

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 1999



COLUMBUS METROPOLITAN LIBRARY
COLUMBUS, OHIO

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Columbus Metropolitan
Library, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1998

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



Cary Brubaker
President

Jeffrey L. Essler
Executive Director

Columbus Metropolitan Library

Columbus, Ohio

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For Fiscal Year Ended December 31, 1999



Issued by:

CARLOS TAYLOR

Clerk-Treasurer/Director of Finance

Columbus Metropolitan Library

LIBRARY OFFICIALS AS OF DECEMBER 31, 1999

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Mr. Philip C. Johnston,	Vice President of the Board
Dr. Terry A. Boyd,	Secretary of the Board
Mr. Terry L. Casey,	Member
Ms. Ann S. Hoaglin,	Member
Ms. Charlotte P. Kessler,	Member
Mr. Samuel H. Porter,	Member

EXECUTIVE STAFF

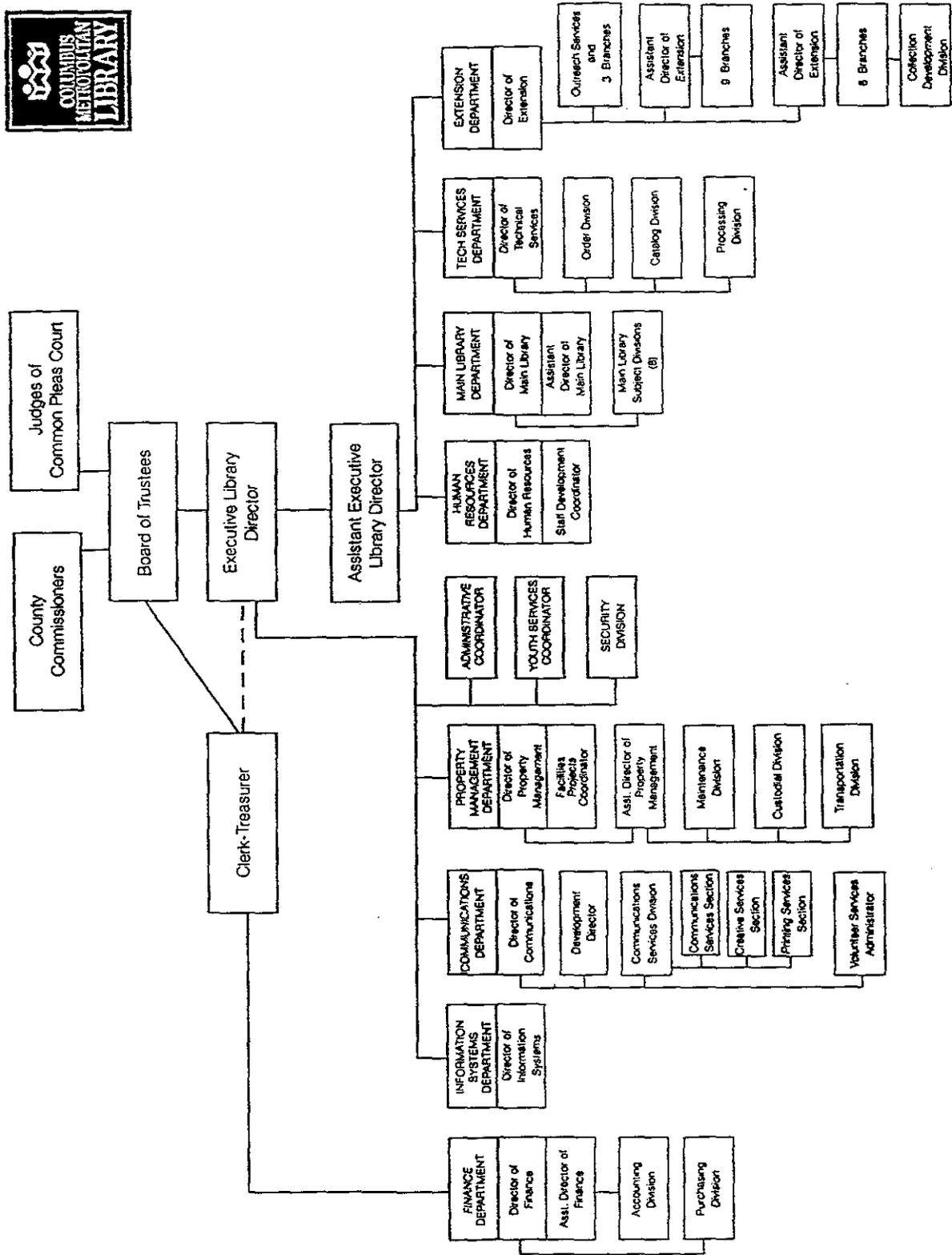
Mr. Larry D. Black,	Executive Director
Ms. Rubye R. Kyles,	Assistant Executive Director
Mr. Carlos E. Taylor,	Clerk-Treasurer/Director of Finance

ADMINISTRATIVE STAFF

Mr. Larry S. Allen,	Director of Communications
Mr. Scott L. Fothergill,	Director of Information Systems
Ms. Joanne R. Gilmore,	Director of Technical Services
Ms. Andrea L. Hoy,	Director of Human Resources
Ms. Deb A. McWilliam,	Director of Main Library
Mr. Stephen K. Prater,	Director of Property Management
Ms. Susan N. Studebaker,	Director of Extension Services

Columbus Metropolitan Library

Organizational Chart



Columbus Metropolitan Library

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 1999

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BOARD OF TRUSTEES: President: David C. Swaddling Vice President: Philip C. Johnston Secretary: Terry A. Boyd
Terry L. Casey, Cynthia A. Hilsheimer, Charlotte P. Kessler, Samuel H. Porter
ADMINISTRATION: Director: Larry D. Black Assistant Director: Rubye C. Kyles Clerk-Treasurer: Carlos E. Taylor

April 30, 2000

**To the Citizens of the City of Columbus and Franklin County and
The Board of Trustees and Executive Director
of the Columbus Metropolitan Library**

As Clerk-Treasurer of the Columbus Metropolitan Library (Library), it is with great pleasure that I submit to you the Comprehensive Annual Financial Report (CAFR) of the Library. This CAFR for the fiscal year ended December 31, 1999, conforms to generally accepted accounting principles (GAAP) as applicable to governmental entities.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Library. This report will provide the citizens of the City of Columbus and Franklin County with comprehensive financial data in a format that enables them to obtain a better understanding of the Library's financial affairs.

The comprehensive annual financial report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the Library's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements, the related notes to the general purpose financial statements, required supplementary information, and the combining and individual fund and account group financial statements and schedules, as well as the independent auditors' report on the financial statements and schedules. The statistical section provides pertinent financial, economic and demographic information indicating ten year historical trends.

THE HISTORY OF THE LIBRARY

During the early history of Columbus, a series of libraries existed which operated on a subscription or membership fee basis. With the support of a group of public-spirited citizens, a permanent tax-supported free public library was established by the Columbus City Council in 1872. This library opened its doors to the public in a room in the newly constructed City Hall in 1873 and was officially designated by the City Council as the Public Library and Reading Room of Columbus.

This was officially changed to the Columbus Public Library thirty years later when plans were commenced to construct a separate building. With a gift from philanthropist Andrew Carnegie of \$200,000, the Board succeeded in constructing a building that is part of the present Main Library on South Grant Avenue. At the same time this building was opened to the public in 1907, the Library initiated a series of deposit collections in various locations throughout the community. Out of these collections grew the current branch library system, expanding with the growth of Columbus and Franklin County.

Columbus Metropolitan Library

In 1976, the Library became a county district library and changed its name to the Public Library of Columbus and Franklin County. Its legal service district was then defined as all of Franklin County, except for those legal service areas of the other six library systems within the county.

A milestone in the Library's history occurred in 1986. After much investigation, the Library Board of Trustees (the Board) voted to go forward to seek funds to implement a comprehensive services and capital improvements package that was developed in 1985. Thanks to the support of library customers and thousands of volunteers throughout Franklin County, a combination renewal and new General Property tax levy totaling 2.2 mills was approved by library district voters in November 1986.

After the tax levy was approved, one of the first service improvements included additional public service hours at many of the library locations. Sunday hours, requested by the public for years, were added in September of that year at the Main Library and the system's regional branch locations. The materials budget was increased significantly, allowing the Library to purchase additional books, magazines, newspapers, databases, audio and video cassettes, and other items to meet the burgeoning demand.

As the Public Library of Columbus and Franklin County continued to enhance services and facilities to Columbus' suburbs, there was an increasing awareness that the Library's name did not accurately describe the system's responsibilities to many Central Ohio residents.

In June of 1989, the Board approved a new name for the system, the "Columbus Metropolitan Library," to better reflect the organization's mission to the communities within the Library's service district, including Brice, Canal Winchester, Columbus, Dublin, Gahanna, Hilliard, Lockbourne, New Albany, Obetz, Reynoldsburg, Valleyview, and Whitehall.

The Board also adopted a new logo for the Library, designed to increase customers' awareness of the system's libraries and services.

The construction of new library branches, or the renovation and expansion of existing facilities, has created an excitement which has drawn thousands of new customers into the Library.

Today the Library consists of a Main Library and 21 branches located throughout Franklin County, Ohio. One of the branches is leased from the New Albany/Plain Local Schools. The contract stipulates that the Library can use the New Albany High School Library facilities during non-school hours. Additionally, the Library entered into a contract in 1993 with Worthington Public Library, a separate legal entity, to contribute to the operation of a library facility that services the citizens of both library districts.

LIBRARY MATERIALS AND SERVICES

Mission

At the Columbus Metropolitan Library, our mission is to promote lifelong learning among residents of Central Ohio by ensuring access to information, providing a diverse collection, and advancing literacy by encouraging children and families to read.

We are committed to providing exceptional service to all.

Columbus Metropolitan Library

Materials and Services

The Library's collection contains more than 3.0 million items, including books, magazines, newspapers, audio and video tapes, compact discs, interactive multimedia, books-on-tape, pamphlets, maps, annual reports, sheet music and circulating visuals. The Library also maintains an extensive microfilm collection of the past issues of many magazines.

The Library also provides a number of high-technology services. Librarians can access hundreds of databases for current information. Customers with modem-equipped computers can dial into *Discovery Place*, the Library's on-line service. *Discovery Place* accesses the Library's collection of materials, and provides thousands of magazine articles and indexes to hundreds of publications. Library cardholders can also use their computer to place reserves on a wide range of items. A CD-ROM network provides customers at all 21 Library locations with immediate access to directories, indexes, abstracts and information on careers and researching a business.

Customers can also access the Internet at all Library locations. The Library uses a special software package called *The Library Channel* that has allowed the system's librarians to organize thousands of Internet sites into categories called "Worlds". The Library Channel also gives customers access to the Library's collection, electronic resources, and the system's Internet site. Customers can reach the Library Internet site at <www.cml.lib.oh.us>.

The Library offers workshops, book discussions and author visits for adults, and story hours and an annual summer reading program for children.

The Outreach Services Division provides library service to customers who are not able to visit a library facility. These services include a talking books program, special service to the homebound, jail services, lobby stops at adult extended care facilities, and the MetroMouse Mobile, which will serve children at risk of growing up illiterate.

Service Priorities

The Columbus Metropolitan Library currently has three service priorities:

- Circulation
- Reference/Reader's Advisory Service
- Children's Programming

REPORTING ENTITY

The Library's reporting entity has been defined in accordance with Section 3375.20 (E) of the Ohio Revised Code, and thus reaffirms the boundaries of the Columbus Metropolitan Library, a county library district, to be composed of all of the land area within Franklin County, Ohio, except for the land area lying within the boundaries of other public library districts in the County.

Columbus Metropolitan Library

The land area lying within the Columbus Metropolitan Library is composed of the following:

Canal Winchester Local School District, Columbus City School District, Dublin Local School District, Gahanna-Jefferson City School District, Groveport-Madison Local School District, Hamilton Local School District, Hilliard City School District, Licking Heights Local School District, Plain Local School District, Reynoldsburg City School District, Upper Arlington City School District (outside of the municipality boundaries), and Whitehall City School District.

The Library, which is a separate legal entity, is under the control and management of a seven (7) member Board of Trustees. Three Board members are appointed by the Judges of the Court of Common Pleas and four are appointed by the Franklin County Commissioners. Board members are appointed for a term of seven (7) years with one term expiring each year. Since the Library is a separate legal entity, it is financially and operationally independent from Franklin County and the City of Columbus. The Library does not provide a financial benefit or impose a financial burden to the County. The County Commissioners can not influence the programs, activities or level of services provided by the Library. Although the County Commissioners serve as the Library's taxing authority, any decision to request approval of a tax, the rate and purpose(s) of a levy lies solely with the Board of Trustees. Based on a formal request from the Board, the County Commissioners, in accordance with the Ohio Revised Code, shall place the issue on the ballot.

The general purpose financial statements included in the financial section of this report, comply with provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity," in that the financial statements include all the organizations, activities and functions for which the Library (the reporting entity) is financially accountable. Financial accountability is defined as either (1) the Library's ability to impose its will over the component units or (2) the possibility that the component units will provide a financial benefit to or impose a specific financial burden on the Library. The accompanying financial statements include all organizations for which the Library is financially accountable.

Based on the preceding criteria, the financial activities of the Friends of the Columbus Metropolitan Library Inc. (Friends), a nonprofit Ohio corporation, is a separate entity, but is being reported as a blended component unit of the Library. The sole purpose of the Friends is to provide financial support for the Library or its patrons. This component unit is independently audited, and the 1999 audited figures are included in the Special Revenue Funds section of the Library's financial report.

ECONOMIC CONDITIONS AND OUTLOOK

The Library is located entirely within the City of Columbus and Franklin County, Ohio. Columbus, the largest city in the state, is one of the top growth areas of the country. The population of the county has grown steadily as evidenced by the following chart:

<u>Population Growth</u>	<u>City of Columbus</u>	<u>Franklin County, Ohio</u>
1980	566,800	871,900
1990	638,500	970,000
1998	657,100	1,017,400
1999	664,100	1,025,500

Sales & Marketing Management (1981, 1991) Survey of Buying Power (1998) Survey of Buying Power (1999)

Columbus Metropolitan Library

The population growth, coupled with a strong U.S. economy, has created a very strong local economy. The city and county are supported by a diverse and stable economy, evidenced by the relatively low unemployment rate of 2.5% for the city and 2.1% for the county, as compared to the state unemployment rate of 3.8% (source: Ohio Bureau of Employment Services, Labor Market Information Division as of December 1999).

MAJOR INITIATIVES

The significant events of 1999 were as follows:

Public Service Accomplishments:

- Rated as the "Best Public Library in America" serving populations of 500,000 or more, by Hennen's American Public Library Rating Index. The Hennen's Index uses six input and nine output measures to evaluate a public library's effectiveness in serving its population.
- The Library continued to experience high usage and circulation during 1999. A total of 11,298,042 items were borrowed by library patrons, an increase of 7,932 over 1998. The number of reference questions increased to 1,300,631 for the year, an increase of 23,444 over 1998.
- The Summer Reading Program "On the Reading Road" was the most successful in Library history. A total of 50,585 children participated in this program, a 12% increase over 1998. This figure represents 46% of all school age children (K-6) in area schools and is four times the national average of participants.

Public Service Enhancements:

- Purchased and began operating a second MetroMouse Mobile for "at-risk" preschoolers.
- Completed first step of a measurement and evaluation system for the three major service priorities.
- Expanded service capabilities to allow customers to place reserves on videos and renew library materials over the telephone.
- Completed the first year of a three-year program to help raise children's reading scores and increase library use among elementary level students.

Service Improvements Through Computerization:

- Developed a plan and initiated conversion of the Library's "Discovery Place" online catalog to a web-based catalog.
- Successfully transitioned all computer systems into the year 2000.
- Implementation of an interactive Home Page.
- Installed twenty-one additional children's computers. In addition, the Library added fifty-nine computers to allow access to the Internet and informational databases.

Columbus Metropolitan Library

Staff Development:

- Developed and implemented a new salary schedule and benefit plan for staff that is fiscally responsible and positions the Library competitively in the labor marketplace.
- Developed a prototype staff learning center at Main Library and three branches to provide individualized staff and new manager training utilizing a variety of audio-visual technologies.
- Expanded managerial career enhancement program to include all interested participants and obtain mentors for staff members.
- Developed and implemented the first year of the Library's three-year "Diversity in the Workplace" initiative for staff.
- Conducted the Unobtrusive Reference Survey to evaluate staff skills in customer service.

