long-Term Obligations Account Group - to account for all long-term liabilities of the Library.

B. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types and expendable trust funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All non-expendable trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into restricted and undesignated fund balance components. Non-expendable trust fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental and expendable trust funds. The full accrual basis of accounting is followed for the non-expendable trust funds.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Library, available means expected to be received within thirty days of year-end.

Non-exchange transactions, in which the Library receives value without directly giving equal value in return, include grants, entitlements and donations. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Library must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Library on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: entitlements and interest.

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue. On a modified accrual basis, receivables that will not be collected within the available period have also been reported as deferred revenue.

The measurement focus of governmental accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Budgetary Process

The budgetary process is prescribed by internal control guidelines and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources, as certified. All funds are required to be budgeted and appropriated. The level of budgetary control is at the object level. Budgetary modifications may only be made by resolution of the Board of Library Trustees.

Budget

A budget of estimated revenues and expenditures for all funds is submitted to the County Budget Commission by May 31 of each year, for the period January 1 to December 31 of the following year. As the taxing authority, it is the responsibility of the County Commissioners to submit the Library's budget to the County Budget Commission. The County Commissioners are not authorized to make changes to the Library's budget.

Estimated Resources

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the Library by October 1. As part of this certification, the Library receives the official certificate of estimated resources, which states the projected revenues of each fund. Prior to December 31, the Library must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the fiscal officer determines that the revenue collected is greater or less than the current estimates. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2002.

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Appropriations

A temporary appropriation resolution is passed at the regular December board meeting of each year to control expenditures for the period from January 1 to March 31. The annual appropriation resolution must be passed by April 1 of each year for the period January 1 to December 31. The appropriation resolution fixes spending authority at the fund and object level. The appropriation resolution may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among objects within a fund may be modified during the year only by a resolution of the Board of Library Trustees. During the year several supplemental appropriation measures were passed. The budget figures, which appear on the statements of budgetary comparisons, represent the final appropriation amounts, including all amendments and modifications.

Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain compliance. Expenditures plus encumbrances are prohibited from exceeding appropriations.

On the GAAP basis, encumbrances outstanding at year-end are reported as reservations of fund balances for subsequent-year expenditures for governmental fund types and expendable trust funds and reported in the notes to the financial statements for non-expendable trust funds.

Lapsing of Appropriations

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding calendar year and is not reappropriated.

D. Cash and Cash Equivalents

Cash received by the Library is pooled in a common group of bank accounts. Moneys for all funds are maintained in the accounts or temporarily used to purchase investments. Individual fund integrity is maintained through Library records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the combined balance sheet.

During 2002, investments included Certificates of Deposit, U.S. Treasury Notes and Bonds, U.S. Savings Bonds, Federal Agency Bonds and Debentures, Repurchase Agreements, Star Ohio, and Money Market accounts.



**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments, except for non-participating investment contracts, are reported at fair value which is based on quoted market prices. For investment in money market funds, the fair value is determined by the fund's current share price. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit and repurchase agreements, are reported at cost.

Ohio statutes specify the funds to receive an allocation of interest earnings. Interest and dividend revenue credited to the general fund during 2002 amounted to \$367,481, which includes \$211,647 assigned from other Library funds.

For the purposes of the statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with a maturity of three months or less at the time they are purchased by the Library are considered to be cash equivalents.

The Library also utilizes an escrow agent to hold retainage on construction contracts. The balances in these accounts are presented on the financial statements as "Restricted Cash: Cash and Cash Equivalents with Escrow Agent" and represent deposits.

E. Inventory of Supplies

Inventory is stated at cost on a first-in, first-out basis. The costs of inventory items are recorded as expenditures when purchased. Reported supplies inventory is equally offset by a fund balance reserve, which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2002, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure in the year in which services are consumed.

G. Fixed Assets and Depreciation

General fixed assets are long-lived assets of the Library as a whole. When purchased, such assets are recorded as expenditures in the governmental type funds and capitalized (recorded and accounted for) in the General Fixed Assets Account Group. All purchased fixed assets are valued at cost when historical records are available and at estimated historical cost when no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. Assets valued at less than \$500 are not capitalized.

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Library does not record infrastructure and has elected not to record depreciation in the General Fixed Assets Account Group.

Library books and materials purchased by the Library are reflected as expenditures when purchased and are not capitalized as assets of the Library. The Library currently has a book collection of over 4.8 million volumes. Because the values of the existing inexhaustible collections, including research books, are not readily determinable, the Library has not capitalized them.

H. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributed to services already rendered and it is probable that the Library will compensate the employees through paid time off or some other means.

The Library recognizes four "open" holidays. These are national holidays on which the Library remains open therefore full time employees who work earn an equal number of hours in holiday time. Holiday time is accrued as a liability at December 31.

Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at December 31 by those employees who are eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the Library's termination policy.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the General Long-Term Obligations Account Group.

I. Reservations/Designation of Fund Balance

Reservations of fund balances are established to identify the existence of assets that, because of their non-monetary nature or lack of liquidity, represent financial resources not available for current appropriation or expenditure, or the portion of fund balance that is legally segregated for a specific future use. Fund balances have been reserved for encumbrances, inventories of supplies and materials, advances to other funds, and restricted principal (the contributions to the non-expendable trust funds).

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Designations of fund balance have been established in the Capital Projects Funds. This designation represents money that is intended to be used for construction, improvements and other capital acquisitions.

J. Advances to Other Funds

Long-term interfund loans receivable are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

K. Interfund Transactions

Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as operating transfers.

L. Total Columns on General Purpose Financial Statements

Total columns on the General Purpose Financial Statements - Overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

M. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis requires accounting for certain transactions on a basis of cash receipts, disbursements, appropriations and encumbrances.

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING (continued)

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Budget Basis)-All Governmental Fund Types and Expendable Trust Funds and the Combined Statement of Revenues, Expenses and Changes in Fund Balances - Budget and Actual (Budget Basis)-All Non-Expendable Trust Funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year-end encumbrances are treated as expenditures/expenses (budget basis) rather than as a reservation of fund balance (GAAP basis).

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis are as follows:

	Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses All Governmental Fund Types and Expendable Trust Funds			
	General Fund	Special Revenue	Capital Projects Funds	Expendable Trust Funds
GAAP Basis	\$2,367,618	(\$53,766)	(\$1,916,705)	\$242,687
Revenue Accruals	(47,679)	0	0	0
Expenditure Accruals	96,532	1,752	(596,237)	(49,820)
Encumbrances	(3,640,403)	(18,253)	(376,473)	(21,493)
Budget Basis	<u>(\$1,223,932)</u>	<u>(\$70,267)</u>	<u>(\$2,889,415)</u>	<u>\$171,374</u>

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING (continued)

Net Loss/Excess of Revenues	
Under Expenses	
All Non-Expendable Trust Funds	
GAAP Basis	(\$32,458)
Revenue Accruals	20,562
Decrease in Fair Value of Investments	46,535
Expense Accruals	8,868
Encumbrances	(95,868)
	(95,868)
Budget Basis	(\$52,361)

NOTE 4 – FUND BALANCE

The General Fund is carrying a positive fund balance, which is primarily the result of contingency carryover and the recognition of the Library and Local Government Support Fund allocation.

The Library for the Blind Special Revenue Fund has a deficit fund balance, which is the result of adjustments for accrued liabilities which generate expenditures that are greater than those recognized on a cash basis. The general fund is liable for the deficit and provides operating transfers when cash is required, not when accruals occur.

NOTE 5 - DEPOSITS AND INVESTMENTS

State statutes classify moneys held by the Library into three categories.

Active deposits are public deposits necessary to meet current demands on the Treasury. Such moneys must be maintained either as cash in the Library treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Library has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing no later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim moneys. Interim moneys are those moneys, which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

Protection of the Library's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Clerk-Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution.

Interim moneys may be invested in the following securities:

- A. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
- B. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- C. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- D. Bonds and other obligations of the State of Ohio;
- E. No-load money market mutual funds consisting exclusively of obligations described in division (A) or (B) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
- F. The State Treasurer's investment pool (STAR Ohio).

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched with a specific obligation or debt of the library, and must be purchased with the expectation that it will be held to maturity.

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements. "

Deposits

At year-end, the carrying amount of the Library's deposits was \$15,694,189; the bank balance was \$16,238,151. Of the bank balance, \$193,044 was covered by federal deposit insurance, \$2,500,000 was covered by specific collateral held in the Library's name, and the remaining balance of \$13,545,107 was uncollateralized and uninsured. Although all State statutory requirements for the deposits of money had been followed, non-compliance with federal requirements could potentially subject the Library to a successful claim by the Federal Deposit Insurance Corporation.

Investments

The Library's investments are required to be categorized to give an indication of the level of risk assumed by the Library at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the Library or by the Library's agent in the Library's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Library's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the Library's name.

	<u>Unclassified</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Carrying/ Fair Value</u>
Star Ohio	5,041,300			5,041,300
Repurchase Agreement			608,102	608,102
Federal Farm Credit Bank Bonds		540,156		540,155
Federal Home Loan Bank Bonds		3,191,880		3,701,725
U.S. Treasury Bonds		1,043		1,043
U. S. Savings Bonds		135,500		
Federal Home Loan Mortgage Co. Debentures		1,631,303		1,256,958
U.S. Treasury Notes		607,878		607,878
Total	<u>\$5,041,300</u>	<u>\$6,107,760</u>	<u>\$608,102</u>	<u>\$11,757,162</u>

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 6 - RECEIVABLES

Receivables at December 31, 2002, consisted of intergovernmental, interest on investments and interfund receivables. Intergovernmental receivables consisted of \$27,908,372 from the Local Library and Government Support Fund and is recorded in the General Fund. All receivables are considered fully collectible.

NOTE 7 - FIXED ASSETS

Changes in general fixed assets during the year ended December 31, 2002, were as follows:

	Balance at January 1, 2002	Additions	Deletions	Balance at December 31, 2002
Land	\$ 14,164,897	\$ 0	\$ 0	\$ 14,164,897
Improvements to Land	456,527	29,000	0	485,527
Buildings	83,182,868	1,659,021	0	84,841,889
Furniture and Equipment	16,455,959	405,425	1,013,368	15,848,016
Vehicles	431,212	0	0	431,212
Construction in Progress	562,193	0	562,193	0
	<u>\$ 115,253,656</u>	<u>\$ 2,093,446</u>	<u>\$ 1,575,561</u>	<u>\$ 115,771,541</u>

NOTE 8 - DEFINED BENEFIT PENSION PLAN

The Public Library of Cincinnati and Hamilton County contributes to the Ohio Public Employees Retirement System of Ohio (OPERS), a cost-sharing multiple employer defined benefit pension plan administered by the Public Employees Retirement Board. OPERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. For 2002, the employer contribution rate for the Library was 8.55 percent of covered payroll, a decrease from 9.25 percent on 2001. Contributions are authorized by State statute. The contribution rates are determined actuarially. The Library's contributions to OPERS for the years ended December 31, 2002, 2001, and 2000 were \$2,236,111, \$2,387,177, and \$1,167,066, respectively. The full amount has been contributed for 2001 and 2000. Seventy-eight percent has been contributed for 2002 with the remainder being reported as a liability within the General Long-Term Obligations Account Group.



**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

**NOTE 9 - POSTEMPLOYMENT BENEFITS**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to OPERS is set aside for the funding of postretirement health care based on authority granted by State statute. The employer contribution rate for 2002 was 13.55 percent of covered payroll for employees; 5.0 percent was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2001, include a rate of return on investments of 8.0 percent, an annual increase in active employee total payroll of 4.0 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 4.0 percent annually.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets.

