



**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 - 1999



**JIM PETRO
AUDITOR OF STATE**

STATE OF OHIO

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types For the Year Ended December 31, 2000	3
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances - Proprietary Fund Type and Similar Fiduciary Fund Type For the Year Ended December 31, 2000	4
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances - All Governmental Fund Types For the Year Ended December 31, 1999	5
Combined Statement of Cash Receipts, Cash Disbursements and Changes in Fund Cash Balances - Proprietary Fund Type and Similar Fiduciary Fund Type For the Year Ended December 31, 1999	6
Notes to the Financial Statements	7
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	13

THIS PAGE INTENTIONALLY LEFT BLANK



**STATE OF OHIO
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Board of Trustees
Bexley Public Library
Franklin County
2411 East Main Street
Columbus, Ohio 43209

We have audited the accompanying financial statements of the Bexley Public Library, Franklin County, Ohio, (the Library) as of and for the years ended December 31, 2000 and December 31, 1999. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our 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 combined fund cash balances and reserves for encumbrances of the Bexley Public Library, Franklin County, Ohio, as of December 31, 2000 and December 31, 1999, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2001 on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of that audit.

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 Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

JIM PETRO
Auditor of State

March 19, 2001

THIS PAGE INTENTIONALLY LEFT BLANK

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

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

	<u>General</u>	<u>Capital Projects</u>	<u>Total (Memorandum Only)</u>
Cash receipts:			
State taxes	\$2,023,676	\$0	\$2,023,676
Patron Fines and Fees	77,897	0	77,897
Earnings on investments	28,060	63,705	91,765
Contributions, Gifts, and Donations	23,666	0	23,666
Miscellaneous	4,994	0	4,994
	<u>2,158,293</u>	<u>63,705</u>	<u>2,221,998</u>
Total cash receipts			
Cash disbursements:			
Current:			
Salaries and Benefits	1,361,491	0	1,361,491
Supplies	51,213	0	51,213
Purchased Services	241,502	0	241,502
Library Materials and Information	387,224	0	387,224
Other	7,204	0	7,204
Capital outlay	18,028	0	18,028
	<u>2,066,662</u>	<u>0</u>	<u>2,066,662</u>
Total cash disbursements			
Total cash receipts over/(under) cash disbursements	<u>91,631</u>	<u>63,705</u>	<u>155,336</u>
Other financing sources/(uses):			
Sale of Surplus Property	<u>1</u>	<u>0</u>	<u>1</u>
Total other financing sources/(uses)	<u>1</u>	<u>0</u>	<u>1</u>
Excess of cash receipts and other financing sources over/(under) cash disbursements and other financing uses	91,632	63,705	155,337
Fund cash balances, January 1, 2000	<u>330,204</u>	<u>989,835</u>	<u>1,320,039</u>
Fund cash balances, December 31, 2000	<u>\$421,836</u>	<u>\$1,053,540</u>	<u>\$1,475,376</u>
Reserves for encumbrances, December 31, 2000	<u>\$130,262</u>	<u>\$0</u>	<u>\$130,262</u>

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

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH
BALANCES - PROPRIETARY FUND TYPE AND SIMILAR FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Total (Memorandum Only)</u>
	Enterprise	Nonexpendable Trust	Total
Operating cash receipts:			
Earnings on Investments	\$0	\$2,769	\$2,769
Charges for Services	948	0	948
Contributions, Gifts, and Donations	0	3,050	3,050
	<u>948</u>	<u>5,819</u>	<u>6,767</u>
Total operating cash receipts			
Operating cash disbursements:			
Supplies	565	0	565
Library Materials and Information	268	3,022	3,290
	<u>833</u>	<u>3,022</u>	<u>3,855</u>
Total operating cash disbursements			
Total operating cash receipts over/(under) operating cash disbursements	115	2,797	2,912
Fund cash balances, January 1, 2000	<u>429</u>	<u>43,075</u>	<u>43,504</u>
Fund cash balances, December 31, 2000	<u>\$544</u>	<u>\$45,872</u>	<u>\$46,416</u>
Reserve for encumbrances, December 31, 2000	<u>\$0</u>	<u>\$313</u>	<u>\$313</u>

