

**HUDSON LIBRARY AND HISTORICAL SOCIETY
SUMMIT COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2009 - 2008



Mary Taylor, CPA

Auditor of State

Board of Directors
Hudson Library and Historical Society
96 Library Street
Hudson, Ohio 44236

We have reviewed the *Independent Accountants' Report* of the Hudson Library and Historical Society, Summit County, prepared by Knox & Knox, for the audit period January 1, 2008 through December 31, 2009. 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 Hudson Library and Historical Society is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

October 27, 2010

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HUDSON LIBRARY AND HISTORICAL SOCIETY
SUMMIT COUNTY

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KNOX & KNOX

Accountants and Consultants

Independent Accountants' Report

Hudson Library and Historical Society
Summit County
96 Library Street
Hudson, Ohio 44236

To the Board of Directors:

We have audited the accompanying statement of assets, liabilities, and net assets-cash basis of Hudson Library and Historical Society (a nonprofit organization) as of December 31, 2009 and 2008 and the related statements of support, receipts, and disbursements-cash basis for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards contained in *Government 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 described in Note 2, these financial statements were prepared on the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly in all material respects, the assets, liabilities and net assets of the Hudson Library and Historical Society, as of December 31, 2009 and 2008, and its support, receipts, and disbursements-cash basis for the years then ended on the accounting basis Note 2 describes.

Knox & Knox

Orrville, Ohio
July 9, 2009

HUDSON LIBRARY AND HISTORICAL SOCIETY
SUMMIT COUNTY

STATEMENT OF ASSETS AND NET ASSETS - CASH BASIS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
Cash and Cash Equivalents	<u>\$2,356,700</u>	<u>\$2,050,049</u>
Total Assets	<u><u>\$2,356,700</u></u>	<u><u>\$2,050,049</u></u>
NET ASSETS		
Unrestricted	\$2,187,314	\$1,895,528
Temporarily Restricted	53,508	38,643
Permanently Restricted	<u>115,878</u>	<u>115,878</u>
Total Net Assets	<u><u>\$2,356,700</u></u>	<u><u>\$2,050,049</u></u>

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

HUDSON LIBRARY AND HISTORICAL SOCIETY
SUMMIT COUNTY

STATEMENT OF SUPPORT AND RECEIPTS, DISBURSEMENTS,
AND CHANGES IN NET ASSETS - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Unrestricted</u>	<u>Restricted Funds</u>		<u>Total</u>
		<u>Temporary</u>	<u>Permanent</u>	
SUPPORT AND RECEIPTS:				
Property and Other Local Taxes	\$1,409,583			\$1,409,583
Public Library Fund	930,631			930,631
Patron Fines and Fees	60,875			60,875
Services Provided to Other Entities	34,764			34,764
Donations		\$121,321		121,321
Earnings on Investments	66,388	19,419		85,807
Other	439			439
	<u>2,502,680</u>	<u>140,740</u>		<u>2,643,420</u>
Assets Released from Restrictions	<u>125,875</u>	<u>(125,875)</u>		
DISBURSEMENTS:				
Salaries	1,176,921			1,176,921
Employee Fringe Benefits	308,166			308,166
Purchased and Contract Services	506,851			506,851
Library Materials and Information	214,898			214,898
Supplies	53,530			53,530
Other	49,756			49,756
Capital Outlay	26,648			26,648
	<u>2,336,769</u>			<u>2,336,769</u>
Excess of Support and Receipts Over (Under) Disbursements	291,786	14,865		306,651
Net Assets, January 1	<u>1,895,528</u>	<u>38,643</u>	<u>115,878</u>	<u>2,050,049</u>
NET ASSETS, DECEMBER 31	<u><u>\$2,187,314</u></u>	<u><u>\$53,508</u></u>	<u><u>\$115,878</u></u>	<u><u>2,356,700</u></u>

