



Mary Taylor, CPA
Auditor of State

**NORTH BALTIMORE PUBLIC LIBRARY
WOOD COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Management's Discussion and Analysis.....	3
Statement of Net Assets-Cash Basis.....	11
Statement of Activities-Cash Basis	12
Statement of Cash Basis Assets and Fund Balances- Governmental Funds.....	13
Statement of Cash Receipts, Disbursements and Changes in Fund Balances – Governmental Funds.....	14
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual -Budget Basis– General Fund.....	15
Notes to the Basic Financial Statements	17
Independent Accountants' Report on Compliance and on Internal Control <i>Government Auditing Standards</i>	27

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

North Baltimore Public Library
Wood County
230 North Main Street
North Baltimore, Ohio 45872-1132

To the Library Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North Baltimore Public Library, Wood County, Ohio (the Library), as of and for the year ended December 31, 2008, 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 Government 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 opinions.

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, each major fund, and the aggregate remaining fund information of the North Baltimore Public Library, Wood County, Ohio, as of December 31, 2008, 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, 2009, 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 cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

August 12, 2009

North Baltimore Public Library
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(UNAUDITED)

This discussion and analysis of the North Baltimore Public Library's (the Library) financial performance provides an overall review of the Library's financial activities for the year ended December 31, 2008, 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 2008 are as follows:

The Library's general fund receipts are primarily from the Ohio Public Library Funds (PLF), formerly known as the Library and Local Government Support Fund (LLGSF). These receipts represent \$387,293, or 93% percent of the total cash received for the library's general receipts during the year. The remaining receipts are mostly from fines, contributions, rental of the community room, and interest from investments.

Starting in 2008, the PLF is a percentage of the total tax revenues of the State of Ohio. The Library received \$9,419 less than estimated by the Wood County Auditor due to the current economic downturn in the State of Ohio resulting in a decrease in Ohio's tax revenues.

Net assets of the library decreased \$43,708, or 14 percent, from the prior year. The General Fund decreased by \$19,586. The Capital Projects Fund decreased by \$24, 408.

The roof was replaced at 229 N. Main St. property for \$18,000 from the Capital Projects Fund.

A Marketing and Merchandising the Library mini-grant (Trading Spaces) of \$15,794 was received from the State Library of Ohio and the Institute of Museum and Library Services to created additional seating areas and more visible signage for the Library. The Library was required to match the grant by 25% or \$5,264 which was disbursed from the Capital Projects Fund.

The Capital Projects Bower Estate Fund stock of Huntington Bancshares Incorporated has decreased in market value by \$46,839 over the past year.

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.

North Baltimore Public Library
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(UNAUDITED)

The notes to the financial statements are an integral part of the government-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. Starting in 2005, 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.

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 Government as a Whole

The statement of net assets and the statement of activities reflect how the Library did financially during 2008, within the limitations of cash basis accounting. The statement of net assets presents the cash balances and investments of the governmental activities of the Library at year end. The statement of activities compares cash disbursements with program receipts for each governmental 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 governmental function activity 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 and infrastructure, the extent of the Library's debt obligations, the reliance on non-local financial resources for operations, and the need for local revenue sources such as property taxes.

In the statement of net assets and the statement of activities, the Library has one type of activity:

Governmental activities. All of the Library's basic services are reported here. The state finances most of these activities through the PLF. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

The Library has no business-type activities where a fee is charged to customers receiving the service.

North Baltimore Public Library
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(UNAUDITED)

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 is being spent for the intended purpose. The Library only has governmental funds.

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 major governmental funds are the General and Capital Projects Bower Estate funds. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

The Library as a Whole

Table 1 provides a summary of the Library's net assets for December 31, 2008 compared to December 31, 2007.

(Table 1)
Net Assets

	Governmental Activities	
	2008	2007
Assets		
Cash	\$172,941	\$216,649
Investments	92,614	92,614
Total Assets	265,555	309,263
Net Assets		
Restricted for:		
Capital Projects	99,865	124,274
Permanent Fund:		
Expendable	720	433
NonExpendable	10,905	10,905
Other Purposes	258	258
Unrestricted	153,807	173,393
Total Net Assets	\$265,555	\$309,263

As mentioned previously, net assets of governmental activities decreased \$43,708, or 14 percent during 2008. The primary reasons contributing to the decrease in cash balances is as follows:

Revenues for 2008 decreased from 2007. PLF receipts were \$9,419 lower than were estimated by the County Auditor due to a decrease in the State of Ohio's tax revenues.