Improvements to Facilities:

- Awarded construction bids and managed construction of the new Southeast Branch. The project is expected to be completed by the spring of 2000.
- Replaced carpet at the Reynoldsburg and Martin Luther King branches and in the auditorium and main staircase in the Main Library.
- Submitted recommendation to Board of Trustees concerning best alternative for addressing the space problem at Main Library.

Plans for 2000 and Beyond:

Public Service Enhancements:

- Provide customers the option of preventing their children from borrowing "R" rated videos, and develop activities to help parents and children find appropriate materials.
- Begin using the tracking system to provide statistics on the utilization of databases.
- Convert the "Discovery Place" online catalog to a web-based catalog and make it available to all library workstations and remotely to customers.
- Continue with the second phase of a three-year project to collaborate with the Columbus Public Schools on a first and second grade project at 32 elementary schools.
- Continue development of the Library's "Broadcast Search Engine" which will search multiple electronic resources based on one request.
- Continue with second and third step of a measurement and evaluation system for the three major service priorities.

Columbus Metropolitan Library

Staff Development:

- Continue with second phase of the Library's "Diversity in the Workplace" initiative.
- Develop a training and evaluation program to improve the accuracy of reference work provided to library customers.
- Develop a list of core competencies that all management staff are expected to possess or be in the process of acquiring.

Improvements to Facilities:

- Finish the Southeast Branch Library.
- Complete building project for Information Systems, Technical Services and Outreach Division, prepare cost estimates and hire an Architect for this project.
- Develop a plan to remodel, expand or replace selected branches. Look for and acquire land for any facilities requiring it.
- Improve driveway entrance and parking lot at the Reynoldsburg Branch.

FINANCIAL INFORMATION

The Library's accounting system is organized on a "fund" basis. Each fund is a separate self-balancing accounting entity. Records for all Library funds, except the Proprietary Fund and Nonexpendable Trust Funds, are maintained on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Proprietary Fund and Nonexpendable Trust Funds are accounted for on the full accrual basis of accounting. These bases of accounting are in accordance with generally accepted accounting principles (GAAP) as applied to governmental units and consistent with GASB Cod. Sec. 1600, "Basis of Accounting".

The governmental fund types for which the Library budgets annual revenues and expenditures are the General, Special Revenue (selected non-project type funds) and Debt Service Funds. The Library prepares an annual budget for the Internal Service Fund, the Library's only proprietary fund. The Library's revenue estimates are based upon: (1) estimates (tax revenue sources) provided to the Library by the Franklin County Budget Commission and (2) estimates (all other revenue sources) prepared by the Library's Clerk-Treasurer. The budget specifies expenditure/expense amounts by function within these funds at the major expenditure/expense level. All other Special Revenue Fund and Capital Project Fund revenues and expenditures are not budgeted on an annual basis since budgetary control over these fund types is established on a project basis.

For daily accounting record keeping, the Library utilizes a fully automated fund accounting system as well as automated systems for fixed assets, central stores inventory, human resources, and acquisition of library materials. The accounting/human resources systems operate on a Compaq Server, using a UNIX operating system and an Informix relational database. These systems, coupled with a manual review of each accounting transaction and payment voucher by the accounting division, ensure that the financial information generated is both accurate and reliable.

Columbus Metropolitan Library

In 1999, the Library entered into a contract with Pentamation, Inc. and upgraded the operating system and relational database for the accounting/human resources system to be year 2000 compliant. All other non-accounting/human resources systems and other facility issues (i.e., building security, heating and cooling systems, telecommunications, etc.) were tested, modified or replaced prior to the year 2000. The Library did not experience any problems related to the year 2000.

Internal Control Structure

In developing and revising the Library's accounting and reporting control system, consideration is given to the adequacy of the internal control structure to provide reasonable but not absolute assurance regarding:

1. the safeguarding of assets against loss from unauthorized use or disposition, and
2. the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

1. the cost of a control should not exceed the benefits likely to be derived, and
2. the evaluation of costs and benefits requires estimates and judgments by management.

Management believes that the Library's current internal control structure adequately meets these objectives.

Budgetary Controls

The Board reviews and approves the budget by fund at the beginning of each year. In addition, the Board establishes the appropriations for each fund based on the following expenditure categories:

- o Salaries and Benefits
- o Supplies
- o Purchased and Contracted Services
- o Library Materials and Information
- o Capital Outlay
- o Debt Service:
 - Payment of obligations under capital leases
 - Interest and fiscal charges
- o Other Objects
- o Contingency
- o Interfund Transfers

For financial presentation purposes, the Library has provided an additional breakdown of the legal reporting level by function. Any appropriation change, which will increase or decrease any of the above major appropriation classifications, requires approval of the Board. The Board has delegated purchase and expenditure/expense approval to the Library Administration for the daily operational needs of the Library. Generally, all expenditures over \$25,000 must be approved by the Board.

Columbus Metropolitan Library

General Governmental Functions:

Revenue Narrative:

The Library receives virtually all of its revenue from the State of Ohio and Franklin County by way of the Franklin County Budget Commission (Budget Commission). The Budget Commission certifies the budget (tax revenue estimates) to the Library by September 1st prior to the start of the budget year (January 1 - December 31). As part of this certification, the Library receives the Official Certificate of Estimated Resources, which states the projected revenue of each fund. On or about January 1, this certificate is amended to include any unencumbered balances from the preceding year. The total estimated revenues, including any prior year carry-over of unencumbered cash, become the basis for the annual appropriation. The combination of expenditures and encumbrances from any fund during the ensuing fiscal year must not exceed the amount stated in the Amended Certificate of Estimated Resources.

The major sources of these taxes and other revenues are described below:

General Property Tax Levies:

A major source of revenue for the Library is the revenue generated by the two Library property tax levies. These operating levies were approved by the voters of the Library district in 1986. These levies consist of a renewal levy in the amount of .6 mill (six-tenths of a mill) and a new levy in the amount of 1.6 mills (one and six-tenths mills). Each levy will be collected for 15 years (collection years 1987 through 2001) and then must be renewed.

In 1999, the Library held a series of community breakfasts, luncheons, and meetings with various local leaders to discuss the proposed levy. In 2000, the Library will establish a Campaign Steering Committee and request the voters to renew the existing levy in November 2000.

Library and Local Government Support Fund (State Income Taxes):

Another major source of funding for the Library is money received from the State of Ohio's Library and Local Government Support Fund (LLGSF). The source of money for this fund is derived from a percentage of the state income taxes collected in Ohio. Based on a formula, as established in state law, a percentage of this fund is annually distributed to each county for use by the public library district(s) within that county. Within Franklin County, the revenue is distributed among eight (8) public library districts. The Budget Commission uses a formula to determine the amount distributed to each library. The use of a formula to calculate the distribution is not mandatory under Ohio law. This formula was negotiated and agreed to by each of the library districts within the County and will expire in the year 2003. Based on the formula, the Library received 59.33% of this fund in 1999, compared to 58.76% in 1998.

Other Revenues:

Other revenue is received from investment earnings, fines and fees, charges for services, contractual services, and individual gifts.

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Revenues for the General, Special Revenue, Debt Service and Capital Projects Funds totaled \$47,849,603 in 1999, as compared to \$45,512,478 in 1998 which represents an increase of 5.1%. The following table summarizes the composition of the 1999 and 1998 revenues by source:

Revenues by Source:	1999		1998		Increase (Decrease)
	Amount	Percent	Amount	Percent	
Intergovernmental	\$ 24,477,146	51%	\$ 22,733,284	51%	\$ 1,743,862
Property taxes	18,596,196	39	18,120,467	39	475,729
Fines and fees	1,874,421	4	1,848,922	4	25,499
Charges for services	1,473,797	3	1,419,861	3	53,936
Investment earnings	1,129,029	2	994,467	2	134,562
Contributions and donations	118,657	-	161,924	-	(43,267)
Miscellaneous	<u>180,357</u>	<u>1</u>	<u>233,553</u>	<u>1</u>	<u>(53,196)</u>
Total Revenues by Source	\$ 47,849,603	<u>100%</u>	\$ 45,512,478	<u>100%</u>	<u>\$ 2,337,125</u>
Prior year unencumbered carryover	<u>12,984,575</u>		<u>9,358,114</u>		
TOTAL	<u>\$ 60,834,178</u>		<u>\$ 54,870,592</u>		

Intergovernmental revenues accounted for a majority of the increase over the previous year's revenue. Intergovernmental revenues, LLGSF and grant money received, increased by 7.7% over the previous year. This increase was attributed to an increase in the amount allocated by the State of Ohio to Franklin County for the LLGSF. The Library's other major revenue source, property taxes, experienced a minor increase of 2.6% over the previous year.

Fines and fees include payments for overdue or lost books and money received from debit cards. The fines and fees account showed relatively no increase over the previous year. The number of library materials circulated increased by 2.1% over the previous year.

Charges for services include fees for providing on-line catalog, one-time fees for equipment purchased, rents collected from the Grant-Oak apartments, and circulation services to other library systems within Franklin County. The increase in revenues was attributed to an increase in the amount of rents collected from the Grant-Oak apartments and equipment fees collected from other libraries.

The increase in investment earnings is primarily attributable to an increase in the amount of funds available for investment purposes. The Library's average yield on investments (certificates of deposit) during the year was 5.04% in 1999 compared to 5.33% in 1998.

Miscellaneous revenue's decrease was due to a one-time refund received from the Bureau of Worker's Compensation in 1998.

Expenditure Narrative:

Expenditures for the General, Special Revenue, Debt Service and Capital Projects Funds totaled \$44,729,101 in 1999, as compared to \$42,327,249 in 1998, which represents an increase of \$2,401,852. Due to the nature of the Library's operations, the only current expenditure functions are Public Service and Administration and Support Services.

Columbus Metropolitan Library

The following table summarizes the composition of the 1999 and 1998 expenditures by major function:

<u>Expenditures by Function</u>	<u>1999</u>		<u>1998</u>		<u>Increase (Decrease)</u>
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	
Current:					
Public service	\$23,241,600	52%	\$22,486,508	53%	\$ 755,092
Administration and support services	15,158,009	34	13,764,574	33	1,393,435
Capital outlay	3,031,634	7	2,672,423	6	359,211
Debt service:					
Payment of obligations under capital leases	3,020,324	7	2,965,381	7	54,943
Interest and fiscal charges	<u>277,534</u>	<u>-</u>	<u>438,363</u>	<u>1</u>	<u>(160,829)</u>
TOTAL	<u>\$44,729,101</u>	<u>100%</u>	<u>\$42,327,249</u>	<u>100%</u>	<u>\$ 2,401,852</u>

The comparative schedule indicates that the total "Current" expenditures increased by 5.9% (\$2,148,527) over the previous year. Current expenditures include salaries, leave benefits, supplies, purchased and contracted services, and library materials.

- A majority of the increase to the current expenditures was attributed to the salaries and leave benefits expenditure category. The salaries and leave account increased by approximately \$1,040,000. The increase was partially attributed to the Library developing and implementing a new salary and benefit plan. In addition, the number of full-time equivalent positions added during 1999 was ten (10).
- The library materials category experienced relatively no increase over the prior year.
- The increase in purchased and contracted service accounts was primarily due to increased postal fees (\$36,000), telephone costs (\$51,000), contracted services including cleaning, security and mowing (\$147,000), snowplowing (\$48,000), utilities (\$32,000), additional maintenance fees for computer equipment (\$136,000), work performed on the buildings (\$248,000), increase in advertising costs (\$40,000), and increased printing and publication costs (\$53,000).

A significant portion of the increase to capital outlay expenditures (\$369,000) was due to the purchase of bookmobile and service vehicles and an increase in activity within the capital projects.

Proprietary Operations

The Library's proprietary operation consists of a central stores operation. The central stores internal service fund was established to improve the accountability of the goods and services provided to the departments of the Library.

Fiduciary Operations

The Library has two types of trust funds, expendable and nonexpendable. The primary use of both of these funds is to account for donations and/or bequests to the Library, where the use of the funds is restricted for the purchase of library materials.

Columbus Metropolitan Library

Debt Administration

The Library finances many of its construction projects throughout Franklin County with the assistance of the city within which the construction project is located by having that city issue revenue bonds. The Library then, concurrent with the issuance of city revenue bonds, enters into capital lease agreements with the city with lease payments structured to equal the principal and interest payments on the underlying debt. Lease payments are made directly to a revenue bond trustee. At the end of the lease term, the Library has the option to purchase the property for one dollar (\$1.00) each. The Library has one capital lease agreement remaining. The capital lease obligations are accounted for in the general long-term debt account group. At December 31, 1999, the Library had \$2,885,000 in capital lease obligations (excluding interest expense). Capital lease obligation payments are made through the debt service fund by monies allocated from intergovernmental revenues.

Cash Management

The Library pools its cash, except for that held by bond trustees, fiscal agents and funds held in perpetuity, to obtain the maximum investing efficiency. Each fund type's portion of the pool is reported on the combined balance sheet as "Cash and investments." During the year, the Library invested in demand deposits, certificates of deposits, and StarOhio, an investment pool managed by the Treasurer of the State of Ohio. The average yield on investments held at year end was 5.04%. The Library's investment performance ranks favorably when compared to average yield rates of 5.05% for 6 month U.S. Treasury bills and 5.12% for 1-year U.S. Treasury bills in 1999 (Source: Moody's Ratings). The Library's investment earnings equaled \$1,133,034 for the year ended December 31, 1999.

The Library's Clerk-Treasurer, as custodian of all Library monies, is responsible for investing idle funds and directing the investment policies of the Library.

The Library's depository and investment policy is governed by the Ohio Uniform Depository laws and limits the types of investment available to the Library. Investments purchased by the Library are limited to maturities of less than two years from date of settlement. Generally, it is the Library's intent to hold all investments until maturity. The Library's policy also minimizes credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized in accordance with State requirements. Substantially all collateral on deposits was held either by the Library's agent or a financial institution's trust department, not in the Library's name.

As of December 31, 1999, the Library's cash deposits and investments, except for investments with StarOhio, were held by several financial institutions' trust departments in the Library's name or in the name of the respective depository bank. The Library has not invested in repurchase agreements or derivatives in 1999 and has no plans to utilize repurchase agreements or derivatives in 2000. If repurchase agreements are utilized in the future, these investments will not exceed \$100,000. The Library has no intention of purchasing any types of derivatives.

Risk Management

The Library is part of a statewide plan for workers' compensation insurance coverage. Additionally, the Library carries property insurance, liability and excess liability insurance coverage as well as officers' and directors' liability insurance. All employees are bonded and medical coverage for employees is insured.

Columbus Metropolitan Library

INDEPENDENT AUDITORS

The general purpose financial statements of the Library for the year ended December 31, 1999, were audited under contract with the Auditor of State of Ohio by KPMG LLP, independent Certified Public Accountants, whose opinion thereon is included at the beginning of the Financial Section of this report.

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

The notes to the general purpose financial statements which follow the general purpose financial statements contain additional information and are an integral part of such statements.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Columbus Metropolitan Library for its Comprehensive Annual Financial Report for the last thirteen (13) fiscal years.

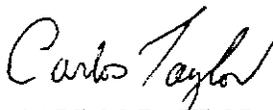
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA.

ACKNOWLEDGMENTS

While many individuals have contributed to the preparation of this report, special thanks are extended to Larry D. Black, Executive Director; William Kauppi, Assistant Director of Finance; Brad Vogelmeier, Jan Smith and Anna Clendenen, Accountants; and Jean Bowling, Finance Department Secretary. I also wish to express our appreciation to the members of the Board of Trustees for their continued interest and support in planning and conducting the financial operations of the Library in a responsible and progressive manner.

Sincerely,



CARLOS TAYLOR
Clerk-Treasurer/Director of Finance

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FINANCIAL

CON



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

The Board of Trustees
Columbus Metropolitan Library

We have reviewed the independent auditor's report of the Columbus Metropolitan Library, Franklin County, prepared by KPMG LLP, for the audit period January 1, 1999 through December 31, 1999. 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 Columbus Metropolitan Library is responsible for compliance with these laws and regulations.



