

**COLUMBUS METROPOLITAN LIBRARY**

**FRANKLIN COUNTY**

**AUDIT IN ACCORDANCE WITH GOVERNMENT  
AUDITING STANDARDS**

January 1, 2003 through December 31, 2003





**Auditor of State  
Betty Montgomery**

Board of Trustees  
Columbus Metropolitan Library  
96 S. Grant Avenue  
Columbus, Ohio 43215-4781

We have reviewed the Independent Auditor's Report of the Columbus Metropolitan Library, Franklin County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2003 to December 31, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Columbus Metropolitan Library is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY  
Auditor of State

September 16, 2004

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**Columbus Metropolitan Library  
Franklin County**

**TABLE OF CONTENTS**

	Page
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY <i>GOVERNMENT AUDITING STANDARDS</i>	1



## **Report On Compliance And On Internal Control Required Government Auditing Standards**

Board of Trustees  
Columbus Metropolitan Library  
96 South Grant Street  
Columbus, Ohio 43215-4781

We have audited the financial statements of Columbus Metropolitan Library, Franklin County, Ohio (the Library) as of and for the year ended December 31, 2003 and have issued our report thereon dated July 19, 2004 wherein we noted the Library adopted Governmental Accounting Standards Board (GASB) Statements 34, 37, 38, 39 and 40. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

### **Compliance**

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

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Library's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**

Ten West Locust Street

Newark, Ohio 43055

(740) 345-6611

1-800-523-6611

FAX (740) 345-5635

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

*Wilson, Shuman & Sons, Inc.*

Newark, Ohio  
July 19, 2004





C O M P R E H E N S I V E  
ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2003

COLUMBUS METROPOLITAN LIBRARY COLUMBUS, OHIO





# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Columbus Metropolitan  
Library, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2002

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

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# **Columbus Metropolitan Library**

Columbus, Ohio

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For Fiscal Year Ended December 31, 2003



Issued by:

**Robert Johnson**

Clerk-Treasurer/Director of Finance

# Columbus Metropolitan Library

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## COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2003

### TABLE OF CONTENTS

	<u>Page</u>
<b>INTRODUCTORY SECTION</b>	
Certificate of Achievement for Excellence in Financial Reporting	Cover Page
Title Page .....	i
Table of Contents .....	ii
Library Officials and Staff .....	v
Organizational Chart .....	vi
Letter of Transmittal .....	vii
<b>FINANCIAL SECTION</b>	
Independent Auditors' Report .....	1
Management's Discussion and Analysis .....	3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets .....	11
Statement of Activities .....	12
Fund Financial Statements:	
Balance Sheet - Governmental Funds .....	13
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities .....	14
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	15
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Funds .....	16
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual - General Fund .....	17
Statement of Net Assets - Proprietary Fund .....	18
Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Fund .....	19
Statement of Cash Flows - Proprietary Fund .....	20
Notes to the Basic Financial Statements .....	21

# Columbus Metropolitan Library

---

	<u>Page</u>
<b>SUPPLEMENTAL DATA</b>	
Fund Descriptions.....	37
Combining Statements – General Fund:	
Combining Balance Sheet – General Fund.....	38
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund.....	39
Combining Statements – Capital Projects Fund:	
Combining Balance Sheet – Capital Projects Fund.....	40
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Capital Projects Fund.....	44
Combining Statements – Nonmajor Governmental Funds:	
Combining Balance Sheet – Nonmajor Governmental Funds.....	48
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds.....	49
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	50
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Special Revenue Funds.....	51
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual - General Fund.....	52
Individual Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual – Nonmajor Funds:	
Restricted Fund.....	56
Intregrated Library Partners Fund.....	57
Parking Garage Fund.....	58
Land Development Fund.....	59
LSTA Grant Fund.....	60
Permanent Fund.....	61
<b>STATISTICAL SECTION</b>	
General Governmental Expenditures by Function - Last Ten Fiscal Years.....	62
General Revenues and Other Financing Sources by Source - Last Ten Fiscal Years.....	63

# Columbus Metropolitan Library

---

	<u>Page</u>
<b>STATISTICAL SECTION (continued)</b>	
Property Tax Levies and Collections - Last Ten Fiscal Years .....	65
Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years .....	67
Property Tax Rates - All Direct and Overlapping Governments - Last Ten Fiscal Years (per \$1,000 of Assessed Value) .....	69
Demographic Statistics and Average Unemployment Rates - Last Ten Fiscal Years (Franklin County) .....	72
Construction, Bank Deposits and Property Value - Last Ten Fiscal Years .....	73
Principal Property Taxpayers .....	74
Miscellaneous Statistics .....	75



# Columbus Metropolitan Library

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## LIBRARY OFFICIALS AS OF DECEMBER 31, 2003

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### BOARD OF TRUSTEES

Dr. Terry A. Boyd,	President of the Board
Ms. Cynthia A. Hilsheimer,	Vice President of the Board
Ms. Jacqueline F. Woods,	Secretary of the Board
Mr. Philip C. Johnston,	Member
Ms. Charlotte P. Kessler,	Member
Mr. Samuel H. Porter,	Member
Mr. David C. Swaddling,	Member

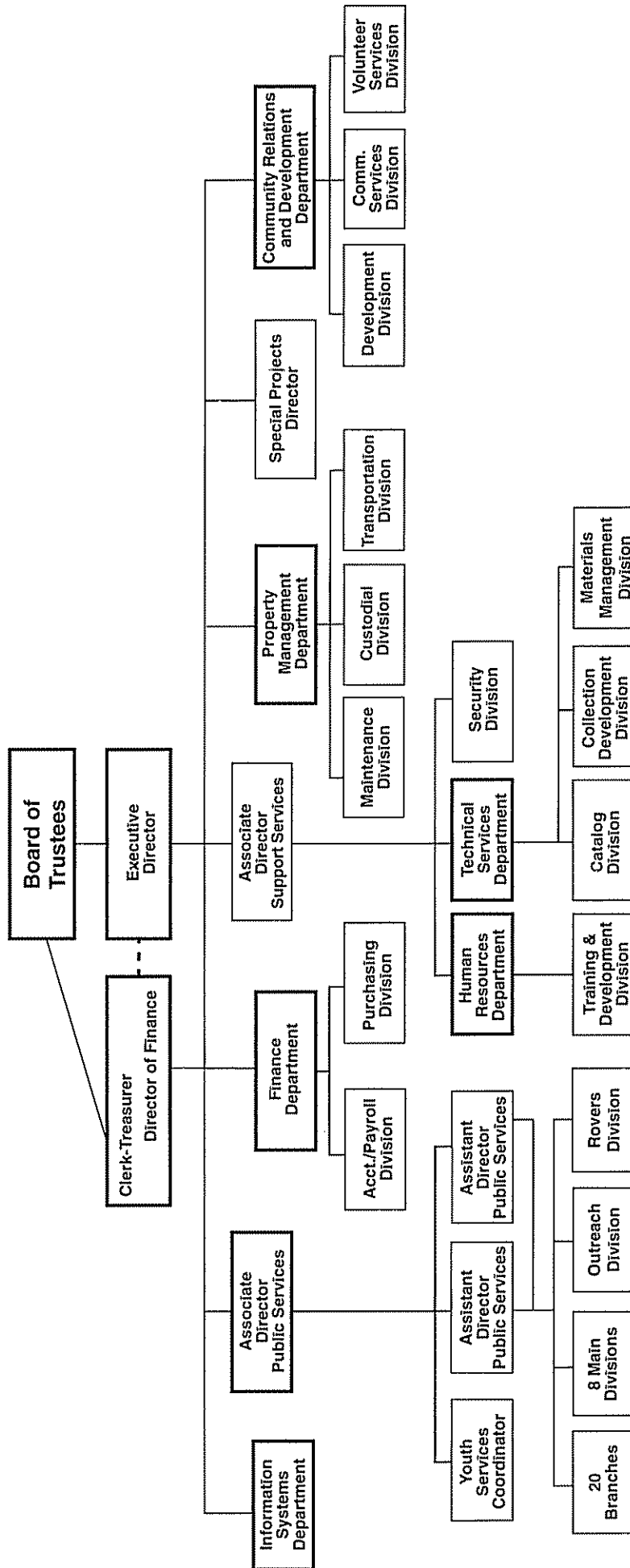
### EXECUTIVE STAFF

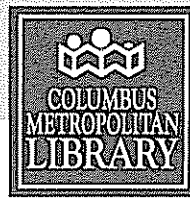
Mr. Patrick Losinski,	Executive Director
Mr. Robert L. Johnson,	Clerk-Treasurer/Director of Finance

### ADMINISTRATIVE STAFF

Ms. Susan N. Studebaker,	Associate Director of Public Services
Ms. Deb A. McWilliam,	Associate Director of Support Services
Mr. Scott L. Fothergill,	Director of Information Systems
Mr. Stephen K. Prater,	Director of Property Management
Mr. Kerry M. Bierman,	Director of Community Relations & Development

# CML Organizational Chart





# COLUMBUS METROPOLITAN LIBRARY

96 S. Grant Ave Columbus, OH 43215-4781 • 614/645-2800 • Fax: 614/645-2050 • www.columbuslibrary.org

July 19, 2004

## **To the Citizens of the City of Columbus and Franklin County and The Board of Trustees and Executive Director of the Columbus Metropolitan Library**

The Ohio Revised Code requires that all general-purpose governments publish a complete set of financial statements, presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to this requirement, I hereby issue the comprehensive annual financial report (CAFR) of the Columbus Metropolitan Library, Franklin County, Ohio, (the Library) for the fiscal year ended December 31, 2003.

This report consists of management's representations concerning the finances of the Library. Consequently, management assumes all responsibility for completeness and reliability of all of the information presented in this report.

The management of the Library has established a comprehensive internal control framework that is designed to compile sufficient information for the presentation of the Library's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefit, the Library's comprehensive framework of internal controls has been designed to provide reasonable, but not absolute, assurance that the financial statements are free from material misstatement.

The Library's financial statements have been audited under contract with the Auditor of State of Ohio by Wilson, Shannon & Snow, Inc., a firm of licensed certified public accountants. The independent auditor concluded that the Library's financial statements for the fiscal year ended December 31, 2003, are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment the MD&A and should be read in conjunction with it. The Library's MD&A can be found immediately following the report of the independent auditors.

## **THE HISTORY OF THE LIBRARY**

During the early history of Columbus, a series of libraries existed which operated on a subscription or membership fee basis. With the support of a group of public-spirited citizens, a permanent tax-supported free public library was established by the Columbus City Council in 1872. This Library

### **ADMINISTRATION:**

Executive Director: Patrick A. Losinski  
Clerk-Treasurer: Robert L. Johnson

The Columbus Metropolitan Library includes the Main Library, Outreach Services, the Driving Park, Dublin, Franklinton, Gahanna, Hilliard, Hilltop, Karl Road, Linden, Livingston, Martin Luther King, New Albany, Northern Lights, Northside, Parsons, Reynoldsburg, Shepard, South High, Southeast, Whetstone and Whitehall branches and the Northwest Library

### **BOARD OF TRUSTEES:**

President: Terry A. Boyd  
Vice President: Cynthia A. Hillsheimer  
Secretary: Jacqueline F. Woods  
Philip C. Johnston, Charlotte P. Kessler,  
Samuel H. Porter, David C. Swaddling

## **Columbus Metropolitan Library**

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opened its doors to the public in a room in the newly constructed City Hall in 1873 and was officially designated by the City Council as the Public Library and Reading Room of Columbus.

This was officially changed to the Columbus Public Library thirty years later when plans were commenced to construct a separate building. With a gift from philanthropist Andrew Carnegie of \$200,000, the Board succeeded in constructing a building that is part of the present Main Library on South Grant Avenue. At the same time this building was opened to the public in 1907, the Library initiated a series of deposit collections in various locations throughout the community. Out of these collections grew the current branch library system, expanding with the growth of Columbus and Franklin County.

In 1976, the Library became a county district library and changed its name to the Public Library of Columbus and Franklin County. Its legal service district was then defined as all of Franklin County, except for those legal service areas of the other six library systems within the county.

A milestone in the Library's history occurred in 1986, when the Library Board of Trustees (the Board) voted to seek funds and implement a comprehensive services and capital improvements package. Thanks to the support of library customers and thousands of volunteers throughout Franklin County, a combination renewal and new fifteen-year General Property tax levy totaling 2.2 mills was approved by library district voters in November 1986. In November 2000, the voters of Franklin County renewed the 2.2 mills for an additional ten years.

After the tax levy was approved, one of the first service improvements included additional public service hours at many of the library locations. Sunday hours, requested by the public for years, were added in September of that year at the Main Library and the system's regional branch locations. The materials budget was increased significantly, allowing the Library to purchase additional books, magazines, newspapers, databases, audio and video cassettes, and other items to meet the burgeoning demand.

As the Public Library of Columbus and Franklin County continued to enhance services and facilities to Columbus' suburbs, there was an increasing awareness that the Library's name did not accurately describe the system's responsibilities to many Central Ohio residents.

In June of 1989, the Board approved a new name for the system, the "Columbus Metropolitan Library," to better reflect the organization's mission to the communities within the Library's service district, including Brice, Canal Winchester, Columbus, Dublin, Gahanna, Hilliard, Lockbourne, New Albany, Obetz, Reynoldsburg, Valleyview, and Whitehall. The Board also adopted a new logo for the Library, designed to increase customers' awareness of the system's libraries and services.

The construction of new library branches, or the renovation and expansion of existing facilities, has created an excitement which has drawn thousands of new customers into the Library.

Today the Library consists of a Main Library and 21 branches located throughout Franklin County, Ohio. Additionally, the Library entered into a contract in 1993 with Worthington Public Library, a separate legal entity, to contribute to the operation of a library facility that services the citizens of both library districts.

### **REPORTING ENTITY**

The Library's reporting entity has been defined in accordance with Section 3375.20 (E) of the Ohio Revised Code, and thus reaffirms the boundaries of the Columbus Metropolitan Library, a county

# Columbus Metropolitan Library

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library district, to be composed of all of the land area within Franklin County, Ohio, except for the land area lying within the boundaries of other public library districts in the County.

The land area lying within the Columbus Metropolitan Library is composed of the following:

Canal Winchester Local School District, Columbus City School District, Dublin Local School District, Gahanna-Jefferson City School District, Groveport-Madison Local School District, Hamilton Local School District, Hilliard City School District, Licking Heights Local School District, Plain Local School District, Reynoldsburg City School District, Upper Arlington City School District (outside of the municipality boundaries), and Whitehall City School District.

The Library, which is a separate legal entity, is under the control and management of a seven (7) member Board of Trustees. Three Board members are appointed by the Judges of the Court of Common Pleas and four are appointed by the Franklin County Commissioners. Board members are appointed for a term of seven (7) years with one term expiring each year. Since the Library is a separate legal entity, it is financially and operationally independent from Franklin County and the City of Columbus. The Library does not provide a financial benefit or impose a financial burden to the County. The County Commissioners can not influence the programs, activities or level of services provided by the Library. Although the County Commissioners serve as the Library's taxing authority, any decision to request approval of a tax, the rate and purpose(s) of a levy lies solely with the Board of Trustees. Based on a formal request from the Board, the County Commissioners, in accordance with the Ohio Revised Code, shall place the issue on the ballot.

The basic financial statements included in the financial section of this report, comply with provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity," and GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units – and amendment to GASB Statement No. 14" in that the financial statements include all the organizations, activities and functions for which the Library (the reporting entity) is financially accountable. Financial accountability is defined as either (1) the Library's ability to impose its will over the component units or (2) the possibility that the component units will provide a financial benefit to or impose a specific financial burden on the Library.

## Materials and Services

The Library's collection contains approximately three million items, including books, magazines, newspapers, audio and video tapes, compact discs, interactive multimedia, books-on-tape, pamphlets, maps, annual reports, sheet music and circulating visuals. The Library also maintains an extensive microfilm collection of the past issues of many magazines.

The Library also provides a number of high-technology services. Librarians can access hundreds of databases for current information. Customers can also access the Internet at all Library locations. In addition, customers with internet access can connect to the Library's website and view the Library's collection, electronic resources, and the system's Internet site. Customers can reach the Library Internet site at [www.columbuslibrary.org](http://www.columbuslibrary.org).

The Library offers workshops, book discussions and author visits for adults, and story hours and an annual summer reading program for children and young adults.

The Outreach Services Division provides library service to customers who are not able to visit a library facility. These services include a talking books program, special service to the homebound,

# Columbus Metropolitan Library

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jail services, lobby stops at adult extended care facilities, and the MetroMouse Mobiles, which will serve children at risk of growing up illiterate.

## Mission

*We promote reading and guide learning in the pursuit of information, knowledge and wisdom.*

## Vision

*Our diverse community will be fully engaged in the adventures of reading, learning and leisure while recognizing the vital role the library plays in enriching our quality of life.*

## System wide Strategic Initiatives and Goals

INITIATIVE: We provide excellent service to all.

Goal: Citizens of the Columbus Community will have access to services from the library that both meet and exceed their expectations through attention to their need for customization, speed, accuracy and value.

INITIATIVE: We understand and respond to the hopes, aspirations and needs of our diverse, multicultural community.

Goal: The library will develop strategic collaborations with the targeted community organizations and institutions to maximize the linkage between the library and the community's quality of life.

INITIATIVE: We market, promote and merchandise the library's value to the community.

Goal: To increase the use of library services by all.

Goal: The library will utilize nationally established programs and measurements to its advantage in promoting its value to the local community and to the library profession.

INITIATIVE: We engage our team in the achievement of the mission of the organization.

Goal: The individuals who comprise the staff of the library serve as the critical success factor for all that the library accomplishes. Their value to the organization will be supported and enhanced through responsive development of human resources programs, procedures, training and development.

Goal: The library will continue to be adaptive in its operations and services in order to achieve maximum efficiencies and effectiveness.

INITIATIVE: We collect materials and design programs and services that enrich, inform, educate and entertain.

Goal: Collections will be developed on a coordinated, system wide basis, meeting and anticipating community needs.

Goal: The library will develop the love of reading in children by designing programs, collections and services that cater to the needs of the child and his or her integration into school and society.

Goal: Library services will be developed and managed to support learning in an ethnically diverse public.

INITIATIVE: We ensure the vitality of our current funding resources and explore ways to build capacity.

Goal: The ability of the library to perform and maintain its excellent level of services is dependent upon the stability and vitality of its current funding resources. The library will continually work to ensure that these resources are maintained.

# Columbus Metropolitan Library

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Goal: The library will seek appropriate new revenue sources, cost containment opportunities and other ways to build its capacity to deliver services.

The annual budget serves as the foundation of the Library's financial planning and control. The Board is required to adopt a final budget no later than April 1<sup>st</sup> of the current fiscal year. The level at which the Board approves each budget becomes the "legal level of control". This is the level at which transfers of appropriation requires Board action. For the General Fund, the Board approves the budget at the character level, as follows: Salaries and Benefits, Supplies, Purchased and Contracted Services, Library Materials, Capital Outlay, and Other Expenditures. All other funds are budgeted at the total expenditure level.

