



Mary Taylor, CPA
Auditor of State

**FINDLAY-HANCOCK COUNTY PUBLIC LIBRARY
HANCOCK COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Management's Discussion and Analysis.....	3
Statement of Net Assets – Cash Basis	9
Statement of Activities – Cash Basis	10
Statement of Cash Basis Assets and Fund Balances – Governmental Funds.....	11
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances – Governmental Funds	12
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis General Fund	13
Notes to the Basic Financial Statements	14
Independent Accountants' Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	23

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Findlay-Hancock County District Public Library
Hancock County
206 Broadway Street
Findlay, Ohio 45840

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Findlay-Hancock County District Public Library, Hancock County, Ohio (the Library), as of and for the year ended December 31, 2007, which collectively comprise the Library's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Library's management. Our responsibility is to express opinions 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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. The Library processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Library because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We believe our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than 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 respective cash financial position of the governmental activities, the major fund, and the aggregate remaining fund information of Findlay-Hancock County Public Library, Hancock County, Ohio, as of December 31, 2007, and the respective changes in cash financial position and the budgetary comparison for the General Fund thereof for the year then ended in conformity with the basis of accounting Note 1 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 12, 2008, 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 did 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 *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

August 12, 2008

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

This discussion and analysis of the Findlay-Hancock County District Public Library's (the Library) financial performance provides an overall review of the Library's financial activities for the year ended December 31, 2007, within the limitations of the Library's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Library's financial performance.

Highlights

Key highlights for 2007 are as follows:

- Net assets of the Library activities decreased \$82,119, or 3.9 percent, an insignificant change from the prior year.
- The Library's general receipts are primarily LLGSF monies derived from state income taxes. These receipts represent 90.2 percent of the total cash received for the Library activities during the year 2007 when one excludes the special proceeds derived from flood insurance. LLGSF receipts have been reduced since the year 2001 when the Library received \$2,726,031 as compared to 2007 when the Library received \$2,513,324. This reduction in LLGSF funding has resulted in various cost cutting measures including a reduction in employee staff.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Library's cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the Library as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Library as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the entity-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Library has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Library's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the Library as a Whole

The statement of net assets and the statement of activities reflect how the Library did financially during 2007, within the limitations of cash basis accounting. The statement of net assets presents the cash balances and investments of the Library at year-end. The statement of activities compares cash disbursements with program receipts for each Library program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each Library function draws from the Library's general receipts.

These statements report the Library's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Library's financial health. Over time, increases or decreases in the Library's cash position is one indicator of whether the Library's financial health is improving or deteriorating. When evaluating the Library's financial condition, you should also consider other non-financial factors as well such as the condition of the Library's capital assets, the extent of the Library's debt obligations, and the reliance on non-local financial resources for operations.

In the statement of net assets and the statement of activities, the Library only shows governmental activities in which the Library provides the services of any normal library to the public.

Reporting the Library's Most Significant Funds

Fund financial statements provide detailed information about the Library's major funds – not the Library as a whole. The Library establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Library are all categorized as governmental.

Governmental Funds – All of the Library's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Library's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Library's programs. The Library's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Library's only major governmental fund is the General Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

The Library as a Whole

Table 1 provides a summary of the Library's net assets for 2007 compared to 2006 on a cash basis:

(Table 1)
Net Assets

	Governmental Activities	
	2007	2006
Assets		
Cash and Cash Equivalents	\$2,011,587	\$2,093,706
Net Assets		
Restricted for:		
Capital Projects	385,000	360,000
Permanent Fund	2,000	2,000
Other Purposes	194,984	214,318
Unrestricted	1,429,603	1,517,388
Total Net Assets	\$2,011,587	\$2,093,706

As mentioned previously, net assets of governmental activities decreased \$ 82,119 or 3.9 percent during 2007. There were several reasons contributing to the net decrease in cash balances. The most significant were in the General Fund:

- Increase in receipts due almost exclusively to flood insurance dollars and flood related donations.
- Increase in expense categories salaries, OPERS library share, workers compensation, supplies, professional services, network equipment, and the largest being increase in repairs and maintenance related to the August flood.