JIM PETRO
Auditor of State

June 21, 2000



Two Nationwide Plaza
Columbus, OH 43215

Telephone 614 249 2300
Fax 614 249 2348

Independent Auditors' Report

The Board of Trustees
Columbus Metropolitan Library

We have audited the accompanying general purpose financial statements of the Columbus Metropolitan Library (the Library) as of and for the year ended December 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Library as of December 31, 1999, and the results of its operations and the cash flows of its proprietary fund type and similar trust fund for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 2000 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 grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the Library, taken as a whole. The accompanying financial information listed as supplemental data in the table of contents is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of the Library. The supplemental data has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

KPMG LLP

April 28, 2000



COLUMBUS METROPOLITAN LIBRARY

Combined Balance Sheet - All Fund Types and Account Groups

December 31, 1999
(with comparative totals for 1998)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Assets and other debits</u>				
Cash and investments (note 2)	\$ 3,506,541	\$ 1,215,668	\$ 206,475	\$ 14,911,067
Cash and investments - Nonexpendable (note 2)	-	-	-	-
Cash with fiscal agents (note 2)	-	-	2,792	-
Receivables (note 3)	19,769,801	4,923	76	-
Due from other governments	18,980	-	-	7,488
Inventory	-	37,753	-	-
Prepaid items	416,192	10,944	870	-
Net property, plant and equipment (note 4)	-	-	-	-
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-
Total assets	<u>\$ 23,711,514</u>	<u>\$ 1,269,288</u>	<u>\$ 210,213</u>	<u>\$ 14,918,555</u>

Exhibit 1

Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Totals	
		General Fixed Assets	General Long-Term Obligations	(Memorandum Only) 1999	1998
Internal Service	Trust and Agency				
\$ 149,070	\$ 968,819	\$ -	\$ -	\$ 20,957,640	\$ 17,842,845
-	83,107	-	-	83,107	86,088
-	-	-	-	2,792	3,357
-	779	-	-	19,775,579	18,493,841
-	-	-	-	26,468	65,173
317,198	-	-	-	354,951	373,257
-	-	-	-	428,006	124,888
8,301	-	87,907,933	-	87,916,234	86,544,918
-	-	-	171,633	171,633	346,014
-	-	-	4,215,069	4,215,069	6,890,102
<u>\$ 474,569</u>	<u>\$ 1,052,705</u>	<u>\$ 87,907,933</u>	<u>\$ 4,386,702</u>	<u>\$ 133,931,479</u>	<u>\$ 130,770,483</u>

(Continued)

COLUMBUS METROPOLITAN LIBRARY
Combined Balance Sheet - All Fund Types and Account Groups, Continued

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Liabilities</u>				
Accounts payable	\$ 928,259	\$ 77,651	\$ -	\$ 280,008
Accrued liabilities (note 5)	466,696	3,995	-	-
Accrued interest payable	-	-	37,710	-
Due to others	-	38,119	-	7,250
Deferred revenue	18,925,492	12,236	-	-
Obligations under capital leases (notes 5 and 6)	-	-	-	-
Total liabilities	20,320,447	132,001	37,710	287,258
<u>Fund equity and other credits</u>				
Investment in general fixed assets	-	-	-	-
Contributed capital	-	-	-	-
Retained earnings:				
Unreserved	-	-	-	-
Fund balances:				
Reserved for encumbrances	1,969,204	450	-	1,317,373
Reserved for debt service	-	-	171,633	-
Reserved for prepaid items	416,192	10,944	870	-
Reserved for endowments	-	-	-	-
Reserved for inventory	-	37,753	-	-
Unreserved:				
Designated for subsequent years' expenditures	-	-	-	13,313,924
Undesignated	1,005,671	1,088,140	-	-
Total fund balances/ retained earnings	3,391,067	1,137,287	172,503	14,631,297
Total fund equity and other credits	3,391,067	1,137,287	172,503	14,631,297
Commitments and contingencies (Note 12)				
Total liabilities, fund equity and other credits	\$ 23,711,514	\$ 1,269,288	\$ 210,213	\$ 14,918,555

The accompanying notes are an integral part of these general purpose financial statements.

Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Totals	
		General Fixed Assets	General Long-Term Obligations	(Memorandum Only)	
Internal Service	Trust and Agency			1999	1998
\$ 27,371	\$ 1,029	\$ -	\$ -	\$ 1,314,318	\$ 1,095,393
924	920,841	-	1,501,702	2,894,158	2,597,607
-	-	-	-	37,710	75,079
-	-	-	-	45,369	39,205
-	-	-	-	18,937,728	17,758,961
-	-	-	2,885,000	2,885,000	5,905,324
<u>28,295</u>	<u>921,870</u>	<u>-</u>	<u>4,386,702</u>	<u>26,114,283</u>	<u>27,471,569</u>
-	-	87,907,933	-	87,907,933	86,541,790
145,081	-	-	-	145,081	145,081
301,193	-	-	-	301,193	292,973
-	2,880	-	-	3,289,907	1,944,748
-	-	-	-	171,633	346,014
-	-	-	-	428,006	124,888
-	67,742	-	-	67,742	67,742
-	-	-	-	37,753	35,769
-	-	-	-	13,313,924	11,208,887
-	60,213	-	-	2,154,024	2,591,022
<u>301,193</u>	<u>130,835</u>	<u>-</u>	<u>-</u>	<u>19,764,182</u>	<u>16,612,043</u>
446,274	130,835	87,907,933	-	107,817,196	103,298,914
<u>\$ 474,569</u>	<u>\$ 1,052,705</u>	<u>\$ 87,907,933</u>	<u>\$ 4,386,702</u>	<u>\$ 133,931,479</u>	<u>\$ 130,770,483</u>

COLUMBUS METROPOLITAN LIBRARY

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
All Governmental Fund Types and Expendable Trust Fund
Year ended December 31, 1999
(with comparative totals for 1998)**

	Governmental Fund Types		
	General	Special Revenue	Debt Service
Revenues:			
Intergovernmental	\$ 21,357,146	\$ -	\$ 3,120,000
Property taxes (note 10)	18,596,196	-	-
Fines and fees	1,874,421	-	-
Charges for services	336,772	901,931	-
Investment earnings	1,111,367	14,230	3,432
Contributions and donations	52,671	65,986	-
Miscellaneous	157,246	23,111	-
Total revenues	43,485,819	1,005,258	3,123,432
Expenditures:			
Current:			
Public service	23,237,273	4,327	-
Administration and support	14,359,607	798,402	-
Capital outlay	1,066,417	36,725	-
Debt service:			
Payment of obligations under capital leases	-	-	3,020,324
Interest and fiscal charges	-	-	277,534
Total expenditures	38,663,297	839,454	3,297,858
Excess (deficiency) of revenues over expenditures	4,822,522	165,804	(174,426)
Other financing sources (uses):			
Operating transfers in	1	550	-
Operating transfers out	(5,000,550)	(1)	-
Proceeds from sale of property	-	-	-
Total other financing sources (uses)	(5,000,549)	549	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(178,027)	166,353	(174,426)
Fund balances at beginning of year	3,569,094	970,934	346,929
Fund balances at end of year	\$ 3,391,067	\$ 1,137,287	\$ 172,503

The accompanying notes are an integral part of these general purpose financial statements.

Exhibit 2

Capital Projects	Fiduciary	Totals	
	Fund Types	(Memorandum Only)	
	Expendable Trust	1999	1998
\$ -	\$ -	\$ 24,477,146	\$ 22,733,284
-	-	18,596,196	18,120,467
-	-	1,874,421	1,848,922
235,094	-	1,473,797	1,419,861
-	-	1,129,029	994,467
-	8,387	127,044	167,261
-	-	180,357	233,553
<u>235,094</u>	<u>8,387</u>	<u>47,857,990</u>	<u>45,517,815</u>
-	3,784	23,245,384	22,495,786
-	-	15,158,009	13,764,574
1,928,492	-	3,031,634	2,672,423
-	-	3,020,324	2,965,381
-	-	277,534	438,363
<u>1,928,492</u>	<u>3,784</u>	<u>44,732,885</u>	<u>42,336,527</u>
<u>(1,693,398)</u>	<u>4,603</u>	<u>3,125,105</u>	<u>3,181,288</u>
15,468,000	-	15,468,551	6,198,100
(10,468,000)	-	(15,468,551)	(6,198,100)
21,950	-	21,950	-
<u>5,021,950</u>	<u>-</u>	<u>21,950</u>	<u>-</u>
3,328,552	4,603	3,147,055	3,181,288
11,302,745	43,374	16,233,076	13,051,788
<u>\$ 14,631,297</u>	<u>\$ 47,977</u>	<u>\$ 19,380,131</u>	<u>\$ 16,233,076</u>

COLUMBUS METROPOLITAN LIBRARY

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - General, Budgeted Special Revenue and Debt Service Fund -
Non GAAP Budgetary Basis (note 13)**

	General Fund		Variance - Favorable (Unfavorable)
	Revised Budget	Actual	
Revenues:			
Property taxes	\$ 18,734,282	\$ 18,561,722	\$ (172,560)
Intergovernmental	21,585,883	21,357,146	(228,737)
Fines and fees	1,885,000	1,899,668	14,668
Investment earnings	1,000,000	982,415	(17,585)
Charges for services	375,487	361,390	(14,097)
Contributions and donations	42,000	50,171	8,171
Miscellaneous	171,700	170,714	(986)
Total revenues	<u>43,794,352</u>	<u>43,383,226</u>	<u>(411,126)</u>
Expenditures:			
Current:			
Public service	23,847,226	23,606,029	241,197
Administration and support	14,848,262	14,465,974	382,288
Capital outlay	1,031,962	975,702	56,260
Debt service:			
Payment of obligations under capital leases	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>39,727,450</u>	<u>39,047,705</u>	<u>679,745</u>
Excess (deficiency) of revenues over expenditures	<u>4,066,902</u>	<u>4,335,521</u>	<u>268,619</u>
Other financing sources (uses):			
Operating transfers in	-	1	1
Operating transfers out	(5,000,550)	(5,000,550)	-
Total other financing sources (uses)	<u>(5,000,550)</u>	<u>(5,000,549)</u>	<u>1</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(933,648)	(665,028)	268,620
Fund balances at beginning of year	<u>933,648</u>	<u>933,648</u>	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ 268,620</u>	<u>\$ 268,620</u>

Budgeted Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance - Favorable (Unfavorable)	Revised Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	3,120,000	3,120,000	-
175,000	175,106	106	-	-	-
-	-	-	500	3,335	2,835
-	-	-	-	-	-
60,000	60,449	449	-	-	-
488,000	492,683	4,683	-	-	-
<u>723,000</u>	<u>728,238</u>	<u>5,238</u>	<u>3,120,500</u>	<u>3,123,335</u>	<u>2,835</u>
-	-	-	-	-	-
1,269,374	583,013	686,361	-	-	-
38,000	22,163	15,837	-	-	-
-	-	-	-	-	-
-	-	-	3,078,344	3,020,324	58,020
-	-	-	319,534	171,141	148,393
<u>1,307,374</u>	<u>605,176</u>	<u>702,198</u>	<u>3,397,878</u>	<u>3,191,465</u>	<u>206,413</u>
<u>(584,374)</u>	<u>123,062</u>	<u>707,436</u>	<u>(277,378)</u>	<u>(68,130)</u>	<u>209,248</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(584,374)	123,062	707,436	(277,378)	(68,130)	209,248
584,374	584,374	-	277,378	277,378	-
<u>\$ -</u>	<u>\$ 707,436</u>	<u>\$ 707,436</u>	<u>\$ -</u>	<u>\$ 209,248</u>	<u>\$ 209,248</u>

(Continued)

COLUMBUS METROPOLITAN LIBRARY

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - General, Budgeted Special Revenue and Debt Service Fund -
Budgetary Basis (note 13), Continued**

	Totals (Memorandum Only)		
	Revised Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Property taxes	\$ 18,734,282	\$ 18,561,722	\$ (172,560)
Intergovernmental	24,705,883	24,477,146	(228,737)
Fines and fees	2,060,000	2,074,774	14,774
Investment earnings	1,000,500	985,750	(14,750)
Charges for services	375,487	361,390	(14,097)
Contributions and donations	102,000	110,620	8,620
Miscellaneous	659,700	663,397	3,697
Total revenues	<u>47,637,852</u>	<u>47,234,799</u>	<u>(403,053)</u>
Expenditures:			
Current:			
Public service	23,847,226	23,606,029	241,197
Administration and support	16,117,636	15,048,987	1,068,649
Capital outlay	1,069,962	997,865	72,097
Debt service:			
Payment of obligations under capital leases	3,078,344	3,020,324	58,020
Interest and fiscal charges	319,534	171,141	148,393
Total expenditures	<u>44,432,702</u>	<u>42,844,346</u>	<u>1,588,356</u>
Excess (deficiency) of revenues over expenditures	<u>3,205,150</u>	<u>4,390,453</u>	<u>1,185,303</u>
Other financing sources (uses):			
Operating transfers in	-	1	1
Operating transfers out	(5,000,550)	(5,000,550)	-
Total other financing sources (uses)	<u>(5,000,550)</u>	<u>(5,000,549)</u>	<u>1</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(1,795,400)</u>	<u>(610,096)</u>	<u>1,185,304</u>
Fund balances at beginning of year	<u>1,795,400</u>	<u>1,795,400</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 1,185,304</u>	<u>\$ 1,185,304</u>

The accompanying notes are an integral part of these general purpose financial statements.

COLUMBUS METROPOLITAN LIBRARY

**Combined Statement of Revenues, Expenses and Changes in Retained
Earnings/Fund Balances -
Proprietary Fund and Similar Trust Fund**

**Year ended December 31, 1999
(with comparative totals for 1998)**

	Proprietary Fund Type	Fiduciary Fund Type	Totals	
	Internal Service	Nonexpendable Trust	(Memorandum Only) 1999	1998
Operating revenues:				
Charges for services	\$ 740,344	\$ -	\$ 740,344	\$ 698,513
Interest	-	4,005	4,005	4,387
Total operating revenues	<u>740,344</u>	<u>4,005</u>	<u>744,349</u>	<u>702,900</u>
Operating expenses:				
Materials and supplies	675,262	7,141	682,403	610,644
Personnel services	53,456	-	53,456	45,144
Contractual services	2,901	-	2,901	2,750
Depreciation	505	-	505	238
Total operating expenses	<u>732,124</u>	<u>7,141</u>	<u>739,265</u>	<u>658,776</u>
Operating income/net (loss)	<u>8,220</u>	<u>(3,136)</u>	<u>5,084</u>	<u>44,124</u>
Retained earnings/fund balances at beginning of year	<u>292,973</u>	<u>85,994</u>	<u>378,967</u>	<u>334,843</u>
Retained earnings/fund balances at end of year	<u>\$ 301,193</u>	<u>\$ 82,858</u>	<u>\$ 384,051</u>	<u>\$ 378,967</u>

The accompanying notes are an integral part of these general purpose financial statements.

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COLUMBUS METROPOLITAN LIBRARY

**Combined Statement of Cash Flows
Increase in Cash and Cash Equivalents
Proprietary Fund and Similar Trust Fund**

**Year ended December 31, 1999
(with comparative totals for 1998)**

	Proprietary Fund Type	Fiduciary Fund Type	Totals	
	Internal Service	Nonexpendable Trust	(Memorandum Only)	
			1999	1998
Cash flows from operating activities:				
Operating net income (loss)	\$ 8,220	\$ (3,136)	\$ 5,084	\$ 44,124
Adjustments to reconcile operating net income to net cash provided (used) by operating activities:				
Depreciation	505	-	505	238
Interest income	-	(4,005)	(4,005)	(4,387)
(Increase) decrease in receivables	-	(102)	(102)	17
(Increase) decrease in inventory	20,290	-	20,290	(43,289)
Increase (decrease) in accounts payable	(3,052)	257	(2,795)	8,012
Increase in accrued liabilities	228	-	228	323
Total adjustments	<u>17,971</u>	<u>(3,850)</u>	<u>14,121</u>	<u>(39,086)</u>
Net cash flows provided (used) by operating activities	<u>26,191</u>	<u>(6,986)</u>	<u>19,205</u>	<u>5,038</u>
Cash flows from capital and related financing activities - Purchase of equipment	<u>(5,678)</u>	<u>-</u>	<u>(5,678)</u>	<u>-</u>
Cash flows from investing activities - Interest income	<u>-</u>	<u>4,005</u>	<u>4,005</u>	<u>4,387</u>
Net increase (decrease) in cash and cash equivalents	20,513	(2,981)	17,532	9,425
Cash and cash equivalents at beginning of year	<u>128,557</u>	<u>86,088</u>	<u>214,645</u>	<u>205,220</u>
Cash and cash equivalents at end of year	<u>\$ 149,070</u>	<u>\$ 83,107</u>	<u>\$ 232,177</u>	<u>\$ 214,645</u>

The accompanying notes are an integral part of these general purpose financial statements.