The number of active contributing participants was 402,041. The Library's actual contributions for 2002, which were used to fund postemployment benefits, were \$1,307,667. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2001, (the latest information available) were \$11.6 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$16.4 billion and \$4.8 billion, respectively.

In December 2001, the OPERS Board adopted the Health Care "Choices" Plan in its continuing effort to respond to the rise in the cost of Health Care. The Choices Plan will be offered to all persons newly hired under OPERS after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices, as the name suggests, will incorporate a cafeteria approach, offering a more broad range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a medical spending account.

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 10 - OTHER EMPLOYEE BENEFITS

Compensated Absences

Accumulated Unpaid Vacation and Holiday

Library employees who are full-time earn vacation leave at varying rates based upon length of service. The Library recognizes 4 "open" holidays. These are national holidays on which the Library remains open; therefore, full time employees who work earn an equal number of hours in holiday time. In the case of termination, death or retirement, an employee (or his or her estate) is paid for any unused vacation leave up to a maximum of 66 days and unpaid holiday leave up to a maximum of 5 days. The total long-term obligation for vacation and holiday accrual for the Library as a whole amounted to \$2,277,494 at December 31, 2002.

Accumulated Unpaid Sick Leave

All full-time employees are given 15 days of monthly sick leave during their benefit year, which is accrued on a monthly basis. In addition, an annual allocation is awarded to each employee who does not use more than 7 ½ days during their benefit period. This annual sick leave allocation is calculated at 50 percent of the unused monthly days earned during their benefit year. An employee is allocated vested sick leave when they have an unused monthly sick leave balance of 120 days and an unused annual sick leave balance of 60 days and have not used more than 7 ½ days during their benefit period. Vested sick leave is calculated at 50 percent of the unused monthly days allocated during their benefit period and will be added to the employees vested sick leave balance. Upon retirement an employee is paid for their vested sick leave balance up to the maximum of 60 days. The total long-term obligation for sick leave accrual for the Library as a whole as of December 31, 2002 was \$853,926.

Health Insurance

The Library provides medical insurance for full-time employees. An employee can choose between two health care plans: Anthem Blue Access and Anthem Blue Priority. Dental insurance is provided through Anthem Dental PPO and employees are required to share in the cost of their dental plan.

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

**NOTE 11 - RISK MANAGEMENT**

The Library is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The Library carries three layers of insurance coverage. In 2002, the Library contracted with several insurance companies for primary coverage as follows:

<u>Coverage</u>	<u>Company</u>
Automobile	Atlantic Mutual Insurance Company
Crime	Royal Insurance Company
Commercial Property & Contents*	Federal Insurance Company (Chubb Group)
Property/Fine Arts & Rare Books	AXA Art Insurance Corporation
Property/Library Materials & Valuable Papers	ACE Insurance Company of Ohio
Boiler and Machinery	Federal Insurance Company (Chubb Group)
Commercial General Liability	Atlantic Mutual Insurance Company
Commercial Umbrella	Atlantic Mutual Insurance Company
Excess Liability	Federal Insurance Company (Chubb Group)
Non-Profit Directors & Officers	Cincinnati Insurance Company
Excess Non-Profit Directors & Officers	Federal Insurance Company (Chubb Group)
Workers' Compensation & Employers' Liability	Atlantic Mutual Insurance Company

\* Includes: Buildings, Contents and Electronic Data Processing Equipment

The Library carries two additional layers of Liability Insurance coverage. The Commercial Umbrella Liability coverage is provided by Atlantic Mutual Insurance Company with the limits of \$25,000,000 each occurrence. The Excess Liability coverage is provided by Federal Insurance Company (Chubb Group) with the limits of \$5,000,000 each occurrence. The Library also carries one additional layer of Non-Profit Directors and Officers coverage. The Excess Non-Profit Directors and Officers coverage is provided by Federal Insurance Company with the limits of \$10,000,000 each policy.

No insurance settlement has exceeded insurance coverage during the last three years. There has been no significant decrease in the level of coverage from the prior year.

The Library pays the State of Ohio Bureau of Workers' Compensation System a premium based on a rate per \$100 of salaries.

The Library also carries Public Official Bond coverage for the Clerk-Treasurer and the Deputy-Clerk Treasurer. These bonds are provided by the Hartford Fire Insurance Company.

**The Public Library of Cincinnati and Hamilton County**  
**Notes to the General Purpose Financial Statements**  
**For the Year Ended December 31, 2002**

NOTE 12 - LONG-TERM OBLIGATIONS

Compensated absences will be paid from the funds from which the employee's salary is paid. Intergovernmental payables, which represent contractually required pension obligations, will be paid from the General Fund and the Regional Library for the Blind Special Revenue Fund.

	Balance at December 31, 2001	Increases	Decreases	Balance at December 31, 2002
Intergovernmental Payable	\$806,653	\$796,082	\$806,653	\$796,082
Compensated Absences	3,000,093	131,327	0	3,131,420
Total General Long-Term Obligations	<u>\$3,806,746</u>	<u>\$927,409</u>	<u>\$806,653</u>	<u>\$3,927,502</u>

NOTE 13 - INTERFUND ASSETS/LIABILITIES

Interfund asset and liability balances at December 31, 2002, were as follows:

Advances to Other Funds/ Advances From Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Regional Library for the Blind Special Revenue Fund	\$150,000

NOTE 14 - CONTINGENT LIABILITIES

Federal and State Grants

For the period January 1, 2002 to December 31, 2002, the Library received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the Library believes such disallowance, if any, would be immaterial.

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**FINANCIAL STATEMENTS AND SCHEDULES**  
**OF INDIVIDUAL**  
**FUNDS AND ACCOUNT GROUPS**

# THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

## General Fund

To account for all financial resources of the Library except those required to be accounted for in another fund.

The Public Library of Cincinnati and Hamilton County  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
General Fund  
For the Year Ended December 31, 2002

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Intergovernmental	\$ 48,338,996	\$ 48,338,996	\$ 0
Patron Fines and Fees	1,291,259	1,289,802	(1,457)
Interest	353,918	318,803	(35,115)
Services Provided to Other Entities	10,013	10,013	0
Contributions, Gifts and Donations	597	62,383	61,786
Miscellaneous	2,532,734	2,555,349	22,615
<b>Total Revenues</b>	<b>52,527,517</b>	<b>52,575,346</b>	<b>47,829</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Salaries and Benefits</b>			
Salaries and Leave Benefits	27,263,724	26,767,447	496,277
Retirement Benefits	4,471,108	4,394,062	77,046
Insurance Benefits	4,218,010	4,182,210	35,800
<b>Total Salaries and Benefits</b>	<b>35,952,842</b>	<b>35,343,719</b>	<b>609,123</b>
<b>Supplies</b>			
General Administrative Supplies	802,845	759,647	43,198
Property Maintenance Supplies	317,636	190,532	127,104
Motor Vehicle Fuel and Supplies	45,158	34,303	10,855
Supplies Purchased for Resale	12,484	12,484	0
<b>Total Supplies</b>	<b>1,178,123</b>	<b>996,966</b>	<b>181,157</b>
<b>Purchased and Contracted Services</b>			
Travel and Meeting Expenses	225,626	212,169	13,457
Communications, Print and Publicity	1,219,853	1,172,987	46,866
Property Maintenance, Repair and Security	2,431,099	2,292,773	138,326
Insurance	351,976	351,976	0
Rents and Leases	382,936	380,266	2,670
Utilities	1,888,281	1,884,359	3,922
Professional Services	255,939	236,181	19,758
Library Materials Control	190,221	158,238	31,983
Other Contracts and Purchases	189,855	180,740	9,115
<b>Total Purchased and Contracted Services</b>	<b>\$ 7,135,786</b>	<b>\$ 6,869,689</b>	<b>\$ 266,097</b>

continued



**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**General Fund**  
**For the Year Ended December 31, 2002**  
 (continued)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Library Materials and Information			
Books and Pamphlets	\$ 5,283,451	\$ 5,283,451	\$ 0
Periodicals	1,579,750	1,579,750	0
Audiovisual Materials	1,496,344	1,496,344	0
Computer Services and Information	1,006,325	884,250	122,075
Interlibrary Loan Fees and Charges	92,000	82,628	9,372
Library Material Repair	358,899	299,496	59,403
Library Materials-All Other	21,000	21,000	0
Total Library Materials and Information	<u>9,837,769</u>	<u>9,646,919</u>	<u>190,850</u>
Other Objects			
Dues and Memberships	34,435	34,210	225
Taxes and Assessments	29,555	13,541	16,014
Refunds and Reimbursements	81,000	76,411	4,589
Total Other Objects	<u>144,990</u>	<u>124,162</u>	<u>20,828</u>
Capital Outlay			
Furniture and Equipment	250,821	231,706	19,115
Total Capital Outlay	<u>250,821</u>	<u>231,706</u>	<u>19,115</u>
Total Expenditures	<u>54,500,331</u>	<u>53,213,161</u>	<u>1,287,170</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,972,814)</u>	<u>(637,815)</u>	<u>1,334,999</u>
Other Financing Sources (Uses):			
Operating Transfers - In	1,400,000	1,400,000	0
Operating Transfers - Out	(1,986,117)	(1,986,117)	0
Total Other Financing Sources (Uses)	<u>(586,117)</u>	<u>(586,117)</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,558,931)	(1,223,932)	1,334,999
Fund Balance at Beginning of Year	1,165,001	1,165,001	0
Prior Year Encumbrances Appropriated	3,958,931	3,958,931	0
Fund Balance at End of Year	<u>\$ 2,565,001</u>	<u>\$ 3,900,000</u>	<u>\$ 1,334,999</u>

# THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

## Special Revenue Funds

To account for the proceeds of specific revenue sources (other than expendable trust or for major capital projects) that are legally restricted to expenditure for specific purposes.

### I-Net Production Studio Fund

To account for money received for the purchase of equipment to participate in the Institutional Network (I-NET).

### Regional Library for the Blind Fund

To account for federal and state grants received by the Library for the operation of one of the two regional libraries in Ohio that serve the Blind and Physically Handicapped, as designated by the State Library.