After the Board has adopted the budget, any amendment which will increase or decrease the approved appropriation requires Board approval. The Board has delegated purchase and expenditure/expense approval to the Library's administration for the daily operational needs of the Library.

## ECONOMIC CONDITIONS AND OUTLOOK

The Library is located entirely within the City of Columbus and Franklin County, Ohio. Columbus, the largest city in the state, is one of the top growth areas of the country. The population of the county has grown steadily as evidenced by the following chart:

<u>Population Growth</u>	<u>City of Columbus</u>	<u>Franklin County, Ohio</u>
1980	566,800	869,132
1990	632,910	961,437
2000	711,470	1,068,978
2010*	Not Available	1,155,911
2020*	Not Available	1,238,245
2030*	Not Available	1,326,184

Source: Sales & Marketing Management (1981, 1991); U S Department of Commerce, Bureau of Census (2000); Ohio Department of Development, Office of strategic research

\* - projected

The usually diverse and strong economy of the Columbus Metropolitan Area continued to be tested during 2003. Annual unemployment in Franklin County, which averaged 4.4% in 2002, increased to an average of 4.7% for 2003.

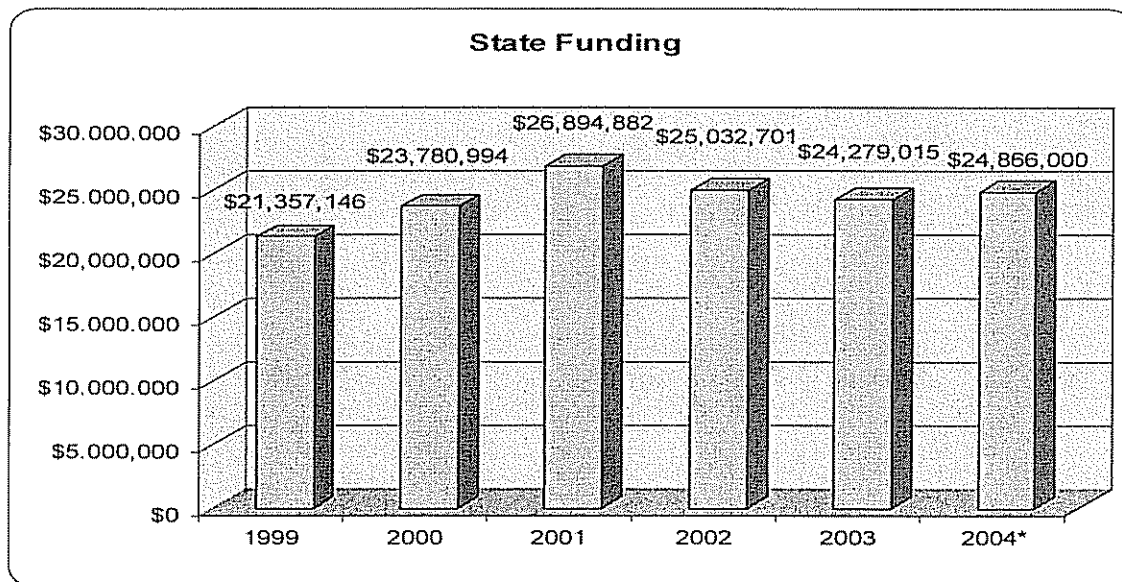
However, this is still considerably lower than the State of Ohio average of 5.9% and the United States average of 6.0%. The outlook is increasingly positive when compared to the May, 2004 estimate of 4.5%, the most recent data available.

Source: Ohio Department of Job and Family Services

## LONG-TERM FINANCIAL PLANNING

On September 15, 2003, the Library opened a new 21,053 square-foot facility in New Albany. On February 2, 2004 the Library replaced its Linden Branch with a new 12,701 square-foot facility. With the opening of these two new branch locations, the Library has temporarily completed expanding its physical presence in Franklin County. At this time, no new branch locations are planned.

# Columbus Metropolitan Library

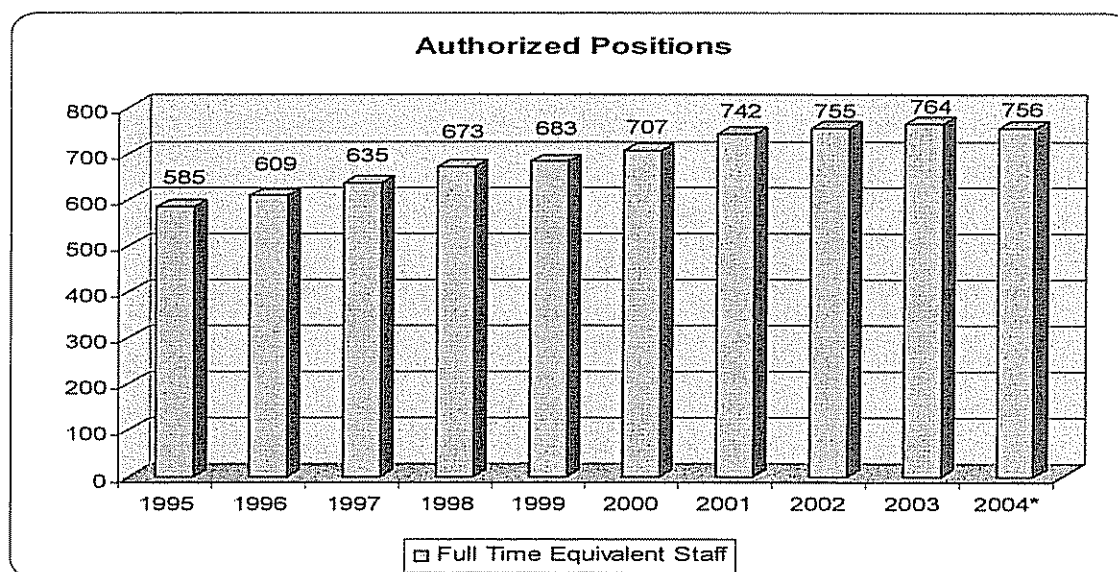


\* - estimated

This chart shows the effect of changes in State funding over the past several years. This source of revenue had been increasing at a significant pace until 2001. Due to the past several years of economic downturn, the State has frozen their funding. Even with the recent improvement in the local economy, State statute has the freeze in effect through June 2005.

In 2003, the Library completed and adopted the *CML strategic Plan 2004-2010*. This new analysis of the organization, in conjunction with the effect of the loss of anticipated State funding, has led the Library to begin to focus more on building internal efficiencies and the implementation of new technology.

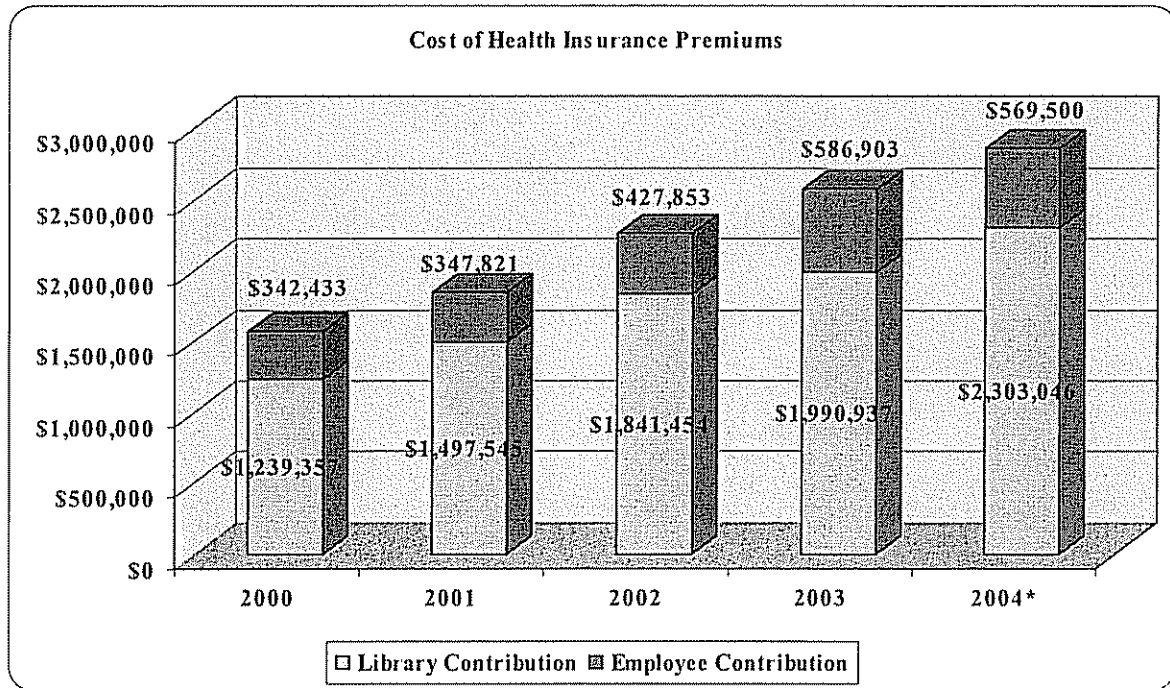
One area of concern is the continued rise in the cost of staffing and employee benefits, especially health insurance coverage. The following chart shows the Library's effort to hold staffing levels steady in 2004. With the future implementation of new service efficiencies and technology, the Library intends to begin reducing staffing levels. The Library has committed to reducing staff only through attrition and not layoffs.



\* - Budgeted



# Columbus Metropolitan Library



\* - Budgeted

## FINANCIAL INFORMATION

### New Financial Reporting Model

This is the first year the Library has prepared financial statements following Governmental Accounting Standards Board (GASB) statement No. 39, *Determining Whether Certain Organizations are Component Units – and amendment to GASB Statement No. 14*. GASB Statement No. 34 creates new basic financial statements for reporting on the Library's financial activities as follows:

**Government-wide financial statements.** These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by businesses.

**Fund financial statements.** These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in one column. These statements are prepared on a modified accrual basis of accounting and include a reconciliation to the information presented in the government-wide statements.

**Statement of Budgetary Comparison.** This statement presents a comparison of actual information to the legally adopted budget.

### Accounting system and Budgetary Control

The Library's budget and accounting system is organized on a "fund basis". Each fund is a separate self-balancing accounting entity. For annual financial statement purposes, the Library reports on a Generally Accepted Accounting Principals (GAAP) basis. For budgeting purposes, the financial records are maintained on a budgetary (cash plus encumbrances) basis of accounting. This means revenues are recorded when received in cash, expenditures are recorded when paid in cash and encumbrances are recorded as a reservation of an appropriation balance.

# Columbus Metropolitan Library

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The Board of Trustees of the Library (the Board) reviews and approves the budget prior to the beginning of each year and establishes the appropriations for each fund.

Once the Board has approved the annual budget, the Library administration makes further breakdowns of estimated revenues and appropriations to the lower object and subobject levels. The budget is then subdivided into departments, divisions and sections to further control expenditures and encumbrances.

After the Board has adopted the budget, any amendments which will increase or decrease the approved appropriation requires Board approval. The Board has delegated purchase and expenditure/expense approval to the Library's administration for the daily operational needs of the Library.

## Financial Policies

All budgetary policies are established by Ohio law and/or the Library Board. Budgetary procedures are established by the Library's Clerk-Treasurer. The implementation of policies and procedures is the responsibility of the Library's Executive Director and Clerk-Treasurer. The following are the significant financial policies of the Library:

### Applies to All Funds:

- A temporary budget may be adopted prior to January 1st each year for all funds. The final budget for the year must be filed with the Franklin County Budget Commission by April 1st, in accordance with Ohio law.
- Appropriations, when established for multiple-year projects, are for the life of the project and lapse only when the project is closed. For annual budgeting purposes, the remaining appropriation balance in each of these projects may be reappropriated at the beginning of each budget year.
- The level at which the Board approves each budget becomes the "legal level of control". This is the level at which transfers of appropriation requires Board action. For the General Fund, the Board approves the budget at the character level, as follows: Salaries and Benefits, Supplies, Purchased and Contracted Services, Library Materials, Capital Outlay, and Other Expenditures. All other funds are budgeted at the total expenditure level.
- The permanent budget may be amended or supplemented after being adopted, as new information becomes available later in the year. The Board must authorize all amendments or supplements to the budget. Cash transfers between funds also require the Board's approval.
- The County Budget Commission provides, on an annual basis, a Certificate of Estimated Resources. This document controls the maximum amount that can be appropriated for each fund. It lists the beginning balance in each fund, provides the tax collection estimate for each fund, and shows other revenues estimated by the Library. The Library's maximum annual appropriations are controlled by this document. The Library may request that this document be amended during the year if revenues are lower or higher than first anticipated.
- All rates for patron fines, fees, and charges are established by the Board.
- Purchase orders and contracts outstanding and unpaid at the end of each year are automatically re-encumbered and reappropriated at the beginning of the succeeding budget year.
- Library cash is pooled for investment purposes. All investments and interest earned on investments are credited to each fund in accordance with Library Board policy.
- Library revenues and expenditures are monitored and reported to the Board monthly by the Library's Clerk-Treasurer to determine if they are on target with estimates.

### Applies to only the General Fund:

# Columbus Metropolitan Library

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- The Board of Trustees has mandated a “balanced” budget, where operating expenditures cannot exceed anticipated revenues. Operating expenditures does not include one-time or infrequent equipment purchases or the transfer of monies to the Capital Projects Fund for future projects.

Applies to only the Capital Projects Fund:

- This fund is used to account for major capital projects only, typically defined as individual projects with a budget in excess of \$50,000.
- It is the Board's policy that for each Library branch construction project, one percent of the construction costs may be appropriated for the purchase of "artwork."
- Whenever real property is sold, the proceeds are credited to the Capital Projects Fund.

## RISK MANAGEMENT

The Library is part of a statewide plan for workers' compensation insurance coverage. Additionally, the Library carries property insurance, liability and excess liability insurance coverage as well as officers' and directors' liability insurance. In addition , all employees are bonded.

The Library is self-insured for employee health care. To account for and finance its uninsured health claims, the Library established the Self-Insurance Fund (an internal service fund). All departments of the Library participate in the program and make payments to the Self-Insurance Fund based on actuarial estimates of the amounts needed to pay current and future claims. The Library has purchased specific stop loss insurance for claims which exceed \$100,000 per covered individual in one year and aggregate stop loss coverage at 125% of annual estimated claims.

## PENSION BENEFITS

All employees of the Library are required to participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans, as described below:

1. The Traditional Pension Plan (TP) – a cost-sharing, multiple employer defined benefit pension plan.
2. The Member-Directed Plan (MD) – 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 MD Plan, members accumulate retirement assets equal to the value of member (and vested) employer contributions plus any investment earnings thereon.
3. The Combined Plan (CO) – a cost-sharing, multiple-employer defined benefit pension plan. Under the CO Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the TP Plan and the CO Plan. Members of the MD Plan do not qualify for ancillary benefits.

In addition to the pension benefits described above, OPERS also provides post-retirement health care benefits to qualifying members of the TP Plan and the CO Plan. Members of the MD Plan do not qualify for ancillary benefits, including post-employment health care coverage. In order to qualify for post-retirement health care coverage, age and service retirees must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available.

# **Columbus Metropolitan Library**

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See Note 6 for additional pension information.

## **INDEPENDENT AUDITORS**

The basic financial statements of the Library for the year ended December 31, 2003, were audited under contract with the Auditor of State of Ohio by Wilson, Shannon & Snow, Inc., independent Certified Public Accountants, whose opinion thereon is included at the beginning of the Financial Section of this report.

## **CERTIFICATE OF ACHIEVEMENT**

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Columbus Metropolitan Library for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2002. This is the seventeenth (17th) consecutive year that the Library has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **ACKNOWLEDGMENTS**

While many individuals have contributed to the preparation of this report, special thanks are extended to; Todd Daughenbaugh, Assistant Director of Finance; Kimberly Hampton, Chief Accountant, Jan Smith, Finance Specialist, Anna Clendenen, Accountant and Charles Trabue, Accounting Assistant.

I also wish to express my appreciation to Patrick Losinski, Executive Director, and the members of the Board of Trustees for their continued interest and support in planning and conducting the financial operations of the Library in a responsible and progressive manner.

Sincerely,



ROBERT L. JOHNSON  
Clerk-Treasurer/Director of Finance

FINANCIAL SECTION

Board of Trustees  
Columbus Metropolitan Library  
96 South Grant Street  
Columbus, Ohio 43215-4781



### Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities, each major fund, and the remaining fund information of Columbus Metropolitan Library, Franklin County, Ohio (the Library) as of and for the year ended December 31, 2003, 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 *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Library as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As disclosed in Note 1 to the basic financial statements, the Library implemented Governmental Accounting Standards Board (GASB) Statement 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements for State and Local Governments: Omnibus*, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*, GASB Statement No. 39, *Determining whether Certain Organizations are Component Units – An Amendment of GASB Statement No. 14*, and GASB Statement No. 40, *Deposit and Investment Risk Disclosure – An Amendment of GASB Statement No. 3*, for the year ended December 31, 2003.

*Wilson, Shuman & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
101 West Locust Street  
Newark, Ohio 43055  
(740) 345-5611  
1-800-523-6611  
FAX (740) 345-5635

In accordance with *Government Auditing Standards*, we have also issued our report dated July 19, 2004 on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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 applied limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. We did not audit the information and express no opinion on it.

We conducted our audit to form opinions on the financial statements that collectively comprise the Library's basic financial statements. The introductory section, combining and individual nonmajor fund statements, schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Wilson, Shuman & Sisco, Inc.*

Newark, Ohio  
July 19, 2004

## COLUMBUS METROPOLITAN LIBRARY

### Management's Discussion and Analysis for the Year Ended December 31, 2003

As management of the Columbus Metropolitan Library (the Library), we offer readers of the Library's financial statements this narrative overview and analysis of the financial activities of the Columbus Metropolitan Library for the fiscal year ended December 31, 2003. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, the financial statements, and the notes to the financial statements.

#### Financial Highlights

Key financial highlights for the fiscal year 2003 are as follows:

- The assets of the Library exceeded its liabilities at the close of the most recent fiscal year by \$95,487,485. Of this amount, \$9,410,729 was unrestricted and may be used to meet the Library's ongoing obligations.
- The Library's net assets increased by \$1,060,267 or 1.12%.
- Of the \$49,940,604 in total revenues, general revenues accounted for \$45,236,208 or 90.58 percent. Program specific revenues in the form of charges for services, grants and contributions accounted for \$4,704,396 or 9.42 percent.
- The Library had \$48,880,337 in expenses related to governmental activities; 9.62 percent of these expenditures were offset with program specific revenues. The remaining 90.38 percent was provided by general revenues of the Library, including Property Taxes, State of Ohio shared revenues and investment earnings.
- The Library has two major funds: the general fund and the capital projects fund. Under the modified basis of accounting, the general fund had \$48,385,321 in revenues and \$44,672,752 in expenditures. An additional \$6,192,490 in other uses resulted in a decrease in fund balance of \$2,479,921. The capital projects fund had \$392,708 in revenues and \$6,536,465 in expenditures. An additional \$5,375,000 in other sources resulted in a decrease in fund balance of \$768,757.
- At the end of the fiscal year, the unreserved fund balance in the general fund was \$8,011,240. This represents 77.1 percent of total fund balance and 17.9 percent of 2003 general fund expenditures.

#### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Library's basic financial statements. The Library's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report contains other supplementary information in addition to the basic financial statements themselves.

#### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Library's finances, in a manner similar to private-sector business.

The Statement of Net Assets presents information on all of the Library's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the Library is improving or deteriorating.



## COLUMBUS METROPOLITAN LIBRARY

### Management's Discussion and Analysis for the Year Ended December 31, 2003

The Statement of Activities presents information showing how the Library's net assets changed during the most recent fiscal year. All changes to net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses reported in the statement for some items will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused leave).

#### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Library uses fund accounting to assure and demonstrate compliance with finance-related legal requirements. The funds of the Library are divided into two categories: governmental funds and proprietary funds.

#### Governmental Funds

Governmental funds focus on the near-term inflows and outflows of spendable financial resources, as well as on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Library's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, a reader may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Library maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and the capital projects fund, both of which are considered to be major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

#### Proprietary Funds

The Library's only proprietary fund is the self-insurance fund. The self-insurance fund is an internal service fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Library's various functions. The service provided by this fund benefits the governmental funds and has been included within governmental activities in the government-wide financial statements.

#### Notes to the Financial Statements

The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements.

**COLUMBUS METROPOLITAN LIBRARY**

**Management's Discussion and Analysis for the Year Ended December 31, 2003**

**Government-wide Financial Analysis**

The Statement of Net Assets provides the perspective of the Library as a whole. Table 1 provides a summary of the Library's net assets for 2003 compared to 2002.

Table 1  
Net Assets

	Governmental Activities	
	2003	2002
<b>Assets</b>		
Current and Other Assets	\$ 45,199,367	\$ 48,398,259
Capital Assets	<u>76,488,699</u>	<u>72,174,434</u>
Total Assets	<u>\$121,688,066</u>	<u>\$120,572,693</u>
<b>Liabilities</b>		
Long-Term Liabilities	3,701,127	3,262,070
Other Liabilities	<u>22,499,454</u>	<u>22,883,405</u>
Total Liabilities	<u>26,200,581</u>	<u>26,145,475</u>
<b>Net Assets</b>		
Invested in Capital Assets	76,488,699	72,174,434
Restricted	9,588,057	10,858,144
Unrestricted	<u>9,410,729</u>	<u>11,394,640</u>
Total Net Assets	<u>\$ 95,487,485</u>	<u>\$ 94,427,218</u>

Total assets increased \$1,115,373. The majority of the increase in total assets was due to a combination of a decrease in cash of \$2,877,561 and an increase in capital assets by \$4,314,265. The decrease in cash and increase in assets is a direct result of the investment in construction projects.

Total liabilities increased \$55,106. This includes a \$439,057 increase in accrued liabilities and an offsetting reduction of \$500,082 in deferred revenues.

**COLUMBUS METROPOLITAN LIBRARY**

**Management's Discussion and Analysis for the Year Ended December 31, 2003**

Table 2 shows the changes in net assets for the fiscal year ended December 31, 2003.

Table 2  
Changes in Net Assets

	Governmental Activities
	2003*
<b>Revenues</b>	
Program Revenues	
Charges for Services	\$ 3,715,667
Operating Grants, Contributions and Interest	858,135
Capital Grants and Contributions	130,594
General Revenue	
Property Taxes	18,463,751
Intergovernmental	26,478,734
Investment Earnings	<u>293,723</u>
Total Revenues	<u>\$49,940,604</u>
 <b>Program Expenses</b>	
Public Service	31,863,473
Administrative and Support	<u>17,016,864</u>
Total Expenses	<u>48,880,337</u>
Increase in Net Assets	<u>\$ 1,060,267</u>

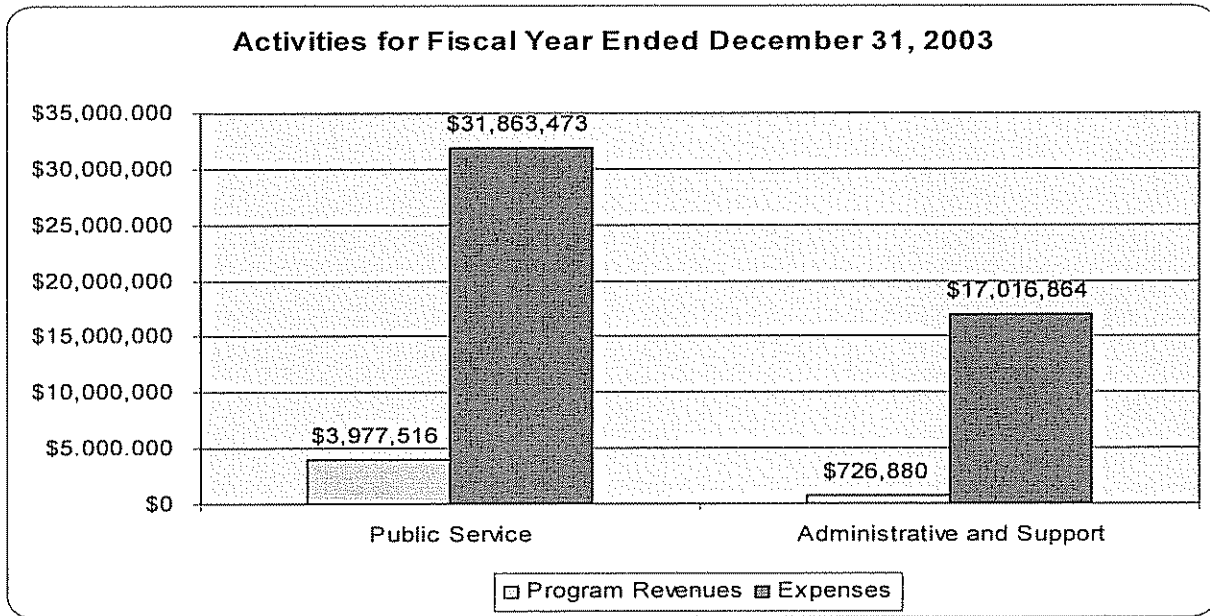
\* - 2003 is the first year that the Library is required to prepared its financial statements in accordance with GASB Statement No. 34. Therefore, comparative data is not available. A comparative analysis will be presented in future years when the information is available.

A major source of funding for the Library is money received from the State of Ohio's Library and Local Government Support Fund (LLGSF). The source of money for this fund comes from a percentage of the state income taxes collected in Ohio. Based on a formula, as established in state law, a percentage of this fund is annually distributed to each county for use by the public library districts within that county. Within Franklin County there are seven (7) public library districts that share this revenue. Each library's share of the fund is established by the Budget Commission. The Budget Commission uses a formula to determine each Library's share of the money; however, the use of a formula is not mandatory under Ohio law. This formula was negotiated and agreed to by each of the library districts within the county. Based on the formula, the Library received 59.23% in 2003.

Another major source of revenue for the Library is the revenue generated by the 2.2 mill property tax levy. In November 2000, this levy was renewed by the voters in the Library's taxing district for another ten-year period.

**COLUMBUS METROPOLITAN LIBRARY**

**Management's Discussion and Analysis for the Year Ended December 31, 2003**



The Statement of Activities shows the cost of program services and the charges for services, grants, contributions, and interest earnings offsetting those services. Table 3 shows the total cost of services and the net cost of services. That is, it identifies the cost of those services supported by tax revenue and state shared revenues.

Table 3  
Governmental Activities

	<u>Total Cost of Services - 2003*</u>	<u>Net Cost of Services - 2003*</u>
Program Expenses		
Public Service	\$31,863,473	\$27,885,957
Administrative and Support	<u>17,016,864</u>	<u>16,289,984</u>
Total	<u>\$48,880,337</u>	<u>\$44,175,941</u>

\* - 2003 is the first year that the Library is required to prepared its financial statements in accordance with GASB Statement No 34. Therefore, comparative data is not available. A comparative analysis will be presented in future years when the information is available.

The above schedule clearly shows the dependence upon tax revenues and state subsidies for governmental activities. Only 9.62 percent of the activities performed by the Library are supported through program revenues such as charges for services, grants and contributions. The remaining 90.38 percent is provided through taxes and intergovernmental revenues.

**Fund Financial Analysis**

The focus of the Library's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Library's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Library's net resources available for spending at the end of the fiscal year.

## COLUMBUS METROPOLITAN LIBRARY

### Management's Discussion and Analysis for the Year Ended December 31, 2003

The general fund is the chief operating fund of the Library. At December 31, 2003, \$8,011,240 of the Library's ending fund balance represents the unreserved portion of the general fund, which is available for spending at the Library's discretion. This unreserved fund balance represents 7.9 percent of 2003 general fund expenditures.

At December 31, 2003, the capital projects fund had an ending fund balance of \$8,612,556 available to complete current projects and provide funding for future projects.

As of December 31, 2003, the Library's governmental funds reported combined ending fund balances of \$20,899,312, a decrease of \$3,107,607 in comparison to the prior year. All governmental funds had total revenues of \$49,963,992 and expenditures of \$52,777,543.

#### General Fund Budgeting Highlights

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

During the course of fiscal 2003, the Library amended its general fund budget, but not significantly. The Library closely monitors its resources and uses and if necessary, modifies the budgetary documents on a timely basis. The most significant amendment was a \$4,975,000 increase in transfers-out. These monies were transferred to the capital projects fund for future projects.

For the general fund, budget basis revenue was \$48,157,511, which was below original estimates of \$49,164,846. Of this \$1,007,335 difference, \$799,208 was due to lower than anticipated property taxes and \$468,004 was due to lower than anticipated fine collections.

For the general fund, budget basis expenditures were \$43,772,171, which was below original estimates of \$47,565,856. Of this \$3,793,685 difference, \$1,817,279 was due to lower salaries and benefits and \$1,112,380 was due to lower than anticipated purchased service costs.

The Library's ending unobligated cash balance was \$6,258,068.

**COLUMBUS METROPOLITAN LIBRARY**

**Management's Discussion and Analysis for the Year Ended December 31, 2003**

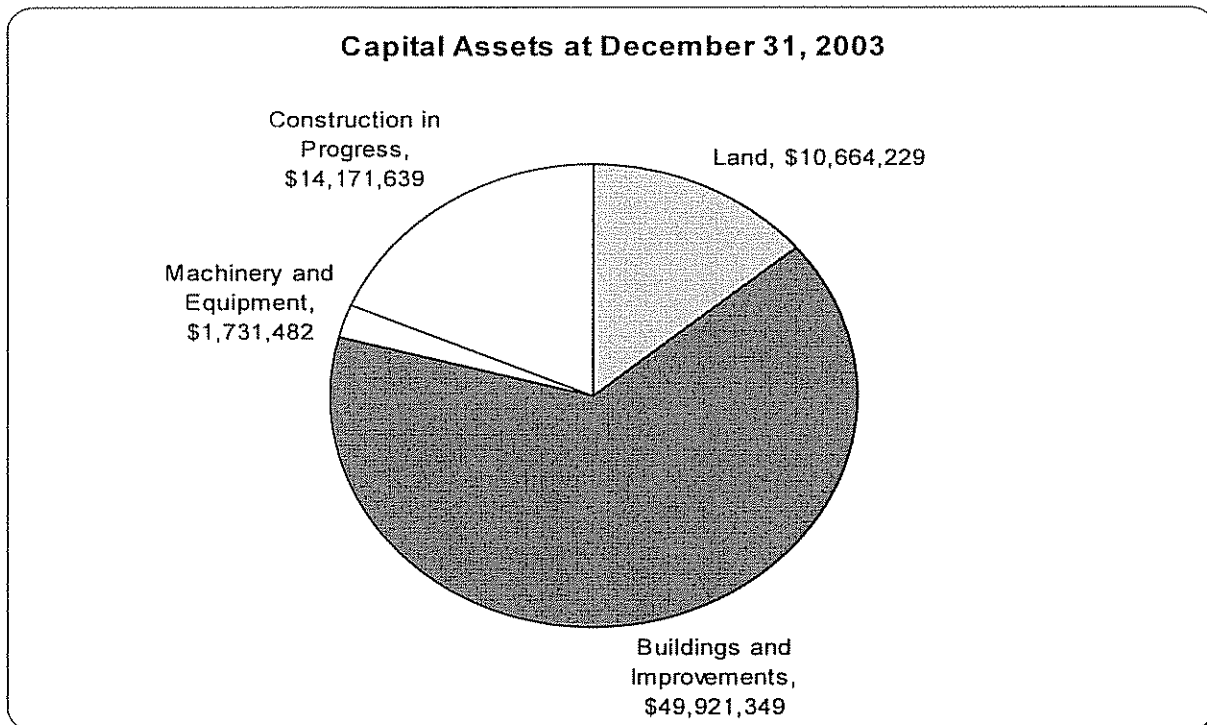
**Capital Assets**

At the end of fiscal year 2003, the Library had \$76,488,699 invested in capital assets. Table 4 shows fiscal year 2003 balances compared to 2002.

Table 4  
Capital Assets at December 31,  
(Net of Depreciation)

	Governmental Activities	
	2003	2002
Land	\$10,664,229	\$10,664,229
Buildings and Improvements	49,921,349	50,914,620
Machinery and Equipment	1,731,482	2,000,445
Construction in Progress	<u>14,171,639</u>	<u>8,595,140</u>
Totals	<u>\$76,488,699</u>	<u>\$72,174,434</u>

During 2003, the Library continued to invest in capital construction. Significant construction in progress at December 31, 2003 includes the Operations Center (\$7,359,716), Linden Branch (\$2,180,340) and the New Albany Branch (\$3,552,973). These projects are anticipated to be closed during 2004. No additional capital construction is planned.



## **COLUMBUS METROPOLITAN LIBRARY**

### **Management's Discussion and Analysis for the Year Ended December 31, 2003**

#### **Economic Factors**

The Columbus Metropolitan Library is currently financially stable. However, the stability of future state funding is unknown. In order to address the decrease in state tax revenues, the LLGSF distributions have been "frozen" at 2003 levels until the end of the current state biennium (June 30, 2005).

#### **Contacting the Library's Financial Management**

This financial report is designed to provide our citizen's and taxpayers with a general overview of the Library's finances and to show the Library's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Mr. Robert L. Johnson, Clerk-Treasurer/Director of Finance at Columbus Metropolitan Library, 96 South Grant Ave., Columbus, Ohio 43215 or by e-mail at [rjohnson@columbuslibrary.org](mailto:rjohnson@columbuslibrary.org).

**COLUMBUS METROPOLITAN LIBRARY**  
**Statement of Net Assets**  
**December 31, 2003**

	<b>Primary Government Governmental Activities</b>
<b>ASSETS</b>	
Cash & Investments	\$ 21,477,915
Cash & Investments-Restricted	67,742
Cash with Fiscal Agent	376,581
Account Receivables	22,883,367
Due from Other Governments	33,617
Prepaid	360,145
Capital Assets, net	76,488,699
Total Assets	121,688,066
<b>LIABILITIES</b>	
Accounts Payable	2,141,519
Accrued Liabilities	3,701,127
Deferred Revenues	19,981,354
Due to Others	376,581
Total Liabilities	26,200,581
<b>NET ASSETS</b>	
Invested in Capital Assets	76,488,699
Restricted for:	
Land Development	830,827
Parking Garage	322,509
Integrated Library Partners	348,397
Restricted Donations	292,534
LSTA Grant	21,377
Capital Projects	7,695,288
Permanent Fund	77,125
Unrestricted	9,410,729
Total Net Assets	\$ 95,487,485

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



**COLUMBUS METROPOLITAN LIBRARY**  
**Statement of Activities**  
**For the Year Ended December 31, 2003**

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
	<u>Expenses</u>	<u>Charges for</u>	<u>Operating</u>	<u>Revenue and</u>
<u>Primary Government:</u>		<u>Services</u>	<u>Grants and</u>	<u>Changes in</u>
Governmental Activities			<u>Contributions</u>	<u>Capital</u>
General Government:			<u>Grants and</u>	<u>Grants and</u>
Public Service	\$31,863,473	3,013,381	\$858,135	\$106,000
Administrative and Support	17,016,864	702,286	-	24,594
Total Governmental Activities	<u>\$ 48,880,337</u>	<u>\$ 3,715,667</u>	<u>\$ 858,135</u>	<u>\$ 130,594</u>
				<u>(44,175,941)</u>

General Revenues:	
Property Taxes	18,463,751
Intergovernmental	26,478,734
Unrestricted Investment Earnings	293,723
Total General Revenues	<u>45,236,208</u>
Change in Net Assets	1,060,267
Net Assets - Beginning	94,427,218
Net Assets - Ending	<u>\$ 95,487,485</u>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2003**

	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 9,070,892	\$ 9,480,229	\$ 2,032,072	\$ 20,583,193
Cash with Fiscal Agent	-	376,581	-	376,581
Receivables	22,853,133	21,888	5,080	22,880,101
Due from Other Governments	2,175	10,866	20,576	33,617
Prepays	342,665	-	17,480	360,145
Advances to Other Funds	402,500	-	-	402,500
Total Assets	<u>\$ 32,671,365</u>	<u>\$ 9,889,564</u>	<u>\$ 2,075,208</u>	<u>\$ 44,636,137</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	1,010,561	900,427	76,144	1,987,132
Accrued Liabilities	1,283,665	-	42,780	1,326,445
Deferred Revenue	19,987,015	-	7,152	19,994,167
Due to Others	-	376,581	-	376,581
Advance from Other Funds	-	-	52,500	52,500
Total Liabilities	<u>22,281,241</u>	<u>1,277,008</u>	<u>178,576</u>	<u>23,736,825</u>
Fund Balances:				
Reserved for:				
Encumbrances	1,633,719	1,164,261	12,094	2,810,074
Advances	402,500	-	-	402,500
Prepaid Items	342,665	-	-	342,665
Endowments	-	-	67,742	67,742
Unreserved:	8,011,240	7,448,295	1,816,796	17,276,331
Total Fund Balances	<u>10,390,124</u>	<u>8,612,556</u>	<u>1,896,632</u>	<u>20,899,312</u>
Total Liabilities and Fund Balances	<u>\$ 32,671,365</u>	<u>\$ 9,889,564</u>	<u>\$ 2,075,208</u>	<u>\$ 44,636,137</u>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Reconciliation of Total Governmental Fund Balances to**  
**Net Assets of Governmental Activities**  
**December 31, 2003**