North Baltimore Public Library
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(UNAUDITED)

Our county formula adopted by Woodlink (organization of the Wood County Libraries) and used by the Wood County Budget Commission cut us 2% from 2007 PLF receipts. With the shortfall from estimated and the 2% cut, the Library received a total of \$13,792 less in PLF receipts than in 2007.

The Library had two large expenditures from the Capital Projects Fund: a new roof at 229 N Main St. and matching funds for the Trading Spaces Grant.

Table 2 reflects the changes in net assets in 2008.

(Table 2)
Changes in Net Assets

	<u>Governmental Activities 2008</u>	<u>Governmental Activities 2007</u>
Receipts:		
Program Receipts:		
Charges for Services	\$13,023	\$11,925
Operating Grants and Contributions	686	5,399
Capital Grants and Contributions	15,794	13,371
Total Program Receipts	<u>29,503</u>	<u>30,695</u>
General Receipts:		
Public Library Fund	387,293	401,086
Unrestricted Gifts and Contributions	3,993	3,516
Sale of Capital Assets	465	568
Investment Earnings	11,551	35,398
Miscellaneous	335	167
Total General Receipts	<u>403,637</u>	<u>440,735</u>
Total Receipts	<u>433,140</u>	<u>471,430</u>
Disbursements:		
Library Services*	435,351	446,123
Public Service and Programs	141,995	
Collection Development and Processing	117,016	
Support Services		
Facilities Operation and Maintenance	77,286	
Business Administration	99,054	
Capital Outlay	41,497	4,738
Total Disbursements	<u>476,848</u>	<u>450,861</u>
Increase (Decrease) in Net Assets	(43,708)	20,569
Net Assets, January 1	309,263	288,694
Net Assets, December 31	<u>\$265,555</u>	<u>\$309,263</u>

*Note to Table 2: In 2008 the Library's accounting system provided by Auditor of State Uniform Accounting Network added object codes for libraries which allowed for a breakdown of library and support services. The italicized amount for the 2008 library services is a sum of the library services and support services to allow a comparison with 2007 when that option was not available to the Library's accounting system and all services were grouped under library services.

North Baltimore Public Library
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(UNAUDITED)

Program receipts represent 3% percent of total receipts and are primarily comprised of monies collected for fines, fees for copier use, and fees for community room use.

General receipts represent 97% percent of the Government's total receipts, and of this amount, over 92% percent are from PLF. Other receipts are insignificant and somewhat unpredictable revenue sources.

Disbursements for public service programs, collection development and processing, facilities operations and maintenance, and business administration represent the major costs of running the Library. Capital Outlay includes cost of new equipment and building maintenance and improvements.

Governmental Activities

If you look at the Statement of Activities below, you will see that the first column lists the major services provided by the Library. The next column identifies the cost of providing these services. The next three columns identify charges for services and operating and capital contributions and grants used to support these services. The major program disbursement for governmental activities is for library services. 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 provided by local taxpayers. 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 2008	Net Cost of Services 2008	Total Cost Of Services 2007	Net Cost of Services 2007
General Government:				
Library Services			\$446,123	(\$428,799)
Public Service and Programs	\$141,995	(\$128,286)		
Collection Development and Processing	117,016	(117,016)		
Support Services				
Facilities Operation and Maintenance	77,286	(77,286)		
Business Administration	99,054	(99,054)		
Capital Outlay	41,497	(25,703)	4,738	8,633
Total Expenses	\$476,848	(\$447,345)	\$450,861	(\$420,166)

Note to Table 3: As explained with Table 2, the detail in 2008 reports not available in 2007

The dependence upon PLF receipts is apparent as approximately 84 percent of governmental activities are supported through these general receipts in 2008.

The North Baltimore Public Library's Funds

Total governmental funds had receipts and other financing sources of \$433,140 and disbursements of \$476,848. The fund balance of the General Fund decreased \$19,586 and the Capital Projects Fund decreased by \$24,408.

North Baltimore Public Library
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(UNAUDITED)

The Capital Projects Bower Estate Fund yielded \$5,245 in dividend payments which were receipted to the General Fund. As with all financial investments during the economic downturn of 2008, the stock value dropped and the stock was valued at \$50,526 on December 31, 2008.

