

**ELLA M. EVERHARD PUBLIC LIBRARY  
MEDINA COUNTY**

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2006

VARNEY, FINK & ASSOCIATES, INC.  
Certified Public Accountants





Mary Taylor, CPA  
Auditor of State

Board of Trustees  
Ella M. Everhard Public Library  
132 Broad Street  
Wadsworth, Ohio 44281

We have reviewed the *Independent Auditor's Report* of the Ella M. Everhard Public Library, Medina County, prepared by Varney, Fink & Associates, Inc., for the audit period January 1, 2006 through December 31, 2006. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Ella M. Everhard Public Library is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

October 13, 2008

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**ELLA M. EVERHARD PUBLIC LIBRARY, OHIO  
 MEDINA COUNTY  
 FOR THE YEAR ENDED  
 DECEMBER 31, 2006**

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**INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Ella M. Everhard Public Library, Medina County  
132 Broad Street  
Wadsworth, OH 44281

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Ella M. Everhard Public Library, Medina County, Ohio, (the Library), as of and for the year ended December 31, 2006, which collectively comprise the Library's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Library's management. Our responsibility is to express opinions on these 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.

As discussed in Note 2, the accompanying financial statement and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above presents fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Library as of December 31, 2006, and the respective changes in cash financial position and the respective budgetary comparison of the General Fund thereof for the year then ended in conformity with the basis of accounting described in Note 2.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 11, 2008 on our consideration of the Library's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

## **INDEPENDENT AUDITOR'S REPORT (continued)**

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

*Varney, Fink & Associates*

VARNEY, FINK & ASSOCIATES, INC.  
Certified Public Accountants

August 11, 2008

**Ella M. Everhard Public Library**  
Medina County  
Management's Discussion and Analysis  
For the Year Ended December 31, 2006  
Unaudited

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This discussion and analysis of the Ella M. Everhard Public Library's financial performance provides an overall review of the Library's financial activities for the year ended December 31, 2006, within the limitations of the Library's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Library's financial performance.

**Highlights**

Key highlights for 2006 are as follows:

Net assets of governmental activities increased \$65,706, or 2.8 percent, a significant change from the prior year. The funds affected by the increase in cash and cash equivalents are the General Fund and Capital Projects Fund, which falls within Other Governmental Funds, primarily due to prudent spending and greater interest earnings. The Library Improvement Bond Fund cash and cash equivalents continue to decrease; meeting the terms of the Library Improvement Bond until all funds are fully expended.

The Library's general receipts are primarily the property taxes and other local taxes. These receipts represent respectively 38 and 46 percent of the total cash received for governmental activities during the year. Property tax and other local tax receipts changed very little compared to 2005 due to stable tax rates and collections.

Circulation decreased 0.9% with 902,213 items loaned.

**Using the Basic Financial Statements**

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Library's cash basis of accounting.

**Report Components**

The Statement of Net Assets and the Statement of Activities provide information about the cash activities of the Library as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Library as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

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**Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Library has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than Generally Accepted Accounting Principles. Under the Library's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

**Reporting the Library as a Whole**

The Statement of Net Assets and the Statement of Activities reflect how the Library did financially during 2006, within the limitations of cash basis accounting. The Statement of Net Assets presents the cash balances and investments of the governmental activities of the Library at year end. The Statement of Activities compares cash disbursements with program receipts for each governmental activity. Program receipts include patron fines and fees, rental of real property, and donations and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Library's general receipts.

These statements report the Library's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Library's financial health. Over time, increases or decreases in the Library's cash position is one indicator of whether the Library's financial health is improving or deteriorating. When evaluating the Library's financial condition, you should also consider other non-financial factors as well; such as the Library's property tax base, the condition of the Library's capital assets, the extent of the Library's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as the property taxes and other local taxes.

In the Statement of Net Assets and the Statement of Activities the Library reports Governmental activities. All of the Library's programs and services are reported here, including general public services, purchased and contracted services, and library materials and information. These services are primarily funded by the property taxes, other local taxes, and the Library and Local Government Support Fund (LLGSF). Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

**Reporting the Library's Most Significant Funds**

Fund financial statements provide detailed information about the Library's major funds – not the Library as a whole. The Library establishes separate funds to better manage its many activities

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and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Library are reported in one category: Governmental.

