



Dave Yost • Auditor of State

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Bexley Public Library
Franklin County
2411 E Main St
Bexley, Ohio 43209

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of Bexley Public Library, Franklin County, Ohio (the Library) as of and for the years ended December 31, 2014 and 2013.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Library's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Library's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the Library prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy these requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Though the Library does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis permitted is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Library as of December 31, 2014 and 2013, or changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of Bexley Public Library, Franklin County, Ohio as of December 31, 2014 and 2013, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2015, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control over financial reporting and compliance.



Dave Yost
Auditor of State
Columbus, Ohio

May 13, 2015

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	General	Special Revenue	Capital Projects	Permanent	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$ 1,291,638	\$ -	\$ -	\$ -	\$ 1,291,638
Public Library	1,397,678	-	-	-	1,397,678
Intergovernmental	16,939	-	-	-	16,939
Patron Fines and Fees	53,410	-	-	-	53,410
Services Provided to Other Entities	2,575	-	-	-	2,575
Contributions, Gifts and Donations	49,652	10,205	-	850	60,707
Earnings on Investments	2,062	20	887	95	3,064
Miscellaneous	5,046	1,950	1,870	-	8,866
<i>Total Cash Receipts</i>	<u>2,819,000</u>	<u>12,175</u>	<u>2,757</u>	<u>945</u>	<u>2,834,877</u>
Cash Disbursements					
Current:					
Library Services:					
Public Services and Programs	1,061,687	15,208	-	-	1,076,895
Collection Development and Processing	604,661	-	-	-	604,661
Support Services:					
Facilities Operation and Maintenance	288,437	-	-	-	288,437
Information Services	130,147	-	-	-	130,147
Business Administration	358,755	-	-	-	358,755
Capital Outlay	25,414	87,360	126,167	-	238,941
<i>Total Cash Disbursements</i>	<u>2,469,101</u>	<u>102,568</u>	<u>126,167</u>	<u>-</u>	<u>2,697,836</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>349,899</u>	<u>(90,393)</u>	<u>(123,410)</u>	<u>945</u>	<u>137,041</u>
Other Financing Receipts (Disbursements)					
Transfers In	-	-	75,000	-	75,000
Transfers Out	(75,000)	-	-	-	(75,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(75,000)</u>	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	274,899	(90,393)	(48,410)	945	137,041
<i>Fund Cash Balances, January 1</i>	<u>1,098,099</u>	<u>236,396</u>	<u>628,195</u>	<u>65,086</u>	<u>2,027,776</u>
Fund Cash Balances, December 31					
Nonspendable	-	-	-	65,844	65,844
Restricted	-	146,003	-	187	146,190
Assigned	35,927	-	579,785	-	615,712
Unassigned	1,337,071	-	-	-	1,337,071
<i>Fund Cash Balances, December 31</i>	<u>\$ 1,372,998</u>	<u>\$ 146,003</u>	<u>\$ 579,785</u>	<u>\$ 66,031</u>	<u>\$ 2,164,817</u>

