



**Auditor of State
Betty Montgomery**

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Worthington School District Public Library
Franklin County
820 High Street
Worthington, Ohio 43085

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Worthington School District Public Library, Franklin County, Ohio (the Library), as of and for the year ended December 31, 2004, which collectively comprise the Library's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Library's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the accompanying financial statements and notes follow the modified cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Worthington School District Public Library, Franklin County, Ohio, as of December 31, 2004, and the respective changes in modified cash financial position and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2, the Library revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2005, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

November 21, 2005

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2004**

This discussion and analysis of the Worthington School District Public Library's financial performance provides an overall review of the Library's financial activities for the year ended December 31, 2004, within the limitations of the Library's modified cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Library's financial performance.

Financial Highlights

Key financial highlights for 2004 are as follows:

The Library's net assets decreased by \$5,895 or .14%. The fund most affected by the decrease in cash and cash equivalents was the General Fund, which realized the greatest burden of increased costs in 2004; however, cost increases affected most funds.

The Library's general receipts are primarily property and other local taxes, and other government grants-in-aid. These receipts represent respectively 40 and 44 percent of the total cash received for the Library's activities during the year. Each of these receipts decreased less than 1%.

The Library has two major funds: the General Fund and the Building Fund. The General Fund had \$6,397,890 in revenues and \$6,283,094 in expenditures. An additional \$390,000 in transfers resulted in a decrease in fund balance of \$275,204. The Building Fund received no fund transfers from the General Fund and had \$1,710 in expenditures which were for the hiring of an architectural firm for the development of a comprehensive System-wide Facilities Plan.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of the Government Accounting Standards Board Statement No. 34, as applicable to the Library's modified cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the Library as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Library as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Library has elected to present its financial statements on a modified cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Library's modified cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2004
(Continued)**

As a result of using the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the modified cash basis of accounting.

Reporting the Library as a Whole

The statement of net assets and the statement of activities reflect how the Library did financially during 2004, within the limitations of modified cash basis accounting. The statement of net assets presents the cash balances and investments of the governmental activities of the Library at year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Library's general receipts.

These statements report the Library's cash position and the changes in cash position. Keeping in mind the limitations of the modified cash basis of accounting, you can think of these changes as one way to measure the Library's financial health. Over time, increases or decreases in the Library's cash position is one indicator of whether the Library's financial health is improving or deteriorating. When evaluating the Library's financial condition, you should also consider other non-financial factors as well such as the Library's property tax base, the condition of the Library's capital assets, the extent of the Library's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property and income taxes.

The statement of net assets and the statement of activities are comprised of governmental activities only.

Governmental activities: Property and other local taxes and government grants-in-aid finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Reporting the Library's Most Significant Funds

Fund financial statements provide detailed information about the Library's major funds – not the Library as a whole. The Library establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Library are classified as governmental.

Governmental Funds - All of the Library's activities are reported in the governmental funds. The governmental fund financial statements provide a detailed view of the Library's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Library's programs. The Library's significant governmental funds are presented on the financial statements in separate columns. The information for non-major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Library's two major governmental funds are the General Fund and the Building Fund. The programs reported in governmental funds are identical to those reported in the governmental activities section of the entity-wide statements.

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2004
(Continued)**

The Library as a Whole

Table 1 provides a summary of the Library's net assets for 2004 compared to 2003 on a modified cash basis:

**Table 1
Net Assets**

Governmental Activities

	2004	2003
Assets		
Cash and Cash Equivalents	\$4,088,132	\$4,094,027
Total Assets	4,088,132	4,094,027
Net Assets		
Restricted	1,124,609	855,300
Unrestricted	2,963,132	3,238,727
Total Net Assets	\$4,088,132	\$4,094,027

As mentioned previously, net assets of governmental activities decreased \$5,895 or .14 percent during 2004. The primary reasons contributing to the decreases in cash balances are as follows:

- \$105,855 in expenditures for the Technology Fund during 2004 that had no revenue source to support them other than the transfer from the General Fund to the Technology Fund.
- \$84,363 or 10% decrease in employee fringe benefits due to reduced benefits and instituting staff partial payment of insurance premiums.
- \$34,226 or 5% increase in services provided to other entities from Columbus Metropolitan Library's annual contribution for the Northwest Library.

