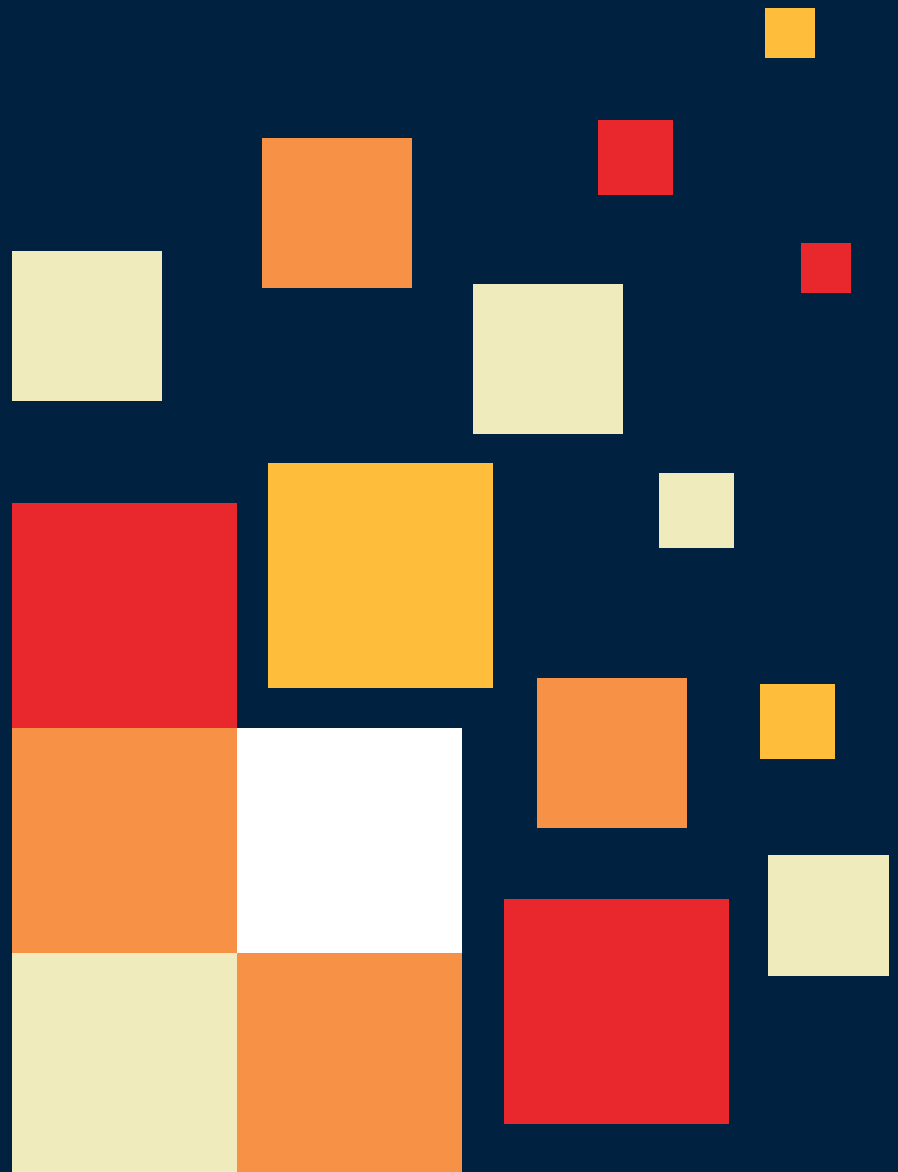




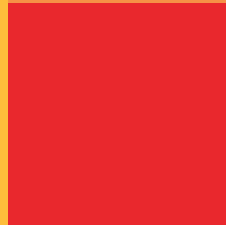
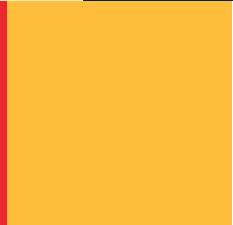
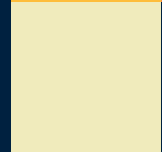
BOOKS are just the BEGINNING...

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2019
Toledo Lucas County Public Library, Ohio



INTRODUCTORY
SECTION



TOLEDO LUCAS COUNTY
PUBLIC LIBRARY, OHIO

Comprehensive Annual Financial Report

For the Year Ended
December 31, 2019

Issued By:

Finance Office

Toledo Lucas County Public Library
 Comprehensive Annual Financial Report
 For the Year Ended December 31, 2019
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June 19, 2020

To the Citizens of Toledo and Lucas County and
To the Board of Library Trustees of the Toledo Lucas County Public Library

We are pleased to present our twenty-sixth Comprehensive Annual Financial Report (CAFR) for the Toledo Lucas County Public Library. This CAFR conforms to generally accepted accounting principles as applicable to governmental entities. This report, for the year ended December 31, 2019, contains the financial statements and other financial and statistical data that provide complete and full disclosure of all material financial aspects of the Toledo Lucas County Public Library (the “Library”). The responsibility for the accuracy and completeness of all data presented, and the fairness of the presentation, rests with the Library, specifically the Finance Office. The Library has a framework of internal controls established to ensure the accuracy of the presented data and the completeness and fairness of the presentation. Because the cost of internal controls should not exceed anticipated benefits, the controls provide reasonable assurance that the financial statements are free of any material misstatements.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Julian and Grube, Inc. has issued an unmodified opinion on the Toledo Lucas County Public Library’s basic financial statements for the year ended December 31, 2019. The Independent Auditor’s Report is located at the front of the financial section of this report.

State law requires the Library to file basic financial statements with the Auditor of State within one hundred fifty days after year end. This report fulfills that requirement.

PROFILE OF THE LIBRARY

The Toledo Lucas County Public Library celebrated its 181st anniversary in 2019. It was the first public library in the State of Ohio. The origin of the Library began in 1838 when the Toledo Young Men’s Association created “a lyceum and public library in Toledo”. This organization later evolved into the Toledo Library Association that became the Toledo Public Library on April 18, 1873. The Toledo Public Library left its original leased quarters and moved into a new library building in 1890 at the corner of Madison and Ontario streets. In 1900, the open shelf system was adopted and four years later catalog cards replaced a printed catalog of the library’s holdings.

In 1915, the Toledo Public Library laid the groundwork to become a multi-building system when the Toledo City Council accepted \$125,000 from Andrew Carnegie for the construction of five branch libraries in the city. The first two branches opened in 1917: Kent Branch and Locke Branch. Three more branches opened the following year: Jermain Branch, Mott Branch, and South Branch.

The Lucas County Library system was established in 1918. Its headquarters, on River Road in Maumee, was situated at the site of Dudley's Massacre in the War of 1812. That same year, the county library opened branches in Monclova, Sylvania, Waterville, and Whitehouse. During the next half century, the Lucas County Library system gained a national reputation for its advocacy of bookmobile service to supplement its stationary collections in schools and other public and private buildings.

The Toledo Public Library, the Lucas County Library and, following its independent establishment in 1925, the Sylvania Library, continued to open additional branches and provide new services and resources as the county population information needs expanded.

By 1936, a strong case was made to build a new central library. The 1890's building had run out of shelf space and public seating. The library trustees and staff traveled to several cities to visit central libraries. They chose the Enoch Pratt Free Library in Baltimore as a model for Toledo. With the Federal Public Works Administration as a partner, the new library was built and occupied the entire block of Michigan, Madison, Tenth, and Adams Streets. The new Main Library opened in 1940 and was a brilliant addition with its art deco style, glass mosaics, and solid civic presence to downtown Toledo.

The next major pioneering development came in 1970 when the three library systems in Lucas County merged into the current countywide Toledo Lucas County Public Library. In the subsequent forty-nine years, the logic of that merger has been demonstrated repeatedly in improved service, increased usage, and more effective use of tax funds.

In 1986, the first public microcomputer lab began at the Library. The Library recognized that computers were learning tools of undisputed significance, yet they were expensive. There were many brand names from which to choose and there was wide proliferation of software from which to choose. Toledoans, who lacked computer expertise, limited their employment opportunities. A public library is a neutral setting for a public access microcomputer lab. The free lab included three IBM PCs, two Apple IIEs, and one Apple Macintosh. The project objective was to reach one thousand customers from January 1 through September 30, 1986. The six computers were used 6,951 times during that time period. The microcomputer lab at Main Library became the model for gradually adding similar equipment at every branch.

In 1995, the Library system adopted an enhanced computer-based technology to cope more successfully with the demands of the Information Age and to prepare for the forthcoming 21st century. The Library has applied computerization to its circulation system and its online public access catalog. It has also developed effective computerized links in statewide, national, and international networks with the objective of improving customer access to information. Public on-site access to the Internet was offered in 1996 and has expanded every year.

In the November 1995 general election, 73 percent of the Lucas County voters approved the Library's proposed capital projects. The \$38.6 million bond issue has funded the renovation and expansion of the Main Library and all of the system's eighteen branch libraries from 1996 through 2007. At the end of 2007, the Main Library addition and all nineteen branch libraries' capital projects had been completed (Birmingham, Heatherdowns, Holland, Kent, King, Lagrange, Locke, Maumee, Mott, Oregon, Point Place, Reynolds Corners, Sanger, South, Sylvania, Toledo Heights, Washington, Waterville, and West Toledo).

In October 2016, the Library opened a 19th branch at the corner of King Road and Sylvania Avenue. The King Road Branch is the result of decades of planning that began with an assessment from the Lucas County Planning Commission. The assessment predicted that population growth in the western tier of Lucas County would warrant the need for an additional library branch in the area. Located next to Southview High School, this state-of-the-art facility offers a unique browsing experience for a community of avid readers. The facility also features the system's first drive-up customer service window, a 24/7 lobby for retrieving held library materials at any hour, an automated materials handler for returned books and media, a recording studio, and a lab for high- and low-tech *making* activities in the Library. The new branch library also unites the Library's Mobile Services with the branch by bringing both services under one roof. The Library's Mobile Services Department operates bookmobile services to nursing homes, retirement centers, and rural Lucas County residents. Mobile Services also provides library materials to daycare providers, homebound, preschool, teens, and seniors. The branch features a garage large enough to store all four Mobile Services vehicles, including the Mobile Technology Center (mobile unit with 11 computer workstations) which provides computer training and classes at senior centers, housing units, and health care facilities.

The Library provides the residents of Lucas County with an abundance and variety of excellent services. With a book collection of over 1.6 million in material barcodes and digital downloads, the Toledo Lucas County Public Library has the one of the largest public library collections in the State. Its annual circulation of more than 4 million includes not only bestsellers but also materials on all topics imaginable. The Library currently offers access to hundreds of thousands of digital titles from a variety of digital content publishers and that collection will continue to grow. In addition to digital and analog versions of published content, the Library has maps, newspapers, current and bound magazines, microfilm, large print materials, compact discs, books-on-tape, sheet music, digital video discs, and access to the Internet. In recent years, the Library has also begun offering access to digital audio and video recording equipment, recording studio spaces, and a wide range of tools for high- and low-tech *making* activities at various locations.

The Main Library is located in downtown Toledo and offers in-depth collections and staff expertise in the following subject areas: Audio-Visual, Business Technology, Children, Humanities, Local History, Popular/Teen, Grantsmanship Center to assist grants writers, Federal Documents Depository collection dating back to 1884, patents, a genealogical research collection, and a technology center which offers free public access to computers.

In 2019, staff members responded to 644,956 reference questions from patrons that reached the Library in person, via phone, fax, email, and chat. The Library offers online database services which provide access to hundreds of topics in all fields of knowledge. The Library released a new version of its website in 2016 improving access to the library catalog and a wide array of integrated online services via toledolibrary.org.

All twenty Library agencies offer children and adult programs to encourage reading and promote library services and materials.

In 2019, the Library embarked on the fourth full year of its five-year strategic plan (adopted in January 2016 by the Library Board of Trustees). The plan provides three focus areas for the Library's efforts between 2016-2020. These areas include:

1. Support essential literacies
2. Increase community engagement
3. Foster a culture of innovation and leadership within the Library

Additionally, the plan formally adopts five key values to guide the work of Library activities:

1. Welcoming - The Library respects and values diversity, equity, and fairness
2. Objective - The Library supports the free exchange of information and ideas
3. Collaborative - The Library works with others to strengthen Toledo and Lucas County
4. Innovative - The Library encourages creativity, experimentation, and new ideas
5. Accountable - The Library takes responsibility for its actions and services

Annually, the Library prepares a budget of revenues and expenditures/expenses for all funds of the Library. The focus of budgetary control is at the program and object level for all funds. The budget is monitored throughout the year by the fiscal officer who updates the Board of Trustees on the Library's financial status.

LOCAL ECONOMY

The Toledo region's economic growth continues, albeit at a slow and steady pace. Home prices, employment, and the region's sum total of goods and services continue to edge slowly upwards leading to a feeling of optimism about the future of the region.

As ProMedica prepares to move more operations into its new central headquarters in downtown Toledo, thousands of employees will be relocated. This move will result in an estimated eight hundred fifty jobs being relocated to the downtown area with the possibility of an additional two hundred fifty new jobs being added.

Toledo continues to rate high on the culture scale. It is home to the world-class Toledo Museum of Art, nationally acclaimed Toledo Zoo, well-maintained metropolitan parks, an excellent university and medical school, Imagination Station (children's science center), Mud Hens minor league baseball team, Toledo Symphony Orchestra, and Huntington Center and Walleye Hockey Arena.

LONG-TERM FINANCIAL PLANNING

Although the Board of Trustees does not have a formal policy established for budgetary and planning purposes, the Board has always made an effort to have the fund balance in the General Fund maintain a level of at least 1 to 3 percent of current year revenues. For 2019, the General Fund balance was 12.7 percent of current year revenues.

RELEVANT FINANCIAL POLICIES

The Library has established relevant financial policies for investments and capital assets. The purpose of the investment policy is to provide for complete safety of the portfolio's principal value, assure adequate liquidity, and earn a market rate of return.

The goal of the capital assets inventory system and policy is to provide control and accountability over the Library's capital assets and to assist in gathering and maintaining information needed for the preparation of the annual financial statements.

MAJOR INITIATIVES

On November 8, 2016, Lucas County voters approved the renewal of a 2.9 mill property tax levy for the Toledo Lucas County Public Library with an additional .8 mill increase for a total of 3.7 mills. This renewed levy went into effect in January 2018 and was estimated to cost the taxpayer approximately \$115 per year on a \$100,000 home. The levy provides approximately half of the Library's operating budget. The Library has restored many of the lost service hours (due to the 2009 retrenchment), provided more technology, purchased more library materials, scheduled more children's programs, and has been able to maintain staff to provide the excellent public service for which the Library is renowned. The increased millage helped the Library improve hours and preserve and protect the public's investment in the Library's infrastructure.

The following data points reflect key outputs from Library activities in 2019:

- Circulation - 3,963,143
- Reference - 644,956
- Registered Borrowers - 264,166
- Collection Total - 1,895,225 (including all material barcodes and digital downloads)
- Patron visits - 2,541,500

Moreover, 2019 was an eventful year for the Toledo Lucas County Public Library:

- 2019 started out with sad news for Toledo and the library community with the sudden death of the Library's longtime director Clyde Scoles. Mr. Scoles was synonymous with the Library and is credited with building a world-class library system for the community. During his forty years of service, he shepherded the Library through sweeping technological, political, and cultural changes. His absolute commitment to always improving the depth and breadth of the Library's reach provides a foundation for continued service to the community.
- The community celebrated two of Mr. Scoles's signature projects in 2019 with the opening of the new Mott branch and completion of a sweeping Main Library renovation.
- The new Mott branch opened in June 2019 with an outpouring of community support and enthusiasm. Adjacent to Smith Park and Martin Luther King, Jr. Academy, the branch is a vibrant and welcoming space to gather and connect for this close-knit community. The open concept building serves as a "front porch" to the historic Dorr Street neighborhood, complete with quiet spaces for adults, interactive spaces for kids, ample community meeting room spaces, a computer lab, and recording studio.
- Main Library opened in September 2019 with a renovation that preserved the architectural integrity of the beloved art deco design while providing new services and spaces that serve the community's changing needs. Highlights include:
 - A studio lab with audio and video equipment, studio space, 3D and large format printers, Cricut machines, and other making tools.
 - A computer lab with public computers as well as teaching labs for individualized or group instruction.
 - Expanded Business and Workforce Development offerings including the Work Space, which individuals and organizations can apply to establish a home base for creating and working for up to three months.
 - The reimagined Saloff Children's Library brings literacy to life with bright open spaces, computers, and interactive light wall, creativity lab, mystery wall, picture book room, Seuss wall, school readiness room, and more!
 - Multiple community meeting room spaces for groups of four to more than two hundred, including expanded hours access.
 - Amenities to complement the downtown renaissance with a dramatic gallery and local entrepreneurs managing a café and gift shop.
- After a national search, the Board of Directors appointed Jason Kucsma to the Toledo Lucas County Public Library Director position on August 1, 2019. Kucsma has been serving as Acting Director/Fiscal Officer at the Toledo Lucas County Public Library since February 2019. Kucsma's twelve years of leadership in libraries comes after nearly a decade leading a non-profit independent media organization and publishing an internationally distributed politics and culture magazine. He earned his bachelor's degree in Communication and Master's degree in American Culture Studies at Bowling Green State University and his Master's degree in Library and Information Science at the University of Arizona before moving to New York City to work with public, academic, school, and special libraries at the Metropolitan New York Library Council. Kucsma returned to Ohio in 2015 to assume the role of Deputy Director at Toledo Lucas County Public Library.