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

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

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

	<u>General</u>	<u>Capital Projects</u>	<u>Total (Memorandum Only)</u>
	General	Capital Projects	Total
Cash receipts:			
State taxes	\$1,934,200	\$0	\$1,934,200
Patron Fines and Fees	78,518	0	78,518
Earnings on investments	30,291	35,395	65,686
Contributions, Gifts, and Donations	5,473	0	5,473
Miscellaneous	3,933	0	3,933
	<u>2,052,415</u>	<u>35,395</u>	<u>2,087,810</u>
Total cash receipts			
Cash disbursements:			
Current:			
Salaries and Benefits	1,254,860	0	1,254,860
Supplies	57,966	0	57,966
Purchased Services	242,154	0	242,154
Library Materials and Information	392,138	0	392,138
Other	6,812	0	6,812
Capital outlay	43,790	45,480	89,270
	<u>1,997,720</u>	<u>45,480</u>	<u>2,043,200</u>
Total cash disbursements			
Total cash receipts over/(under) cash disbursements	<u>54,695</u>	<u>(10,085)</u>	<u>44,610</u>
Other financing sources/(uses):			
Sale of Surplus Property	1	0	1
Transfers-in	0	14,736	14,736
Transfers-out	(15,130)	0	(15,130)
	<u>(15,129)</u>	<u>14,736</u>	<u>(393)</u>
Total other financing sources/(uses)			
Excess of cash receipts and other financing sources over/(under) cash disbursements and other financing uses	39,566	4,651	44,217
Fund cash balances, January 1, 1999	<u>290,638</u>	<u>985,184</u>	<u>1,275,822</u>
Fund cash balances, December 31, 1999	<u>\$330,204</u>	<u>\$989,835</u>	<u>\$1,320,039</u>
Reserves for encumbrances, December 31, 1999	<u>\$155,830</u>	<u>\$0</u>	<u>\$155,830</u>

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

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH
BALANCE - PROPRIETARY FUND TYPE AND SIMILAR FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Proprietary Fund Type	Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Nonexpendable Trust	Total
Operating cash receipts:			
Earnings on Investment	\$0	\$1,293	\$1,293
Charges for Services	1,048	0	1,048
Contributions, Gifts, and Donations	0	9,740	9,740
	<u>1,048</u>	<u>11,033</u>	<u>12,081</u>
Total operating cash receipts			
Operating cash disbursements:			
Supplies	762	0	762
Library Materials and Information	298	1,396	1,694
	<u>1,060</u>	<u>1,396</u>	<u>2,456</u>
Total operating cash disbursements			
Total operating cash receipts over/(under) operating cash disbursements	<u>(12)</u>	<u>9,637</u>	<u>9,625</u>
Transfers-in	<u>0</u>	<u>394</u>	<u>394</u>
Net cash receipts over/(under) cash disbursements	(12)	10,031	10,019
Fund cash balances, January 1, 1999	<u>441</u>	<u>33,044</u>	<u>33,485</u>
Fund cash balances, December 31, 1999	<u>\$429</u>	<u>\$43,075</u>	<u>\$43,504</u>
Reserve for encumbrances, December 31, 1999	<u>\$0</u>	<u>\$0</u>	<u>0</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, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Bexley 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. The Library provides the community with various educational and literary resources.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

C. Cash and Investments

Certificates of deposit are valued at cost. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Except gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

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:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Capital Projects Fund

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Library had the following significant capital projects fund:

Building Fund - Receives transfers from the General Fund which will be used to purchase land for improving and expanding the existing building.

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. FUND ACCOUNTING (Continued)

Enterprise Fund

This fund accounts for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The Library had the following significant enterprise fund:

Vending Machine Fund - This fund is used to account for vending machine receipts.

Fiduciary Fund (Trust Fund)

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the Library to maintain the corpus of the trust, the fund is classified as a nonexpendable trust fund. Other trust funds are classified as expendable. The Library had the following significant fiduciary funds:

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

John F. Schacht Endowment Fund - This fund uses the interest income from the fund balance to purchase Mathematics books.

Louise M. McCulloch Endowment for Literary and Scholarly Works Fund - This fund receives gifts and donations and uses the interest income from the fund balance for purchasing literary and scholarly books and for paying expenses for organizing lectures, speaking and educational programs.

