



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



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STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

Lausche Building, 12th Floor  
615 Superior Avenue, NW  
Cleveland, Ohio 44113  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
www.auditor.state.oh.us

## REPORT OF INDEPENDENT ACCOUNTANTS

Lake County Law Library Association  
Lake County  
47 N. Park Place  
Painesville, Ohio 44077

To the Board of Trustees:

We have audited the accompanying financial statements of the Lake County Law Library Association, Lake County, Ohio, (the Library) as of and for the years ended December 31, 1999 and December 31, 1998. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Library prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances and reserves for encumbrances of the Lake County Law Library Association, Lake County, as of December 31, 1999 and December 31, 1998, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2000 on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of the Board of Trustees, management, and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro".

**Jim Petro**  
Auditor of State

February 28, 2000

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**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
FUND CASH BALANCES - THE GOVERNMENTAL FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 1999**

**Governmental Fund Type**

	<b>General</b>
<b>Cash Receipts:</b>	
County of Lake	\$364,073
Juvenile Court	1,587
Clerk of Courts	1,250
City of Painesville	48,941
Painesville Municipal Court	4,254
Mentor Municipal Court	4,548
Willoughby Municipal Court	5,844
Interest	27,612
Miscellaneous Receipts	434
Total Cash Receipts	458,543
 <b>Cash Disbursements:</b>	
Books and CD Rom	208,863
Salaries and Withholding	17,350
Supplies	5,042
Insurance	2,869
Service Contracts	4,670
Telephone	522
Westlaw	8,354
North Coast Web	180
Rotundra	2,500
Equipment	18,844
Lake Legal Views	9,000
Audio / Video	2,041
Classified Ads	551
Other	1,751
Total Cash Disbursements	282,537
Total Cash Receipts Over/(Under) Cash Disbursements	176,006
 <b>Other Financing Receipts/(Disbursements):</b>	
Refunds	108,871
Total Other Financing Receipts/(Disbursements)	108,871
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	67,135
Fund Cash Balances, January 1	686,187
<b>Fund Cash Balances, December 31</b>	<b>\$753,322</b>
Reserves for Encumbrances, December 31	\$123,691

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

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
FUND CASH BALANCES - THE GOVERNMENTAL FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 1998**

<b>Governmental Fund Type</b>	
	<b>General</b>
<b>Cash Receipts:</b>	
County of Lake	\$362,478
Juvenile Court	1,689
Clerk of Courts	1,250
City of Painesville	50,019
Painesville Municipal Court	6,226
City of Mentor	62
Mentor Municipal Court	4,331
Willoughby Municipal Court	4,269
Westlaw Usage	535
Interest	25,108
Miscellaneous Receipts	592
Total Cash Receipts	456,559
<b>Cash Disbursements:</b>	
Books and CD Rom	238,096
Salaries and Withholding	14,306
Supplies	4,101
Insurance	2,869
Service Contracts	7,800
Telephone	460
Westlaw	9,010
Internet	180
Audit 1996-1997	2,255
Classified Ads	279
Other	10,016
Total Cash Disbursements	289,372
Total Cash Receipts Over/(Under) Cash Disbursements	167,187
<b>Other Financing Receipts/(Disbursements):</b>	
Refunds	121,574
Total Other Financing Receipts/(Disbursements)	121,574
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	45,613
Fund Cash Balances, January 1	640,574
<b>Fund Cash Balances, December 31</b>	<b>\$686,187</b>
Reserves for Encumbrances, December 31	\$43,691

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



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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Lake County Law Library Association, Lake County, Ohio, (the Library) is a body 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 privately-elected five-member Board of Trustees. The Library is formed for the purpose of providing a legal research and resource base to members.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Investments**

Certificates of deposit are valued at cost.

**D. Fund Accounting**

The Library uses fund accounting to segregate cash and investments that are restricted as to use. The Library uses one fund:

**General Fund**

The General Fund is the general operating fund. It is used to account for all financial resources, except those required by law or contract to be restricted. The Library has no financial resources required by law or contract to be restricted.

**E. Budgetary Process**

The Library is not subject to Ohio budgetary law as it is not a taxing unit.

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**G. Unpaid Vacation and Sick Leave**

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Library.

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

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

	<u>1999</u>	<u>1998</u>
Demand deposits	\$291,664	\$244,071
Certificates of deposit	<u>461,658</u>	<u>442,116</u>
Total deposits	<u>\$753,322</u>	<u>\$686,187</u>

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

**3. RETIREMENT SYSTEMS**

Employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. The plan provides retirement benefits, including post retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, members of PERS contributed 8.5% of their gross wages to the PERS. The Library contributed an amount equal to 13.55% of participants' gross wages. The Library has paid all contributions required through December 31, 1999.

**4. RISK MANAGEMENT**

The Library has obtained commercial insurance for the following risks:

- General Liability
- Public Officials Liability
- Automotive
- Inland Marine
- Property



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

Lake County Law Library Association  
Lake County  
47 N. Park Place  
Painesville, Ohio 44077

To the Board of Trustees:

We have audited the financial statements of the Lake County Law Library Association, Lake County, Ohio, (the Library) as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated February 28, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Library's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audits, we considered the Library's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Library in a separate letter date February 28, 2000.

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

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

**Jim Petro**  
Auditor of State

February 28, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**LAW LIBRARY ASSOCIATION**

**LAKE 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  
MARCH 28, 2000**