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

HUDSON LIBRARY AND HISTORICAL SOCIETY
SUMMIT COUNTY

STATEMENT OF SUPPORT AND RECEIPTS, DISBURSEMENTS,
AND CHANGES IN NET ASSETS - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Unrestricted	Restricted Funds		Total
		Temporary	Permanent	
SUPPORT AND RECEIPTS:				
Property and Other Local Taxes	\$1,392,002			\$1,392,002
Public Library Fund	1,097,684			1,097,684
Patron Fines and Fees	60,987			60,987
Services Provided to Other Entities	19,205			19,205
Donations		\$107,507		107,507
Earnings on Investments	63,384	\$37,749		101,133
Other	1,685			1,685
	<u>2,634,946</u>	<u>145,256</u>		<u>2,780,203</u>
Total Receipts				
Assets Released from Restrictions	106,799	(106,799)		
	<u>106,799</u>	<u>(106,799)</u>		
DISBURSEMENTS:				
Salaries	1,145,163			1,145,163
Employee Fringe Benefits	290,209			290,209
Purchased and Contract Services	592,587			592,587
Library Materials and Information	263,146			263,146
Supplies	51,558			51,558
Other	80,804			80,804
Capital Outlay	54,171			54,171
	<u>2,477,637</u>			<u>2,477,637</u>
Total Disbursements				
Excess of Support and Receipts Over (Under) Disbursements	264,108	38,457		302,566
	<u>264,108</u>	<u>38,457</u>		<u>302,566</u>
Net Assets, January 1	1,631,419	186	115,878	1,747,483
	<u>1,631,419</u>	<u>186</u>	<u>115,878</u>	<u>1,747,483</u>
NET ASSETS, DECEMBER 31	<u>\$1,895,528</u>	<u>\$38,643</u>	<u>\$115,878</u>	<u>\$2,050,049</u>

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

HUDSON LIBRARY AND HISTORICAL SOCIETY
SUMMIT COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

1. **DESCRIPTION OF THE LIBRARY AND REPORTING ENTITY**

The Hudson Library and Historical Society was organized as an association library in 1910 under the laws of the State of Ohio. The Library has its own Board of Directors of nine members who are elected by the members of the association. Members are all citizens of Hudson, Ohio over the age of 18 who have a library card. Appointments are for three-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 was organized under section 1702 of the Ohio Revised Code. The Library is a not-for-profit organization exempt from income taxes under Section 501 (c)(3) of the U.S. Internal Revenue Code. The Library determines and operates under its own budget. Control and management of the Library is governed with the administration of the day-to-day operations of the Library being the responsibility of the Executive Director and financial accountability being solely that of the Fiscal Officer.

The Library is fiscally independent of the City of Hudson, although the City of Hudson 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 Directors. There is no potential for the Library to provide a financial benefit to or impose a financial burden on the City of Hudson.

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. Under the cash basis of accounting, the Library does not report assets for the equity interests in joint ventures. The Library belongs to CLEVNET, which a consortium of Northern Ohio area libraries providing cataloging, circulation systems, data bases, purchasing software and shipment of material between the members.

The Friends of the Hudson Library, Inc. is a not-for-profit organization with a self-appointing board. The Library is not financially accountable for the organization, nor does the Library approve the budget or the issuance of debt of the organization. Therefore, this organization has been excluded from the reporting entity of the library.

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

A. **BASIS OF ACCOUNTING**

The Library's financial statements are prepared using the cash basis of accounting; consequently, certain revenues are recognized when received rather than when earned, and certain expenses and purchases are recognized when cash is disbursed rather than when the obligation is incurred.

As a result of this cash basis of accounting, certain assets and their related revenues (such as accounts receivables 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.

HUDSON LIBRARY AND HISTORICAL SOCIETY
SUMMIT COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

1. DESCRIPTION OF THE LIBRARY AND REPORTING ENTITY (continued)

B. PRIOR PERIOD ADJUSTMENTS

Restatement of net assets:

	<u>Unrestricted</u>	<u>Restricted</u>	
		<u>Temporary</u>	<u>Permanent</u>
12/31/07			
Restatement	\$1,631,419	\$186	\$115,878
01/01/08	<u>\$1,631,419</u>	<u>\$186</u>	<u>\$115,878</u>

There was a timing error causing the restatement at January 1, 2008. The restated balances reflect separate Library fund balances as unrestricted and restricted, on a cash basis.