The Public Library of Cincinnati and Hamilton County  
Combining Balance Sheet  
All Special Revenue Funds  
December 31, 2002

	I-Net Production Studio	Regional Library for the Blind	Total
<b><u>Assets</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$ 201,585	\$ 166,031	\$ 367,616
Total Assets	<u>\$ 201,585</u>	<u>\$ 166,031</u>	<u>\$ 367,616</u>
<b><u>Liabilities</u></b>			
Accounts Payable	\$ 0	\$ 2,775	\$ 2,775
Accrued Salaries Payable	0	10,154	10,154
Intergovernmental Payable	0	1,444	1,444
Advances From Other Funds	0	150,000	150,000
Compensated Absences	0	4,113	4,113
Total Liabilities	<u>0</u>	<u>168,486</u>	<u>168,486</u>
<b><u>Fund Equity</u></b>			
Fund Balance:			
Reserved for Encumbrances	0	15,477	15,477
Unreserved:			
Undesignated (Deficit)	201,585	(17,932)	183,653
Total Fund Equity (Deficit)	<u>201,585</u>	<u>(2,455)</u>	<u>199,130</u>
Total Liabilities and Fund Equity	<u>\$ 201,585</u>	<u>\$ 166,031</u>	<u>\$ 367,616</u>

**The Public Library of Cincinnati and Hamilton County**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**All Special Revenue Funds**  
**For the Year Ended December 31, 2002**

	I-Net Production Studio	Regional Library for the Blind	Total
Revenues:			
Intergovernmental	\$ 0	\$ 772,017	\$ 772,017
Total Revenues	<u>0</u>	<u>772,017</u>	<u>772,017</u>
Expenditures:			
Current:			
Salaries and Benefits	0	482,303	482,303
Supplies	0	13,266	13,266
Purchased and Contracted Services	0	302,542	302,542
Library Materials and Information	0	24,813	24,813
Capital Outlay	<u>0</u>	<u>2,859</u>	<u>2,859</u>
Total Expenditures	<u>0</u>	<u>825,783</u>	<u>825,783</u>
Excess of Revenues Under Expenditures	0	(53,766)	(53,766)
Fund Balances at Beginning of Year	<u>201,585</u>	<u>51,311</u>	<u>252,896</u>
Fund Balances (Deficit) at End of Year	<u>\$ 201,585</u>	<u>\$ (2,455)</u>	<u>\$ 199,130</u>

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**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**I-Net Production Studio Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Capital Outlay	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	0	0	0
Fund Balance at Beginning of Year	201,585	201,585	0
Fund Balance at End of Year	<u>\$ 201,585</u>	<u>\$ 201,585</u>	<u>\$ 0</u>

The Public Library of Cincinnati and Hamilton County  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
Regional Library for the Blind Fund  
For the Year Ended December 31, 2002

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 786,103	\$ 772,017	\$ (14,086)
Total Revenues	<u>786,103</u>	<u>772,017</u>	<u>(14,086)</u>
Expenditures:			
Current:			
Salaries and Benefits			
Salaries and Leave Benefits	392,382	387,554	4,828
Retirement Benefits	53,194	52,513	681
Insurance Benefits	43,642	41,215	2,427
Total Salaries and Benefits	<u>489,218</u>	<u>481,282</u>	<u>7,936</u>
Supplies			
General Administrative Supplies	13,266	13,266	0
Total Supplies	<u>13,266</u>	<u>13,266</u>	<u>0</u>
Purchased and Contracted Services			
Travel and Meeting Expenses	3,264	3,119	145
Communications, Print and Publicity	10,575	10,259	316
Property Maintenance, Repair and Security	43,158	43,158	0
Rents and Leases	231,945	231,945	0
Utilities	26,839	22,084	4,755
Professional Services	9,315	9,315	0
Total Purchased and Contracted Services	<u>325,096</u>	<u>319,880</u>	<u>5,216</u>
Library Materials and Information			
Books and Pamphlets	984	927	57
Periodicals	880	743	137
Audiovisual Materials	16,662	16,662	0
Library Material Repair	6,665	6,665	0
Total Library Materials and Information	<u>25,191</u>	<u>24,997</u>	<u>194</u>
Capital Outlay			
Furniture and Equipment	2,859	2,859	0
Total Capital Outlay	<u>2,859</u>	<u>2,859</u>	<u>0</u>
Total Expenditures	<u>855,630</u>	<u>842,284</u>	<u>13,346</u>
Excess of Revenues Over (Under) Expenditures	(69,527)	(70,267)	(740)
Fund Balance at Beginning of Year	214,050	214,050	0
Prior Year Encumbrances Appropriated	3,995	3,995	0
Fund Balance at End of Year	<u>\$ 148,518</u>	<u>\$ 147,778</u>	<u>\$ (740)</u>

The Public Library of Cincinnati and Hamilton County  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
All Special Revenue Funds  
For the Year Ended December 31, 2002

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 786,103	\$ 772,017	\$ (14,086)
Total Revenues	<u>786,103</u>	<u>772,017</u>	<u>(14,086)</u>
Expenditures:			
Current:			
Salaries and Benefits			
Salaries and Leave Benefits	392,382	387,554	4,828
Retirement Benefits	53,194	52,513	681
Insurance Benefits	43,642	41,215	2,427
Total Salaries and Benefits	<u>489,218</u>	<u>481,282</u>	<u>7,936</u>
Supplies			
General Administrative Supplies	13,266	13,266	0
Total Supplies	<u>13,266</u>	<u>13,266</u>	<u>0</u>
Purchased and Contracted Services			
Travel and Meeting Expenses	3,264	3,119	145
Communications, Print and Publicity	10,575	10,259	316
Property Maintenance, Repair and Security	43,158	43,158	0
Rents and Leases	231,945	231,945	0
Utilities	26,839	22,084	4,755
Professional Services	9,315	9,315	0
Total Purchased and Contracted Services	<u>325,096</u>	<u>319,880</u>	<u>5,216</u>
Library Materials and Information			
Books and Pamphlets	984	927	57
Periodicals	880	743	137
Audiovisual Materials	16,662	16,662	0
Library Materials Repair	6,665	6,665	0
Total Library Materials and Information	<u>25,191</u>	<u>24,997</u>	<u>194</u>
Capital Outlay			
Furniture and Equipment	2,859	2,859	0
Total Capital Outlay	<u>2,859</u>	<u>2,859</u>	<u>0</u>
Total Expenditures	<u>855,630</u>	<u>842,284</u>	<u>13,346</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (69,527)</u>	<u>\$ (70,267)</u>	<u>\$ (740)</u>

continued



**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**All Special Revenue Funds**  
**For the Year Ended December 31, 2002**  
 (continued)

	Revised <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Fund Balance at Beginning of Year	415,635	415,635	0
Prior Year Encumbrances Appropriated	3,995	3,995	0
Fund Balance at End of Year	<u>\$ 350,103</u>	<u>\$ 349,363</u>	<u>\$ (740)</u>

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# THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

## Capital Projects Funds

To account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by trust funds.

### Building and Repair Fund

To account for transfers from the general fund to be used for the acquisition of property for future capital construction, and for major improvements and emergency repair of library facilities, including catastrophic damage not covered by property insurance.

### Continued Computerization Fund

To account for transfers from the general fund to be used for the development of technology and the expansion of computer systems. This fund was formerly referred to as the Continued Development of Computerization Fund.

### Branch Refurbishment

To account for transfers from the general fund to be used for renovation of existing branches.

### Harrison Branch Fund

To account for transfers from the general fund to be used for the construction of a new Harrison Branch Library.

### St. Bernard Branch Fund

To account for transfers from the general fund to be used for the construction of a new St. Bernard Branch Library.

### Westwood Branch Fund

To account for transfers from the general fund to be used for the renovation and expansion of the Westwood Branch Library.

### Reading Branch Fund

To account for transfers from the general fund to be used for the construction of a new Reading Branch Library.

### Trailside Fund

To account for transfers from the general fund to be used to construct and furnish a special purpose library in the Trailside Nature Center in cooperation with the Cincinnati Park Board.

### Bond Hill Branch Fund

To account for transfers from the general fund to be used for the construction of a new Bond Hill Branch Library.

The Public Library of Cincinnati and Hamilton County  
Combining Balance Sheet  
All Capital Projects Funds  
December 31, 2002

	Building and Repair	Continued Computerization	St. Bernard Branch	Westwood Branch
<b><u>Assets</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$ 2,015,495	\$ 2,271,033	\$ 2,930,451	\$ 83,350
Restricted Cash:				
Cash and Cash Equivalents with Escrow Agent	0	0	0	44,727
Total Assets	<u>\$ 2,015,495</u>	<u>\$ 2,271,033</u>	<u>\$ 2,930,451</u>	<u>\$ 128,077</u>
<b><u>Liabilities</u></b>				
Accounts Payable	\$ 5,835	\$ 3,551	\$ 45,919	\$ 0
Contracts Payable	0	0	0	4,884
Contracts Payable - Retainage	0	0	0	44,727
Total Liabilities	<u>5,835</u>	<u>3,551</u>	<u>45,919</u>	<u>49,611</u>
<b><u>Fund Equity</u></b>				
Fund Balance:				
Reserved for Encumbrances	8,453	0	229,789	78,039
Unreserved:				
Designated for Capital Projects	2,001,207	2,267,482	2,654,743	427
Total Fund Equity	<u>2,009,660</u>	<u>2,267,482</u>	<u>2,884,532</u>	<u>78,466</u>
 Total Liabilities and Fund Equity	 <u>\$ 2,015,495</u>	 <u>\$ 2,271,033</u>	 <u>\$ 2,930,451</u>	 <u>\$ 128,077</u>

Reading Branch	Trailside	Bond Hill Branch	Total
\$ 1,450,000	\$ 303,858	\$ 250,000	\$ 9,304,187
0	0	0	44,727
<u>\$ 1,450,000</u>	<u>\$ 303,858</u>	<u>\$ 250,000</u>	<u>\$ 9,348,914</u>
\$ 0	\$ 0	\$ 0	\$ 55,305
0	0	0	4,884
0	0	0	44,727
<u>0</u>	<u>0</u>	<u>0</u>	<u>104,916</u>
0	0	0	316,281
1,450,000	303,858	250,000	8,927,717
<u>1,450,000</u>	<u>303,858</u>	<u>250,000</u>	<u>9,243,998</u>
<u>\$ 1,450,000</u>	<u>\$ 303,858</u>	<u>\$ 250,000</u>	<u>\$ 9,348,914</u>

**The Public Library of Cincinnati and Hamilton County**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**All Capital Projects Funds**  
**For the Year Ended December 31, 2002**

	Building and Repair	Continued Computerization	Branch Refurbishment	Harrison Branch
Revenues:				
Contributions, Gifts and Donations	\$ 2,500	\$ 0	\$ 0	\$ 0
Total Revenues	<u>2,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:				
Current:				
Purchased and Contracted Services	216,999	416,229	23,653	0
Capital Outlay	<u>419,856</u>	<u>109,596</u>	<u>77,271</u>	<u>9,813</u>
Total Expenditures	<u>636,855</u>	<u>525,825</u>	<u>100,924</u>	<u>9,813</u>
Excess of Revenues Under Expenditures	<u>(634,355)</u>	<u>(525,825)</u>	<u>(100,924)</u>	<u>(9,813)</u>
Other Financing Sources(Uses):				
Operating Transfers - In	110,022	1,223,012	0	0
Operating Transfers - Out	<u>0</u>	<u>0</u>	<u>(24,774)</u>	<u>(85,249)</u>
Total Other Financing Sources (Uses):	<u>110,022</u>	<u>1,223,012</u>	<u>(24,774)</u>	<u>(85,249)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(524,333)</u>	<u>697,187</u>	<u>(125,698)</u>	<u>(95,062)</u>
Fund Balances at Beginning of Year	<u>2,533,993</u>	<u>1,570,295</u>	<u>125,698</u>	<u>95,062</u>
Fund Balances at End of Year	<u>\$ 2,009,660</u>	<u>\$ 2,267,482</u>	<u>\$ 0</u>	<u>\$ 0</u>