Governmental Funds - The Library's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Library's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Library's programs. The Library's significant governmental funds are presented on the financial statements in separate columns. The information for non-major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Library's only major governmental fund is the General Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements. We describe this relationship in reconciliations presented with the governmental fund financial statements.

**The Library as a Whole**

Table 1 provides a summary of the Library's net assets for 2006 compared to 2005 on a cash basis of accounting.

(Table 1)  
**Net Assets**

	Governmental Activities 2005	Governmental Activities 2006
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$2,365,687	\$2,431,393
Total Assets	\$2,365,687	\$2,431,393
<b>Net Assets</b>		
Restricted for:		
Capital Projects	\$897,806	\$881,745
Unrestricted	\$1,467,881	\$1,549,648
Total Net Assets	\$2,365,687	\$2,431,393

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Table 2 reflects the changes in net assets from 2005 to 2006.

(Table 2)  
**Changes in Net Assets**

	Governmental Activities 2005	Governmental Activities 2006
Receipts:		
Program Receipts:		
Charges for Services and Sales	\$63,695	\$64,007
Operating Grants and Contributions	6,302	8,225
Total Program Receipts	<u>69,997</u>	<u>72,232</u>
General Receipts:		
Property Taxes Levied for General Purposes	882,158	919,647
Other Local Taxes	1,170,675	1,094,311
Intergovernmental	138,516	125,404
Unrestricted Gifts and Contributions	1,287	457
Interest	52,207	117,479
Miscellaneous	789	63,816
Total General Receipts	<u>2,245,632</u>	<u>2,321,114</u>
Total Receipts	<u>2,315,629</u>	<u>2,393,346</u>
Disbursements:		
Library Services:		
Public Service and Programming	813,659	795,551
Collection Development and Processing	477,724	487,772
Support Services:		
Facilities Operation and Maintenance	205,211	192,595
Information Services	175,718	182,226
Business Administration	581,102	593,013
Capital Outlay	196,127	76,483
Total Disbursements	<u>2,449,541</u>	<u>2,327,640</u>
(Decrease) in Net Assets	(133,912)	65,706
Net Assets, January 1	<u>2,499,599</u>	<u>2,365,687</u>
Net Assets, December 31	<u><u>\$2,365,687</u></u>	<u><u>\$2,431,393</u></u>

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Program receipts represent only 3 percent of total receipts and are primarily comprised of patron fines and fees, rental of real property, and restricted contributions and donations.

General receipts represent 97 percent of the Library's total receipts, and of this amount 38.4 percent are property taxes levied for general purposes. Other local taxes make up another 45.7 percent of the Library's general receipts. Other receipts are very insignificant and somewhat unpredictable revenue sources.

Disbursements for public service and programs, collection development and processing, facilities operation and maintenance, and business administration represent the costs of operating the Library.

**Governmental Activities**

If you look at the Statement of Activities on page 11, you will see that the first column lists the major services provided by the Library. The next column identifies the costs of providing these services. The major disbursements for governmental activities are Public Service and Programs, Collection Development and Processing, Facilities Operation and Maintenance, Information Services, and Business Administration, which account for 34.2 percent, 21 percent, 8.3 percent, 7.8 percent, and 25.5 percent of all library disbursements, respectively. The next two columns of the statement entitled Program Cash Receipts identify amounts paid by people who are directly charged for the service and grants received by the Library that must be used to provide a specific service. The Net (Disbursement) Receipts column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the statement. A comparison between the total cost of services and the net cost for 2005 and 2006 is presented in Table 3.

