

**COLUMBIANA PUBLIC LIBRARY**

**COLUMBIANA COUNTY**

**AUDIT PERIOD: JANUARY 1, 1998 THROUGH DECEMBER 31, 1999**



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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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  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

Columbiana Public Library  
Columbiana County  
332 North Middle Street  
Columbiana, Ohio 44408

We have reviewed the independent auditor's report of the Columbiana Public Library, Columbiana County, prepared by Rhonda Lee Adams, CPA, 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 Columbiana Public Library is responsible for compliance with these laws and regulations.

JIM PETRO  
Auditor of State

February 5, 2001

**COLUMBIANA PUBLIC LIBRARY  
1998 - 1999**

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Rhonda Lee Adams, CPA  
480 North Market Street  
East Palestine, Ohio 44413  
330-426-1708

## REPORT OF INDEPENDENT ACCOUNTANTS

Columbiana Public Library  
Rhonda Wilhelm, Clerk  
Columbiana County  
332 North Middle Street  
Columbiana, Ohio 44408

To the Clerk and the Board of Trustees:

I have audited the accompanying financial statements of the Columbiana Public Library, Columbiana 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. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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 I 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. I believe that my audit provides a reasonable basis for my 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 my opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances 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*, I have also issued my report dated December 31, 2000 on my consideration of the Library's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, and contracts.

This report is intended solely for the information and use of the management, 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.

**Rhonda Lee Adams, CPA**

December 31, 2000

**CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL AND NON-EXPENDABLE TRUST FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Governmental Fund Types			Fiduciary Fund Type	Totals
	General	Special Revenue	Capital Projects	Non-Expendable Trust	(Memorandum Only)
<b>Cash Receipts:</b>					
Other Government Grants-In-Aid	\$485,551	\$0	\$0	\$0	\$485,551
Patron Fines and Fees	24,945	0	0	0	24,945
Earnings on Investments	21,875	0	2,317	159	24,354
Services Provided to Other Entities	549	0	0	0	549
Contributions, Gifts and Donations	4,737	0	65,743	0	70,480
Miscellaneous Receipts	<u>4,056</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,056</u>
<b>Total Cash Receipts</b>	<b>541,716</b>	<b>0</b>	<b>68,060</b>	<b>159</b>	<b>609,935</b>
<b>Cash Disbursements:</b>					
<b>Current:</b>					
Salaries and Benefits	200,410	0	0	0	200,410
Supplies	9,976	0	0	0	9,976
Purchased and Contracted Services	51,966	0	0	0	51,966
Library Materials and Information	88,805	0	0	0	88,805
Other Objects	1,414	0	0	0	1,414
Capital Outlay	<u>7,586</u>	<u>0</u>	<u>14,195</u>	<u>0</u>	<u>21,781</u>
<b>Total Cash Disbursements</b>	<b><u>360,157</u></b>	<b><u>0</u></b>	<b><u>14,195</u></b>	<b><u>0</u></b>	<b><u>374,352</u></b>
<b>Total Cash Receipts Over/(Under)</b>	<b>181,559</b>	<b>0</b>	<b>53,865</b>	<b>159</b>	<b>235,583</b>
<b>Cash Disbursements</b>					
<b>Other Financing Receipts/(Disbursements):</b>					
Transfers-In	79,852	0	300,000	0	379,852
Transfers-Out	(300,000)	(79,852)	0	0	(379,852)
Other receipts ( disbursements)	<u>277</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>277</u>
<b>Total Other Financing Receipts/(Disbursements)</b>	<b>(219,871)</b>	<b>(79,852)</b>	<b>300,000</b>	<b>0</b>	<b>277</b>

**CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL AND NON-EXPENDABLE TRUST FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Governmental Fund Types			Fiduciary Fund Type	Totals
	General	Special Revenue	Capital Projects	Non-Expendable Trust	(Memorandum Only)
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	<u>(38,312)</u>	<u>(79,852)</u>	<u>353,865</u>	<u>159</u>	<u>235,860</u>
<b>Fund Cash Balances, January 1</b>	<u>308,347</u>	<u>79,852</u>	<u>133,466</u>	<u>62,083</u>	<u>583,748</u>
<b>Fund Cash Balances, December 31</b>	<u>\$270,035</u>	<u>\$0</u>	<u>\$487,331</u>	<u>\$62,242</u>	<u>\$819,608</u>
<b>Reserve for Encumbrances, December 31</b>	\$15,028	\$0	\$0	\$0	\$15,028

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

**CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL AND NON-EXPENDABLE TRUST FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 1998**

	Governmental Fund Types			Fiduciary Fund Type	Totals
	General	Special Revenue	Capital Projects	Non-Expendable Trust	(Memorandum Only)
<b>Cash Receipts:</b>					
Other Government Grants-In-Aid	\$439,999	\$0	\$0	\$0	\$439,999
Patron Fines and Fees	21,000	0	0	0	21,000
Earnings on Investments	36,925	0	0	83	37,008
Services Provided to Other Entities	646	0	0	0	646
Contributions, Gifts and Donations	74,240	900	0	0	75,140
Miscellaneous Receipts	<u>7,155</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,155</u>
 Total Cash Receipts	 579,965	 900	 0	 83	 580,948
<b>Cash Disbursements:</b>					
Current:					
Salaries and Benefits	185,826	0	0	0	185,826
Supplies	10,666	0	0	0	10,666
Purchased and Contracted Services	33,523	0	0	0	33,523
Library Materials and Information	89,557	0	0	0	89,557
Other Objects	119	0	0	0	119
Capital Outlay	<u>3,788</u>	<u>2,102</u>	<u>60,895</u>	<u>0</u>	<u>66,785</u>
 Total Cash Disbursements	 <u>323,479</u>	 <u>2,102</u>	 <u>60,895</u>	 <u>0</u>	 <u>386,476</u>
 Total Cash Receipts Over/(Under) Cash Disbursements	 256,486	 (1,202)	 (60,895)	 83	 194,472
<b>Other Financing Receipts/(Disbursements):</b>					
Transfers-In	0	0	102,775	0	102,775
Transfers-Out	(102,775)	0	0	0	(102,775)
Other receipts ( disbursements)	<u>975</u>	<u>(392)</u>	<u>0</u>	<u>(833)</u>	<u>(250)</u>
 Total Other Financing Receipts/(Disbursements)	 (101,800)	 (392)	 102,775	 (833)	 (250)

**CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL AND NON-EXPENDABLE TRUST FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 1998**

	Governmental Fund Types			Fiduciary Fund Type	Totals
	General	Special Revenue	Capital Projects	Non-Expendable Trust	(Memorandum Only)
Excess of Cash Receipts and Other Financing Receipts					
Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>154,686</u>	<u>(1,594)</u>	<u>41,880</u>	<u>(750)</u>	<u>194,222</u>
<b>Fund Cash Balances, January 1</b>	153,661	81,446	91,585	78,804	405,496
<b>Fund Cash Balances, January 1 (restated) Note #7</b>	<u>153,661</u>	<u>81,446</u>	<u>91,586</u>	<u>62,833</u>	<u>389,526</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$308,347</u></b>	<b><u>\$79,852</u></b>	<b><u>\$133,466</u></b>	<b><u>\$62,083</u></b>	<b><u>\$583,748</u></b>
<b>Reserve for Encumbrances, December 31</b>	<b>\$5,351</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,351</b>

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Columbiana Public Library, Columbiana County, (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 7-member Board of Trustees appointed by the Columbiana Exempted Village School District. 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**

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Except gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Certificates of deposit are valued at cost. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer. Repurchase agreements are recorded at share values reported by bank.

**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. Special Revenue Funds**

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Library transferred the balance out of the Special Revenue Fund to the General Fund on February 10, 1999 according to Ohio Revised Code Section 5705.14 since its purpose no longer existed.

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

**3. Capital Project Funds**

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Library had the following significant capital project fund

Building Project Fund - This fund receives donations and general fund transfers to fund major projects undertaken by the Library.

