

**NEWCOMERSTOWN PUBLIC LIBRARY**

**AUDIT REPORT**

**JANUARY 1, 2014 - DECEMBER 31, 2015**

**Wilson, Phillips & Agin, CPA's, Inc.  
1100 Brandywine Blvd. Building G  
Zanesville, Ohio 43701**





# Dave Yost • Auditor of State

Board of Trustees  
Newcomerstown Public Library  
123 East Main Street  
Newcomerstown, Ohio 43832

We have reviewed the *Independent Auditors' Report* of the Newcomerstown Public Library, Tuscarawas County, prepared by Wilson, Phillips & Agin, CPA's, Inc., for the audit period January 1, 2014 through December 31, 2015. 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 Newcomerstown Public Library is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

December 21, 2016

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**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
JANUARY 1, 2014 - DECEMBER 31, 2015**

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**WILSON, PHILLIPS & AGIN, CPA'S, INC.  
1100 BRANDYWINE BLVD. BUILDING G  
ZANESVILLE, OHIO 43701**

**INDEPENDENT AUDITORS' REPORT**

Newcomerstown Public Library  
Tuscarawas County  
123 East Main Street  
Newcomerstown, Ohio 43832

To the Board of Trustees:

**Report on the Financial Statements**

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type and related notes of the Newcomerstown Public Library, Tuscarawas County, as of and for the years ended December 31, 2015 and 2014.

**Management's Responsibility For the Financial Statements**

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Library's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Library's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

**Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1 of the financial statements, the Library prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States, to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory basis of accounting and GAAP are not reasonably determinable, are presumed to be material.

Though the Library does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis permitted is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Newcomerstown Public Library as of December 31, 2015 and 2014, or changes in financial position thereof for the years then ended.

#### **Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of the Newcomerstown Public Library, Tuscarawas County as of December 31, 2015 and 2014, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated June 20, 2016, on our consideration of the Newcomerstown Public Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control over financial reporting and compliance.

***Wilson, Phillips & Agin, CPA's, Inc.***  
Zanesville, Ohio  
June 20, 2016



**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN  
FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Governmental Fund Types		Totals (Memorandum Only)
	General	Capital Projects	
<b>Cash Receipts:</b>			
Property Taxes and Other Local Taxes	\$ 179,346	\$ -	\$ 179,346
Public Library	255,006	-	255,006
Intergovernmental	439	-	439
Patron Fines and Fees	10,222	-	10,222
Contributions, Gifts and Donations	440	-	440
Earnings on Investments	1	1	2
Miscellaneous	155	-	155
<b>Total Cash Receipts</b>	445,609	1	445,610
<b>Cash Disbursements:</b>			
Current:			
Library Services	349,775	-	349,775
Capital Outlay	4,883	-	4,883
<b>Total Cash Disbursements</b>	354,658	-	354,658
<b>Net Change in Fund Cash Balance</b>	90,951	1	90,952
<b>Fund Cash Balances, January 1</b>	154,084	10,000	164,084
<b>Fund Cash Balances, December 31</b>			
Committed	-	10,001	10,001
Unassigned (Deficit)	245,035	-	245,035
<b>Fund Cash Balances, December 31</b>	\$ 245,035	\$ 10,001	\$ 255,036

See notes to financial statements.

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN  
FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Debt Service	Capital Projects	
<b>Cash Receipts:</b>				
Property Taxes and Other Local Taxes	\$ 192,741	\$ -	\$ -	\$ 192,741
Public Library	225,900	-	-	225,900
Intergovernmental	13,824	-	-	13,824
Patron Fines and Fees	9,463	-	-	9,463
Contributions, Gifts and Donations	4,389	-	-	4,389
Earnings on Investments	2	2	1	5
Miscellaneous	985	-	-	985
<b>Total Cash Receipts</b>	<u>447,304</u>	<u>2</u>	<u>1</u>	<u>447,307</u>
<b>Cash Disbursements:</b>				
Current:				
Library Services	373,097	-	-	373,097
Capital Outlay	26,273	-	-	26,273
Debt Service:				
Principal	22,130	36,720	-	58,850
Interest and Fiscal Charges	-	17,222	-	17,222
<b>Total Cash Disbursements</b>	<u>421,500</u>	<u>53,942</u>	<u>-</u>	<u>475,442</u>
<b>Excess of Receipts Over/(Under) Disbursements</b>	25,804	(53,940)	1	(28,135)
<b>Other Cash Financing Sources (Uses)</b>				
Transfer In	-	16,200	5,118	21,318
Transfers Out	(21,319)	-	-	(21,319)
Other Financing (Uses)	(1)	-	-	(1)
<b>Total Other Cash Financing Sources (Uses)</b>	<u>(21,320)</u>	<u>16,200</u>	<u>5,118</u>	<u>(2)</u>
<b>Net Change in Fund Cash Balance</b>	4,484	(37,740)	5,119	(28,137)
<b>Fund Cash Balances, January 1</b>	<u>149,600</u>	<u>37,740</u>	<u>4,881</u>	<u>192,221</u>
<b>Fund Cash Balances, December 31</b>				
Committed	-	-	10,000	10,000
Unassigned (Deficit)	154,084	-	-	154,084
<b>Fund Cash Balances, December 31</b>	<u>\$ 154,084</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 164,084</u>