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

Table 2 reflects the changes in net assets in 2007.

(Table 2)
Changes in Net Assets

	<u>Governmental Activities 2007</u>	<u>Governmental Activities 2006</u>
Receipts:		
Program Receipts:		
Charges for Services and Sales	\$73,231	\$108,057
Operating Grants and Contributions	5,918	9,103
Capital Grants and Contributions	500,000	
Total Program Receipts	<u>579,149</u>	<u>117,160</u>
General Receipts:		
Grants, Entitlements not Restricted to Specific Programs	2,513,324	2,513,294
Contributions, Gifts, and Donations	34,099	26,128
Interest	92,259	80,888
Miscellaneous	66,160	79,405
Total General Receipts	<u>2,705,842</u>	<u>2,699,715</u>
Total Receipts	<u>3,284,991</u>	<u>2,816,875</u>
Disbursements:		
Library Services:		
Public Service and Programs	680,382	705,705
Collection Development and Processing	720,491	716,111
Support Services:		
Facilities Operation and Maintenance	740,725	210,861
Information Services	48,505	74,115
Business Administration	866,456	741,039
Capital Outlay	84,433	76,682
Debt Service:		
Redemption of Principal	185,000	175,000
Interest and Fiscal Charges	41,118	47,242
Total Disbursements	<u>3,367,110</u>	<u>2,746,755</u>
Increase (Decrease) in Net Assets	(82,119)	70,120
Net Assets, January 1	<u>2,093,706</u>	<u>2,023,586</u>
Net Assets, December 31	<u>\$2,011,587</u>	<u>\$2,093,706</u>

Program receipts represent only 2.3 percent of total receipts and are primarily comprised of patrons' fines and fees for overdue books and videos, copy machine receipts, and interlibrary loan fees. The percentage is lower than previous years due to higher receipts from flood insurance and lower patron fines, etc. due to the library being closed for several weeks (flood related) and not collecting fines, etc.

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

General receipts represent 97.7 percent of the Library's total receipts, and of this amount, over 76.5 percent of total receipts are LLGSF monies. Normally LLGSF monies represent about 90% of all receipts. However, once again 2007 was impacted by flood insurance receipts.

Disbursements for the Library represent the costs of providing the library services and the support services provided for the other activities. These include payroll costs, various supplies, building maintenance, purchase of books and videos for the collection, and debt service. In 2007 there was a significant increase in facilities operation and maintenance. This increase was due to the flooding in August and the subsequent clean up and repairs.

Governmental Activities

If you look at the Statement of Activities, you will see that the first column lists the major services provided by the Library. The next column identifies the costs of providing these services. The next three columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the Library that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money of which a majority is provided by local patrons. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

(Table 3)

Governmental Activities

	Total Cost Of Services 2007	Total Cost Of Services 2006	Net Cost of Services 2007	Net Cost of Services 2006
Library Services:				
Public Service & Programs	\$680,382	\$705,705	\$605,733	\$593,045
Collection Development and Processing	720,491	716,111	720,491	716,111
Support Services:				
Facilities Operation and Maintenance	740,725	210,861	240,725	210,861
Information Services	48,505	74,115	48,505	74,115
Business Administration	866,456	741,039	861,956	736,539
Capital Outlay	84,433	76,682	84,433	76,682
Principal Retirement	185,000	175,000	185,000	175,000
Interest and Fiscal Charges	41,118	47,242	41,118	47,242
Total Expenses	\$3,367,110	\$2,746,755	\$2,787,961	\$2,629,595

The dependence upon LLGSF monies is apparent as almost 80 percent of the Library activities are supported through these general receipts in a normal non-flood related year.

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

The Library's Funds

Total Library funds had receipts and other financing sources of \$3,494,991 and disbursements and other financing uses of \$3,577,110. The greatest change within the Library funds occurred within the General Fund. The fund balance of the General Fund decreased as discussed previously in this report.

General Fund Budgeting Highlights

The Library's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During 2007, the Library amended its General Fund budget several times to reflect changing circumstances. Final budgeted receipts were higher than original budgeted receipts due to flood related receipts.