C. CASH AND CASH EQUIVALENTS

All investments have final maturities of one year 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 one year 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.

At December 31, 2008 and 2009, the carrying amount of the Library's deposits were \$2,050,049 and \$2,356,700, respectively.

At December 31, 2008 and 2009, the Library had \$1,056,507 and \$1,106,672 invested in a consolidated portfolio run by Mellon Investments, Merrill Lynch and Key Bank consecutively. The portfolio consists of various debts and equity securities, and fixed income investments and cash or cash equivalents.

At December 31, 2008 and 2009, the Library had \$445,781 and \$347,510, respectively, invested in STAR Ohio.

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, 2008 and 2009.

HUDSON LIBRARY AND HISTORICAL SOCIETY
SUMMIT COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

1. DESCRIPTION OF THE LIBRARY AND REPORTING ENTITY (continued)

D. NET ASSETS

The financial statements presentation follows the requirements of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS No. 117, *Financial Statements of Not-for-Profit Organizations*). Under SFAS No. 117, the Library is required to report information regarding its financial position and activities according to three classes of nets assets. A description of the three net asset categories follows:

- Unrestricted net assets have no donor-imposed restrictions.
- Temporarily restricted net assets have donor-imposed restrictions that will expire in the future.
- Permanently restricted net assets have donor-imposed restrictions which do not expire.

2. PUBLIC LIBRARY FUND

The primary source of revenue for Ohio public libraries is the Public Library Fund (PLF). The PLF was enacted by the State of Ohio, replacing the Library and Local Government Support Fund (LLGSF) which was enacted by the State of Ohio seeking to incorporate the intangible tax into the State's personal income tax. Originally the LLGSF was funded with 5.7% of the receipts of personal income tax and is distributed to each county monthly through an equalization formula. The PLF began January, 2008 and funded by 2.22% of all state tax income, which was distributed to each county monthly through the same equalization formula. Because of the economic downturn in the State, the State Legislature has reduced this amount to 1.97% with the enactment of the 2009-2011 budgets. The Summit County Budget Commission allocates these funds to the Library based on a formula developed by the Library Trustees Council of Summit County. Factors included in the formula are: population of the library's service area, size of the library, number of library branches, circulation, and per capita income.

3. 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 2009 and 2008, the Library contracted for various types of insurance coverage as follows:

<u>Period</u>	<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>
January 2008 - June 2009	Cincinnati Insurance Co	Commercial Property	\$11,000,000
		General Liability	2,000,000
		Employee Dishonesty	25,000
		Valuable Papers	4,042,700
		Vehicle	1,000,000
		Umbrella	1,000,000
		Directors & Officers	10,000,000
		Electronic Data Processing	150,000
		Flood	1,000,000
		Notary Errors & Omissions	10,000

HUDSON LIBRARY AND HISTORICAL SOCIETY
SUMMIT COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

3. RISK MANAGEMENT (continued)

Period	Company	Type of Coverage	Coverage
July 2009 -	The Ohio Plan	Commercial Property	\$11,000,000
December 2009		General Liability	3,000,000/ 5,000,000
		Employee Dishonesty	25,000
		Library Materials	5,055,000
		Vehicle	3,000,000
		Umbrella	1,000,000
		Public Officials Liability	3,000,000/ 5,000,000
		Electronic Data Processing	200,000
		Flood	2,000,000
	Cincinnati Insurance Co	Notary Errors & Omissions	10,000

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 except Director's & Officers (now called Public Officials Liability). This insurance was reduced by the Board of Directors because they felt the insurance amount was excessive and the reduction would reduce the premium paid by the library..

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

4. DEFINED BENEFIT PENSION PLAN

A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

The Library participates in the Ohio Public Employees System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent 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. The combined plan is a cost-sharing, multiple employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, 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 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.