St. Bernard Branch	Westwood Branch	Reading Branch	Trailside	Bond Hill Branch	Total
\$ 0	\$ 80,000	\$ 0	\$ 0	\$ 0	\$ 82,500
<u>0</u>	<u>80,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>82,500</u>
362,260	0	0	0	0	1,019,141
<u>330</u>	<u>1,015,914</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,632,780</u>
<u>362,590</u>	<u>1,015,914</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,651,921</u>
<u>(362,590)</u>	<u>(935,914)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(2,569,421)</u>
659,860	169,845	0	0	0	2,162,739
<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,400,000)</u>	<u>0</u>	<u>(1,510,023)</u>
<u>659,860</u>	<u>169,845</u>	<u>0</u>	<u>(1,400,000)</u>	<u>0</u>	<u>652,716</u>
297,270	(766,069)	0	(1,400,000)	0	(1,916,705)
<u>2,587,262</u>	<u>844,535</u>	<u>1,450,000</u>	<u>1,703,858</u>	<u>250,000</u>	<u>11,160,703</u>
<u>\$ 2,884,532</u>	<u>\$ 78,466</u>	<u>\$ 1,450,000</u>	<u>\$ 303,858</u>	<u>\$ 250,000</u>	<u>\$ 9,243,998</u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Building and Repair Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Contributions, Gifts and Donations	\$ 0	\$ 2,500	\$ 2,500
Total Revenues	<u>0</u>	<u>2,500</u>	<u>2,500</u>
Expenditures:			
Current:			
Purchased and Contracted Services			
Communications, Print and Publicity	7,500	1,547	5,953
Property Maintenance, Repair and Security	16,590	8,269	8,321
Professional Services	253,397	243,788	9,609
Other Contracts and Purchases	41,055	33,465	7,590
Total Purchased and Contracted Services	<u>318,542</u>	<u>287,069</u>	<u>31,473</u>
Capital Outlay			
Land	625,000	0	625,000
Land Improvement	86,210	29,000	57,210
Building Improvement	937,563	718,119	219,444
Total Capital Outlay	<u>1,648,773</u>	<u>747,119</u>	<u>901,654</u>
Total Expenditures	<u>1,967,315</u>	<u>1,034,188</u>	<u>933,127</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,967,315)</u>	<u>(1,031,688)</u>	<u>935,627</u>
Other Financing Sources:			
Operating Transfers - In	110,022	110,022	0
Total Other Financing Sources	<u>110,022</u>	<u>110,022</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(1,857,293)	(921,666)	935,627
Fund Balance at Beginning of Year	2,051,598	2,051,598	0
Prior Year Encumbrances Appropriated	871,275	871,275	0
Fund Balance at End of Year	<u>\$ 1,065,580</u>	<u>\$ 2,001,207</u>	<u>\$ 935,627</u>



**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Continued Computerization Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Miscellaneous	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Purchased and Contracted Services			
Professional Services	681,912	459,486	222,426
Total Purchased and Contracted Services	<u>681,912</u>	<u>459,486</u>	<u>222,426</u>
Capital Outlay			
Furniture and Equipment	2,154,652	109,596	2,045,056
Total Capital Outlay	<u>2,154,652</u>	<u>109,596</u>	<u>2,045,056</u>
Total Expenditures	<u>2,836,564</u>	<u>569,082</u>	<u>2,267,482</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,836,564)</u>	<u>(569,082)</u>	<u>2,267,482</u>
Other Financing Sources:			
Operating Transfers - In	1,223,012	1,223,012	0
Total Other Financing Sources	<u>1,223,012</u>	<u>1,223,012</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(1,613,552)	653,930	2,267,482
Fund Balance at Beginning of Year	1,150,500	1,150,500	0
Prior Year Encumbrances Appropriated	463,052	463,052	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 2,267,482</u>	<u>\$ 2,267,482</u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Branch Refurbishment Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Miscellaneous	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Purchased and Contracted Services			
Professional Services	27,758	27,758	0
Total Purchased and Contracted Services	<u>27,758</u>	<u>27,758</u>	<u>0</u>
Capital Outlay			
Building Improvement	113,727	113,727	0
Furniture and Equipment	13,727	13,727	0
Other Capital Outlay	441	441	0
Total Capital Outlay	<u>127,895</u>	<u>127,895</u>	<u>0</u>
Total Expenditures	<u>155,653</u>	<u>155,653</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(155,653)</u>	<u>(155,653)</u>	<u>0</u>
Other Financing Uses:			
Operating Transfers - Out	(24,773)	(24,773)	0
Total Other Financing Uses	<u>(24,773)</u>	<u>(24,773)</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	(180,426)	(180,426)	0
Fund Balance at Beginning of Year	13,835	13,835	0
Prior Year Encumbrances Appropriated	166,591	166,591	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Harrison Branch Fund**  
**For the Year Ended December 31, 2002**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Miscellaneous	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Purchased and Contracted Services			
Professional Services	<u>23,214</u>	<u>23,214</u>	<u>0</u>
Total Purchased and Contracted Services	<u>23,214</u>	<u>23,214</u>	<u>0</u>
Capital Outlay			
Buildings	33,114	33,114	0
Furniture and Equipment	2,129	2,129	0
Other Capital Outlay	<u>10,759</u>	<u>10,759</u>	<u>0</u>
Total Capital Outlay	<u>46,002</u>	<u>46,002</u>	<u>0</u>
Total Expenditures	<u>69,216</u>	<u>69,216</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	(69,216)	(69,216)	0
Other Financing Uses:			
Operating Transfers - Out	<u>(85,249)</u>	<u>(85,249)</u>	<u>0</u>
Total Other Financing Uses	<u>(85,249)</u>	<u>(85,249)</u>	<u>0</u>
Excess of Revenues Under Expenditures and Other Financing Uses	(154,465)	(154,465)	0
Fund Balance at Beginning of Year	69,186	69,186	0
Prior Year Encumbrances Appropriated	<u>85,279</u>	<u>85,279</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The Public Library of Cincinnati and Hamilton County  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
St. Bernard Branch Fund  
For the Year Ended December 31, 2002

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Miscellaneous	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Purchased and Contracted Services			
Communications, Print and Publicity	2,554	2,554	0
Professional Services	585,322	585,322	0
Other Contracts and Purchases	10,000	10,000	0
Total Purchased and Contracted Services	<u>597,876</u>	<u>597,876</u>	<u>0</u>
Capital Outlay			
Buildings	2,425,125	0	2,425,125
Furniture and Equipment	120,000	0	120,000
Other Capital Outlay	59,946	330	59,616
Total Capital Outlay	<u>2,605,071</u>	<u>330</u>	<u>2,604,741</u>
Total Expenditures	<u>3,202,947</u>	<u>598,206</u>	<u>2,604,741</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,202,947)</u>	<u>(598,206)</u>	<u>2,604,741</u>
Other Financing Sources:			
Operating Transfers - In	659,860	659,860	0
Total Other Financing Sources	<u>659,860</u>	<u>659,860</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(2,543,087)	61,654	2,604,741
Fund Balance at Beginning of Year	2,077,157	2,077,157	0
Prior Year Encumbrances Appropriated	515,930	515,930	0
Fund Balance at End of Year	<u>\$ 50,000</u>	<u>\$ 2,654,741</u>	<u>\$ 2,604,741</u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Westwood Branch Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Contributions, Gifts and Donations	\$ 80,000	\$ 80,000	\$ 0
Total Revenues	<u>80,000</u>	<u>80,000</u>	<u>0</u>
Expenditures:			
Current:			
Purchased and Contracted Services			
Professional Services	45,597	45,597	0
Other Contracts and Purchases	8,280	8,280	0
Total Purchased and Contracted Services	<u>53,877</u>	<u>53,877</u>	<u>0</u>
Capital Outlay			
Building Improvement	957,800	957,374	426
Furniture and Equipment	172,697	172,697	0
Other Capital Outlay	14,339	14,339	0
Total Capital Outlay	<u>1,144,836</u>	<u>1,144,410</u>	<u>426</u>
Total Expenditures	<u>1,198,713</u>	<u>1,198,287</u>	<u>426</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,118,713)</u>	<u>(1,118,287)</u>	<u>426</u>
Other Financing Sources:			
Operating Transfers - In	169,845	169,845	0
Total Other Financing Sources	<u>169,845</u>	<u>169,845</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(948,868)	(948,442)	426
Fund Balance (Deficit) at Beginning of Year	(50,250)	(50,250)	0
Prior Year Encumbrances Appropriated	999,118	999,118	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 426</u>	<u>\$ 426</u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Reading Branch Fund**  
**For the Year Ended December 31, 2002**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Contributions, Gifts and Donations	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Capital Outlay			
Building Improvement	0	0	0
Total Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	1,450,000	1,450,000	0
Fund Balance at End of Year	<u>\$ 1,450,000</u>	<u>\$ 1,450,000</u>	<u>\$ 0</u>

The Public Library of Cincinnati and Hamilton County  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
Trailside Fund  
For the Year Ended December 31, 2002

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Miscellaneous	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Purchased and Contracted Services			
Professional Services	19,500	0	19,500
Total Purchased and Contracted Services	<u>19,500</u>	<u>0</u>	<u>19,500</u>
Capital Outlay			
Other Capital Outlay	284,358	0	284,358
Total Capital Outlay	<u>284,358</u>	<u>0</u>	<u>284,358</u>
Total Expenditures	<u>303,858</u>	<u>0</u>	<u>303,858</u>
Excess of Revenues Over (Under) Expenditures	<u>(303,858)</u>	<u>0</u>	<u>303,858</u>
Other Financing Uses:			
Operating Transfers - Out	(1,400,000)	(1,400,000)	0
Total Other Financing Uses	<u>(1,400,000)</u>	<u>(1,400,000)</u>	<u>0</u>
Excess of Revenue Over (Under) Expenditures and Other Financing Uses	<u>(1,703,858)</u>	<u>(1,400,000)</u>	<u>303,858</u>
Fund Balance at Beginning of Year	1,703,858	1,703,858	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 303,858</u>	<u>\$ 303,858</u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Bond Hill Branch Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Miscellaneous	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Purchased and Contracted Services			
Professional Services	0	0	0
Total Purchased and Contracted Services	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	250,000	250,000	0
Fund Balance at End of Year	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 0</u>



The Public Library of Cincinnati and Hamilton County  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
All Capital Projects Funds  
For the Year Ended December 31, 2002

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Contributions, Gifts and Donations	\$ 80,000	\$ 82,500	\$ 2,500
Total Revenues	<u>80,000</u>	<u>82,500</u>	<u>2,500</u>
Expenditures:			
Current:			
Purchased and Contracted Services			
Communications, Print and Publicity	10,054	4,101	5,953
Property Maintenance, Repair and Security	16,590	8,269	8,321
Professional Services	1,636,700	1,385,165	251,535
Other Contracts and Purchases	59,335	51,745	7,590
Total Purchased and Contracted Services	<u>1,722,679</u>	<u>1,449,280</u>	<u>273,399</u>
Capital Outlay			
Land	625,000	0	625,000
Land Improvement	86,210	29,000	57,210
Buildings	2,458,239	33,114	2,425,125
Building Improvement	2,009,090	1,789,220	219,870
Furniture and Equipment	2,463,205	298,149	2,165,056
Other Capital Outlay	369,843	25,869	343,974
Total Capital Outlay	<u>8,011,587</u>	<u>2,175,352</u>	<u>5,836,235</u>
Total Expenditures	<u>9,734,266</u>	<u>3,624,632</u>	<u>6,109,634</u>
Excess of Revenues Over (Under) Expenditures	<u>(9,654,266)</u>	<u>(3,542,132)</u>	<u>6,112,134</u>
Other Financing Sources (Uses):			
Operating Transfers - In	2,162,739	2,162,739	0
Operating Transfers - Out	(1,510,022)	(1,510,022)	0
Total Other Financing Sources (Uses)	<u>652,717</u>	<u>652,717</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(9,001,549)	(2,889,415)	6,112,134
Fund Balance at Beginning of Year	8,715,884	8,715,884	0
Prior Year Encumbrances Appropriated	3,101,245	3,101,245	0
Fund Balance at End of Year	<u>\$ 2,815,580</u>	<u>\$ 8,927,714</u>	<u>\$ 6,112,134</u>

# THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

## Fiduciary Fund Types

To account for assets held by the Library in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

## Expendable Trust Funds

### Various Expendable Trust Funds

To account for the following separate funds which are combined for reporting purposes:

Anderson/Mt. Washington	Broeman
Brooks	Clifton Library
Wendel	Friedman
Friends	Garden Club
Myers	McNutt-Weber
Hosbrook	Fey
Sycamore Library	Valerio
Unclaimed Moneys	Pet Memorial
Gifts	

### Library Materials Fund

Established with various gifts to purchase library materials.