Final disbursements and other financing uses were budgeted at \$4,822,008 while actual disbursements and other financing uses were \$3,379,514. It is obvious from this large difference that the Library did not spend all monies that were available at the beginning of the year. The Library strives to keep one half years budgeted expenses in an excess cash position.

Debt Administration

At December 31, 2007, the Library's outstanding debt was \$835,000 in obligation bonds issued for the building of a new library. For further information regarding Library's debt, refer to Note 8 to the basic financial statements.

Current Issues

The challenge for the Library is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely heavily on LLGSF monies which have been frozen. We have reduced staffing levels in areas where we felt it would have the least impact on library services. The Library is currently recovering from the August flood which did extensive damage to the lower level and we anticipate several large disbursements in 2008. We anticipate that these large disbursements will be partially offset by insurance receipts and FEMA receipts. The amount of these receipts is unknown at this time.

Contacting the Library's Financial Management

This financial report is designed to provide the citizens of Hancock County with a general overview of the Library's finances and to reflect the Library's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to R. W. Struble, Fiscal Officer, 206 Broadway Street, Findlay, Ohio 45840.

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

*Statement of Net Assets - Cash Basis
December 31, 2007*

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u><u>\$2,011,587</u></u>
Net Assets	
Restricted for:	
Capital Projects	\$385,000
Permanent Fund	2,000
Other Purposes	194,984
Unrestricted	<u>1,429,603</u>
<i>Total Net Assets</i>	<u><u>\$2,011,587</u></u>

See accompanying notes to the basic financial statements

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

*Statement of Activities - Cash Basis
For the Year Ended December 31, 2007*

		Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Library Services:					
Public Service and Programs	\$680,382	\$73,231	\$1,418		(\$605,733)
Collection Development and Processing	720,491				(720,491)
Support Services:					
Facilities Operation and Maintenance	740,725			500,000	(240,725)
Information Services	48,505				(48,505)
Business Administration	866,456		4,500		(861,956)
Capital Outlay	84,433				(84,433)
Debt Service:					
Principal Retirement	185,000				(185,000)
Interest and Fiscal Charges	41,118				(41,118)
Total Governmental Activities	\$3,367,110	\$73,231	\$5,918	\$500,000	(2,787,961)
		General Receipts			
					34,099
					2,513,324
					92,259
					66,160
					<i>Total General Receipts</i> 2,705,842
					(82,119)
					<i>Net Assets Beginning of Year</i> 2,093,706
					<i>Net Assets End of Year</i> \$2,011,587

See accompanying notes to the basic financial statements

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

*Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2007*

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,429,603	\$581,984	\$2,011,587
Fund Balances			
Reserved:			
Reserved for Encumbrances	\$6,795		\$6,795
Unreserved:			
Undesignated, Reported in:			
General Fund	1,422,808		1,422,808
Special Revenue Funds		194,984	194,984
Capital Projects Funds		385,000	385,000
Permanent Funds		2,000	2,000
<i>Total Fund Balances</i>	\$1,429,603	\$581,984	\$2,011,587

See accompanying notes to the basic financial statements

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

*Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2007*

	General	Other Governmental Funds	Total Governmental Funds
Receipts			
Intergovernmental	\$2,513,324		\$2,513,324
Patron Fines and Fees	73,231		73,231
Contributions, Gifts and Donations	40,017		40,017
Earnings on Investments	92,202	\$57	92,259
Miscellaneous	66,160		66,160
<i>Total Receipts</i>	<u>2,784,934</u>	<u>57</u>	<u>2,784,991</u>
Disbursements			
Current:			
Library Services:			
Public Service and Programs	680,382		680,382
Collection Development and Processing	701,100	19,391	720,491
Support Services:			
Facilities Operation and Maintenance	740,725		740,725
Information Services	48,505		48,505
Business Administration	866,456		866,456
Capital Outlay	84,433		84,433
Debt Service:			
Principal Retirement		185,000	185,000
Interest and Fiscal Charges	41,118		41,118
<i>Total Disbursements</i>	<u>3,162,719</u>	<u>204,391</u>	<u>3,367,110</u>
<i>Excess of Receipts Under Disbursements</i>	<u>(377,785)</u>	<u>(204,334)</u>	<u>(582,119)</u>
Other Financing Sources (Uses)			
Transfers In		210,000	210,000
Transfers Out	(210,000)		(210,000)
Insurance Proceeds	500,000		500,000
<i>Total Other Financing Sources (Uses)</i>	<u>290,000</u>	<u>210,000</u>	<u>500,000</u>
<i>Net Change in Fund Balances</i>	(87,785)	5,666	(82,119)
<i>Fund Balances Beginning of Year</i>	<u>1,517,388</u>	<u>576,318</u>	<u>2,093,706</u>
<i>Fund Balances End of Year</i>	<u>\$1,429,603</u>	<u>\$581,984</u>	<u>\$2,011,587</u>