See notes to financial statements.

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The constitution and law of the State of Ohio establish the rights and privileges of the Newcomerstown Public Library, Tuscarawas County, (the Library) as a body corporate and politic. A seven-member Board of Trustees is appointed by the Newcomerstown Exempted Village School District to govern the Library. The Library provides the community with various educational and literary resources.

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

**B. Accounting Basis**

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

**C. Deposits and Investments**

The Library's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

**D. Fund Accounting**

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

**1. General Fund**

The General Fund accounts for and reports all financial resources not accounted for and reported in another fund.

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2. Debt Service Fund**

These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Library had the following significant Debt Service Fund:

**Reserve Account** – This fund had a carryover balance from prior years and was used to set aside monies to pay debt. This fund was closed in 2014 when the debt was paid off.

**USDA Loan** – This fund receives transfers from the General Fund for principal and interest payments related to Library debt for the purchase of the new Library building. This fund was closed in 2014 when the debt was paid off.

**3. Capital Project Funds**

These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Library did not have any significant capital project funds.

**Building and Repair Fund** – This Fund receives money for the repairs to the Library building.

**E. Budgetary Process**

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

A summary of 2015 and 2014 budgetary activity appears in Note 3.

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the Library must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**1. Nonspendable**

The Library classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

**2. Restricted**

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

**3. Committed**

Trustees can *commit* amounts via formal action (resolution). The Library must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**4. Assigned**

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Library Trustees or a Library official delegated that authority by resolution, or by State Statute.

**5. Unassigned**

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Library applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**G. Property, Plant, and Equipment**

The Library records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**H. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**2. EQUITY IN POOLED DEPOSITS AND INVESTMENTS**

The Library maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	2015	2014
Demand deposits	\$ 255,036	\$ 164,084
	\$ 255,036	\$ 164,084

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2015 and 2014 follows:

2015 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 591,449	\$ 445,609	\$ (145,840)
Capital Projects	10,000	1	(9,999)
Total	\$ 601,449	\$ 445,610	\$ (155,839)

2015 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 591,449	\$ 354,658	\$ 236,791
Capital Projects	10,000	-	10,000
Total	\$ 601,449	\$ 354,658	\$ 246,791

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014**

**3. BUDGETARY ACTIVITY (continued)**

2014 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 618,755	\$ 447,304	\$ (171,451)
Debt Service	27,070	16,202	(10,868)
Capital Projects	10,000	5,119	(4,881)
Total	\$ 655,825	\$ 468,625	\$ (187,200)

2014 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 551,955	\$ 442,820	\$ 109,135
Debt Service	74,430	53,942	20,488
Capital Projects	4,881	-	4,881
Total	\$ 631,266	\$ 496,762	\$ 134,504