(Table 3)  
**Governmental Activities**

	Total Cost of Services 2005	Total Cost of Services 2006	Net Cost of Services 2005	Net Cost of Services 2006
Library Services:				
Public Service and Programs	\$813,659	\$795,551	\$744,764	\$723,794
Collection Development and Processing	477,724	487,772	476,622	487,297
Support Services:				
Facilities Operation and Maintenance	205,211	192,595	205,211	192,595
Information Services	175,718	182,226	175,718	182,226
Business Administration	581,102	593,013	581,102	593,013
Capital Outlay	196,127	76,483	196,127	76,483
Total Expenses	<u>\$2,449,541</u>	<u>\$2,327,640</u>	<u>\$2,379,544</u>	<u>\$2,255,408</u>

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**The Library's Funds**

Total governmental funds had receipts of \$2,393,346 and disbursements of \$2,327,640. Yet, the fund balance of the General Fund increased \$84,246 as the result of prudent business management.

**General Fund Budgeting Highlights**

The Library's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Final budgeted receipts were below original budgeted receipts; however, the difference between final budgeted receipts and actual receipts was not significant.

During fiscal year 2006, the Library amended its General Fund appropriations several times to reflect changing circumstances; none significant. Final disbursements were budgeted at \$2,473,983 while actual disbursements were \$2,261,040. Maintaining actual expenditures below projected levels allowed the Library to experience a net increase of \$24,207 to the General Fund.

**Debt Administration**

As of December 31, 2006, the Library carried no outstanding debt on its financial statements. Being a School District Library, all debt obligations are reflected on the financial statements of the Wadsworth City School District.

**Current Issues**

The challenge for all Libraries is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. As stated earlier, we rely heavily on local taxes and LLGSF funding. LLGSF funding has been reduced at the State level by 10.3 percent since 2001 and remains frozen at 2004 levels through the end of this Budget Biennium (June 2007). The Ohio General Assembly formed a legislative Task Force to review and reconsider the funding sources for the LLGSF and the other two local government funds recipients. The Task Force, comprised of five members of the House, five members of the Senate, and one non-voting member from each of the five associations that represent the three local government funds, studied potential sources of state funding for the local government funds; allowing for growth and stability in funding levels. Recommendations for sources of funding, along with suggested legislation to implement the recommendations, were submitted to the Governor and the General Assembly in 2006. Also, the 2005-2007 Budget Bill eliminated the Tangible Personal Property Tax; with a four-year phase-out period beginning July 2005. The State provided funds to hold harmless local governments and public libraries from the impact of this change on local levies through 2018. The millage will be held 100 percent harmless until 2010 and then continue on a reduced formula through 2018.

**Contacting the Library's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Library's finances and to reflect the Library's accountability for the

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monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Debi Woodruff, Business Manager, Ella M. Everhard Public Library, 132 Broad Street., Wadsworth, Ohio 44281.

**Ella M. Everhard Public Library, Medina County**  
Statement of Net Assets - Cash Basis  
December 31, 2006

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$2,431,393</u>
<i>Total Assets</i>	<u><u>\$2,431,393</u></u>
<b>Net Assets</b>	
Restricted for:	
Capital Projects	\$881,745
Unrestricted	<u>1,549,648</u>
<i>Total Net Assets</i>	<u><u>\$2,431,393</u></u>

*SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS*



**Ella M. Everhard Public Library, Medina County**  
Statement of Cash Basis Assets and Fund Balances  
Governmental Funds  
December 31, 2006

	General Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$1,463,193	\$968,200	\$2,431,393
<b>Total Assets</b>	<b>\$1,463,193</b>	<b>\$968,200</b>	<b>\$2,431,393</b>
<b>Fund Balances</b>			
Reserved:			
Reserved for Encumbrances	\$60,039	\$21,507	\$81,546
Reserved for Capital Improvements	0	3,507	3,507
Unreserved:			
Undesignated (Deficit), Reported in:			
General Fund	1,403,154	0	1,403,154
Special Revenue Funds	0	86,455	86,455
Capital Projects Funds	0	856,731	856,731
<b>Total Fund Balances</b>	<b>\$1,463,193</b>	<b>\$968,200</b>	<b>\$2,431,393</b>

*SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS*

**Ella M. Everhard Public Library, Medina County**  
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2006

	General	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>			
Property Taxes	919,647	0	919,647
Other Local Taxes	1,094,311	0	1,094,311
Intergovernmental	125,404	0	125,404
Patron Fines and Fees	62,741	0	62,741
Contributions, Gifts and Donations	8,682	0	8,682
Earnings on Investments	72,497	44,982	117,479
Miscellaneous	1,965	63,117	65,082
<i>Total Receipts</i>	<u>2,285,247</u>	<u>108,099</u>	<u>2,393,346</u>
<b>Disbursements</b>			
Current:			
Library Services:			
Public Service and Programs	795,551	0	795,551
Collection Development and Processing	446,401	41,371	487,772
Support Services:			
Facilities Operation and Maintenance	186,484	6,111	192,595
Information Services	182,226	0	182,226
Business Administration	572,279	20,734	593,013
Capital Outlay	18,060	58,423	76,483
<i>Total Disbursements</i>	<u>2,201,001</u>	<u>126,639</u>	<u>2,327,640</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>84,246</u>	<u>(18,540)</u>	<u>65,706</u>
<b>Other Financing Sources (Uses)</b>			
Advances In	50,000	50,000	100,000
Advances Out	(50,000)	(50,000)	(100,000)
<i>Net Change in Fund Balances</i>	84,246	(18,540)	65,706
<i>Fund Balances Beginning of Year</i>	<u>1,378,947</u>	<u>986,740</u>	<u>2,365,687</u>
<i>Fund Balances End of Year</i>	<u><u>\$1,463,193</u></u>	<u><u>\$968,200</u></u>	<u><u>\$2,431,393</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Ella M. Everhard Public Library, Medina County**  
Statement of Receipts, Disbursements and Changes in Fund Balances -  
Budget and Actual - Budget Basis  
General Fund  
For the Year Ended December 31, 2006

	<i>Budgeted Amounts</i>		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>Receipts</u></b>				
Property Taxes	\$968,700	\$968,700	\$919,647	(\$49,053)
Other Local Taxes	1,154,334	1,154,334	1,094,311	(60,023)
Intergovernmental	135,113	135,113	125,404	(9,709)
Patron Fines and Fees	47,025	47,025	62,741	15,716
Contributions, Gifts and Donations	1,000	1,000	8,682	7,682
Earnings on Investments	19,300	19,300	72,497	53,197
Miscellaneous	675	675	1,965	1,290
<i>Total Receipts</i>	<u>2,326,147</u>	<u>2,326,147</u>	<u>2,285,247</u>	<u>(40,900)</u>
<b><u>Disbursements</u></b>				
Current:				
Library Services:				
Public Service and Programs	855,156	859,976	807,118	52,858
Collection Development and Processing	507,935	504,254	483,141	21,112
Support Services:				
Facilities Operation and Maintenance	260,686	259,090	188,628	70,462
Information Services	202,091	202,473	182,326	20,147
Business Administration	627,802	627,878	581,470	46,408
Capital Outlay	20,313	20,313	18,357	1,956
<i>Total Disbursements</i>	<u>2,473,983</u>	<u>2,473,983</u>	<u>2,261,040</u>	<u>212,944</u>
<i>Net Change in Fund Balance</i>	(147,836)	(147,836)	24,207	172,043
<i>Fund Balance Beginning of Year</i>	1,303,464	1,303,464	1,303,464	0
<i>Prior Year Encumbrances Appropriated</i>	<u>75,483</u>	<u>75,483</u>	<u>75,483</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,231,111</u>	<u>\$1,231,111</u>	<u>\$1,403,154</u>	<u>\$172,043</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Ella M. Everhard Public Library  
Medina County  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2006

**Note 1 – Description of the Library and Reporting Entity**

The Ella M. Everhard Public Library was organized as a school district public library in 1925 under the laws of the State of Ohio. The Library has its own Board of Trustees of seven members who are appointed by the Wadsworth City School District Board of Education. 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 property, and of exercising such other powers and privileges conferred upon it by law. The Library also determines and operates under its own budget. Control and management of the Library is governed by sections 3375.33 to 3375.39 of the Ohio Revised Code with the administration of the day-to-day operations of the Library being the responsibility of the Director and financial accountability being solely that of the Business Manager.