Table 2 reflects the changes in net assets in 2004. Since the Library did not prepare financial statements in this format for 2003, a comparative analysis of the government-wide data has not been presented. In future years, when prior year information is available, a comparative analysis will be presented.

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2004
(Continued)**

(Table 2)
Changes in Net Assets

	Governmental Activities 2004
Receipts:	
Program Receipts:	
Charges for Services	\$274,056
Operating Grants, Contributions, and Interest	703,246
Total Program Receipts	977,302
General Receipts:	
Property and Other Local Taxes	2,651,313
Other Government Grants-in-Aid	2,894,526
Investment Earnings	57,009
Unrestricted Gifts & Contributions	2,740
Total General Receipts	5,605,588
Total Receipts	\$6,582,890
Disbursements:	
Salaries and Benefits	\$3,979,252
Supplies	107,142
Purchased and Contracted Services	916,482
Library Materials and Information	1,238,676
Other Objects	11,113
Capital Outlay	153,355
Debt Service	182,765
Total Disbursements	\$6,588,785
Increase (Decrease) in Net Assets	(5,895)
Net Assets, January 1, 2004	\$4,094,027
Net Assets, December 31, 2004	\$4,088,132

Program receipts represent only 15 percent of total receipts and are primarily comprised of patron fines and fees and Columbus Metropolitan Library's contribution for services provided to Columbus residents. General receipts represent 85 percent of the Library's total receipts, and of this amount, over 99 percent are property and other local taxes, and other government grants-in-aid. Other receipts are very insignificant and somewhat unpredictable revenue sources.

Disbursements for Salary and Benefits and Purchased and Contracted Services represent the overhead costs of running the Library and the support services provided for the other Library activities. These include the costs of services such as payroll and purchasing. These costs do not represent direct services to residents.

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2004
(Continued)**

Governmental Activities

If you look at the Statement of Activities on page 12, you will see that the first column lists the major services provided by the Library. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for salaries and benefits and library materials and information, which account for 60 and 19 percent of all governmental disbursements, respectively. The next three columns of the Statement entitled Program Cash Receipts identify amounts of receipts that are directly charged for the service and grants received by the Library that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

(Table 3)
Governmental Activities

	Total Cost Of Services 2004	Net Cost of Services 2004
Library Services:		
Salaries and Benefits	\$3,979,252	\$3,979,252
Supplies	107,142	107,142
Purchased and Contracted Services	916,482	213,236
Library Materials and Information	1,238,676	964,620
Other	11,113	11,113
Capital Outlay	153,355	153,355
Debt Service:		
Principal Retirement	110,000	110,000
Interest and Fiscal Charges	72,765	72,765
Total Expenses	\$6,588,785	\$5,611,483

The dependence upon property and other local taxes and other government grants-in-aid receipts is apparent as over 85 percent of governmental activities are supported through these general receipts.

The Library's Funds

Total governmental funds had receipts of \$6,582,890 and disbursements of \$6,588,784. The greatest change within governmental funds occurred within the General Fund. The fund balance of the General Fund decreased \$275,204 as the result of transfers made to supplement the operations of other fund's activities.

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2004
(Continued)**

General Fund receipts were less than disbursements and other financing uses by \$275,204 indicating that the General Fund was in a deficit spending situation. It was the recommendation of the library board and the administration that a reduction in disbursements was preferable to requesting additional funds from the taxpayers, until necessary. Despite cuts in state funding and reduced property tax, the Library has worked to maintain a balanced operating budget and operate within anticipated revenue. The library board made the conscious decision to deal with state funding cuts internally, without reducing hours, cutting services or eliminating programs. This was done by reducing staff and scrutinizing all other expenditures. Even with such careful stewardship, the Library is now using cash reserves to make up the difference between annual revenue and expenses. We anticipated using up most of these cash reserves by 2007. Because the Library needed additional operating revenue before then to simply maintain the quality of service we deliver now, the library board placed an operating levy on the November 2005 ballot. The levy passed and the Library will begin receiving funds from it in 2006.

The Building Fund (401) received no fund transfers from the General Fund or other revenue, and had \$1,710 in expenditures which was for the hiring of an architectural firm for the development of a comprehensive System-wide Facilities Plan. The Building Fund had an unexpended balance of \$776,846 at the end of 2004.

