

CLAYMONT PUBLIC LIBRARY
ANNUAL REPORT
YEARS ENDED DECEMBER 31, 1999 AND 1998

WOLFE, WILSON & PHILLIPS, INC.
CERTIFIED PUBLIC ACCOUNTANTS

CLAYMONT PUBLIC LIBRARY
ANNUAL REPORT
YEARS ENDED DECEMBER 31, 1999 AND 1998

CLAYMONT PUBLIC LIBRARY
TUSCARAWAS COUNTY

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CLAYMONT PUBLIC LIBRARY
TUSCARAWAS COUNTY

APPOINTED OFFICIALS
AS OF DECEMBER 31, 1999

<u>NAME</u>	<u>TITLE</u>	<u>TERM OF OFFICE</u>
<u>Name</u>		
Richard Bloom	President	1/1/98-12/31/04
Susan Williard	Vice-President	1/1/99-12/31/05
Hallie Selzer	Secretary	1/1/96-12/31/02
Carol McClain	Trustee	1/1/97-12/31/03
Bruna Madoni	Trustee	1/1/93-12/31/99
Richard Lupi	Trustee	1/1/95-12/31/01

Statutory Legal Counsel

Jay Gossett, Law Director
408 Grant Street
Dennison, Ohio 44621

CLAYMONT PUBLIC LIBRARY
TUSCARAWAS COUNTY

ADMINISTRATIVE PERSONNEL
AS OF DECEMBER 31, 1999

<u>TITLE</u>	<u>TERM OF OFFICE OR CONTRACT PERIOD</u>	<u>SURETY</u>	<u>AMOUNT</u>	<u>PERIOD</u>
<u>CLERK-TREASURER</u>				
Glenn B. Burroway	1/1/99-12/31/99	(A)	\$20,000	(B)
<u>DIRECTOR</u>				
Karen E. Miller	6/2/98-6/2/00			

(A) Lincoln General Insurance Company

(B) Covers Term



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

35 North Fourth Street, 1st Floor
Columbus, Ohio 43215

Telephone 614-466-4514
800-282-0370

Facsimile 614-728-7398

Board of Trustees
Claymont Public Library
Uhrichsville, Ohio

We have reviewed the Independent Auditor's Report of the Claymont Public Library, Tuscarawas County, prepared by Wolfe, Wilson, & Phillips, Inc., for the audit period January 1, 1998 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 Claymont Public Library is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

February 16, 2000

WOLFE, WILSON, & PHILLIPS, INC.

CERTIFIED PUBLIC ACCOUNTANTS

37 S. SEVENTH STREET • ZANESVILLE, OHIO 43701

(740) 453-9600 • FAX - (740) 453-9763

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Claymont Public Library
Uhrichsville, Ohio

We have audited the accompanying financial statements of the Claymont Public Library as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Library prepares its financial statements on the cash basis, which is a comprehensive basis of accounting prescribed or permitted by the Auditor of State other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Claymont Public Library as of December 31, 1999 and 1998, and its combined cash receipts and disbursements for the years then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 18, 2000, on our consideration of the Claymont Public Library's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

This report is intended solely for the information and use of officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Wolfe, Wilson, & Phillips, Inc.

Zanesville, Ohio
January 18, 2000

Brad Wolfe, J.D., M.B.A., CPA
Joseph W. Wilson, M.B.A., CPA, CMA
Kenneth B. Phillips, CPA

**CLAYMONT PUBLIC LIBRARY
TUSCARAWAS COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES – ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>		<u>Totals</u>
	<u>General</u>	<u>Capital Projects</u>	<u>(Memorandum Only)</u>
REVENUES:			
Taxes	\$ 417,036	\$ -	\$ 417,036
Patron fines and fees	5,495	-	5,495
Earnings on investments	11,052	-	11,052
Unrestricted contributions	970	-	970
Miscellaneous revenue	<u>68</u>	<u>-</u>	<u>68</u>
TOTAL REVENUES	434,621	-	434,621
EXPENDITURES:			
Salaries and benefits	189,204	-	189,204
Supplies	7,153	-	7,153
Purchased services	29,417	-	29,417
Library materials	49,202	-	49,202
Capital outlay	16,915	1,630	18,545
Other	<u>6,162</u>	<u>-</u>	<u>6,162</u>
TOTAL EXPENDITURES	298,053	1,630	299,683
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	136,568	(1,630)	134,938
OTHER FINANCING SOURCES (USES)			
Sale of Surplus Property	206	-	206
Operating transfers-in	-	150,000	150,000
Operating transfers-out	<u>(150,000)</u>	<u>-</u>	<u>(150,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	(149,791)	150,000	206
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND other USES	(13,226)	148,370	135,144
FUND BALANCE – January 1, 1999	<u>376,090</u>	<u>22,398</u>	<u>398,488</u>
FUND BALANCE – December 31, 1999	<u>\$ 362,864</u>	<u>\$ 170,768</u>	<u>\$ 533,632</u>

See notes to financial statements.