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements

December 31, 1999

(1) Summary of Significant Accounting Policies

The Columbus Metropolitan Library (Library) was founded in 1872. The Library is a county district library established in accordance with Section 3375.20 of the Ohio Revised Code. The Library lends books, periodicals and audiovisual materials to residents and certain others at no charge. The Library, which is a separate legal entity, is financially, managerially and operationally independent from both Franklin County and the City of Columbus.

The general purpose financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity," in that the financial statements include all the organizations, activities and functions for which the Library (the reporting entity) is financially accountable. Determination of financial accountability includes appointment of a voting majority of the component's governing body and (1) its ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Library.

Based on the preceding criteria, the financial activities of the Friends of the Columbus Metropolitan Library (Friends) are included as a blended component unit in the accompanying financial statements. The operation of the Friends, a non-profit Ohio Corporation, is accounted for as a separate Special Revenue fund. Although the Friends is a separate legal entity, the Library is including the Friends based on the fact that its sole purpose is providing financial support or services for the Library or its patrons. Copies of the Friends' audited financial statements can be obtained from the Library's Finance Department.

The accounting policies and financial reporting practices of the Library conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies:

(a) Basis of Presentation - Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures (expenses). The various funds are summarized by type in the general purpose financial statements. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following fund types and account groups are used by the Library:

GOVERNMENTAL FUNDS

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

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(1) Summary of Significant Accounting Policies (Continued)

Special Revenue Funds - Special Revenue Funds are used to account for revenues derived from specific taxes, grants or other restricted revenue sources. The uses and limitations of each special revenue fund are specified by Library Board policies, federal and state statutes or other external donors.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, the current portion of the general long-term debt principal, interest and related costs.

Capital Project Funds - Capital Project Funds are used to account for financial resources to be used for the acquisition of major fixed assets or the construction of major capital facilities (other than those financed by the internal service fund and the nonexpendable trust fund).

PROPRIETARY FUND

Internal Service Fund - The Internal Service Fund is used to account for goods or services provided by one department to another department on a cost reimbursement basis.

FIDUCIARY FUNDS

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Expendable trust funds are accounted for and reported as governmental funds. Nonexpendable trust funds are accounted for on the full accrual basis of accounting, i.e., revenues are recorded when earned and expenses are recorded when incurred. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

ACCOUNT GROUPS

General Fixed Assets Account Group - This account group is established to account for fixed assets of the Library other than those accounted for in the proprietary or trust funds.

General Long-Term Obligations Account Group - This account group is established to account for all unmatured long-term indebtedness of the Library that is not a specific liability of any proprietary fund or nonexpendable trust fund.

(b) Basis of Accounting

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

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(1) Summary of Significant Accounting Policies (Continued)

All governmental fund types, expendable trust funds and agency funds utilize the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term obligations which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes with both a lien and levy date prior to fiscal year end are recorded as deferred revenue and receivables. However, property taxes, including delinquent property taxes that were measurable at December 31, 1999, and available to the Library within the first 60 days of 2000, are recorded as revenues and receivables.

Intergovernmental revenues (which principally represent that portion of Ohio state income taxes set aside for public libraries and allocated to the Library by the county budget commission through the Library and Local Government Support Fund), fines and fees and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable and available until actually received. Generally, all intergovernmental revenues are received in the year allocated. Investment earnings and charges for services are recorded as earned.

In applying the susceptible to accrual concept to grant revenues received from the State of Ohio, there are essentially two types of revenues. In one, monies are virtually unrestricted and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met. In the other, monies must be expended on the specific purpose or project before any amounts will be paid to the Library, therefore, revenues are recognized based upon the expenditures incurred.

The proprietary fund and nonexpendable trust funds are reported on the accrual basis of accounting using an economic resources measurement focus. Under this method of accounting, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred. Fund equity, net assets, is segregated into contributed capital and retained earnings.

Pursuant to GASB Statement 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, the Library follows GASB guidance as applicable to its proprietary funds, and Financial Accounting Standards Boards Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, that do not conflict with or contradict GASB Pronouncements.

The preparation of the general purpose financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the general purpose financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(1) Summary of Significant Accounting Policies (Continued)

Governmental funds record the provision for pension cost when the obligation is incurred and will be liquidated with available and measurable resources; otherwise, those amounts are provided for in the general long-term obligations account group. Pension cost for proprietary fund types is recorded when incurred.

(c) Budgetary Data

Budget

A budget of estimated cash receipts and disbursements, including encumbrances, is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20 of each year for the fiscal year commencing the following January 1.

Estimated Resources

The County Budget Commission certifies the budget to the Library by September 1. As part of this certification, the Library receives the official Certificate of Estimated Resources which states the projected receipts of each fund. On or about January 1, this certificate is amended to include any unencumbered balances from the preceding year. The total estimated receipts together with prior year carry over of unencumbered cash then serves as the basis for the annual appropriation. Expenditures and encumbrances from any fund during the ensuing fiscal year must not exceed the amount stated in the Amended Certificate of Estimated Resources.

Appropriations

The Library is required by state statute to adopt an annual appropriation cash basis budget. A temporary appropriation measure to control cash disbursements is passed by the Library's Board of Trustees in December of each year to be effective as of January 1. The permanent appropriation measure then must be passed by April 1 of each year for the period January 1 to December 31. The permanent appropriation measure then may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources. Unencumbered appropriations lapse at year-end except in the Special Revenue (project related funds) and Capital Projects Funds which have continuing appropriations. Any budget change that increases or decreases expenditures at the major expenditure (object) level requires Board authorization. Several supplementary appropriations amounting to \$2,985,253 were made during the year. A breakdown of the appropriation adjustments is as follows:

General Fund	\$2,853,000
Parking Garage Fund	36,549
Land Development Fund	584
Carnegie Society Fund	81,241
Debt Service Fund	13,879
Total	\$2,985,253

The governmental fund types for which the Library budgets annual expenditures are the General, certain Special Revenue (Carnegie Society, Land Development and Parking Garage Funds) and Debt Service Funds. The budget specifies expenditure amounts by function within these funds. Expenditures can not exceed appropriations at the major expenditure (object) level. In the supplemental reports, the Library has provided a further breakdown of the legal reporting level by function. All other Special Revenue Funds and Capital Projects Funds revenues and expenditures are not budgeted on an annual basis; budgetary control over these fund types is established on a project basis.

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(1) Summary of Significant Accounting Policies (Continued)

The Library budgets annual expenses for one nongovernmental fund type, the Internal Service Fund. The budget specifies expense amounts by function within the fund. Expenses can not exceed appropriations at the major expense (object) level. The Expendable and Nonexpendable Trust Funds are not budgeted on an annual basis. Cumulative expenses for the Nonexpendable Trust Funds can not exceed cumulative interest earned on invested donations.

In addition to the annual expenditures/expenses budgeting described in the preceding paragraphs, all revenues, except for tax revenues, for the General Fund are estimated by the Clerk-Treasurer in conjunction with the annual budgeting process. However, the annual appropriations should not exceed the estimated resources as certified by the County Budget Commission in the annual *Certificate of Estimated Resources*.

The Board has delegated purchase and expenditure approval to the Library administration for daily operational needs of the Library. Generally, all expenditures over \$25,000 must be approved by the Board. Any appropriation change which will increase or decrease any of the major appropriation classifications requires approval of the Board. Expenditures did not exceed appropriations in any fund type.

The Library's budgetary process is based upon accounting for certain transactions on a basis other than generally accepted accounting principles (GAAP). To provide a meaningful comparison of actual results with the budget, the actual results of operations for governmental funds are presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Budgeted Special Revenue and Debt Service Funds in accordance with the budget basis of accounting.

The major differences between the budget basis and the GAAP basis are as follows:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- C. Encumbrances are recorded as the equivalent of expenditures (budget basis), as opposed to a reservation of fund balance (GAAP basis).

(d) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by the Library. Encumbrances are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

(e) Investments

Investments are stated at fair value.

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(1) Summary of Significant Accounting Policies (Continued)

(f) Inventory

Inventory in the Proprietary and Special Revenue funds consists primarily of materials and supplies and is stated at cost. Inventory is recorded as an expense/expenditure on a weighted average basis when the individual inventory items are sold or charged to another fund.

(g) Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 1999, are recorded as prepaid items. Prepaid items consist of insurance premiums, trustee fees and library material subscriptions.

(h) Fixed Assets

Fixed assets purchased for general governmental purposes are recorded as expenditures in the governmental funds and capitalized at cost (or estimated historical cost) in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the time received. Fixed assets acquired within the Proprietary fund are recorded at cost or estimated historical cost.

(i) Depreciation

Depreciation on fixed assets (machinery and equipment) in the Proprietary fund is calculated on a straight line basis over the estimated useful lives for machinery and equipment, which range from five to fifteen years.

No depreciation has been provided on general fixed assets, nor has interest on construction in progress been capitalized.

(j) Interfund Transactions

During the course of normal operations, the Library has numerous transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. Operating subsidies are also recorded as operating transfers.

All interfund transactions, except reimbursements and internal service fund charges for services, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers.

(k) Endowments

Endowments are subject to the restrictions of gift instruments requiring that the principal be invested in perpetuity and that only the income be utilized. The reserve for endowments indicates that portion of the fund balance which is not available for future expenditures.

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(1) Summary of Significant Accounting Policies (Continued)

(l) Fund Balance - Designated for Subsequent Years' Expenditures

Fund balance designated for subsequent years' expenditures has been established to indicate the Library's tentative plans for future capital improvement purchases.

(m) Library Books

Library books and materials purchased by the Library are reflected as expenditures when purchased and are not capitalized as assets of the Library. The Library currently has a library materials collection of approximately 2,998,350 volumes.

(n) Insurance

The Library is insured by private carriers for property damage, personal injury and public official liability. Judgments and claims in excess of policy limits are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. At December 31, 1999, 1998, 1997, there were no outstanding judgments or claims in excess of policy limits. There were no significant changes in insurance coverage from the previous year and no insurance settlement has exceeded insurance coverage during the last three years.

The Library provides medical, dental, life and disability insurance coverage for employees through a private insurance carrier. The Library is part of the state-wide plan for Worker's Compensation insurance coverage.

(o) Compensated Absences

Library employees are permitted to accumulate earned but unused vacation, sick leave, and other leave benefits at varying amounts. Payment of these leave benefits is dependent upon many factors; therefore, timing of future payments is not readily determinable. However, management believes that payment of compensated absences will not have a materially adverse impact on the availability of the Library's fund balances. Payment of leave benefits is accrued when incurred in proprietary funds and reported as a fund liability. Leave benefits that are expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the government fund that will pay it. The Library's calculation of compensated absences for estimated sick leave used was based on the vesting method. Amounts not expected to be liquidated with expendable available financial resources are reported in the General Long-Term Obligations Account Group. No expenditure is reported for these amounts.

(p) Federal Income Taxes

The Library is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

(q) Statement of Cash Flows

For purposes of the statement of cash flows, the Proprietary Fund and Similar Trust Funds consider all highly liquid investments, with purchased maturities of three months or less, to be cash equivalents. In addition, all pooled cash and investments with the Clerk-Treasurer are considered to be cash equivalents since they are available to the Proprietary Fund and Similar Trust Funds on demand.

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(1) Summary of Significant Accounting Policies (Continued)

(r) Total Columns on General Purpose Financial Statements

Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

(s) GASB Statements Nos. 33 and 34

This report does not incorporate Governmental Accounting Standards Board (GASB) Statements Nos. 33 and 34, *Recipient Reporting for Certain Shared Nonexchange Revenues and Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*, respectfully. The Library will adopt and implement these GASB Statements at the required time. The Library has not completed the process of evaluating the impact of adopting these statements, and therefore, is unable to disclose the impact that adopting these statements will have on its financial position and results of operations when such statements are implemented.

(2) Cash and Investments

The Library pools all individual fund cash balances for investment purposes, except for cash with fiscal agents and restricted investments. According to state statutes, all earnings received from pooled investments must be credited to the Library's General Fund. Interest income earned on investments held in perpetuity is credited to the Library's Nonexpendable Trust Fund.

Deposits:

At December 31, 1999, the carrying amount of all the Library's deposits (includes non-negotiable certificate of deposits) was \$14,995,366 and the bank balance was \$15,974,457. Of the bank balance, \$962,257 was covered by Federal Depository Insurance and \$15,012,200 was collateralized with securities held by the financial institution or by its trust department or agent but not in the Library's name.

Investments:

The Library adopted a formal investment policy. The primary objective of the policy shall be the preservation of capital and protection of principal while earning investment interest. Safety of principal is the primary objective of the investment program. This policy covers all funds under the direct control of the Clerk-Treasurer. Funds are invested in accordance with Section 135 "Uniform Depository Act" of the Ohio Revised Code as revised by Senate Bill 81. This investment policy does not apply to funds held by the Friends of the Library Fund.

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(2) Cash and Investments (Continued)

The types of obligations eligible for investment and deposits are:

1. Bonds, notes or other obligations of or guaranteed by the United States or those for which the faith of the United States is pledged for the payment of principal and interest;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality;
3. Repurchase agreements in the securities enumerated above;
4. Interim deposits in the eligible institutions applying for interim monies;
5. Bonds and other obligations of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio); and
7. No-load money market mutual funds consisting exclusively of obligations described in number (1) and (2) above.

The Library's portfolio shall be deposited among several financial institutions, not more than 50% shall be deposited in any one financial institution, except that 100% of the portfolio may be invested in the State Treasurer's Investment Pool (StarOhio). No investment will be purchased which matures beyond two (2) years of the settlement date unless the investment is matched to a specific obligation.

The Library's investments are categorized to give an indication of the level of risk assumed by the Library at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the Library or its agent in the Library's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Library's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by the counterparty's trust department, but not in the Library's name. However, at December 31, 1999, the Library had no investments that were required to be categorized as above.

Investment balances at year-end were as follows:

	<u>Carrying/Fair Value</u>
STAROhio (State Treasurer's Asset Reserve)	\$ 5,049,353
Federal Home Loan Mortgage Certificate	<u>993,250</u>
Total Investments	6,042,603
Carrying amount of deposits	14,995,366
Petty cash and change fund	<u>5,570</u>
Total	<u>\$ 21,043,539</u>
Per combined balance sheet:	
Cash and investments	\$ 20,957,640
Cash and investments - Nonexpendable trust	83,107
Cash with fiscal agent	<u>2,792</u>
Total	<u>\$ 21,043,539</u>

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(2) Cash and Investments (Continued)

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the Securities Exchange Commission as an investment company, but does operate in a manner similar to Rule 2a-7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 1999.

In addition, approximately \$480,972 of investments are at the Columbus Foundation, an Ohio not-for profit corporation, for the purpose of furthering the Library's mission. Since the Library does not have legal rights to these assets, it is not included in the financial statements. The Library does have the right to suggest to the Columbus Foundation how the monies are to be expended.