General Fund Budgeting Highlights

The Library's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Actual receipts were above original budgeted receipts due to unexpected increase in Homestead Rollback tax receipts. The difference between final budgeted receipts and actual receipts was \$12,444.

Final disbursements were budgeted at \$7,330,475 while actual disbursements were \$7,030,626. The Library kept spending very close to budgeted amounts as demonstrated by the minor reported variances. The result is the decrease in fund balance of \$632,736 for 2004.

Capital Assets and Debt Administration

Capital Assets

The Library keeps track of its capital assets and infrastructure through an inventory. The Library uses a software package to accomplish this task and is in the process of updating the necessary information. It is anticipated that the inventory will be fully updated in 2006.

Debt

At December 31, 2004, the Library's outstanding debt included \$1,100,000 in general obligation bonds issued for improvements to buildings and structures. For further information regarding the Library's debt, refer to Note 4 in the basic financial statements.

WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2004
(Continued)

Current Issues

The challenge for all Ohio libraries is to provide quality services to the public while staying within the restrictions imposed by frozen state funding. We rely heavily on property and other taxes and other government grants-in-aid which will account for approximately two-thirds of our revenue in 2006, since the library passed an additional 2.6 mill continuing levy in November 2005. Even though the Library has stable funding for the foreseeable future, it is dependent on funding from the state to remain in this position.

Contacting the Library's Financial Management

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Library's finances and to reflect the Library's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Meribah Mansfield, Clerk-Treasurer, Worthington Libraries, 820 High Street, Worthington, OH 43085.

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WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY

STATEMENT OF NET ASSETS-MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Primary Government Governmental Activities</u>
ASSETS	
Cash & Cash Equivalents	<u>\$4,088,132</u>
Total Assets	<u>\$4,088,132</u>
NET ASSETS	
Restricted for:	
Debt Service	22,195
Capital Projects	1,075,385
Other Purposes	27,029
Unrestricted	<u>2,963,523</u>
Total Net Assets	<u>\$4,088,132</u>

See accompanying notes to the basic financial statements

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**STATEMENT OF MODIFIED CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2004**

	General	Building	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and Cash Equivalents	2,963,523	776,846	347,763	4,088,132
Total Assets	\$2,963,523	\$776,846	\$347,763	\$4,088,132
Fund Balances				
Reserved:				
Reserved for Encumbrances	357,533	32,490	37,915	427,938
Unreserved:				
General Fund	2,605,990	0	0	2,605,990
Special Revenue Fund	0	0	27,029	27,029
Debt Service Fund	0	0	22,195	22,195
Capital Projects Funds	0	744,356	260,624	1,004,980
Total Fund Balances	\$2,963,523	\$776,846	\$347,763	\$4,088,132

See accompanying notes to the basic financial statements

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES
IN MODIFIED CASH BASIS FUND BALANCES- GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004**

	General Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
RECEIPTS				
Property and Other Local Taxes	\$2,651,313	\$0	\$0	\$2,651,313
Other Government Grants-in-Aid	2,709,526	0	185,000	2,894,526
Patron Fines and Fees	274,056	0	0	274,056
Services Provided to Other Entities	703,246	0	0	703,246
Contributions, Gifts, and Donations	2,740	0	0	2,740
Earnings on Investments	57,009	0	0	57,009
<i>Total Receipts</i>	<u>6,397,890</u>	<u>0</u>	<u>185,000</u>	<u>6,582,890</u>
DISBURSEMENTS				
Current:				
Library Services:				
Salaries and Benefits	3,963,891	0	15,361	3,979,252
Supplies	98,864	0	8,278	107,142
Purchased and Contracted Services	899,187	0	17,295	916,482
Library Materials and Information	1,238,676	0	0	1,238,676
Other	11,113	0	0	11,113
Capital Outlay	71,363	1,710	80,282	153,355
Debt Service:				
Principal Retirement	0	0	110,000	110,000
Interest and Fiscal Charges	0	0	72,765	72,765
<i>Total Disbursements</i>	<u>6,283,094</u>	<u>1,710</u>	<u>303,981</u>	<u>6,588,785</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>114,796</u>	<u>(1,710)</u>	<u>(118,981)</u>	<u>(5,895)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	0	0	390,000	390,000
Transfers Out	(390,000)	0	0	(390,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(390,000)</u>	<u>0</u>	<u>390,000</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(275,204)</u>	<u>(1,710)</u>	<u>271,019</u>	<u>(5,895)</u>
<i>Fund Balances Beginning of Year</i>	<u>3,238,727</u>	<u>778,556</u>	<u>76,744</u>	<u>4,094,027</u>
<i>Fund Balances End of Year</i>	<u>\$2,963,523</u>	<u>\$776,846</u>	<u>\$347,763</u>	<u>\$4,088,132</u>