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

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	General	Special Revenue	Capital Projects	Permanent	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$ 590,583	\$ -	\$ -	\$ -	\$ 590,583
Public Library	1,424,687	-	-	-	1,424,687
Intergovernmental	93,266	33,000	-	-	126,266
Patron Fines and Fees	60,745	-	-	-	60,745
Contributions, Gifts and Donations	40,119	13,500	5,588	1,500	60,707
Earnings on Investments	990	12	572	56	1,630
Miscellaneous	4,910	-	-	-	4,910
<i>Total Cash Receipts</i>	<u>2,215,300</u>	<u>46,512</u>	<u>6,160</u>	<u>1,556</u>	<u>2,269,528</u>
Cash Disbursements					
Current:					
Library Services:					
Public Services and Programs	911,325	14,638	-	-	925,963
Collection Development and Processing	504,529	-	-	-	504,529
Support Services:					
Facilities Operation and Maintenance	267,362	1,598	-	-	268,960
Information Services	80,467	44,200	-	-	124,667
Business Administration	279,962	-	-	-	279,962
Capital Outlay	13,771	14,494	81,930	-	110,195
<i>Total Cash Disbursements</i>	<u>2,057,416</u>	<u>74,930</u>	<u>81,930</u>	<u>-</u>	<u>2,214,276</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>157,884</u>	<u>(28,418)</u>	<u>(75,770)</u>	<u>1,556</u>	<u>55,252</u>
Other Financing Receipts (Disbursements)					
Transfers In	-	-	25,000	-	25,000
Transfers Out	(25,000)	-	-	-	(25,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(25,000)</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	132,884	(28,418)	(50,770)	1,556	55,252
<i>Fund Cash Balances, January 1</i>	<u>965,215</u>	<u>264,814</u>	<u>678,965</u>	<u>63,531</u>	<u>1,972,525</u>
Fund Cash Balances, December 31					
Nonspendable	-	-	-	64,993	64,993
Restricted	-	236,396	-	93	236,489
Assigned	35,714	-	628,195	-	663,909
Unassigned	1,062,385	-	-	-	1,062,385
<i>Fund Cash Balances, December 31</i>	<u>\$ 1,098,099</u>	<u>\$ 236,396</u>	<u>\$ 628,195</u>	<u>\$ 65,086</u>	<u>\$ 2,027,776</u>

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

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The Bexley Public Library, Franklin County, (the Library) is body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of Ohio. The Library has its own Board of Trustees of seven members who are appointed by the Board of Education of Bexley City School District. Appointments are for seven-year terms and members serve without compensation. Under Ohio statutes, the Library is 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 also determines and operates under its own budget. Control and management of the Library is governed by sections 3375.33 to 3375.39 of the Ohio Revised Code with the administration of the day-to-day operations of the Library being the responsibility of the Director and financial accountability being solely that of the Fiscal Officer-Treasurer. The Library provides the community with various educational and literary resources.

The Library is fiscally independent of the 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, the role and purpose 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.

The Friends of the Bexley Public Library, Inc. is a legally separate, 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. The Library does not have access to the resources provided by the organization. Therefore, this organization has been excluded from the reporting entity of the Library.

The Library is a member of the Central Library Consortium (the CLC), a joint venture to provide reduced costs to the individual member libraries through collective efforts and resources sharing. The CLC is further discussed in Note 7.

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

B. Accounting Basis

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and the Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting 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. 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 the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

C. Deposits and Investments

The Library's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Money market mutual funds (including STAR Ohio) are recorded at share values the mutual funds report.

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 accounts for and reports all financial resources not accounted for and reported in another fund.

2. Special Revenue Funds

These funds account for and report the proceeds of specific revenue sources that are restricted to expenditure for specified purposes other than debt service or capital projects. The Library had the following significant Special Revenue Funds:

The Crane Expendable Trust Fund – This Special Revenue Fund receives gifts and donations from benefactors and expends the resources for Library goods and services at the discretion of Paige Crane and the Library Director.

Radnor Expendable Trust Fund for Children's Services – This Special Revenue Fund receives gifts and donations from benefactors and expends the resources for children services at the discretion of Alan Radnor and the Library Director.

Friends of Bexley Library – This Special Revenue Fund receives gifts and donations from the Friends and expends the resources for Library goods and services at the discretion of the Friends and the Library Director.

Marilyn K. Limbird Fund – This Special Revenue Fund was established to account for the proceeds of the Limbird Estate and expends the resources at the discretion of the Board.

3. Capital Project Funds

These funds account for and report financial resources that are committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Library had the following significant Capital Project Fund:

Building and Repair Fund – The monies maintained in this fund are to be used for the future purchase of land, and for improving and expanding the existing library facility.