Capital Projects

As mentioned above, 2019 saw the library open a new Mott Branch Library in a downtown Toledo neighborhood, across from the existing Mott Branch in Smith Park. The nearly 20,000 square foot building almost doubled the size of the pre-existing branch and includes many more meeting rooms of various sizes for community use. In September 2019, the library system reopened Main Library after a yearlong temporary closure for renovation. Features of the renovation are mentioned in the highlights above.

AWARDS AND ACKNOWLEDGEMENTS

Certificate of Achievement

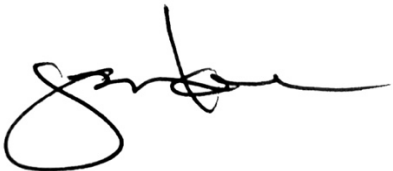
The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Toledo Lucas County Public Library for its Comprehensive Annual Financial Report for the year ended December 31, 2018. This was the twenty-fifth consecutive Certificate of Achievement received by the Library.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report which conforms to program standards. Such a report must also 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 report continues to conform to the Certificate of Achievement program requirements. Since this report was prepared with the stringent guidelines of the Certificate of Achievement program in mind, it will be submitted to GFOA to determine its eligibility for the Certificate of Achievement for 2019.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance Office. We wish to express our appreciation to all members of the office who assisted and contributed to the preparation of this report and their unfailing support for maintaining the highest standards of professionalism in the management of the Toledo Lucas County Public Library's finances. Also, I would like to express appreciation to Keith Faber, Auditor of State, and to his Local Government Services staff for their assistance in preparing this report.



Jason Kucsma
Executive Director/Fiscal Officer



Dana R. Allee
Manager of Finance/Assistant Deputy
Fiscal Officer

Toledo Lucas County Public Library

List of Principal Officials

Board of Trustees

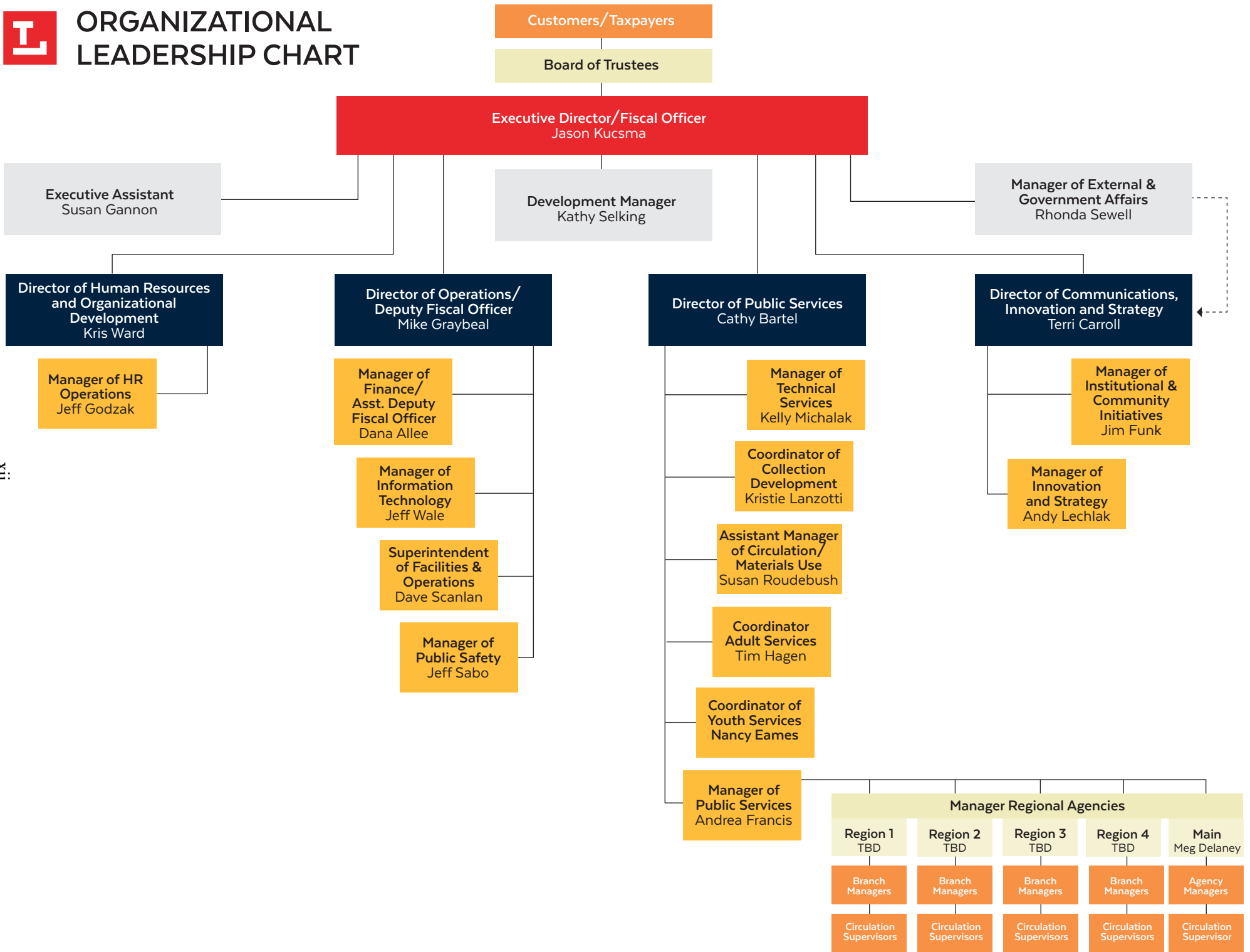
President	George R. Tucker
Vice President	Susan M. Savage
Secretary	Jesus R. Salas
Board Members	Michael P. Dansack, Jr.
	Dennis G. Johnson
	Keith B. Jordan Sr.
	Sheila Odesky

Appointed Officials

Executive Director/Fiscal Officer	Jason Kucsma
Director of Operations/Deputy Fiscal Officer	Mike Graybeal
Manager of Finance/Assistant Deputy Fiscal Officer	Dana R. Allee



ORGANIZATIONAL LEADERSHIP CHART



ix:



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Toledo-Lucas County
Public Library, Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

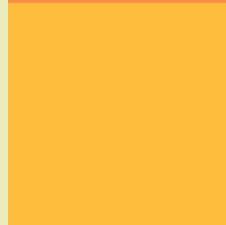
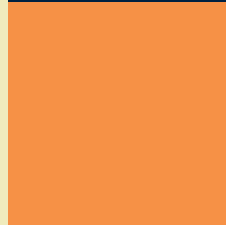
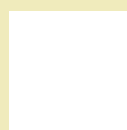
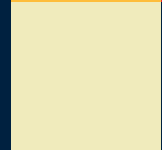
December 31, 2018

Christopher P. Morill

Executive Director/CEO

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FINANCIAL
SECTION



Independent Auditor's Report

Toledo Lucas County Public Library
Lucas County
325 Michigan Street
Toledo, Ohio 43604-6614

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Toledo Lucas County Public Library, Lucas County, Ohio, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Toledo Lucas County Public Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Toledo Lucas County Public Library's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Toledo Lucas County Public Library's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

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 Toledo Lucas County Public Library, Lucas County, Ohio, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 18 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Toledo Lucas County Public Library. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis* and schedules of net pension and other postemployment benefit assets and liabilities and pension and other postemployment benefit contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the Toledo Lucas County Public Library's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2020, on our consideration of the Toledo Lucas County Public Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Toledo Lucas County Public Library's internal control over financial reporting and compliance.



Julian & Grube, Inc.
June 19, 2020

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TOLEDO LUCAS COUNTY PUBLIC LIBRARY

Management's Discussion and Analysis

For the Year Ended December 31, 2019

Unaudited

The discussion and analysis of the Toledo Lucas County Public Library's financial performance provides an overview of the Library's financial activities for the year ended December 31, 2019. The intent of this discussion and analysis is to look at the Library's financial performance as a whole.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the Toledo Lucas County Public Library's financial position.

The statement of net position and the statement of activities provide information about the activities of the Library as a whole, presenting both an aggregate and a longer-term view of the Library.

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term and what remains for future spending. Fund financial statements report the Library's most significant funds individually and the Library's non-major funds in a single column. The Library's major funds are the General Fund and the Facilities Construction/Improvement Fund.

REPORTING THE LIBRARY AS A WHOLE

The statement of net position and the statement of activities reflect how the Library did financially during 2019. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

These statements report the Library's net position and changes in net position. This change in net position is important because it tells the reader whether the financial position of the Library as a whole has increased or decreased from the prior year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Non-financial factors can include changes in the Library's property tax base and the condition of the Library's capital assets (land, buildings, equipment, etc.). These factors must be considered when assessing the overall health of the Library.

In the statement of net position and the statement of activities, all of the Library's activities are presented as governmental activities. All of the Library's programs and services are reported here, including general public services, purchased and contracted services, and library materials and information. These services are primarily funded by property taxes and from intergovernmental revenues, including grants and other shared revenues.

REPORTING THE LIBRARY'S MOST SIGNIFICANT FUNDS

Fund financial statements provide detailed information about the Library's major funds, the General Fund and the Facilities Construction/Improvement Fund. While the Library uses many funds to account for its financial transactions, these are the most significant.

TOLEDO LUCAS COUNTY PUBLIC LIBRARY

Management's Discussion and Analysis

For the Year Ended December 31, 2019

Unaudited

Governmental Funds - The Library's governmental funds are used to account for essentially the same programs reported as governmental activities on the government-wide financial statements. All of the Library's basic services are reported in these funds and focus on how money flows into and out of the funds as well as the balances available for spending at year end. These funds are reported on the modified accrual basis of accounting which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Library's general government operations and the basic services being provided.

Because the focus of the 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 on the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Library's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to help make this comparison between governmental funds and governmental activities.

Proprietary Fund - The Library's proprietary fund uses the accrual basis of accounting. This fund represents the internal service fund for prescription, health, and dental programs.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Table 1 provides a summary of the Library's net position for 2019 and 2018.

Table 1
Net Position

	Governmental Activities		
	2019	2018	Change
<u>Assets</u>			
Current and Other Assets	\$46,902,093	\$56,427,060	(\$9,524,967)
Net Pension Asset	56,631	75,155	(18,524)
Capital Assets, Net	104,066,428	96,144,617	7,921,811
Total Assets	151,025,152	152,646,832	(1,621,680)
<u>Deferred Outflows of Resources</u>			
Pension	10,322,376	4,936,950	5,385,426
OPEB	1,293,848	1,014,549	(279,299)
Total Deferred Outflows of Resources	11,616,224	5,951,499	5,664,725
<u>Liabilities</u>			
Current and Other Liabilities	2,449,214	3,469,462	1,020,248
Long-Term Liabilities			
Pension	34,728,224	19,786,724	(14,941,500)
OPEB	16,132,643	13,457,885	(2,674,758)
Other Amounts	37,886,780	40,691,011	2,804,231
Total Liabilities	91,196,861	77,405,082	(13,791,779)

(continued)

TOLEDO LUCAS COUNTY PUBLIC LIBRARY

Management's Discussion and Analysis

For the Year Ended December 31, 2019

Unaudited

Table 1
Net Position
(continued)

	Governmental Activities		
	2019	2018	Change
<u>Deferred Inflows of Resources</u>			
Pension	\$708,708	\$5,142,202	\$4,433,494
OPEB	217,809	1,309,339	1,091,530
Other Amounts	24,008,908	24,463,436	454,528
Total Deferred Inflows of Resources	<u>24,935,425</u>	<u>30,914,977</u>	<u>5,979,552</u>
<u>Net Position</u>			
Net Investment in Capital Assets	68,354,803	67,214,162	1,140,641
Restricted	2,176,056	4,201,689	(2,025,633)
Unrestricted (Deficit)	<u>(24,021,769)</u>	<u>(21,137,579)</u>	<u>(2,884,190)</u>
Total Net Position	<u>\$46,509,090</u>	<u>\$50,278,272</u>	<u>(\$3,769,182)</u>

The net pension liability (asset) and the net OPEB liability reported by the Library at December 31, 2019, are reported pursuant to Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". For reasons discussed below, end users of these financial statements will gain a clearer understanding of the Library's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability (asset), and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

GASB standards are national standards and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB Statement No. 27) and postemployment benefits (GASB Statement No. 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund the plan's net pension or net OPEB liability. GASB Statements No. 68 and No. 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plan and State law governing the system requires additional explanation in order to properly understand the information presented in these statements.

GASB Statements No. 68 and No. 75 require the net pension liability (asset) and the net OPEB liability to equal the Library's proportionate share of the plan's collective present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service minus plan assets available to pay these benefits.

TOLEDO LUCAS COUNTY PUBLIC LIBRARY

Management's Discussion and Analysis

For the Year Ended December 31, 2019

Unaudited

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange", that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the Library is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement system to provide health care to eligible benefit recipients. The retirement system may allocate a portion of the employer contribution to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or in the case of compensated absences (i.e. vacation and sick leave) are satisfied through paid time off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the Library. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB Statements No. 68 and No. 75, the Library's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of the plan's change in the net pension liability (asset) and the net OPEB liability, respectively, not accounted for as deferred outflows/inflows.

Pension/OPEB changes noted in the above table reflect an increase in deferred outflows and decrease in deferred inflows. These changes are affected by changes in benefits, contribution rates, return on investments, and actuarial assumptions. The increase in the net pension liability and the net OPEB liability represent the Library's proportionate share of the unfunded benefits.

In addition to the changes related to pension and OPEB, there were several other changes of significance from the prior year. The decrease in current and other assets is due to spending previously unspent debt proceeds for continuing construction on Library facilities; note the increase in net capital assets, as well as due to resources spent for debt retirement. Current and other assets was also affected by an increase in intergovernmental receivables related to anticipated increases in library local government support resources and a modest increase in the receivable for property taxes. The decrease in current and other liabilities is due to a reduction in outstanding payables for contracts and retainage with the completion of several construction projects. The decrease in other-long liabilities represents the retirement of debt.

TOLEDO LUCAS COUNTY PUBLIC LIBRARY

Management's Discussion and Analysis

For the Year Ended December 31, 2019

Unaudited

Table 2 reflects the change in net position for 2019 and 2018.

Table 2
Change in Net Position

	Governmental Activities		
	2019	2018	Change
<u>Revenues</u>			
Program Revenues			
Charges for Services	\$392,824	\$502,415	(\$109,591)
Operating Grants, Contributions, and Interest	38,033	35,413	2,620
Capital Grants and Contributions	160,000	800,000	(640,000)
Total Program Revenues	590,857	1,337,828	(746,971)
General Revenues			
Property Taxes Levied for General Purposes	24,694,024	23,524,500	1,169,524
Grants and Entitlements	19,408,783	18,441,344	967,439
Interest	203,332	410,556	(207,224)
Gifts and Donations	18,180	24,292	(6,112)
Miscellaneous	769,457	347,605	421,852
Total General Revenues	45,093,776	42,748,297	2,345,479
Total Revenues	45,684,633	44,086,125	1,598,508
<u>Expenses</u>			
Public Services			
General Public Services	36,460,036	31,939,651	(4,520,385)
Purchased and Contracted Services	8,346,982	7,837,781	(509,201)
Library Materials and Information	3,553,323	3,052,815	(500,508)
Interest and Fiscal Charges	1,093,474	1,237,696	144,222
Total Expenses	49,453,815	44,067,943	(5,385,872)
Increase (Decrease) in Net Position	(3,769,182)	18,182	(3,787,364)
Net Position Beginning of Year	50,278,272	50,260,090	18,182
Net Position End of Year	\$46,509,090	\$50,278,272	\$3,769,182

For program revenues, the decrease in charges for services was impacted by the continued closing of the Main Library for renovations. The Main Library closed in September 2018 and reopened in September 2019. The decrease in capital grants and contributions is due to a substantial donation received in the prior year for the Main Library renovations. The increase in general revenues was primarily due to modest increases in property tax revenue (increase in valuation and effect of 2016 levy renewal) and in State library funding (unrestricted grants and entitlements). Overall, revenues increased approximately 3.6 percent.

The increase in expenses is primarily due to the increase in pension/OPEB expense (\$3.8 million increase) as well as with costs associated with opening the Mott Branch Library and reopening the Main Library (miscellaneous furnishings and equipment not capitalized).

TOLEDO LUCAS COUNTY PUBLIC LIBRARY

Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted state entitlements.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2019	2018	2019	2018
Public Services				
General Public Services	\$36,460,036	\$31,939,651	\$35,893,130	\$30,637,229
Purchased and Contracted Services	8,346,982	7,837,781	8,341,282	7,837,463
Library Materials and Information	3,553,323	3,052,815	3,535,072	3,017,727
Interest and Fiscal Charges	1,093,474	1,237,696	1,093,474	1,237,696
Total Expenses	<u>\$49,453,815</u>	<u>\$44,067,943</u>	<u>\$48,862,958</u>	<u>\$42,730,115</u>

Approximately 99 percent of the total costs of Library operations are derived from general revenues (97 percent for 2018) which primarily consists of property taxes and State funding (public library funds).

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The Library's major governmental funds are the General Fund and the Facilities Construction/Improvement capital projects fund.

There was a significant increase in fund balance in the General Fund (\$1,496,043) despite little change in revenues (\$596,000 increase overall largely due to State funding) and a \$2 million increase in operating expenditures. However, in the prior year, the General Fund transferred \$500,000 to other funds to subsidize various building improvements.

Fund balance decreased substantially in the Facilities Construction/Improvement Fund due to spending previously unspent debt proceeds for continuing construction on Library facilities

BUDGETARY HIGHLIGHTS

The Library prepares an annual budget of revenues and expenditures/expenses for all funds of the Library for use by Library officials and department heads. The Library's most significant budgeted fund is the General Fund. For revenues, changes from the original budget to the final budget as well as from the final budget to actual revenues were not significant. For expenditures, there was little change from the original budget to the final budget and changes from the final budget to actual expenditures were largely due to budgeting conservatively.