**CLAYMONT PUBLIC LIBRARY
TUSCARAWAS COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES – ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>Governmental Fund Types</u>		<u>Totals</u>
	<u>General</u>	<u>Capital Projects</u>	<u>(Memorandum Only)</u>
REVENUES:			
Taxes	\$ 378,730	\$ -	\$ 378,730
Patron fines and fees	5,468	-	5,468
Earnings on investments	13,117	-	13,117
Unrestricted contributions	1,108	-	1,108
Miscellaneous revenue	<u>1,263</u>	<u>-</u>	<u>1,263</u>
TOTAL REVENUES	399,686	-	399,686
EXPENDITURES:			
Salaries and benefits	172,578	-	172,578
Supplies	6,190	-	6,190
Purchased services	34,207	-	34,207
Library materials	34,705	-	34,705
Capital outlay	46,506	170,080	216,586
Other	<u>3,918</u>	<u>-</u>	<u>3,918</u>
TOTAL EXPENDITURES	298,104	170,080	468,184
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	101,582	(170,080)	(68,498)
OTHER FINANCING SOURCES (USES)			
Sale of Surplus Property	390	-	390
Operating transfers-in	-	-	-
Operating transfers-out	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	390	-	390
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	101,972	(170,080)	(68,108)
FUND BALANCE – January 1, 1998	<u>274,118</u>	<u>192,478</u>	<u>466,596</u>
FUND BALANCE – December 31, 1998	<u>\$ 376,090</u>	<u>\$ 22,398</u>	<u>\$ 398,488</u>

See notes to financial statements.

**CLAYMONT PUBLIC LIBRARY
TUSCARAWAS COUNTY
NOTES TO FINANCIAL STATEMENTS**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The Claymont Public Library was created by a merger of the Uhrichsville Library and Dennison Library in 1965. These two libraries were free public libraries created by adoption of a resolution by the local school boards. In any school district in which a free public library has been established by resolution adopted by the board of education of such school district, prior to September 4, 1947 such library shall be under control and management of a board of library trustees consisting of seven members. Such trustees shall serve for a term of seven years and without compensation. The board of education shall make appointments to the board of library trustees not later than 45 days after the date a member's term expires or after the date a vacancy occurs whichever is applicable. If an appointment is not made at that time, the appointment shall be made within the next 14 days by the probate court of the county in which the library is situated. The Claymont Public Library provides the public with reading materials and other free public library services.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and cash disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report expenditures when a commitment is made (i.e., when an encumbrance is approved.) These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Certificates of deposit are valued at cost.

D. Fund Accounting

The Library uses fund accounting to segregate cash that is restricted as to use. The Library classifies its funds into the following type:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

**CLAYMONT PUBLIC LIBRARY
TUSCARAWAS COUNTY
NOTES TO FINANCIAL STATEMENTS**

D. Fund Accounting (continued)

Capital Projects Fund

These funds are used to account for receipts that are restricted for the acquisitions or construction of major capital projects (except those financed through enterprise or trust funds).

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Library must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year-end.

Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

Encumbrances

The Ohio Revised Code requires the Library to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year-end are carried over, and need not be reappropriated.

A summary of 1999 and 1998 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

G. Unpaid Vacation and Sick Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused vacation and sick leave. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Library.

**CLAYMONT PUBLIC LIBRARY
TUSCARAWAS COUNTY
NOTES TO FINANCIAL STATEMENTS**

2. Equity in Pooled Cash and Investments

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

	<u>1999</u>	<u>1998</u>
Demand Deposits	\$ 383,632	\$ 248,488
Certificates of deposit	<u>150,000</u>	<u>150,000</u>
Total Deposits	<u>\$ 533,632</u>	<u>\$ 398,488</u>

3. Budgetary Activity

Budgetary activity for the years ended December 31, 1999 and 1998 was as follows:

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 407,451	\$ 434,827	\$ 27,376
Capital Projects	\$ 50,000	\$ 150,000	\$ 100,000

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 783,540	\$ 448,053	\$ 335,487
Capital Projects	\$ 72,397	\$ 1,630	\$ 70,767

1998 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 341,302	\$ 400,076	\$ 58,774
Capital Projects	-	-	-

**CLAYMONT PUBLIC LIBRARY
TUSCARAWAS COUNTY
NOTES TO FINANCIAL STATEMENTS**

1998 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 615,420	\$ 298,104	\$ 317,316
Capital Projects	\$ 192,478	\$170,080	\$ 22,398

4. Retirement Systems

The Library's full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. PERS members contributed 8.5% of their gross salaries. The Claymont Public Library contributed an amount equal to 13.55% of participants' gross salaries. All required contributions have been paid through December 31, 1999.

5. Risk Management

The Library has obtained commercial insurance for the following risks: comprehensive property and general liability, general liability, public officials' liability, and employers liability.

The Library also provides health insurance to full-time employees.

6. Year 2000 Issue

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the government's operations.

As of January 18, 2000, the Library has inventoried its mission critical computer systems and other electronic equipment that may be affected by the Year 2000 Issue and that are necessary to conducting Library operations. Based on this inventory, the Library determined that no further remediation or system testing was required.

To the best of management's knowledge and belief, as of January 18, 2000, the government experienced no significant interruption of mission-critical operations or services related to the Year 2000 Issue. However, because of the unprecedented nature of the Year 2000 Issue, matters may yet arise, and parties with whom the Library does business may also experience issues that are as yet, unknown.

WOLFE, WILSON, & PHILLIPS, INC.

CERTIFIED PUBLIC ACCOUNTANTS

37 S. SEVENTH STREET • ZANESVILLE, OHIO 43701

(740) 453-9600 • FAX - (740) 453-9763

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

Board of Trustees
Claymont Public Library
Uhrichsville, Ohio

We have audited the financial statements of the Claymont Public Library as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated January 18, 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 Claymont Public Library's combined financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Claymont Public Library in a separate letter dated January 18, 2000.

Internal Control Over Financial Reporting

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

This report is intended for the information of the Board of Trustees and the Auditor of State and is not intended to be and should not be used by anyone other than these specified parties.

Wolfe, Wilson & Phillips, Inc.

Zanesville, Ohio
January 18, 2000

Brad Wolfe, J.D., M.B.A., CPA
Joseph W. Wilson, M.B.A., CPA, CMA
Kenneth B. Phillips, CPA



**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

CLAYMONT PUBLIC LIBRARY

TUSCARAWAS COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

By: *Susan Babbitt*

Date: MARCH 9, 2000