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Total Fund Balances for Governmental Funds	\$	20,899,312
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		76,488,699
Long-term liabilities, such as the long-term portion of compensated absences, are not due and payable in the current period therefore not reported in the governmental funds.		(2,374,682)
Assets of the internal service fund that primarily serve governmental funds		965,730
Liabilities of the internal service fund that primarily serve governmental funds		(506,444)
Liabilities for earned but deferred revenues		14,870
Net Assets of Governmental Activities	<u>\$</u>	<u>95,487,485</u>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2003**

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Property Taxes	\$ 18,463,751	\$ -	\$ -	\$ 18,463,751
Intergovernmental	26,478,734	-	7,499	26,486,233
Fines and Fees	1,875,357	-	-	1,875,357
Investment earnings	158,294	109,243	18,370	285,907
Charges for Services	259,044	130,250	915,830	1,305,124
Contributions and Donations	830,260	106,000	19,376	955,636
Miscellaneous	319,881	47,215	224,888	591,984
Total Revenues	48,385,321	392,708	1,185,963	49,963,992
<b>EXPENDITURES</b>				
Current:				
Public Service	30,436,570	-	20,464	30,457,034
Administrative and Support	13,946,834	1,054	1,529,393	15,477,281
Capital Outlay	289,348	6,535,411	18,469	6,843,228
Total Expenditures	44,672,752	6,536,465	1,568,326	52,777,543
Excess (deficiency) of revenues over (under) expenditures	3,712,569	(6,143,757)	(382,363)	(2,813,551)
<b>OTHER FINANCING SOURCES(USES)</b>				
Transfers In	-	5,375,000	817,490	6,192,490
Transfers Out	(6,192,490)	-	-	(6,192,490)
Total Other Financing Sources (Uses)	(6,192,490)	5,375,000	817,490	-
Net Changes in Fund Balances	(2,479,921)	(768,757)	435,127	(2,813,551)
Fund Balances at Beginning of Year	12,884,128	9,381,313	1,741,478	24,006,919
Restatement (See Note 9)	(14,083)	-	(279,973)	(294,056)
Funds Balance End of Year	\$ 10,390,124	\$ 8,612,556	\$ 1,896,632	\$ 20,899,312

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances**  
**to the Statement of Activities**  
**Governmental Funds**  
**For the Year Ended December 31, 2003**

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Net Change in Fund Balances - Total Governmental Funds	\$ (2,813,551)
Amounts reported for governmental activities in the statement of activities are different because:	
Remove capitalizable expenditures incurred for the acquisition or construction of capital assets.	5,935,584
Revenue earned during the period, but not yet available.	14,870
Compensated absences expense incurred during the period related to the liability that is still outstanding and not yet due at year-end.	(1,062,937)
Depreciation expense.	(1,621,319)
Net revenue of internal service fund activities.	598,663
Record internal service fund revenues and expenses not subject to consolidation.	8,957
Change in Net Assets of Governmental Activities	<u>\$ 1,060,267</u>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget (Non-GAAP) and Actual**  
**General Fund**  
**For the Year Ended December 31, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 24,086,978	\$ 24,519,753	\$ 24,279,015	\$ (240,738)
Property Taxes	21,163,878	21,163,878	20,364,670	(799,208)
Fines and Fees	2,294,500	1,742,225	1,826,496	84,271
Charges for Services	315,290	297,500	297,551	51
Investment earnings	300,000	225,000	245,672	20,672
Contributions and donations	830,000	830,000	824,621	(5,379)
Miscellaneous	174,200	74,200	319,486	245,286
Total Revenues	<u>49,164,846</u>	<u>48,852,556</u>	<u>48,157,511</u>	<u>(695,045)</u>
<b>EXPENDITURES</b>				
Current:				
Public Service	32,799,786	32,221,975	29,687,450	2,534,525
Administrative and Support	13,966,505	13,741,991	13,680,795	61,196
Capital Outlay	799,565	799,565	403,926	395,639
Total Expenditures	<u>47,565,856</u>	<u>46,763,531</u>	<u>43,772,171</u>	<u>2,991,360</u>
Excess of Revenues over Expenditures	1,598,990	2,089,025	4,385,340	2,296,315
<b>OTHER FINANCING USES</b>				
Transfers Out	(1,269,990)	(6,192,490)	(6,192,490)	-
Advances Out	-	(52,500)	(52,500)	-
Total Other Financing Uses	<u>(1,269,990)</u>	<u>(6,244,990)</u>	<u>(6,244,990)</u>	<u>-</u>
Net Changes in Fund Balances	329,000	(4,155,965)	(1,859,650)	2,296,315
Fund Balances at Beginning of Year	8,117,718	8,117,718	8,117,718	-
Funds Balance End of Year	<u>\$ 8,446,718</u>	<u>\$ 3,961,753</u>	<u>\$ 6,258,068</u>	<u>\$ 2,296,315</u>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Statement of Net Assets**  
**Proprietary Fund**  
**as of December 31, 2003**

	<u>Governmental            Activities            Internal Service Fund</u>
<b>ASSETS</b>	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 962,464
Account Receivables	3,266
Total Assets	965,730
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	154,387
Advance from Other Funds	350,000
Deferred Revenue	2,057
Total Liabilities	506,444
<b>NET ASSETS</b>	
Reserves:	
Insurance Claims	459,286
Total Net Assets	\$ 459,286

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Fund**  
**For the Year Ended December 31, 2003**

	<b>Governmental Activities Internal Service Fund</b>
Operating Revenues	
Charges for Services	\$ 2,583,847
Total Operating Revenues	2,583,847
Operating Expenditures	
Contractual Services	472,844
Claims Paid	1,512,340
Total Operating Expense	1,985,184
Operating Income	598,663
Non Operating Revenues	
Interest	8,957
Total Non Operating Revenues	8,957
Change in Net Assets	607,620
Net Assets Beginning of Year	(148,334)
Net Assets End of Year	\$ 459,286

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



**COLUMBUS METROPOLITAN LIBRARY**  
**Statement of Cash Flows**  
**Proprietary Fund**  
**For the Year Ended December 31, 2003**

	<u>Governmental Activities Internal Service Fund</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
Cash Received for Claims	\$ 2,584,848
Cash Payments for Administrative Fees	(472,844)
Cash Payments for Claims	(1,594,368)
Net Cash Provided by Operating Activities	<u>517,636</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
Interest Income	8,426
Net Cash Provided from Investment Activities	<u>8,426</u>
Net Increase in Cash and Cash Equivalents	526,062
Cash and Cash Equivalents Beginning of Year	<u>436,402</u>
Cash and Cash Equivalents End of Year	<u>\$ 962,464</u>
<b>Reconciliation of Operating Income to Net Cash Provided By Operating Activities</b>	
Operating Income	<u>\$ 598,663</u>
Adjustments:	
Increase in Receivables	(1,526)
Increase in Deferred Revenue	2,057
Decrease in Accounts Payables	(81,558)
Total Adjustments	<u>(81,027)</u>
Net Cash Provided by Operating Activities	<u>\$ 517,636</u>

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

# COLUMBUS METROPOLITAN LIBRARY

## Notes to the Basic Financial Statements

December 31, 2003

(1) **Summary of Significant Accounting Policies**

The Columbus Metropolitan Library (Library) was founded in 1872. The Library is a county district library established in accordance with Section 3375.20 of the Ohio Revised Code. The Library lends books, periodicals and audiovisual materials to residents and certain others at no charge. The Library, which is a separate legal entity, is financially, managerially and operationally independent from both Franklin County and the City of Columbus.

The accompanying financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and GASB statement No. 39, *Determining Whether Certain Organizations are Component Units – and amendment to GASB Statement No. 14* in that the financial statements include all the organizations, activities, functions and component units for which the Library (the reporting entity) is financially accountable. Financial accountability is defined as the appointment authority of a voting majority of the component's unit board, and either (1) the Library's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Library.

For fiscal year ended December 31, 2003, the Library implemented GASB statement No 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus – an amendment of GASB Statements No. 21 and No. 34*, GASB Statement No. 38, *Certain Financial Statement Note Disclosures*, GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units – an amendment of GASB Statement No. 14*, and GASB Statement No. 40, *Deposit and Investment Risk Disclosure – an amendment of GASB Statement No. 3*.

In November 2003, GASB issued Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. This Statement establishes accounting and financial reporting standards for impairment of capital assets and clarifies and establishes accounting requirements for insurance recoveries. This statement is effective for periods beginning after December 15, 2004 and the Library has not adopted the provisions of this statement in the accompanying financial statements. Management has not completed the process of evaluating the impact that will result from adopting this statement, and therefore is unable to disclose the impact that adopting the statement will have on its financial position and results of operations when the statement is adopted.

In May 2004, the GASB issued Statement No. 44, *Economic Condition Reporting: The Statistical Section – an amendment of NCGA Statement 1*. This statement amends the portions of NCGA Statement 1, *Governmental Accounting and Financial Reporting Principles*, that guide the preparation of the statistical section. This statement is effective for periods beginning after June 15, 2005 and the Library has not adopted the provisions of this statement in the accompanying financial statements. Management has not completed the process of evaluating the impact that will result from adopting this statement, and therefore is unable to disclose the impact that adopting the statement will have on its financial position and results of operations when the statement is adopted.

The accounting policies and financial reporting practices of the Library conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of its significant accounting policies:

# COLUMBUS METROPOLITAN LIBRARY

## Notes to the Basic Financial Statements

December 31, 2003

(1) **Summary of Significant Accounting Policies** (continued)  
**(a) Government-wide and fund financial statements**

The financial information of the Library is presented in this report as follows:

- Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Library's financial activities.
- Government-wide financial statements consist of a Statement of Net Assets and a Statement of Activities.

These statements report all of the assets, liabilities, revenues, expenses and gains and losses of the Library. Governmental activities are reported separately from business type activities. Governmental activities are normally supported by taxes and intergovernmental revenues whereas business type activities are normally supported by fees and charges for services and are usually intended by management to be financially self-sustaining. Fiduciary funds are not included in these government-wide financial statements.

Internal service fund balances, whether positive or negative, have been eliminated against the expenses and program revenues shown in governmental activities Statement of Activities.

The Statement of Activities presents a comparison between the direct expenses and program revenues for each function of the Library's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

- Fund financial statements consist of a series of statements focusing on information about the Library's major governmental funds. Separate financial statements are presented for the governmental and proprietary funds.

The City's major funds are the General Fund and the Capital Projects Fund.

The General Fund is the accounting entity in which all governmental activity, except that which is required to be accounted for in other funds, is accounted for. Its revenues consist primarily of taxes, intergovernmental shared revenue, fines and fees, charges for services, investment income and others. General Fund expenditures represent costs of public services administration and support and capital outlay.

The Capital Projects Fund is used to account for financial resources set aside for the acquisition of equipment or the construction and renovation of facilities. The revenues for this fund are derived from transfers from the General Fund, a portion of the partnership receipts, the sale of real property and donations.

# COLUMBUS METROPOLITAN LIBRARY

## Notes to the Basic Financial Statements

December 31, 2003

(1) **Summary of Significant Accounting Policies** (continued)

(a) **Government-wide and fund financial statements** (continued)

- Notes to the financial statements providing information that is essential to the user's understanding of the basic financial statements.

(b) **Financial reporting presentation**

The accounts of the Library are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures (expenses). Fund types are as follows:

### GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Library's governmental funds:

*General Fund* (Major Fund) - The General Fund is the general operating fund of the Library. It is used to account for all financial resources except those required to be accounted for in another fund. The fund balance of the general fund is available to the Library for any purpose provided it is expended or transferred according to the laws of Ohio.

*Special Revenue Funds* - Special Revenue Funds are used to account for revenues derived from specific taxes, grants or other restricted revenue sources. The uses and limitations of each special revenue fund are specified by Library Board policies, federal and state statutes or other external donors.

*Capital Project Fund* (Major Fund) - Capital Project Funds are used to account for financial resources to be used for the acquisition of major fixed assets or the construction of major capital facilities (other than those financed by proprietary funds and trust funds).

*Permanent Fund* - Permanent Funds are used to account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used to support the Library.

### PROPRIETARY FUNDS

Proprietary Funds are those which focus on the determination of operating income, changes in net assets, financial position and cash flows. The following is the Library's proprietary fund:

*Internal Service Fund* - The Internal Service Fund is used to account for the financing of services provided by one department to another department on a cost reimbursement basis.

# COLUMBUS METROPOLITAN LIBRARY

## Notes to the Basic Financial Statements

December 31, 2003

(1) **Summary of Significant Accounting Policies (continued)**

(c) **Measurement focus and basis of accounting**

Except for budgetary purposes, the bases of accounting used by the Library conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The accounting and financial reporting treatment is determined by its measurement focus.

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Library gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, shared revenues and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year in which the taxes are levied. On an accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the Library. Revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Library considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments and compensated absences, which are recognized as expenditures when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

Pursuant to GASB Statement 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, the Library follows GASB guidance as applicable to its proprietary funds, and Financial Accounting Standards Boards Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, that do not conflict with or contradict GASB Pronouncements.

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

(d) **Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed in all funds. On the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities, but are reported as reservations of fund balances in governmental funds.

(e) **Cash Equivalents**

For purposes of the statement of cash flows, the Proprietary Fund considers all highly liquid investments, with purchased maturities of three months or less, to be cash equivalents. In addition, all pooled cash and investments with the Clerk-Treasurer are considered to be cash equivalents since they are available to the Proprietary Fund on demand.

# COLUMBUS METROPOLITAN LIBRARY

## Notes to the Basic Financial Statements

December 31, 2003

### (1) Summary of Significant Accounting Policies (continued)

#### (f) **Investments**

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the Library records all of its investments at fair value as defined in the Statement. The Library does not engage in any form of derivatives or reverse repurchase agreements in the management of its investment portfolio. The Library's cash and investments are further explained in Note 3.

#### (g) **Capital Assets**

Property, plant and equipment are reported in the applicable governmental columns in the government-wide financial statements. The Library does not have any infrastructure assets. The Library defines capital assets as assets with an individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost. Donated assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are completed.

Library books and materials purchased by the Library are reflected as expenditures when purchased and are not capitalized as assets of the Library. The Library currently has a library materials collection of approximately 2,864,863 volumes.

Property, plant and equipment is depreciated using the straight line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Life (years)</u>
Buildings	60
Machinery/General Equipment/Furniture	20
Business Machines/Printers/AudioVisual Equipment/ HVAC Equipment/Parking Equipment	10
Security Equipment/Phone Equipment	7
Vehicles/Computers/Artwork/Photocopiers/Computer Software	5

#### (h) **Insurance**

The Library is insured by private carriers for property damage, personal injury and public official liability. Judgments and claims in excess of policy limits are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. At December 31, 2003, 2002 and 2001, there were no outstanding judgments or claims in excess of policy limits. There were no significant changes in insurance coverage from the previous year and no insurance settlement has exceeded insurance coverage during the last three years.

The Library provides dental, life and disability insurance coverage for employees through a private insurance carrier. The Library is part of the state-wide plan for Worker's Compensation insurance coverage.

**COLUMBUS METROPOLITAN LIBRARY**

**Notes to the Basic Financial Statements**

**December 31, 2003**

**(1) Summary of Significant Accounting Policies (continued)**

**(h) Insurance (continued)**

Beginning in 2001, the Library established self-insured employee health care. To account for and finance its uninsured health claims, the Library established the Self Insurance Fund (an internal service fund). All departments of the Library participate in the program and make payments to the Self Insurance Fund based on actuarial estimates of the amounts needed to pay current and future claims. The Library has purchased specific stop loss insurance for claims which exceed \$100,000 per covered individual in one year and aggregate stop loss coverage at 125% of annual estimated claims.

	<u>2001</u>	<u>2002</u>	<u>2003</u>
Unpaid Claims Jan 1,	\$ 0	\$ 144,368	\$ 236,415
Incurred Claims	1,573,655	2,028,680	1,512,340
Payment of Claims	<u>(1,429,287)</u>	<u>(1,936,633)</u>	<u>(1,594,368)</u>
Unpaid Claims Dec 31,	<u>\$ 144,368</u>	<u>\$ 236,415</u>	<u>\$ 154,387</u>

The \$154,387 of unpaid claims are reflected in the internal service fund's accounts payable line item.

**(i) Compensated Absences**

Library employees accumulate one "bank" of hours for both sick and vacation called Paid Time Off (PTO). These hours are vested at 100% when earned. Payment is dependent upon many factors; therefore, timing of future payments was not readily determinable. However, management believes that sufficient resources will be available for the payment of PTO when such payments become due.

PTO accumulated by governmental fund type and proprietary fund type employees is reported as an expense when earned in the government-wide financial statements. PTO accumulated by governmental fund type employees is not reported as an expense in the governmental fund financial statements, as current financial resources are not used.

**(j) Interfund Transactions**

During the course of normal operations, the Library has numerous transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect all interfund transactions, except reimbursements and internal service fund charges for services, as transfers. Intra-fund transfers have been eliminated at the combined fund statement level. However, this detail is shown on the combining statements.

In 2001, \$350,000 was advanced from the General fund to the Self-Insurance Fund to cover the initial costs of operation. No repayment schedule has been determined.

In 2003, \$52,500 was advanced from the General fund to the LSTA Grant Fund to cover the initial costs of operation. Repayment is scheduled to occur at the completion of the grant period (2004).

**(k) Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2003, are recorded as prepaid items. Prepaid items consist primarily of insurance premiums, conferences and training, memberships and library material subscriptions.

COLUMBUS METROPOLITAN LIBRARY

Notes to the Basic Financial Statements

December 31, 2003

(1) Summary of Significant Accounting Policies (continued)

(l) Budgetary Basis of Accounting

Budget

A budget of estimated cash receipts and disbursements, including encumbrances, is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20 of each year for the fiscal year commencing the following January 1.

Estimated Resources

The County Budget Commission certifies the budget to the Library by September 1. As part of this certification, the Library receives the official Certificate of Estimated Resources which states the projected receipts of each fund. On or about January 1, this certificate is amended to include any unencumbered balances from the preceding year. The total estimated receipts together with prior year carry over of unencumbered cash then serves as the basis for the annual appropriation. Expenditures and encumbrances from any fund during the ensuing fiscal year must not exceed the amount stated in the Amended Certificate of Estimated Resources.