TOLEDO LUCAS COUNTY PUBLIC LIBRARY

Management's Discussion and Analysis

For the Year Ended December 31, 2019

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The Library's investment in capital assets as of December 31, 2019, was \$104,066,428 (net of accumulated depreciation). Additions consisted primarily of ongoing construction. The most significant disposals were the land and building which housed the former Mott Branch Library, a reference desk, piano, and a cargo van. For additional information regarding the Library's capital assets, refer to Note 8 to the basic financial statements.

Debt - At December 31, 2019, the Library had \$35,723,000 in revenue anticipation notes outstanding. These notes will be repaid from resources the Library receives from the State funding allocation for libraries. The Library's other long-term obligations include the net pension liability, net OPEB liability, and compensated absences. For further information regarding the Library's long-term obligations, refer to Note 14 to the basic financial statements.

CURRENT ISSUES

After the untimely passing of the library's director, Clyde Scoles, in February 2019, the Board of Trustees appointed Jason Kucsma as the Acting Director later that month. After a nationwide search, Kucsma was selected as the permanent Executive Director in August.

Main Library reopened in September 2019, one year after closing to the public for a substantial renovation.

Library leadership underwent a significant restructuring to close out 2019 and a new executive leadership team was formed.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Library's finances for all those interested in the Library's financial well-being. Questions concerning any of the information provided in this report or requests for additional information should be directed to Jason Kucsma, Executive Director/Fiscal Officer or Dana R. Allee, Manager of Finance/Assistant Deputy Fiscal Officer, 325 Michigan Street, Toledo, Ohio 43604.

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Toledo Lucas County Public Library
Statement of Net Position
December 31, 2019

	Governmental Activities
<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$10,182,253
Accounts Receivable	8,252
Accrued Interest Receivable	470
Due from Other Governments	9,413,112
Prepaid Items	245,576
Materials and Supplies Inventory	45,307
Property Taxes Receivable	27,007,123
Net Pension Asset	56,631
Nondepreciable Capital Assets	19,418,573
Depreciable Capital Assets, Net	84,647,855
 Total Assets	 151,025,152
<u>Deferred Outflows of Resources</u>	
Pension	10,322,376
OPEB	1,293,848
 Total Deferred Outflows of Resources	 11,616,224
<u>Liabilities</u>	
Accrued Wages Payable	876,982
Accounts Payable	383,484
Contracts Payable	147,984
Retainage Payable	103,315
Matured Compensated Absences Payable	1,145
Due to Other Governments	246,201
Accrued Interest Payable	258,513
Claims Payable	431,590
Long-Term Liabilities	
Due Within One Year	3,560,542
Due in More Than One Year	
Net Pension Liability	34,728,224
Net OPEB Liability	16,132,643
Other Amounts	34,326,238
 Total Liabilities	 91,196,861
<u>Deferred Inflows of Resources</u>	
Property Taxes	24,008,908
Pension	708,708
OPEB	217,809
 Total Deferred Inflows of Resources	 24,935,425
<u>Net Position</u>	
Net Investment in Capital Assets	68,354,803
Restricted for	
Capital Projects	1,649,051
Library Materials (Sight Impaired)	97,525
Library Materials (Book Acquisition)	97,172
Other Purposes	62,453
Library Materials	
Expendable	140,265
Nonexpendable	129,590
Unrestricted (Deficit)	(24,021,769)
 Total Net Position	 \$46,509,090

See Accompanying Notes to the Basic Financial Statements

Toledo Lucas County Public Library
Statement of Activities
For the Year Ended December 31, 2019

	Program Revenues			
Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants and Contributions	
<u>Governmental Activities</u>				
Public Services				
General Public Services	\$36,460,036	\$392,451	\$14,455	\$160,000
Purchased and Contracted Services	8,346,982	0	5,700	0
Library Materials and Information	3,553,323	373	17,878	0
Interest and Fiscal Charges	1,093,474	0	0	0
Total	<u>\$49,453,815</u>	<u>\$392,824</u>	<u>\$38,033</u>	<u>\$160,000</u>

General Revenues

Property Taxes Levied for General Purposes
Grants and Entitlements not Restricted to Specific Programs
Interest
Gifts and Donations
Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense)
Revenue and Change
in Net Position

Total

(\$35,893,130)
(8,341,282)
(3,535,072)

(1,093,474)

(48,862,958)

24,694,024
19,408,783
203,332
18,180

769,457

45,093,776

(3,769,182)

50,278,272

\$46,509,090

Toledo Lucas County Public Library
Balance Sheet
Governmental Funds
December 31, 2019

	General	Facilities Construction/ Improvement	Other Governmental	Total Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$5,426,185	\$1,735,592	\$1,854,562	\$9,016,339
Accounts Receivable	8,252	0	0	8,252
Accrued Interest Receivable	203	0	267	470
Due from Other Governments	9,405,263	0	7,849	9,413,112
Prepaid Items	245,576	0	0	245,576
Materials and Supplies Inventory	45,307	0	0	45,307
Property Taxes Receivable	27,007,123	0	0	27,007,123
Total Assets	\$42,137,909	\$1,735,592	\$1,862,678	\$45,736,179
<u>Liabilities</u>				
Accrued Wages Payable	\$876,982	\$0	\$0	\$876,982
Accounts Payable	355,636	26,054	1,794	383,484
Contracts Payable	20,784	124,344	2,856	147,984
Retainage Payable	0	103,315	0	103,315
Matured Compensated Absences Payable	1,145	0	0	1,145
Due to Other Governments	246,201	0	0	246,201
Total Liabilities	1,500,748	253,713	4,650	1,759,111
<u>Deferred Inflows of Resources</u>				
Property Taxes	24,008,908	0	0	24,008,908
Unavailable Revenue	11,089,105	0	3,117	11,092,222
Total Deferred Inflows of Resources	35,098,013	0	3,117	35,101,130
<u>Fund Balance</u>				
Nonspendable	290,883	0	129,590	420,473
Restricted	0	1,481,879	572,920	2,054,799
Committed	0	0	1,152,401	1,152,401
Assigned	5,248,265	0	0	5,248,265
Total Fund Balance	5,539,148	1,481,879	1,854,911	8,875,938
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$42,137,909	\$1,735,592	\$1,862,678	\$45,736,179

See Accompanying Notes to the Basic Financial Statements

Toledo Lucas County Public Library
Reconciliation of Total Governmental Fund Balance
to Net Position of Governmental Activities
December 31, 2019

Total Governmental Fund Balance \$8,875,938

Amounts reported for governmental activities on the statement of net position are different because of the following:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 104,066,428

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.

Accounts Receivable	5,580	
Accrued Interest Receivable	470	
Due from Other Governments	8,087,957	
Delinquent Property Taxes Receivable	2,998,215	
		11,092,222

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued Interest Payable	(258,513)	
Revenue Anticipation Notes Payable	(35,723,000)	
Compensated Absences Payable	(2,163,780)	
		(38,145,293)

The net pension asset, net pension liability, and net OPEB liability are not due and payable in the current period; therefore, the asset, liability, and related deferred outflows/inflows are not reported in the governmental funds.

Net Pension Asset	56,631	
Deferred Outflows - Pension	10,322,376	
Deferred Inflows - Pension	(708,708)	
Net Pension Liability	(34,728,224)	
Deferred Outflows - OPEB	1,293,848	
Deferred Inflows - OPEB	(217,809)	
Net OPEB Liability	(16,132,643)	
		(40,114,529)

The internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.

734,324

Net Position of Governmental Activities \$46,509,090

See Accompanying Notes to the Basic Financial Statements

Toledo Lucas County Public Library
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2019

	General	Facilities Construction/ Improvement	Other Governmental	Total Governmental Funds
<u>Revenues</u>				
Property Taxes	\$23,936,483	\$0	\$0	\$23,936,483
Intergovernmental	18,937,843	0	7,849	18,945,692
Patron Fines and Fees	390,799	0	919	391,718
Interest	21,164	179,895	29,834	230,893
Services Provided to Others	1,652	0	0	1,652
Gifts and Donations	18,180	0	160,000	178,180
Miscellaneous	300,398	463,479	0	763,877
Total Revenues	43,606,519	643,374	198,602	44,448,495
<u>Expenditures</u>				
Current:				
Public Services				
General Public Services	27,786,057	0	391	27,786,448
Purchased and Contracted Services	5,957,762	263,522	35,555	6,256,839
Library Materials and Information	3,545,444	4,329	3,550	3,553,323
Capital Outlay	1,046,755	11,228,483	830,727	13,105,965
Debt Service				
Principal Retirement	2,661,175	0	0	2,661,175
Interest and Fiscal Charges	1,113,283	0	0	1,113,283
Total Expenditures	42,110,476	11,496,334	870,223	54,477,033
Changes in Fund Balance	1,496,043	(10,852,960)	(671,621)	(10,028,538)
Fund Balance Beginning of Year	4,043,105	12,334,839	2,526,532	18,904,476
Fund Balance End of Year	<u>\$5,539,148</u>	<u>\$1,481,879</u>	<u>\$1,854,911</u>	<u>\$8,875,938</u>

See Accompanying Notes to the Basic Financial Statements

Toledo Lucas County Public Library
Reconciliation of Statement of Revenues, Expenditures,
and Changes in Fund Balance
of Governmental Funds to Statement of Activities
For the Year Ended December 31, 2019

Changes in Fund Balance - Total Governmental Funds (\$10,028,538)

Amounts reported for governmental activities on the statement of activities are different because of the following:

Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current year.

Capital Outlay Additions - Non-Depreciable Capital Assets	10,755,541	
Capital Outlay Additions - Depreciable Capital Assets	260,281	
Current Year Depreciation	<u>(2,676,392)</u>	
		8,339,430

The book value of capital assets is removed from the capital asset account on the statement of net position when disposed of resulting in a loss on disposal of capital assets on the statement of activities. (417,619)

Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.

Delinquent Property Taxes	757,541	
Intergovernmental	473,790	
Interest	(773)	
Miscellaneous	<u>5,580</u>	
		1,236,138

Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net position.

Revenue Anticipation Notes	2,657,000	
Capital Leases	<u>4,175</u>	
		2,661,175

Except for amounts reported as deferred outflows/inflows, changes in the net pension liability and net OPEB liability are reported as pension/OPEB expense on the statement of activities.

Pension	(7,609,678)	
OPEB	<u>(1,332,594)</u>	
		(8,942,272)

Contractually required contributions are reported as expenditures in the governmental funds, however, the statement of net position reports these amounts as deferred outflows.

Pension	2,468,574	
OPEB	<u>28,665</u>	
		2,497,239

Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net position. 19,809

(continued)

Toledo Lucas County Public Library
Reconciliation of Statement of Revenues, Expenditures,
and Changes in Fund Balance
of Governmental Funds to Statement of Activities
For the Year Ended December 31, 2019
(continued)

Compensated absences reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. \$143,056

The internal service fund used by management to charge the cost of insurance to individual funds is not reported on the statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The change for governmental funds is reported for the year. 722,400

Change in Net Position of Governmental Activities (\$3,769,182)

See Accompanying Notes to the Basic Financial Statements

Toledo Lucas County Public Library
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<u>Revenues</u>				
Property Taxes	\$24,030,000	\$24,030,000	\$23,936,483	(\$93,517)
Intergovernmental	18,884,631	18,884,631	18,879,101	(5,530)
Patron Fines and Fees	406,610	406,610	390,714	(15,896)
Interest	10,800	10,800	18,342	7,542
Services Provided to Others	1,616	1,616	1,260	(356)
Gifts and Donations	24,000	16,996	18,180	1,184
Miscellaneous	204,024	204,024	297,227	93,203
Total Revenues	43,561,681	43,554,677	43,541,307	(13,370)
<u>Expenditures</u>				
Current:				
Public Services				
General Public Services	29,213,450	29,110,090	27,741,188	1,368,902
Purchased and Contracted Services	6,958,240	7,392,600	6,545,141	847,459
Library Materials and Information	4,057,741	4,058,040	3,602,687	455,353
Capital Outlay	1,397,981	1,535,481	1,236,312	299,169
Debt Service				
Principal Retirement	2,657,000	2,657,000	2,657,000	0
Interest and Fiscal Charges	1,113,283	1,113,283	1,113,283	0
Total Expenditures	45,397,695	45,866,494	42,895,611	2,970,883
Excess of Revenues Over (Under) Expenditures	(1,836,014)	(2,311,817)	645,696	2,957,513
<u>Other Financing Uses</u>				
Other Financing Uses	(1,375,183)	(1,056,683)	0	1,056,683
Advances Out	(10,000)	(10,000)	0	10,000
Total Other Financing Uses	(1,385,183)	(1,066,683)	0	1,066,683
Changes in Fund Balance	(3,221,197)	(3,378,500)	645,696	4,024,196
Fund Balance Beginning of Year	2,596,783	2,596,783	2,596,783	0
Prior Year Encumbrances Appropriated	964,331	964,331	964,331	0
Fund Balance End of Year	\$339,917	\$182,614	\$4,206,810	\$4,024,196

See Accompanying Notes to the Basic Financial Statements

Toledo Lucas County Public Library
Statement of Fund Net Position
Internal Service Fund
December 31, 2019

<u>Current Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$1,165,914
 <u>Current Liabilities</u>	
Claims Payable	<u>431,590</u>
 <u>Net Position</u>	
Unrestricted	<u><u>\$734,324</u></u>

See Accompanying Notes to the Basic Financial Statements

Toledo Lucas County Public Library
Statement of Revenues, Expenses,
and Change in Fund Net Position
Internal Service Fund
For the Year Ended December 31, 2019

<u>Operating Revenues</u>	
Charges for Services	<u>4,622,756</u>
<u>Operating Expenses</u>	
Purchased and Contracted Services	321,846
Claims	<u>3,578,510</u>
Total Operating Expenses	<u>3,900,356</u>
Net Income	722,400
Net Position Beginning of Year	<u>11,924</u>
Net Position End of Year	<u><u>\$734,324</u></u>

See Accompanying Notes to the Basic Financial Statements

Toledo Lucas County Public Library
Statement of Cash Flows
Internal Service Fund
For the Year Ended December 31, 2019

Increase (Decrease) in Cash and Cash Equivalents

Cash Flows from Operating Activities

Cash Received from Other Funds	\$4,622,756
Cash Payments for Purchased and Contracted Services	(321,846)
Cash Payments for Claims	(3,519,545)
	(3,519,545)

Net Cash Provided by Operating Activities	781,365
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Cash and Cash Equivalents Beginning of Year	384,549
	384,549

Cash and Cash Equivalents End of Year	\$1,165,914
	\$1,165,914

Reconciliation of Net Income to Net
Cash Provided by Operating Activities

Net Income	\$722,400
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Adjustments to Reconcile Net Income to Net
Cash Provided by Operating Activities

Increase in Claims Payable	58,965
	58,965

Net Cash Provided by Operating Activities	\$781,365
	\$781,365

See Accompanying Notes to the Basic Financial Statements

Toledo Lucas County Public Library
Statement of Fiduciary Net Position
Custodial Fund
December 31, 2019

<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	<u>\$81,020</u>
<u>Liabilities</u>	
Due to Other Governments	<u>\$81,020</u>

See Accompanying Notes to the Basic Financial Statements

Toledo Lucas County Public Library
Statement of Change in Fiduciary Net Position
Custodial Fund
For the Year Ended December 31, 2019

<u>Additions</u>	
Licenses, Permits, and Fees for Other Governments	\$508,783
<u>Deductions</u>	
Licenses, Permits, and Fees Distributions to Other Governments	<u>594,413</u>
Net Decrease in Fiduciary Net Position	(85,630)
Net Position Beginning of Year	<u>85,630</u>
Net Position End of Year	<u><u>\$0</u></u>

See Accompanying Notes to the Basic Financial Statements

NOTE 1 - REPORTING ENTITY

The Library was founded in 1873 as the Toledo Public Library. In 1918, the Lucas County Library system was established and in 1925, the Sylvania Library was established. The three library systems were merged into the current county-wide Toledo Lucas County Public Library (Library) in 1970. Currently, there is a main branch located in downtown Toledo and nineteen branches which are located throughout Lucas County.

The Board of Library Trustees has seven members: three appointed by the Common Pleas Court Judges and four appointed by the Lucas County Commissioners. Appointments are for seven-year terms and members serve without compensation. Under Ohio statutes, the Library is a body politic and corporate capable of suing and being sued; contracting; acquiring, holding, processing, and disposing of real and personal property; and exercising such powers and privileges as are conferred upon it by law. The Library also determines and operates under its own budget. The Board of Library Trustees appoints an Executive Director/Fiscal Officer, Director of Operations/Deputy Fiscal Officer, and a Manager of Finance/Assistant Deputy Fiscal Officer.

There is no potential for the Library to provide a financial benefit to or to impose a financial burden on the County Commissioners, nor can the County Commissioners significantly influence the programs, activities, or level of service performed or provided by the Library. The Library is fiscally independent of the County, although the County Commissioners serve in a ministerial capacity as the taxing authority. The determination to request approval of a tax, the rate, and the purpose(s) of the levy are discretionary decisions made solely by the Board of Library Trustees. Once these decisions are made, the County Commissioners must place the levy on the ballot.

Under the provisions of Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity", the Library is considered a related organization to Lucas County.

Component units are legally separate organizations for which the Library is financially accountable. The Library is financially accountable for an organization if the Library appoints a voting majority of the organization's governing board and (1) the Library is able to significantly influence the programs or services performed or provided by the organization; or (2) the Library is legally entitled to or can otherwise access the organization's resources; the Library is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Library is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Library in that the Library approves the budget, the issuance of debt, or the levying of taxes, and there is the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Library. There were no component units of the Toledo Lucas County Public Library in 2019.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Toledo Lucas County Public Library have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the Library's accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the Library as a whole. These statements include the financial activities of the primary government. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses.

