



**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999 - 1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Dorcas Carey Public Library
Wyandot County
236 East Findlay Street
Carey, Ohio 43316

To the Board of Trustees:

We have audited the accompanying financial statements of Dorcas Carey Public Library, Wyandot County, Ohio, (the Library) as of and for the years ended December 31, 1999 and December 31, 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 basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Library as of December 31, 1999 and December 31, 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 our report dated May 17, 2000, on our consideration of the Library's internal control 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 management, the Board of Trustees and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

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

JIM PETRO
Auditor of State

May 17, 2000

**DORCAS CAREY PUBLIC LIBRARY
WYANDOT 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>		Totals (Memorandum Only)
	<u>General</u>	<u>Capital Projects</u>	
Cash Receipts:			
State Income Tax	\$352,056	\$0	\$352,056
Patron Fines and Fees	11,347	0	11,347
Earnings on Investments	3,381	0	3,381
Contribution, Gifts and Donations	6,218	0	6,218
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	373,002	0	373,002
Cash Disbursements:			
Current:			
Salaries and Benefits	194,528	0	194,528
Supplies	8,535	0	8,535
Purchased and Contract Services	21,623	0	21,623
Library Materials	32,939	0	32,939
Dues and Memberships	3,927	0	3,927
Capital Outlay	11,650	34,955	46,605
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	273,202	34,955	308,157
Total Cash Receipts Over/(Under) Cash Disbursements	<hr/>	<hr/>	<hr/>
	99,800	(34,955)	64,845
Other Financing Receipts/(Disbursements):			
Transfers-In	0	80,000	80,000
Transfers-Out	(80,000)	0	(80,000)
	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts/(Disbursements)	(80,000)	80,000	0
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	19,800	45,045	64,845
Fund Cash Balances, January 1, 1999	<hr/>	<hr/>	<hr/>
	47,707	41,862	89,569
Fund Cash Balances, December 31, 1999	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$67,507	\$86,907	\$154,414

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

**DORCAS CAREY PUBLIC LIBRARY
WYANDOT 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 (Memorandum Only)</u>
	<u>General</u>	<u>Capital Projects</u>	
Cash Receipts:			
State Income Tax	\$334,616	\$0	\$334,616
Patron Fines and Fees	11,988	0	11,988
Earnings on Investments	1,816	0	1,816
Contributions, Gifts and Donations	8,036	0	8,036
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	356,456	0	356,456
Cash Disbursements:			
Current:			
Salaries and Benefits	162,612	0	162,612
Supplies	8,340	0	8,340
Purchased and Contract Services	21,990	0	21,990
Library Materials	47,919	0	47,919
Dues and Memberships	3,061	0	3,061
Capital Outlay	80,429	0	80,429
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	324,351	0	324,351
	<hr/>	<hr/>	<hr/>
Total Cash Receipts Over Cash Disbursements	32,105	0	32,105
Other Financing Receipts/(Disbursements):			
Transfers-In	0	35,000	35,000
Transfers-Out	(35,000)	0	(35,000)
	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts/(Disbursements)	(35,000)	35,000	0
	<hr/>	<hr/>	<hr/>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(2,895)	35,000	32,105
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, January 1, 1998	50,602	6,862	57,464
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Fund Cash Balances, December 31, 1998	<u>\$47,707</u>	<u>\$41,862</u>	<u>\$89,569</u>

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

**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Dorcas Carey Public Library, Wyandot County, Ohio, (the Library) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Library is directed by a seven-member Board of Trustees appointed by the Carey Exempted Village School District Board of Education. The Library provides the community with various educational and literary resources.

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

B. 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 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 budgetary 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

The Library has an interest bearing checking account and a money market savings account.

D. Fund Accounting

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

1. General Fund

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

2. Capital Project Fund

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects.

**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

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

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, and object level of control. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1.

3. Encumbrances

The Ohio Administrative Code requires the Library to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

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 capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. Unpaid Vacation and Sick Leave

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

2. EQUITY IN POOLED CASH

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

	<u>1999</u>	<u>1998</u>
Deposits	\$154,394	\$89,549
Cash on hand	<u>20</u>	<u>20</u>
Total deposits and cash on hand	<u><u>\$154,414</u></u>	<u><u>\$89,569</u></u>

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 1999 and December 31, 1998 follows:

1999 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$353,200	\$373,002	\$19,802
Capital Projects	0	80,000	80,000
Total	<u>\$353,200</u>	<u>\$453,002</u>	<u>\$99,802</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$380,706	\$353,202	\$27,504
Capital Projects	41,862	34,955	6,907
Total	<u>\$422,568</u>	<u>\$388,157</u>	<u>\$34,411</u>

1998 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$344,616	\$356,456	\$11,840
Capital Projects	0	35,000	35,000
Total	<u>\$344,616</u>	<u>\$391,456</u>	<u>\$46,840</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$344,602	\$359,351	(\$14,749)
Capital Projects	6,862	0	6,862
Total	<u>\$351,464</u>	<u>\$359,351</u>	<u>\$7,887</u>

**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

4. TAX RECEIPTS

The primary source of revenue for Ohio public libraries is the State Library and Local Government Support Fund (LLGSF). The LLGSF is allocated to each county based on the county's prior intangibles tax of LLGSF revenues, and its population. The County Budget Commission allocates these funds to the Library based on its needs such as for the construction of new library buildings, improvements, operation, maintenance, or other expenses. The Budget Commission cannot reduce its allocation of these funds to the Library on account of any additional revenues realized by the Library.

5. RETIREMENT SYSTEM

The Public Employees Retirement System of Ohio (PERS) is a state operated, cost-sharing, multiple employer public employee retirement system. PERS provides retirement benefits to vested employees who are eligible to retire based upon years of service. PERS also provides survivor and disability benefits to vested employees.

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

6. RISK MANAGEMENT

The Library has obtained commercial insurance through Burson-Bakies Insurance Agency, Inc. of Carey, Ohio for the following risks:

- Comprehensive property and general liability
- Errors and omissions



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Dorcas Carey Public Library
Wyandot County
236 East Findlay Street
Carey, Ohio 43316

To the Board of Trustees:

We have audited the accompanying financial statements of the Dorcas Carey Public Library, Wyandot County, Ohio (the Library), as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated May 17, 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 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 Library in a separate letter dated May 17, 2000.

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 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. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Library in a separate letter dated May 17, 2000.

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large, looping initial "J" and a horizontal line extending to the right.

JIM PETRO
Auditor of State

May 17, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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DORCAS CAREY PUBLIC LIBRARY

WYANDOT COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 6, 2000**