

**HUDSON LIBRARY AND HISTORICAL SOCIETY  
SUMMIT COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2007 - 2006**





Mary Taylor, CPA  
Auditor of State

Board of Trustees  
Hudson Library and Historical Society  
96 Library Street  
Hudson, Ohio 44236

We have reviewed the *Independent Accountants' Report* of the Hudson Library and Historical Society, Summit County, prepared by Knox & Knox, for the audit period January 1, 2006 through December 31, 2007. 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 Hudson Library and Historical Society is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

May 8, 2009

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HUDSON LIBRARY AND HISTORICAL SOCIETY  
SUMMIT COUNTY

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# KNOX & KNOX

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Accountants and Consultants

## Independent Accountants' Report

Hudson Library and Historical Society  
Summit County  
96 Library Street  
Hudson, Ohio 44236

To the Board of Directors:

We have audited the accompanying financial statements of assets and net assets-cash basis of the Hudson Library and Historical Society, Summit County, Ohio, (the Library) as of and for the years ended December 31, 2007 and 2006 and the related statements of support and receipts, disbursements and changes in net assets and the statement of cash flows for the years then ended. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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 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, if any, made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described more fully in Note 2, the Library has prepared its financial statements using the cash basis of accounting. These practices differ from 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 assets and net assets of the Library, as of December 31, 2007 and 2006, and its support and receipts, disbursements in net assets and the statement of cash flows for the years then ended on the accounting basis Note 2 describes.

The Library has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 2009, 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 do 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 *Governmental Auditing Standards*. You should be read it in conjunction with this report in considering the results of our audit.

**Knox & Knox**

Orrville, Ohio  
April 28, 2009

HUDSON LIBRARY AND HISTORICAL SOCIETY  
SUMMIT COUNTY

STATEMENT OF ASSETS AND NET ASSETS - CASH BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	2006
<b>ASSETS</b>		
Cash and Cash Equivalents	\$2,318,308	\$1,630,612
Total Assets	\$2,318,308	\$1,630,612
<b>NET ASSETS</b>		
Unrestricted	\$2,202,244	\$1,519,534
Temporarily Restricted	186	207
Permanently Restricted	115,878	110,871
Total Net Assets	\$2,318,308	\$1,630,612

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

HUDSON LIBRARY AND HISTORICAL SOCIETY  
SUMMIT COUNTY

STATEMENT OF SUPPORT AND RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN NET ASSETS - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2007

	Unrestricted	Restricted Funds		Total
		Temporary	Permanent	
<b>SUPPORT AND RECEIPTS:</b>				
Property and Other Local Taxes	\$1,416,704			\$1,416,704
Library and Local Government Support	1,075,121			1,075,121
Patron Fines and Fees	51,762			51,762
Services Provided to Other Entities	20,133			20,133
Donations		\$220,300	\$5,007	225,307
Earnings on Investments	41,968	22,834		64,802
	<u>2,605,688</u>	<u>243,134</u>	<u>5,007</u>	<u>2,853,829</u>
Total Receipts				
Assets Released from Restrictions	<u>243,155</u>	<u>(243,155)</u>		
<b>DISBURSEMENTS:</b>				
Salaries	1,080,648			1,080,648
Employee Fringe Benefits	273,964			273,964
Purchased and Contract Services	384,139			384,139
Library Materials and Information	286,028			286,028
Supplies	42,719			42,719
Other	80,513			80,513
Capital Outlay	18,122			18,122
	<u>2,166,133</u>			<u>2,166,133</u>
Total Disbursements				
Excess of Support and Receipts Over (Under) Disbursements	<u>682,710</u>	<u>(21)</u>	<u>5,007</u>	<u>687,696</u>
Assets, January 1	<u>1,519,534</u>	<u>207</u>	<u>110,871</u>	<u>1,630,612</u>
<b>ASSETS, DECEMBER 31</b>	<u><u>\$2,202,244</u></u>	<u><u>\$186</u></u>	<u><u>\$115,878</u></u>	<u><u>\$2,318,308</u></u>

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

HUDSON LIBRARY AND HISTORICAL SOCIETY  
SUMMIT COUNTY

STATEMENT OF SUPPORT AND RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN NET ASSETS - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2006

