



**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Dorcas Carey Public Library
Wyandot County
236 East Findlay Street
Carey, Ohio 43316

To the Board of Trustees:

We have audited the accompanying financial statements of the Dorcas Carey Public Library, Wyandot County, Ohio, (the Library) as of and for the years ended December 31, 2001, and December 31, 2000. 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 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 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 of the Library as of December 31, 2001, and December 31, 2000, 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 1, 2002, 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 our audit.

This report is intended solely for the information and use of management, the Board of Trustees 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.

JIM PETRO
Auditor of State

February 1, 2002

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**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001**

	General	Capital Projects	Totals (Memorandum Only)
Cash Receipts:			
State Income Tax	\$386,144	\$0	\$386,144
Patron Fines and Fees	11,706	0	11,706
Earnings on Investments	7,153	0	7,153
Contributions, Gifts and Donations	10,127	0	10,127
 Total Cash Receipts	 415,130	 0	 415,130
Cash Disbursements:			
Current:			
Salaries and Benefits	231,388	0	231,388
Supplies	9,157	0	9,157
Purchased and Contracted Services	38,681	0	38,681
Library Materials	34,362	0	34,362
Dues and Memberships	10,624	0	10,624
Capital Outlay	11,641	0	11,641
 Total Cash Disbursements	 335,853	 0	 335,853
 Total Cash Receipts Over Cash Disbursements	 79,277	 0	 79,277
Other Financing Receipts/(Disbursements):			
Transfers-In	0	35,000	35,000
Transfers-Out	(35,000)	0	(35,000)
 Total Other Financing Receipts/(Disbursements)	 (35,000)	 35,000	 0
 Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	 44,277	 35,000	 79,277
 Fund Cash Balances, January 1, 2001	 88,504	 127,879	 216,383
 Fund Cash Balances, December 31, 2001	 \$132,781	 \$162,879	 \$295,660

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

**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

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

	General	Capital Projects	Totals (Memorandum Only)
Cash Receipts:			
State Income Tax	\$365,494	\$0	\$365,494
Patron Fines and Fees	12,994	0	12,994
Earnings on Investments	5,769	0	5,769
Contributions, Gifts and Donations	8,871	0	8,871
 Total Cash Receipts	 393,128	 0	 393,128
Cash Disbursements:			
Current:			
Salaries and Benefits	213,091	0	213,091
Supplies	8,286	0	8,286
Purchased and Contracted Services	33,378	0	33,378
Library Materials	39,994	0	39,994
Dues and Memberships	10,510	0	10,510
Capital Outlay	16,871	9,028	25,899
 Total Cash Disbursements	 322,130	 9,028	 331,158
 Total Cash Receipts Over/(Under) Cash Disbursements	 70,998	 (9,028)	 61,970
Other Financing Receipts/(Disbursements):			
Transfers-In	0	50,000	50,000
Transfers-Out	(50,000)	0	(50,000)
 Total Other Financing Receipts/(Disbursements)	 (50,000)	 50,000	 0
 Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	 20,998	 40,972	 61,970
 Fund Cash Balances, January 1, 2000	 67,506	 86,907	 154,413
 Fund Cash Balances, December 31, 2000	 \$88,504	 \$127,879	 \$216,383

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

**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Dorcas Carey Public Library, Wyandot 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 Ohio. The Library is directed by a seven-member Board of Trustees appointed by the Carey Exempted Village School District Board of Education. 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

Investments are included in fund cash balances. 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 disbursements, respectively.

The Library has an interest bearing checking account and certificates of deposit, which 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 classifies its funds into the following types:

1. 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.

2. Capital Projects Fund

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects.

**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The Ohio Administrative Code requires budgeting for each fund annually.

1. Appropriations

The Board must annually approve appropriation measures and subsequent amendments. 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.

2. Estimated Resources

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

3. Encumbrances

The Ohio Administrative Code requires the Library to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and re-appropriated in the subsequent year.

Effective January 1, 2001, the Ohio Administrative Code amended library budgetary requirements. Libraries are not required to estimate resources or encumber appropriations. However, during 2001, the Library still estimated resources and encumbered appropriations.

A summary of 2001 and 2000 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. Accumulated Leave

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

**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

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:

	2001	2000
Deposits	\$200,340	\$144,948
Petty Cash	20	20
Certificates of deposit	95,300	71,415
Total deposits	\$295,660	\$216,383

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2001, and December 31, 2000 follows:

2001 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$392,500	\$415,130	\$22,630
Capital Projects	0	35,000	35,000
Total	\$392,500	\$450,130	\$57,630

2001 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$481,004	\$370,853	\$110,151
Capital Projects	127,879	0	127,879
Total	\$608,883	\$370,853	\$238,030

2000 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$353,200	\$393,128	\$39,928
Capital Projects	0	50,000	50,000
Total	\$353,200	\$443,128	\$89,928

**DORCAS CAREY PUBLIC LIBRARY
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$427,706	\$372,130	\$55,576
Capital Projects	86,907	9,028	77,879
Total	\$514,613	\$381,158	\$133,455

4. STATE INCOME 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 of LLGSF revenues, and its population. The County Budget Commission allocates these funds to the Library based on its needs such as for the construction of new library buildings, improvements, operation, maintenance, or other expenses. The Budget Commission cannot reduce its allocation of these funds to the Library based on of any additional revenues the Library receives.

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. The Library's PERS members contributed 8.5% of their gross salaries. The Library contributed an amount equal to 13.55% of participants' gross salaries. PERS temporarily reduced the employer contribution rate to 8.13% effective July 1, 2000 to December 31, 2000. The Library has paid all contributions required through December 31, 2001.

6. RISK MANAGEMENT

Commercial Insurance

The Library has obtained commercial insurance for the following risks:

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



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

Dorcas Carey Public Library
Wyandot County
236 East Findlay Street
Carey, Ohio 43316

To the Board of Trustees:

We have audited the accompanying financial statements of the Dorcas Carey Public Library, Wyandot County, Ohio, (the Library) as of and for the years ended December 31, 2001, and December 31, 2000, and have issued our report thereon dated February 1, 2002. 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.

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 audit 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 audit, 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 February 1, 2002.

Dorcas Carey Public Library
Wyandot County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
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This report is intended solely 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.

JIM PETRO
Auditor of State

February 1, 2002



STATE OF OHIO
OFFICE OF THE AUDITOR

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DORCAS CAREY PUBLIC LIBRARY

WYANDOT 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 7, 2002**