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.

Final receipts and other financing sources for the General Fund were \$416,660. Actual disbursements were \$445,959 even though appropriations were budgeted at \$512,040. The Director of the Library and the entire staff continues to strive to keep spending below budgeted amounts.

Debt Administration

Debt

At December 31, 2008, the Library has no outstanding debt.

Current Issues

The challenge for all libraries is to provide quality services to the public while staying within the restrictions imposed by shrinking funding. We rely heavily on the Public Library Fund. Estimates for the 2009 PLF by the Ohio Library Council are 6-8% less than actual 2008 receipts. Our allocation from the county will be another 2 % less than 2008. Should the Library receive 10% less PLF in 2009 than in 2008, that would be \$38,729 less revenue than 2008. The Library had almost a \$44,000 spending deficit for 2008; with the same deficit and a 10% decrease in funding, the deficit would increase to \$83,000 in 2009. Should the trend continue, the library will have exhausted its carry-over by 2010 and be in a deficit spending situation.

The Director and the Board continues to closely monitor all spending to delay a deficit. No raises were approved for 2009 and the OPERS fringe benefit for eligible employees was cut by 2.5%. Also in 2009 hours for three part-time employees have been cut, a full time staff member has changed to part-time, and the Assistant Director stipend has been reduced.

North Baltimore Public Library
Management's Discussion and Analysis
For the Year Ended December 31, 2008
(UNAUDITED)

Contacting the Government's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors 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 Ann Glamm, Clerk-Treasurer, North Baltimore Public Library, 230 N. Main St., North Baltimore, Ohio 45872.

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North Baltimore Public Library, Wood County

Statement of Net Assets - Cash Basis

December 31, 2008

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$172,941
Investments	<u>92,614</u>
<i>Total Assets</i>	<u><u>\$265,555</u></u>
Net Assets	
Restricted for:	
Capital Projects	\$99,865
Permanent Fund	
Expendable	720
Nonexpendable	10,905
Other Purposes	258
Unrestricted	<u>153,807</u>
<i>Total Net Assets</i>	<u><u>\$265,555</u></u>

See accompanying notes to the basic financial statements

North Baltimore Public Library, Wood County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2008

	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	\$141,995	\$13,023	\$686		(\$128,286)
Collection Development and Processing	117,016				(117,016)
Support Services:					
Facilities Operation and Maintenance	77,286				(77,286)
Business Administration	99,054				(99,054)
Capital Outlay	41,497			\$15,794	(25,703)
<i>Total Governmental Activities</i>	<u>\$476,848</u>	<u>\$13,023</u>	<u>\$686</u>	<u>\$15,794</u>	<u>(447,345)</u>
General Receipts					
Unrestricted Gifts and Contributions					3,993
Grants and Entitlements not Restricted to Specific Programs					387,293
Sale of Capital Assets					465
Interest					11,551
Miscellaneous					335
<i>Total General Receipts</i>					<u>403,637</u>
Change in Net Assets					(43,708)
<i>Net Assets Beginning of Year</i>					<u>309,263</u>
<i>Net Assets End of Year</i>					<u>\$265,555</u>

See accompanying notes to the basic financial statements

**NORTH BALTIMORE PUBLIC LIBRARY
WOOD COUNTY**

*Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2008*

	General	Capital Projects Bower Estate	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equiv	\$153,807	\$38	\$19,096	\$172,941
Investments		92,614		92,614
<i>Total Assets</i>	\$153,807	\$92,652	\$19,096	\$265,555
Fund Balances				
Reserved:				
Reserved for Encumbrances	\$9,713		\$4,000	\$13,713
Unreserved:				
Undesignated , Reported in:				
General Fund	144,094			144,094
Special Revenue Funds			258	258
Capital Projects Funds		\$92,652	3,213	95,865
Permanent Funds			11,625	11,625
<i>Total Fund Balances</i>	\$153,807	\$92,652	\$19,096	\$265,555

See accompanying notes to the basic financial statements

North Baltimore Public Library, Wood County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2008