The statement of net position presents the financial condition of the governmental activities of the Library at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Library's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, and grants, contributions, and interest that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Library, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Library.

Fund Financial Statements

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

B. Fund Accounting

The Library uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Library are reported in three categories, governmental, proprietary, and fiduciary.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Funds

Governmental funds are those through which most governmental functions of the Library 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 purpose 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 and deferred inflows of resources is reported as fund balance. The following are the Library's major governmental funds:

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

Facilities Construction/Improvement Fund - The Facilities Construction/Improvement Fund is used to account for revenue anticipation note proceeds and other resources restricted for the acquisition, construction, or improvement of buildings and the acquisition of equipment.

The other governmental funds of the Library account for grants and other resources whose use is restricted, committed, or assigned for a particular purpose.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, change in net position, financial position, and cash flows.

Internal Service Fund - The internal service fund is used to account for the Library's self insurance programs for prescription, health, and dental claims.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The Library's fiduciary fund is a custodial fund used to account for assets held by the Library as fiscal agent for the Lucas County Auditor for dog tag license collections.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the Library are included on the statement of net position. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the internal service fund is accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fund net position. The statement of revenues, expenses, and change in fund net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statement of cash flows reflects how the Library finances and meets the cash flow needs of its internal service fund.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the internal service fund uses the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows and deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Library, available means expected to be received within thirty-one days after year end.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Nonexchange transactions, in which the Library receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the Library must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Library on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: grants, patron fines and fees, interest, and services provided to others.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized until that time. For the Library, deferred outflows of resources consists of pension and OPEB which is explained in Notes 11 and 12 to the basic financial statements.

In addition to liabilities, the statement of financial position may report deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Library, deferred inflows of resources includes property taxes, unavailable revenue, pension, and OPEB. Property taxes represent amounts for which there was an enforceable legal claim as of December 31, 2019, but which were levied to finance 2020 operations. This amount has been recorded as deferred inflows of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental fund balance sheet and represents receivables which will not be collected within the available period. For the Library, unavailable revenue includes accrued interest, intergovernmental revenue including grants and library and local government distribution, delinquent property taxes, and other sources. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available. For further details on unavailable revenue, refer to the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities on page 17. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position and explained in Notes 11 and 12 to the basic financial statements.

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Budgetary Process

The budgetary documents prepared by the Library include the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Library Trustees may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The level of control has been established by the Board at the program and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the fiscal officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Board.

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

F. Cash and Investments

To improve cash management, cash received by the Library is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through Library records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

During 2019, the Library invested in negotiable certificates of deposit and STAR Ohio. Investments are reported at fair value. Fair value is based on quoted market prices. STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but has adopted Governmental Accounting Standards Board (GASB) Statement No. 79, "Certain External Investment Pools and Pool Participants". The Library measures the investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The net asset value per share is calculated on an amortized cost basis that provides a net asset value per share that approximates fair value.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For 2019, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million requiring the excess amount to be transacted the following business day(s) but only to the \$100 million limit. All accounts of the participant will be combined for this purpose.

Following Ohio statutes, the Board of Library Trustees has, by resolution, specified funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during 2019 was \$21,164 which includes \$2,305 assigned from other Library funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2019, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

H. Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of expendable supplies held for consumption.

I. Capital Assets

All of the Library's capital assets are general capital assets. General capital assets are capital assets which are associated with and generally arise from governmental activities and generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column on the government-wide statement of net position but are not reported on the fund financial statements.

All capital assets are capitalized at cost and updated for additions and reductions during the year. Donated capital assets are recorded at their acquisition value on the date donated. The Library maintains a capitalization threshold of five thousand dollars, except for building improvements which have a capitalization threshold of one hundred thousand dollars. Improvements are capitalized; the costs 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.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

All capital assets are depreciated, except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Useful Lives
Buildings and Improvements	30-100 years
Improvements Other Than Buildings	15 years
Furniture Fixtures, and Equipment	5-30 years
Vehicles	9-13 years

J. Compensated Absences

Library employees are represented by two unions, Association of Public Library Employees (Aple) and Communication Workers of America (CWA). Aple covers all librarians and CWA covers custodians, clerks, and clerical employees. All other employees are classified as exempt.

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the Library will compensate the employees for the benefits through paid time off or some other means. The Library records a liability for accumulated unused vacation time when earned for all employees.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the Library has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the Library's termination policy. The Library records a liability for accumulated unused sick leave after ten years of service as outlined in the applicable union or exempt agreement.

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees who have accumulated unpaid leave are paid.

K. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the internal service fund are reported on the internal service fund financial statements.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Revenue anticipation notes and capital leases are recognized as liabilities on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

L. Net Position

Net position represents the difference between all other elements on the statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through constitutional provisions or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes primarily consists of grants and donations restricted for various library services or materials. The Library's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

M. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Library is bound to observe constraints imposed upon the use of the resources in governmental funds. The classifications are as follows:

Nonspendable - The nonspendable classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash.

Restricted - Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or is imposed by law through constitutional provisions.

Committed - The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Board of Trustees. The committed amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assigned - Amounts in the assigned classification are intended to be used by the Library for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned amounts represent intended uses established by the Board of Trustees. Fund balance policy of the Board of Trustees has authorized the executive director/fiscal officer to assign fund balance for projected budget shortages, tuition reimbursement, and purchases on order provided such amounts have been lawfully appropriated.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Library first applies restricted resources when an expenditure is incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used.

N. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the internal service fund. For the Library, these revenues are charges for services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

O. Pension/Postemployment

For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to pension/OPEB, pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans, and additions to/deductions from the fiduciary net position have been determined on the same basis as reported by the pension/OPEB system. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB system reports investments at fair value.

P. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES

For 2019, the Library has implemented Governmental Accounting Standards Board (GASB) Statement No. 83, “Certain Asset Retirement Obligations”, Statement No. 88, “Certain Disclosures Related to Debt including Direct Borrowings and Direct Placements”, Statement No. 90, “Majority Equity Interests-An Amendment of GASB Statements No. 14 and No. 61”, and related guidance from GASB Implementation Guide 2019-2, “Fiduciary Activities”.

For 2019, the Library also implemented GASB Implementation Guide No. 2018-1. These changes were incorporated in the Library’s 2019 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. These changes were incorporated in the Library’s 2019 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 88 improves the information that is disclosed in the notes to the financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. These changes were incorporated in the Library’s 2019 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 90 defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if the government’s holding of the equity interest meets the definition of an investment. These changes were incorporated in the Library’s 2019 financial statements; however, there was no effect on beginning net position/fund balance.

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING (continued)

Adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the General Fund are as follows:

Changes in Fund Balance	
GAAP Basis	\$1,496,043
<u>Increase (Decrease) Due To</u>	
Revenue Accruals:	
Accrued 2018, Received in Cash 2019	1,260,438
Accrued 2019, Not Yet Received in Cash	(1,322,828)
Expenditure Accruals:	
Accrued 2018, Paid in Cash 2019	(1,323,616)
Accrued 2019, Not Yet Paid in Cash	1,500,748
Cash Adjustments:	
Unrecorded Activity 2018	(2,526)
Unrecorded Activity 2019	(296)
Prepaid Items	266,321
Materials and Supplies Inventory	(9,509)
Encumbrances Outstanding at Year End (Budget Basis)	<u>(1,219,079)</u>
Budget Basis	<u>\$645,696</u>

NOTE 5 - DEPOSITS AND INVESTMENTS

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

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

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

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

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

Protection of the Library's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio (if training requirements have been met);
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio); and
8. Certain bankers' acceptances for a period not to exceed one hundred eighty days and commercial paper notes for a period not to exceed two hundred seventy days in an amount not to exceed 40 percent of the interim monies available for investment at any one time (if training requirements have been met).

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

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

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

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Library will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2019, \$2,094,766 of the Library's total bank balance of \$8,298,624 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. All of the Library's financial institutions participate in the Ohio Pooled Collateral System (OPCS) and were approved for a reduced collateral floor of 50 percent resulting in the uninsured and uncollateralized balance.

The Library has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by eligible securities pledged to the Library and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured or by participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments

As of December 31, 2019, the Library had the following investments:

<u>Measurement/Investment</u>	<u>Measurement Amount</u>	<u>Maturity</u>
Fair Value - Level Two Inputs		
Negotiable Certificates of Deposit	\$150,002	9/18/20
Negotiable Certificates of Deposit	500,635	11/8/20
Net Asset Value per Share		
STAR Ohio	1,361,597	55.7 days
	<u>\$2,012,234</u>	

The Library categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the Library's recurring fair value measurements as of December 31, 2019. All of the Library's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the fiscal officer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the Library.

The negotiable certificates of deposit are generally covered by FDIC and/or SIPC insurance. STAR Ohio carries a rating of AAA by Standard and Poor's. The Library has no investment policy dealing with credit risk beyond the requirements of State statute. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

The Library's investment policy states that, with the exception of U.S. Treasury securities or authorized pools, the Library may not invest more than 60 percent of its portfolio in any one security type or with a single financial institution. The Library may not invest more than 90 percent of its portfolio in STAR Ohio (an investment pool managed by the State Treasurer's Office) or more than 10 percent of its portfolio in repurchase agreements. For investment purposes, the Library also considers certificates of deposit and savings accounts as part of its portfolio to determine these percentages.

The following table indicates the percentage of each investment to the Library's total portfolio.

	Fair Value	Percentage of Portfolio
Negotiable Certificates of Deposit	\$650,637	32.33%

NOTE 6 - RECEIVABLES

Receivables at December 31, 2019, consisted of accounts (photocopies, facsimiles, and fines), accrued interest, amounts due from other governments, and property taxes. All receivables, except property taxes, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
General Fund	
Library Local Government Support	\$8,172,611
Homestead and Rollback	1,231,172
Ohio Bureau of Workers' Compensation	1,345
Youth Treatment Center	135
Total General Fund	9,405,263
Other Governmental	
Workplace Wellness	2,850
Conservation	4,999
Total Other Governmental Funds	7,849
Total Intergovernmental Receivables	\$9,413,112

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located within the area served by the Library. Real property tax revenues received in 2019 represent the collection of 2018 taxes. Real property taxes received in 2019 were levied after October 1, 2018, on the assessed values as of January 1, 2018, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in 2019 represent the collection of 2018 taxes. Public utility real and tangible personal property taxes received in 2019 became a lien on December 31, 2017, were levied after October 1, 2018, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the Toledo Lucas County Public Library. The County Auditor periodically remits to the Library its portion of the taxes collected.

Accrued property taxes receivable represents real and public utility property taxes which were measurable as of December 31, 2019, and for which there was an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2019 operations is offset to deferred inflows of resources-property taxes. On the accrual basis, delinquent real property taxes have been recorded as a receivable and revenue while on the modified accrual basis, the revenue has been reported as deferred inflows of resources-unavailable revenue.

The full tax rate for all Library operations for the year ended December 31, 2019, was \$3.70 per \$1,000 of assessed value. The assessed values of real property and public utility property upon which 2019 property tax receipts were based are as follows:

<u>Category</u>	<u>Amount</u>
Real Property	\$7,443,555,000
Public Utility Personal Property	369,306,000
Total Assessed Value	<u><u>\$7,812,861,000</u></u>

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019, was as follows:

	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019
Governmental Activities				
Nondepreciable Capital Assets				
Land	\$8,657,199	\$0	(\$44,330)	\$8,612,869
Construction in Progress	14,878,719	10,755,541	(14,828,556)	10,805,704
Total Nondepreciable Capital Assets	<u>23,535,918</u>	<u>10,755,541</u>	<u>(14,872,886)</u>	<u>19,418,573</u>
Depreciable Capital Assets				
Buildings and Improvements	102,599,314	14,828,556	(1,027,912)	116,399,958
Improvements Other Than Buildings	501,673	76,493	0	578,166
Furniture, Fixtures, and Equipment	7,042,123	149,282	(140,359)	7,051,046
Vehicles	854,632	34,506	(14,541)	874,597
Total Depreciable Capital Assets	<u>110,997,742</u>	<u>15,088,837</u>	<u>(1,182,812)</u>	<u>124,903,767</u>
Less Accumulated Depreciation for				
Buildings and Improvements	(32,453,609)	(2,176,654)	663,156	(33,967,107)
Improvements Other Than Buildings	(469,721)	(5,584)	0	(475,305)
Furniture, Fixtures, and Equipment	(4,843,026)	(465,028)	131,826	(5,176,228)
Vehicles	(622,687)	(29,126)	14,541	(637,272)
Total Accumulated Depreciation	<u>(38,389,043)</u>	<u>(2,676,392)</u>	<u>809,523</u>	<u>(40,255,912)</u>
Total Depreciable Capital Assets, Net	<u>72,608,699</u>	<u>12,412,445</u>	<u>(373,289)</u>	<u>84,647,855</u>
Governmental Activities Capital Assets, Net	<u>\$96,144,617</u>	<u>\$23,167,986</u>	<u>(\$15,246,175)</u>	<u>\$104,066,428</u>

Depreciation expense was charged to general public services.

NOTE 9 - RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

In 2019, the Library contracted for the following insurance coverage.

Coverage	Limits	Deductible Amounts
Property	\$252,109,768	\$1,000
General Liability	2,000,000 Aggregate 1,000,000 Each Occurrence	1,000
Employee Benefits	1,000,000 Aggregate 1,000,000 Each Employee	1,000
Auto	1,000,000	1,000 Comprehensive
Umbrella	10,000,000	0
Earthquake	10,000,000	25,000
Flood	12,000,000	150,000
Directors and Officers	5,000,000	10,000
Special Library Form	38,272,394	1,000
Electronic Equipment	3,914,839	1,000
Fine Arts	348,588	1,000
Cyber Liability	2,000,000	10,000

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 9 - RISK MANAGEMENT (continued)

There has been no significant reduction in insurance coverage from 2018 and no insurance settlement has exceeded insurance coverage during the last three years.

The Library pays the State of Ohio Bureau of Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

In 2019, the Library provided prescription, health, and dental benefits through self insured programs. The Library established a Self Insurance Fund (internal service fund) to account for and finance these employee benefits. The prescription and health programs provide up to \$150,000 of coverage, per person, per year, and the dental program provides up to \$1,200 of coverage, per person, per year. The Library has commercial insurance for claims in excess of coverage provided by the fund.

All funds/departments of the Library participate in the programs and made payments to the fund based on actuarial estimates of the amounts needed to pay prior- and current-year claims. Claims payable is based on the requirements of Governmental Accounting Standards Board Statement No. 30, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Claims payable at December 31, 2019, was estimated by the third party administrators at \$431,590.

The changes in the claims liability for the past two years were as follows:

Year	Beginning Balance	Current-Year Claims And Changes in Estimates	Claims Payments	Ending Balance
2019	\$372,625	\$3,578,510	\$3,519,545	\$431,590
2018	378,501	3,768,071	3,773,947	372,625

NOTE 10 - SIGNIFICANT CONTRACTUAL COMMITMENTS

The Library has several outstanding contracts for professional services. The following amounts remain on these contracts as of December 31, 2019:

Vendor	Outstanding Balance
Colgan-Davis, Inc.	\$96,478
Schindler Elevator Corp.	31,884
King Business Interiors	37,329
The Lathrop Co., Inc.	1,166,756

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 10 - SIGNIFICANT CONTRACTUAL COMMITMENTS (continued)

At year end, the significant encumbrances expected to be honored upon performance by the vendor in 2020 are as follows:

General Fund	\$1,219,079
Facilities Construction/Improvement Fund	1,243,356
Nonmajor Governmental Funds	48,728
Total	<u>\$2,511,163</u>

NOTE 11 - DEFINED BENEFIT PENSION PLAN

The Statewide retirement system provides both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability (Asset)/Net OPEB Liability

The net pension liability (asset) and the net OPEB liability reported on the statement of net position represent a liability to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions, between an employer and its employees, of salaries and benefits for employee services. Pensions/OPEB are provided to an employee on a deferred payment basis as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/OPEB liability (asset) represents the Library's proportionate share of the pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of the pension/OPEB plan's fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables including estimated average life expectancies, earnings on investments, cost of living adjustments, and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

The Ohio Revised Code limits the Library's obligation for this liability to annually required payments. The Library cannot control benefit terms or the manner in which pensions are financed; however, the Library does receive the benefit of employees' services in exchange for compensation, including pension and OPEB.

NOTE 11 - DEFINED BENEFIT PENSION PLAN (continued)

GASB Statements No. 68 and No. 75 assume the liability is solely the obligation of the employer because (1) they benefit from employee services and (2) State statute requires all funding to come from the employers. All pension contributions to date have come solely from the employer (which also includes pension costs paid in the form of withholdings from employees). The retirement system may allocate a portion of the employer contribution to provide for OPEB benefits. In addition, health care plan enrollees pay a portion of the health care cost in the form of a monthly premium. State statute requires the retirement system to amortize unfunded pension liabilities within thirty years. If the pension amortization period exceeds thirty years, the retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require, the retirement system to provide health care to eligible benefit recipients.

The proportionate share of the plan's unfunded benefits is presented as a net pension/OPEB asset or long-term net pension/OPEB liability on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included as an intergovernmental payable on both the accrual and modified accrual basis of accounting.

The remainder of this note includes the required pension disclosures. See Note 12 for the required OPEB disclosures.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - Library employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing multiple-employer defined benefit/defined contribution pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information, and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343. (See the OPERS CAFR referenced above for additional information including requirements for reduced and unreduced benefits.)