Appropriations

The Library is required by state statute to adopt an annual appropriation cash basis budget. A temporary appropriation measure to control cash disbursements is passed by the Library's Board of Trustees in December of each year to be effective as of January 1. The permanent appropriation measure then must be passed by April 1 of each year for the period January 1 to December 31. The permanent appropriation measure then may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources. Unencumbered appropriations lapse at year-end except in the Special Revenue (project related funds) and Capital Projects Funds which have continuing appropriations. Any budget change that increases or decreases expenditures at the major expenditure (object) level requires Board authorization. Several supplementary appropriations resulting in an increase of \$10,957,000 were made during the year. A breakdown of the appropriation adjustments is as follows:

General Fund	\$ 4,975,000
Capital Project Fund	<u>5,982,000</u>
Total	<u>\$10,957,000</u>

The governmental fund types for which the Library budgets annual expenditures are the General and Special Revenue Funds. The budget specifies expenditure amounts by function within these funds. Expenditures cannot exceed appropriations at the major expenditure (object) level for the General Fund and cannot exceed total appropriations for all other budgeted funds. In the supplemental reports, the Library has provided a further breakdown of the legal reporting level. Capital Projects Fund revenues and expenditures are not budgeted on an annual basis; budgetary control over these fund types is established on a project basis.

The Library budgets annual expenses for one nongovernmental fund type, the Internal Service Fund. The budget specifies expense amounts by function within the fund. Expenses can not exceed total appropriations.



# COLUMBUS METROPOLITAN LIBRARY

## Notes to the Basic Financial Statements

December 31, 2003

(1) **Summary of Significant Accounting Policies (continued)**

(l) **Budgetary Basis of Accounting (continued)**

In addition to the annual expenditures/expenses budgeting described in the preceding paragraphs, all revenues, except for tax revenues, for the General Fund are estimated by the Clerk-Treasurer in conjunction with the annual budgeting process. However, the annual appropriations should not exceed the estimated resources as certified by the County Budget Commission in the annual Certificate of Estimated Resources.

The Board has delegated purchase and expenditure approval to the Library administration for daily operational needs of the Library. Any appropriation change which will increase or decrease any of the major appropriation classifications requires approval of the Board. Expenditures did not exceed appropriations in any fund type.

The Library's budgetary process is based upon accounting for certain transactions on a basis other than GAAP. To provide a meaningful comparison of actual results with the budget, the actual results of operations for governmental funds are presented in the Supplemental Data section of this report.

The major differences between the budget basis and the GAAP basis are as follows:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- C. Encumbrances are recorded as the equivalent of expenditures (budget basis), as opposed to a reservation of fund balance (GAAP basis).

(2) **Commitments and Contingencies**

(a) **Litigation**

The Library is currently the defendant in several legal cases for which management and legal counsel are unable to determine the likelihood or range of loss, if any. However, in the opinion of the management, the resolution of these matters will not have a material adverse effect on the financial condition of the Library.

(b) **Compensated Absences**

A summary of changes in long-term obligations for the year ended December 31, 2003, follows:

	<u>Balance</u> <u>Jan 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec 31, 2003</u>
Governmental Activities	\$ 1,311,745	\$ 1,062,937	\$ -	\$ 2,374,682

Accrued liabilities are composed of accrued compensatory time earned. Additions and deletions for these accrued liabilities are shown net since it is impracticable for the Library to determine these amounts separately.

# COLUMBUS METROPOLITAN LIBRARY

## Notes to the Basic Financial Statements

December 31, 2003

(3) **Cash and Investments**

The Library pools all individual fund cash balances for investment purposes, except for cash with fiscal agents and restricted investments. According to state statutes, all earnings received from pooled investments must be credited to the Library's General Fund, unless specified by resolution. Interest income earned on investments held in perpetuity is credited to the Library's Permanent Fund.

Credit risk is the risk of loss due to the failure of a security issuer to pay principal or interest, or the failure of the issuer to make timely payments of principal or interest. Eligible investments, pursuant to Ohio Revised Code Section 135.14, affected by credit risk include certificates of deposit, commercial paper and bankers acceptances. Credit risk will be minimized by (1) diversifying assets by issuer; (2) ensuring that required, minimum credit quality ratings exist prior to the purchase of commercial paper and bankers acceptances; and (3) maintaining adequate collateralization of certificates of deposits, pursuant to the method as determined by the Clerk-Treasurer.

**Deposits:**

At December 31, 2003, the carrying amount of all the Library's deposits (including \$2,067,742 in non-negotiable certificate of deposits) was \$2,707,763 and the bank balance was \$3,582,361. Of the bank balance, \$367,742 was covered by Federal Depository Insurance and \$3,214,619 was uninsured and collateralized with securities held by the financial institution or by its trust department or agent but not in the Library's name.

**Investments:**

The Library adopted a formal investment policy. The objectives of the policy shall be the preservation of capital and protection of principal while earning investment interest. Safety of principal is the primary objective of the investment program. This policy covers all funds under the direct control of the Clerk-Treasurer. Funds are invested in accordance with Section 135 "Uniform Depository Act" of the Ohio Revised Code as revised by Senate Bill 81.

The types of obligations eligible for investment and deposits are:

1. U.S. Treasury Bills, Notes and Bonds; various federal agency securities, including issues of Federal National Mortgage Assn. (FNMA), Federal Home Loan Mortgage Corp. (FHLMC), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Student Loan Marketing Assn. (SLMA), Government National Mortgage Association (GNMA), and other agencies or instrumentalities of the United States. Eligible investments include securities that may be "called" (by the issuer) prior to final maturity date. All eligible investments may be purchased at a premium or a discount. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.
2. Commercial paper notes issued by companies incorporated under the laws of the United States; specific limitations apply as defined under Ohio Revised Code Section 135.14(B)(7).
3. Bankers acceptances issued by any domestic bank rated in the highest category by a nationally recognized rating agency; specific limitations apply as defined under Ohio Revised Code Section 135.14(B)(7).
4. Certificates of deposit from any eligible institution mentioned in Ohio Revised Code Section 135.32.
5. No-load money market mutual funds rated in the highest category by at least one nationally recognized rating agency, investing exclusively in the same types of eligible securities as defined in Ohio Revised Code Sections 135.14(B)(1) and 135.14 (B)(2) and repurchase agreements secured by such obligations. Eligible money market funds shall comply with Ohio Revised Code Section 135.01, regarding limitations and restrictions.

**COLUMBUS METROPOLITAN LIBRARY**

**Notes to the Basic Financial Statements**

**December 31, 2003**

**(3) Cash and Investments (continued)**

6. Repurchase agreements with any eligible institutions mentioned in Ohio revised Code Section 135.32, or any eligible securities dealer pursuant to Ohio revised Code Section 135.32(J), except that such eligible securities dealers shall be restricted to primary government securities dealers. Repurchase agreements will settle on a delivery vs. payment basis with collateral held in safekeeping by a third party custodian as agreed to by the Clerk-Treasurer. The market value of securities subject to a repurchase agreement must exceed the principal value of the repurchase agreement by at least two percent as defined under the Ohio Revised Code. The Clerk-Treasurer reserves the right to require an additional percentage of collateral securing such repurchase agreements.
7. The state treasurer's investment pool (STAR Ohio), pursuant to Ohio Revised Code Section 135.45.

Investments of the Library funds is prohibited or restricted as follows:

- a. The use of derivative securities, as defined by Ohio revised Code Section 135.14, is expressly prohibited.
- b. The final maturity of all eligible investments is five years, unless the investment is matched to a specific obligation or debt of the Library, and the investment is specifically approved by the Board of Trustees.
- c. A repurchase agreement under the terms of which the investing authority agrees to sell securities to a purchaser and agrees with that purchaser to unconditionally repurchase those securities.
- d. The investment into a fund established by another subdivision if the fund was established for the purpose of investing monies of other subdivisions
- e. The use of leveraging, in which the investing authority uses its current investment assets as collateral for the purpose of purchasing other assets.
- f. The issuance of taxable notes for the purpose of arbitrage.
- g. Contracting to sell securities that have not yet been acquired, for the purpose of purchasing such securities on the speculation that bond prices will decline.

Cash and investment at year-end were as follows:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Maturity in Years</u>		
			<u>&lt;1</u>	<u>1-2</u>	<u>2-3</u>
STAR Ohio (State Treasurer's Asset Reserve)\$	13,412,644	AAAm <sup>1</sup>	\$13,412,644	\$ -	\$ -
Federal Agency – Coupon (Non-callable)	2,243,828	N/A <sup>2</sup>	-	1,994,375	249,453
Federal Agency – Coupon (Callable)	2,989,720	N/A <sup>2</sup>	-	1,497,969 <sup>3</sup>	1,491,751 <sup>4</sup>
Money Market Fund	562,878	AAAm <sup>1</sup>	562,878	-	-
Carrying amount of deposits	2,707,763		2,707,763	-	-
Petty cash and change fund	5,405		5,405	-	-
<b>Total</b>	<b>\$ 21,922,238</b>		<b>\$16,688,690</b>	<b>\$3,492,344</b>	<b>\$1,741,204</b>

**COLUMBUS METROPOLITAN LIBRARY**

**Notes to the Basic Financial Statements**

**December 31, 2003**

**(3) Cash and Investments (continued)**

	<u>Fair Value</u>
Per Statement of Net Assets:	
Cash and investments	\$ 21,477,915
Cash and investments – Restricted	67,742
Cash with fiscal agent	<u>376,581</u>
Total	<u>\$ 21,922,238</u>

<sup>1</sup> - Standard & Poors <sup>2</sup> - Obligations of the U S government or obligations explicitly guaranteed by the U S government are not considered to have credit risk and do not require disclosure of credit quality <sup>3</sup> - all \$1,497,969 is currently callable <sup>4</sup> - \$995,469 is currently callable and \$496,282 is callable within 1 year

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 Securities Exchange Commission as an investment company, but does operate in a manner similar to Rule 2a-7 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, 2003.

**(4) Receivables**

Receivables at December 31, 2003 for the Library's individual funds consists of the following:

	<u>Taxes &amp; Shared Revenue</u>	<u>Interest</u>	<u>Other</u>	<u>Total</u>
General	\$ 22,801,471	\$ 22,495	\$ 29,167	\$ 22,853,133
Special Revenue	-	2,728	2,325	5,053
Capital Project	-	21,888	-	21,888
Permanent	-	27	-	27
Internal Service	<u>-</u>	<u>2,210</u>	<u>1,056</u>	<u>3,266</u>
Total	<u>\$ 22,801,471</u>	<u>\$ 49,348</u>	<u>\$ 32,548</u>	<u>\$ 22,883,367</u>

**(5) Capital Assets**

A summary of changes in capital assets for the year ended December 31, 2003, follows:

	Balance January 1, 2003 (Restated, see Note 9)	<u>Additions</u>	<u>Deletions</u>	Balance December 31, 2003
<b>Nondepreciable Assets:</b>				
Land	\$ 10,664,229	\$ -	\$ -	\$ 10,664,229
Construction in progress	<u>8,595,140</u>	<u>5,576,499</u>	<u>-</u>	<u>14,171,639</u>
Total Nondepreciable Assets	19,259,369	5,576,499	-	24,835,868
<b>Depreciable Assets:</b>				
Buildings and improvements	64,942,678	90,617	-	65,033,295
Machinery and equipment	<u>7,567,865</u>	<u>268,468</u>	<u>1,844,078</u>	<u>5,992,255</u>
Total Depreciable Assets	<u>72,510,543</u>	<u>359,085</u>	<u>1,844,078</u>	<u>71,025,550</u>
Total Capital Assets	\$ 91,769,912	\$ 5,935,584	\$ 1,844,078	\$ 95,861,418

**COLUMBUS METROPOLITAN LIBRARY**

**Notes to the Basic Financial Statements**

**December 31, 2003**

**(5) Capital Assets (continued)**

	Balance January 1, 2003 (Restated, see Note 9)	Additions	Deletions	Balance December 31, 2003
Accumulated Depreciation:				
Buildings and improvements	14,028,058	1,083,888	-	15,111,946
Machinery and equipment	<u>5,567,420</u>	<u>537,431</u>	<u>1,844,078</u>	<u>4,260,773</u>
Total Accumulated Depreciation	<u>19,595,478</u>	<u>1,621,319</u>	<u>1,844,078</u>	<u>19,372,719</u>
Total Capital Assets, net	<u>\$ 72,174,434</u>	<u>\$ 4,314,265</u>	<u>\$ -</u>	<u>\$ 76,488,699</u>

Construction in progress at December 31, 2003, consists of:

Project	Balance January 1, 2003	Additions/ (Deletions)	Balance December 31, 2003	Project Commit- ments	Remaining Balance
Southeast Br Expan.	\$ 256,411	\$ (47,125)	\$ 209,286	\$ 7,059	\$ 54,782
Operations Center	7,080,858	278,858	7,359,716	43,099	433,302
Linden Branch	123,111	2,057,229	2,180,340	253,096	99,098
New Albany Branch	863,091	2,689,882	3,552,973	121,573	354,400
New Financial System	0	232,142	232,142	43,218	86,927
Telecommunications	0	221,769	221,769	768,076	67,155
Self-Checkout	0	120,280	120,280	0	9,720
Main Library Remodel	<u>271,669</u>	<u>23,464</u>	<u>295,133</u>	<u>2,800</u>	<u>1,296,055</u>
	<u>\$ 8,595,140</u>	<u>\$ 5,576,499</u>	<u>\$ 14,171,639</u>	<u>\$ 1,238,921</u>	<u>\$ 2,401,439</u>

These projects were funded through the Capital Projects Fund by monies transferred from the General Fund. The balance of these Capital projects will be funded by available financial resources.

Of the \$1,621,319 depreciation expense, \$1,177,495 was related to Public Service and \$443,824 was related to Administrative and Support.

**(6) Pension Plans**

All employees of the Library are required to participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans, as described below:

1. The Traditional Pension Plan (TP) – a cost-sharing, multiple employer defined benefit pension plan.
2. The Member-Directed Plan (MD) – 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 MD Plan, members accumulate retirement assets equal to the value of member (and vested) employer contributions plus any investment earnings thereon.
3. The Combined Plan (CO) – a cost-sharing, multiple-employer defined benefit pension plan. Under the CO Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

**COLUMBUS METROPOLITAN LIBRARY**

**Notes to the Basic Financial Statements**

**December 31, 2003**

**(6) Pension Plans (continued)**

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the TP Plan and the CO Plan. Members of the MD Plan do not qualify for ancillary benefits. PERS has the authority to establish and amend benefits as provided by Chapter 145 of the Ohio Revised Code. OPERS issues a publicly available financial report that includes the financial statements and required supplementary information. Any parties interested in obtaining a copy must submit a written request to OPERS at 277 East Town Street, Columbus, Ohio 43215-4642 or call (614) 222-6705 or 1-800-222-PERS (7377) or on the internet at [www.opers.org](http://www.opers.org).

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2003, member and employer contribution rates were consistent across all three plans. For 2003, member contribution rates were 8.5% of their annual covered salary. The 2003 employer contribution rate was 13.55% of covered payroll. Total required employer contributions for all three plans are equal to 100% of employer charges and must be extracted from the employer's records.

The Library's contributions to OPERS for the years ending December 31, 2003, 2002 and 2001, were approximately \$3,144,989, \$3,125,801 and \$2,994,000, respectively, which were equal to the required contributions for each year.

**(7) Other Post-Employment Benefits**

In addition to the pension benefits described in note 6, OPERS also provides post-retirement health care benefits to qualifying members of the TP Plan and the CO Plan. Members of the MD Plan do not qualify for ancillary benefits, including post-employment health care coverage. In order to qualify for post-retirement health care coverage, age and service retirees must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by OPERS is considered an Other Post-Employment Benefit (OPEB), as described in GASB Statement No. 12.

A portion of each employer's contribution to OPERS is set aside for the funding of the post-retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 2003 contribution rate for the employer was 13.55% of covered payroll; 5.00% was used to fund health care for the year.

Employer contributions are advanced-funded on an actuarially determined basis and are determined by state statute. The amount of actuarially determined Library contributions actually made to fund post-employment benefits was approximately \$1,160,501 in 2003 and \$1,153,421 in 2002.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. At December 31, 2003, the number of active contributing participants in the TP Plan and the CO Plan was 364,881.

The assumptions and calculations below are based on OPERS' latest Actuarial Review, performed as of December 31, 2002.

OPERS (assuming the number of active employees remains constant) assumes an annual increase of 4.00% compounded annually for the base portion of an individual's pay increase. Additionally, annual pay increases, over and above the 4.00% base increase, were assumed to range from 0.50% to 6.3%.

# COLUMBUS METROPOLITAN LIBRARY

## Notes to the Basic Financial Statements

December 31, 2003

(7) **Other Post-Employment Benefits** (continued)

OPEB are financed through employer contributions and investment earnings thereon. The investment assumption rate for 2002 was 8.00%. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets annually.

An entry-age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability.

Health care costs are assumed to increase 4.00% annually.

As of December 31, 2002, the actuarial value of the net assets available for future OPEB payments was \$10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$18.7 billion and \$8.7 billion, respectively.

In December 31, 2001, OPERS adopted the Health Care "Choices" Plan in its continuing effort to respond to the rising cost of health care. The Choices Plan will be offered to all persons newly hired under an OPERS covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices, as its name suggests, will incorporate a cafeteria approach, offering a more broad range of health care options. The plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

In response to the adverse investment returns experienced by OPERS from 2000 through 2002 and the continued staggering rate of health care inflation, the OPERS Board, during 2003, considered extending "Choices" type cost cutting measures to all active members and benefit recipients. As of the date of this report, the Board has not determined the exact changes that will be made to the health care plan. However, changes to the plan are expected to be approved in 2004.

(8) **Property Taxes**

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the Library district.

Real property taxes and public utility taxes collected during 2003 were levied after October 1 on the assessed value listed as of the prior January 1, the lien date. These taxes are payable annually or semi-annually. If paid annually, payment is due by January 20; if paid semi-annually, the first payment is due by January 20 with remainder payable by June 20. Under certain circumstances, state statutes permit earlier or later payment dates to be established.

Assessed values are established by State law at 35% of appraised market value. A revaluation of all property is required to be completed no less than every six years. The last revaluation was completed in 2000. Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at true value, which is a certain percentage of cost. Percentages vary according to the type of utility involved. Tangible personal property assessments were 25% of true value for personal property. The assessed values upon which the 2003 taxes were collected were approximately \$17.2 million.

**COLUMBUS METROPOLITAN LIBRARY**

**Notes to the Basic Financial Statements**

**December 31, 2003**

**(8) Property Taxes (continued)**

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Increases in the property tax rate are restricted only by voter willingness to approve such increases. In 1986, voters approved taxation of property for the Library of .22% (2.2 mills) of assessed value effective January 1, 1986, for collection in 1987. This levy was to be collected for a period of 15 years and expired after the collection year 2002. In November 2000, the voters in Franklin County approved renewing the existing 2.2 levy. The collection year for the new levy began in 2002.

The Franklin County Treasurer collects property taxes on behalf of taxing districts in the county. The Franklin County Auditor periodically remits to the Library its portion of the taxes collected.

Property taxes with both a lien and levy date prior to fiscal year end are recorded as deferred revenue and receivables. However, property taxes including delinquent property taxes that were measurable at December 31, 2003, and available to the Library are recorded as revenues and receivables.

