



**BELLEVUE PUBLIC LIBRARY  
HURON COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 1999-1998**



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

---

**STATE OF OHIO**



**BELLEVUE PUBLIC LIBRARY  
TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Report of Independent Accountants .....	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1999 .....	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Fiduciary Fund Types – For the Year Ended December 31, 1999 .....	4
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental and Similar Fiduciary Fund Types – For the Year Ended December 31, 1998 .....	5
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Fiduciary Fund Types – For the Year Ended December 31, 1998 .....	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

One Government Center  
Room 1420  
Toledo, Ohio 43604-2246  
Telephone 419-245-2811  
800-443-9276  
Facsimile 419-245-2484  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

## REPORT OF INDEPENDENT ACCOUNTANTS

Bellevue Public Library  
Huron County  
224 East Main Street  
Bellevue, Ohio 44811-1467

To the Board of Trustees:

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

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Library as of December 31, 1999 and 1998, 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 May 31, 2000 on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of the audit committee, 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.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large, looping initial "J" and a long horizontal stroke extending to the right.

**Jim Petro**  
Auditor of State

May 31, 2000

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

	<u>Governmental Fund Types</u>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>			
Property and Other Local Taxes	\$842,393		\$842,393
Patron Fines and Fees	14,036		14,036
Earnings on Investments	22,849	\$5,404	28,253
Contributions, Gifts and Donations	5,996		5,996
Miscellaneous Receipts	1,543		1,543
	<hr/>		<hr/>
Total Cash Receipts	886,817	5,404	892,221
	<hr/>		<hr/>
<b>Cash Disbursements:</b>			
Current:			
Salaries and Benefits	448,150		448,150
Supplies	34,455		34,455
Purchased and Contracted Services	107,090		107,090
Library Materials and Information	171,295		171,295
Other Miscellaneous Expenditures	3,821		3,821
Capital Outlay	10,255		10,255
	<hr/>		<hr/>
Total Cash Disbursements	775,066		775,066
	<hr/>		<hr/>
Total Cash Receipts Over Cash Disbursements	111,751	5,404	117,155
	<hr/>		<hr/>
<b>Other Financing Receipts/(Disbursements):</b>			
Transfers-In		6,937	6,937
Transfers-Out	(6,937)		(6,937)
	<hr/>		<hr/>
Total Other Financing Receipts/(Disbursements)	(6,937)	6,937	
	<hr/>		<hr/>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	104,814	12,341	117,155
	<hr/>		<hr/>
Fund Cash Balances, January 1	246,094	247,066	493,160
	<hr/>		<hr/>
<b>Fund Cash Balances, December 31</b>	<b><u>\$350,908</u></b>	<b><u>\$259,407</u></b>	<b><u>\$610,315</u></b>
	<hr/>		<hr/>
Reserves for Encumbrances, December 31	<u>\$59,660</u>		<u>\$59,660</u>

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

**BELLEVUE PUBLIC LIBRARY  
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
 CHANGES IN FUND CASH BALANCES - FIDUCIARY FUND TYPE  
 FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Fiduciary Fund Type</b>
	<b>Nonexpendable Trust</b>
<b>Operating Cash Receipts:</b>	
Earnings on Investments	\$91
Contributions, Gifts, and Donations	275
Total Operating Cash Receipts	366
<b>Operating Cash Disbursements:</b>	
Current:	
Library Materials and Information	71
Operating Income	295
Fund Cash Balances, January 1	2,919
<b>Fund Cash Balances, December 31</b>	<b>\$3,214</b>
Reserves for Encumbrances, December 31	

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



**BELLEVUE PUBLIC LIBRARY  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL AND SIMILAR FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>Governmental Fund Types</u>			<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Expendable Trust</u>	
<b>Cash Receipts:</b>					
Property and Other Local Taxes	\$773,654				\$773,654
Other Government Grants-In-Aid		\$15,000			15,000
Patron Fines and Fees	11,959				11,959
Earnings on Investments	26,121				26,121
Contributions, Gifts and Donations	9,883				9,883
Miscellaneous Receipts	4,262				4,262
<b>Total Cash Receipts</b>	<b>825,879</b>	<b>15,000</b>			<b>840,879</b>
<b>Cash Disbursements:</b>					
Current:					
Salaries and Benefits	421,281				421,281
Supplies	26,949				26,949
Purchased and Contracted Services	103,707	1,550			105,257
Library Materials and Information	175,767				175,767
Other Miscellaneous Expenditures	3,245				3,245
Capital Outlay	23,036	13,450		\$16,087	52,573
<b>Total Cash Disbursements</b>	<b>753,985</b>	<b>15,000</b>		<b>16,087</b>	<b>785,072</b>
<b>Total Cash Receipts Over/(Under) Cash Disbursements</b>	<b>71,894</b>			<b>(16,087)</b>	<b>55,807</b>
<b>Other Financing Receipts/(Disbursements):</b>					
Transfers-In			\$13,554		13,554
Transfers-Out	(13,554)				(13,554)
<b>Total Other Financing Receipts/(Disbursements)</b>	<b>(13,554)</b>		<b>13,554</b>		
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	<b>58,340</b>		<b>13,554</b>	<b>(16,087)</b>	<b>55,807</b>
Fund Cash Balances, January 1	187,754		233,512	16,087	437,353
<b>Fund Cash Balances, December 31</b>	<b>\$246,094</b>		<b>\$247,066</b>		<b>\$493,160</b>
Reserves for Encumbrances, December 31	\$54,160				\$54,160