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 11 - DEFINED BENEFIT PENSION PLAN (continued)

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013, or five years after January 7, 2013	20 years of service credit prior to January 7, 2013, or eligible to retire ten years after January 7, 2013	Members not in other groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 years	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 years	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35 years
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30 years	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30 years	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35 years
Public Safety	Public Safety	Public Safety
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years	Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years	Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years

Final average salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 11 - DEFINED BENEFIT PENSION PLAN (continued)

When a traditional plan benefit recipient has received benefits for twelve months, current law provides an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost of living adjustment on the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, current law provides for a 3 percent COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index capped at 3 percent.

Defined contribution plan benefits are established in the plan documents which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed plan participants must have attained the age of fifty-five, have money on deposit in the defined contribution plan, and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the member's contributions, vested employer contributions, and investment gains or losses resulting from the member's investment selections. Employer contributions and associated investment earnings vest over a five year period at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS account. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of the entire account balance net of taxes withheld, or a combination of these options.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows.

	State and Local	Public Safety	Law Enforcement
2019 Statutory Maximum Contribution Rates			
Employer	14.0%	18.1%	18.1%
Employee *	10.0 %	**	***

(continued)

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 11 - DEFINED BENEFIT PENSION PLAN (continued)

	State and Local	Public Safety	Law Enforcement
2019 Actual Contribution Rates			
Employer			
Pension ****	14.0 %	18.1 %	18.1 %
Postemployment Health Care Benefits ****	0.0	0.0	0.0
Total Employer	14.0 %	18.1 %	18.1 %
Total Employee	10.0 %	12.0 %	13.0 %

- * Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- ** This rate is determined by OPERS' Board and has no maximum rate established by the ORC.
- *** This rate is also determined by OPERS' Board but is limited by the ORC to not more than 2 percent greater than the public safety rate.
- **** These pension and employer health care rates are for the traditional and combined plans. The employer contribution rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

For 2019, the Library's contractually required contribution was \$2,436,251 for the traditional plan, \$32,323 for the combined plan, and \$71,663 for the member-directed plan. Of these amounts, \$116,266 is reported as an intergovernmental payable for the traditional plan, \$1,545 for the combined plan, and \$4,793 for the member-directed plan.

Pension Liability (Asset), Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pension

The net pension liability (asset) for OPERS was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability (asset) was based on the Library's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense.

	OPERS Traditional Plan	OPERS Combined Plan	Total
Proportion of the Net Pension Liability/Asset			
Current Measurement Date	0.12680100%	0.05064300%	
Prior Measurement Date	0.12612600%	0.05520700%	
Change in Proportionate Share	0.00067500%	0.00456400%	
Proportionate Share			
Net Pension Liability	\$34,728,224	\$0	\$34,728,224
Net Pension Asset	\$0	\$56,631	\$56,631
Pension Expense	\$7,593,357	\$16,321	\$7,609,678

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 11 - DEFINED BENEFIT PENSION PLAN (continued)

Pension expense for the member-directed defined contribution plan was \$28,665 for 2019. The aggregate pension expense for all pension plans was \$7,638,343 for 2019.

At December 31, 2019, the Library reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources.

	OPERS Traditional Plan	OPERS Combined Plan	Total
Deferred Outflows of Resources			
Difference Between Expected and Actual Experience	\$1,602	\$0	\$1,602
Changes of Assumptions	3,023,177	12,648	3,035,825
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,713,592	12,199	4,725,791
Changes in Proportion and Differences Between Library Contributions and the Proportionate Share of Contributions	84,410	6,174	90,584
Library Contributions Subsequent to the Measurement Date	<u>2,436,251</u>	<u>32,323</u>	<u>2,468,574</u>
Total Deferred Outflows of Resources	<u>\$10,259,032</u>	<u>\$63,344</u>	<u>\$10,322,376</u>
Deferred Inflows of Resources			
Difference Between Expected and Actual Experience	\$456,002	\$23,129	\$479,131
Changes in Proportion and Differences Between Library Contributions and the Proportionate Share of Contributions	<u>229,577</u>	<u>0</u>	<u>229,577</u>
Total Deferred Inflows of Resources	<u>\$685,579</u>	<u>\$23,123</u>	<u>\$708,708</u>

\$2,468,574 reported as deferred outflows of resources related to pension resulting from Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase in the net pension asset in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as pension expense as follows.

	OPERS Traditional Plan	OPERS Combined Plan	Total
Year Ending December 31,			
2020	\$2,950,925	\$2,707	\$2,953,632
2021	1,556,828	270	1,557,098
2022	437,281	527	437,808
2023	2,192,168	4,346	2,196,514
2024	0	(670)	(670)
Thereafter	<u>0</u>	<u>712</u>	<u>712</u>
Total	<u>\$7,137,202</u>	<u>\$7,892</u>	<u>\$7,145,094</u>

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 11 - DEFINED BENEFIT PENSION PLAN (continued)

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2018, using the following actuarial assumptions applied to all periods included in the measurement in accordance with GASB Statement No. 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2018, are presented below.

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA		
Pre-January 7, 2013	3 percent simple	3 percent simple
Post-January 7, 2013	3 percent simple through 2018, then 2.15 percent simple	3 percent simple through 2018, then 2.15 percent simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	individual entry age	individual entry age

In October 2018, the OPERS Board adopted a change in the investment rate of return assumption reducing it from 7.5 percent to 7.2 percent. This change was effective beginning with the 2018 valuation.

Preretirement mortality rates were based on the RP-2014 Employees Mortality Table for males and females adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Postretirement mortality rates were based on the RP-2014 Healthy Annuitant Mortality Table for males and females adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Postretirement mortality rates for disabled retirees were based on the RP-2014 Disabled Mortality Table for males and females adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year were determined by applying the MP-2015 Mortality Improvement Scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

The long-term rate of return on defined benefit investment assets was determined using a building block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage adjusted for inflation.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 11 - DEFINED BENEFIT PENSION PLAN (continued)

During 2018, OPERS managed investments in three investment portfolios; the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the traditional plan, the defined benefit component of the combined plan, and the annuitized accounts of the member-directed plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 2.94 percent for 2018.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board approved asset allocation policy for 2018 and the long-term expected real rates of return.

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.79 %
Domestic Equities	19.00	6.21
Real Estate	10.00	4.90
Private Equity	10.00	10.81
International Equities	20.00	7.83
Other Investments	18.00	5.50
Total	<u>100.00 %</u>	

Discount Rate - For 2018, the discount rate used to measure the total pension liability was 7.2 percent for the traditional and the combined plans. For 2017, the discount rate used to measure the total pension liability was 7.5 percent for the traditional and the combined plans. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for all three plans was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Library's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate - The following table presents the Library's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2 percent as well as what the Library's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.2 percent) or one percentage point higher (8.2 percent) than the current rate.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 11 - DEFINED BENEFIT PENSION PLAN (continued)

	1% Decrease (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
Library's Proportionate Share of the Net Pension Liability (Asset)			
OPERS Traditional Plan	\$51,303,685	\$34,728,224	\$20,953,865
OPERS Combined Plan	(\$18,738)	(\$56,631)	(\$84,067)

NOTE 12 - DEFINED BENEFIT OPEB PLAN

See Note 11 for a description of the net OPEB liability.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans; the traditional plan, a cost-sharing multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit postemployment health care trust which funds multiple health care plans including medical coverage, prescription drug coverage, and deposits to a health reimbursement arrangement to qualifying benefit recipients of both the traditional and combined pension plans. This trust is also used to fund health care for member-directed plan participants in the form of a retiree medical account (RMA). At retirement or refund, member-directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional and combined pension plans must have twenty or more years of qualifying Ohio service credit and a minimum age of sixty or generally thirty years of service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of another postemployment benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75. (See OPERS' CAFR referenced below for additional information.)

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 12 - DEFINED BENEFIT OPEB PLAN (continued)

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by the OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care was no longer being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed 14 percent of earnable salary and public safety and law enforcement employers contributed 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund the health care plans. As recommended by OPERS' actuary, beginning January 1, 2018, OPERS no longer allocated a portion of its employer contribution to health care for the traditional and combined pension plans.

The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants of the member-directed plan was 4 percent for 2019.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Library's contractually required contribution was \$28,665 for 2019. Of this amount, \$1,369 is reported as an intergovernmental payable.

OPEB Liability, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and the total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Library's proportion of the net OPEB liability was based on the Library's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share.

	OPERS
Proportion of the Net OPEB Liability:	
Current Measurement Date	0.12373900%
Prior Measurement Date	0.12393000%
Change in Proportionate Share	0.00019100%
Proportionate Share of the Net OPEB Liability	\$16,132,643
OPEB Expense	\$1,332,594

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 12 - DEFINED BENEFIT OPEB PLAN (continued)

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	OPERS
Deferred Outflows of Resources	
Difference Between Expected and Actual Experience	\$5,462
Changes of Assumptions	520,135
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	739,586
Library Contributions Subsequent to the Measurement Date	28,665
Total Deferred Outflows of Resources	\$1,293,848
Deferred Inflows of Resources	
Difference Between Expected and Actual Experience	\$43,773
Changes in Proportion and Differences Between Library Contributions and the Proportionate Share of Contributions	174,036
Total Deferred Inflows of Resources	\$217,809

\$28,665 reported as deferred outflows of resources related to OPEB resulting from Library contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows.

	OPERS
Year Ending December 31,	
2020	\$424,696
2021	128,488
2022	121,609
2023	372,581
Total	\$1,047,374

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 12 - DEFINED BENEFIT OPEB PLAN (continued)

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB Statement No. 74.

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current Measurement Date	3.96 percent
Prior Measurement Date	3.85 percent
Investment Rate of Return	6 percent
Municipal Bond Rate	
Current Measurement Date	3.71 percent
Prior Measurement Date	3.31 percent
Health Care Cost Trend Rate	
Current Measurement Date	10 percent initial
	3.25 percent ultimate in 2029
Prior Measurement Date	7.25 percent initial
	3.25 percent ultimate in 2028
Actuarial Cost Method	individual entry age

In October 2018, the OPERS Board adopted a change in the investment rate of return assumption reducing it from 6.5 percent to 6 percent. The change was effective beginning with the 2018 valuation.

Preretirement mortality rates were based on the RP-2014 Employees Mortality Table for males and females adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Postretirement mortality rates were based on the RP-2014 Healthy Annuitant Mortality Table for males and females adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Postretirement mortality rates for disabled retirees were based on the RP-2014 Disabled Mortality Table for males and females adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year were determined by applying the MP-2015 Mortality Improvement Scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

The long-term expected rate of return on health care investment assets was determined using a building block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage adjusted for inflation.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 12 - DEFINED BENEFIT OPEB PLAN (continued)

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Health Care portfolio includes assets for health care expenses for the traditional plan, the combined plan, and the member-directed plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made and health care related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 5.6 percent for 2018.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board approved asset allocation policy for 2018 and the long-term expected real rates of return.

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	2.42 %
Domestic Equities	21.00	6.21
Real Estate Investment Trust	6.00	5.98
International Equities	22.00	7.83
Other Investments	17.00	5.57
Total	100.00 %	

Discount Rate - A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of twenty year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the expected rate of return on the health care investment portfolio of 6 percent and a municipal bond rate of 3.71 percent. The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through 2031 and the municipal bond rate was applied to all health care costs after that date.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 12 - DEFINED BENEFIT OPEB PLAN (continued)

Sensitivity of the Library's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - The following table presents the Library's proportionate share of the net OPEB liability calculated using the single discount rate of 3.96 percent as well as what the Library's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.96 percent) or one percentage point higher (4.96 percent) than the current rate.

	1% Decrease (2.96%)	Current Discount Rate (3.96%)	1% Increase (4.96%)
Library's Proportionate Share of the Net OPEB Liability	\$20,639,665	\$16,132,643	\$12,548,372

Sensitivity of the Library's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate - Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using assumed trend rates and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1 percent lower or 1 percent higher than the current rate.

Retiree health care valuations use a health care cost trend assumption that changes over several years built into the assumption. The near term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not too distant future, the health plan cost trend will decrease to a level at or near wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate assumed to be 3.25 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Library's Proportionate Share of the Net OPEB Liability	\$15,506,971	\$16,132,643	\$16,853,252

NOTE 13 - COMPENSATED ABSENCES

The criteria for determining the vacation and sick leave liability are derived from negotiated agreements and State laws. Employees are categorized by union as either Association of Public Library Employees (Aple) or Communication Workers of America (CWA), or they are exempt (do not belong to a union).

Vacation and sick leave earned and accumulated depends upon length of service. The maximum hours by category of employee is listed below:

Employee Type	Maximum Vacation Earned per Year	Maximum Sick Earned per Year	Maximum Vacation Accumulation
Aple	182	104	208
CWA	182	104	205
Exempt	182	104	208

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 13 - COMPENSATED ABSENCES (continued)

Years of Service	Maximum Sick Hours Accumulation			Percentage Sick Leave Paid
	Aple	CWA	Exempt	
0 to 9	830	830	830	0%
10 to 14	830	830	830	39%
15 to 19	975	950	975	41%
20 to 24	975	950	975	44%
25 to 29	975	975	975	46%
30 to 34	975	975	975	48%
35 or more	975	975	975	48-50%

Employees are paid for 100 percent of earned unused vacation leave upon termination. Upon retirement, employees are paid the value of their accumulated unused sick leave based on years of service.

NOTE 14 - LONG-TERM OBLIGATIONS

The Library's long-term obligations activity for the year ended December 31, 2019, was as follows:

	Interest Rate	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019	Due Within One Year
<u>Governmental Activities</u>						
Direct Borrowing						
Revenue Anticipation Notes						
2013 Facilities	3.55%	\$14,646,000	\$0	\$1,220,000	\$13,426,000	\$1,269,000
2017 Facilities	2.50	23,734,000	0	1,437,000	22,297,000	1,473,000
Total Revenue Anticipation Notes		38,380,000	0	2,657,000	35,723,000	2,742,000
Other Long-Term Obligations						
Net Pension Liability		19,786,724	14,941,500	0	34,728,224	0
Net OPEB Liability		13,457,885	2,674,758	0	16,132,643	0
Compensated Absences Payable		2,306,836	243,538	386,594	2,163,780	818,542
Capital Leases Payable		4,175	0	4,175	0	0
Total Other Long-Term Obligations		35,555,620	17,859,796	390,769	53,024,647	818,542
Total Governmental Activities		\$73,935,620	\$17,859,796	\$3,047,769	\$88,747,647	\$3,560,542

On November 20, 2013, the Library issued revenue anticipation notes, a direct borrowing, in the amount of \$20,000,000, for constructing, renovating, and improving the Library's facilities. The notes were issued under the authority of Ohio Revised Code Section 3375.404 for a fifteen year period with final maturity in 2028. The notes have an interest rate of 3.55 percent. The notes are being repaid from the General Fund from the Library's state distribution of library funding. At December 31, 2018, the Library had spent all proceeds.

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 14 - LONG-TERM OBLIGATIONS (continued)

On July 11, 2017, the Library issued revenue anticipation notes, a direct borrowing, in the amount of \$25,000,000, for constructing, renovating, and improving the Library's facilities. The notes were issued under the authority of Ohio Revised Code Section 3375.404 for a fifteen year period with final maturity in 2032. The notes have an interest rate of 2.5 percent. The notes are being repaid from the General Fund from the Library's state distribution of library funding. At December 31, 2019, the Library had \$241,890 in unspent proceeds.

There is no repayment schedule for the net pension/OPEB liability. The Library pays obligations related to employee compensation from the General Fund. For additional information related to the net pension/OPEB liability, see Notes 11 and 12 to the basic financial statements.

Compensated absences and capital leases will be paid from the General Fund.

Principal and interest requirements to retire notes payable outstanding at December 31, 2019, were as follows:

Year	2013 Revenue Anticipation Notes		2017 Revenue Anticipation Notes	
	Principal	Interest	Principal	Interest
2020	\$1,269,000	\$476,623	\$1,473,000	\$557,425
2021	1,319,000	431,574	1,509,000	520,600
2022	1,372,000	384,749	1,547,000	482,875
2023	1,427,000	336,043	1,586,000	444,200
2024	1,484,000	285,385	1,626,000	404,550
2025-2029	6,555,000	593,135	8,758,000	1,392,400
2030-2032	0	0	5,798,000	292,300
Total	\$13,426,000	\$2,507,509	\$22,297,000	\$4,094,350

NOTE 15 - CAPITAL LEASES - LESSEE DISCLOSURE

The Library has entered into capitalized leases for equipment. Capital lease payments are reflected as function expenditures on a budgetary perspective and as debt service expenditures on the statement of revenues, expenditures, and changes in fund balances for the governmental funds. Principal payments in 2019 were \$4,175, which fully retired the lease obligation.

	Governmental Activities
Equipment	\$62,634
Less Accumulated Depreciation	(62,634)
	<u>\$0</u>

Toledo Lucas County Public Library
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(continued)

NOTE 16 - FUND BALANCE

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the Library is bound to observe constraints imposed upon the use of the resources in governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balance	General	Facilities Construction/ Improvement	Other Governmental	Total Governmental Funds
Nonspendable for:				
Books and Library Materials	\$0	\$0	\$129,590	\$129,590
Prepaid Items	245,576	0	0	245,576
Materials and Supplies Inventory	45,307	0	0	45,307
Total Nonspendable	<u>290,883</u>	<u>0</u>	<u>129,590</u>	<u>420,473</u>
Restricted for:				
Books and Library Materials	0	0	394,298	394,298
Library Improvements	0	1,481,879	178,622	1,660,501
Total Restricted	<u>0</u>	<u>1,481,879</u>	<u>572,920</u>	<u>2,054,799</u>
Committed for:				
Construction	0	0	1,152,401	1,152,401
Assigned for:				
Projected Budget Shortage	4,150,276	0	0	4,150,276
Tuition	145,606	0	0	145,606
Unpaid Obligations	952,383	0	0	952,383
Total Assigned	<u>5,248,265</u>	<u>0</u>	<u>0</u>	<u>5,248,265</u>
Total Fund Balance	<u><u>\$5,539,148</u></u>	<u><u>\$1,481,879</u></u>	<u><u>\$1,854,911</u></u>	<u><u>\$8,875,938</u></u>

NOTE 17 - CONTINGENT LIABILITIES

A. Litigation

There are currently no matters of litigation with the Library as defendant.