(3) Receivables

Receivables at December 31, 1999, consist of the following:

	<u>Property Taxes</u>	<u>Interest</u>	<u>Charges for Service</u>	<u>Other</u>	<u>Total</u>
General	\$ 19,577,643	\$ 183,065	\$ 8,586	\$ 507	\$ 19,769,801
Special Revenue	-	3,712	-	1,211	4,923
Debt Service	-	76	-	-	76
Trust and Agency	-	239	-	540	779
Total	<u>\$ 19,577,643</u>	<u>\$ 187,092</u>	<u>\$ 8,586</u>	<u>\$ 2,258</u>	<u>\$ 19,775,579</u>

(4) Property, Plant and Equipment

A summary of proprietary fund type fixed assets is as follows:

	Balance January 1, <u>1999</u>	<u>Additions</u>	<u>Depreciation</u>	Balance December 31, <u>1999</u>
Machinery and equipment	\$ 7,275	\$ 5,678	-	\$12,953
Less accumulated depreciation	<u>(4,147)</u>	-	<u>\$ (505)</u>	<u>(4,652)</u>
	<u>\$ 3,128</u>	<u>\$ 5,678</u>	<u>\$ (505)</u>	<u>\$ 8,301</u>

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(4) Property, Plant and Equipment (Continued)

A summary of changes in general fixed assets for the year ended December 31, 1999, follows:

	Balance January 1, <u>1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	Balance December 31, <u>1999</u>
Land	\$ 6,661,360	\$ 21,326	\$ 10,098	-	\$ 6,672,588
Buildings and improvements	65,168,255	33,885	267,564	\$ 6,669	64,941,245
Machinery and equipment	14,561,443	1,063,319	1,010,093	-	14,614,669
Construction in progress	<u>150,732</u>	<u>1,535,368</u>	<u>-</u>	<u>(6,669)</u>	<u>1,679,431</u>
Total general fixed assets	<u>\$ 86,541,790</u>	2,653,898	<u>\$ 1,287,755</u>	<u>\$ -</u>	<u>\$ 87,907,933</u>
Capital outlay expenditures not capitalized		<u>377,736</u>			
Total		<u>\$ 3,031,634</u>			

Construction in progress at December 31, 1999, consists of:

<u>Project</u>	Balance January 1, <u>1999</u>	<u>Additions</u>	<u>Transfers</u>	Balance December 31, <u>1999</u>	<u>Project</u>	
					<u>Commit-</u> <u>ments</u>	<u>Remaining</u> <u>Balance</u>
Southeast Br Expan.	\$ 150,732	\$ 1,483,610	-	\$ 1,634,342	\$ 1,267,462	\$ 323,430
Main Library Expan.	-	45,089	-	45,089	49,911	9,905,000
Gahanna Br Remod.	<u>-</u>	<u>6,669</u>	<u>\$ (6,669)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 150,732</u>	<u>\$ 1,535,368</u>	<u>\$ (6,669)</u>	<u>\$ 1,679,431</u>	<u>\$ 1,317,373</u>	<u>\$ 10,228,430</u>

These projects were funded through the Capital Projects Fund by monies transferred from the General Fund. The balance of these Capital projects will be funded by available financial resources.

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(5) Long-Term Obligations

A summary of changes in long-term obligations for the year ended December 31, 1999, follows:

<u>General Long-Term Obligations Account Group</u>	<u>Balance January 1, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 1999</u>
Accrued liabilities (compensated absences)	\$ 1,330,792	\$ 170,910	-	\$ 1,501,702
Obligations under capital leases (see note 6)	<u>5,905,324</u>	<u>-</u>	<u>\$ (3,020,324)</u>	<u>2,885,000</u>
Total general long- term obligations	<u>\$ 7,236,116</u>	<u>\$ 170,910</u>	<u>\$ (3,020,324)</u>	<u>\$ 4,386,702</u>

Accrued liabilities are composed of accrued vacation, sick leave and compensatory time earned. Additions and deletions for these accrued liabilities are shown net since it is impracticable for the Library to determine these amounts separately.

(6) Long-Term Lease Obligations

The Library leases property for one facility, the Main Library, under a capital lease agreement with the City of Columbus. The cost of this facility is included in the General Fixed Assets Account Group. The Library's capital lease agreement with the City of Columbus, which was for expanding and remodeling the Main Library, will expire in the year 2000. The Library has no operating lease agreements.

The Main Library capital lease was financed by revenue bonds issued by the City of Columbus. Concurrent with the issuance of these bonds the Library entered into the capital lease agreement described above. The payments due under these agreements equal the bond principal and interest payments due. The Library makes the lease payments directly to the revenue bond trustee. At the end of the lease term, the Library has an option to purchase the property for one dollar (\$1.00). In the event of default on the lease payments relating to the revenue bonds, the Library's liability is limited to surrendering possession of the leased property to the bond trustee. In the event of default on the lease payments relating to the revenue bonds, the Library's liability is equal to the remaining lease payments less any revenue generated by the property.

In 1992, the Library, in connection with the City of Columbus, issued \$22,225,000 of library improvement revenue bonds for the purpose of providing funds to advance refund and defease the existing library improvement bonds. The net proceeds of this issue, plus additional sinking fund moneys, were used to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the General Long-Term Obligations Account Group. As of December 31, 1999, none of these defeased bonds are still outstanding.

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(6) Long-Term Lease Obligations (Continued)

Minimum capital lease payments will be made from the Debt Service Fund as follows:

2000	\$ 3,035,020
Later years	<u>-</u>
Total minimum lease payments	3,035,020
Less amounts representing interest (5.2%)	<u>150,020</u>
Present value of net minimum lease payments	<u>\$ 2,885,000</u>

(7) Agreements with Other Entities

In April 1992, the Library's Board of Trustees adopted a resolution to participate with the Worthington Public Library (Worthington), a separate legal entity, to construct and operate a library facility, containing approximately 23,000 square feet of public service space, at a location which will serve both library districts. On October 13, 1993, a written contract was entered into between the two library districts.

According to the terms of the agreement, the Library will not assume any responsibility for the daily management, operation and maintenance of the building. In addition, the agreement states that the Library will contribute, based on a formula, to the operational needs of the facility. In 1999, the Library contributed \$544,000 to the operational costs of Worthington. The funds were appropriated and paid from the General Fund. In 2000, the Library has appropriated \$589,000 in the General Fund to be paid to Worthington.

In 1997, the Library entered into the lease agreement with the New Albany/Plain Local Schools. The contract stipulates that the Library can use the New Albany High School library facilities during non-school hours at no cost to the Library.

(8) Defined Benefit Pension Plan

All employees of the Library are required to participate in the Public Employees Retirement System of Ohio (PERS), a cost-sharing, multiple employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. PERS issues a publicly available financial report that includes the financial statements and required supplementary information. Any parties interested in obtaining a copy must submit a written request to PERS at 277 East Town Street, Columbus, Ohio 43215-4642 or call (614) 466-2085 or 1800-222-PERS (7377).

Employees are eligible for retirement benefits at age 60 with five or more years of service credit, at age 55 with a minimum of 25 years of service and at any age with 30 years of service. The benefit is based on 2.1% of final average salary for each year of credited service up to 30 years. Employees are entitled to 2.5% of their final average salary for each year of service in excess of 30 years. Final average salary is the employee's average salary over the highest three years of earnings. Employees retiring before age 65 or with less than 30 years of service credit will receive reduced retirement benefits. State statute, Chapter 145 of the Ohio Revised Code, provides PERS with the authority to establish and amend benefits.

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(8) Defined Benefit Pension Plan (Continued)

Employees are required by state statute to contribute 8.5% of their annual covered salary. The Library's required contributions to PERS are equal to 100% of the dollar amount billed (13.55% of the covered payroll). The Library's contributions to PERS for the years ending December 31, 1999, 1998, and 1997, were approximately \$2,563,000, \$2,452,000, and \$2,291,000, respectively, which were equal to the required contributions for each year.

(9) Postemployment Benefits

In addition to the pension benefits described in note 9, PERS also provides postemployment health care benefits, in accordance with state statutes, to all age and service retirees with 10 or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. At December 31, 1999, the number of recipients eligible to receive postemployment health care benefits was 118,062.

The Library and all employees are required to contribute to PERS as in note 9. A portion of each employer's contribution to PERS is set aside for the funding of postemployment health care. During 1999, PERS adopted a new calculation method for determining employer contributions applied to other postemployment benefits (OPEB). Under the new method, effective January 1, 1998, employers will contribute 4.2% of the member's covered payroll to fund health care expenses. Under the prior method, accrued liabilities and normal cost rates were determined for retiree health care coverage.

As required by state statute, a portion of each employer's contribution to PERS is used for the funding of the postemployment health care. The amount of actuarially determined Library contributions actually made to fund postemployment benefits was approximately \$795,000 in 1999 and \$760,000 in 1998. Employer contributions are advance-funded on an actuarially determined basis and are determined by state statute. With respect to employees' contributions, such rates are based on the employees' annual salaries. PERS (assuming the number of active employees remains constant) assumes an annual increase of 5.25% compounded annually for the base portion of an individual's pay increase.

OPEB are financed through employer contributions and investment earnings thereon. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely.

Expenditures paid by PERS for 1999 were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available for future OPEB payments were \$9,870,285,641.

(10) Real and Personal Property Taxes

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the Library district.

Real property taxes and public utility taxes collected during 1997 were levied after October 1 on the assessed value listed as of the prior January 1, the lien date. These taxes are payable annually or semi-annually. If paid annually, payment is due by January 20; if paid semi-annually, the first payment is due by January 20 with remainder payable by June 20. Under certain circumstances, state statutes permit earlier or later payment dates to be established.

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(10) Real and Personal Property Taxes (Continued)

Assessed values are established by State law at 35% of appraised market value. A revaluation of all property is required to be completed no less than every six years. The last revaluation was completed in 1999. Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at true value, which is a certain percentage of cost. Percentages vary according to the type of utility involved. Tangible personal property assessments were 25% of true value for personal property. The assessed values upon which the 1999 taxes were collected were approximately \$12,871 million.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Increases in the property tax rate are restricted only by voter willingness to approve such increases. In 1986, voters approved taxation of property for the Library of .22% (2.2 mills) of assessed value effective January 1, 1986, for collection in 1987. This levy is to be collected for a period of 15 years and will expire after the collection year 2001, if not renewed. In 1999, the Library began the levy process by holding a series of community breakfasts and luncheons and meeting with various local leaders and groups. In 2000, the Library will establish a Campaign Steering Committee and request the voters to renew the existing levy in November 2000.

The Franklin County Treasurer collects property taxes on behalf of taxing districts in the county. The Franklin County Auditor periodically remits to the Library its portion of the taxes collected.

Property taxes with both a lien and levy date prior to fiscal year end are recorded as deferred revenue and receivables. However, property taxes including delinquent property taxes that were measurable at December 31, 1999, and available to the Library within the first 60 days of 2000, are recorded as revenues and receivables.

(11) Excess of Expenses over Appropriation

The central stores internal service fund had expenses in excess of appropriation for the year ended December 31, 1999, in the material and supplies account in the amount of \$2,615.

(12) Commitments and Contingencies

The Library is the defendant in various lawsuits and subject to various claims over which litigation has not commenced. Although the outcome of these matters is not presently determinable, in the opinion of the Library, the resolution of these matters will not have a material adverse effect on the financial condition of the Library.

COLUMBUS METROPOLITAN LIBRARY

Notes to the General Purpose Financial Statements, Continued

(13) Budgetary Basis of Accounting

The adjustments necessary to convert the results of operations and fund balances at end of year on the GAAP basis to the budgetary basis are as follows:

	Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses		Fund balances at end of year			
	General	Special Revenue	Debt Service	General	Special Revenue	Debt Service
GAAP basis	\$ (178,027)	\$ 166,353	\$(174,426)	\$3,391,067	\$1,137,287	\$ 172,503
Increase (decrease):						
Due to revenues:						
Received in cash during 1999, but accrued at December 31, 1998	18,534,508	200	-			
Accrued at December 31, 1999, not yet received in cash	(19,788,781)	(1,211)	(76)	(19,788,781)	(1,211)	(76)
Deferred at December 31, 1998, but not recognized in budget	(17,742,381)	(16,580)	-			
Deferred at December 31, 1999, but recognized in budget	18,925,492	12,236	-	18,925,492	12,236	-
Due to expenditures:						
Paid in cash during 1999, accrued at December 31, 1998	(1,378,631)	(70,384)	(75,079)	-	-	-
Accrued at December 31, 1999, not yet paid in cash	1,394,955	69,978	37,710	1,394,955	69,978	37,710
Due to encumbrances:						
Expenditures of amounts encumbered during the year ended December 31, 1999	3,027,847	9,520	143,714	-	-	-
Recognized as expenditures in budget	(3,162,848)	(8,408)	-	(3,162,848)	(8,408)	(889)
Others, net	(297,162)	4,229	27	(491,265)	(49,610)	(889)
Funds not budgeted	-	(42,871)	-	-	(452,836)	-
Budgetary Basis	\$ (665,028)	\$ 123,062	\$(68,130)	\$ 268,620	\$ 707,436	\$ 209,248

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Columbus Metropolitan Library

GENERAL FUND

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

Columbus Metropolitan Library

Exhibit A-1

**Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual -
General Fund - Non GAAP Budgetary Basis
Year Ended December 31, 1999**

	Revised Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Property taxes	\$ 18,734,282	\$ 18,561,722	\$ (172,560)
Intergovernmental	21,585,883	21,357,146	(228,737)
Fines and fees	1,885,000	1,899,668	14,668
Investment earnings	1,000,000	982,415	(17,585)
Charges for services	375,487	361,390	(14,097)
Contributions and donations	42,000	50,171	8,171
Miscellaneous	171,700	170,714	(986)
Total revenues	<u>43,794,352</u>	<u>43,383,226</u>	<u>(411,126)</u>
Expenditures:			
Public service:			
Salaries and benefits	16,008,933	15,814,459	194,474
Supplies	564,148	555,645	8,503
Purchased and contract service	94,564	81,100	13,464
Library materials	7,177,712	7,153,180	24,532
Capital outlay	351,937	348,618	3,319
Other	1,869	1,645	224
Total public service	<u>24,199,163</u>	<u>23,954,647</u>	<u>244,516</u>
Administration and support:			
Salaries and benefits	7,577,217	7,419,034	158,183
Supplies	834,996	814,246	20,750
Purchased and contract service	5,736,222	5,549,505	186,717
Library materials	127,738	116,137	11,601
Capital outlay	680,025	627,084	52,941
Other	572,089	567,052	5,037
Contingency	-	-	-
Total administration and support	<u>15,528,287</u>	<u>15,093,058</u>	<u>435,229</u>
Total expenditures	<u>39,727,450</u>	<u>39,047,705</u>	<u>679,745</u>
Excess of revenues over expenditures	<u>4,066,902</u>	<u>4,335,521</u>	<u>268,619</u>
Other financing sources (uses):			
Operating transfers in	-	1	1
Operating transfers out	(5,000,550)	(5,000,550)	-
Total other financing sources (uses)	<u>(5,000,550)</u>	<u>(5,000,549)</u>	<u>1</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(933,648)	(665,028)	268,620
Fund balances at beginning of year	<u>933,648</u>	<u>933,648</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 268,620</u>	<u>\$ 268,620</u>

Columbus Metropolitan Library

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for types of resources for which specific uses are mandated by Library Board policies, federal and/or state statutes, or other external donors. The title of the fund is descriptive of the activities accounted for therein. The Special Revenue Funds are:

Reading is Fundamental Fund -
Inter-Connection Library Branches – 1999 Project

Carnegie Society Fund

Columbus Foundation:
1999 JS Smith Library Materials Project
1998 JS Smith Library Materials Project
1997 JS Smith Library Materials Project

Friends of the Library Fund
Land Development Fund
Parking Garage Fund

Columbus Metropolitan Library

Exhibit B-1

Combining Balance Sheet

All Special Revenue Funds

December 31, 1999

(with comparative totals for 1998)

	Reading is Fundamental Fund Inner-connection Library Branches 1999 Project	Carnegie Society Fund	Columbus Foundation 1999 JS Smith Library Materials
<u>Assets</u>			
Cash and investments	\$ -	\$ 71,176	\$ 2,500
Receivables	-	1,000	-
Inventory	-	-	-
Prepaid items	-	-	-
Total assets	\$ -	\$ 72,176	\$ 2,500
<u>Liabilities</u>			
Accounts payable	\$ -	\$ 750	\$ -
Accrued liabilities	-	-	-
Due to others	-	-	-
Deferred revenue	-	-	-
Total liabilities	-	750	-
<u>Fund equity</u>			
Fund balances:			
Reserved for encumbrances	-	-	-
Reserved for inventory	-	-	-
Reserved for prepaid items	-	-	-
Unreserved:			
Undesignated	-	71,426	2,500
Total fund balances	-	71,426	2,500
Total fund equity	-	71,426	2,500
Total liabilities and fund equity	\$ -	\$ 72,176	\$ 2,500

Columbus Foundation		Friends of the Library Fund	Land Development Fund	Parking Garage Fund
1998 JS Smith Library Materials	1997 JS Smith Library Materials			
\$ -	\$ -	\$ 419,649	\$ 478,135	\$ 244,208
-	-	3,712	-	211
-	-	37,753	-	-
-	-	900	10,044	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 462,014</u>	<u>\$ 488,179</u>	<u>\$ 244,419</u>
\$ -	\$ -	\$ 7,673	\$ 62,020	\$ 7,208
-	-	3,995	-	-
-	-	-	38,119	-
-	-	-	4,676	7,560
<u>-</u>	<u>-</u>	<u>11,668</u>	<u>104,815</u>	<u>14,768</u>
-	-	-	-	450
-	-	37,753	-	-
-	-	900	10,044	-
<u>-</u>	<u>-</u>	<u>411,693</u>	<u>373,320</u>	<u>229,201</u>
<u>-</u>	<u>-</u>	<u>450,346</u>	<u>383,364</u>	<u>229,651</u>
<u>-</u>	<u>-</u>	<u>450,346</u>	<u>383,364</u>	<u>229,651</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 462,014</u>	<u>\$ 488,179</u>	<u>\$ 244,419</u>

(Continued)

Columbus Metropolitan Library

Exhibit B-1 (cont.)