### Maibaugh Fund

Established from a gift of Jean Maibaugh, the interest income is used to purchase books for preschool and elementary school children.

### Dater Fund

Established as a living memorial to Charles H. Dater to be used for renovation, maintenance, operation, replacement and upkeep of the Westwood Branch Children's Library and Room including books and other related children's library material.

### Hannaford Fund

Established from the estate of Frances S. Hannaford, the initial gift is invested and the interest income earned is used for the purchase of library materials and to fund capital needs for the Norwood Branch Library.

### Library Programs Fund

Established with various gifts to fund library programs.

## Non-Expendable Trust Funds

### Various Non-Expendable Trust Funds

To account for the following separate funds which are combined for reporting purposes:

Anderson Library Committee	Karline Brown	Cochran
Incidental Expenses	Haven Gillespie	Glueck
Goldsmith	Greider	Abell
Hatfield	Hattendorf	Heekin
Huenefeld	Iacobucci	Library Programs
Kahn	Kane/Merton	King
Lenke	Lewis	Marsh
Meister	Nolan	O'Brien
Plaut	DeMarke	Rhein
Schild/SCORE	Sackett	Ruth G. Stern
Martha S. Stern	Striker	Theological & Religious
Trager	Valerio Family	Levesay
Dehner		

### Armstrong Fund

Established from a gift of George W. Armstrong, President of the Baldwin Piano Company, the interest income is used for the purchase of books, occasional special events, and to supplement the Karline Brown Fund.

### Feld Fund

Established in 1999 from the estate of Natalie Feld, the initial gift of over \$2.5 million is invested and the interest income is used for the purchase of books on travel and world affairs.

### Hadley Fund

Established from a gift, the interest income is used for travel and study purposes for library employees.

### Heisel/Dunlap Fund

Established by the bequests of the Heisel family and Mrs. Alice M. Dunlap. The interest income is used to provide grants to partially or fully "pay the reasonable costs of tuition for any of its employees who enroll in a course of study the Board of Library Trustees considers essential to the employee's performance".

### Kersten Fund

Established by the estate of Dorothy M.M. Kersten, the money was to be used to purchase a plaque in her honor. The remaining money is invested and the interest income is used to finance various library programs and to purchase library materials.

### Dwyer Fund

Established in 1993 from the estate of Cecilia J. Dwyer, the initial gift of \$100,000 is invested and the interest income is used for the purchase of specific library materials.

### Howard Fund

Established in 1998 from the estate of Jerome Howard, the initial gift of \$1 million and any additional gifts by his estate are invested and the interest income is used to purchase books of non-fiction, with an emphasis on nature and fine arts.

The Public Library of Cincinnati and Hamilton County  
 Combining Balance Sheet  
 All Fiduciary Funds  
 December 31, 2002

Expendable Trust						
	Various Expendable	Library Materials	Maibaugh	Dater	Hannaford	Library Programs
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 901,946	\$ 157,169	\$ 238,398	\$ 47,574	\$ 3,157	\$ 142,666
Investments	0	0	0	0	0	0
Receivables: Accrued Interest	0	0	0	0	0	0
<b>Total Assets</b>	<b>\$ 901,946</b>	<b>\$ 157,169</b>	<b>\$ 238,398</b>	<b>\$ 47,574</b>	<b>\$ 3,157</b>	<b>\$ 142,666</b>
<b>Liabilities</b>						
Accounts Payable	\$ 5,482	\$ 4,217	\$ 39	\$ 3,942	\$ 0	\$ 0
<b>Total Liabilities</b>	<b>5,482</b>	<b>4,217</b>	<b>39</b>	<b>3,942</b>	<b>0</b>	<b>0</b>
<b>Fund Equity</b>						
Fund Balance:						
Reserved for Encumbrances	2,833	1,979	1,265	1,732	0	0
Reserved for Restricted Principal	0	0	0	0	0	0
Unreserved:						
Undesignated	893,631	150,973	237,094	41,900	3,157	142,666
<b>Total Fund Equity</b>	<b>896,464</b>	<b>152,952</b>	<b>238,359</b>	<b>43,632</b>	<b>3,157</b>	<b>142,666</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 901,946</b>	<b>\$ 157,169</b>	<b>\$ 238,398</b>	<b>\$ 47,574</b>	<b>\$ 3,157</b>	<b>\$ 142,666</b>

<b>Non-Expendable Trust</b>					
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Various Non- Expendable	Armstrong	Feld	Hadley	Heisel/ Dunlap	Kersten
\$ 366,785	\$ 888,617	\$ 499,112	\$ 45,099	\$ 50,174	\$ 411,655
821,609	903,452	2,541,145	77,286	280,263	90,276
<u>12,055</u>	<u>13,246</u>	<u>37,256</u>	<u>1,133</u>	<u>4,109</u>	<u>1,324</u>
<u>\$ 1,200,449</u>	<u>\$ 1,805,315</u>	<u>\$ 3,077,513</u>	<u>\$ 123,518</u>	<u>\$ 334,546</u>	<u>\$ 503,255</u>
\$ 6,167	\$ 29,543	\$ 0	\$ 0	\$ 9,897	\$ 0
<u>6,167</u>	<u>29,543</u>	<u>0</u>	<u>0</u>	<u>9,897</u>	<u>0</u>
4,032	11,297	82	0	5,456	0
913,834	986,042	2,773,445	84,350	305,883	98,529
<u>276,416</u>	<u>778,433</u>	<u>303,986</u>	<u>39,168</u>	<u>13,310</u>	<u>404,726</u>
<u>1,194,282</u>	<u>1,775,772</u>	<u>3,077,513</u>	<u>123,518</u>	<u>324,649</u>	<u>503,255</u>
<u>\$ 1,200,449</u>	<u>\$ 1,805,315</u>	<u>\$ 3,077,513</u>	<u>\$ 123,518</u>	<u>\$ 334,546</u>	<u>\$ 503,255</u>

(continued)

The Public Library of Cincinnati and Hamilton County  
Combining Balance Sheet  
All Fiduciary Funds  
December 31, 2002  
(continued)

Non-Expendable Trust
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Dwyer	Howard	Total
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**Assets**

Equity in Pooled Cash and Cash Equivalents	\$	77,847	\$	256,459	\$	4,086,658
Investments		118,915		1,274,814		6,107,760
Receivables:						
Accrued Interest		1,743		18,690		89,556
<b>Total Assets</b>	<b>\$</b>	<b>198,505</b>	<b>\$</b>	<b>1,549,963</b>	<b>\$</b>	<b>10,283,974</b>

**Liabilities**

Accounts Payable	\$	0	\$	15,453	\$	74,740
<b>Total Liabilities</b>		<b>0</b>		<b>15,453</b>		<b>74,740</b>

**Fund Equity**

Fund Balance:						
Reserved for Encumbrances		0		13,970		42,646
Reserved for Restricted Principal		129,786		1,391,352		6,683,221
Unreserved:						
Undesignated		68,719		129,188		3,483,367
<b>Total Fund Equity</b>		<b>198,505</b>		<b>1,534,510</b>		<b>10,209,234</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$</b>	<b>198,505</b>	<b>\$</b>	<b>1,549,963</b>	<b>\$</b>	<b>10,283,974</b>

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**The Public Library of Cincinnati and Hamilton County**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**All Expendable Trust Funds**  
**For the Year Ended December 31, 2002**

	Various Expendable	Library Materials	Maibaugh	Dater
Revenues:				
Interest	\$ 12,525	\$ 2,914	\$ 4,267	\$ 958
Contributions, Gifts and Donations	416,639	21,817	0	20,000
Total Revenues	<u>429,164</u>	<u>24,731</u>	<u>4,267</u>	<u>20,958</u>
Expenditures:				
Current:				
Supplies	4,220	0	0	0
Purchased and Contracted Services	47,384	0	0	719
Library Materials and Information	39,967	39,183	7,910	30,059
Capital Outlay	18,630	0	0	1,029
Total Expenditures	<u>110,201</u>	<u>39,183</u>	<u>7,910</u>	<u>31,807</u>
Excess of Revenue Over (Under) Expenditures	<u>318,963</u>	<u>(14,452)</u>	<u>(3,643)</u>	<u>(10,849)</u>
Other Financing Uses				
Operating Transfers - Out	<u>(26,600)</u>	<u>0</u>	<u>0</u>	<u>(40,000)</u>
Total Other Financing Uses	<u>(26,600)</u>	<u>0</u>	<u>0</u>	<u>(40,000)</u>
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	292,363	(14,452)	(3,643)	(50,849)
Fund Balances at Beginning of Year	<u>604,101</u>	<u>167,404</u>	<u>242,002</u>	<u>94,481</u>
Fund Balances at End of Year	<u>\$ 896,464</u>	<u>\$ 152,952</u>	<u>\$ 238,359</u>	<u>\$ 43,632</u>



Hannaford	Library Programs	Total
\$ 99	\$ 1,742	\$ 22,505
0	107,284	565,740
<u>99</u>	<u>109,026</u>	<u>588,245</u>
0	5,475	9,695
0	81,191	129,294
0	0	117,119
<u>3,191</u>	<u>0</u>	<u>22,850</u>
<u>3,191</u>	<u>86,666</u>	<u>278,958</u>
<u>(3,092)</u>	<u>22,360</u>	<u>309,287</u>
<u>0</u>	<u>0</u>	<u>(66,600)</u>
0	0	(66,600)
(3,092)	22,360	242,687
<u>6,249</u>	<u>120,306</u>	<u>1,234,543</u>
<u>\$ 3,157</u>	<u>\$ 142,666</u>	<u>\$ 1,477,230</u>

The Public Library of Cincinnati and Hamilton County  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
Various Expendable Trust Funds  
For the Year Ended December 31, 2002

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$ 5,849	\$ 12,525	\$ 6,676
Contributions, Gifts and Donations	72,500	416,639	344,139
Miscellaneous	150	0	(150)
Total Revenues	<u>78,499</u>	<u>429,164</u>	<u>350,665</u>
Expenditures:			
Current:			
Supplies			
General Administrative Supplies	12,970	4,496	8,474
Maintenance Supplies	9,818	0	9,818
Total Supplies	<u>22,788</u>	<u>4,496</u>	<u>18,292</u>
Purchased and Contracted Services			
Property Maintenance, Repair and Security	11,676	0	11,676
Professional Services	108,586	47,384	61,202
Total Purchased and Contracted Services	<u>120,262</u>	<u>47,384</u>	<u>72,878</u>
Library Materials and Information			
Books and Pamphlets	132,882	48,135	84,747
Audiovisual Materials	33,575	5,479	28,096
Total Library Materials and Information	<u>166,457</u>	<u>53,614</u>	<u>112,843</u>
Other Objects			
Refunds and Reimbursements	4,147	0	4,147
Total Other Objects	<u>4,147</u>	<u>0</u>	<u>4,147</u>
Capital Outlay			
Furniture and Equipment	138,419	45,973	92,446
Total Capital Outlay	<u>138,419</u>	<u>45,973</u>	<u>92,446</u>
Total Expenditures	<u>452,073</u>	<u>151,467</u>	<u>300,606</u>
Excess of Revenues Over (Under) Expenditures	<u>(373,574)</u>	<u>277,697</u>	<u>651,271</u>
Other Financing Uses:			
Operating Transfers - Out	(26,600)	(26,600)	0
Total Other Financing Uses	<u>\$ (26,600)</u>	<u>\$ (26,600)</u>	<u>\$ 0</u>