See accompanying notes to the basic financial statements

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

*Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Receipts				
Intergovernmental	\$2,707,907	\$2,513,294	\$2,513,324	\$30
Patron Fines and Fees	111,300	111,300	73,231	(38,069)
Contributions, Gifts and Donations	9,600	9,600	40,017	30,417
Earnings on Investments	94,400	94,400	92,202	(2,198)
Miscellaneous	90,800	90,800	66,160	(24,640)
<i>Total receipts</i>	<u>3,014,007</u>	<u>2,819,394</u>	<u>2,784,934</u>	<u>(34,460)</u>
Disbursements				
Current:				
Library Services:				
Public Service and Programs	753,741	753,741	680,382	73,359
Collection Development and Processing	905,127	1,015,217	707,895	307,322
Support Services:				
Facilities Operation and Maintenance	422,580	1,081,580	740,725	340,855
Information Services	94,581	94,581	48,505	46,076
Business Administration	1,262,931	1,143,931	866,456	277,475
Capital Outlay	620,000	470,000	84,433	385,567
Debt Service:				
Interest	49,958	49,958	41,118	8,840
Financing Fees and Costs	3,000	3,000		3,000
<i>Total Disbursements</i>	<u>4,111,918</u>	<u>4,612,008</u>	<u>3,169,514</u>	<u>1,442,494</u>
<i>Excess of Receipts Under Disbursements</i>	<u>(1,097,911)</u>	<u>(1,792,614)</u>	<u>(384,580)</u>	<u>1,408,034</u>
Other Financing Uses				
Transfers Out	(210,000)	(210,000)	(210,000)	
Insurance Proceeds		500,000	500,000	
<i>Total Other Financing Sources (Uses)</i>	<u>(210,000)</u>	<u>290,000</u>	<u>290,000</u>	
<i>Net Change in Fund Balance</i>	<u>(1,307,911)</u>	<u>(1,502,614)</u>	<u>(94,580)</u>	<u>1,408,034</u>
<i>Fund Balance Beginning of Year</i>	<u>1,511,338</u>	<u>1,511,338</u>	<u>1,511,338</u>	
Prior Year Encumbrances Appropriated	6,050	6,050	6,050	
<i>Fund Balance End of Year</i>	<u>\$209,477</u>	<u>\$14,774</u>	<u>\$1,422,808</u>	<u>\$1,408,034</u>

See accompanying notes to the basic financial statements

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 1 – DESCRIPTION OF THE LIBRARY AND REPORTING ENTITY

By 1973, the Findlay-Hancock County District Public Library (the Library) was organized as a county district library under the laws of the State of Ohio. Originally, the Findlay Public Library was established on April 16, 1888, by an act of the Ohio General Assembly. The Library has its own Board of Trustees of seven members who are appointed by the Hancock County Commissioners and the Hancock County Court Common Pleas. Appointments are for seven-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 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.

The Library is fiscally independent of the County Commissioners, although the County Commissioners serve 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 Trustees. Once those decisions are made, the County Commissioners 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 County Commissioners except for the Library's current building bond. The Library makes interest and principle payments to the County Commissioners annually and the County Commissioners in turn make payments to the bond-holders.

The Friends of the Library 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. The Library's Friends organizations revenues and net assets do not exceed 5% of the Library's revenues. 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 2.C, the financial statements of the Library have been prepared on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. The most significant of the Library's accounting policies are described below.