Combining Balance Sheet

All Special Revenue Funds

December 31, 1999

(with comparative totals for 1998)

	Totals	
	1999	1998
<u>Assets</u>		
Cash and investments	\$ 1,215,668	\$ 1,057,611
Receivables	4,923	1,897
Inventory	37,753	35,769
Prepaid items	10,944	9,453
Total assets	<u>\$ 1,269,288</u>	<u>\$ 1,104,730</u>
<u>Liabilities</u>		
Accounts payable	\$ 77,651	\$ 75,278
Accrued liabilities	3,995	2,733
Due to others	38,119	39,205
Deferred revenue	12,236	16,580
Total liabilities	<u>132,001</u>	<u>133,796</u>
<u>Fund equity</u>		
Fund balances:		
Reserved for encumbrances	450	1,304
Reserved for inventory	37,753	35,769
Reserved for prepaid items	10,944	9,453
Unreserved:		
Undesignated	1,088,140	924,408
Total fund balances	<u>1,137,287</u>	<u>970,934</u>
Total fund equity	<u>1,137,287</u>	<u>970,934</u>
Total liabilities and fund equity	<u>\$ 1,269,288</u>	<u>\$ 1,104,730</u>

Columbus Metropolitan Library

Exhibit B-2

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

All Special Revenue Funds

Year Ended December 31, 1999

(with comparative totals for year ended 1998)

	Reading is Fundamental Fund Inner-connection Library Branches 1999 Project	Carnegie Society Fund	Columbus Foundation 1999 JS Smith Library Materials
Revenues:			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services	-	-	-
Investment earnings	-	-	-
Contributions and donations	1,200	61,249	2,500
Miscellaneous	-	-	-
Total revenues	1,200	61,249	2,500
Expenditures:			
Current:			
Public service			
Salaries and benefits	-	-	-
Supplies	1,749	-	-
Library materials	-	-	-
Capital outlay	-	-	-
Administration and support			
Salaries and benefits	-	-	-
Supplies	-	1,836	-
Purchased and contract service	-	29,350	-
Capital outlay	-	-	-
Other	-	-	-
Total expenditures	1,749	31,186	-
Excess (deficiency) of revenue over expenditures	(549)	30,063	2,500
Other financing sources (uses):			
Operating transfers in	550	-	-
Operating transfers out	(1)	-	-
Total other financing sources (uses)	549	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	30,063	2,500
Fund balances at beginning of year	-	41,363	-
Fund balances at end of year	\$ -	\$ 71,426	\$ 2,500

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Columbus Foundation		Friends of the Library Fund	Land Development Fund	Parking Garage Fund
1998 JS Smith Library Materials	1997 JS Smith Library Materials			
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	249,796	476,472	175,663
-	-	14,230	-	-
-	-	1,037	-	-
-	-	7,722	15,389	-
-	-	272,785	491,861	175,663
-	-	-	-	-
-	-	-	-	-
2,000	578	-	-	-
-	-	-	-	-
-	-	51,106	-	-
-	-	111,827	19,015	114
-	-	40,940	362,138	128,839
-	-	13,202	23,523	-
-	-	12,761	40,476	-
2,000	578	229,836	445,152	128,953
(2,000)	(578)	42,949	46,709	46,710
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(2,000)	(578)	42,949	46,709	46,710
2,000	578	407,397	336,655	182,941
\$ -	\$ -	\$ 450,346	\$ 383,364	\$ 229,651

(Continued)

Columbus Metropolitan Library

Exhibit B-2 (cont.)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

All Special Revenue Funds

Year Ended December 31, 1999

(with comparative totals for year ended 1998)

	Totals	
	1999	1998
Revenues:		
Intergovernmental	\$ -	\$ 79,849
Charges for services	901,931	868,222
Investment earnings	14,230	10,640
Contributions and donations	65,986	72,301
Miscellaneous	23,111	26,440
Total revenues	1,005,258	1,057,452
Expenditures:		
Current:		
Public service		
Salaries and benefits	-	38,184
Supplies	1,749	2,333
Library materials	2,578	1,364
Capital outlay	-	41,665
Administration and support		
Salaries and benefits	51,106	47,317
Supplies	132,792	100,453
Purchased and contract service	561,267	451,215
Capital outlay	36,725	11,311
Other	53,237	53,551
Total expenditures	839,454	747,393
Excess (deficiency) of revenue over expenditures	165,804	310,059
Other financing sources (uses):		
Operating transfers in	550	600
Operating transfers out	(1)	-
Total other financing sources (uses)	549	600
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	166,353	310,659
Fund balances at beginning of year	970,934	660,275
Fund balances at end of year	\$ 1,137,287	\$ 970,934

Columbus Metropolitan Library

Exhibit B-3

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - All Budgeted Special Revenue Funds - Non GAAP Budgetary Basis
Year Ended December 31, 1999**

	Carnegie Society Fund		
	Revised Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Fines and fees	\$ -	\$ -	\$ -
Contributions and donations	60,000	60,449	449
Miscellaneous	-	-	-
Total revenues	60,000	60,449	449
Expenditures:			
Current:			
Administration and support			
Supplies	5,000	1,835	3,165
Purchased and contract service	55,241	28,429	26,812
Capital outlay	-	-	-
Other	-	-	-
Contingency	40,000	-	40,000
Total expenditures	100,241	30,264	69,977
Excess (deficiency) of revenues over expenditures	(40,241)	30,185	70,426
Fund balances at beginning of year	40,241	40,241	-
Fund balances at end of year	\$ -	\$ 70,426	\$ 70,426

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Land Development Fund			Parking Garage Fund		
Revised Budget	Actual	Variance - Favorable (Unfavorable)	Revised Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 175,000	\$ 175,106	\$ 106
-	-	-	-	-	-
488,000	492,683	4,683	-	-	-
488,000	492,683	4,683	175,000	175,106	106
22,248	18,438	3,810	2,700	114	2,586
401,752	367,053	34,699	154,300	129,280	25,020
30,000	22,163	7,837	8,000	-	8,000
39,000	37,864	1,136	-	-	-
349,584	-	349,584	199,549	-	199,549
842,584	445,518	397,066	364,549	129,394	235,155
(354,584)	47,165	401,749	(189,549)	45,712	235,261
354,584	354,584	-	189,549	189,549	-
\$ -	\$ 401,749	\$ 401,749	\$ -	\$ 235,261	\$ 235,261

(Continued)

Columbus Metropolitan Library

Exhibit B-3 (cont.)

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - All Budgeted Special Revenue Funds - Non GAAP Budgetary Basis
Year Ended December 31, 1999**

	Totals		
	Revised Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Fines and fees	\$ 175,000	\$ 175,106	\$ 106
Contributions and donations	60,000	60,449	449
Miscellaneous	488,000	492,683	4,683
Total revenues	723,000	728,238	5,238
Expenditures:			
Current:			
Administration and support			
Supplies	29,948	20,387	9,561
Purchased and contract service	611,293	524,762	86,531
Capital outlay	38,000	22,163	15,837
Other	39,000	37,864	1,136
Contingency	589,133	-	589,133
Total expenditures	1,307,374	605,176	702,198
Excess (deficiency) of revenues over expenditures	(584,374)	123,062	707,436
Fund balances at beginning of year	584,374	584,374	-
Fund balances at end of year	\$ -	\$ 707,436	\$ 707,436

Columbus Metropolitan Library

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities and equipment other than those financed by Proprietary Funds and Trust Funds. The titles of the funds and their related projects are descriptive of the activities involved.

The Capital Projects Funds and their related projects classified by the primary source of funding are:

To Account for General and Other Funding Sources

Building and Repair Fund:

- Non Project Related
- Southeast Branch Expansion/Remodeling Project
- Main Library and Administration Expansion Project
- Gahanna Branch Addition/Remodeling Project
- Dublin Branch Carpet Replacement Project

Computer System Replacement Fund:

- Non Project Related
- Kids Computer Network Project
- Electronic Notification System Project
- 1998 Computer Purchase Project
- Upgrade of WAN/LAN Computer System Project
- Southwest Library Administration Network Project
- Discovery Place Web Access Project

Columbus Metropolitan Library

Exhibit C-1

Combining Balance Sheet

All Capital Projects Funds

December 31, 1999

(with comparative totals for 1998)

	Building and Repair Fund			
	Non Project Related	Southeast Branch Expansion Remodeling Project	Main Library and Administration Expansion Project	Gahanna Branch Addition Remodeling Project
<u>Assets</u>				
Cash and investments	\$ 1,105,113	\$ 1,858,150	\$ 9,967,661	\$ -
Cash with fiscal agents	-	-	-	-
Due from other governments	-	-	-	-
Total assets	<u>\$ 1,105,113</u>	<u>\$ 1,858,150</u>	<u>\$ 9,967,661</u>	<u>\$ -</u>
<u>Liabilities</u>				
Accounts payable	\$ -	\$ 267,258	\$ 12,750	\$ -
Due to others	7,250	-	-	-
Total liabilities	<u>7,250</u>	<u>267,258</u>	<u>12,750</u>	<u>-</u>
<u>Fund equity</u>				
Fund balances:				
Reserved for encumbrances	-	1,267,462	49,911	-
Unreserved:				
Designated for subsequent years' expenditures	<u>1,097,863</u>	<u>323,430</u>	<u>9,905,000</u>	<u>-</u>
Total fund balances	<u>1,097,863</u>	<u>1,590,892</u>	<u>9,954,911</u>	<u>-</u>
Total fund equity	<u>1,097,863</u>	<u>1,590,892</u>	<u>9,954,911</u>	<u>-</u>
Total liabilities and fund equity	<u>\$ 1,105,113</u>	<u>\$ 1,858,150</u>	<u>\$ 9,967,661</u>	<u>\$ -</u>

Exhibit C-1 (cont.)

Building and Repair Fund	Computer System Replacement Fund		
Dublin Branch Carpet Replacement Project	Non Project Related	Kids Computer Network Project	Electronic Notification System Project
\$ -	\$ 1,934,378	\$ -	\$ 26,033
-	-	-	-
-	7,488	-	-
<u>\$ -</u>	<u>\$ 1,941,866</u>	<u>\$ -</u>	<u>\$ 26,033</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	1,941,866	-	26,033
-	1,941,866	-	26,033
-	1,941,866	-	26,033
<u>\$ -</u>	<u>\$ 1,941,866</u>	<u>\$ -</u>	<u>\$ 26,033</u>

(Continued)

Columbus Metropolitan Library

Exhibit C-1 (cont.)

Combining Balance Sheet

All Capital Projects Funds

December 31, 1999

(with comparative totals for 1998)

	Computer System Replacement Fund			
	1998 Computer Purchase Project	Upgrade of WAN/LAN Computer System Project	SW Library Administration Network Project	Discovery Place Web Access Project
<u>Assets</u>				
Cash and investments	\$ -	\$ -	\$ -	\$ 19,732
Cash with fiscal agents	-	-	-	-
Due from other governments	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,732</u>
<u>Liabilities</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to others	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Fund equity</u>				
Fund balances:				
Reserved for encumbrances	-	-	-	-
Unreserved:				
Designated for subsequent years' expenditures	-	-	-	19,732
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,732</u>
Total fund equity	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,732</u>
Total liabilities and fund equity	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,732</u>

Totals	
1999	1998
\$ 14,911,067	\$ 11,292,421
-	3,355
7,488	21,827
<u>\$ 14,918,555</u>	<u>\$ 11,317,603</u>
\$ 280,008	\$ 14,858
7,250	-
<u>287,258</u>	<u>14,858</u>
1,317,373	93,858
<u>13,313,924</u>	<u>11,208,887</u>
<u>14,631,297</u>	<u>11,302,745</u>
<u>14,631,297</u>	<u>11,302,745</u>
<u>\$ 14,918,555</u>	<u>\$ 11,317,603</u>

Columbus Metropolitan Library

Exhibit C-2

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

All Capital Projects Funds

Year Ended December 31, 1999

(with comparative totals for 1998)

	Building and Repair Fund			
	Non Project Related	Southeast Branch Expansion Remodeling Project	Main Library and Administration Expansion Project	Gahanna Branch Addition Remodeling Project
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Capital outlay	-	1,507,728	45,089	6,669
Total expenditures	-	1,507,728	45,089	6,669
Excess (deficiency) of revenues over expenditures	-	(1,507,728)	(45,089)	(6,669)
Other financing sources (uses):				
Operating transfers in	4,400,000	-	10,000,000	-
Operating transfers out	(10,000,000)	-	-	-
Proceeds from sale of property	21,950	-	-	-
Total other financing sources (uses)	(5,578,050)	-	10,000,000	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(5,578,050)	(1,507,728)	9,954,911	(6,669)
Fund balances at beginning of year	6,646,777	3,098,620	-	12,167
Residual equity transfers from (to) other projects	29,136	-	-	(5,498)
Fund balances at end of year	\$ 1,097,863	\$ 1,590,892	\$ 9,954,911	\$ -

Building and Repair Fund Dublin Branch Carpet Replacement Project	Computer System Replacement Fund		
	Non Project Related	Kids Computer Network Project	Electronic Notification System Project
\$ -	\$ 235,094	\$ -	\$ -
-	235,094	-	-
-	-	165,194	76,967
-	-	165,194	76,967
-	235,094	(165,194)	(76,967)
-	600,000	190,000	103,000
-	(468,000)	-	-
-	-	-	-
-	132,000	190,000	103,000
-	367,094	24,806	26,033
23,638	1,503,395	-	-
(23,638)	71,377	(24,806)	-
\$ -	\$ 1,941,866	\$ -	\$ 26,033

Columbus Metropolitan Library

Exhibit C-2 (cont.)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

All Capital Projects Funds

Year Ended December 31, 1999

(with comparative totals for 1998)

	Computer System Replacement Fund			
	1998 Computer Purchase Project	Upgrade of WAN/LAN Computer System Project	SW Library Administration Network Project	Discovery Place Web Access Project
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Capital outlay	-	1,032	45,545	80,268
Total expenditures	-	1,032	45,545	80,268
Excess (deficiency) of revenues over expenditures	-	(1,032)	(45,545)	(80,268)
Other financing sources (uses):				
Operating transfers in	-	-	75,000	100,000
Operating transfers out	-	-	-	-
Proceeds from sale of property	-	-	-	-
Total other financing sources (uses)	-	-	75,000	100,000
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	(1,032)	29,455	19,732
Fund balances at beginning of year	12,967	5,181	-	-
Residual equity transfers from (to) other projects	(12,967)	(4,149)	(29,455)	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ 19,732

Totals	
1999	1998
\$ 235,094	\$ 195,412
235,094	195,412
1,928,492	1,790,325
1,928,492	1,790,325
(1,693,398)	(1,594,913)
15,468,000	6,197,500
(10,468,000)	(997,500)
21,950	-
5,021,950	5,200,000
3,328,552	3,605,087
11,302,745	7,697,658
-	-
\$ 14,631,297	\$ 11,302,745

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Columbus Metropolitan Library

INTERNAL SERVICE FUND

The Internal Service Fund is used to account for goods or services provided by one department to other departments of the Library. The Central Stores Internal Service Fund provides accountability for costs related to supplying these goods or services. Charges are intended only to recover the total cost of these goods and services.