See accompanying notes to the basic financial statements

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
RECEIPTS				
Property and Other Local Taxes	\$2,815,496	\$2,815,496	\$2,651,313	(\$164,183)
Other Government Grants-in-Aid	2,538,483	2,538,483	2,709,526	171,043
Patron Fines and Fees	280,000	280,000	274,056	(5,944)
Services Provided to Other Entities	701,467	701,467	703,246	1,779
Contributions, Gifts, and Donations	0	0	2,740	2,740
Earnings on Investments	50,000	50,000	57,009	7,009
<i>Total Receipts</i>	<u>6,385,446</u>	<u>6,385,446</u>	<u>6,397,890</u>	<u>12,444</u>
DISBURSEMENTS				
Current:				
Library Services:				
Salaries and Benefits	4,097,938	4,097,938	4,051,982	45,956
Supplies	141,472	141,472	114,262	27,210
Purchased and Contracted Services	1,125,511	1,125,511	1,041,012	84,499
Library Materials and Information	1,372,889	1,372,889	1,313,371	59,518
Other	21,176	21,176	11,439	9,737
Capital Outlay	151,489	151,489	108,560	42,929
<i>Total Disbursements</i>	<u>6,910,475</u>	<u>6,910,475</u>	<u>6,640,626</u>	<u>269,849</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(525,029)	(525,029)	(242,736)	(282,293)
OTHER FINANCING USES				
Transfers Out	(420,000)	(420,000)	(390,000)	(30,000)
<i>Total Other Financing Sources Uses</i>	<u>(420,000)</u>	<u>(420,000)</u>	<u>(390,000)</u>	<u>(30,000)</u>
<i>Net Change in Fund Balances</i>	(945,029)	(945,029)	(632,736)	(312,293)
<i>PY Encumbrances Appropriated</i>	284,394	284,394	284,394	0
<i>Fund Balances Beginning of Year</i>	<u>2,954,333</u>	<u>2,954,333</u>	<u>2,954,333</u>	<u>0</u>
	<u>\$2,293,698</u>	<u>\$2,293,698</u>	<u>\$2,605,991</u>	<u>(\$312,293)</u>

See accompanying notes to the basic financial statements

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**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR YEAR ENDED DECEMBER 31, 2004**

1. DESCRIPTION OF THE LIBRARY AND REPORTING ENTITY

Worthington School District Public Library, Franklin 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 Worthington School District Board of Education. The Library provides the community with various educational and literary resources.

The Library is fiscally independent of the Worthington School District Board of Education, although the Board of Education serves in a ministerial capacity as the taxing authority for the Library. The determination to request approval of a tax levy and the role and purpose(s) of the levy, are discretionary decisions made solely by the Board of Library Trustees. Once those decisions are made, the Board of Education must put the levy on the ballot. There is no potential for the Library to provide a financial benefit to or impose a financial burden on the Board of Education.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations included ensuring that the basic financial statements are not misleading. The primary government of the Library consists of all funds, departments, boards and agencies that are not legally separate from the Library. The Library has no other such organizations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Although no requirement exists within the Ohio Administrative Code the Library choose to prepare its financial statements and notes in accordance with the modified cash-basis of accounting as discussed in Note 2B. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the modified cash basis of accounting. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the modified cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. Following are the more significant of the Library's accounting policies.

This basis of accounting is similar to the cash receipts and disbursements basis. The Library recognizes receipts when received in cash rather than when earned and recognizes disbursements when paid rather than when a liability is incurred.

As a result of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

The Library also reports long-term investments as assets, valued at cost.

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR YEAR ENDED DECEMBER 31, 2004
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved). Differences between disbursements reported in the fund and entity wide statements versus budgetary expenditures result from encumbrances outstanding at the beginning and end of the fiscal year.

A. Fund Accounting

The Library uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions or activities. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The Library classifies each fund as either governmental or fiduciary. The Library has no fiduciary funds.