The Library is fiscally independent of the Wadsworth City School District Board of Education, although the Board of Education serves in a ministerial capacity as the taxing authority for the Library. The determination to request approval of a tax levy, the role and purpose(s) of the levy, are discretionary decisions made solely by the Board of Library Trustees. Once those decisions are made, the Board of Education must put the levy on the ballot. There is no potential for the Library to provide a financial benefit to or impose a financial burden on the Board of Education.

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 the Wadsworth City School District.

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. The Library is also financially accountable for any organizations for which the Library approves the budget, the issuance of debt or the levying of taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Library, are accessible to the Library and are significant in amount to the Library. The Library has no component units.

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

**Note 2 - Summary of Significant Accounting Policies**

As discussed further in Note 2.C, the financial statements of the Ella M. Everhard Public Library have been prepared on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally Accepted Accounting Principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. The most significant of the Library’s accounting policies are described below.

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Notes to the Basic Financial Statements  
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**Note 2 - Summary of Significant Accounting Policies (continued)**

A. Basis of Presentation

The Library's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the Library as a whole. These statements include the financial activities of the Library. Governmental activities generally are financed through taxes and other non-exchange transactions.

The Statement of Net Assets presents the cash balance of the governmental activities of the Library at December 31, 2006. The Statement of Activities compares disbursements with program receipts for each of the Library's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Library is responsible. Program Receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants that are required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which the governmental function is self-financing on a cash basis or draws from the Library's general receipts.

Fund Financial Statements

During the year, the Library segregates transactions related to certain Library functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Library at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

B. Fund Accounting

The Library uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Library's funds are all classified as governmental.

Governmental Funds

Governmental funds are financed primarily from taxes and other non-exchange transactions. Monies are assigned to the various governmental funds according to the purposes for which they may or must be used. The following are the Library's major governmental funds:

General Fund - The General Fund accounts 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

Ella M. Everhard Public Library  
Medina County  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2006

**Note 2 - Summary of Significant Accounting Policies (continued)**

provided it is expended or transferred according to the general laws of Ohio.

The other governmental funds of the Library account for other resources whose use is restricted to a particular purpose.

C. Basis of Accounting

The Library's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Library's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Library are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

D. Budgetary Process

All funds are legally required to be appropriated. The appropriations resolution is the Board of Trustees' authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the Trustees. The legal level of control has been established at the fund and character or major category of the object code level for all funds. Budgetary modifications at the legal level of control may only be made by resolution of the Board of Library Trustees.

For control purposes, the Library estimates cash receipts for the year. These estimated receipts, together with the unencumbered carry-over balances from the prior year, set a limit on the amount the Trustees may appropriate. The estimated receipts may be revised during the year if projected increases or decreases in receipts are identified by the Business Manager. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts of estimated resources at the time final appropriations were enacted by the Trustees.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations should not exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Trustees during the year.

E. Cash and Cash Equivalents

To improve cash management, cash received by the Library is pooled and invested. Individual fund integrity is maintained through the Library's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents."

Ella M. Everhard Public Library  
Medina County  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2006

**Note 2 - Summary of Significant Accounting Policies (continued)**

Investments with original maturities of three months or less at the time they are purchased and investments of the cash management pool are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

During 2006, investments are limited to STAR Ohio.

The Library's savings accounts are recorded at amounts reported by Huntington National Bank.

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2006.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest receipts credited to the General Fund during 2006 amounted to \$72,497.

F. Restricted Assets

Cash, cash equivalents, and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by enabling legislation. The Library does not have any restricted assets at December 31, 2006.

G. Inventory and Prepaid Items

The Library reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

H. Capital Assets

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

I. Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Library's cash basis of accounting.

J. Employer Contributions to Cost-Sharing Pension Plans

The Library recognizes the disbursement for their employer contributions to cost-sharing pension plans when

Ella M. Everhard Public Library  
Medina County  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2006

**Note 2 - Summary of Significant Accounting Policies (continued)**

they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.

**K. Long-Term Obligations**

The Library's cash basis financial statements do not report liabilities for long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither other financing source nor capital outlay are reported at inception. Lease payments are reported when paid.