(continued)

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Various Expendable Trust Funds**  
**For the Year Ended December 31, 2002**  
 (continued)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	\$ (400,174)	\$ 251,097	\$ 651,271
Fund Balance at Beginning of Year	589,575	589,575	0
Prior Year Encumbrances Appropriated	52,959	52,959	0
Fund Balance at End of Year	<u>\$ 242,360</u>	<u>\$ 893,631</u>	<u>\$ 651,271</u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Library Materials**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$ 1,565	\$ 2,914	\$ 1,349
Contributions, Gifts and Donations	20,626	21,814	1,188
Total Revenues	22,191	24,728	2,537
Expenditures:			
Current:			
Library Materials and Information			
Books and Pamphlets	51,709	35,866	15,843
Audiovisual Materials	43,850	7,327	36,523
Other Library Materials	9,470	5,937	3,533
Total Library Materials and Information	105,029	49,130	55,899
Total Expenditures	105,029	49,130	55,899
Excess of Revenues Over (Under) Expenditures	(82,838)	(24,402)	58,436
Fund Balance at Beginning of Year	156,469	156,469	0
Prior Year Encumbrances Appropriated	18,902	18,902	0
Fund Balance at End of Year	\$ 92,533	\$ 150,969	\$ 58,436

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Maibaugh Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$ 2,315	\$ 4,267	\$ 1,952
Total Revenues	<u>2,315</u>	<u>4,267</u>	<u>1,952</u>
Expenditures:			
Current:			
Library Materials and Information			
Books and Pamphlets	118,981	17,767	101,214
Total Library Materials and Information	<u>118,981</u>	<u>17,767</u>	<u>101,214</u>
Total Expenditures	<u>118,981</u>	<u>17,767</u>	<u>101,214</u>
Excess of Revenues Over (Under) Expenditures	(116,666)	(13,500)	103,166
Fund Balance at Beginning of Year	231,613	231,613	0
Prior Year Encumbrances Appropriated	18,981	18,981	0
Fund Balance at End of Year	<u>\$ 133,928</u>	<u>\$ 237,094</u>	<u>\$ 103,166</u>

The Public Library of Cincinnati and Hamilton County  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
Dater Fund  
For the Year Ended December 31, 2002

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$ 805	\$ 958	\$ 153
Contributions, Gifts and Donations	20,000	20,000	0
Total Revenues	<u>20,805</u>	<u>20,958</u>	<u>153</u>
Expenditures:			
Current:			
Purchased and Contracted Services			
Professional Services	3,000	719	2,281
Total Purchased and Contracted Services	<u>3,000</u>	<u>719</u>	<u>2,281</u>
Library Materials and Information			
Books and Pamphlets	50,355	39,255	11,100
Audiovisual Materials	3,036	1,126	1,910
Total Library Materials and Information	<u>53,391</u>	<u>40,381</u>	<u>13,010</u>
Capital Outlay			
Furniture and Equipment	7,485	1,029	6,456
Total Capital Outlay	<u>7,485</u>	<u>1,029</u>	<u>6,456</u>
Total Expenditures	<u>63,876</u>	<u>42,129</u>	<u>21,747</u>
Excess of Revenues Over (Under) Expenditures	<u>(43,071)</u>	<u>(21,171)</u>	<u>21,900</u>
Other Financing Uses			
Operating Transfers - Out	(40,000)	(40,000)	0
Total Other Financing Uses	<u>(40,000)</u>	<u>(40,000)</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	(83,071)	(61,171)	21,900
Fund Balance at Beginning of Year	80,680	80,680	0
Prior Year Encumbrances Appropriated	22,391	22,391	0
Fund Balance at End of Year	<u>\$ 20,000</u>	<u>\$ 41,900</u>	<u>\$ 21,900</u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Hannaford Fund**  
**For the Year Ended December 31, 2002**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Interest	\$ 60	\$ 99	\$ 39
Total Revenues	<u>60</u>	<u>99</u>	<u>39</u>
Expenditures:			
Capital Outlay			
Furniture and Equipment	6,154	3,036	3,118
Total Capital Outlay	<u>6,154</u>	<u>3,036</u>	<u>3,118</u>
Total Expenditures	<u>6,154</u>	<u>3,036</u>	<u>3,118</u>
Excess of Revenues Over (Under) Expenditures	(6,094)	(2,937)	3,157
Fund Balance at Beginning of Year	6,094	6,094	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 3,157</u>	<u>\$ 3,157</u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Library Programs Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$ 1,195	\$ 1,742	\$ 547
Contributions, Gifts and Donations	30,152	107,284	77,132
Miscellaneous	0	3	3
Total Revenues	<u>31,347</u>	<u>109,029</u>	<u>77,682</u>
Expenditures:			
Current:			
Supplies			
General Administrative Supplies	8,049	5,478	2,571
Total Supplies	<u>8,049</u>	<u>5,478</u>	<u>2,571</u>
Purchased and Contracted Services			
Communications, Print and Publicity	22,000	20,721	1,279
Professional Services	80,823	60,543	20,280
Total Purchased and Contracted Services	<u>102,823</u>	<u>81,264</u>	<u>21,559</u>
Total Expenditures	<u>110,872</u>	<u>86,742</u>	<u>24,130</u>
Excess of Revenues Over (Under) Expenditures	(79,525)	22,287	101,812
Fund Balance at Beginning of Year	119,659	119,659	0
Prior Year Encumbrances Appropriated	720	720	0
Fund Balance at End of Year	<u>\$ 40,854</u>	<u>\$ 142,666</u>	<u>\$ 101,812</u>



The Public Library of Cincinnati and Hamilton County  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
All Expendable Trust Funds  
For the Year Ended December 31, 2002

	Revised Budget	Actual	Favorable (Unfavorable)
Revenues:			
Interest	\$ 11,789	\$ 22,505	\$ 10,716
Contributions, Gifts and Donations	143,278	565,737	422,459
Miscellaneous	150	3	(147)
Total Revenues	<u>155,217</u>	<u>588,245</u>	<u>433,028</u>
Expenditures:			
Current:			
Supplies			
General Administrative Supplies	21,019	9,974	11,045
Maintenance Supplies	9,818	0	9,818
Total Supplies	<u>30,837</u>	<u>9,974</u>	<u>20,863</u>
Purchased and Contracted Services			
Communications, Print and Publicity	22,000	20,721	1,279
Property Maintenance, Repair and Security	11,676	0	11,676
Professional Services	192,409	108,646	83,763
Total Purchased and Contracted Services	<u>226,085</u>	<u>129,367</u>	<u>96,718</u>
Library Materials and Information			
Books and Pamphlets	353,927	141,023	212,904
Audiovisual Materials	80,461	13,932	66,529
Library Materials - All Other	9,470	5,937	3,533
Total Library Materials and Information	<u>443,858</u>	<u>160,892</u>	<u>282,966</u>
Other Objects			
Refunds and Reimbursements	4,147	0	4,147
Total Other Objects	<u>4,147</u>	<u>0</u>	<u>4,147</u>
Capital Outlay			
Furniture and Equipment	152,058	50,038	102,020
Total Capital Outlay	<u>152,058</u>	<u>50,038</u>	<u>102,020</u>
Total Expenditures	<u>856,985</u>	<u>350,271</u>	<u>506,714</u>
Excess of Revenues Over (Under) Expenditures	<u>(701,768)</u>	<u>237,974</u>	<u>939,742</u>
Other Financing Uses:			
Operating Transfers - Out	(66,600)	(66,600)	0
Total Other Financing Uses	<u>\$ (66,600)</u>	<u>\$ (66,600)</u>	<u>\$ 0</u>

(continued)

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**All Expendable Trust Funds**  
**For the Year Ended December 31, 2002**  
 (continued)

	Revised Budget	Actual	Favorable (Unfavorable)
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	\$ (768,368)	\$ 171,374	\$ 939,742
Fund Balance at Beginning of Year	1,184,090	1,184,090	0
Prior Year Encumbrances Appropriated	113,953	113,953	0
Fund Balance at End of Year	<u>\$ 529,675</u>	<u>\$ 1,469,417</u>	<u>\$ 939,742</u>

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**The Public Library of Cincinnati and Hamilton County**  
**Combining Statement of Revenues, Expenses and**  
**Changes in Fund Balances**  
**All Non-Expendable Trust Funds**  
**For the Year Ended December 31, 2002**

	Various Non- Expendable	Armstrong	Feld	Hadley
Operating Revenues:				
Interest and Dividends	\$ 52,531	\$ 61,333	\$ 133,466	\$ 4,580
Contributions, Gifts and Donations	17,115	0	0	0
Miscellaneous	0	0	0	0
Net Decrease in Fair Value of Investments	(6,624)	(6,821)	(19,186)	(583)
<b>Total Operating Revenue</b>	<u>63,022</u>	<u>54,512</u>	<u>114,280</u>	<u>3,997</u>
Operating Expenses:				
Salaries and Benefits	3,884	57,531	0	1,091
Supplies	8,484	0	0	0
Purchased and Contracted Services	1,435	104,343	0	0
Library Materials and Information	27,287	0	61,451	0
Other Objects	30,130	0	0	0
<b>Total Operating Expenses</b>	<u>71,220</u>	<u>161,874</u>	<u>61,451</u>	<u>1,091</u>
<b>Net Income (Loss)</b>	(8,198)	(107,362)	52,829	2,906
<b>Fund Balances at Beginning of Year</b>	<u>1,202,480</u>	<u>1,883,134</u>	<u>3,024,684</u>	<u>120,612</u>
<b>Fund Balances at End of Year</b>	<u>\$ 1,194,282</u>	<u>\$ 1,775,772</u>	<u>\$ 3,077,513</u>	<u>\$ 123,518</u>