Governmental: The Library classifies funds financed primarily from taxes, grants-in-aid and other nonexchange transactions as governmental funds. The following are the Library's major governmental fund:

General Fund: The general fund accounts for all financial resources except for restricted resources requiring a separate accounting. The general fund balance is available for any purpose provided it is disbursed or transferred according to Ohio law.

Building Fund: This fund is used to record expenditures related to building projects, including the improvements to the Libraries and construction of new and future facilities.

The other governmental funds of the Library account for grants and other resources whose use is restricted to a particular purpose.

B. Basis of Presentation

For the fiscal year 2004, The Library revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, for financial reporting on a modified cash basis, which is a basis of accounting other than accounting principles generally accepted in the United States of America, and GASB 38, for certain financial statement note disclosures. However, there are no adjustments to the beginning fund balances since the basis of accounting has not changed. The Library's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statement of Activities: This statement displays information about the Library as a whole.

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR YEAR ENDED DECEMBER 31, 2004
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (continued)

The government-wide statement of activities compares disbursements with program receipts for each function or program of the Library's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the government is responsible. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on the modified-cash basis or draws from the Library's general receipts.

Fund Financial Statements: Fund financial statements report more detailed information about the Library. The focus of governmental fund financial statements is on major funds. Fund statements present each major fund in a separate column and aggregate nonmajor funds in a single column.

C. Cash and Cash Equivalents

The Library deposits and invests cash from all funds in a common pool. The financial statements present each fund's share of interest in the pool as *cash and cash equivalents* on the financial statements.

The Library values investments and cash equivalents at cost. For presentation on the financial statements, the Library classifies investments of the cash management pool as cash equivalents.

Following Ohio statutes, the Board of Trustees specified the funds to receive an allocation of interest earnings. Interest receipts credited to the general fund during fiscal year 2004 was \$57,009, including \$15,963 assigned from other Library funds.

D. Restricted Assets

The financial statements classify cash, cash equivalents and investments as restricted when external limitations change the nature or normal understanding of their use. Creditors, contributors, grantors, laws of other governments or enabling legislation are the sources of the restrictions.

E. Inventory and Prepaid Items

On the modified cash-basis of accounting, inventories of supplies are reported as disbursements when purchased.

F. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. The financial statements do not report these assets.

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR YEAR ENDED DECEMBER 31, 2004
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Compensated Absences

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Library's modified-cash basis of accounting.

H. Long-term Obligations

These modified-cash basis financial statements do not report liabilities for bonds and other long-term obligations. These statements report proceeds of debt when cash is received and debt service disbursements for debt principal payments.

I. Fund Balance Designations and Reserves

The Library reserves those portions of fund equity legally segregated for a specific future use or which are not available for appropriation or disbursement. The Library has reserved fund equity for encumbrances.

J. Net Assets

The statements report restricted net assets when enabling legislation or creditors, grantors or laws or regulations of other governments have imposed limitations on their use.

The Library first applies restricted resources when incurring a disbursement for which it may use either restricted or unrestricted resources.

K. Budgetary Data

Ohio law requires the Library to budget and appropriate all funds. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which use the budgetary basis of accounting. The budgetary basis reports expenditures when a commitment is made (i.e., when an encumbrance is approved). The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts the Board of Trustees may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control the Board selects. The Board of Trustees uses the fund level within each fund as its legal level of control.

The certificate of estimated resources may be amended during the year if the Library projects increases or decreases in receipts. The amounts reported as the original budget in the budgetary statements reflect the amounts in the certificate when the Board adopted the original appropriations. The amounts reported as the final budget in the budgetary statements reflect the amounts in the amended certificate in effect at the time the final appropriations were passed.

The Board may amend appropriations throughout the year with the restriction that appropriations may not exceed estimated resources. The amounts reported as the original budget reflect the first appropriation for a fund covering the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budget represent the final appropriation the Board passed during the year.

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR YEAR ENDED DECEMBER 31, 2004
(Continued)**

3. DEPOSITS AND INVESTMENTS

Ohio law restricts deposits and investments to the following:

1. Commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts;
2. Money market deposits;
3. Savings accounts or certificates of deposit;
4. United States Treasury securities, or securities of its agencies or instrumentalities the federal government guarantees;
5. No-load money market mutual funds consisting exclusively of obligations described in (4) above and repurchase agreements secured by such obligations;
6. Bonds and obligations of the State of Ohio or Ohio local governments;
7. The State Treasurer's investment pool (STAR Ohio, a Rule 2-a7-like pool);
8. Certain bankers' acceptances and commercial paper notes;
9. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

An investment must mature within five years from the purchase date unless matched to a specific Library obligation or debt and must be purchased with the expectation it will be held to maturity. Investments may only be made through specified dealers and institutions.