	Unrestricted	Restricted Funds		Total
		Temporary	Permanent	
<b>SUPPORT AND RECEIPTS:</b>				
Property and Other Local Taxes	\$764,531			\$764,531
Library and Local Government Support	973,203			973,203
Patron Fines and Fees	73,484			73,484
Donations		\$218,100	\$1,800	219,900
Earnings on Investments	45,808	20,679		66,487
Miscellaneous	500			500
	<u>1,857,526</u>	<u>238,779</u>	<u>1,800</u>	<u>2,098,105</u>
Total Support and Receipts				
Assets Released from Restrictions	<u>1,042,873</u>	<u>(1,042,873)</u>		
<b>DISBURSEMENTS:</b>				
Salaries	1,001,909			1,001,909
Employee Fringe Benefits	243,213			243,213
Purchased and Contract Services	370,066			370,066
Library Materials and Information	262,986			262,986
Supplies	41,601			41,601
Other	3,562			3,562
Capital Outlay	1,112,108			1,112,108
	<u>3,035,445</u>			<u>3,035,445</u>
Total Disbursements				
Total Receipts Over/(Under) Disbursements	(135,046)	(804,094)	1,800	(937,340)
Cash, January 1	<u>1,654,580</u>	<u>804,301</u>	<u>109,071</u>	<u>2,567,952</u>
CASH, DECEMBER 31	<u>\$1,519,534</u>	<u>\$207</u>	<u>\$110,871</u>	<u>1,630,612</u>

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

HUDSON LIBRARY AND HISTORICAL SOCIETY  
SUMMIT COUNTY

STATEMENT OF CASH FLOWS - CASH BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase/(Decrease) in Cash and Cash Equivalents	\$687,696	(\$937,340)
Cash and Cash Equivalents January 1	<u>1,630,612</u>	<u>2,567,952</u>
CASH AND CASH EQUIVALENTS DECEMBER 31	<u>\$2,318,308</u>	<u>\$1,630,612</u>

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

HUDSON LIBRARY AND HISTORICAL SOCIETY  
SUMMIT COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 and 2006

**1. DESCRIPTION OF THE LIBRARY AND REPORTING ENTITY**

The Hudson Library and Historical Society was organized as an association library in 1910 under the laws of the State of Ohio. The Library has its own Board of Directors of nine members who are elected by the members of the association. Members are all citizens of Hudson, Ohio over the age of 18 who have a library card. Appointments are for three-year terms and members serve without compensation. Under Ohio statutes, the Library is a body politic and corporate capable of suing and being sued, contracting, acquiring, holding, possessing, and disposing of real property, and of exercising such other powers and privileges conferred upon it by law. The Library was organized under section 1702 of the Ohio Revised Code. The Library is a not-for-profit organization exempt from income taxes under Section 501 (c)(3) of the U.S. Internal Revenue Code. The Library determines and operates under its own budget. Control and management of the Library is governed with the administration of the day-to-day operations of the Library being the responsibility of the Executive Director and financial accountability being solely that of the Clerk-Treasurer.

The Library is fiscally independent of the City of Hudson, although the City of Hudson serves in a ministerial capacity as the taxing authority for the Library. The determination to request approval of a tax levy, the role and purpose(s) of the levy, are discretionary decisions made solely by the Board of Library Directors. Once those decisions are made, the City of Hudson approves the legislation and puts 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 City of Hudson.

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. The Library participates on the Cleveland Area Metropolitan Library System (CAMLIS) a jointly governed organization. See Note 10 to the financial statements for additional information for this entity. Under the cash basis of accounting, the Library does not report assets for the equity interests in joint ventures. The Library also belongs to Clevnet, which is a consortium of Northern Ohio area libraries providing cataloging, circulation systems, data bases, purchasing software and shipment of material between the members.

The Friends of the Hudson Library, Inc. is a not-for-profit organization with a self-appointing board. The Library is not financially accountable for the organization, nor does the Library approve the budget or the issuance of debt of the organization. Therefore, this organization has been excluded from the reporting entity of the library.

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF ACCOUNTING**

The Library's financial statements are prepared using the cash basis of accounting; consequently, certain revenues are recognized when received rather than when earned, and certain expenses and purchases are recognized when cash is disbursed rather than when the obligation is incurred.