E. Budgetary Process

The Ohio Administrative Code requires that each fund be budgeted annually.

Appropriations

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

Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1.

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

Encumbrances

The Ohio Administrative Code requires the Library to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon 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 investment pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$255,698	\$98,645
Certificates of deposit	<u>398,971</u>	<u>450,000</u>
Total deposits	<u>654,669</u>	<u>548,645</u>
STAR Ohio	<u>867,123</u>	<u>814,898</u>
Total investments	<u>867,123</u>	<u>814,898</u>
Total deposits and investments	<u>\$1,521,792</u>	<u>\$1,363,543</u>

Deposits: Deposits are either 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.

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

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

3. BUDGETARY ACTIVITY

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

2000 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$2,062,637	\$2,158,294	\$95,657
Capital Projects	47,500	63,705	16,205
Enterprise	1,500	948	(552)
Trust	<u>2,135</u>	<u>5,819</u>	<u>3,684</u>
Total	<u>\$2,113,772</u>	<u>\$2,228,766</u>	<u>\$114,994</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$2,392,841	\$2,196,924	\$195,917
Capital Projects	1,037,335	0	1,037,335
Enterprise	1,929	833	1,096
Trust	<u>45,211</u>	<u>3,335</u>	<u>41,876</u>
Total	<u>\$3,477,316</u>	<u>\$2,201,092</u>	<u>\$1,276,224</u>

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$2,082,917	\$2,052,415	(\$30,502)
Capital Projects	59,000	50,131	(8,869)
Enterprise	1,500	1,048	(452)
Trust	<u>2,210</u>	<u>11,427</u>	<u>9,217</u>
Total	<u>\$2,145,627</u>	<u>\$2,115,021</u>	<u>\$30,606</u>

**BEXLEY PUBLIC LIBRARY
FRANKLIN COUNTY**

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

3. BUDGETARY ACTIVITY (Continued)

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$2,373,555	\$2,168,680	\$204,875
Capital Projects	1,044,184	45,480	998,704
Enterprise	1,941	1,060	881
Trust	<u>35,254</u>	<u>1,396</u>	<u>33,858</u>
Total	<u>\$3,454,934</u>	<u>\$2,216,616</u>	<u>\$1,238,318</u>

4. TAX RECEIPTS

The primary source of revenue for Ohio public libraries is the State Library and Local Government Support Fund (LLGSF). The LLGSF is allocated to each county based on the county's prior intangibles tax revenues and its population.

The County Budget Commission allocates these funds to each qualified public library board based on the needs of such library for the construction of new library buildings, improvements, operation, maintenance, or other expenses. The Budget Commission cannot reduce its allocation of these funds to any library on account of any additional revenues realized by such library.

5. RETIREMENT SYSTEM

The Public Employees Retirement System of Ohio (PERS) is a state operated, cost-sharing, multiple employer public employee retirement system. PERS provides retirement benefits to vested employees who are eligible to retire based upon years of service. PERS also provides survivor and disability benefits to vested employees.

Contribution rates are prescribed by the Ohio Revised Code. For 2000 and 1999, the Library's PERS members were required to contribute 8.5% of their gross salaries which was picked up by the Library as a paid benefit for all full-time staff. Additionally, the Library contributed an amount equal to 10.84% and 13.55%, in 2000 and 1999, respectively, of participants' gross salaries. The Library has paid all contributions required through December 31, 2000.

6. RISK MANAGEMENT

The Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Errors and omissions
- Non-Owned/Hired Auto

THIS PAGE INTENTIONALLY LEFT BLANK



**STATE OF OHIO
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

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

Board of Trustees
Bexley Public Library
Franklin County
2411 East Main Street
Columbus, Ohio 43209

We have audited the accompanying financial statements of the Bexley Public Library, Franklin County, Ohio, (the Library) as of and for the years ended December 31, 2000 and December 31, 1999, and have issued our report thereon dated March 19, 2001. 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 a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Library in a separate letter dated March 19, 2001.

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

JIM PETRO
Auditor of State

March 19, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

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

BEXLEY 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
APRIL 17, 2001**