Deposits: At year-end, the carrying amount of the Library's deposits was \$22,108 and the bank balance was \$291,037. \$100,000 of the bank balance was covered by federal depository insurance and \$191,037 was uninsured and uncollateralized. Although the Library followed all state statutory requirements for these deposits, noncompliance with federal requirements could potentially subject the Library to a successful claim by the Federal Deposit Insurance Corporation.

Investments: The table below categorizes investments to indicate the level of counterparty credit risk the Library assumed at year end. Category one includes investments insured or registered or for which Library or its agent holds the securities in the Library's name. Category two includes uninsured and unregistered investments for which the counterparty's trust department or an agent holds securities in the Library's name. Category three includes uninsured and unregistered investments for which the counterparty or its trust department or agent holds securities not in the Library's name. STAR Ohio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

	Unclassified	Carrying/ Fair Value
Star Ohio	\$4,066,024	\$4,066,024

4. LONG-TERM LIABILITIES

The changes in the Library's long-term obligations during the year consist of the following:

	Principal Outstanding @ 1/1/04	Reductions	Additions	Principal Outstanding @ 12/31/04	Amount due within one year
Governmental Activities					
Revenue Bond Issue, Series 94	\$1,210,000	\$110,000	\$0	\$1,100,000	\$110,000

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR YEAR ENDED DECEMBER 31, 2004
(Continued)**

4. LONG-TERM LIABILITIES (Continued)

Principal and interest requirements to retire long-term liabilities outstanding at December 31, 2004 are as follows:

	Revenue Bond Series 94	
Year ending December 31:	Principal	Interest
2005	110,000	66,660
2006	110,000	60,445
2007	110,000	54,120
2008	110,000	47,355
2009	110,000	40,590
2010 - 2014	550,000	101,475
Total	\$1,100,000	\$370,645

The Revenue Bonds were issued in 1994 for the purpose of building and operating the Northwest Library. The Library receives monies from a tax levy and other grants in aid to pay the debt.

5. INTERFUND TRANSFERS

Interfund cash transfers for the year ended December 31, 2004 were as follows:

	Transfer-In	Transfer-Out
General	\$ -	\$ 390,000
Other Governmental	390,000	-
Total Transfers	\$ 390,000	\$ 390,000

The Library transferred cash to the Special Revenue Fund to cover salary and benefit payments for long term employees who leave and receive lump sum sick leave and vacation payments. Cash was transferred to the Capital Projects Fund for the purchase of hardware and software for a Print Management/PC Reservation System, hardware and start-up costs for a new Integrated Library System, and six new Self-Check Out Machines.

6. DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System

The Library participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR YEAR ENDED DECEMBER 31, 2004
(Continued)**

6. DEFINED BENEFIT PENSION PLANS (Continued)

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a financial report, obtainable by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6705.

For the year ended December 31, 2004, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 8.5 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary; members in public safety contributed 9 percent. The Library's contribution rate for pension benefits for 2004 was 13.55 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Library's required contributions for pension obligations to the traditional and combined plans for the 0years ended December 31, 2004, 2003 and 2002, were \$432,182, \$431,662, and \$431,322 respectively; 100 percent has been contributed for 2004, 2003, and 2002. No contributions were made to the member directed plan.

7. POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by Ohio Revised Code Section 145. The 2004 local government employer contribution rate was 13.55 percent of covered payroll (16.7 percent for public safety and law enforcement); 4 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2003, include a rate of return on investments of 8.00 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase at the projected wage inflation rate plus an additional factor ranging between 1.00 to 6.00 percent annually for the next eight years and 4.00 percent annually after eight years.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR YEAR ENDED DECEMBER 31, 2004
(Continued)**

7. POSTEMPLOYMENT BENEFITS (Continued)

Ohio Public Employees Retirement System (Continued)

The number of active contributing participants in the traditional and combined plans was 369,885. Actual employer contributions for 2004 which were used to fund postemployment benefits were \$432,182. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2003, (the latest information available) were \$10.5 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$26.9 billion and \$16.4 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan. The Choices Plan will be offered to all persons newly hired in an OPERS covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

8. 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 State allocates LLGSF 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 based on of any additional revenues the Library receives.