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

4. Permanent Funds

These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the Library or its citizenry). The Library had the following significant Permanent Funds:

John F. Schacht Endowment Fund– This Permanent Fund receives gifts and donations from benefactors and uses the interest earned on the fund balance to purchase mathematics books for the Library.

Brad Alan Sokolov Endowment Fund – This Permanent Fund receives gifts and donations from benefactors and uses the interest earned on the fund balance to purchase audiovisual materials.

Louise M. McCulloch Endowment for Literary and Scholarly Works Fund – This Permanent Fund receives gifts and donations from benefactors and uses the interest earned on the fund balance to purchase literary and scholarly books and to pay expenses for organizing lectures, speaking and educational programs.

E. Budgetary Process

The Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end. Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, and object level of control.

A summary of 2014 and 2013 budgetary activity appears in Note 3.

F. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Library must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. Nonspendable

The Library classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

2. Restricted

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

F. Fund Balance (Continued)

3. Committed

Trustees can *commit* amounts via formal action (resolution). The Library must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the General Fund report all fund balances as *assigned* unless they are restricted or committed. In the General Fund, *assigned* amounts represent intended uses established by Library Trustees or a Library official delegated that authority by resolution, or by State Statute.

5. Unassigned

Unassigned fund balance is the residual classification for the General Fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Library applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

G. Property, Plant, and Equipment

The Library records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

H. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

2. Equity in Pooled Deposits and Investments

The Library maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(Continued)**

2. Equity in Pooled Deposits and Investments (Continued)

	2014	2013
Demand Deposits	\$25,009	\$26,032
STAR Plus	1,504,147	501,339
Change Fund	950	950
Petty Cash	100	100
Total Deposits	\$1,530,206	\$528,421
STAR Ohio	634,611	1,499,355
Total Investments	634,611	1,499,355
Total Deposits and Investments	\$2,164,817	\$2,027,776

Deposits: Deposits are insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form. The Library has established a Bexley Public Library Endowment fund with the Columbus Foundation, which serves as a custodian bank, to be used for the purposes of acquisition of materials and equipment, staff training and development, and facilities improvements. At December 31, 2014, the custodian held \$15,840 in Library assets. The accompanying financial statements do not include these assets or the related receipts and disbursements.

3. Budgetary Activity

Budgetary activity for the years ended December 31, 2014 and 2013 follows:

2014 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,817,573	\$2,819,000	\$1,427
Special Revenue	12,172	12,175	3
Capital Projects	77,745	77,757	12
Permanent	941	945	4
Total	\$2,908,431	\$2,909,877	\$1,446

2014 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$2,780,352	\$2,580,028	\$200,324
Special Revenue	113,643	107,568	6,075
Capital Projects	159,126	132,971	26,155
Total	\$3,053,121	\$2,820,567	\$232,554

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(Continued)**

3. Budgetary Activity (Continued)

2013 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,215,000	\$2,215,300	\$300
Special Revenue	46,511	46,512	1
Capital Projects	31,153	31,160	7
Permanent	1,555	1,556	1
Total	<u>\$2,294,219</u>	<u>\$2,294,528</u>	<u>\$309</u>

2013 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$2,251,332	\$2,118,130	\$133,202
Special Revenue	80,838	74,930	5,908
Capital Projects	114,777	94,261	20,516
Total	<u>\$2,446,947</u>	<u>\$2,287,321</u>	<u>\$159,626</u>