B. Federal and State Grants

For the period January 1, 2019, to December 31, 2019, the Library received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the Library believes such disallowances, if any, would be immaterial.

NOTE 18 - SUBSEQUENT EVENT

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Library; however, the amount of losses and/or any recovery from emergency funding, if any, cannot be determined.

Toledo Lucas County Public Library
 Required Supplementary Information
 Schedule of the Library's Proportionate Share of the Net Pension Liability
 Ohio Public Employees Retirement System - Traditional Plan
 Last Six Years (1)

	2019	2018	2017
Library's Proportion of the Net Pension Liability	0.12680100%	0.12612600%	0.13061500%
Library's Proportionate Share of the Net Pension Liability	\$34,728,224	\$19,786,724	\$29,660,446
Library's Covered Payroll	\$17,126,650	\$16,682,229	\$16,892,992
Library's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	202.77%	118.61%	175.58%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

Amounts presented as of the Library's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

<u>2016</u>	<u>2015</u>	<u>2014</u>
0.12854600%	0.12480700%	0.12480700%
\$22,265,788	\$15,053,119	\$14,713,119
\$15,998,886	\$15,301,467	\$13,418,625
139.17%	98.38%	109.65%
81.08%	86.45%	86.36%

Toledo Lucas County Public Library
 Required Supplementary Information
 Schedule of the Library's Proportionate Share of the Net Pension Asset
 Ohio Public Employees Retirement System - Combined Plan
 Last Two Years (1)

	2019	2018
Library's Proportion of the Net Pension Asset	0.05064300%	0.05520700%
Library's Proportionate Share of the Net Pension Asset	\$56,631	\$75,155
Library's Covered Payroll	\$216,600	\$226,100
Library's Proportionate Share of the Net Pension Asset as a Percentage of Covered Payroll	-26.15%	-33.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	126.64%	137.28%

(1) Amounts for the combined plan are not presented prior to 2018 as the Library's participation in this plan was considered immaterial in previous years.

Amounts presented as of the Library's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

Toledo Lucas County Public Library
 Required Supplementary Information
 Schedule of the Library's Proportionate Share of the Net OPEB Liability
 Ohio Public Employees Retirement System
 Last Three Years (1)

	2019	2018	2017
Library's Proportion of the Net OPEB Liability	0.12373900%	0.12393000%	0.12842000%
Library's Proportionate Share of the Net OPEB Liability	\$16,132,643	\$13,457,885	\$12,970,856
Library's Covered Payroll	\$17,947,950	\$17,553,629	\$17,747,100
Library's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	89.89%	76.67%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.04%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented as of the Library's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

Toledo Lucas County Public Library
 Required Supplementary Information
 Schedule of the Library's Contributions
 Ohio Public Employees Retirement System
 Last Seven Years (1)

	2019	2018	2017
Net Pension Liability - Traditional Plan			
Contractually Required Contribution	\$2,436,251	\$2,397,731	\$2,168,690
Contributions in Relation to the Contractually Required Contribution	<u>(2,436,251)</u>	<u>(2,397,731)</u>	<u>(2,168,690)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Library's Covered Payroll	\$17,401,793	\$17,126,650	\$16,682,229
Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>
Net Pension Liability - Combined Plan			
Contractually Required Contribution	\$32,323	\$30,324	\$29,393
Contributions in Relation to the Contractually Required Contribution	<u>(32,323)</u>	<u>(30,324)</u>	<u>(29,393)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Library's Covered Payroll	\$230,879	\$216,600	\$226,100
Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>
Net Pension Liability - OPEB Plan (2)			
Contractually Required Contribution	\$28,665	\$24,188	\$194,895
Contributions in Relation to the Contractually Required Contribution	<u>(28,665)</u>	<u>(24,188)</u>	<u>(194,895)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Library's Covered Payroll (3)	\$18,349,297	\$17,947,950	\$17,553,629
OPEB Contributions as a Percentage of Covered Payroll	<u>0.16%</u>	<u>0.13%</u>	<u>1.11%</u>

(1) Although this schedule is intended to reflect information for ten years, information prior to 2013 is not available. An additional column will be added each year.

(2) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.

(3) The OPEB plan includes the members from the traditional plan, the combined plan, and the member-directed plan. The member-directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

See Accompanying Notes to the Required Supplementary Information

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$2,027,159	\$1,919,866	\$1,836,176	\$1,744,421
<u>(2,027,159)</u>	<u>(1,919,866)</u>	<u>(1,836,176)</u>	<u>(1,744,421)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$16,892,992	\$15,998,886	\$15,301,467	\$13,418,625
<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$28,720	\$27,288	\$26,767	\$20,467
<u>(28,720)</u>	<u>(27,288)</u>	<u>(26,767)</u>	<u>(20,467)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$239,333	\$227,400	\$223,058	\$157,438
<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$367,238			
<u>(367,238)</u>			
<u>\$0</u>			
\$17,747,100			
<u>2.07%</u>			

Toledo Lucas County Public Library
Notes to Required Supplementary Information
For the Year Ended December 31, 2019

Changes in Assumptions - OPERS Pension - Traditional Plan

Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and in 2016 and prior are presented below.

	2019	2017	2016 and Prior
Wage Inflation	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA			
Pre-January 7, 2013	3 percent simple	3 percent simple	3 percent simple
Post-January 7, 2013	3 percent simple through 2018, then 2.15 percent simple	3 percent simple through 2018, then 2.15 percent simple	3 percent simple through 2018, then 2.8 percent simple
Investment Rate of Return	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	individual entry age	individual entry age	individual entry age

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant Mortality Table. For males, healthy annuitant mortality tables were used adjusted for mortality improvements back to the observation period base of 2006 and then established the base year as 2015. For females, healthy annuitant mortality tables were used adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled Mortality Table adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables were determined by applying the MP-2015 Mortality Improvement Scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected twenty years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 Mortality Table with no projections. For males, 120 percent of the disabled female mortality rates were used, set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Changes in Assumptions - OPERS Pension - Combined Plan

For 2019, the investment rate of return changed from 7.5 percent to 7.2 percent.

Changes in Assumptions - OPERS OPEB

For 2019, the single discount rate changed from 3.85 percent to 3.96 percent and the municipal bond rate changed from 3.31 percent to 3.71 percent. For 2019, the health care cost trend rate was 10 percent initial, 3.25 percent ultimate in 2029. For 2018, the health care cost trend rate was 7.25 percent initial, 3.25 percent ultimate in 2028.

**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

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NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes, other than for debt service or capital projects. Following is a description of the Library's nonmajor special revenue funds:

Workplace Wellness

To account for resources from the Ohio Bureau of Workers' Compensation restricted to limit and control the escalating cost of workers' compensation claims by developing health promotion programs for employees as well as reducing health care costs for employers.

LSTA Migrant Farmworker

To account for grants restricted to provide migrant farm worker communities access to public library services by purchasing a mobile outreach vehicle to deliver and provide services to migrant farm worker communities throughout Northwest Ohio.

Special Gifts

To account for various fees whose use is restricted by the donors.

Marci Stothers

To account for donations received from Marci Stothers restricted to purchasing children's books about Native Americans.

Lois Waffle

To account for donations from the Estate of Lois A. Waffle restricted to benefit the Waterville Branch Library.

Colby

To account for donations from George F. Colby originally restricted to benefit the Jermain Branch Library. This branch has since been closed. Resources are currently restricted for acquisitions relating to the history of Toledo and Lucas County.

Kent

To account for donations received from Eliza M. Kent restricted to purchasing books.

Louise M. Meffley

To account for donations from the Estate of Louise M. Meffley restricted to purchasing materials for the sight impaired.

NONMAJOR CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities and other capital assets.

Building and Repair

To account for interest and other sources committed by resolution of the Board of Trustees for the acquisition or construction of buildings and equipment.

NONMAJOR CAPITAL PROJECTS FUNDS (continued)

Library Legacy Foundation

To account for donations from the Library Foundation restricted to improving the library system by assisting with construction projects.

NONMAJOR PERMANENT FUNDS

To account for resources that are restricted to the extent that only earnings, and not principal, may be spent for Library purposes.

Libbey

Established by the bequest of Edward Drummond Libbey. The annual income is restricted to purchasing books other than novels, works of fiction, periodicals, and newspapers.

Hopkins

Originally established by Mrs. Owen J. Hopkins. The National Society of the United States Daughters of 1812 have given additional contributions. The annual income is restricted to purchasing books on genealogy.

Colburn

Established by William J. and Carrie P. Colburn. The annual income is restricted to purchasing books other than novels, works of fiction, periodicals, and newspapers.

Toledo Lucas County Public Library
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$249,188	\$1,335,673	\$269,701	\$1,854,562
Accrued Interest Receivable	113	0	154	267
Due from Other Governments	7,849	0	0	7,849
Total Assets	\$257,150	\$1,335,673	\$269,855	\$1,862,678
<u>Liabilities</u>				
Accounts Payable	\$0	\$1,794	\$0	\$1,794
Contracts Payable	0	2,856	0	2,856
Total Liabilities	0	4,650	0	4,650
<u>Deferred Inflows of Resources</u>				
Unavailable Revenue	2,963	0	154	3,117
<u>Fund Balance</u>				
Nonspendable	0	0	129,590	129,590
Restricted	254,187	178,622	140,111	572,920
Committed	0	1,152,401	0	1,152,401
Total Fund Balance	254,187	1,331,023	269,701	1,854,911
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$257,150	\$1,335,673	\$269,855	\$1,862,678

Toledo Lucas County Public Library
Combining Balance Sheet
Special Revenue Funds
December 31, 2019

	<u>Workplace Wellness</u>	<u>LSTA Migrant Farmworker</u>	<u>Special Gifts</u>	<u>Marci Stothers</u>
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$0	\$26,155	\$807
Accrued Interest Receivable	0	0	0	0
Due from Other Governments	2,850	4,999	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$2,850</u>	<u>\$4,999</u>	<u>\$26,155</u>	<u>\$807</u>
<u>Deferred Inflows of Resources</u>				
Unavailable Revenue	\$2,850	\$0	\$0	\$0
<u>Fund Balance</u>				
Restricted	0	4,999	26,155	807
	<hr/>	<hr/>	<hr/>	<hr/>
Total Deferred Inflows of Resources and Fund Balance	<u>\$2,850</u>	<u>\$4,999</u>	<u>\$26,155</u>	<u>\$807</u>

Lois Waffle	Colby	Kent	Louise M. Meffley	Total
\$2,585	\$51,099	\$71,017	\$97,525	\$249,188
0	30	41	42	113
0	0	0	0	7,849
<u>\$2,585</u>	<u>\$51,129</u>	<u>\$71,058</u>	<u>\$97,567</u>	<u>\$257,150</u>
\$0	\$30	\$41	\$42	\$2,963
<u>2,585</u>	<u>51,099</u>	<u>71,017</u>	<u>97,525</u>	<u>254,187</u>
<u>\$2,585</u>	<u>\$51,129</u>	<u>\$71,058</u>	<u>\$97,567</u>	<u>\$257,150</u>

Toledo Lucas County Public Library
Combining Balance Sheet
Capital Projects Funds
December 31, 2019

	<u>Building and Repair</u>	<u>Library Legacy Foundation</u>	<u>Total</u>
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$1,152,476	\$183,197	\$1,335,673
<u>Liabilities</u>			
Accounts Payable	\$0	\$1,794	\$1,794
Contracts Payable	75	2,781	2,856
Total Liabilites	75	4,575	4,650
<u>Fund Balance</u>			
Restricted	0	178,622	178,622
Committed	1,152,401	0	1,152,401
Total Fund Balance	1,152,401	178,622	1,331,023
Total Liabilities and Fund Balance	\$1,152,476	\$183,197	\$1,335,673

Toledo Lucas County Public Library
Combining Balance Sheet
Permanent Funds
December 31, 2019

	<u>Libbey</u>	<u>Hopkins</u>	<u>Colburn</u>	<u>Total</u>
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$201,764	\$19,154	\$48,783	\$269,701
Accrued Interest Receivable	116	11	27	154
Total Assets	<u>\$201,880</u>	<u>\$19,165</u>	<u>\$48,810</u>	<u>\$269,855</u>
<u>Deferred Inflows of Resources</u>				
Unavailable Revenue	\$116	\$11	\$27	\$154
<u>Fund Balance</u>				
Nonspendable	100,000	10,000	19,590	129,590
Restricted	101,764	9,154	29,193	140,111
Total Fund Balance	<u>201,764</u>	<u>19,154</u>	<u>48,783</u>	<u>269,701</u>
Total Deferred Inflows of Resources and Fund Balance	<u>\$201,880</u>	<u>\$19,165</u>	<u>\$48,810</u>	<u>\$269,855</u>

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Toledo Lucas County Public Library
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2019

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
<u>Revenues</u>				
Intergovernmental	\$7,849	\$0	\$0	\$7,849
Patron Fines and Fees	919	0	0	919
Interest	5,092	17,275	7,467	29,834
Gifts and Donations	0	160,000	0	160,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	13,860	177,275	7,467	198,602
<u>Expenditures</u>				
Current:				
Public Services				
General Public Services	391	0	0	391
Purchased and Contracted Services	16,982	18,573	0	35,555
Library Materials and Information	3,253	0	297	3,550
Capital Outlay	0	830,727	0	830,727
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	20,626	849,300	297	870,223
Changes in Fund Balance	(6,766)	(672,025)	7,170	(671,621)
Fund Balance Beginning of Year	260,953	2,003,048	262,531	2,526,532
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance End of Year	\$254,187	\$1,331,023	\$269,701	\$1,854,911
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Toledo Lucas County Public Library
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Special Revenue Funds
For the Year Ended December 31, 2019

	Workplace Wellness	LSTA Migrant Farmworker	Special Gifts	Marci Stothers
<u>Revenues</u>				
Intergovernmental	\$2,850	\$4,999	\$0	\$0
Patron Fines and Fees	0	0	919	0
Interest	0	0	3	0
Total Revenues	<u>2,850</u>	<u>4,999</u>	<u>922</u>	<u>0</u>
<u>Expenditures</u>				
Current:				
Public Services				
General Public Services	0	0	391	0
Purchased and Contracted Services	2,850	0	14,132	0
Library Materials and Information	0	0	0	0
Total Expenditures	<u>2,850</u>	<u>0</u>	<u>14,523</u>	<u>0</u>
Changes in Fund Balance	0	4,999	(13,601)	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>39,756</u>	<u>807</u>
Fund Balance End of Year	<u><u>\$0</u></u>	<u><u>\$4,999</u></u>	<u><u>\$26,155</u></u>	<u><u>\$807</u></u>

Lois Waffle	Colby	Kent	Louise M. Meffley	Total
\$0	\$0	\$0	\$0	\$7,849
0	0	0	0	919
0	1,163	1,824	2,102	5,092
0	1,163	1,824	2,102	13,860
0	0	0	0	391
0	0	0	0	16,982
0	0	0	3,253	3,253
0	0	0	3,253	20,626
0	1,163	1,824	(1,151)	(6,766)
2,585	49,936	69,193	98,676	260,953
<u>\$2,585</u>	<u>\$51,099</u>	<u>\$71,017</u>	<u>\$97,525</u>	<u>\$254,187</u>

Toledo Lucas County Public Library
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Capital Projects Funds
For the Year Ended December 31, 2019

	<u>Building and Repair</u>	<u>Library Legacy Foundation</u>	<u>Total</u>
<u>Revenues</u>			
Interest	\$2,820	\$14,455	\$17,275
Gifts and Donations	0	160,000	160,000
Total Revenues	<u>2,820</u>	<u>174,455</u>	<u>177,275</u>
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services	18,573	0	18,573
Library Materials and Information	0	0	0
Capital Outlay	<u>34,506</u>	<u>796,221</u>	<u>830,727</u>
Total Expenditures	<u>53,079</u>	<u>796,221</u>	<u>849,300</u>
Changes in Fund Balance	(50,259)	(621,766)	(672,025)
Fund Balance Beginning of Year	<u>1,202,660</u>	<u>800,388</u>	<u>2,003,048</u>
Fund Balance End of Year	<u><u>\$1,152,401</u></u>	<u><u>\$178,622</u></u>	<u><u>\$1,331,023</u></u>

Toledo Lucas County Public Library
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Permanent Funds
For the Year Ended December 31, 2019

	<u>Libbey</u>	<u>Hopkins</u>	<u>Colburn</u>	<u>Total</u>
<u>Revenues</u>				
Interest	\$5,557	\$542	\$1,368	\$7,467
<u>Expenditures</u>				
Current:				
Public Services				
Library Materials and Information	0	0	297	297
Changes in Fund Balance	5,557	542	1,071	7,170
Fund Balance Beginning of Year	196,207	18,612	47,712	262,531
Fund Balance End Year	<u>\$201,764</u>	<u>\$19,154</u>	<u>\$48,783</u>	<u>\$269,701</u>

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**INDIVIDUAL FUND SCHEDULES
OF REVENUES, EXPENDITURES/EXPENSES,
AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**