A. Basis of Presentation

The Library's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the Library as a whole.

The statement of net assets presents the cash balance of the governmental activities of the Library at year-end. The statement of activities compares disbursements with program receipts for each of the Library's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Library is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants that are required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the Library's general receipts.

Fund Financial Statements

During the year, the Library segregates transactions related to certain Library functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Library at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

B. Fund Accounting

The Library uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. The Library's funds are all classified as governmental.

Governmental Funds

Governmental funds are financed primarily from Library and Local Government Support funds, intergovernmental receipts (e.g. grants), and other nonexchange transactions. Monies are assigned to the various governmental funds according to the purposes for which they may or must be used. The following is the Library's major governmental fund:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the Library for any purpose provided it is expended or transferred according to the general laws of Ohio.

C. Basis of Accounting

The Library's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Library's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

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

D. Budgetary Process

All funds are legally required to be appropriated. The appropriations resolution is the Trustee's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the Trustees. The legal level of control has been established at the fund and character or major category of the object code level for all funds. Budgetary modifications at the legal level of control may only be made by resolution of the Board of Library Trustees.

For control purposes, the Library estimates cash receipts for the year. These estimated receipts, together with the unencumbered carry-over balances from the prior year, set a limit on the amount the Trustees may appropriate. The estimated receipts may be revised during the year if projected increases or decreases in receipts are identified by the Clerk Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts of estimated resources at the time final appropriations were enacted by the Trustees.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations should not exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Trustees during the year.

E. Cash and Cash Equivalents

To improve cash management, cash received by the Library is pooled and invested. Individual fund integrity is maintained through the Library's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents."

Investments with original maturities of three months 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 three months that were not purchased from the pool 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.

During 2007, investments were limited to STAR Ohio and nonnegotiable certificates of deposit. Except for STAR Ohio these investments are recorded at cost.

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

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.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest receipt credited to the general fund during 2007 amounted to \$92,202.

F. Restricted Assets

Cash, cash equivalents, and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. The Library has no restricted assets.

G. Inventory and Prepaid Items

The Library reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

H. Capital Assets

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

J. Accumulated Leave

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

K. Employer Contributions to Cost-Sharing Pension Plans

The Library recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for postretirement health care benefits.

L. Long-Term Obligations

The Library's cash basis financial statements do not report liabilities for long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid.

O. Interfund Transactions

Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year-end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to \$6,795 all for the general fund.

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the Library into three categories.

Active deposits are public deposits necessary to meet current demands on the Library treasury. Such monies must be maintained either as cash in the Library treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Library has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 4 - DEPOSITS AND INVESTMENTS – (CONTINUED)

6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Library, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At year end, the Library had \$200 in undeposited cash on hand, which is included on the balance sheet of the Library as part of "Equity in Pooled Cash and Cash Equivalents."

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Library will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$1,649,404 of the Library's bank balance of \$2,049,404 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Library's name.

The Library has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Library or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

STAR Ohio carries a rating of AAA by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Library's investment in STAR Ohio is unclassified since it is not evidenced by securities that exist in physical or book entry form. At December 31, 2007, the fair value of funds on deposit with STAR Ohio was \$173,040.

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 5 - 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, the Library contracted with several companies for various types of insurance coverage as follows:

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>
Cincinnati Insurance Company	Employee Liability	\$1,000,000
Cincinnati Insurance Company	General Liability	2,000,000
Cincinnati Insurance Company	Umbrella Liability	2,000,000
Cincinnati Insurance Company	Property	11,133,938
Cincinnati Insurance Company	Automobile	1,000,000
	Deductible	1,000
Cincinnati Insurance Company	Crime	50,000
Cincinnati Insurance Company	Electronic Data	335,000
National Flood Services	Flood Insurance	500,000
	Deductible	1,000

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. This rate is calculated based on accident history and administrative costs. The System administers and pays all claims.

NOTE 6 - DEFINED BENEFIT PENSION PLAN

The Library participates in the Ohio Public Employees Retirement 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 and 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) 222-5601 or (800) 222-7377.