**4. Fiduciary Fund (Trust Funds)**

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Library to maintain the corpus of the trust, the fund is classified as a nonexpendable trust fund. The Library had the following significant fiduciary funds:

Volgel Trust Fund - this fund received a donation from the Volgel Trust. The interest is expended for library operations.

Burt Trust Fund - this fund received a donation from the Burt Trust. The interest is expended for library operations.

**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. Unencumbered appropriations lapse at year end.

**2. Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered 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 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 capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

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

**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 AND INVESTMENTS**

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

	<u>1999</u>	<u>1998</u>
Demand deposits	\$23,223	\$406,835
Certificates of deposit	512,000	68,554
Total deposits	<u>535,223</u>	<u>475,389</u>
Repurchase Agreements	171,000	0
STAR Ohio	113,385	108,359
Total investments	<u>284,385</u>	<u>108,359</u>
Total deposits and investments	<u>\$819,608</u>	<u>\$583,748</u>

**Deposits:** Deposits are either (1) insured by the Federal Depository Insurance Corporation, (2) collateralized by securities specifically pledged by the financial institution to the Library, or (3) collateralized by the financial institution's public entity deposit pool.

**Investments:** U.S. Treasury Notes are held in book-entry form by the Federal Reserve, in the name of the Library's financial institution. The financial institution maintains records identifying the Library as owner of these securities. Investments in STAR Ohio and repurchase agreements are not evidenced by securities that exist in physical or book-entry form.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31 follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$604,877	\$621,845	\$16,968
Special Revenue	0	0	0
Capital Projects	67,796	368,060	300,264
Fiduciary - Trust Fund	159	159	0
Total	<u>\$672,832</u>	<u>\$990,064</u>	<u>\$317,232</u>

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

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$769,751	\$675,185	\$94,566
Special Revenue	79,852	79,852	0
Capital Projects	20,000	14,195	5,805
Fiduciary - Trust Fund	0	0	0
Total	<u>\$869,603</u>	<u>\$769,232</u>	<u>\$100,371</u>

1998 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$614,156	\$580,940	(\$33,216)
Special Revenue	2,000	900	(1,100)
Capital Projects	104,775	102,775	(2,000)
Fiduciary - Trust Fund	2,000	83	(1,917)
Total	<u>\$722,931</u>	<u>\$684,698</u>	<u>(\$38,233)</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$674,864	\$431,605	\$243,259
Special Revenue	3,210	2,494	716
Capital Projects	80,000	60,895	19,105
Fiduciary - Trust Fund	833	833	0
Total	<u>\$758,907</u>	<u>\$495,827</u>	<u>\$263,080</u>

**4. GRANTS-IN-AID**

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.

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

**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 also 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 for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions

The Library also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

**7. PRIOR PERIOD CORRECTION**

Donated stock was added to the ending fund balance of the Non-Expendable Trust funds in 1997. This stock was sold in 1998 and reported as proceeds in the General Fund. We adjusted the beginning balance of 1998 in the Non-Expendable Trust fund by \$15,971 to properly reflect the beginning balance.

Rhonda Lee Adams, CPA  
480 North Market Street  
East Palestine, Ohio 44413  
330-426-1708

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

Columbiana Public Library  
Rhonda Wilhelm, Clerk  
Columbiana County  
332 North Middle Street  
Columbiana, Ohio 44408

To the Clerk and the Board of Trustees:

I have audited the accompanying financial statements of the Columbiana Public Library, Columbiana County, Ohio (the Library), as of and for the years ended December 31, 1999 and December 31, 1998, and have issued my report thereon dated December 31, 2000. I conducted my 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, I 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 my audit and, accordingly, I do not express such an opinion. The results of my 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 my audit, I considered Library's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

Columbiana Public Library  
Rhonda Wilhelm, Clerk  
Columbiana County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

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

**Rhonda Lee Adams, CPA**

December 31, 2000



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

**COLUMBIANA PUBLIC LIBRARY**

**COLUMBIANA 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  
FEBRUARY 22, 2001**