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

**BELLEVUE PUBLIC LIBRARY  
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
 CHANGES IN FUND CASH BALANCES - FIDUCIARY FUND TYPE  
 FOR THE YEAR ENDED DECEMBER 31, 1998**

	<b>Fiduciary Fund Type</b>
	<b>Nonexpendable Trust</b>
<b>Operating Cash Receipts:</b>	
Earnings on Investments	\$42
Contributions, Gifts, and Donations	200
Total Operating Cash Receipts	242
Fund Cash Balances, January 1	2,677
<b>Fund Cash Balances, December 31</b>	<b>\$2,919</b>
Reserves for Encumbrances, December 31	

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Bellevue Public Library, Huron County, (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 appointed by Bellevue City School District Board of Education. The Library provides the community with various educational and literary resources.

The Library is a related organization of the Bellevue City School District. The Bellevue City School District is a separate entity from the Library and the financial statements of the School District are not included herein.

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 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.

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

**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.

**BELLEVUE PUBLIC LIBRARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999 AND 1998**  
**(Continued)**

**2. Special Revenue Funds**

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Library had the following significant special revenue fund during fiscal year 1998:

Library Services Technology Act Minigrant Fund - The fund was used to account for grant monies used for upgrading library services through the use of new technology.

**3. Capital Project Funds**

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

Building and Repair Fund - This fund accounts for the funds that are not needed in the General Fund and are put aside for future building / repairs of the Library's building.

**4. Fiduciary Funds (Trust and Agency Funds)**

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:

Gift Fund - This fund receives gifts to the Library designated for a specific purpose.

Endowment - This fund receives endowments to the Library designated for a specific purpose.

**E. Budgetary Process**

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

**1. 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.

**2. Estimated Resources**

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

**BELLEVUE PUBLIC LIBRARY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

**3. 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 reappropriated.

A summary of 1999 and 1998 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 investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 follows:

	<u>1999</u>	<u>1998</u>
Demand deposits	\$18,811	\$10,767
STAR Ohio	594,718	485,312
Total deposits and investments	<u>\$613,529</u>	<u>\$496,079</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.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 1999 and 1998 follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$838,107	\$886,817	\$48,710
Capital Projects	10,000	12,341	2,341
Fiduciary	68	366	298
Total	<u>\$848,175</u>	<u>\$899,524</u>	<u>\$51,349</u>

**BELLEVUE PUBLIC LIBRARY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,030,040	\$841,663	\$188,377
Capital Projects	257,065		257,065
Fiduciary	114	71	43
Total	<u>\$1,287,219</u>	<u>\$841,734</u>	<u>\$445,485</u>

1998 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$720,696	\$825,879	\$105,183
Special Revenue	15,000	15,000	
Capital Projects	4,050	13,554	9,504
Fiduciary	1,031	242	(789)
Total	<u>\$740,777</u>	<u>\$854,675</u>	<u>\$113,898</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$908,450	\$821,699	\$86,751
Special Revenue	15,000	15,000	
Capital Projects	237,562		237,562
Fiduciary	17,087	16,087	1,000
Total	<u>\$1,178,099</u>	<u>\$852,786</u>	<u>\$325,313</u>

**4. GRANTS-IN-AID AND 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 on account of any additional revenues realized by the Library.

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the taxing authority of the subdivision to whose jurisdiction the Library is subject. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Other Governments Grants In Aid. Payments are due to the County by December 31. If the property owner elects to make

**BELLEVUE PUBLIC LIBRARY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

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

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the 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 also 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. The Library has paid all contributions required through December 31, 1999.

**6. RISK MANAGEMENT**

The Library has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions
- Inland Marine

**This page intentionally left blank.**





STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

One Government Center  
Room 1420  
Toledo, Ohio 43604-2246  
Telephone 419-245-2811  
800-443-9276  
Facsimile 419-245-2484  
www.auditor.state.oh.us

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

Bellevue Public Library  
Huron County  
224 East Main Street  
Bellevue, Ohio 44811-1467

To the Board of Trustees:

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

**Compliance**

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

**Internal Control Over Financial Reporting**

In planning and performing our audits, we considered 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 Township in a separate letter dated May 31, 2000.

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

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

**Jim Petro**  
Auditor of State

May 31, 2000



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

**BELLEVUE PUBLIC LIBRARY**

**HURON 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  
JUNE 27, 2000**