**(9) Prior Period Adjustments**

For fiscal year ended December 31, 2003, the Library implemented GASB statement No 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units – an amendment of GASB Statement No. 14*.

GASB Statement No. 34 requires the Library to reclassify its Expendable Trust Fund as a Special Revenue Fund. The Carnegie Society and the Friends of Library have been removed as blended component units under the guidance of GASB Statement No. 39 and the application of the “significance” criteria.

Total Special Revenue Fund Balance as reported	\$ 1,655,006
Reclassify Expendable Trust Fund	278,397
Remove Carnegie Society (previously a blended component unit)	(22,298)
Remove Friends of the Library (previously a blended component unit)	(536,072)
Add Beginning Non-Expendable Trust Fund Balance	<u>86,472</u>
Beginning Fund Balance (restated)	<u>\$ 1,461,505</u>

In conjunction with the implementation of a new financial management system, the Library converted its capital asset records. During this conversion \$2,722,192 of land improvements were reclassified from Building and Improvements to the Land classification. An additional \$460,230 was reclassified from Machinery and Equipment to Building and Improvements. Finally, the Library discovered items that either did not meet the Library’s capitalization threshold or had been improperly aggregated to meet the threshold. This resulted in a reduction of \$9,022,831 worth of Machinery and Equipment.

	Balance			Balance
	<u>January 1, 2003</u>	<u>Restatement</u>	<u>Reclassification</u>	December 1, 2003
				<u>(Restated)</u>
Land	\$ 7,942,037	\$ -	\$ 2,722,192	\$ 10,664,229
Buildings and improvements	67,204,640	-	(2,261,962)	64,942,678
Machinery and equipment	17,050,926	(9,022,831)	(460,230)	7,567,865
Construction in Progress	<u>8,595,140</u>	-	-	<u>8,595,140</u>
Total Capital Assets	<u>\$100,792,743</u>	<u>\$(9,022,831)</u>	<u>\$ -</u>	<u>\$ 91,769,912</u>



**COLUMBUS METROPOLITAN LIBRARY**

**Notes to the Basic Financial Statements**

**December 31, 2003**

**(9) Prior Period Adjustments (continued)**

Beginning General Fund fund balance was restated as follows:

Total General Fund Balance as reported	\$ 12,884,128
Accounts receivable overstated	<u>(14,083)</u>
Beginning Fund Balance (restated)	<u>\$ 12,870,045</u>

**(10) Joint Ventures**

In April 1992, the Library's Board of Trustees adopted a resolution to participate with the Worthington Public Library (Worthington), a separate legal entity, to construct and operate a library facility, containing approximately 23,000 square feet of public service space, at a location which will serve both library districts. On October 13, 1993, a written contract was entered into between the two library districts.

According to the terms of the agreement, the Library will not assume any responsibility for the daily management, operation and maintenance of the building. In addition, the agreement states that the Library will contribute, based on a formula, to the operational needs of the facility. In 2003, the Library contributed \$669,019 to the operational costs of Worthington. The funds were transferred from the General Fund and paid from the Integrated Library Partners Fund. In 2004, the Library has appropriated \$701,467 in the General Fund to be paid to Worthington. The activity of this operation is contained in the financial statements of the Worthington Public Library, which can be obtained from the Worthington Library's Finance Department located at 805 Hartford Street, Worthington, Ohio 43085.

**(11) Budgetary Basis of Accounting**

The adjustments necessary to convert the results of General Fund operations and fund balances at end of year on the GAAP basis to the budgetary basis are as follows:

	<u>Net Change in Fund Balance</u>	<u>Fund Balance, December 31, 2003</u>
GAAP basis	\$ (2,479,921)	\$10,390,124
<u>Due to revenues:</u>		
Received in cash during 2003, but accrued at December 31, 2002	23,129,159	
Accrued at December 31, 2003, not yet received in cash	(22,875,952)	(22,875,952)
Deferred at December 31, 2002, but not recognized in budget	(20,481,436)	
Deferred at December 31, 2003, but recognized in budget	19,981,354	19,981,354
<u>Due to expenditures:</u>		
Paid in cash during 2003, accrued at December 31, 2002	(1,876,274)	-
Accrued at December 31, 2003, not paid in cash	1,952,012	1,952,012
<u>Due to encumbrances:</u>		
Expenditures of amounts encumbered during the year ended December 31, 2002	3,469,123	-
Recognized as expenditures in 2003 Budget	(2,644,280)	(2,644,280)
Restatement of Beginning Fund Balance	(14,083)	-
Others, net	<u>(19,352)</u>	<u>(545,190)</u>
Budgetary Basis	<u>\$ (1,859,650)</u>	<u>\$ 6,258,068</u>

S U P P L E M E N T A L   D A T A

## COLUMBUS METROPOLITAN LIBRARY FUND DESCRIPTIONS

### Major Funds

#### General Fund

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

#### Capital Projects Fund

The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital facilities and equipment other than those financed by Proprietary Funds. The titles of the projects are descriptive of the activities involved. The active Capital Projects are:

- Southeast Branch Expansion/Remodeling Project
- Operations Center Construction Project
- New Albany Construction Project
- Linden Branch Replacement Project
- Main Library Remodeling Project
- Communication Equipment 2001 Project
- Tandem Computer Equipment 2001 Project
- New Financial System Project
- Discovery Place Library Project
- Computer Equipment 2002 Project
- Personal Computer Upgrade 2003 Project
- Self Checkout Project
- Integrated Library System Project
- Regional Branch & Main Self Check-Out System Project
- Copier Replacement Project
- Receipts system Project
- Security Equipment Upgrade Project
- Information System's Equipment 2004 Project
- Human Resource Automation Upgrade Project
- Telecommunication Project
- Non Project Related

### Non-Major Funds

#### Special Revenue Funds

Special Revenue Funds are used to account for types of resources for which specific uses are mandated by Library Board policies, federal and/or state statutes, or other external donors. The title of the fund is descriptive of the activities accounted for therein. The Special Revenue Funds are:

- Integrated Library Partners Fund
- Land Development Fund
- Library Sciences and Technology Act (LSTA) Fund
- Parking Garage Fund
- Restricted Library Donations Fund

#### Internal Service Fund

The Internal Service Fund is used to account for goods or services provided by one department to other departments of the Library. The one Internal Service Fund the Library has is the Self Insurance Fund.

#### Permanent Fund

The Permanent Fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

**COLUMBUS METROPOLITAN LIBRARY**  
**Combining Balance Sheet**  
**General Fund**  
**As of December 31, 2003**

	<b>General Operating Account</b>	<b>Building Repair &amp; Equipment Account</b>	<b>Payroll Liability Account</b>	<b>27th Pay Period Account</b>	<b>Total General Fund</b>
<b>ASSETS</b>					
Cash & Investments	\$ 7,782,717	\$ 423,963	\$ 61,887	\$ 802,325	\$ 9,070,892
Accounts Receivable	22,853,133	-	-	-	22,853,133
Due From Other Governments	2,175	-	-	-	2,175
Prepaid	342,665	-	-	-	342,665
Advances to Other Funds	402,500	-	-	-	402,500
<b>Total Assets</b>	<b>\$31,383,190</b>	<b>\$ 423,963</b>	<b>\$ 61,887</b>	<b>\$ 802,325</b>	<b>\$ 32,671,365</b>
<b>LIABILITIES</b>					
Accounts Payable	985,903	24,658	-	-	1,010,561
Accrued Liabilities	1,221,778	-	61,887	-	1,283,665
Deferred Revenue	19,987,015	-	-	-	19,987,015
<b>Total Liabilities</b>	<b>22,194,696</b>	<b>24,658</b>	<b>61,887</b>	<b>-</b>	<b>22,281,241</b>
<b>FUNDS BALANCE</b>					
Reserved for Encumbrance	1,444,097	189,622	-	-	1,633,719
Reserved for Advance	402,500	-	-	-	402,500
Reserved for Prepays	342,665	-	-	-	342,665
Unreserved:					
Undesignated	6,999,232	209,683	-	802,325	8,011,240
<b>Total Fund Balance</b>	<b>9,188,494</b>	<b>399,305</b>	<b>-</b>	<b>802,325</b>	<b>10,390,124</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$31,383,190</b>	<b>\$ 423,963</b>	<b>\$ 61,887</b>	<b>\$ 802,325</b>	<b>\$ 32,671,365</b>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Funds Balance**  
**General Fund**  
**As of December 31, 2003**

	General Operating Account	Building Repair & Equipment Account	Payroll Liability Account	27th Pay Period Account	Total General Fund
<b>REVENUES</b>					
Property Taxes	\$ 18,463,751	\$ -	\$ -	\$ -	\$ 18,463,751
Intergovernmental	26,478,734	-	-	-	26,478,734
Fines and Fees	1,875,357	-	-	-	1,875,357
Investment Earnings	158,294	-	-	-	158,294
Charges for Services	259,044	-	-	-	259,044
Contributions and Donations	830,260	-	-	-	830,260
Miscellaneous	319,881	-	-	-	319,881
<b>Total Revenues</b>	<b>48,385,321</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48,385,321</b>
<b>EXPENDITURES</b>					
Public Services:					
Salaries and Benefits	20,438,237	-	-	-	
Supplies	529,976	-	-	-	529,976
Purchased/Contracted Services	2,374,567	-	-	-	2,374,567
Library Materials	7,093,790	-	-	-	7,093,790
<b>Total Public Service</b>	<b>30,436,570</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,436,570</b>
Administrative and Support:					
Salaries and Benefits	9,092,820	-	-	-	9,092,820
Supplies	700,799	-	-	-	700,799
Purchased/Contracted Services	3,304,296	-	-	-	3,304,296
Library Materials	848,796	-	-	-	848,796
Other	123	-	-	-	123
<b>Total Administrative and Support</b>	<b>13,946,834</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,946,834</b>
Capital Outlay	-	289,348	-	-	289,348
<b>Total Expenditures</b>	<b>44,383,404</b>	<b>289,348</b>	<b>-</b>	<b>-</b>	<b>44,672,752</b>
Excess (deficiency) of Revenue over (under) Expenditures	4,001,917	(289,348)	-	-	3,712,569
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	799,565	-	802,325	1,601,890
Transfers Out	(7,794,380)	-	-	-	(7,794,380)
<b>Total Other Financing Sources</b>	<b>(7,794,380)</b>	<b>799,565</b>	<b>-</b>	<b>802,325</b>	<b>(6,192,490)</b>
<b>Net Change in Fund Balances</b>	<b>(3,792,463)</b>	<b>510,217</b>	<b>-</b>	<b>802,325</b>	<b>(2,479,921)</b>
Fund Balances Beginning of Year	12,884,128	-	-	-	12,884,128
Restatement (see Note 9)	96,829	(110,912)	-	-	(14,083)
<b>Fund Balances at End of Year</b>	<b>\$ 9,188,494</b>	<b>\$ 399,305</b>	<b>\$ -</b>	<b>\$ 802,325</b>	<b>\$ 10,390,124</b>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Combining Balance Sheet**  
**Capital Projects Funds**  
**December 31, 2003**

	<b>Capital Project Non-Project Related</b>	<b>Southeast Branch Construction Project</b>	<b>Operation Center Construction Project</b>	<b>New Albany Branch Construction Project</b>	<b>Linden Branch Construction Project</b>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$ (80,291)	\$ 62,842	\$ 523,349	\$ 579,517	\$ 1,091,103
Cash with Fiscal Agents	-	74,041	18,730	164,126	119,684
Receivables	21,888	-	-	-	-
Due from other Governments	10,866	-	-	-	-
<b>Total Assets</b>	<b>\$ (47,537)</b>	<b>\$ 136,883</b>	<b>\$ 542,079</b>	<b>\$ 743,643</b>	<b>\$ 1,210,787</b>
<b>LIABILITIES</b>					
Account Payable	-	1,001	46,949	133,544	526,908
Due to Others	-	74,041	18,730	164,126	119,684
<b>Total Liabilities</b>	<b>-</b>	<b>75,042</b>	<b>65,679</b>	<b>297,670</b>	<b>646,592</b>
<b>FUNDS BALANCE</b>					
Reserved for Encumbrance	\$ -	\$ 7,059.00	\$ 43,098.00	\$ 91,495.00	\$ 251,733.00
Unreserved:					
Undesignated	(47,537)	54,782	433,302	354,478	312,462
<b>Total Fund Balance</b>	<b>(47,537)</b>	<b>61,841</b>	<b>476,400</b>	<b>445,973</b>	<b>564,195</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ (47,537)</b>	<b>\$ 136,883</b>	<b>\$ 542,079</b>	<b>\$ 743,643</b>	<b>\$ 1,210,787</b>

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

<b>Main Library Construction Project</b>	<b>Communications Equipment 2001 Project</b>	<b>Tandem Computer Equipment 2001 Project</b>	<b>New Financial System Project</b>	<b>Discovery Place Library Library Project</b>	<b>Computer Equipment 2002 Project</b>
\$ 1,298,855	\$ -	\$ -	\$ 130,144	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,298,855</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 130,144</u>	<u>\$ -</u>	<u>\$ -</u>
-	-	-	186,025	-	-
-	-	-	-	-	-
-	-	-	186,025	-	-
<u>\$ 2,800.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
1,296,055	-	-	(55,881)	-	-
<u>1,298,855</u>	<u>-</u>	<u>-</u>	<u>(55,881)</u>	<u>-</u>	<u>-</u>
<u>\$ 1,298,855</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 130,144</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Combining Balance Sheet**  
**Capital Projects Funds**  
**December 31, 2003**

	<b>P C Upgrade 2003 Project</b>	<b>Self Checkout Project</b>	<b>Intergrated library System Project</b>	<b>Regional Branch &amp; Main Self Check-Out System Project</b>	<b>Copier Replacement Project</b>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 48,759	\$ 9,720	\$ 1,000,000	\$ 2,000,000	\$ 700,000
Cash with Fiscal Agents	-	-	-	-	-
Receivables	-	-	-	-	-
Due from other Governments	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 48,759</b>	<b>\$ 9,720</b>	<b>\$ 1,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ 700,000</b>
<b>LIABILITIES</b>					
Account Payable	-	-	-	-	-
Due to Others	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUNDS BALANCE</b>					
Reserved for Encumbrance	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved:					
Undesignated	48,759	9,720	1,000,000	2,000,000	700,000
<b>Total Fund Balance</b>	<b>48,759</b>	<b>9,720</b>	<b>1,000,000</b>	<b>2,000,000</b>	<b>700,000</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 48,759</b>	<b>\$ 9,720</b>	<b>\$ 1,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ 700,000</b>

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



<b>Receipts System Project</b>	<b>Security Equipment Upgrade Project</b>	<b>I.S. Equipment 2004 Project</b>	<b>Human Resource Automation Upgrade Project</b>	<b>Telecommunication Project</b>	<b>Total Capital Projects</b>
\$185,000	\$ 210,000	\$ 830,000	\$ 50,000	\$ 841,231	\$ 9,480,229
-	-	-	-	-	376,581
-	-	-	-	-	21,888
-	-	-	-	-	10,866
<u>\$185,000</u>	<u>\$ 210,000</u>	<u>\$ 830,000</u>	<u>\$ 50,000</u>	<u>\$ 841,231</u>	<u>\$ 9,889,564</u>
-	-	-	-	6,000	\$ 900,427
-	-	-	-	-	376,581
-	-	-	-	6,000	1,277,008
\$ -	\$ -	\$ -	\$ -	\$ 768,076	\$ 1,164,261
185,000	210,000	830,000	50,000	67,155	7,448,295
<u>185,000</u>	<u>210,000</u>	<u>830,000</u>	<u>50,000</u>	<u>835,231</u>	<u>8,612,556</u>
<u>\$185,000</u>	<u>\$ 210,000</u>	<u>\$ 830,000</u>	<u>\$ 50,000</u>	<u>\$ 841,231</u>	<u>\$ 9,889,564</u>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Funds Balance**  
**Capital Projects Funds**  
**For the Year Ended December 31, 2003**

	Capital Project Non-Project Related	Southeast Branch Construction Project	Operation Center Construction Project	New Albany Branch Construction Project	Linden Branch Construction Project
<b>REVENUES</b>					
Investment Earnings	\$ 109,243	\$ -	\$ -	\$ -	\$ -
Charges for Services	130,250				
Contributions and Donations					106,000
Miscellaneous		47,215			
<b>Total Revenues</b>	<b>\$ 239,493</b>	<b>\$ 47,215</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106,000</b>
<b>EXPENDITURES</b>					
Purchased Services	-	-	-	1,054	-
Capital Outlay	-	90	278,858	2,689,882	2,057,229
<b>Total Expenditures</b>	<b>-</b>	<b>90</b>	<b>278,858</b>	<b>2,690,936</b>	<b>2,057,229</b>
Excess (deficiency) of revenue over (under) expenditures	239,493	47,125	(278,858)	(2,690,936)	(1,951,229)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	5,648,117	-	-	-	-
Transfers Out	(6,837,000)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(1,188,883)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(949,390)</b>	<b>47,125</b>	<b>(278,858)</b>	<b>(2,690,936)</b>	<b>(1,951,229)</b>
Fund Balances Beginning of Year	901,853	14,716	755,258	3,136,909	2,515,424
<b>Fund Balances at End of Year</b>	<b>\$ (47,537)</b>	<b>\$ 61,841</b>	<b>\$ 476,400</b>	<b>\$ 445,973</b>	<b>\$ 564,195</b>

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

Main Library Construction Project	Communications Equipment 2001 Project	Tandem Computer Equipment 2001 Project	New Financial System Project	Discovery Place Library Library Project	Computer Equipment 2002 Project
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23,464			479,135		38,463
23,464	-	-	479,135	-	38,463
(23,464)	-	-	(479,135)	-	(38,463)
-	-	-	-	-	-
-	(117,905)	(2,400)	-	(50,000)	(102,812)
-	(117,905)	(2,400)	-	(50,000)	(102,812)
(23,464)	(117,905)	(2,400)	(479,135)	(50,000)	(141,275)
1,322,319	117,905	2,400	423,254	50,000	141,275
\$ 1,298,855	\$ -	\$ -	\$ (55,881)	\$ -	\$ -

(Continued)

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Funds Balance**  
**Capital Projects Funds**  
**For the Year Ended December 31, 2003**

	P C Upgrade 2003 Project	Self Checkout Project	Intergrated library System Project	Regional Branch & Main Self Check-Out System Project	Copier Replacement Project
<b>REVENUES</b>					
Investment Earnings	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services					
Contributions and Donations					
Miscellaneous					
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>					
Purchased Services					
Capital Outlay	626,241	120,280			
Total Expenditures	626,241	120,280	-	-	-
Excess (deficiency) of revenue over (under) expenditures	(626,241)	(120,280)	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	675,000	130,000	1,000,000	2,000,000	700,000
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	675,000	130,000	1,000,000	2,000,000	700,000
Net Change in Fund Balances	48,759	9,720	1,000,000	2,000,000	700,000
Fund Balances Beginning of Year	-	-	-	-	-
Fund Balances at End of Year	\$ 48,759	\$ 9,720	\$ 1,000,000	\$ 2,000,000	\$ 700,000