**4. GRANTS-IN-AID AND TAX RECEIPTS**

The primary source of revenue of Ohio public libraries is the Public Library Fund (PLF). The State allocates PLF to each county based on the total tax revenue credited to the State's general revenue fund during the preceding month. This method of distribution is called the "percentage of revenue" method. This method was not used for August 2011 through June 2013. During the 23 month period PLF received a designated percentage of the dollar amounts received by the fund during the corresponding month of the fiscal year 2011 "base-year" period. Effective July 2013 the statutory allocation method reverted to the "percentage of revenue" method for PLF distribution. The fund received an amount equal to a specified percentage of the amount of GRF tax revenue received during the previous month. Beginning with the July 2013 distribution the "statutory allocation method" was implemented. The calendar year 2013 entitlements were used in the computation as the basis of each county's allocation percentage. Those percentages were used through December 2013. In December 2013 the actual calendar year entitlement was computed. Any difference was adjusted evenly to the PLF distributions from January-June 2014. In calendar year 2014 the statutory entitlement computation method continued. Estimated entitlement figures were issued to County Auditors in July 2013, December 2013 and June 2014. The actual 2014 entitlements will be computed in December 2014. The difference between the estimate and actual will be adjusted evenly in the PLF distributions made from January-June 2015.

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014**

**5. RETIREMENT SYSTEMS**

The Library's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribe this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rate. For 2015 and 2014, OPERS members contributed 10% of their gross salaries and the Library contributed an amount equaling 14% of participants' gross salaries. The Library has paid all contributions required through December 31, 2015.

**6. RISK MANAGEMENT**

**Risk Pool Membership**

The Library is exposed to various risks of property and casualty losses, and injuries to employees.

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

The Library belongs to the Ohio Plan Risk Management, Inc. (OPRM) – formerly known as the Ohio Government Risk Management Plan, (The Plan), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss, except OPRM retains 41.5% (effective November 1, 2011) of the premium and losses of the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Effective November 1, 2012 (and through October 2014) the plan increased its retention to 50% of the first \$250,000 casualty treaty. The Plan's property retention remained unchanged from prior years. This change was made to balance the reinsurance market conditions. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 774 and 783 members as of December 31, 2013 and 2014, respectively.



**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014**

**6. RISK MANAGEMENT (continued)**

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three years.

The Pools audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2013 and 2014 the latest information available.

	<u>2013</u>	<u>2014</u>
Assets	\$ 13,774,304	\$ 14,830,185
Liabilities	<u>(7,968,395)</u>	<u>(8,942,504)</u>
Retained Earnings	<u>\$ 5,805,909</u>	<u>\$ 5,887,681</u>

You can read the complete audited financial statements for OPRM at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

**7. DESIGNATED FUND AGREEMENT**

On April 28, 2014, an agreement was made between the Newcomerstown Public Library and the Coshocton Foundation, an Ohio non-profit corporation. This agreement establishes a designated fund within the Foundation. The Foundation shall hold, manage, invest and reinvest the monies exclusively for the purposes set forth in the Foundation's articles of incorporation, including any amendments there to. Control over the investment will be exercised exclusively by the Foundation. The Library Director, Fiscal Officer, President, Vice President and Secretary of the Board of Trustees shall serve as advisors to the fund.

The Fund is intended to benefit the Newcomerstown Public Library and distributions from the Fund may be used for any purpose benefiting the Library as deemed appropriate by the Fund Advisors. Such purposes include, but are not limited to, capital expenditures, operational expenses, programming and purchase of materials or equipment for the Library.

The Fund Advisors shall determine the amount of the annual distribution from the Fund. Under most circumstances the Fund Advisors should limit their annual distributions to the earnings less expenses of the Fund. However, they may from time to time, at their discretion, invade the Fund principal. However, no more than 10% of the Fund value may be distributed in a single year.

The Library's initial contribution was \$10,514.31.

**WILSON, PHILLIPS & AGIN, CPA'S, INC.  
1100 BRANDYWINE BLVD. BUILDING G  
ZANESVILLE, OHIO 43701**

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
REQUIRED BY GOVERNMENT AUDITING STANDARDS.**

Newcomerstown Public Library  
Tuscarawas County  
123 East Main Street  
Newcomerstown, Ohio 43832

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of Newcomerstown Public Library, Tuscarawas County as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements and have issued our report thereon dated June 20, 2016, wherein we noted the Library followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered Newcomerstown Public Library's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Library's internal control. Accordingly, we have not opined on it.

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 timely correct misstatements. A *material weakness* is a deficiency, or a combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Library's financial statements. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Newcomerstown Public Library's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Library's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

***Wilson, Phillips & Agin, CPA's, Inc.***  
Zanesville, Ohio  
June 20, 2016

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# Dave Yost • Auditor of State

**NEWCOMERSTOWN PUBLIC LIBRARY**

**TUSCARAWAS 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  
DECEMBER 29, 2016**