Columbus Metropolitan Library

Exhibit D-1

Internal Service Fund

Schedule of Revenues, Expenses and Changes in Retained Earnings - Budget and Actual - Non GAAP Budgetary Basis

Year Ended December 31, 1999

	Central Stores		Variance Favorable (Unfavorable)
	Budget	Actual	
Operating revenues -			
Charges for services	\$ 740,000	\$ 740,344	\$ 344
Total operating revenues	740,000	740,344	344
Operating expenses:			
Materials and supplies	668,000	670,615	(2,615)
Personnel services	57,000	53,525	3,475
Contractual services	3,000	2,901	99
Capital outlay	12,000	3,918	8,082
Contingency	125,319	-	125,319
Total operating expenses	865,319	730,959	134,360
Operating income (loss)	(125,319)	9,385	134,704
Nonoperating revenues:			
Miscellaneous	-	-	-
Total nonoperating revenues	-	-	-
Net income (loss)	(125,319)	9,385	134,704
Retained earnings at beginning of year	125,319	125,319	-
Retained earnings at end of year	\$ -	\$ 134,704	\$ 134,704

Note: No balance sheet or statement of revenues, expenses, and changes in retained earnings is presented for the Central Stores Fund since this is the only Internal Service Fund and those statements are included in the general purpose financial statements.

Columbus Metropolitan Library

Exhibit D-2

Reconciliation Between GAAP and Budgetary Basis of Accounting**Internal Service Fund**

Year Ended December 31, 1999

	Net Income	Retained Earnings at end of year
	<u> </u>	<u> </u>
GAAP Basis	\$ 8,220	\$ 301,193
Increase (decrease):		
Due to revenues:		
Received in cash during 1999, but accrued at December 31, 1998	-	-
Accrued at December 31, 1999 not yet received in cash	-	-
Due to expenses:		
Paid in cash during 1999 accrued at December 31, 1998	(31,119)	-
Accrued at December 31, 1999 not yet paid in cash	28,295	28,295
Due to encumbrances:		
Expenditures of amounts encumbered during the year ended December 31, 1998	3,239	-
Recognized as expenses in budget during the year ended December 31, 1999	(773)	(773)
Other	1,523	(194,011)
	<u> </u>	<u> </u>
Budgetary basis	<u>\$ 9,385</u>	<u>\$ 134,704</u>

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Columbus Metropolitan Library

FIDUCIARY FUND TYPE

EXPENDABLE TRUST, NONEXPENDABLE TRUST AND AGENCY FUNDS

Trust funds are used to account for assets held by the government in a trustee capacity. The expendable and nonexpendable trust funds account primarily for donations or bequests to the Library for a specific purpose. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

In 1999 the Library received the following cash gifts in excess of \$500 from donors who restricted the use of the gifts to purchase library materials, but did not specify that the monies be held in perpetuity. These were gifts deposited into the Library's Expendable Trust Fund.

Mark Vonder Haar	\$600.00
Columbus Foundation	\$700.00

The following donors have given at least \$1,000 to the Library in honor of a particular person and have requested that these monies be held in perpetuity with only the interest being spent on library materials. These gifts were deposited into the Library's Nonexpendable Trust Fund. In many cases the person being honored is listed rather than the actual individual(s) who donated the money.

Walter Braun	John W. Mooney
William D. Brickell	Edgar H. Moore
David W. Deshler	John Noble
William Hubbard	Marjorie H. Peterson
Edward A. Kemmler	Francis C. Sessions
James R. Kilbourne	Mary S. Stevens
John M. Lewis	Charles F. Weiler
Adeline H. Meckstroth	Women's Music Club
Edward C. Mills	

Agency Fund:
Payroll Liability

Columbus Metropolitan Library

Exhibit E-1

Combining Balance Sheet

Expendable Trust, Nonexpendable Trust and Agency Funds

December 31, 1999

(with comparative totals for 1998)

	Expendable Trust Fund	Nonexpendable Trust Fund	Agency Fund	Totals	
	Library Materials Expendable Trust Fund	Library Materials Collection Development Fund	Payroll Liability Fund	1999	1998
<u>Assets</u>					
Cash and investments	\$ 47,978	\$ 83,107	\$ 920,841	\$ 1,051,926	\$ 988,175
Receivables	540	239	-	779	782
Total assets	<u>\$ 48,518</u>	<u>\$ 83,346</u>	<u>\$ 920,841</u>	<u>\$ 1,052,705</u>	<u>\$ 988,957</u>
<u>Liabilities</u>					
Accounts payable	\$ 541	\$ 488	\$ -	\$ 1,029	\$ 953
Accrued liabilities	-	-	920,841	920,841	858,636
Total liabilities	<u>541</u>	<u>488</u>	<u>920,841</u>	<u>921,870</u>	<u>859,589</u>
<u>Fund equity</u>					
Fund balances:					
Reserved for encumbrances	1,217	1,663	-	2,880	3,219
Reserved for endowments	-	67,742	-	67,742	67,742
Unreserved:					
Undesignated	46,760	13,453	-	60,213	58,407
Total fund balances	<u>47,977</u>	<u>82,858</u>	<u>-</u>	<u>130,835</u>	<u>129,368</u>
Total fund equity	<u>47,977</u>	<u>82,858</u>	<u>-</u>	<u>130,835</u>	<u>129,368</u>
Total liabilities and fund equity	<u>\$ 48,518</u>	<u>\$ 83,346</u>	<u>\$ 920,841</u>	<u>\$ 1,052,705</u>	<u>\$ 988,957</u>

Note: No statement of revenues, expenditures and changes in fund balances - Expendable and Nonexpendable Trust funds and statement of cash flows - Nonexpendable Trust fund are presented since there are only one Expendable and Nonexpendable Trust Fund. Those statements are included in the general purpose financial statements.

Columbus Metropolitan Library

Exhibit E-2

Combining Statement of Changes in Assets and Liabilities - Agency Fund For the Fiscal Year Ended December 31, 1999

	Balance January 1, 1999	Additions	Deletions	Balance December 31, 1999
<u>Payroll Liability Fund</u>				
<u>Assets</u>				
Cash and investments	\$ 858,636	\$ 10,518,616	\$ 10,456,411	\$ 920,841
<u>Liabilities</u>				
Accrued liabilities	\$ 858,636	\$ 10,518,616	\$ 10,456,411	\$ 920,841

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Columbus Metropolitan Library

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is used to account for all general fixed assets of the Library, other than those fixed assets accounted for in the Proprietary Fund Type.

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Columbus Metropolitan Library

Exhibit F-1

Schedule of General Fixed Assets

By Source

December 31, 1999

(with comparative totals for 1998)

	<u>1999</u>	<u>1998</u>
General Fixed Assets:		
Land	\$ 6,672,588	\$ 6,661,360
Buildings	62,383,228	62,596,738
Improvements other than buildings	2,558,017	2,571,517
Machinery and equipment	14,614,669	14,561,443
Construction in progress	<u>1,679,431</u>	<u>150,732</u>
Total general fixed assets	<u>\$ 87,907,933</u>	<u>\$ 86,541,790</u>
Investment in general fixed assets from:		
General revenues	\$ 53,040,448	\$ 51,510,986
Grants	492,923	499,129
Proceeds from capital leases	33,902,078	33,902,078
Gifts and other revenues	<u>472,484</u>	<u>629,597</u>
Total investment in general fixed assets	<u>\$ 87,907,933</u>	<u>\$ 86,541,790</u>

Columbus Metropolitan Library

Exhibit F-2

Schedule of General Fixed Assets

By Function and Activity

December 31, 1999

<u>Function and Activity</u>	<u>Total</u>	<u>Land</u>
Public services:		
Main Library	\$ 42,196,503	\$ 1,549,706
Extension (branches and outreach)	<u>35,007,947</u>	<u>5,122,882</u>
Total public services	<u>77,204,450</u>	<u>6,672,588</u>
Administration and support:		
Administration	145,762	-
Finance	41,579	-
Human Resources	36,313	-
Information Systems	7,148,338	-
Communications	715,490	-
Property Management	822,593	-
Technical Services	<u>113,977</u>	<u>-</u>
Total administration and support	<u>9,024,052</u>	<u>-</u>
Construction in progress	<u>1,679,431</u>	<u>-</u>
Total general fixed assets	<u>\$ 87,907,933</u>	<u>\$ 6,672,588</u>

<u>Buildings</u>	<u>Improvements Other Than Buildings</u>	<u>Machinery and Equipment</u>	<u>Construction in Progress</u>
\$ 36,860,314	\$ 1,326,110	\$ 2,460,373	\$ -
<u>25,522,914</u>	<u>1,231,907</u>	<u>\$ 3,130,244</u>	<u>-</u>
<u>62,383,228</u>	<u>2,558,017</u>	<u>5,590,617</u>	<u>-</u>
-	-	145,762	-
-	-	41,579	-
-	-	36,313	-
-	-	7,148,338	-
-	-	715,490	-
-	-	822,593	-
<u>-</u>	<u>-</u>	<u>113,977</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>9,024,052</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,679,431</u>
<u>\$ 62,383,228</u>	<u>\$ 2,558,017</u>	<u>\$ 14,614,669</u>	<u>\$ 1,679,431</u>

Columbus Metropolitan Library

Exhibit F-3

Schedule of Changes in General Fixed Assets

By Function and Activity

Year Ended December 31, 1999

Function and Activity	General Fixed Assets January 1, 1999	Additions	Deletions	Transfers	General Fixed Assets December 31, 1999
Public services:					
Main library	\$ 42,388,560	\$ 82,198	\$ (274,255)	\$ -	\$ 42,196,503
Extension (branches and outreach)	34,876,967	197,749	(73,438)	6,669	35,007,947
Total public services	77,265,527	279,947	(347,693)	6,669	77,204,450
Administration and support:					
Administration	69,492	76,270	-	-	145,762
Finance	36,314	9,344	(4,079)	-	41,579
Human Resources	31,825	4,488	-	-	36,313
Information systems	7,539,359	440,529	(831,550)	-	7,148,338
Communications	685,852	103,955	(74,317)	-	715,490
Property management	649,962	202,747	(30,116)	-	822,593
Technical services	112,727	1,250	-	-	113,977
Total administration and support	9,125,531	838,583	(940,062)	-	9,024,052
Construction in progress	150,732	1,535,368	-	(6,669)	1,679,431
	<u>\$ 86,541,790</u>	<u>\$ 2,653,898</u>	<u>\$ (1,287,755)</u>	<u>\$ -</u>	<u>\$ 87,907,933</u>

Table 1

Columbus Metropolitan Library
General Government Expenditures by Function
Last Ten Fiscal Years

Fiscal Year	Public Service/ Administration and Support	Capital Outlay	Debt Service	Total
1990	\$ 20,100,790	\$ 23,135,231	\$ 4,173,186	\$ 47,409,207
1991	24,045,766	6,162,725	4,166,438	34,374,929
1992	25,319,151	3,325,156	7,143,932	35,788,239
1993	26,387,548	3,784,321	4,011,077	34,182,946
1994	28,221,150	5,387,418	3,913,769	37,522,337
1995	29,854,285	5,611,575	3,706,680	39,172,540
1996	32,149,237	3,357,442	3,604,413	39,111,092
1997	33,298,764	6,687,859	3,506,195	43,492,818
1998	36,251,082	2,672,423	3,403,744	42,327,249
1999	38,399,609	3,031,634	3,297,858	44,729,101

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Columbus Metropolitan Library
General Revenues and Other Financing Sources by Source
Last Ten Fiscal Years

Fiscal Year	Property Taxes	Inter- governmental	Fines and Fees	Charges for Services	Investment Earnings
1990	\$ 14,696,120	\$ 13,497,058	\$ 731,624	\$ 438,709	\$ 2,698,414
1991	14,925,539	13,885,154	929,660	751,399	1,534,657
1992	15,592,202	13,973,534	1,177,851	749,873	1,000,347
1993	15,890,763	14,794,846	1,452,009	1,240,917	743,564
1994	16,389,496	15,415,836	1,483,228	1,130,863	831,068
1995	16,685,996	16,679,864	1,574,104	1,430,327	1,103,415
1996	17,369,084	18,009,456	1,737,408	1,487,945	947,572
1997	17,386,512	19,937,688	1,836,243	1,490,319	1,055,711
1998	18,120,467	22,733,284	1,848,922	1,419,861	994,467
1999	18,596,196	24,477,146	1,874,421	1,473,797	1,129,029

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Table 2

<u>Contributions and Donations</u>	<u>Miscellaneous</u>	<u>Proceeds of Refunding Bonds</u>	<u>Sale of Property</u>	<u>Proceeds from Insurance Company</u>	<u>Total</u>
-	\$ 55,213	-	-	-	\$ 32,117,138
-	136,200	-	\$ 140,100	-	32,302,709
\$ 42,053	50,747	\$ 22,225,000	496,423	\$ 361,210	55,669,240
105,685	72,567	-	-	-	34,300,351
78,529	75,550	-	-	-	35,404,570
104,092	105,478	-	-	-	37,683,276
129,345	104,822	-	666,470	-	40,452,102
160,168	127,096	-	-	-	41,993,737
161,924	233,553	-	-	-	45,512,478
118,657	180,357	-	21,950	-	47,871,553

Columbus Metropolitan Library
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections
1990	\$ 14,502,471	\$ 14,066,597	97.0%	\$ 539,625
1991	14,885,012	14,483,276	97.3	583,633
1992	15,492,665	14,920,186	96.3	571,046
1993	15,791,558	15,189,531	96.2	599,141
1994	16,123,518	15,676,531	97.2	811,126
1995	16,538,713	16,100,779	97.4	627,378
1996	17,094,502	16,494,573	96.5	568,558
1997	17,117,709	16,687,134	97.5	580,894
1998	18,171,335	17,618,062	97.0	711,454
1999	18,612,892	18,116,382	97.3	652,402

Note: This table is prepared on a cash basis directly from information provided by the Franklin County Auditor.

Table 3

<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections To Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Delinquent Taxes To Tax Levy</u>
\$ 14,606,222	100.7%	\$ 1,117,722	7.7%
15,066,909	101.2	1,322,899	8.9
15,491,232	100.0	1,270,524	8.2
15,788,672	100.0	1,321,282	8.4
16,487,657	102.3	1,216,339	7.5
16,728,157	101.1	1,267,953	7.7
17,063,131	99.8	2,110,005	12.3
17,268,028	100.9	1,195,695	7.0
18,329,516	100.9	1,253,104	6.9
18,768,784	100.8	1,409,322	7.6

Columbus Metropolitan Library
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 (in thousands)

Tax Year	For	Real Property		Personal Property	
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1990	1991	\$ 6,292,006	\$ 17,977,160	\$ 1,353,044	\$ 4,510,147
1991	1992	7,125,800	20,359,429	1,358,101	4,683,107
1992	1993	7,327,466	20,935,617	1,400,282	5,001,007
1993	1994	7,508,041	21,451,546	1,382,552	5,120,563
1994	1995	8,341,840	23,833,829	1,388,777	5,341,450
1995	1996	8,513,470	24,324,200	1,449,585	5,798,340
1996	1997	8,817,064	25,191,611	1,559,442	6,237,768
1997	1998	9,535,298	27,243,709	1,637,427	6,549,708
1998	1999	9,881,847	28,233,849	1,690,361	6,761,444
1999	2000	10,415,332	29,758,091	1,760,418	7,041,672

Source: Franklin County Auditor

Table 4

Public Utilities		Total	
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
\$ 540,744	\$ 1,544,983	\$ 8,185,794	\$ 24,032,290
563,670	1,610,486	9,047,571	26,653,022
595,764	1,702,183	9,323,512	27,638,807
628,051	1,794,431	9,518,644	28,366,540
654,314	1,869,469	10,384,931	31,044,748
687,896	1,965,417	10,650,951	32,087,957
655,107	1,871,734	11,031,613	33,301,113
663,944	1,896,983	11,836,669	35,690,400
682,557	1,950,163	12,254,765	36,945,456
695,294	1,986,554	12,871,044	38,786,317

Table 5

Columbus Metropolitan Library
Property Tax Rates - All Direct and Overlapping Governments
Last Ten Fiscal Years
(Per \$1,000 of Assessed Value)