Toledo Lucas County Public Library
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$24,030,000	\$24,030,000	\$23,936,483	(\$93,517)
Intergovernmental	18,884,631	18,884,631	18,879,101	(5,530)
Patron Fines and Fees	406,610	406,610	390,714	(15,896)
Interest	10,800	10,800	18,342	7,542
Services Provided to Others	1,616	1,616	1,260	(356)
Gifts and Donations	24,000	16,996	18,180	1,184
Miscellaneous	204,024	204,024	297,227	93,203
Total Revenues	43,561,681	43,554,677	43,541,307	(13,370)
<u>Expenditures</u>				
Current:				
Public Services				
General Public Services				
Salaries and Benefits				
Salaries and Leave Benefits	19,644,935	19,544,935	18,718,894	826,041
Retirement Benefits	4,321,886	4,121,886	3,919,167	202,719
Insurance Benefits	4,231,283	4,431,283	4,272,500	158,783
Other Employee Benefits	101,346	101,346	92,802	8,544
Total Salaries and Benefits	28,299,450	28,199,450	27,003,363	1,196,087
Supplies				
General Administrative Supplies	306,423	307,923	256,201	51,722
Property Maintenance Supplies and Repair	199,204	199,204	194,799	4,405
Motor Vehicle Fuel, Supplies, and Parts	26,907	26,907	24,454	2,453
Total Supplies	532,534	534,034	475,454	58,580
Other Expenditures				
Dues and Memberships	107,207	102,347	96,315	6,032
Taxes and Assessments	40,000	40,000	34,739	5,261
Refunds and Reimbursements	209,124	209,124	115,668	93,456
Miscellaneous	25,135	25,135	15,649	9,486
Total Other Expenditures	381,466	376,606	262,371	114,235
Total General Public Services	29,213,450	29,110,090	27,741,188	1,368,902

(continued)

Toledo Lucas County Public Library
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Purchased and Contracted Services				
Travel and Meeting Expenditures	\$109,547	\$109,547	\$105,245	\$4,302
Communications, Printing, and Publicity	1,141,739	1,201,739	1,110,162	91,577
Property Maintenance, Repair, and Security Services	2,691,705	2,802,705	2,664,236	138,469
Insurance	307,606	307,606	261,113	46,493
Rents/Leases	185,998	208,498	182,975	25,523
Utilities	1,461,928	1,461,928	1,229,153	232,775
Professional Services	885,340	1,084,440	860,779	223,661
Library Material Control Services	100	100	0	100
Other Purchased and Contracted Services	174,277	216,037	131,478	84,559
Total Purchased and Contracted Services	6,958,240	7,392,600	6,545,141	847,459
Library Materials and Information				
Books and Pamphlets	1,371,673	1,371,972	1,167,794	204,178
Periodicals	219,122	219,122	216,644	2,478
Audiovisual Materials	555,900	555,900	479,686	76,214
Computer Services and Information	1,901,346	1,901,346	1,730,555	170,791
Interlibrary Loan Fees/Charges	50	50	0	50
Library Materials Repair and Restoration	9,650	9,650	8,008	1,642
Total Library Materials and Information	4,057,741	4,058,040	3,602,687	455,353
Total Public Services	40,229,431	40,560,730	37,889,016	2,671,714
Capital Outlay				
Buildings and Improvements	176,900	326,900	154,455	172,445
Furniture, Fixtures, and Equipment	1,221,081	1,208,581	1,081,857	126,724
Total Capital Outlay	1,397,981	1,535,481	1,236,312	299,169
Debt Service				
Principal Retirement	2,657,000	2,657,000	2,657,000	0
Interest and Fiscal Charges	1,113,283	1,113,283	1,113,283	0
Total Debt Service	3,770,283	3,770,283	3,770,283	0
Total Expenditures	45,397,695	45,866,494	42,895,611	2,970,883
Excess of Revenues Over (Under) Expenditures	(1,836,014)	(2,311,817)	645,696	2,957,513

(continued)

Toledo Lucas County Public Library
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Other Financing Uses</u>				
Other Financing Uses	(\$1,375,183)	(\$1,056,683)	\$0	\$1,056,683
Advances Out	(10,000)	(10,000)	0	10,000
Total Other Financing Uses	<u>(1,385,183)</u>	<u>(1,066,683)</u>	<u>0</u>	<u>1,066,683</u>
Changes in Fund Balance	(3,221,197)	(3,378,500)	645,696	4,024,196
Fund Balance Beginning of Year	2,596,783	2,596,783	2,596,783	0
Prior Year Encumbrances Appropriated	<u>964,331</u>	<u>964,331</u>	<u>964,331</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$339,917</u></u>	<u><u>\$182,614</u></u>	<u><u>\$4,206,810</u></u>	<u><u>\$4,024,196</u></u>

Toledo Lucas County Public Library
Facilities Construction/Improvement Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$169,238	\$179,895	\$10,657
Miscellaneous	0	463,479	463,479
Total Revenues	169,238	643,374	474,136
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Professional Services	425,252	425,252	0
Library Materials and Information			
Computer Services and Information	7,521	7,521	0
Capital Outlay			
Buildings and Improvements	11,983,040	11,964,940	18,100
Furniture, Fixtures, and Equipment	1,578,908	1,578,908	0
Total Capital Outlay	13,561,948	13,543,848	18,100
Total Expenditures	13,994,721	13,976,621	18,100
Changes in Fund Balance	(13,825,483)	(13,333,247)	492,236
Fund Balance Beginning of Year	1,730,761	1,730,761	0
Prior Year Encumbrances Appropriated	12,094,722	12,094,722	0
Fund Balance End of Year	\$0	\$492,236	\$492,236

Toledo Lucas County Public Library
Workplace Wellness Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$3,750	\$2,850	(\$900)
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Other Purchased and Contracted Services	3,750	2,850	900
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Toledo Lucas County Public Library
LSTA Migrant Farmworker Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$100,000	\$0	(\$100,000)
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Professional Services	65,000	0	65,000
Capital Outlay			
Vehicles	35,000	0	35,000
Total Expenditures	100,000	0	100,000
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Toledo Lucas County Public Library
Special Gifts Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Patron Fines and Fees	\$5,739	\$919	(\$4,820)
Interest	5	3	(2)
Total Revenues	<u>5,744</u>	<u>922</u>	<u>(4,822)</u>
<u>Expenditures</u>			
Current:			
Public Services			
Supplies			
General Administrative Supplies	1,140	391	749
Purchased and Contracted Services			
Professional Services	14,860	527	14,333
Other Purchased and Contracted Services	22,700	17,860	4,840
Total Purchased and Contracted Services	<u>37,560</u>	<u>18,387</u>	<u>19,173</u>
Total Expenditures	<u>38,700</u>	<u>18,778</u>	<u>19,922</u>
Changes in Fund Balance	(32,956)	(17,856)	15,100
Fund Balance Beginning of Year	42,011	42,011	0
Prior Year Encumbrances Appropriated	2,000	2,000	0
Fund Balance End of Year	<u>\$11,055</u>	<u>\$26,155</u>	<u>\$15,100</u>

Toledo Lucas County Public Library
 Marci Stothers Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Public Services			
Library Materials and Information			
Books and Pamphlets	800	0	800
Changes in Fund Balance	(800)	0	800
Fund Balance Beginning of Year	807	807	0
Fund Balance End of Year	<u>\$7</u>	<u>\$807</u>	<u>\$800</u>

Toledo Lucas County Public Library
Lois Waffle Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Public Services			
General Public Services			
Salaries and Benefits			
Other Employee Benefits	1,700	0	1,700
Capital Outlay			
Buildings and Improvements	800	0	800
Total Expenditures	2,500	0	2,500
Changes in Fund Balance	(2,500)	0	2,500
Fund Balance Beginning of Year	2,585	2,585	0
Fund Balance End of Year	\$85	\$2,585	\$2,500

Toledo Lucas County Public Library
Colby Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$640	\$737	\$97
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Professional Services	500	0	500
Changes in Fund Balance	140	737	597
Fund Balance Beginning of Year	50,320	50,320	0
Fund Balance End of Year	<u>\$50,460</u>	<u>\$51,057</u>	<u>\$597</u>

Toledo Lucas County Public Library
Kent Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$985	\$1,244	\$259
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Professional Services	500	0	500
Changes in Fund Balance	485	1,244	759
Fund Balance Beginning of Year	69,721	69,721	0
Fund Balance End of Year	<u>\$70,206</u>	<u>\$70,965</u>	<u>\$759</u>

Toledo Lucas County Public Library
Louise M. Meffley Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$725	\$1,517	\$792
<u>Expenditures</u>			
Current:			
Public Services			
Library Materials and Information			
Books and Pamphlets	3,500	3,500	0
Changes in Fund Balance	(2,775)	(1,983)	792
Fund Balance Beginning of Year	99,197	99,197	0
Fund Balance End of Year	\$96,422	\$97,214	\$792

Toledo Lucas County Public Library
Building and Repair Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$4,000	\$2,820	(\$1,180)
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Professional Services	31,447	28,182	3,265
Capital Outlay			
Buildings and Improvements	234,494	0	234,494
Furniture, Fixtures, and Equipment	10,000	0	10,000
Vehicles	35,506	34,506	1,000
Total Capital Outlay	280,000	34,506	245,494
Total Expenditures	311,447	62,688	248,759
Changes in Fund Balance	(307,447)	(59,868)	247,579
Fund Balance Beginning of Year	1,191,213	1,191,213	0
Prior Year Encumbrances Appropriated	11,447	11,447	0
Fund Balance End of Year	\$895,213	\$1,142,792	\$247,579

Toledo Lucas County Public Library
Library Legacy Foundation Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$2,000	\$14,455	\$12,455
Gifts and Donations	160,000	160,000	0
	162,000	174,455	12,455
<u>Expenditures</u>			
Capital Outlay			
Furniture, Fixtures, and Equipment	960,000	830,690	129,310
Changes in Fund Balance	(798,000)	(656,235)	141,765
Fund Balance Beginning Year	800,388	800,388	0
Fund Balance End of Year	\$2,388	\$144,153	\$141,765

Toledo Lucas County Public Library
 Libbey Permanent Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2019

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Interest	\$3,000	\$3,916	\$916
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Professional Services	<u>500</u>	<u>0</u>	<u>500</u>
Changes in Fund Balance	2,500	3,916	1,416
Fund Balance Beginning of Year	<u>197,711</u>	<u>197,711</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$200,211</u></u>	<u><u>\$201,627</u></u>	<u><u>\$1,416</u></u>

Toledo Lucas County Public Library
Hopkins Permanent Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$290	\$386	\$96
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Professional Services	400	0	400
Changes in Fund Balance	(110)	386	496
Fund Balance Beginning of Year	18,755	18,755	0
Fund Balance End of Year	<u>\$18,645</u>	<u>\$19,141</u>	<u>\$496</u>

Toledo Lucas County Public Library
Colburn Permanent Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$720	\$976	\$256
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Professional Services	200	0	200
Library Materials and Information			
Books and Pamphlets	297	297	0
Total Expenditures	497	297	200
Changes in Fund Balance	223	679	456
Fund Balance Beginning of Year	48,071	48,071	0
Fund Balance End of Year	\$48,294	\$48,750	\$456

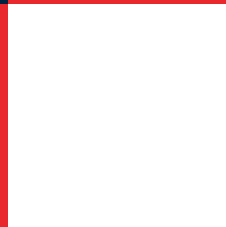
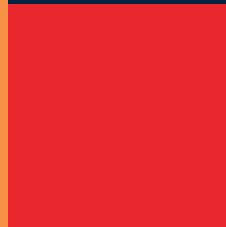
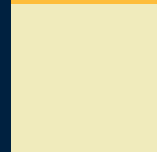
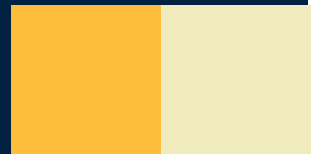
Toledo Lucas County Public Library
Self Insurance Internal Service Fund

Schedule of Revenues, Expenses,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2019

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$4,778,773	\$4,622,756	(\$156,017)
<u>Expenses</u>			
<u>Purchased and Contracted Services</u>			
Professional Services	560,400	321,846	238,554
<u>Claims</u>			
Claims	4,109,600	3,519,545	590,055
Total Expenses	4,670,000	3,841,391	828,609
Changes in Fund Balance	108,773	781,365	672,592
Fund Balance Beginning Year	384,549	384,549	0
Fund Balance End of Year	\$493,322	\$1,165,914	\$672,592

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STATISTICAL
SECTION



Toledo Lucas County Public Library
Statistical Section

This part of the Library’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Library’s overall financial health.

Contents **Page**

Financial Trends..... S-2

These schedules contain trend information to help the reader understand how the Library’s financial performance and well-being have changed over time.

Revenue Capacity S-10

These schedules contain information to help the reader assess the Library’s most significant local revenue source.

Debt Capacity..... S-21

This schedule presents information to help the reader assess the affordability of the Library’s current levels of outstanding debt and the Library’s ability to issue additional debt in the future.

Demographic and Economic Information..... S-23

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Library’s financial activities take place.

Operating Information S-26

These schedules contain service data to help the reader understand how the information in the Library’s financial report relates to the services the Library provides and the activities it performs.

Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Toledo Lucas County Public Library
Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2019	2018	2017	2016
Governmental Activities				
Net Investment in Capital Assets	\$68,354,803	\$67,214,162	\$69,867,117	\$71,597,311
Restricted for				
Capital Projects	1,649,051	3,677,712	985,026	66,612
BTOP @ccess Center	0	0	0	0
Library Materials (Sight Impaired)	97,525	98,794	100,265	109,637
Library Materials (Book Acquisition)	97,172	109,034	131,489	112,130
Other Purposes	62,453	53,413	54,399	70,630
Library Materials				
Expendable	140,265	133,146	129,007	133,387
Nonexpendable	129,590	129,590	129,590	129,590
Unrestricted (Deficit)	(24,021,769)	(21,137,579)	(21,136,803)	(2,075,706)
Total Governmental Activities Net Position	<u>\$46,509,090</u>	<u>\$50,278,272</u>	<u>\$50,260,090</u>	<u>\$70,143,591</u>

Note: The Library reported the impact of GASB Statement No. 68 beginning in 2014 and the impact of GASB Statement No. 75 beginning in 2017.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$72,377,986	\$74,530,602	\$74,061,618	\$74,859,510	\$75,779,392	\$74,418,674
0	0	0	381	381	72,102
0	0	0	0	115,907	859,536
109,545	109,872	114,093	114,600	116,422	108,251
69,743	72,858	76,236	0	0	0
95,371	112,046	119,220	189,302	203,875	205,984
131,547	137,943	158,286	160,057	163,803	165,154
129,590	129,590	129,590	129,590	129,590	129,590
2,781,811	1,934,751	17,657,948	18,702,438	18,947,074	17,703,944
<u>\$75,695,593</u>	<u>\$77,027,662</u>	<u>\$92,316,991</u>	<u>\$94,155,878</u>	<u>\$95,456,444</u>	<u>\$93,663,235</u>

Toledo Lucas County Public Library
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2019	2018	2017	2016
<u>Expenses</u>				
Governmental Activities				
Public Services				
General Public Services	\$36,460,036	\$31,939,651	\$32,919,348	\$29,052,495
Purchased and Contracted Services	8,346,982	7,837,781	7,155,165	8,142,696
Library Materials and Information	3,553,323	3,052,815	3,765,253	3,927,575
Interest and Fiscal Charges	1,093,474	1,237,696	817,303	630,507
Total Governmental Activities Expenses	<u>49,453,815</u>	<u>44,067,943</u>	<u>44,657,069</u>	<u>41,753,273</u>
<u>Program Revenues</u>				
Governmental Activities				
Charges for Services				
General Public Services	392,824	502,415	548,649	563,947
Operating Grants, Contributions, and Interest	38,033	35,413	131,995	90,581
Capital Grants and Contributions	160,000	800,000	0	50,000
Total Governmental Activities Program Revenues	<u>590,857</u>	<u>1,337,828</u>	<u>680,644</u>	<u>704,528</u>
Net Expense	<u>(48,862,958)</u>	<u>(42,730,115)</u>	<u>(43,976,425)</u>	<u>(41,048,745)</u>
<u>General Revenues and Other Changes in Net Position</u>				
Governmental Activities				
Property Taxes Levied for General Purposes	24,694,024	23,524,500	18,511,212	17,831,250
Grants and Entitlements not Restricted to Specific Programs	19,408,783	18,441,344	17,667,427	17,185,031
Interest	203,332	410,556	170,140	38,687
Gifts and Donations	18,180	24,292	24,645	202,315
Miscellaneous	769,457	347,605	495,461	239,460
Total Governmental Activities General Revenues	<u>45,093,776</u>	<u>42,748,297</u>	<u>36,868,885</u>	<u>35,496,743</u>
Change in Net Position	<u>(\$3,769,182)</u>	<u>\$18,182</u>	<u>(\$7,107,540)</u>	<u>(\$5,552,002)</u>

Note: Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015 and GASB Statement No. 75 beginning in 2018.