	Heisel/Dunlap	Kersten	Dwyer	Howard	Total
\$	14,755	\$ 42,501	\$ 7,189	\$ 67,186	\$ 383,541
	0	0	0	0	17,115
	705	0	0	0	705
	(2,115)	(682)	(898)	(9,626)	(46,535)
	<u>13,345</u>	<u>41,819</u>	<u>6,291</u>	<u>57,560</u>	<u>354,826</u>
	25,457	0	0	0	87,963
	0	630	0	0	9,114
	0	17,046	0	0	122,824
	0	0	696	46,624	136,058
	0	0	1,195	0	31,325
	<u>25,457</u>	<u>17,676</u>	<u>1,891</u>	<u>46,624</u>	<u>387,284</u>
	(12,112)	24,143	4,400	10,936	(32,458)
	<u>336,761</u>	<u>479,112</u>	<u>194,105</u>	<u>1,523,574</u>	<u>8,764,462</u>
\$	<u><u>324,649</u></u>	<u><u>503,255</u></u>	<u><u>198,505</u></u>	<u><u>1,534,510</u></u>	<u><u>8,732,004</u></u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenses and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Various Non-Expendable Trust Funds**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Interest and Dividends	\$ 55,230	\$ 55,152	\$ (78)
Contributions, Gifts and Donations	9,000	17,115	8,115
<b>Total Revenues</b>	<b>64,230</b>	<b>72,267</b>	<b>8,037</b>
<b>Expenses:</b>			
<b>Salaries and Benefits</b>			
Other Employee Benefits	5,643	5,176	467
<b>Total Salaries and Benefits</b>	<b>5,643</b>	<b>5,176</b>	<b>467</b>
<b>Supplies</b>			
General Administrative Supplies	8,829	7,101	1,728
<b>Total Supplies</b>	<b>8,829</b>	<b>7,101</b>	<b>1,728</b>
<b>Purchased and Contracted Services</b>			
Travel and Meeting Expenses	9,726	0	9,726
Professional Services	9,279	1,435	7,844
<b>Total Purchased and Contracted Services</b>	<b>19,005</b>	<b>1,435</b>	<b>17,570</b>
<b>Library Materials and Information</b>			
Books and Pamphlets	92,106	38,912	53,194
Audiovisual Materials	1,466	0	1,466
<b>Total Library Materials and Information</b>	<b>93,572</b>	<b>38,912</b>	<b>54,660</b>
<b>Capital Outlay</b>			
Furniture and Equipment	30,790	29,197	1,593
<b>Total Capital Outlay</b>	<b>30,790</b>	<b>29,197</b>	<b>1,593</b>
<b>Other Objects</b>			
Other Miscellaneous Expenses	13,308	3,993	9,315
<b>Total Other Objects</b>	<b>13,308</b>	<b>3,993</b>	<b>9,315</b>
<b>Total Expenses</b>	<b>171,147</b>	<b>85,814</b>	<b>85,333</b>
<b>Excess of Revenues Over (Under) Expenses</b>	<b>(106,917)</b>	<b>(13,547)</b>	<b>93,370</b>
Fund Balance at Beginning of Year	1,151,500	1,151,500	0
Prior Year Encumbrances Appropriated	21,488	21,488	0
<b>Fund Balance at End of Year</b>	<b>\$ 1,066,071</b>	<b>\$ 1,159,441</b>	<b>\$ 93,370</b>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenses and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Armstrong Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest and Dividends	\$ 73,490	\$ 64,399	\$ (9,091)
Total Revenues	<u>73,490</u>	<u>64,399</u>	<u>(9,091)</u>
Expenses:			
Salaries and Benefits			
Other Employee Benefits	127,856	90,398	37,458
Total Salaries and Benefits	<u>127,856</u>	<u>90,398</u>	<u>37,458</u>
Purchased and Contracted Services			
Professional Services	272,100	109,343	162,757
Total Purchased and Contracted Services	<u>272,100</u>	<u>109,343</u>	<u>162,757</u>
Total Expenses	<u>399,956</u>	<u>199,741</u>	<u>200,215</u>
Excess of Revenues Over (Under) Expenses	(326,466)	(135,342)	191,124
Fund Balance at Beginning of Year	1,837,294	1,837,294	0
Prior Year Encumbrances Appropriated	27,856	27,856	0
Fund Balance at End of Year	<u>\$ 1,538,684</u>	<u>\$ 1,729,808</u>	<u>\$ 191,124</u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenses and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Feld Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest and Dividends	\$ 115,905	\$ 142,091	\$ 26,186
Total Revenues	<u>115,905</u>	<u>142,091</u>	<u>26,186</u>
Expenses:			
Library Materials and Information			
Books and Pamphlets	62,048	61,958	90
Total Library Materials and Information	<u>62,048</u>	<u>61,958</u>	<u>90</u>
Total Expenses	<u>62,048</u>	<u>61,958</u>	<u>90</u>
Excess of Revenues Over (Under) Expenses	53,857	80,133	26,276
Fund Balance at Beginning of Year	2,897,686	2,897,686	0
Prior Year Encumbrances Appropriated	2,104	2,104	0
Fund Balance at End of Year	<u>\$ 2,953,647</u>	<u>\$ 2,979,923</u>	<u>\$ 26,276</u>



**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenses and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Hadley Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest and Dividends	\$ 4,580	\$ 4,842	\$ 262
Total Revenues	<u>4,580</u>	<u>4,842</u>	<u>262</u>
Expenses:			
Salaries and Benefits			
Other Employee Benefits	37,436	1,498	35,938
Total Salaries and Benefits	<u>37,436</u>	<u>1,498</u>	<u>35,938</u>
Total Expenses	<u>37,436</u>	<u>1,498</u>	<u>35,938</u>
Excess of Revenues Over (Under) Expenses	(32,856)	3,344	36,200
Fund Balance at Beginning of Year	114,497	114,497	0
Prior Year Encumbrances Appropriated	2,710	2,710	0
Fund Balance at End of Year	<u>\$ 84,351</u>	<u>\$ 120,551</u>	<u>\$ 36,200</u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenses and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Heisel/Dunlap Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest and Dividends	\$ 14,044	\$ 15,706	\$ 1,662
Miscellaneous	0	705	705
Total Revenues	<u>14,044</u>	<u>16,411</u>	<u>2,367</u>
Expenses:			
Salaries and Benefits			
Other Employee Benefits	40,597	40,409	188
Total Salaries and Benefits	<u>40,597</u>	<u>40,409</u>	<u>188</u>
Total Expenses	<u>40,597</u>	<u>40,409</u>	<u>188</u>
Excess of Revenues Over (Under) Expenses	(26,553)	(23,998)	2,555
Fund Balance at Beginning of Year	320,859	320,859	0
Prior Year Encumbrances Appropriated	11,578	11,578	0
Fund Balance at End of Year	<u>\$ 305,884</u>	<u>\$ 308,439</u>	<u>\$ 2,555</u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenses and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Kersten Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest and Dividends	\$ 50,845	\$ 42,807	\$ (8,038)
Total Revenues	<u>50,845</u>	<u>42,807</u>	<u>(8,038)</u>
Expenses:			
Supplies			
General Administrative Supplies	10,000	630	9,370
Total Supplies	<u>10,000</u>	<u>630</u>	<u>9,370</u>
Purchased and Contracted Services			
Professional Services	36,550	17,046	19,504
Total Purchased and Contracted Services	<u>36,550</u>	<u>17,046</u>	<u>19,504</u>
Total Expenses	<u>46,550</u>	<u>17,676</u>	<u>28,874</u>
Excess of Revenues Over Expenses	4,295	25,131	20,836
Fund Balance at Beginning of Year	471,110	471,110	0
Prior Year Encumbrances Appropriated	3,550	3,550	0
Fund Balance at End of Year	<u>\$ 478,955</u>	<u>\$ 499,791</u>	<u>\$ 20,836</u>

The Public Library of Cincinnati and Hamilton County  
Schedule of Revenues, Expenses and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
Dwyer Fund  
For the Year Ended December 31, 2002

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest and Dividends	\$ 7,520	\$ 7,593	\$ 73
Total Revenues	<u>7,520</u>	<u>7,593</u>	<u>73</u>
Expenses:			
Library Materials and Information			
Books and Pamphlets	191	179	12
Audiovisual Materials	5,520	0	5,520
Library Materials - All Other	2,024	517	1,507
Total Library Materials and Information	<u>7,735</u>	<u>696</u>	<u>7,039</u>
Capital Outlay			
Furniture and Equipment	1,195	1,195	0
Total Capital Outlay	<u>1,195</u>	<u>1,195</u>	<u>0</u>
Total Expenses	<u>8,930</u>	<u>1,891</u>	<u>7,039</u>
Excess of Revenues Over (Under) Expenses	(1,410)	5,702	7,112
Fund Balance at Beginning of Year	188,026	188,026	0
Prior Year Encumbrances Appropriated	215	215	0
Fund Balance at End of Year	<u>\$ 186,831</u>	<u>\$ 193,943</u>	<u>\$ 7,112</u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Revenues, Expenses and**  
**Changes in Fund Balance - Budget and Actual (Budget Basis)**  
**Howard Fund**  
**For the Year Ended December 31, 2002**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest and Dividends	\$ 57,875	\$ 71,513	\$ 13,638
Total Revenues	<u>57,875</u>	<u>71,513</u>	<u>13,638</u>
Expenses:			
Library Materials and Information			
Books and Pamphlets	83,569	65,297	18,272
Total Library Materials and Information	<u>83,569</u>	<u>65,297</u>	<u>18,272</u>
Total Expenses	<u>83,569</u>	<u>65,297</u>	<u>18,272</u>
Excess of Revenues Over (Under) Expenses	(25,694)	6,216	31,910
Fund Balance at Beginning of Year	1,446,838	1,446,838	0
Prior Year Encumbrances Appropriated	18,569	18,569	0
Fund Balance at End of Year	<u>\$ 1,439,713</u>	<u>\$ 1,471,623</u>	<u>\$ 31,910</u>

The Public Library of Cincinnati and Hamilton County  
Schedule of Revenues, Expenses and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
All Non-Expendable Trust Funds  
For the Year Ended December 31, 2002

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest and Dividends	\$ 379,489	\$ 404,103	\$ 24,614
Contributions, Gifts and Donations	9,000	17,115	8,115
Miscellaneous	0	705	705
Total Revenues	<u>388,489</u>	<u>421,923</u>	<u>33,434</u>
Expenses:			
Salaries and Benefits			
Other Employee Benefits	211,532	137,481	74,051
Total Salaries and Benefits	<u>211,532</u>	<u>137,481</u>	<u>74,051</u>
Supplies			
General Administrative Supplies	18,829	7,731	11,098
Total Supplies	<u>18,829</u>	<u>7,731</u>	<u>11,098</u>
Purchased and Contracted Services			
Travel and Meeting Expenses	9,726	0	9,726
Professional Services	317,929	127,824	190,105
Total Purchased and Contracted Services	<u>327,655</u>	<u>127,824</u>	<u>199,831</u>
Library Materials and Information			
Books and Pamphlets	237,914	166,346	71,568
Audiovisual Materials	6,986	0	6,986
Library Materials - All Other	2,024	517	1,507
Total Library Materials and Information	<u>246,924</u>	<u>166,863</u>	<u>80,061</u>
Capital Outlay			
Furniture and Equipment	31,985	30,392	1,593
Total Capital Outlay	<u>31,985</u>	<u>30,392</u>	<u>1,593</u>
Other Objects			
Other Miscellaneous Expenses	13,308	3,993	9,315
Total Other Objects	<u>13,308</u>	<u>3,993</u>	<u>9,315</u>
Total Expenses	<u>850,233</u>	<u>474,284</u>	<u>375,949</u>
Excess of Revenues Over (Under) Expenses	(461,744)	(52,361)	409,383
Fund Balance at Beginning of Year	8,427,810	8,427,810	0
Prior Year Encumbrances Appropriated	88,070	88,070	0
Fund Balance at End of Year	<u>\$ 8,054,136</u>	<u>\$ 8,463,519</u>	<u>\$ 409,383</u>

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**The Public Library of Cincinnati and Hamilton County**  
**Combining Statement of Cash Flows**  
**All Non-Expendable Trust Funds**  
**For the Year Ended December 31, 2002**