4. Grants-in-aid and Tax Receipts

The primary source of revenue for Ohio public libraries is the Public Library Fund (PLF). The State allocates PLF to each county based on the total tax revenue credited to the State's general revenue fund during the preceding month. This method of distribution is called the "percentage of revenue" method. This method was not used for August 2011 through June 2013. During that 23 month period PLF received a designated percentage of the dollar amounts received by the fund during the corresponding month of the fiscal year 2011 "base-year" period. Effective July 2013 the statutory allocation method reverted to the "percentage of revenue" method for PLF distribution. The fund received an amount equal to a specified percentage of the amount of GRF tax revenue received during the previous month. Beginning with the July 2013 distribution the "statutory allocation method" was implemented. The calendar year 2013 entitlements were used in the computation as the basis of each county's allocation percentage. Those percentages were used through December 2013. In December 2013 the actual calendar year entitlement was computed. Any difference was adjusted evenly to the PLF distributions from January-June 2014. In calendar year 2014 the statutory entitlement computation method continued. Estimated entitlement figures were issued to County Auditors in July 2013, December 2013 and June 2014. The actual 2014 entitlements will be computed in December 2014. The difference between the estimate and actual will be adjusted evenly in the PLF distributions made from January-June 2015.

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 Department of Taxation, Division 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 20.

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

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(Continued)**

4. Grants-in-aid and Tax Receipts (Continued)

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

5. Retirement Systems

The Library's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2014 and 2013, OPERS members contributed 10% of their gross salaries and the Library contributed an amount equaling 14% of participants' gross salaries. The Library has paid all contributions required through December 31, 2014.

6. Risk Management

Commercial Insurance

The Library has obtained commercial insurance for the following risks:

- Comprehensive property, general and umbrella liability
- Errors & Omissions
- Vehicle Liability
- Director and Officer Liability
- Employment Practices Liability
- Crime

7. Joint Venture

The Library is a member of the Central Library Consortium (the "CLC"). The CLC is a separate entity established as a joint venture to provide reduced costs to the individual member libraries through collective efforts and cooperative resource sharing. The CLC undertakes projects that strive to complement the existing resources available through the State Library regional system. The CLC, which commenced in 1988, has fourteen members consisting of Alexandria Public Library, Bexley Public Library, Columbus Metropolitan Library, Fairfield County District Public Library, Grandview Heights Public Library, London Public Library, Marysville Public Library, Pickaway County District Library, Pickerington Public Library, Plain City Public Library, Southwest Public Libraries, Upper Arlington Public Library, Wagnalls Memorial Library and Worthington Libraries. The Bexley Public Library became a member of the CLC during September 2013. The CLC is governed by a Council consisting of one appointed representative by each member library. The CLC's financial operations are accounted for in the Agency Fund of the Grandview Heights Public Library. Members make payments to the CLC in amounts established in the agreements for individual projects undertaken by the CLC. The Bexley Public Library paid \$55,287 and \$44,240 to the CLC in 2014 and 2013, respectively. The Library has no explicit and measurable equity interest in the venture. The Library's only ongoing financial responsibility to the CLC is for participating projects that have been entered into by the Library. Financial information and statements can be obtained from the Grandview Heights Public Library, Franklin County, 1685 W. 1st Ave. Columbus, Ohio 43212.

You can read additional information concerning the CLC on their website, <http://www.clcoho.org/member-libraries>.

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(Continued)**

8. Contingent Liabilities

Management believes there are no pending claims or lawsuits.

9. Transfers

In 2014, the Library had transfers as follows:

	<u>Transfers From:</u>	<u>Transfers To:</u>
General	\$75,000	
Capital Projects Fund		
Building & Repair Fund		\$75,000

In 2013, the Library had transfers as follows:

	<u>Transfers From:</u>	<u>Transfers To:</u>
General	\$25,000	
Capital Projects Fund		
Building & Repair Fund		\$25,000

Transfers are used to move unrestricted receipts collected in the General Fund to finance various programs accounted for in the other funds in accordance with budgetary authorizations.



Dave Yost • Auditor of State

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

Bexley Public Library
Franklin County
2411 E Main St
Bexley, Ohio 43209

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of Bexley Public Library, Franklin County, Ohio (the Library) as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, and have issued our report thereon dated May 13, 2015, wherein we noted the Library followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Library's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Library's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Library's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

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, opining 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*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Library's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

May 13, 2015



Dave Yost • Auditor of State

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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 26, 2015**