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

<b>Receipts System Project</b>	<b>Security Equipment Upgrade Project</b>	<b>I.S. Equipment 2004 Project</b>	<b>Human Resource Automation Upgrade Project</b>	<b>Tele- Communication Project</b>	<b>Total Capital Projects</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,243
					130,250
					106,000
					47,215
<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 392,708</b>
					1,054
				221,769	6,535,411
				221,769	6,536,465
				(221,769)	(6,143,757)
185,000	210,000	830,000	50,000	1,057,000	12,485,117
-	-	-	-	-	(7,110,117)
185,000	210,000	830,000	50,000	1,057,000	5,375,000
185,000	210,000	830,000	50,000	835,231	(768,757)
-	-	-	-	-	9,381,313
<b>\$ 185,000</b>	<b>\$ 210,000</b>	<b>\$ 830,000</b>	<b>\$ 50,000</b>	<b>\$ 835,231</b>	<b>\$ 8,612,556</b>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2003**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Permanent Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 1,954,423	\$ 77,649	\$ 2,032,072
Receivables	5,053	27	5,080
Due from other Governments	20,576	-	20,576
Prepays	17,480	-	17,480
<b>Total Assets</b>	<b>\$ 1,997,532</b>	<b>\$ 77,676</b>	<b>\$ 2,075,208</b>
<b>LIABILITIES</b>			
Account Payable	75,593	551	76,144
Accrued Liabilities	42,780	-	42,780
Deferred Revenue	7,152	-	7,152
Advance from Other Funds	52,500	-	52,500
<b>Total Liabilities</b>	<b>178,025</b>	<b>551</b>	<b>178,576</b>
<b>FUNDS BALANCE</b>			
Reserved for Encumbrance	\$ 11,015	\$ 1,079	\$ 12,094
Reserved for Endowments	-	67,742	67,742
Unreserved:			
Undesignated	1,808,492	8,304	1,816,796
<b>Total Fund Balance</b>	<b>1,819,507</b>	<b>77,125</b>	<b>1,896,632</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 1,997,532</b>	<b>\$ 77,676</b>	<b>\$ 2,075,208</b>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Funds Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2003**

	Nonmajor Special Revenue Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>			
Intergovernmental	\$ 7,499	\$ -	\$ 7,499
Investment Earnings	17,342	1,028	18,370
Charges for Services	915,830	-	915,830
Contributions and Donations	19,376	-	19,376
Miscellaneous	224,888	-	224,888
Total Revenues	<u>1,184,935</u>	<u>1,028</u>	<u>1,185,963</u>
<b>EXPENDITURES</b>			
Public Services:			
Supplies	250	-	250
Purchased and Contracted Services	2,957	-	2,957
Library Materials	6,882	10,375	17,257
Total Public Service	<u>10,089</u>	<u>10,375</u>	<u>20,464</u>
Administrative and Support:			
Supplies	42,627	-	42,627
Purchased and Contracted Services	687,377	-	687,377
Library Materials	130,370	-	130,370
Capital Outlay	18,469	-	18,469
Other	669,019	-	669,019
Total Administrative and Support	<u>1,547,862</u>	<u>-</u>	<u>1,547,862</u>
Total Expenditures	<u>1,557,951</u>	<u>10,375</u>	<u>1,568,326</u>
Deficiency of Revenue under Expenditures	<u>(373,016)</u>	<u>(9,347)</u>	<u>(382,363)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers In	817,490	-	817,490
Total Other Financing Sources	<u>817,490</u>	<u>-</u>	<u>817,490</u>
Net Change in Fund Balances	444,474	(9,347)	435,127
Fund Balances at Beginning of Year	1,655,006	86,472	1,741,478
Restatement (see Note 9)	(279,973)	-	(279,973)
Fund Balances at End of Year	<u>\$ 1,819,507</u>	<u>\$ 77,125</u>	<u>\$ 1,896,632</u>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2003**

	Restricted Fund	Intergrated Library Partners Fund	Parking Garage Fund	Land Development Fund	LSTA Grant Fund	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 293,117	\$ 355,192	\$ 324,469	\$ 907,768	\$ 73,877	\$ 1,954,423
Receivables	2,170	-	900	1,983	-	5,053
Due from other Governments	-	20,576	-	-	-	20,576
Prepays	-	-	-	17,480	-	17,480
<b>Total Assets</b>	<b>\$ 295,287</b>	<b>\$ 375,768</b>	<b>\$ 325,369</b>	<b>\$ 927,231</b>	<b>\$ 73,877</b>	<b>\$ 1,997,532</b>
<b>LIABILITIES</b>						
Account Payable	1,116	20,929	-	53,548	-	75,593
Accrued Liabilities	-	-	-	42,780	-	42,780
Deferred Revenue	-	-	5,100	2,052	-	7,152
Advance from Other Funds	-	-	-	-	52,500	52,500
<b>Total Liabilities</b>	<b>1,116</b>	<b>20,929</b>	<b>5,100</b>	<b>98,380</b>	<b>52,500</b>	<b>178,025</b>
<b>FUNDS BALANCE</b>						
Reserved for Encumbrance	\$ 1,637	\$ 6,442	\$ 2,860	\$ 76	\$ -	\$ 11,015
Unreserved:						
Undesignated	292,534	348,397	317,409	828,775	21,377	1,808,492
<b>Total Fund Balance</b>	<b>294,171</b>	<b>354,839</b>	<b>320,269</b>	<b>828,851</b>	<b>21,377</b>	<b>1,819,507</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 295,287</b>	<b>\$ 375,768</b>	<b>\$ 325,369</b>	<b>\$ 927,231</b>	<b>\$ 73,877</b>	<b>\$ 1,997,532</b>

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



**COLUMBUS METROPOLITAN LIBRARY**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Funds Balance**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2003**

	Restricted Fund	Intergrated Library Partners Fund	Parking Garage Fund	Land Development Fund	LSTA Grant Fund	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 7,499	\$ 7,499
Investment Earnings	2,865	-	4,461	10,016	-	17,342
Charges for Services	-	220,696	134,247	560,887	-	915,830
Contributions and Donations	19,376	-	-	-	-	19,376
Miscellaneous	-	145,870	-	79,018	-	224,888
<b>Total Revenues</b>	<b>22,241</b>	<b>366,566</b>	<b>138,708</b>	<b>649,921</b>	<b>7,499</b>	<b>1,184,935</b>
<b>EXPENDITURES</b>						
<b>Public Services:</b>						
Salaries and Benefits	-	-	-	-	-	-
Supplies	-	-	-	-	250	250
Purchased/Contracted Services	-	-	-	-	2,957	2,957
Library Materials	6,467	-	-	-	415	6,882
<b>Total Public Service</b>	<b>6,467</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,622</b>	<b>10,089</b>
<b>Administrative and Support:</b>						
Supplies	-	-	743	41,884	-	42,627
Purchased/Contracted Services	-	10,654	186,392	490,331	-	687,377
Library Materials	-	130,370	-	-	-	130,370
Capital Outlay	-	1,674	-	16,795	-	18,469
Other	-	669,019	-	-	-	669,019
<b>Total Administrative and Support</b>	<b>-</b>	<b>811,717</b>	<b>187,135</b>	<b>549,010</b>	<b>-</b>	<b>1,547,862</b>
<b>Total Expenditures</b>	<b>6,467</b>	<b>811,717</b>	<b>187,135</b>	<b>549,010</b>	<b>3,622</b>	<b>1,557,951</b>
Excess (deficiency) of Revenue over (under) Expenditures	15,774	(445,151)	(48,427)	100,911	3,877	(373,016)
<b>OTHER FINANCING SOURCES</b>						
Transfers In	-	799,990	-	-	17,500	817,490
<b>Total Financing Sources</b>	<b>-</b>	<b>799,990</b>	<b>-</b>	<b>-</b>	<b>17,500</b>	<b>817,490</b>
<b>Net Change in Fund Balances</b>	<b>15,774</b>	<b>354,839</b>	<b>(48,427)</b>	<b>100,911</b>	<b>21,377</b>	<b>444,474</b>
Fund Balances Beginning of Year	278,397	-	368,696	727,940	-	1,655,006
Restatement (see Note 9)	-	-	-	-	-	(279,973)
<b>Fund Balances at End of Year</b>	<b>\$ 294,171</b>	<b>\$ 354,839</b>	<b>\$ 320,269</b>	<b>\$ 828,851</b>	<b>\$ 21,377</b>	<b>\$ 1,819,507</b>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Combining Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget (Non-GAAP) and Actual**  
**General Fund**  
**For the Year Ended December 31, 2003**

	<u>General Operating Account</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Intergovernmental	\$ 24,086,978	\$ 24,519,753	\$ 24,279,015	\$ (240,738)
Property Taxes	21,163,878	21,163,878	20,364,670	(799,208)
Fines and Fees	2,294,500	1,742,225	1,826,496	84,271
Charges for Services	315,290	297,500	297,551	51
Investment earnings	300,000	225,000	245,672	20,672
Contributions and donations	830,000	830,000	824,621	(5,379)
Miscellaneous	174,200	74,200	319,486	245,286
Total Revenues	<u>49,164,846</u>	<u>48,852,556</u>	<u>48,157,511</u>	<u>(695,045)</u>
<b>EXPENDITURES</b>				
Current:				
Public Service:				
Salaries and Benefits	21,972,049	21,394,238	20,265,824	1,128,414
Supplies	607,545	607,545	521,600	85,945
Purchased and Contracted Services	2,543,314	2,543,314	2,297,871	245,443
Library Materials	7,676,878	7,676,878	6,602,155	1,074,723
Administrative and Support:				
Salaries and Benefits	8,537,447	8,312,933	8,426,393	(113,460)
Supplies	847,298	847,298	758,916	88,382
Purchased and Contracted Services	4,517,206	4,517,206	3,650,269	866,937
Library Materials	61,404	61,404	845,003	(783,599)
Other	3,150	3,150	214	2,936
Capital Outlay:	-	-	-	-
Total Expenditures	<u>46,766,291</u>	<u>45,963,966</u>	<u>43,368,245</u>	<u>2,595,721</u>
Excess of Revenues over Expenditures	<u>2,398,555</u>	<u>2,888,590</u>	<u>4,789,266</u>	<u>1,900,676</u>
<b>OTHER FINANCING USES</b>				
Intra-Fund Transfers Out	(799,565)	(1,601,890)	(1,601,890)	-
Transfers Out	(1,269,990)	(6,192,490)	(6,192,490)	-
Advances Out	-	(52,500)	(52,500)	-
Total Other Financing Uses	<u>(2,069,555)</u>	<u>(7,846,880)</u>	<u>(7,846,880)</u>	<u>-</u>
Net Changes in Fund Balances	329,000	(4,958,290)	(3,057,614)	1,900,676
Fund Balances at Beginning of Year	8,117,718	8,117,718	8,117,718	-
Funds Balance End of Year	<u>\$ 8,446,718</u>	<u>\$ 3,159,428</u>	<u>\$ 5,060,104</u>	<u>\$ 1,900,676</u>

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



**COLUMBUS METROPOLITAN LIBRARY**  
**Combining Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget (Non-GAAP) and Actual**  
**General Fund**  
**For the Year Ended December 31, 2003**

	<u>27th Pay Period Account</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		Actual	
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Property Taxes	-	-	-	-
Fines and Fees	-	-	-	-
Charges for Services	-	-	-	-
Investment earnings	-	-	-	-
Contributions and donations	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
Public Service:				
Salaries and Benefits	-	-	-	-
Supplies	-	-	-	-
Purchased and Contracted Services	-	-	-	-
Library Materials	-	-	-	-
Administrative and Support:				
Salaries and Benefits	-	-	-	-
Supplies	-	-	-	-
Purchased and Contracted Services	-	-	-	-
Library Materials	-	-	-	-
Other	-	-	-	-
Capital Outlay:	-	-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues over Expenditures	-	-	-	-
<b>OTHER FINANCING USES</b>				
Intra-Fund Transfers Out	-	-	-	-
Transfers Out	-	-	-	-
Advances Out	-	-	-	-
Total Other Financing Sources (Uses)	-	802,325	802,325	-
Net Changes in Fund Balances	-	802,325	802,325	-
Fund Balances at Beginning of Year	-	-	-	-
Funds Balance End of Year	\$ -	\$ 802,325	\$ 802,325	\$ -

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

Combining General Fund Totals

<u>Budgeted Amounts</u>				<u>Variance with Final Budget Positive (Negative)</u>	
<u>Original</u>	<u>Final</u>	<u>Actual</u>			
\$ 24,086,978	\$ 24,519,753	\$ 24,279,015	\$		(240,738)
21,163,878	21,163,878	20,364,670			(799,208)
2,294,500	1,742,225	1,826,496			84,271
315,290	297,500	297,551			51
300,000	225,000	245,672			20,672
830,000	830,000	824,621			(5,379)
174,200	74,200	319,486			245,286
<u>49,164,846</u>	<u>48,852,556</u>	<u>48,157,511</u>			<u>(695,045)</u>
21,972,049	21,394,238	20,265,824			1,128,414
607,545	607,545	521,600			85,945
2,543,314	2,543,314	2,297,871			245,443
7,676,878	7,676,878	6,602,155			1,074,723
8,537,447	8,312,933	8,426,393			(113,460)
847,298	847,298	758,916			88,382
4,517,206	4,517,206	3,650,269			866,937
61,404	61,404	845,003			(783,599)
3,150	3,150	214			2,936
799,565	799,565	403,926			395,639
<u>47,565,856</u>	<u>46,763,531</u>	<u>43,772,171</u>			<u>2,991,360</u>
1,598,990	2,089,025	4,385,340			2,296,315
(799,565)	(1,601,890)	(1,601,890)			-
(1,269,990)	(6,192,490)	(6,192,490)			-
-	(52,500)	(52,500)			-
<u>(1,269,990)</u>	<u>(6,244,990)</u>	<u>(6,244,990)</u>			<u>-</u>
329,000	(4,155,965)	(1,859,650)			2,296,315
8,117,718	8,117,718	8,117,718			-
<u>\$ 8,446,718</u>	<u>\$ 3,961,753</u>	<u>\$ 6,258,068</u>	<u>\$</u>		<u>2,296,315</u>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget (Non-GAAP) and Actual**  
**Permanent Fund**  
**For the Year Ended December 31, 2003**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Investment Earnings	\$ 3,000	\$ 3,135	\$ 1,114	\$ (2,021)
Total Revenues	<u>3,000</u>	<u>3,135</u>	<u>1,114</u>	<u>(2,021)</u>
<b>EXPENDITURES</b>				
Current:				
Public Service:				
Library Materials	21,600	21,600	11,318	10,282
Administrative and Support:				
Library Materials	18	18	-	18
Total Expenditures	<u>21,618</u>	<u>21,618</u>	<u>11,318</u>	<u>10,300</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>(18,618)</u>	<u>(18,483)</u>	<u>(10,204)</u>	<u>8,279</u>
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance End of Year	<u>\$ (18,618)</u>	<u>\$ (18,483)</u>	<u>\$ (10,204)</u>	<u>\$ 8,279</u>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget (Non-GAAP) and Actual**  
**Integrated Library Partners - Special Revenue Fund**  
**For the Year Ended December 31, 2003**

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b>REVENUES</b>				
Charges for Services	\$ -	\$ -	\$ 345,991	\$ 345,991
Total Revenues	-	-	345,991	345,991
<b>EXPENDITURES</b>				
Current:				
Administrative and Support:				
Purchased and Contracted Services	13,000	13,000	11,155	24,155
Library Materials	116,990	116,990	94,605	22,385
Other	670,000	670,000	669,620	380
Total Expenditures	799,990	799,990	775,380	46,920
Deficiency of Revenues under Expenditures	(799,990)	(799,990)	(429,389)	392,911
<b>OTHER FINANCING SOURCES</b>				
Transfers In	799,990	799,990	799,990	-
Total Other Financing Sources	799,990	799,990	799,990	-
Net Changes in Fund Balances	-	-	370,601	392,911
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance End of Year	\$ -	\$ -	\$ 370,601	\$ 392,911

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget (Non-GAAP) and Actual**  
**Parking Garage - Special Revenue Fund**  
**For the Year Ended December 31, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Fines and Fees	\$ 148,000	\$ 148,000	\$ 132,522	\$ (15,478)
Investment Earnings	11,435	11,435	5,496	(5,939)
Total Revenues	<u>159,435</u>	<u>159,435</u>	<u>138,018</u>	<u>(21,417)</u>
<b>EXPENDITURES</b>				
Current:				
Administrative and Support:				
Supplies	3,000	3,000	2,271	729
Purchased and Contracted Services	201,435	201,435	186,988	14,447
Total Expenditures	<u>204,435</u>	<u>204,435</u>	<u>189,259</u>	<u>15,176</u>
Deficiency of Revenues under Expenditures	(45,000)	(45,000)	(51,241)	(6,241)
Fund Balance at Beginning of Year	<u>371,112</u>	<u>371,112</u>	<u>371,112</u>	<u>-</u>
Fund Balance End of Year	<u>\$ 326,112</u>	<u>\$ 326,112</u>	<u>\$ 319,871</u>	<u>\$ (6,241)</u>

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



**COLUMBUS METROPOLITAN LIBRARY**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget (Non-GAAP) and Actual**  
**Land Development - Special Revenue Fund**  
**For the Year Ended December 31, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Property Taxes	-	-	-	-
Fines and Fees	-	-	-	-
Charges for Services	\$ 550,000	\$ 550,000	\$ 560,922	\$ 10,922
Investment Earnings	16,286	16,286	11,509	(4,777)
Contributions and Donations	-	-	-	-
Miscellaneous	22,500	22,500	78,631	56,131
Total Revenues	<u>588,786</u>	<u>588,786</u>	<u>651,062</u>	<u>62,276</u>
<b>EXPENDITURES</b>				
Current:				
Administrative and Support:				
Supplies	41,174	41,174	41,174	-
Purchased and Contracted Services	490,588	490,588	490,572	15
Library Materials	-	-	-	-
Capital Outlay	56,525	56,525	16,795	39,730
Other	500	500	-	500
Total Expenditures	<u>588,786</u>	<u>588,786</u>	<u>548,541</u>	<u>40,245</u>
Excess of Revenues Over Expenditures	-	-	102,521	102,521
Fund Balance at Beginning of Year	<u>713,161</u>	<u>713,161</u>	<u>713,161</u>	<u>-</u>
Fund Balance End of Year	<u>\$ 713,161</u>	<u>\$ 713,161</u>	<u>\$ 815,682</u>	<u>\$ 102,521</u>

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget (Non-GAAP) and Actual**  
**LSTA Grant - Special Revenue Fund**  
**For the Year Ended December 31, 2003**