HUDSON LIBRARY AND HISTORICAL SOCIETY  
SUMMIT COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 and 2006

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

A. **BASIS OF ACCOUNTING** (continued)

As a result of this cash basis of accounting, certain assets and their related revenues (such as accounts receivables 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.

B. **CASH AND CASH EQUIVALENTS**

All investments have final maturities of one year or less at the time they are purchased and investments of the cash management pool are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than one year are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

At December 31, 2007 and 2006, the carrying amount of the Library's deposits were \$55,481 and \$20,677, respectively.

At December 31, 2007 and 2006, the Library had \$1,729,953 and \$1,392,883 invested in a consolidated portfolio run by Mellon Investments and a money market account. The portfolio consists of various debts and equity securities, and fixed income investments and cash or cash equivalents.

At December 31, 2007 and 2006, the Library had \$532,874 and \$217,052, respectively, invested in STAR Ohio.

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2007 and 2006.

C. **NET ASSETS**

The financial statements presentation follows the requirements of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS No. 117, *Financial Statements of Not-for-Profit Organizations*). Under SFAS No. 117, the Library is required to report information regarding its financial position and activities according to three classes of net assets. A description of the three net asset categories follows:

HUDSON LIBRARY AND HISTORICAL SOCIETY  
SUMMIT COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 and 2006

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

C. NET ASSETS (continued)

- Unrestricted net assets have no donor-imposed restrictions.
- Temporarily restricted net assets have donor-imposed restrictions that will expire in the future.
- Permanently restricted net assets have donor-imposed restrictions which do not expire.

**3. LIBRARY AND LOCAL GOVERNMENT SUPPORT**

The primary source of revenue for Ohio public libraries is the State Library and Local Government Support Fund (LLGSF). The LLGSF was enacted by the State of Ohio seeking to incorporate the intangible tax into the State's personal income tax. Originally the LLGSF was funded with 5.7% of the receipts of personal income tax and is distributed to each county monthly through an equalization formula. Because of the economic downturn in the State, the State Legislature has frozen or reduced this amount over the last few years. The Summit County Budget Commission allocates these funds to the Library based on any revenues the Library receives.

**4. RISK MANAGEMENT**

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 2007 and 2006, the Library contracted for various types of insurance coverage as follows:

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>
Cincinnati Insurance Company	Commercial Property	\$11,000,000
	General Liability	2,000,000
	Employee Dishonesty	25,000
	Valuable Papers	4,042,700
	Vehicle	1,000,000
	Umbrella	1,000,000
	Directors & Officers	10,000,000
	Electronic Data Processing	150,000
	Flood	1,000,000
	Errors & Omissions	10,000

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

The Library pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. The rate is calculated based on accident history and administrative costs. The System administers and pays all claims.

HUDSON LIBRARY AND HISTORICAL SOCIETY  
SUMMIT COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 and 2006

**5. DEFINED BENEFIT PENSION PLAN**

**A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**

The Library participates in the Ohio Public Employees 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 percent 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.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional 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 stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

For the years ended December 31, 2007 and 2006, the members of all three plans were required to contribute 9.0 percent of their annual covered salaries. The Library's contribution rate for pension benefits for 2007 and 2006 was 13.7 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 years ended December 31, 2007, 2006, and 2005 were \$149,531, \$137,184 and \$127,806, respectively, 100 percent has been contributed for all three years.

**6. POSTEMPLOYMENT BENEFITS**

**A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**

The Ohio Public Employees Retirement System (OPERS) provides postretirement healthcare coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Healthcare coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement healthcare coverage. The healthcare coverage provided by the retirement system is considered an Other Postretirement 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 healthcare based on authority granted by State statute. The 2007 and 2006 local government employer contribution rate was 13.7 percent of covered payroll; 4.00 percent of covered payroll was the portion that was used to fund healthcare.

HUDSON LIBRARY AND HISTORICAL SOCIETY  
SUMMIT COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 and 2006

**6. POSTEMPLOYMENT BENEFITS** (continued)

**A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM** (continued)

Benefits are advance funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS' latest actuarial review performed as of December 31, 2007, include rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 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. Healthcare premiums were assumed to increase between 1 and 6 percent annually for the next eight years and 4 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 or investment assets annually.