For the year ended December 31, 2007, the members of all three plans were required to contribute 9.5 percent of their annual covered salaries. The Library's contribution rate for pension benefits for 2007 was 13.85 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 6 - DEFINED BENEFIT PENSION PLAN – (CONTINUED)

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 \$ 117,326, \$117,509, and \$121,814 respectively; the full amount has been contributed for 2007, 2006, and 2005. There were no contributions to the member-directed plan for 2007.

NOTE 7 - POSTEMPLOYMENT BENEFITS

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment 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 health care based on authority granted by State statute. The 2007 local government employer contribution rate was 13.85 percent of covered payroll; 5.00 percent of covered payroll was the portion that was used to fund health care from January 1 to June 30, 2007 and 6.00 percent from July 1 through December 31, 2007.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2006, include a rate of return on investments of 6.50 percent, an annual increase in active employee total payroll of 4.00 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. Health care premiums were assumed to increase .50 and 5.00 percent annually for the next eight years and 4.00 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 on investment assets annually, not to exceed a 12 percent corridor.

The number of active contributing participants in the traditional and combined plans was 374,979. Actual employer contributions for 2007 which were used to fund postemployment benefits were \$66,286. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2006, (the latest information available) were \$12.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$30.7 billion and \$18.7 billion, respectively.

On September 9, 2005, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs.

**FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 8 – LIBRARY LEASE OBLIGATION BONDS

In 1989, the Hancock County Board of Commissioners issued bonds to finance a portion of the cost of a library renovation project. The Board of Trustees signed an agreement to transfer the deed to the library property to the County Commissioners and to lease back the facilities from the Commissioners. The rental payments each year are equal to the annual principal and interest due on the bonds. Upon retirement of all outstanding principal of the bonds, the County will convey the deed back to the Board of Trustees.

The first payments were made in 1992 and the original amount of the bond was \$2,700,000. Effective April 26, 2002, the bonds were refinanced in order to receive a reduced interest rate. For the year 2007 the annual debt service will be \$226,118 with \$185,000 to principal and the remainder to interest. The future payments are as follow:

Year	Lease Payment
2008	\$229,180
2009	231,575
2010	233,272
2011	229,350
Total	<u>\$923,377</u>

NOTE 9 – INTERFUND TRANSFERS

The general fund transferred \$195,000 to the building and repair capital projects fund to fund the principal payment to the library bond. The general fund transferred \$15,000 to the Motor Vehicle Fund to continue building a balance for the purchase of a bookmobile several years into the future.

NOTE 10 – SUBSEQUENT EVENTS

The Library entered into contracts totaling \$1,369,064 for renovations on March 18, 2008, of which seventy-five percent will be reimbursed by the Federal Emergency Management Agency (FEMA).

NOTE 11 – POTENTIAL LOSS CONTINGENCY

The Library was severely flooded in August 2007. Major renovations are needed to eliminate this from occurring again. The Library is estimating a cost of \$1,900,000. The Library's uninsured share of this cost is \$237,500.



Mary Taylor, CPA

Auditor of State

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

Findlay-Hancock County District Public Library
Hancock County
206 Broadway Street
Findlay, Ohio 45840

To the Board of Trustees:

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Findlay-Hancock County District Public Library, Hancock County (the Library) as of and for the year ended December 31, 2007, which collectively comprise the Library's basic financial statements and have issued our report thereon dated August 12, 2008, wherein, we noted the Library uses a comprehensive accounting basis other than generally accepted accounting principles. We also noted the Library uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Library. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Library's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Library's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Library's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Library's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Library's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

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www.auditor.state.oh.us

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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted a certain matter that we reported to the Library's management in a separate letter dated August 12, 2008.

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, 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 did a note certain noncompliance matter that we reported to the Library's management in a separate letter dated August 12, 2008.

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



Mary Taylor, CPA
Auditor of State

August 12, 2008



Mary Taylor, CPA
Auditor of State

FINDLAY-HANCOCK COUNTY DISTRICT PUBLIC LIBRARY
HANCOCK 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
SEPTEMBER 18, 2008