**L. Net Assets**

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets totaling \$881,745 in the Capital Projects Fund are restricted.

The Library's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

**M. Fund Balance Reserves**

The Library reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance, which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances and capital improvements.

**Note 3 – Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General Fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to \$60,039 for the General Fund.

**Note 4 - Deposits and Investments**

Monies held by the Library are classified by State Statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Library treasury. Active monies 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.

Ella M. Everhard Public Library  
Medina County  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2006

**Note 4 - Deposits and Investments** *(continued)*

Inactive deposits are public deposits that the Board 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 not 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 monies. Interim monies are those monies, 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.

Interim monies held by the Library can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, 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;
2. Bonds, notes, debentures, or any other obligation or security 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;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. 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 to a specific obligation or debt of the Library, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

At year end, the Library had \$400 in undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents."

Ella M. Everhard Public Library  
 Medina County  
 Notes to the Basic Financial Statements  
 For the Year Ended December 31, 2006

**Note 4 - Deposits and Investments (continued)**

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the Library will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2006, \$1,750,000 of the Library's bank balance of \$2,082,350 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Library's name.

The Library has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Library or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Investments

As of December 31, 2006, the Library had the following investments:

	Fair Value	Maturity (Years) Less Than 1
STAR Ohio	\$403,612	\$403,612
Total Investments	\$403,612	\$403,612

STAR Ohio carries a rating of AAAM by Standard and Poor's. The Library has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

**Note 5 - Property Tax Receipts**

Property taxes include amounts levied against all real, public utility and tangible personal property located in Wadsworth Local School District. Property tax receipts during 2006 for real and public utility property taxes represent collections of the 2005 taxes. Property tax payments received during 2006 for tangible personal property (other than public utility property) are for 2006 taxes.

2006 real property taxes are levied after October 1, 2006, on the assessed value as of January 1, 2006, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2006 real property taxes are collected in and intended to finance 2007.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2006 public utility property taxes became a lien December 31, 2005, are levied after October 1, 2006, and are collected in 2007 with real property taxes.

2006 tangible personal property taxes are levied after October 1, 2005, on the value as of December 31, 2005. Collections are made in 2006. Tangible personal property assessments are 25 percent of true value for capital assets and 23 percent of true value for inventories.

Ella M. Everhard Public Library  
 Medina County  
 Notes to the Basic Financial Statements  
 For the Year Ended December 31, 2006

**Note 5 - Property Tax Receipts (continued)**

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30; with the remainder payable by September 20.

The full tax rate for all Library operations for the year ended December 31, 2006, was \$1.75 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2006 property tax receipts were based are as follows:

Residential/Agriculture	\$464,462,850
Commercial/Industrial/Mineral	\$ 96,962,200
Public Utility Property	\$ 19,347,440
Tangible Personal Property	\$ 31,012,542
Total Assessed Value	\$611,785,032

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes for the library.

**Note 6 - Risk Management**

The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2006, the Library contracted with several companies for various types of insurance coverage as follows:

Company	Type of Coverage	Coverage
<b>Westfield Companies</b>	Commercial Property	\$6,529,822
	General Liability	\$1,000,000
	Employers Liability	\$1,000,000
	Automobile Liability	
	Insurance	\$1,000,000
	Commercial Inland	
	Marine	\$5,531,450
	Commercial Crime	\$12,000
	Umbrella Insurance	
	Coverage	\$1,000,000
<b>Utica National</b>		
<b>Insurance Group</b>	Errors and Omissions	\$1,000,000

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

Ella M. Everhard Public Library  
Medina County  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2006

**Note 6 - Risk Management** *(continued)*

The Library pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The System administers and pays all claims.

**Note 7 - Defined Benefit Pension Plan**

The Library participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans:

- W The Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan.
- W The Member-Directed Plan – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.
- W The Combined Plan – a cost-sharing, multiple-employer defined benefit pension. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits.

Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2006, member and employer contribution rates were consistent across all three plans. The 2006 member contribution rates were 9.0% and the employer contribution rate was 13.70% of covered payroll.

The Library's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2006, 2005, and 2004 were \$160,172, \$171,916, and \$174,871 respectively; the full amount has been paid for 2006, 2005, and 2004.

