

Clermont County Law Library Association

Clermont County

Regular Audit

January 1 , 1999 - December 31, 2000

Fiscal Years Audited Under GAGAS: 1999 - 2000

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STATE OF OHIO
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JIM PETRO, AUDITOR OF STATE

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Board of Trustees
Clemont County Law Library Association
Batavia, Ohio

We have reviewed the Independent Auditor's Report of the Clemont County Law Library Association, Clermont County, prepared by Balestra & Company, for the audit period January 1, 1999 to December 31, 2000. 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 Clemont County Law Library Association is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

May 17, 2001

**CLERMONT COUNTY LAW LIBRARY ASSOCIATION
CLERMONT COUNTY
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999**

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REPORT OF INDEPENDENT ACCOUNTANTS

Board of Trustees
Clermont County Law Library Association
270 Main Street
Batavia, Ohio 45103

We have audited the accompanying financial statements of the Clermont County Law Library Association (Law Library), Clermont County, Ohio, as of and for the years ended December 31, 2000 and 1999. These financial statements are the responsibility of Clermont County Law Library's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits 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 audits 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 audits provides a reasonable basis for our opinion.

As discussed in Note 1, the Law 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 fund cash balances of the Clermont County Law Library Association, Clermont County, Ohio, as of December 31, 2000 and 1999, and its 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 March 27, 2001, on our consideration of the Law Library's internal control structure over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Balestra & Company
Balestra & Company

March 27, 2001

**CLERMONT COUNTY LAW LIBRARY ASSOCIATION
CLERMONT COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND CASH BALANCES - GENERAL FUND -
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999**

	<u>2000</u>	<u>1999</u>
Cash Receipts		
Clermont County Receipts:		
Clermont County Auditor	\$ 629,239	\$ 617,713
Other Receipts:		
Interest	4,488	3,312
Miscellaneous	4,317	10,743
	<u>638,044</u>	<u>631,768</u>
Total Receipts		
Expenditures		
Wages	65,102	66,809
Retirement and Benefits	1,559	70,877
Book Purchases	389,020	419,513
Equipment	76,118	48,900
Supplies	6,130	4,283
Insurance	1,920	1,920
Utilities	4,299	3,462
Miscellaneous	12,604	15,820
Excess Funds Refunded to Subdivisions:		
Clermont County	0	60,280
	<u>556,752</u>	<u>691,864</u>
Total Expenditures		
Net Change in Fund Balance	<u>81,292</u>	<u>(60,096)</u>
Beginning Balance, January 1,	<u>184</u>	<u>60,280</u>
Ending Balance, December 31,	<u><u>\$ 81,476</u></u>	<u><u>\$ 184</u></u>

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

**CLERMONT COUNTY LAW LIBRARY ASSOCIATION
CLERMONT COUNTY
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999**

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Description of the Entity

The Clermont County Law Library Association (the Law Library), Clermont County, Ohio is a body established for the purpose of exercising the rights and privileges conveyed to it by the Constitution and laws of the State of Ohio. The Law Library is directed by a five member Board of Trustees. The Trustees are members of the Clermont County Bar Association and are appointed by the presiding judge of the Court of Common Pleas of Clermont County. They serve unlimited terms. The Law Library is formed for the purpose of providing a legal research and resource base to members. The Law Library controls only public funds that are received from the various courts of Clermont County, and from fees charged for the use of the Library's computer system for legal research and from making copies. These public funds are restricted to purchases of law books, computer communication, salaries, and equipment.

The Law Librarian and assistants serve at the pleasure of the Board of Trustees. The Law Librarian's and two of her assistant's compensation is fixed by the Judge of Common Pleas Court and is paid out of the Clermont County General Fund. The Board of Trustees serve without compensation.

Management believes the financial statements included in this report represent all of the funds of the Law Library over which the Board of Trustees 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.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Deposits

The Law Library maintains an interest bearing checking account for all of its deposits.

D. Fund Accounting

The Law Library uses fund accounting to account for the revenues and expenditures of public funds. The Law Library uses one fund to account for the related revenues and expenditures:

General Fund

The General Fund is the general operating fund of the Law Library. It is used to account for all financial resources except those required by law or contract to be restricted. The Law Library has no financial resources required by law or contract to be restricted.

**CLERMONT COUNTY LAW LIBRARY ASSOCIATION
CLERMONT COUNTY
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999**

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

E. Budgetary Process

The Law Library is not subject to Ohio budgetary law and is not a taxing subdivision.

F. Property, Plant and Equipment

Acquisitions of property, plant, and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements, and depreciation is not recorded for these assets.

2. Cash and Deposits

The Ohio Revised Code prescribes allowable deposits. Deposits are either insured by the Federal Depository Insurance Corporation, or collateralized by the financial institution's public entity deposit pool. The carrying amount of the Law Library's cash and deposits as of December 31, 2000 and 1999 were as follows:

	<u>2000</u>	<u>1999</u>
Total Demand Deposits	\$ <u>81,476</u>	\$ <u>184</u>

3. Retirement Systems

Employees of the Law Library were covered by the Public Employees Retirement System (PERS) of Ohio. The State of Ohio accounts for the activities of the retirement system and the amount of that fund is not reflected in the accompanying financial statements. The employees of the law library began contributing to PERS in June, 1996. Prior to June, 1996, the employees paid into the Social Security System. The employees contribute 8.5% of their gross salaries and Law Library contributed an amount equal to 10.84% of their gross wages. The Law Librarian and two of her assistants are County employees and thus contributed 8.5% of their gross wages. Clermont County contributes an amount equal to 10.84% of their gross wages.

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REPORT ON COMPLIANCE AND INTERNAL CONTROL REQUIRED BY
GOVERNMENT AUDITING STANDARDS

Board of Trustees
Clermont County Law Library Association
270 Main Street
Batavia, Ohio 45103

We have audited the financial statements of the Clermont County Law Library, Clermont County, Ohio (the Law Library), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated March 27, 2001. We conducted our audits 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 Law 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*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Law 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.

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

Balestra & Company
Balestra & Company

March 27, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

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CLERMONT COUNTY LAW LIBRARY ASSOCIATION

CLERMONT 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
MAY 24, 2001**