



**WESTON PUBLIC LIBRARY
WOOD COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**WESTON PUBLIC LIBRARY
WOOD COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Weston Public Library
Wood County
13153 Main Street
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To the Board of Trustees:

We have audited the accompanying financial statements of Weston Public Library, Wood County, Ohio, (the Library) as of and for the years ended December 31, 2000 and 1999. 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 audits in accordance with auditing standards generally accepted in the United States of America 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 provide 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, 2000 and 1999, 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 31, 2001 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. 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.

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.

Jim Petro
Auditor of State

May 31, 2001

**WESTON PUBLIC LIBRARY
WOOD COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GOVERNMENTAL AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>General</u>	<u>Nonexpendable Trust</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:			
Taxes	\$448,978		\$448,978
Patron Fines and Fees	9,104		9,104
Earnings on Investments	27,555	\$10,522	38,077
Contributions, Gifts and Donations	3,785		3,785
Miscellaneous Receipts	2,060		2,060
	<u>491,482</u>	<u>10,522</u>	<u>502,004</u>
Total Cash Receipts			
Cash Disbursements:			
Current:			
Salaries and Benefits	216,058		216,058
Supplies	10,927		10,927
Library Materials and Information	72,593	6,967	79,560
Purchased and Contracted Services	59,739		59,739
Other Objects	393	2,240	2,633
Capital Outlay	3,833		3,833
	<u>363,543</u>	<u>9,207</u>	<u>372,750</u>
Total Cash Disbursements			
Total Cash Receipts Over Cash Disbursements	127,939	1,315	129,254
Fund Cash Balances, January 1	<u>445,256</u>	<u>178,347</u>	<u>623,603</u>
Fund Cash Balances, December 31	<u>\$573,195</u>	<u>\$179,662</u>	<u>\$752,857</u>

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

**WESTON PUBLIC LIBRARY
WOOD COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GOVERNMENTAL AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>General</u>	<u>Nonexpendable Trust</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:			
Taxes	\$409,917		\$409,917
Patron Fines and Fees	9,904		9,904
Earnings on Investments	18,455	\$10,973	29,428
Contributions, Gifts and Donations	1,748		1,748
Miscellaneous Receipts	646	154	800
	<u>440,670</u>	<u>11,127</u>	<u>451,797</u>
Total Cash Receipts			
Cash Disbursements:			
Current:			
Salaries and Benefits	206,839		206,839
Supplies	10,181		10,181
Library Materials and Information	61,209	8,000	69,209
Purchased and Contracted Services	46,318		46,318
Other Objects	3,710	2,389	6,099
Capital Outlay	4,078		4,078
	<u>332,335</u>	<u>10,389</u>	<u>342,724</u>
Total Cash Disbursements			
Excess of Cash Receipts Over Cash Disbursements	108,335	738	109,073
Fund Cash Balances, January 1	<u>336,921</u>	<u>177,609</u>	<u>514,530</u>
Fund Cash Balances, December 31	<u>\$445,256</u>	<u>\$178,347</u>	<u>\$623,603</u>

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

**WESTON PUBLIC LIBRARY
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Weston Public Library, Wood 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 seven-member Board of Trustees appointed by Otsego 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

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 and U.S. Treasury Notes are valued at cost. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

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. Fiduciary Funds (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:

**WESTON PUBLIC LIBRARY
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

Ambrose Henning Family Memorial Trust Fund - Fund is administered by Mid-Am Investment and Trust Services. Interest earned on account is used solely for the purchase of books in accordance with the trust agreement.

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 2000 and 1999 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 retirement. Unpaid vacation and sick leave are not reflected as liabilities under the 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:

**WESTON PUBLIC LIBRARY
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

	<u>2000</u>	<u>1999</u>
Demand deposits	\$97,017	\$52,147
Certificates of deposit	<u>242,883</u>	<u>171,035</u>
Total deposits	<u>339,900</u>	<u>223,182</u>
Treasury Notes	176,287	178,005
STAR Ohio	<u>236,670</u>	<u>222,416</u>
Total investments	<u>412,957</u>	<u>400,421</u>
Total deposits and investments	<u><u>\$752,857</u></u>	<u><u>\$623,603</u></u>

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation or 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 are not evidenced by securities that exist in physical or book-entry form.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$451,886	\$491,482	\$39,596
Fiduciary		<u>10,522</u>	<u>10,522</u>
Total	<u><u>\$451,886</u></u>	<u><u>\$502,004</u></u>	<u><u>\$50,118</u></u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$465,700	\$363,543	\$102,157
Fiduciary	<u>10,342</u>	<u>9,207</u>	<u>1,135</u>
Total	<u><u>\$476,042</u></u>	<u><u>\$372,750</u></u>	<u><u>\$103,292</u></u>

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$403,041	\$440,670	\$37,629
Fiduciary	<u>8,000</u>	<u>11,127</u>	<u>3,127</u>
Total	<u><u>\$411,041</u></u>	<u><u>\$451,797</u></u>	<u><u>\$40,756</u></u>

**WESTON PUBLIC LIBRARY
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$450,700	\$332,335	\$118,365
Fiduciary	10,699	10,389	310
Total	\$461,399	\$342,724	\$118,675

4. GRANTS-IN-AID AND 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.

6. 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% and 10.84% of participants' gross salaries for 1999 and 2000, respectively. The Library has paid all contributions required through December 31, 2000.

7. RISK MANAGEMENT

The Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability; and
- Errors and omissions.



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

Weston Public Library
Wood County
13153 Main Street
P.O. Box 345
Weston, Ohio 43569-0345

To the Board of Trustees:

We have audited the accompanying financial statements of Weston Public Library, Wood County, Ohio, (the Library) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated May 31, 2001. We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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 audits 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 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 31, 2001.

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.

Jim Petro
Auditor of State

May 31, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

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WESTON PUBLIC LIBRARY

WOOD 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 24, 2001**