The number of active contributing participants in the traditional and combined plans was 376,109. Actual employer contribution for 2007 and 2006 were used to fund postemployment benefits. The actual contribution and the actuarially required contribution amounts are the same.

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' healthcare coverage to improve the financial solvency of the fund in response to increasing healthcare costs.

**7. DEBT**

The City of Hudson serves as the taxing authority in a ministerial function, and can issue tax related debt on behalf of the Library. The determination to request approval of a tax levy, the rate and the purpose are discretionary decisions made solely by the Library Board of Directors.

In 1999, the Library Board approved for the City of Hudson to place on the ballot, Library Construction Bonds in the amount of \$9.9 million for the construction of the current Library. The City of Hudson handled the issuance of the bonds and is handling the repayment. The outstanding debt can be found in the City of Hudson financial reports.

**8. LEASES**

The Library leases buildings, vehicles and other equipment under noncancellable leases. The Library disbursed \$14,153 and \$10,653 to pay lease costs for the years ended December 31, 2007 and 2006, respectively. Future lease payment are as follows:

<u>YEAR</u>	<u>AMOUNT</u>
2008	\$14,153
2009	<u>14,153</u>
Total	<u>\$28,306</u>

HUDSON LIBRARY AND HISTORICAL SOCIETY  
SUMMIT COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 and 2006

**9. CONTINGENT LIABILITIES**

The Library may be a defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, they believe the resolution of these matters will not materially adversely affect the Library's financial condition.

**10. JOINTLY GOVERNED ORGANIZATIONS**

The Cleveland Area Metropolitan Library System (CAMLS) is an area service organization created and governed according to the provisions of Section 3375.90 of the Ohio Revised Code. CAMLS is comprised of sixty-four public, academic, special, and school libraries. The purpose of CAMLS is to provide an effective and efficient sharing of information, resources, and expertise. CAMLS's Board of Trustees consists of thirteen full members with voting privileges elected by, from, and among the Advisory Council. The Advisory Council is comprised of a representative from each member library system. The Executive Director serves as an ex-officio, non-voting member. The Hudson Library and Historical Society's control over budgeting and financing of CAMLS is limited to its voting authority and its representation on the Board of Trustees.

CLEVNET is a consortium of several Northeast Ohio library systems. Created in 1982 it was to provide economy of scale for sharing of cataloging systems, database resources, technology services, tech processing standardization between systems and sharing of materials. Each library sends a representative to periodic meeting for sharing and coordinating direction and governing CLEVNET.

**11. RELATED ORGANIZATIONS**

The Library has a Friends of the Hudson Library organization, which raises money for support of the Library. It is an independent organization and the Library does not place any members on its Board of Trustees or direct the group in any way. The Friends Group does not supply the Library with a major source of revenue.

**12. RELATED PARTY TRANSACTIONS**

The Library paid dues for 2006 in the amount of \$545 to CAMLS and \$83,269 for services to CLEVNET. In 2007, the Library paid dues in the amount of \$85,023 for services to CLEVNET. CAMLS was disbanded during 2006.

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# KNOX & KNOX

Accountants and Consultants

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

Hudson Library and Historical Society  
Summit County  
96 Library Street  
Hudson, Ohio 44236

To the Board of Directors:

We have audited the statement of assets and net assets, the statements of support and receipts, disbursements and changes in net assets and cash flows of the Hudson Library and Historical Society, Summit County, Ohio (the Library) as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated April 28, 2009, wherein we noted the Library followed the cash basis of accounting. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

### 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, but not to opine on the effectiveness of the Library's internal control over financial reporting. Our consideration of internal control would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Library's internal control will not prevent or detect a material financial statement misstatement. Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses

### COMPLIANCE

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*.

We intend this report solely for the information and use of the audit committee, management, and Board of Directors. We intend it for no one other than these specified parties.

KNOX & KNOX

Orrville, Ohio  
April 28, 2009





**Mary Taylor, CPA**  
Auditor of State

**HUDSON LIBRARY AND HISTORICAL SOCIETY  
SUMMIT COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MAY 21, 2009**