	Various Non- Expendable	Armstrong	Feld	Hadley
<u>Increase (Decrease) in Cash and Cash Equivalents</u>				
Cash Flows from Operating Activities:				
Cash Received from Contributions and Donations	\$ 17,115	0	0	0
Cash Received from Other Revenues	0	0		0
Cash Payments to Suppliers for Goods and Services	(72,766)	(104,343)	(61,877)	0
Cash Payments for Employee Services and Benefits	(4,846)	(54,558)	0	(1,498)
Net Cash Provided By (Used for) Operating Activities	<u>(60,497)</u>	<u>(158,901)</u>	<u>(61,877)</u>	<u>(1,498)</u>
Cash Flows from Investing Activities:				
Sale of Investments	283,553	319,762	899,397	27,354
Purchase of Investments	(446,535)	(490,633)	(1,380,006)	(41,971)
Interest and Dividends	55,152	64,399	142,091	4,842
Net Cash Used for Investing Activities	<u>(107,830)</u>	<u>(106,472)</u>	<u>(338,518)</u>	<u>(9,775)</u>
Net Increase in Cash and Cash Equivalents	(168,327)	(265,373)	(400,395)	(11,273)
Cash and Cash Equivalents at Beginning of Year	<u>535,112</u>	<u>1,153,990</u>	<u>899,507</u>	<u>56,372</u>
Cash and Cash Equivalents at End of Year	<u>\$ 366,785</u>	<u>\$ 888,617</u>	<u>\$ 499,112</u>	<u>\$ 45,099</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Operating Income (Loss)	\$ <u>(8,198)</u>	\$ <u>(107,362)</u>	\$ <u>52,829</u>	\$ <u>2,906</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Interest	(52,531)	(61,333)	(133,466)	(4,580)
Net Decrease in Fair Value of Investments	6,624	6,821	19,186	583
Changes in Assets and Liabilities:				
Increase (Decrease) in Accounts Payable	<u>(6,392)</u>	<u>2,973</u>	<u>(426)</u>	<u>(407)</u>
Total Adjustments	<u>(52,299)</u>	<u>(51,539)</u>	<u>(114,706)</u>	<u>(4,404)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (60,497)</u>	<u>\$ (158,901)</u>	<u>\$ (61,877)</u>	<u>\$ (1,498)</u>
Non-Cash Transactions:				
Unrealized Decrease in Fair Value of Investments of \$46,535				



Heisel/ Dunlap	Kersten	Dwyer	Howard	Total
0	0	0	0	\$ 17,115
705	0	0	0	705
0	(17,676)	(1,891)	(35,873)	(294,426)
<u>(25,056)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(85,958)</u>
<u>(24,351)</u>	<u>(17,676)</u>	<u>(1,891)</u>	<u>(35,873)</u>	<u>(362,564)</u>
99,195	32,258	42,088	451,198	2,154,805
(152,201)	(49,026)	(64,579)	(692,306)	(3,317,257)
<u>15,706</u>	<u>42,501</u>	<u>7,593</u>	<u>71,513</u>	<u>403,797</u>
<u>(37,300)</u>	<u>25,733</u>	<u>(14,898)</u>	<u>(169,595)</u>	<u>(758,655)</u>
(61,651)	8,057	(16,789)	(205,468)	(1,121,219)
<u>111,825</u>	<u>403,598</u>	<u>94,636</u>	<u>461,927</u>	<u>3,716,967</u>
<u>\$ 50,174</u>	<u>\$ 411,655</u>	<u>\$ 77,847</u>	<u>\$ 256,459</u>	<u>\$ 2,595,748</u>
<u>\$ (12,112)</u>	<u>\$ 24,143</u>	<u>\$ 4,400</u>	<u>\$ 10,936</u>	<u>\$ (32,458)</u>
(14,755)	(42,501)	(7,189)	(67,186)	(383,541)
2,115	682	898	9,626	46,535
<u>401</u>	<u>0</u>	<u>0</u>	<u>10,751</u>	<u>6,900</u>
<u>(12,239)</u>	<u>(41,819)</u>	<u>(6,291)</u>	<u>(46,809)</u>	<u>(330,106)</u>
<u>\$ (24,351)</u>	<u>\$ (17,676)</u>	<u>\$ (1,891)</u>	<u>\$ (35,873)</u>	<u>\$ (362,564)</u>

## **GENERAL FIXED ASSETS ACCOUNT GROUP**

To account for fixed assets other than those account for in the trust funds.

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of General Fixed Assets**  
**By Source**  
**December 31, 2002**

General Fixed Assets:	
Land	\$ 14,164,897
Improvements to Land	485,527
Buildings	84,841,889
Furniture and Equipment	15,848,016
Vehicles	<u>431,212</u>
 Total General Fixed Assets	 \$ <u><u>115,771,541</u></u>

Investment in General Fixed Assets From:

General Fund Revenues	\$ 16,612,107
Special Revenue Fund Revenues	129,854
Capital Projects Fund Revenues	49,628,570
Acquired before 12/31/92	49,321,058
Donations	<u>79,951</u>
 Total Investment in General Fixed Assets	 \$ <u><u>115,771,541</u></u>

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of General Fixed Assets**  
**By Object and Type**  
**December 31, 2002**

		<u>Capital Outlay</u>
Land	\$	14,164,897
Improvements to Land		485,527
Buildings		84,841,889
Equipment and Furniture		15,848,016
Vehicles		<u>431,212</u>
 Total General Fixed Assets	 \$	 <u><u>115,771,541</u></u>

The Library is considered to have one function which is providing library service to the public. Therefore, to be consistent with the operating statement, this schedule is presented by object and type.

**The Public Library of Cincinnati and Hamilton County**  
**Schedule of Changes in General Fixed Assets**  
**By Object and Type**  
**For the Year Ended December 31, 2002**

<u>Object and Type</u>	<u>Balance at January 1, 2002</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at December 31, 2002</u>
Capital Outlay				
Land	\$ 14,164,897	\$ 0	\$ 0	14,164,897
Improvements to Land	456,527	29,000	0	485,527
Buildings	83,182,868	1,659,021	0	84,841,889
Furniture and Equipment	16,455,959	405,425	1,013,368	15,848,016
Vehicles	431,212	0	0	431,212
Construction in Progress	562,193	0	562,193	0
	<u>\$ 115,253,656</u>	<u>\$ 2,093,446</u>	<u>\$ 1,575,561</u>	<u>\$ 115,771,541</u>

The Library is considered to have one function which is providing library service to the public. Therefore, to be consistent with the operating statement, this schedule is presented by object and type.

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# Statistical Section





## STATISTICAL SECTION

The following unaudited statistical tables reflect social and economic data and financial trends of the Library.

*The Public Library of Cincinnati and Hamilton County does not receive property taxes nor is there any debt; therefore statistical tables related to these two areas are not applicable and are not presented.*

THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

GENERAL FUND REVENUES BY SOURCE  
LAST TEN YEARS

Year*	Intergovernmental	Patrons		Interest	Services Provided		Contributions		Miscellaneous	Total
		Fines and Fees	to Other Entities		Donations	Gifts and				
1993	\$ 38,294,920	\$ 889,178	-	\$ 208,718	-	\$ 203	-	\$ 426,438	\$ 39,819,457	
1994	39,501,115	953,044	-	198,878	-	-	-	362,904	41,015,941	
1995	41,498,031	977,710	-	416,227	-	44	44	365,978	43,257,990	
1996	44,336,902	1,009,835	-	390,339	-	168	168	302,761	46,040,005	
1997	44,601,540	1,062,703	-	1,198,538	-	176	176	520,853	47,383,810	
1998	47,086,716	1,057,513	\$ 28,122	980,905	\$ 28,122	488	488	535,474	49,689,218	
1999	49,551,084	1,134,990	66,109	855,348	66,109	483	483	756,413	52,364,427	
2000	52,823,708	1,145,113	26,693	1,215,732	26,693	264	264	985,175	56,196,685	
2001	52,415,810	1,217,990	25,208	849,372	25,208	11,715	11,715	949,650	55,469,745	
2002	48,337,997	1,289,802	10,013	367,481	10,013	62,383	62,383	2,555,349	52,623,025	

\*GAAP Basis Library Financial Data

Source: Library Financial Records

THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

GENERAL FUND EXPENDITURES  
LAST TEN YEARS

Year*	Current Expenditures	Capital Outlay	Debt Service	Total
1993	\$ 33,179,951	\$ 161,036	-	\$ 33,340,987
1994	35,663,808	196,018	20,400	35,880,226
1995	36,609,262	145,435	13,600	36,768,297
1996	37,114,625	267,705	-	37,382,330
1997	39,923,822	362,185	96,456	40,382,463
1998	42,894,942	395,297	96,456	43,386,695
1999	44,601,647	411,782	96,456	45,109,885
2000	46,559,155	770,813	96,457	47,426,425
2001	48,854,069	556,108	96,456	49,506,633
2002	49,567,984	101,307	-	49,669,291

\*GAAP Basis Library Financial Data

Source: Library Financial Records

THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

DEMOGRAPHIC STATISTICS  
LAST TEN YEARS

Year	County	County	County
	Population (a)	Unemployment Rate(b)	Bank Deposits(c) (Amounts in 000's)
1993	866,228	5.2 %	\$ 15,290,052
1994	866,228	4.8	17,301,493
1995	866,228	4.1	18,661,138
1996	866,228	4.0	21,598,936
1997	866,228	3.5	18,070,437
1998	847,202	2.9	24,305,322
1999	840,443	3.0	41,302,569
2000	845,303	2.9	84,005,830
2001	835,362	3.8	133,025,841
2002	833,721	5.1	145,359,134

Sources:

- (a) U.S. Census Bureau web site
- (b) Ohio Bureau of Employment Services
- (c) Federal Reserve Bank of Cleveland

THE PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY

MISCELLANEOUS STATISTICS  
LAST TEN YEARS

Year	Number of Employees	Numbers of Materials Owned (a)	Number of Library Materials Circulated	Number of Registered Borrowers(b)
1993	867	6,839,356	11,675,108 *	392,475
1994	842	8,840,631 **	11,724,356	390,334
1995	879	8,805,414	12,167,290	395,412
1996	850	9,037,042	12,564,004	388,386
1997	922	9,133,681	12,502,014	389,697
1998	927	9,653,049 ***	12,805,278	393,509
1999	947	9,993,586 ***	13,149,907	396,064
2000	978	10,076,270 ***	13,326,369	398,054
2001	980	10,363,842 ***	13,808,229	409,954
2002	943	10,261,257 ***	14,403,659	404,655

Column Notes:

(a) Figures for 1990 - 1993 do not include uncataloged microfiche.

(b) Figures for 1990 - 1992 represent all cards issued.

Figures for 1993 forward represent all active borrowers on record as of year end.

Miscellaneous Notes:

\* 1993 records were revised in November 1994 to correct duplicate circulation

\*\* 1994 records include previously owned, but not cataloged microfiche.

\*\*\* 1998 forward includes Public Documents collection count.

Source: Library Statistical Records

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# Public Library of Cincinnati and Hamilton County Service Areas and Locations



- |                    |                     |
|--------------------|---------------------|
| 1. Main Library    | 22. Madisonville    |
| 2. Anderson        | 23. Mariemont       |
| 3. Avondale        | 24. Miami Township  |
| 4. Blue Ash        | 25. Monfort Heights |
| 5. Bond Hill       | 26. Mt. Healthy     |
| 6. Cheviot         | 27. Mt. Washington  |
| 7. Clifton         | 28. North Central   |
| 8. College Hill    | 29. Northside       |
| 9. Corryville      | 30. Norwood         |
| 10. Covedale       | 31. Oakley          |
| 11. Deer Park      | 32. Pleasant Ridge  |
| 12. Delhi Township | 33. Price Hill      |
| 13. Elmwood Place  | 34. Reading         |
| 14. Forest Park    | 35. Roselawn        |
| 15. Green Township | 36. St. Bernard     |
| 16. Greenhills     | 37. Sharonville     |
| 17. Groesbeck      | 38. Symmes Township |
| 18. Harrison       | 39. Walnut Hills    |
| 19. Hyde Park      | 40. West End        |
| 20. Loveland       | 41. Westwood        |
| 21. Madeira        | 42. Wyoming         |







**Auditor of State  
Betty Montgomery**

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**PUBLIC LIBRARY OF CINCINNATI AND HAMILTON COUNTY**

**HAMILTON 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  
JULY 22, 2003**