HUDSON LIBRARY AND HISTORICAL SOCIETY
SUMMIT COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

4. **DEFINED BENEFIT PENSION PLAN** (continued)

A. **OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM** (continued)

For the years ended December 31, 2009 and 2008, the members of all three plans were required to contribute 10 percent of their annual covered salaries. The Library's contribution rate for pension benefits for 2009 and 2008 was 14 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Library's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2007, 2008, and 2009 were \$149,531, \$160,172 and \$162,460, respectively, 100 percent has been contributed for all three years.

5. **POSTEMPLOYMENT BENEFITS**

A. **OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**

The Ohio Public Employees System (OPERS) provides postretirement healthcare coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Healthcare coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement healthcare coverage. The healthcare coverage provided by the retirement system is considered an Other Postretirement Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement healthcare based on authority granted by State statute. The 2008 and 2009 local government employer contribution rate was 14 percent of covered payroll; 4 percent of covered payroll was the portion that was used to fund healthcare.

Benefits are advance funded using the individual entry age normal actuarial cost method. Significant actuarial assumptions, based on OPER's latest actuarial review performed as of December 31, 2005, included rate of return on investments of 6.5 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Healthcare premiums were assumed to increase between .5 and 6 percent annually for the next nine years and 4 percent annually after nine years.

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 or investment assets annually.

The number of active contributing participants in the traditional and combined plans was 369,214. Actual employer contributions for 2009 and 2008 were used to fund postemployment benefits. The actual contribution and the actuarially required contribution amounts are the same.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP), with an effective date of January 1, 2007. The HCPP restructures OPERS' healthcare coverage to improve the financial solvency of the fund in response to increasing healthcare costs.

HUDSON LIBRARY AND HISTORICAL SOCIETY
SUMMIT COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

6. DEBT

The City of Hudson 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 Directors.

In 1999, the Library Board approved for the City of Hudson to place on the ballot, Library Construction Bonds in the amount of \$9.9 million for the construction of the current Library. The City of Hudson handled the issuance of the bonds and is handling the repayment. The outstanding debt can be found in the City of Hudson financial reports.

7. LEASES

The Library can lease buildings, vehicles and other equipment under noncancellable leases. Currently the Library only leases copier machines and printers. The library disbursed \$16,134 and \$14,688 to pay lease costs for the years ended December 31, 2008 and 2009, respectively. Future lease payment are as follows:

<u>Year</u>	<u>Amount</u>
2010	\$15,381
2011	15,322
2012	15,322
2012	3,830
Total	<u>\$49,855</u>

8. CONTINGENT LIABILITIES

The Library may be a defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, they believe the resolution of these matters will not materially adversely affect the Library's financial condition.

9. JOINTLY GOVERNED ORGANIZATIONS

CLEVNET is a consortium of several Northeast Ohio library systems. Created in 1982 it was to provide economy of scale for sharing of cataloging systems, database resources, technology services, tech processing standardization between systems and sharing of materials. Each library sends a representative to periodic meeting for sharing and coordinating direction and governing CLEVNET.

10. RELATED ORGANIZATIONS

The Library has a Friends of the Hudson Library organization, which raises money for support of the Library. It is an independent organization and the Library does not place any members on its Board of Trustees or direct the group in any way. The Friends Group does not supply the Library with a major source of revenue.

11. RELATED PARTY TRANSACTIONS

The Library paid dues in the amount of \$86,701 for services in 2008 to CLEVNET and \$82,869 in 2009.

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KNOX & KNOX

Accountants and Consultants

**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**

Hudson Library and Historical Society
Summit County
96 Library Street
Hudson, Ohio 44236

To the Board of Directors:

We have audited the financial statements of Hudson Library and Historical Society (a nonprofit organization) wherein we noted the organization employed the cash basis of accounting as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated July 9, 2010. 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 Hudson Library and Historical Society's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Hudson Library and Historical Society's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether Hudson Library and Historical Society's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Hudson Library and Historical Society
Summit 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

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

KNOX & KNOX

Orrville, Ohio
July 9, 2010

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Mary Taylor, CPA
Auditor of State

HUDSON LIBRARY AND HISTORICAL SOCIETY

SUMMIT 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 9, 2010**