	General	Capital Projects Bower Estate Fund	Other Governmental Funds	Total Governmental Funds
Receipts				
Public Library Support	\$387,293			\$387,293
Intergovernmental			\$15,794	15,794
Patron Fines and Fees	11,378			11,378
Contributions, Gifts and Donations	3,993		400	4,393
Earnings on Investments	11,551		286	11,837
Miscellaneous	1,980			1,980
<i>Total Receipts</i>	<u>416,195</u>		<u>16,480</u>	<u>432,675</u>
Disbursements				
Current:				
Library Services:				
Public Service and Programs	141,595		400	141,995
Collection Development and Processing	117,016			117,016
Support Services:				
Facilities Operation and Maintenance	77,286			77,286
Business Administration	99,054			99,054
Capital Outlay	1,295		40,202	41,497
<i>Total Disbursements</i>	<u>436,246</u>		<u>40,602</u>	<u>476,848</u>
<i>Disbursements Over Receipts</i>	<u>(20,051)</u>		<u>(24,122)</u>	<u>(44,173)</u>
Other Financing Sources				
Sale of Capital Assets	465			465
<i>Net Change in Fund Balances</i>	(19,586)		(24,122)	(43,708)
<i>Fund Balances Beginning of Year</i>	<u>173,393</u>	<u>\$92,652</u>	<u>43,218</u>	<u>309,263</u>
<i>Fund Balances End of Year</i>	<u>\$153,807</u>	<u>\$92,652</u>	<u>\$19,096</u>	<u>\$265,555</u>

See accompanying notes to the basic financial statements

**NORTH BALTIMORE PUBLIC LIBRARY
WOOD COUNTY**

*Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
General Fund
For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Public Library Support	\$396,712	\$396,712	\$387,293	(\$9,419)
Patron Fines and Fees	9,000	9,000	11,378	2,378
Contributions, Gifts and Donations	4,000	4,000	3,993	(7)
Earnings on Investments	12,000	12,000	11,551	(449)
Miscellaneous	2,000	2,000	1,980	(20)
<i>Total Receipts</i>	<u>423,712</u>	<u>423,712</u>	<u>416,195</u>	<u>(7,517)</u>
Disbursements				
Current:				
Library Services				
Public Service and Programs	157,500	155,400	142,680	12,720
Collection Development and Processing	144,865	141,965	119,067	22,898
Support Services:				
Facilities Operation and Maintenance	85,610	87,110	77,870	9,240
Information Services	200	200	200	200
Business Administration	102,365	107,365	100,047	7,318
Capital Outlay	6,500	6,500	6,295	205
<i>Total Disbursements</i>	<u>497,040</u>	<u>498,540</u>	<u>445,959</u>	<u>52,581</u>
<i>Disbursements Over Receipts</i>	(73,328)	(74,828)	(29,764)	45,064
Other Financing Sources (Uses)				
Sale of Capital Assets	500	500	465	(35)
Other Financing Uses	(15,000)	(13,500)		13,500
<i>Total Other Financing Sources (Uses)</i>	<u>(14,500)</u>	<u>(13,000)</u>	<u>465</u>	<u>13,465</u>
<i>Net Change in Fund Balance</i>	(87,828)	(87,828)	(29,299)	58,529
<i>Fund Balance Beginning of Year</i>	<u>173,393</u>	<u>173,393</u>	<u>173,393</u>	
<i>Fund Balance End of Year</i>	<u><u>\$85,565</u></u>	<u><u>\$85,565</u></u>	<u><u>\$144,094</u></u>	<u><u>\$58,529</u></u>

See accompanying notes to the basic financial statements

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North Baltimore Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 1 – Description of the Library and Reporting Entity

The North Baltimore Public Library (the Library) was organized as a school district public library in North Baltimore under the laws of the State of Ohio. The Library has its own Board of Trustees of seven members who are appointed by the North Baltimore Board of Education. 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 Board of Education, although the Board of Education serves 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 Board of Education 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 Board of Education.

Under the provisions of Statement No. 14 of the Governmental Accounting Standards Board, "The Financial Reporting Entity," the Library is considered to be a related organization of the North Baltimore School District.

Component units are legally separate organizations for which the Library is financially accountable. The Library is financially accountable for an organization if the Library appoints a voting majority of the organization's governing board and (1) the Library is able to significantly influence the programs or services performed or provided by the organization; or (2) the Library is legally entitled to or can otherwise access the organization's resources; the Library is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Library is obligated for the debt of the organization. The Library is also financially accountable for any organizations for which the Library approves the budget, the issuance of debt or the levying of taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Library, are accessible to the Library and are significant in amount to the Library. The Library has no component units.