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 7,499	\$ 7,499
Total Revenues	-	-	7,499	7,499
<b>EXPENDITURES</b>				
Current:				
Administrative and Support:				
Supplies	250	250	250	-
Purchased and Contracted Services	30,975	30,975	2,957	28,019
Library Materials	38,000	38,000	415	37,585
Other	775	775	-	775
Total Expenditures	70,000	70,000	3,622	66,378
Excess (deficiency) of Revenues over (under) Expenditures	(70,000)	(70,000)	3,878	73,878
<b>OTHER FINANCING SOURCES</b>				
Transfers In	17,500	17,500	17,500	-
Advances In From General Fund	52,500	52,500	52,500	-
Total Other Financing Sources	70,000	70,000	70,000	-
Net Changes in Fund Balances	-	-	73,878	73,878
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance End of Year	\$ -	\$ -	\$ 73,878	\$ 73,878

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

**COLUMBUS METROPOLITAN LIBRARY**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget (Non-GAAP) and Actual**  
**Permanent Fund**  
**For the Year Ended December 31, 2003**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Investment Earnings	\$ 3,000	\$ 3,135	\$ 1,114	\$ (2,021)
Total Revenues	<u>3,000</u>	<u>3,135</u>	<u>1,114</u>	<u>(2,021)</u>
<b>EXPENDITURES</b>				
Current:				
Public Service:				
Library Materials	21,600	21,600	11,318	10,282
Administrative and Support:				
Library Materials	18	18	-	18
Total Expenditures	<u>21,618</u>	<u>21,618</u>	<u>11,318</u>	<u>10,300</u>
Deficiency of Revenues under Expenditures	<u>(18,618)</u>	<u>(18,483)</u>	<u>(10,204)</u>	<u>8,279</u>
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance End of Year	<u>\$ (18,618)</u>	<u>\$ (18,483)</u>	<u>\$ (10,204)</u>	<u>\$ 8,279</u>

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

STATISTICAL SECTION

**Columbus Metropolitan Library  
General Government Expenditures by Function  
Last Ten Fiscal Years**

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<b>Fiscal Year</b>	<b>Public Service/ Administration and Support</b>	<b>Capital Outlay</b>	<b>Debt Service</b>	<b>Total</b>
1994	28,221,150	5,387,418	3,913,769	37,522,337
1995	29,854,285	5,611,575	3,706,680	39,172,540
1996	32,149,237	3,357,442	3,604,413	39,111,092
1997	33,298,764	6,687,859	3,506,195	43,492,818
1998	36,251,082	2,672,423	3,403,744	42,327,249
1999	38,399,609	3,031,634	3,297,858	44,729,101
2000	41,099,587	3,360,156	3,008,889	47,468,632
2001	44,323,078	3,597,230	-	47,920,308
2002	46,163,780	10,128,668	-	56,292,448
2003	45,934,315	6,843,228		52,777,543

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

**Columbus Metropolitan Library  
General Revenues and Other Financing Sources by Source  
Last Ten Fiscal Years**

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<b>Fiscal Year</b>	<b>Property Taxes</b>	<b>Inter-governmental</b>	<b>Fines and Fees</b>	<b>Charges for Services</b>	<b>Investment Earnings</b>
1994	16,389,496	15,415,836	1,483,228	1,130,863	831,068
1995	16,685,996	16,679,864	1,574,104	1,430,327	1,103,415
1996	17,369,084	18,009,456	1,737,408	1,487,945	947,572
1997	17,386,512	19,937,688	1,836,243	1,490,319	1,055,711
1998	18,120,467	22,733,284	1,848,922	1,419,861	994,467
1999	18,596,196	24,477,146	1,874,421	1,473,797	1,129,029
2000	19,401,783	26,612,381	1,924,045	1,501,421	1,635,419
2001	19,665,370	26,909,882	2,085,581	1,559,283	1,342,387
2002	20,427,733	24,845,572	2,201,380	1,575,048	606,177
2003	18,463,751	26,486,233	1,875,357	1,305,124	285,907

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

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<b>Contributions and Donations</b>	<b>Miscellaneous</b>	<b>Operating Transfers</b>	<b>Sale of Property</b>	<b>Total</b>
78,529	75,550	4,863,500	-	40,268,070
104,092	105,478	6,179,451	-	43,862,727
129,345	104,822	9,100,310	666,470	49,552,412
160,168	127,096	4,214,312	-	46,208,049
161,924	233,553	6,198,100	-	51,710,578
118,657	180,357	15,468,551	21,950	63,340,104
112,514	161,675	4,468,552	721,345	56,539,135
78,036	486,496	12,674,700	212,199	65,013,934
189,991	152,081	1,670,000	-	51,667,982
955,636	591,984	14,904,497		64,868,489

**Columbus Metropolitan Library  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

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<b>Fiscal Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collected</b>	<b>Delinquent Tax Collections</b>
1994	16,123,518	15,676,531	97.2	811,126
1995	16,538,713	16,100,779	97.4	627,378
1996	17,094,502	16,494,573	96.5	568,558
1997	17,117,709	16,687,134	97.5	580,894
1998	18,171,335	17,618,062	97.0	711,454
1999	18,613,893	18,116,382	97.3	652,402
2000	19,359,943	18,422,396	95.2	681,859
2001	20,405,600	19,166,841	93.9	735,808
2002	20,696,448	19,205,525	92.8	949,406
2003	20,621,595	19,351,478	93.8	1,002,198

Note: This table is prepared on a cash basis directly from information provided by the Franklin County Auditor.



<b>Total Tax Collections</b>	<b>Percent of Total Tax Collections To Tax Levy</b>	<b>Outstanding Delinquent Taxes</b>	<b>Percent of Delinquent Taxes To Tax Levy</b>
16,487,657	102.3	1,216,339	7.5
16,728,157	101.1	1,267,953	7.7
17,063,131	99.8	2,110,005	12.3
17,268,028	100.9	1,195,695	7.0
18,329,516	100.9	1,253,104	6.9
18,768,784	100.8	1,409,322	7.6
19,104,255	98.7	1,730,799	8.9
19,902,649	97.5	2,158,900	10.6
20,154,931	97.4	2,249,210	10.9
20,353,676	98.7	2,190,843	10.6

**Columbus Metropolitan Library**  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(in thousands)**

Tax Year	For	Real Property		Personal Property	
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1994	1995	\$ 8,341,840	\$ 23,833,829	\$ 1,388,777	\$ 4,959,918
1995	1996	8,513,470	24,324,200	1,449,585	5,368,833
1996	1997	8,817,064	25,191,611	1,559,442	5,997,854
1997	1998	9,535,298	27,243,709	1,637,427	6,549,708
1998	1999	9,881,847	28,233,849	1,690,361	6,761,444
1999	2000	10,415,332	29,758,091	1,760,418	7,041,672
2000	2001	12,038,975	34,397,071	1,881,401	7,525,604
2001	2002	12,439,564	35,541,611	1,908,473	7,633,892
2002	2003	12,877,239	36,792,111	1,970,966	7,883,864
2003	2004	15,015,039	42,900,111	1,642,488	6,569,952

Source: Franklin County Auditor

<b>Public Utilities</b>		<b>Total</b>	
<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>
\$ 654,314	\$ 1,869,469	\$ 10,384,931	\$ 30,663,216
687,896	1,965,417	10,650,951	31,658,450
655,107	1,871,734	11,031,613	33,061,199
663,944	1,896,983	11,836,669	35,690,400
682,557	1,950,163	12,254,765	36,945,456
695,294	1,986,554	12,871,044	38,786,317
712,261	2,035,031	14,632,637	43,957,706
696,282	1,989,377	15,044,319	45,164,880
581,963	1,662,751	15,430,168	46,338,726
579,702	1,656,291	17,237,229	51,126,354

Columbus Metropolitan Library  
 Property Tax Rates - All Direct and Overlapping Governments  
 Last Ten Fiscal Years  
 (Per \$1,000 of Assessed Value)

	1993 for 1994	1994 for 1995	1995 for 1996	1996 for 1997	1997 for 1998	1998 for 1999	1999 for 2000	2000 for 2001	2001 for 2002	2002 for 2003
COUNTY - Franklin County	14.02	14.02	14.27	14.57	14.67	16.99	16.99	16.99	16.99	16.99
SCHOOL DISTRICT:										
Canal Winchester	46.99	45.86	44.99	51.10	56.46	55.86	55.91	55.91	62.80	61.20
Columbus	53.10	53.01	52.98	58.11	58.04	57.95	57.57	57.37	57.37	58.8
Dublin	50.51	58.41	58.41	57.90	57.90	65.50	65.22	65.22	65.22	64.6
Gahanna-Jefferson	48.23	49.44	55.43	54.85	54.69	62.09	61.35	61.21	61.24	60.9
Groveport-Madison	48.58	48.26	48.14	48.05	56.85	56.33	55.40	55.05	54.50	53.78
Hamilton	47.57	47.40	47.32	47.26	47.20	47.13	47.09	54.10	54.11	53.75
Hilliard	50.37	52.15	60.65	60.28	59.96	59.71	59.71	65.61	65.61	64.44
Licking Heights	41.00	41.00	40.70	40.70	40.70	40.10	39.60	48.50	48.10	47.53
Reynoldsburg	51.57	51.34	51.13	50.45	55.30	55.12	55.49	55.39	55.28	58.2
Upper Arlington	74.66	74.65	78.12	77.82	77.86	84.03	83.95	83.32	89.52	89.15
Whitehall	52.72	52.72	65.72	65.62	65.61	65.61	65.49	65.52	65.49	65.4

(Continued)

	1993 for 1994	1994 for 1995	1995 for 1996	1996 for 1997	1997 for 1998	1998 for 1999	1999 for 2000	2000 for 2001	2001 for 2002	2002 for 2003
JOINT VOCATIONAL SCHOOL DISTRICT:										
Central Ohio	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.10	1.10	0.50
Eastland	1.23	1.20	1.20	1.20	1.20	2.00	2.00	2.00	2.00	2.00
Licking County	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
MUNICIPAL CORPORATIONS:										
Brice	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.2
Canal Winchester	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2
Columbus	3.14	3.14	3.14	3.14	3.14	3.14	3.14	3.14	3.14	3.14
Dublin	2.98	2.98	2.98	2.98	2.97	2.97	2.97	2.97	2.97	2.97
Gahanna	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
Groveport	2.90	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Hilliard	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60
Lockbourne	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
New Albany	1.20	1.95	1.95	1.95	1.71	1.70	1.57	1.23	1.72	1.73
Obetz	2.65	2.05	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Reynoldsburg	2.93	2.91	2.90	0.79	0.78	0.77	0.76	0.76	0.70	0.70
Valleyview	27.34	27.34	24.53	24.53	24.53	24.53	24.53	24.53	24.53	24.53
Whitehall	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Lithopolis	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5.90	5.90	5.90

(Continued)

Columbus Metropolitan Library  
Property Tax Rates - All Direct and Overlapping Governments  
Last Ten Fiscal Years  
(Per \$1,000 of Assessed Value)

	1993 for 1994	1994 for 1995	1995 for 1996	1996 for 1997	1997 for 1998	1998 for 1999	1999 for 2000	2000 for 2001	2001 for 2002	2002 for 2003
<b>TOWNSHIPS:</b>										
Blendon	16.50	19.00	19.00	21.45	22.60	22.43	22.41	22.16	22.00	25.40
Brown	1.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60
Clinton	22.64	25.64	25.64	25.64	25.64	25.64	25.64	25.64	25.64	25.64
Franklin	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05
Hamilton	11.80	11.80	12.30	14.55	14.55	14.55	15.05	15.55	15.80	15.80
Jefferson	9.20	9.20	9.20	9.20	9.85	10.82	10.59	10.53	10.50	10.37
Madison	21.80	21.80	21.80	21.80	21.80	21.80	21.80	21.80	21.80	21.80
Mifflin	20.80	20.80	20.80	22.80	20.80	20.80	20.80	21.80	21.80	21.80
Norwich	12.80	12.80	12.80	12.80	12.80	18.80	18.80	18.80	18.80	21.60
Perry	23.80	23.80	23.80	23.80	23.80	23.80	23.80	20.50	23.80	23.80
Plain	8.20	8.20	9.16	9.21	9.42	9.34	10.72	13.58	13.52	13.43
Prairie	14.00	14.00	14.00	14.00	14.20	14.20	14.20	16.20	14.20	14.20
Sharon	8.10	8.10	13.10	13.10	13.10	13.10	19.10	19.08	19.00	23.50
Truro	10.40	10.40	12.65	12.65	12.65	12.65	12.65	12.65	12.65	16.65
Washington	15.80	17.05	18.54	18.53	18.52	18.51	20.01	20.00	20.00	20.00
<b>OTHER ENTITIES:</b>										
Columbus Metropolitan Library	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20
Metropolitan Park District	0.55	0.55	0.55	0.55	0.55	0.55	0.65	0.65	0.65	0.65

Source: Franklin County Auditor

**Columbus Metropolitan Library  
Demographic Statistics  
and Average Unemployment Rates  
Last Ten Fiscal Years  
(Franklin County)**

<b>Fiscal Year</b>	<b>Population (3)</b>	<b>Per Capita Income (1)</b>	<b>Median Age (1)</b>	<b>K-12 School Enrollment (2)</b>
1994	1,013,100	21,875	32.0	180,479
1995	1,009,800	23,242	32.2	185,071
1996	1,016,700	24,197	32.4	185,795
1997	1,016,300	25,247	32.7	185,719
1998	1,017,400 (4)	N/A	N/A	191,141
1999	1,025,742 (8)	N/A	32.9 (8)	194,036
2000	1,033,293 (8)	31,527	33.7 (8)	193,618
2001	1,081,784 (8)	32,664	32.9 (8)	200,462
2002	1,094,050 (1)	33,144	32.9	203,724
2003	1,096,230 (1)	34,456	33.3	204,586

- Sources: (1) Woods & Poole Economics, Inc., Washington, D.C.  
(2) Quality Education Data, Inc., School Guide  
(3) Sales & Marketing Management, Survey of Buying Power  
(4) Market Statistics  
(8) ESRI Business Information Solutions (formerly CACI Marketing Systems)

**Average Unemployment Rates**

<b>Fiscal Year</b>	<b>Franklin County (5)</b>	<b>State of Ohio (5)</b>	<b>United States (6)</b>
1994	2.9 (7)	4.2 (7)	6.1
1995	3.6	5.3	5.6
1996	2.6	4.8	5.4
1997	2.4	4.3	4.9
1998	2.1	3.9	4.3 (5)
1999	2.1 (7)	3.8 (7)	3.7 (7)
2000	2.1 (7)	3.7 (7)	3.7 (7)
2001	3.1 (9)	4.8 (9)	5.8 (9)
2002	3.9 (9)	5.3 (9)	6.0 (9)
2003	4.0 (9)	6.0 (9)	5.7 (9)

- Source: (5) Ohio Bureau of Employment Services, Division of Research and Statistics  
(6) U.S. Bureau Labor Statistics, Employment and Earnings  
(7) LMI Ohio Labor Market Information, Ohio Bureau of Employment Services  
(9) Ohio Department of Job and Family Services

**Columbus Metropolitan Library  
Construction, Bank Deposits and Property Value  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Construction (1)</b>	<b>Bank Deposits (2)</b>	<b>Total Property Value (3)</b>
1994	\$ 679,086,644	\$ 19,065,256,000	\$ 10,384,931,000
1995	679,086,644	19,065,256,000	10,650,951,000
1996	749,610,571	21,808,752,000	11,031,613,000
1997	863,499,378	20,550,916,000	11,836,669,000
1998	1,423,716,982	40,755,867,000	12,254,765,000
1999	N/A	40,572,415,000	12,871,044,000
2000	N/A	39,568,044,000	14,632,637,000
2001	N/A	36,996,496,000	15,044,319,000
2002	N/A	39,419,916,000 (4)	15,430,168,000
2003	N/A	39,061,080,000 (4)	17,237,229,000

Source: (1) City of Columbus, Ohio

(2) Total deposits of all banks headquartered in Franklin County (includes national and state chartered banks), State of Ohio, Department of Commerce, Banks Division.

(3) Franklin County Auditor

(4) FDIC Website

Note: This table includes information for all of Franklin County, even though the Library's service district does not comprise all of the land within Franklin County. Therefore a portion of the deposits and property values do not relate to the Library's service district. A breakdown of the above information by individual library service districts within Franklin County is not available.



**Columbus Metropolitan Library  
Principal Property Taxpayers  
December 31, 2003**

Name of Taxpayer	Real Property	Personal Property	Total Assessed Valuation	% of Total Assessed Valuation (1)
1. Columbus Southern Power	\$ -	\$ 292,179,050	\$ 292,179,050	1.70%
2. Ohio Bell Telephone Company	-	135,710,430	135,710,430	0.79
3. Nationwide Mutual Insurance Co.	99,240,060		99,240,060	0.58
4. Huntington Center Associates	58,450,000	-	58,450,000	0.34
5. Duke Realty L P	52,037,760		52,037,760	0.30
6. Columbia Gas of Ohio, Inc.	-	44,388,760	44,388,760	0.26
7. Capitol South Community	43,603,800	-	43,603,800	0.25
8. Distribution Land Corp	41,999,940		41,999,940	0.24
9. Abbott Laboratories	-	35,199,410	35,199,410	0.20
10. Lucent Technologies Inc (AT&T)	-	34,388,610	34,388,610	0.20
TOTAL	<u>\$ 295,331,560</u>	<u>\$ 541,866,260</u>	<u>\$ 837,197,820</u>	<u>4.86%</u>

Source: Franklin County Auditor

(1) The total assessed valuation  
for 2003 equals: \$17,230,185,344

**Columbus Metropolitan Library  
Miscellaneous Statistics  
December 31, 2003**

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Date of Formation	March 4, 1872
Population of County	1,094,050

<u>Year</u>	<u>Number of Employees</u>	<u>Number of Volumes Owned</u>
1994	717	2,212,476
1995	743	2,310,808
1996	770	2,669,243
1997	808	2,746,846
1998	853	2,860,804
1999	845	2,907,305
2000	898	2,931,689
2001	938	2,940,037
2002	943	2,818,195
2003	917	2,864,863

<u>Year</u>	<u>Number of Library Materials Circulated</u>	<u>Number of Registered Borrowers</u>
1994	10,918,703	390,970
1995	11,158,107	386,066
1996	11,862,449	399,187
1997	11,811,189	408,553
1998	11,171,752	409,234
1999	11,411,499	401,192
2000	12,364,216	404,018
2001	14,372,353	423,167
2002	14,851,071	427,137
2003	14,852,582	434,884

Source: Columbus Metropolitan Library

Source for County Population: Woods & Poole Economics, Inc., Washington, D.C.



**Auditor of State  
Betty Montgomery**

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**COLUMBUS METROPOLITAN LIBRARY**

**FRANKLIN COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 30, 2004**