	1989 for 1990	1990 for 1991	1991 for 1992	1992 for 1993	1993 for 1994	1994 for 1995	1995 for 1996	1996 for 1997	1997 for 1998	1998 for 1999
COUNTY - Franklin County	10.27	9.99	11.87	14.32	14.02	14.02	14.27	14.57	14.67	16.99
SCHOOL DISTRICT:										
Canal Winchester	42.96	42.40	48.42	48.15	46.99	45.86	44.99	51.10	56.46	55.86
Columbus	44.19	43.85	52.80	53.28	53.10	53.01	52.98	58.11	58.04	57.95
Dublin	49.80	49.90	49.24	51.42	50.51	58.41	58.41	57.90	57.90	65.50
Gahanna-Jefferson	46.05	45.35	48.89	49.01	48.23	49.44	55.43	54.85	54.69	62.09
Groveport-Madison	44.10	43.77	54.51	48.58	48.58	48.26	48.14	48.05	56.85	56.33
Hamilton	39.14	39.13	39.39	39.19	47.57	47.40	47.32	47.26	47.20	47.13
Hilliard	47.17	45.46	47.08	51.58	50.37	52.15	60.65	60.28	59.96	59.71
Licking Heights	38.50	41.30	41.20	41.10	41.00	41.00	40.70	40.70	40.70	40.10
Reynoldsburg	46.34	46.29	50.36	52.18	51.57	51.34	51.13	50.45	55.30	55.12
Upper Arlington	61.83	68.15	68.15	68.15	74.66	74.65	78.12	77.82	77.86	84.03
Whitehall	47.00	54.12	53.15	61.20	52.72	52.72	65.72	65.62	65.61	65.61

(Continued)

Table 5 (Continued)

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
	for									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
JOINT VOCATIONAL SCHOOL DISTRICT:										
Central Ohio	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60
Eastland	2.65	2.64	1.24	1.24	1.23	1.20	1.20	1.20	1.20	2.00
Licking County	2.80	2.80	2.80	2.00	2.00	2.00	2.00	2.00	2.00	2.00
MUNICIPAL CORPORATIONS:										
Brice	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20
Canal Winchester	3.30	3.30	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Columbus	3.14	3.14	3.14	3.14	3.14	3.14	3.14	3.14	3.14	3.14
Dublin	3.00	3.00	2.99	2.99	2.98	2.98	2.98	2.98	2.97	2.97
Gahanna	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
Groveport	2.90	2.90	2.90	2.90	2.90	1.40	1.40	1.40	1.40	1.40
Hilliard	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60
Lockbourne	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
New Albany	1.20	1.20	1.20	1.20	1.20	1.95	1.95	1.95	1.71	1.70
Obetz	1.70	1.70	1.70	1.70	2.65	2.05	1.70	1.70	1.70	1.70
Reynoldsburg	3.00	2.96	2.94	2.94	2.93	2.91	2.90	0.79	0.78	0.77
Valleyview	18.59	28.34	35.34	27.34	27.34	27.34	24.53	24.53	24.53	24.53
Whitehall	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50

(Continued)

Table 5 (Continued)

Columbus Metropolitan Library
Property Tax Rates - All Direct and Overlapping Governments
Last Ten Fiscal Years
(Per \$1,000 of Assessed Value)

	1989 for 1990	1990 for 1991	1991 for 1992	1992 for 1993	1993 for 1994	1994 for 1995	1995 for 1996	1996 for 1997	1997 for 1998	1998 for 1999
TOWNSHIPS:										
Blendon	16.50	16.50	16.50	16.50	16.50	19.00	19.00	21.45	22.60	22.43
Brown	7.60	7.60	7.60	7.60	1.60	9.60	9.60	9.60	9.60	9.60
Clinton	22.64	22.64	22.64	22.64	22.64	25.64	25.64	25.64	25.64	25.64
Franklin	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05
Hamilton	9.80	11.80	11.80	11.80	11.80	11.80	12.30	14.55	14.55	14.55
Jefferson	9.20	9.20	9.20	20.20	9.20	9.20	9.20	9.20	9.85	10.82
Madison	18.80	18.80	18.80	21.80	21.80	21.80	21.80	21.80	21.80	21.80
Mifflin	18.80	18.80	18.80	20.80	20.80	20.80	20.80	22.80	20.80	20.80
Norwich	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	12.80	18.80
Perry	20.80	20.80	23.63	23.80	23.80	23.80	23.80	23.80	23.80	23.80
Plain	5.20	8.20	8.20	8.20	8.20	8.20	9.16	9.21	9.42	9.34
Prairie	11.80	11.80	11.80	11.80	14.00	14.00	14.00	14.00	14.20	14.20
Sharon	6.60	6.60	6.60	11.10	8.10	8.10	13.10	13.10	13.10	13.10
Truro	10.40	10.40	10.40	10.40	10.40	10.40	12.65	12.65	12.65	12.65
Washington	15.19	15.36	17.09	17.07	15.80	17.05	18.54	18.53	18.52	18.51
OTHER ENTITIES:										
Columbus Metropolitan Library	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20
Metropolitan Park District	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55

Source: Franklin County Auditor

Table 6

Columbus Metropolitan Library
Demographic Statistics
and Average Unemployment Rates
Last Ten Fiscal Years
(Franklin County)

Fiscal Year	Population (3)	Per Capita Income (1)	Median Age (1)	K-12 School Enrollment (2)
1990	970,000	\$ 20,003	30.8	169,458
1991	981,000	19,236	30.8	170,401
1992	1,000,100	20,417	31.4	181,523
1993	N/A	20,932	31.7	180,018
1994	1,013,100	21,875	32.0	180,479
1995	1,009,800	23,242	32.2	185,071
1996	1,016,700	24,197	32.4	185,795
1997	1,016,300	25,247	32.7	185,719
1998	1,017,400 (4)	N/A	N/A	191,141
1999	1,025,742 (8)	N/A	32.9 (8)	194,036

- Sources: (1) Woods & Poole Economics, Inc., Washington, D.C.
(2) Quality Education Data, Inc., School Guide
(3) Sales & Marketing Management, Survey of Buying Power
(4) Market Statistics
(8) CACI Marketing Systems

Average Unemployment Rates

Fiscal Year	Franklin County (5)	State of Ohio (5)	United States (6)
1990	3.9%	5.7%	5.5%
1991	4.2	6.4	6.7
1992	5.0	7.2	7.4
1993	4.4 (7)	6.1 (7)	6.8
1994	2.9 (7)	4.2 (7)	6.1
1995	3.6	5.3	5.6
1996	2.6	4.8	5.4
1997	2.4	4.3	4.9
1998	2.1	3.9	4.3 (5)
1999	2.1 (7)	3.8 (7)	3.7 (7)

- Source: (5) Ohio Bureau of Employment Services, Division of Research and Statistics
(6) U.S. Bureau Labor Statistics, Employment and Earnings
(7) LMI Ohio Labor Market Information, Ohio Bureau of Employment Services

Table 7

Columbus Metropolitan Library
Construction, Bank Deposits and Property Value
Last Ten Fiscal Years

Fiscal Year	Construction (1)	Bank Deposits (2)	Total Property Value (3)
1990	\$ 746,333,431	\$ 17,619,148,000	\$ 8,185,794,000
1991	616,262,025	18,567,111,000	9,047,571,000
1992	498,520,630	17,698,307,000	9,323,512,000
1993	540,425,036	18,074,035,000	9,518,644,000
1994	679,086,644	19,065,256,000	10,384,931,000
1995	749,610,571	21,808,752,000	10,650,951,000
1996	863,499,378	20,550,916,000	11,031,613,000
1997	1,423,716,982	40,755,867,000	11,836,669,000
1998	N/A	40,572,415,000	12,254,765,000
1999	N/A	39,568,044,000	12,871,044,000

Source: (1) City of Columbus, Ohio

(2) Total deposits of all banks headquartered in Franklin County (includes national and state chartered banks), State of Ohio, Department of Commerce, Banks Division.

(3) Franklin County Auditor

Note: This table includes information for all of Franklin County, even though the Library's service district does not comprise all of the land within Franklin County. Therefore a portion of the deposits and property values do not relate to the Library's service district. A breakdown of the above information by individual library service districts within Franklin County is not available.

Columbus Metropolitan Library
Principal Property Taxpayers
December 31, 1999

Name of Taxpayer	Real Property	Personal Property	Total Assessed Valuation	% of Total Assessed Valuation (1)
1. Columbus Southern Power	\$ -	\$ 299,703,060	\$ 299,703,060	2.07%
2. Ohio Bell Telephone Company	-	155,558,900	155,558,900	1.07
3. Columbia Gas of Ohio, Inc.	-	118,458,440	118,458,440	0.82
4. Nationwide Mutual Insurance Co.	99,252,620	-	99,252,620	0.68
5. Lucent Technologies Inc (AT&T)	10,242,750	60,137,440	70,380,190	0.49
6. Capitol South Community	65,535,530	-	65,535,530	0.45
7. Huntington Center Associates	48,685,000	-	48,685,000	0.34
8. Abbott Laboratories	7,081,160	38,179,310	45,260,470	0.31
9. Techneglas Inc.	2,810,760	41,040,390	43,851,150	0.30
10. Distribution Land Corp	42,892,790	-	42,892,790	0.30
TOTAL	\$ 276,500,610	\$ 713,077,540	\$ 989,578,150	6.82%

Source: Franklin County Auditor

(1) The total assessed valuation for 1999 equals \$14,501,941,092

**Columbus Metropolitan Library
Miscellaneous Statistics
December 31, 1999**

Date of Formation March 4, 1872

Population of County 1,025,742

<u>Year</u>	<u>Number of Employees</u>	<u>Number of Volumes Owned</u>
1990	594	1,774,748
1991	645	1,928,603
1992	664	2,045,063
1993	688	2,169,823
1994	717	2,212,476
1995	743	2,310,808
1996	770	2,669,243
1997	808	2,746,846
1998	853	2,860,804
1999	845	2,907,305

<u>Year</u>	<u>Number of Library Materials Circulated</u>	<u>Number of Registered Borrowers</u>
1990	6,721,896	321,474
1991	8,392,022	363,856
1992	9,642,350	390,034
1993	10,684,651	402,627
1994	10,918,703	390,970
1995	11,158,107	386,066
1996	11,862,449	399,187
1997	11,811,189	408,553
1998	11,171,752	409,234
1999	11,411,499	401,192

Source: Columbus Metropolitan Library

Source for County Population: CACI Marketing Systems

STATISTICAL

The statistical section provides pertinent financial, economic and demographic information indicating 10-year historical trends. The following tables have been excluded since they do not provide relevant information regarding the library's operations:

- Special Assessments Billings and Collections-Last Ten Years
- Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita-Last Ten Fiscal Years;
- Computation of Legal Debt Margin
- Computation of Overlapping Debt:
- Ratio of Annual Debt Service for General Bonded Debt to Total General Expenditures-Last Ten Fiscal Years; and
- Revenue Bond Coverage-Last Ten Fiscal Years.



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**Independent Auditors' Report on Compliance and Internal Control
Over Financial Reporting Based on an Audit of General Purpose Financial Statements
Performed in Accordance With *Government Auditing Standards***

The Board of Trustees
Columbus Metropolitan Library
Columbus, Ohio

and

The Honorable Jim Petro
Auditor of State

We have audited the general purpose financial statements of the Columbus Metropolitan Library (the Library) as of and for the year ended December 31, 1999, and have issued our report thereon dated April 28, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Library's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of general purpose financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Library's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.



This report is intended for the information of the Library's management and the Ohio Auditor of State and is not intended to be and should not be used by anyone other than those specified parties.

KPMG LLP

April 28, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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COLUMBUS METROPOLITAN LIBRARY

FRANKLIN COUNTY

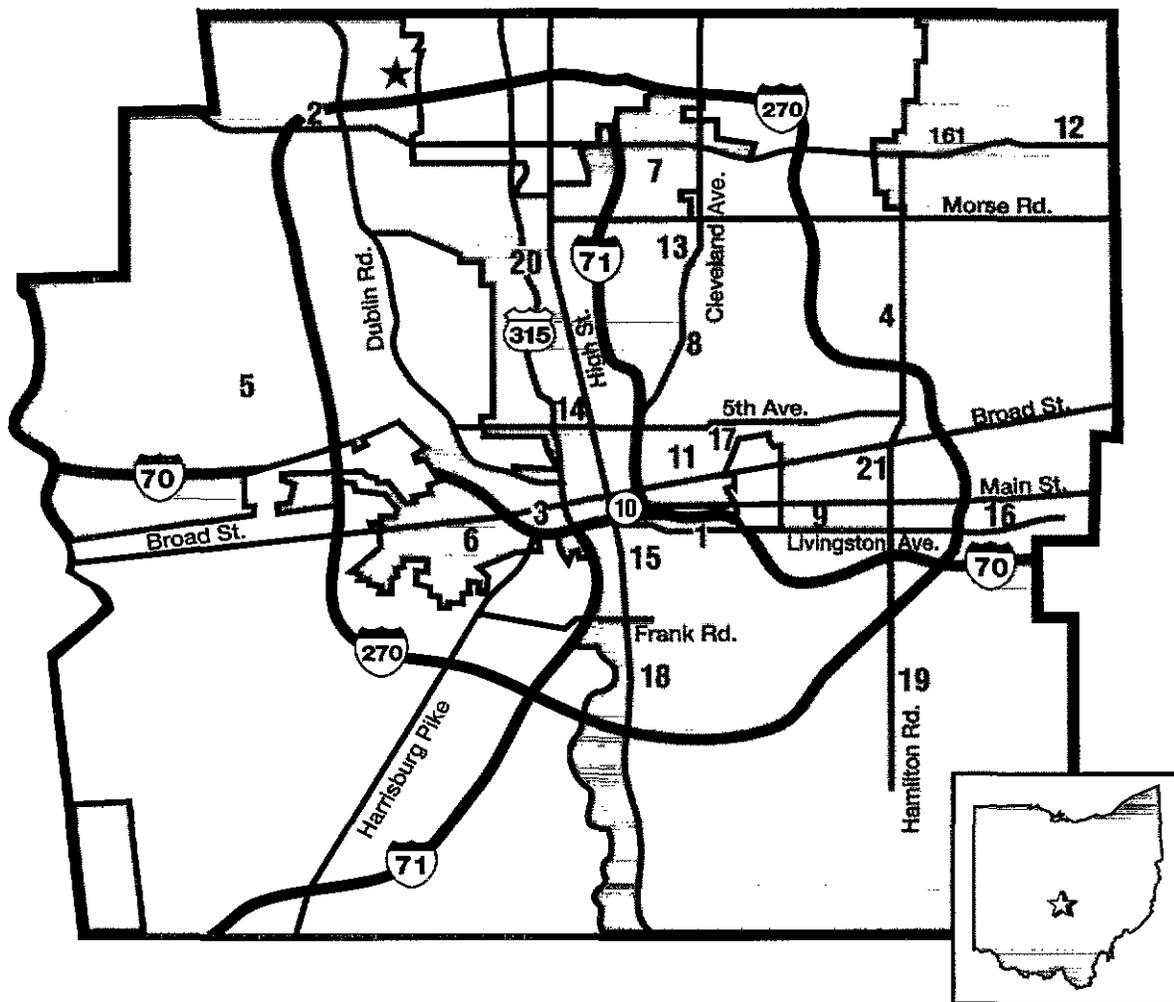
CLERK'S CERTIFICATION

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.

By: Susan Babbitt

Date: JULY 6, 2000

Columbus Metropolitan Library Service District and Locations



- | | |
|-----------------------|---------------------|
| 1 Driving Park | 13 Northern Lights |
| 2 Dublin | 14 Northside |
| 3 Franklinton | 15 Parsons |
| 4 Gahanna | 16 Reynoldsburg |
| 5 Hilliard | 17 Shepard |
| 6 Hilltop | 18 South High |
| 7 Karl Road | 19 Southeast |
| 8 Linden | 20 Whetstone |
| 9 Livingston | 21 Whitehall |
| 10 Main Library | ★ Northwest Library |
| 11 Martin Luther King | ** New Albany ** |

The Columbus Metropolitan Library consists of the downtown Main Library, 20 branches located throughout Columbus and Franklin County, and an Outreach Services Division. The system is responsible for serving 72.2% of the population of Franklin County, and 63.4% of the county's geographical area. The above Franklin County map indicates the land and location of the Columbus Metropolitan Library facilities

★ Site of the Northwest Library, a joint project of the Columbus Metropolitan Library and the Worthington Public Library.

** A joint operation of the Columbus Metropolitan Library and the New Albany/Plain Local Schools.

Map of Franklin County: shaded area indicates Columbus Metropolitan Library service district.