The Friends of the North Baltimore Public 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. 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 North Baltimore Public 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

North Baltimore Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 2 - Summary of Significant Accounting Policies (Continued)

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.

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the Library as a whole. These statements include the financial activities of the Library. Governmental activities generally are financed through taxes, intergovernmental receipts and other nonexchange transactions.

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.

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 Public Library 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 are the Library's major Governmental Funds:

North Baltimore Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 2 - Summary of Significant Accounting Policies (Continued)

Governmental Funds (Continued)

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.

Capital Projects Bower Estate Fund - The Bower Estate fund accounts for receipt of gift stock in fiscal year 2000. Proceeds from sell of the stock are restricted for a major building project or alterations to the present building. Income from the fund can be used as the Board sees fit.

The other governmental funds of the Library account for other resources whose use is restricted to a particular purpose.

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.

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 Fiscal Officer. 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.

North Baltimore Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 2 - Summary of Significant Accounting Policies (Continued)

E. Cash and Cash Equivalents and Investments

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 2008, investments were held in Certificates of Deposit and STAROhio which were reported as "Equity in Pooled Cash and Cash Equivalents" and Huntington Bancshares Incorporated Stock reported as "Investments." The bank stock investment is recorded at cost.

The investment of Huntington Bancshares Incorporated Stock was originally received as Sky Financial Stock in 2000 and is a restricted gift from the Mary Bower Estate. The original Sky Financial Stock is recorded at the value of the date it was received which was 13.182/share on March 7, 2000. When Huntington Bank and Sky Financial merged on July 3, 2007, additional shares were awarded to the Library at \$22.74/share and receipted in as a gain on the investment to the Capital Projects Bower Estate Fund. When stock is sold, the difference in value is recorded as a gain or loss on sale of investment. Dividends are not restricted and are credited to the general fund.

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. STAROhio 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 STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2008.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Earnings on Investments credited to the general fund during 2008 amounted to \$11,551 which included dividend receipts of \$5,245 generated by the Huntington Bancshares Stock in the Capital Projects Bower Estate Fund that were credited to the general fund. Interest receipts credited to the Wolfe Family Endowment amounted to \$286.

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 the following restricted assets: the Capital Projects Bower Estate fund, the Piano fund and the Wolfe Family Endowment fund.

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.

North Baltimore Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 2 - Summary of Significant Accounting Policies (Continued)

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.

I. 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.

J. 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 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.

K. 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. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither other financing source nor capital outlay expenditure is reported at inception. Lease payments are reported when paid.

L. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The Library's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

M. Fund Balance Reserves

The Library reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances.

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 \$9,713 for the General Fund.

North Baltimore Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 4 – Deposits and Investments

Monies held by the Library are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Library treasury. Active 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 Board has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of 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 held by the Library can 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;
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 (STAROhio).

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.

North Baltimore Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 4- Deposits and Investments (Continued)

The carrying amount of cash and investments at December 31, 2008 was as follows: Need to include cash on hand in the table.

Demand Deposits	\$6,606
Certificates of Deposits	90,828
	<hr/>
Total Deposits	97,434
STAROhio	75,507
Sky Financial Stock	92,614
	<hr/>
Total Investments	168,121
	<hr/>
Total Deposits and Investments	\$265,555

Cash on Hand

At year end, the Library had \$110 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

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. The Library's deposits are insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

Investments

STAROhio carries a rating of AAAM by Standard and Poor's. The Library has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service.

The Library's stock holding original value was \$79,243. With the merger of Sky Financial and Huntington Bancshares, the Library received additional stock originally valued at \$13,371. The market value at December 31, 2008 was \$50,533.

Note 5-Grants-In-Aid

The primary source of revenue for Ohio public libraries is the Public Library Fund (PLF) which was formerly part of the Library and Local Government Support Fund (LLGSF). The State allocates the PLF 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 any additional revenues the Library receives.

In 2008, the Wood County Budget Commission allocated these funds to the Library based on a formula adopted by the eight libraries in Wood County. A portion of the formula (25%) is based on need (population and legal service area), capacity (staff and building size and materials expenditure), and performance (circulation). The remaining 75% is determined by taking 75% of the previous year's funding.

North Baltimore Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 5-Grants-In-Aid (Continued)

A floor of 98% of the previous year's funding was included to prevent precipitous drops in funding of individual libraries (98% guarantee).