Real property taxes become a lien on January 1 preceding the October 1 date for which the taxing authority of the subdivision to whose jurisdiction the Library is subject adopts rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Other Governments' Grants In Aid. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 30.

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR YEAR ENDED DECEMBER 31, 2004
(Continued)**

8. GRANTS-IN-AID AND TAX RECEIPTS (Continued)

Public utilities are also taxed on personal and real property located within the taxing district.

Property owners assess tangible personal property tax. These owners must file a list of tangible property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Library.

9. RISK MANAGEMENT

Commercial Insurance

The Library has obtained commercial insurance for the following risks:

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

Health Care Benefits

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

Property and Liability

The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2004, the Library contracted with Lauterbach & Eilber Company through Indiana Insurance Company for Property (Fire and Extended Coverage) and Boiler and Machinery coverage.

General liability coverage including errors and omissions are through Lauterbach & Eilber Company with Indiana Insurance Company carrying the policy with a \$1,000,000 claims made coverage and a \$1,000,000 umbrella.

Indiana Insurance Company covers vehicles and has a \$100 deductible for comprehensive and a \$250 deductible for collision. This insurance includes a bodily injury and property damage combined single limit of \$1,000,000 with a \$1,000,000 umbrella, \$1,000,000 uninsured/underinsured motorist, and \$5,000 medical payments.

Settled claims have not exceeded this commercial coverage in any of the past ten years. There have been no significant reductions in insurance coverage from the prior year.

10. JOINT VENTURES

In April 1992, the Library's Board of Trustees adopted a resolution to participate with the Columbus Metropolitan Library (CML), a separate legal entity, to construct and operate a library facility (Northwest Library – NWL), containing approximately 23,000 square feet of public service space, at a location which will serve both library districts. On October 13, 1993, a written contract was entered into between the two library districts. The Northwest Library opened on April 16, 1996.

**WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR YEAR ENDED DECEMBER 31, 2004
(Continued)**

10. JOINT VENTURES (Continued)

According to the terms of the agreement, the Library will assume responsibility for the daily management, operation and maintenance of the building. In addition, the agreement states that the Library will receive based on a formula, funds from CML for the operational needs of the facility. In 2004, the Library received \$701,467 from CML for their portion of the operational costs of NWL.

11. CONTINGENCIES

A. Grants

The Library receives financial assistance from State agencies in the form of grants. Disbursing grant funds generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability. However, in the opinion of management, any such disallowed claims through December 31, 2004 will not have a material adverse effect on the Library.

B. Litigation

The Library is not currently a defendant in any legal case.

12. SUBSEQUENT EVENTS

On August 1, 2005, the Board of Trustees passed a resolution to place a 2.6 mill operating levy on the November 2005 ballot. This levy will be placed on the ballot by the Library's taxing authority which is the Worthington City School District Board of Education.

On November 8, 2005, the Library's 2.6 mill operating levy was passed.



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Worthington School District Public Library
Franklin County
820 High Street
Worthington, Ohio 43085

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Worthington School District Public Library, Franklin County, Ohio, (the Library) as of and for the year ended December 31, 2004, which collectively comprise the Library's basic financial statements and have issued our report thereon dated November 21, 2005, wherein we noted the Library revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Library's internal control over financial reporting to determine our auditing procedures in order to express our opinions on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses.

Compliance and Other Matters

As part of reasonably assuring whether the Library's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

35 N. Fourth St. / Second Floor / Columbus, OH 43215
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199
www.auditor.state.oh.us

Worthington School District Public Library
Franklin County
Independent Accountants' Report on Internal Control over
Financial Reporting and on Compliance and other Matters
Required by *Government Auditing Standards*
Page 2

We intend this report solely for the information and use of the finance committee, management and Board of Trustees. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

November 21, 2005



**Auditor of State
Betty Montgomery**

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P.O. Box 1140
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Facsimile 614-466-4490

WORTHINGTON SCHOOL DISTRICT PUBLIC LIBRARY

FRANKLIN 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 14, 2006**