**Note 8 – Post-Employment Benefits**

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying member of the Traditional Pension and the Combined Plans. Members of the Member-Directed do not qualify for ancillary benefits, including post-employment health care coverage.

Ella M. Everhard Public Library  
Medina County  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2006

**Note 8 – Post-Employment Benefits** *(continued)*

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

The Ohio Revised Code also provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirements health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2006, the Library contributed 13.70% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14% for state and local employer units. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care Plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment benefits. For 2006, the employer contribution allocated to the health care plan was 4.5% of covered payroll. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The rates stated above are the actuarially determined contribution requirements for OPERS. The portion of the Library's employer contributions that were used to fund post-employment benefits is approximated at \$52,630.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, is effective on January 1, 2007. OPERS took additional actions to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets. Member and employer contribution rates increased as of January 1, 2006, and January 1, 2007, which will allow additional funds to be allocated to the health care plan.

**Note 9 – Debt**

The Wadsworth City School District serves as the taxing authority in a ministerial function, and can issue tax related debt on behalf of the Library. The determination to request approval of a tax levy, the rate and the purpose are discretionary decisions made solely by the Library Board of Trustees.

In 2000 the Library Board approved for the Wadsworth City School District to place on the ballot, Library Improvement Bonds in the amount of \$5,600,000 for the enlarging, renovating, remodeling, rehabilitating, furnishing, and equipping the current Library. As of December 31, 2006 principal outstanding was \$4,379,994.

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

Board of Trustees

Ella M. Everhard Public Library, Medina County

132 Broad Street

Wadsworth, OH 44281

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Ella M. Everhard Public Library, Medina County, Ohio, (the Library), as of and for the year ended December 31, 2006, which collectively comprise the Library's basic financial statements and have issued our report thereon dated August 11, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Library's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Library's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Library's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Library's financial statements that is more than inconsequential will not be prevented or detected by the Library's internal control. We consider the deficiency described in the accompanying schedule of findings as item 2006-01 to be a significant deficiency in internal control over financial reporting.

Ella M. Everhard Public Library, Medina County  
Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements performed in  
Accordance with *Government Auditing Standards*  
Page 2

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Library's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of the section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we do not believe that the significant deficiency described above is a material weakness.

Compliance and Other Matters

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 grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matter that is required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Library in a separate letter dated August 11, 2008.

The Library's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the Library's response and, accordingly, we express no opinion on it.

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



VARNEY, FINK & ASSOCIATES, INC.  
Certified Public Accountants

August 11, 2008

ELLA M. EVERHARD PUBLIC LIBRARY  
MEDINA COUNTY  
SCHEDULE OF AUDIT FINDINGS AND RESPONSES  
DECEMBER 31, 2006  
FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED  
TO BE REPORTED IN ACCORDANCE WITH GAGAS

**2006-01 Significant Deficiency**

The Library did not properly record and reflect inter-fund advance activity on their financial statements. The Library made an adjustment to the December 31, 2006 financial statements to show the advance out of the Capital Projects fund to the General fund for the amount of \$50,000 and the repayment of the advance.

Corrective Action: Contact Person – Debi Woodruff, Business Manager & Fiscal Officer

Due to a three payroll month and June being our lowest LLGSF distribution month of the year, we found ourselves in a short-term deficit of liquid cash assets to cover the June 30th payroll. The decision was made, per Board Resolution #07-06-48, to transact an inter-fund cash advance in the amount of \$50,000 from the Capital Projects Fund to the General Fund, with the expectation of repayment the next month. This transaction was completed and reflected within the entries of the library's financial software and reports. However, in the conversion from our cash basis reporting format, from which the library operates and reports throughout the year, to the Other Comprehensive Basis of Accounting format (OCBOA) for auditing purposes, the net zero cash advance was inadvertently omitted in said report. Corrective measures will ensure this will not happen in the future.



**Mary Taylor, CPA**  
Auditor of State

**ELLA M. EVERHARD PUBLIC LIBRARY**

**MEDINA 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  
NOVEMBER 6, 2008**