In 2008, a Marketing and Merchandising Library mini-grant (Trading Spaces) of \$15,794 was received from the State Library of Ohio and the Institute of Museum and Library Services to create additional seating areas and more visible signage for the Library. The Library was required to match the grant by 25% or \$5,264 which was disbursed from the Capital Projects Fund.

Note 6- 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 2008, 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>
Motorist Mutual Insurance Company	Commercial	\$
	Property	2,199,520
	General Liability	1,000,000
	Commercial Crime	2,199,520
France & Associates	Errors and Omissions	1,000,000
	Library Officials	25,000
CNA/Western Surety	Fidelity and Deposit	25,000

There have been no claims made in 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.

The Library also provides health, dental, and life insurances to full time employees through private carriers.

Note 7 - Defined Benefit Pension Plan

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans as described below:

1. The Traditional Pension Plan - a cost sharing, multiple-employer defined benefit pension plan.
2. The Member-Directed Plan - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 % per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.
3. The Combined Plan - a cost sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, and survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and Combined Plans. Members of the member directed plan do not

North Baltimore Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 7 - Defined Benefit Pension Plan (Continued)

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) 222-6705 or (800) 222-7377.

For the year ended December 31, 2007, the members of all three plans were required to contribute 10 percent of their annual covered salaries. The Library pays the employee share of OPERS as a fringe benefit for employees hired prior to September 26, 2005. The employee share of OPERS for employees hired after that date is paid as a salary reduction. The Library's contribution rate for the employer's share of the pension benefits for 2007 was 14 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Library's required contributions of employee and employer shares for pension obligations to the traditional and combined plans for the years ended December 31, 2008, 2007, and 2006 were \$55,765, \$54,381, and \$53,807, respectively; the full amount has been contributed for 2008, 2007 and 2006.

Note 8 – Post-Employment Benefits

Plan Description - OPERS maintains a cost-sharing multiple-employer defined benefit post-employment healthcare plan for qualifying members of both the traditional and combined pension plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment healthcare. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

To qualify for post-employment healthcare coverage, age and service retirees under the traditional and combined plans must have ten years or more of qualifying Ohio service credit. Healthcare coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised code permits, but does not require, OPERS to provide healthcare benefits to eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are provided separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222 – 7377.

Funding Policy – The post employment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code 401 (h). State statute requires that public employers fund post employment healthcare through contributions to OPERS. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of post employment healthcare.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2008, state and local government employers contributed 14 percent of covered payroll (17.4 percent for public safety and law enforcement). Each year, the OPERS retirement board determines the portion of the employer contribution that will be set aside for funding post employment healthcare benefits. The amount of the employer contributions which was allocated to fund post employment healthcare was 6 percent of covered payroll in 2008.

The retirement board is also authorized to establish rules for the payment of a portion of the healthcare benefits by the retiree or retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and selected coverage.

The portion of the Library's contributions that were used to fund post-employment benefits for the Traditional Pension and Combined Plans for the year ending December 31, 2008 was \$14,691.

North Baltimore Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 8 – Post-Employment Benefits (Continued)

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) which was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the healthcare plan.

Note 9 – Debt

The North Baltimore Local School District serves as the taxing authority in a ministerial function, and can issue tax related debt on behalf of the Library. The determination to request approval of a tax levy, the rate and the purpose are discretionary decisions made solely by the Library Board of Trustees.

The Library has no outstanding debt at this time.

Note 10 – Leases

The Library leases a copier under a non-cancelable lease. The Library disbursed \$2,221 to pay lease costs for the year ended December 31, 2008. Future lease payments are as follows:

Year	Amount
2009	\$1,686
2010	\$1,686
2011	\$422



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*

North Baltimore Public Library
Wood County
230 North Main Street
North Baltimore, Ohio 45872-1132

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of North Baltimore Public Library, Wood County, Ohio (the Library), as of and for the year ended December 31, 2008, which collectively comprise the Library's basic financial statements and have issued our report thereon dated August 12, 2009. 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.

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.

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2484

www.auditor.state.oh.us

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 be 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.

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

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, 2009



Mary Taylor, CPA
Auditor of State

NORTH BALTIMORE PUBLIC LIBRARY

WOOD 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
OCTOBER 6, 2009**