2015	2014	2013	2012	2011	2010
\$27,051,303	\$26,100,042	\$24,935,679	\$22,929,816	\$22,628,863	\$22,327,684
7,638,098	6,562,188	7,569,112	5,866,289	6,835,282	5,872,459
3,781,439	3,725,971	4,669,746	3,812,055	4,076,874	4,033,628
667,906	740,281	94,871	2,985	4,397	4,358
<u>39,138,746</u>	<u>37,128,482</u>	<u>37,269,408</u>	<u>32,611,145</u>	<u>33,545,416</u>	<u>32,238,129</u>
630,288	670,305	783,500	831,798	855,521	931,871
38,222	42,550	13,550	32,747	2,012,789	204,915
16,350	192,987	0	165,806	0	0
<u>684,860</u>	<u>905,842</u>	<u>797,050</u>	<u>1,030,351</u>	<u>2,868,310</u>	<u>1,136,786</u>
<u>(38,453,886)</u>	<u>(36,222,640)</u>	<u>(36,472,358)</u>	<u>(31,580,794)</u>	<u>(30,677,106)</u>	<u>(31,101,343)</u>
17,977,743	17,143,512	17,239,535	13,333,720	14,306,969	13,698,123
18,839,969	16,356,111	17,195,257	16,638,013	18,020,239	17,317,214
42,771	44,734	20,263	28,525	25,261	29,420
28,276	21,611	7,778	10,796	29,214	36,963
233,058	244,286	170,638	269,174	88,632	167,283
<u>37,121,817</u>	<u>33,810,254</u>	<u>34,633,471</u>	<u>30,280,228</u>	<u>32,470,315</u>	<u>31,249,003</u>
<u>(\$1,332,069)</u>	<u>(\$2,412,386)</u>	<u>(\$1,838,887)</u>	<u>(\$1,300,566)</u>	<u>\$1,793,209</u>	<u>\$147,660</u>

Toledo Lucas County Public Library
Fund Balance
Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2019	2018	2017	2016
General Fund				
Nonspendable	\$290,883	\$547,695	\$311,986	\$454,120
Assigned	5,248,265	3,495,410	1,328,895	2,466,867
Unassigned	0	0	0	0
Total General Fund	<u>5,539,148</u>	<u>4,043,105</u>	<u>1,640,881</u>	<u>2,920,987</u>
All Other Governmental Funds				
Nonspendable	129,590	129,590	129,590	129,590
Restricted	2,054,799	13,529,121	25,146,141	2,813,564
Committed	1,152,401	1,202,660	697,383	1,826,371
Unassigned (Deficit)	0	0	0	(13,636)
Total All Other Governmental Funds	<u>3,336,790</u>	<u>14,861,371</u>	<u>25,973,114</u>	<u>4,755,889</u>
Total Governmental Funds	<u><u>\$8,875,938</u></u>	<u><u>\$18,904,476</u></u>	<u><u>\$27,613,995</u></u>	<u><u>\$7,676,876</u></u>

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$490,659	\$470,342	\$442,788	\$469,265	\$463,514	\$451,632
4,061,631	3,765,324	2,937,442	1,767,692	3,265,266	4,363,749
0	817,229	1,514,950	2,442,544	2,652,094	3,008,177
<u>4,552,290</u>	<u>5,052,895</u>	<u>4,895,180</u>	<u>4,679,501</u>	<u>6,380,874</u>	<u>7,823,558</u>
129,590	129,590	129,590	129,590	129,590	129,590
9,425,350	15,946,072	20,206,051	464,104	569,576	1,404,801
3,590,513	3,388,724	4,551,052	5,430,214	4,190,602	2,343,511
0	0	0	0	0	0
<u>13,145,453</u>	<u>19,464,386</u>	<u>24,886,693</u>	<u>6,023,908</u>	<u>4,889,768</u>	<u>3,877,902</u>
<u>\$17,697,743</u>	<u>\$24,517,281</u>	<u>\$29,781,873</u>	<u>\$10,703,409</u>	<u>\$11,270,642</u>	<u>\$11,701,460</u>

Toledo Lucas County Public Library
Changes in Fund Balance
Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2019	2018	2017	2016
<u>Revenues</u>				
Property Taxes	\$23,936,483	\$23,935,857	\$17,937,134	\$17,905,303
Intergovernmental	18,945,692	18,285,357	17,497,417	17,556,219
Patron Fines and Fees	391,718	529,269	621,664	622,535
Interest	230,893	418,238	170,907	45,741
Services Provided to Others	1,652	1,394	1,369	1,303
Gifts and Donations	178,180	824,292	35,645	212,315
Miscellaneous	763,877	347,605	495,461	239,793
Total Revenues	44,448,495	44,342,012	36,759,597	36,583,209
<u>Expenditures</u>				
Current:				
Public Services				
General Public Services	27,786,448	26,465,586	25,813,890	25,038,089
Purchased and Contracted Services	6,256,839	7,220,380	6,965,856	6,902,470
Library Materials and Information	3,553,323	3,052,815	3,765,253	3,927,575
Capital Outlay	13,105,965	12,535,760	3,537,421	8,997,235
Debt Service				
Principal Retirement	2,661,175	2,451,527	1,138,439	1,098,571
Interest and Fiscal Charges	1,113,283	1,325,463	601,619	640,136
Total Expenditures	54,477,033	53,051,531	41,822,478	46,604,076
Excess of Revenues Over (Under) Expenditures	(10,028,538)	(8,709,519)	(5,062,881)	(10,020,867)
<u>Other Financing Sources (Uses)</u>				
Revenue Anticipation Notes Issued	0	0	25,000,000	0
Sale of Capital Assets	0	0	0	0
Inception of Capital Lease	0	0	0	0
Transfers In	0	500,000	0	0
Transfers Out	0	(500,000)	0	0
Total Other Financing Sources (Uses)	0	0	25,000,000	0
Changes in Fund Balance	(\$10,028,538)	(\$8,709,519)	\$19,937,119	(\$10,020,867)
Debt Service as a Percentage of Noncapital Expenditures	8.68%	9.18%	4.52%	4.48%

2015	2014	2013	2012	2011	2010
\$17,777,330	\$17,297,879	\$17,234,551	\$13,435,450	\$13,574,482	\$13,683,108
18,170,467	17,088,035	17,156,234	16,835,433	19,723,122	17,773,472
663,377	697,675	766,011	774,210	795,683	855,280
48,009	53,765	18,107	32,878	33,845	37,153
678	4,922	35,451	85,377	77,042	76,469
28,276	52,621	7,778	18,296	73,354	175,213
233,817	243,771	170,236	270,015	89,637	169,022
<u>36,921,954</u>	<u>35,438,668</u>	<u>35,388,368</u>	<u>31,451,659</u>	<u>34,367,165</u>	<u>32,769,717</u>
24,319,949	23,429,244	22,358,531	21,113,397	20,466,696	20,395,119
6,399,466	6,406,211	5,832,245	5,018,559	5,273,927	4,642,242
3,781,439	3,734,916	4,669,746	3,812,055	4,076,874	4,033,628
7,507,948	5,638,183	3,386,715	2,059,905	4,965,136	2,153,549
1,055,527	943,690	10,856	11,991	10,953	16,203
677,163	614,050	51,811	2,985	4,397	4,358
<u>43,741,492</u>	<u>40,766,294</u>	<u>36,309,904</u>	<u>32,018,892</u>	<u>34,797,983</u>	<u>31,245,099</u>
<u>(6,819,538)</u>	<u>(5,327,626)</u>	<u>(921,536)</u>	<u>(567,233)</u>	<u>(430,818)</u>	<u>1,524,618</u>
0	0	20,000,000	0	0	0
0	400	0	0	0	0
0	62,634	0	0	0	0
850,000	0	1,000,000	2,000,000	2,000,000	1,717,488
<u>(850,000)</u>	<u>0</u>	<u>(1,000,000)</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(1,717,488)</u>
<u>0</u>	<u>63,034</u>	<u>20,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(\$6,819,538)</u>	<u>(\$5,264,592)</u>	<u>\$19,078,464</u>	<u>(\$567,233)</u>	<u>(\$430,818)</u>	<u>\$1,524,618</u>
4.62%	4.42%	0.18%	0.05%	0.05%	0.07%

Toledo Lucas County Public Library
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Years
 (amounts expressed in thousands)

Year	Real Property			Public Utility Personal Property	
	Assessed Value		Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial			
2019	\$5,503,637	\$1,939,918	\$21,267,300	\$369,306	\$419,666
2018	5,034,294	1,867,742	19,720,103	353,793	402,038
2017	5,017,167	1,885,307	19,721,354	331,298	376,475
2016	4,997,756	1,868,146	19,616,863	289,964	329,505
2015	4,900,579	1,878,146	19,367,786	271,302	308,298
2014	4,885,553	1,869,311	19,299,611	254,953	289,719
2013	4,896,533	1,889,554	19,388,820	239,174	271,789
2012	5,705,432	2,002,358	22,022,257	225,867	256,667
2011	5,726,573	2,058,340	22,242,609	221,493	251,697
2010	5,739,765	2,106,034	22,416,569	215,568	244,963

Source: Lucas County Auditor

Note: Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated actual value. The assessed value of public utility personal property ranges from 25 percent of actual value for railroad property to 88 percent for electric transmission and distribution property.

For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent, and homestead exemptions before being billed.

Total		
Assessed Value	Estimated Actual Value	Total Direct Tax Rate
\$7,812,861	\$21,686,966	\$3.70
7,255,829	20,122,141	3.70
7,233,772	20,097,829	2.90
7,155,866	19,946,368	2.90
7,050,027	19,676,084	2.90
7,009,817	19,589,330	2.90
7,025,261	19,660,609	2.90
7,933,657	22,278,924	2.00
8,006,406	22,494,306	2.00
8,061,367	22,661,532	2.00

Toledo Lucas County Public Library
Property Tax Rates - Direct and All Overlapping Governments (1)
Last Ten Years
(Per \$1,000 of Assessed Values)

Collection Year	2019	2018	2017	2016	2015
Toledo Lucas County Public Library					
Voted Millage (Total Direct Rate)					
2017 Operating Renewal					
Effective Millage Rates					
Residential/Agriculture	\$3.3666	\$3.6631	\$2.8589	\$2.8572	\$2.9000
Commercial/Industrial	3.6597	3.7000	2.9000	2.9000	2.9000
Public Utility Personal	3.7000	3.7000	2.9000	2.9000	2.9000
Lucas County					
General Fund	\$2.0000	\$2.0000	\$2.0000	\$2.0000	\$2.0000
Board of Developmental Disabilities	6.0000	6.0000	6.0000	6.0000	6.0000
Center Science and Industry	0.1700	0.1700	0.1700	0.1700	0.1700
Children Services Board	3.6500	3.6500	3.6500	3.2500	3.2500
Community Mental Health	2.5000	2.5000	2.5000	2.5000	2.5000
Senior Services	0.6000	0.6000	0.6000	0.6000	0.6000
911 Emergency Telephone System	0.7000	0.7000	0.7000	0.7000	0.7000
Zoo	1.7500	1.7500	1.7500	1.8500	1.8500
Total Lucas County	<u>\$17.3700</u>	<u>\$17.3700</u>	<u>\$17.3700</u>	<u>\$17.0700</u>	<u>\$17.0700</u>
School Districts					
Anthony Wayne	\$72.6600	\$73.7700	\$73.7800	\$71.3000	\$71.3000
Evergreen	43.6000	43.6000	44.1000	44.2000	44.4000
Maumee	93.9500	88.6500	88.6500	88.6500	88.7500
Oregon	69.2000	69.7000	69.7500	69.6500	65.6000
Otsego	46.3500	46.2000	46.2000	47.0000	46.8500
Ottawa Hills	139.0500	139.0500	139.0500	140.0500	142.6500
Springfield	77.6600	78.5500	80.3200	80.5300	74.7500
Swanton	60.3000	60.3000	62.7500	62.5600	62.6400
Sylvania	87.9900	88.5600	88.4500	83.3000	83.5000
Toledo	72.8500	73.5800	73.5800	73.1000	73.1000
Washington	83.5000	83.5000	83.5000	83.5000	83.5000
Joint Vocational School Districts					
Four County	\$4.2000	\$4.2000	\$4.2000	\$3.2000	\$3.2000
Penta County	3.2000	3.2000	3.2000	3.2000	3.2000
Townships					
Harding	\$5.0500	\$5.0500	\$5.0500	\$5.0500	\$5.0500
Jerusalem	11.0000	10.7500	10.7500	10.7500	9.7500
Monclova	7.5000	7.5000	7.5000	7.5000	7.5000
Providence	6.9500	6.9500	6.9500	6.9500	6.9500
Richfield	8.3000	8.4000	8.4000	8.4000	8.3000
Spencer	4.5000	4.5000	4.5000	8.0000	8.0000
Springfield	11.2000	11.2000	11.2000	11.2000	11.2000
Swanton	6.1000	6.1000	6.1000	6.1000	6.1000
Sylvania	23.0700	23.0700	23.0700	23.0700	22.9700
Washington	30.5000	30.5000	30.5000	30.5000	30.5000
Waterville	14.6000	14.6000	14.6000	14.6000	14.6000

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$2.9000	\$2.9000	\$2.0000	\$2.0000	\$2.0000
2.9000	2.9000	2.0000	2.0000	2.0000
2.9000	2.9000	2.0000	2.0000	2.0000
\$2.0000	\$2.0000	\$2.0000	\$2.0000	\$2.0000
6.0000	5.0000	5.0000	5.0000	5.0000
0.1700	0.1700	0.1700	0.1700	0.1700
3.2500	2.4000	2.4000	2.4000	2.4000
2.5000	1.5000	1.5000	1.5000	1.5000
0.4500	0.4500	0.4500	0.4500	0.4500
0.7000	0.7000	0.7000	0.7000	0.7000
1.0000	1.0000	1.8500	1.8500	1.8500
<u>\$16.0700</u>	<u>\$13.2200</u>	<u>\$14.0700</u>	<u>\$14.0700</u>	<u>\$14.0700</u>
\$71.6000	\$67.1000	\$66.8000	\$66.8000	\$66.8000
46.0500	46.0500	46.3500	46.4500	46.4500
84.9500	84.5500	84.6500	79.4500	78.4500
65.6000	66.3000	65.4000	65.4000	65.4000
49.2000	46.6000	47.1500	47.3500	47.3500
142.6500	135.6500	134.7500	133.8500	126.0500
75.1500	75.1500	75.0500	75.0500	70.8500
63.1900	64.1300	64.1500	63.6900	63.3900
83.6000	83.6000	83.0000	78.3000	77.7000
67.4000	67.4000	65.9000	65.7000	67.7000
78.6000	78.6000	78.6000	73.7000	73.7000
\$3.2000	\$3.2000	\$3.2000	\$3.2000	\$3.2000
3.2000	3.2000	3.2000	3.2000	3.2000
\$5.0500	\$5.0500	\$5.0500	\$3.3000	\$4.8000
9.7500	9.7500	9.7500	9.7500	9.7500
7.5000	9.7500	9.7500	5.2000	5.2000
6.9500	6.9500	6.9500	6.9500	6.9500
8.2000	8.1000	8.3000	8.3000	8.3000
8.0000	8.0000	8.0000	8.0000	8.0000
11.2000	8.1000	8.1000	8.1000	8.1000
5.3000	4.9000	4.9000	4.9000	4.9000
21.4700	21.4700	20.7200	22.2900	22.2900
26.7500	26.7500	26.7500	26.7500	26.7500
14.0000	10.5000	10.5000	10.5000	10.5000

(continued)

Toledo Lucas County Public Library
Property Tax Rates - Direct and All Overlapping Governments (1)
Last Ten Years
(Per \$1,000 of Assessed Values)
(continued)

Collection Year	2019	2018	2017	2016	2015
Municipalities					
Village of Berkey	\$4.0000	\$4.0000	\$4.0000	\$4.0000	\$4.0000
Village of Harbor View	7.0000	7.0000	7.0000	7.0000	7.0000
Village of Holland	0.8000	0.8000	0.8000	0.8000	0.8000
City of Maumee	3.7000	3.7000	3.7000	3.7000	3.7000
City of Oregon	2.5000	2.5000	2.5000	2.5000	2.5000
Village of Ottawa Hills	8.0000	8.0000	8.0000	8.0000	6.9000
Village of Swanton	5.0000	5.0000	5.0000	5.0000	5.0000
City of Sylvania	5.1000	5.1000	5.1000	5.1000	5.1000
City of Toledo	4.4000	4.4000	4.4000	4.4000	4.4000
City of Waterville	3.7000	3.7000	3.7000	3.7000	3.5000
Village of Whitehouse	3.5000	3.5000	3.5000	3.5000	3.5000
Metroparks					
Toledo-Lucas County Port Authority	\$2.3000	\$2.3000	\$2.3000	\$2.3000	\$2.3000
Toledo Area Regional Transportation Authority (TARTA) (2)	0.4000	0.4000	0.4000	0.4000	0.4000
	2.5000	2.5000	2.5000	2.5000	2.5000

Source: Lucas County Auditor

(1) Property tax rates are determined by a combination of the county-wide tax rates and the applicable tax rates for the school, district, township, and municipality in which the property is located.

(2) TARTA is not levied in every county taxing district.

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The basic property tax rate can be increased only by a majority vote of Lucas County residents.

Overlapping rates are those of local and county governments that apply to property owners within Toledo and Lucas County. Property tax rates for all overlapping governments are based upon the original voted levy.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is appraised every six years and property values are updated in the third year following each reappraisal.

2014	2013	2012	2011	2010
\$4.0000	\$4.0000	\$2.5000	\$4.5000	\$4.5000
7.0000	7.0000	7.0000	7.0000	7.0000
0.8000	0.8000	0.8000	0.8000	0.8000
3.7000	3.7000	3.7000	3.7000	3.7000
4.0000	3.5000	3.5000	3.5000	3.5000
4.1000	4.1000	4.1000	4.1000	4.1000
4.5000	4.5000	4.5000	4.5000	4.5000
5.1000	5.1000	5.1000	3.6000	3.6000
4.4000	4.4000	4.4000	4.4000	4.4000
3.5000	3.5000	3.5000	3.5000	3.5000
3.5000	3.5000	3.5000	3.5000	3.5000
\$2.3000	\$2.3000	\$1.7000	\$1.7000	\$1.7000
0.4000	0.4000	0.4000	0.4000	0.4000
2.5000	2.5000	2.5000	2.5000	2.5000

Toledo Lucas County Public Library
 Real and Public Utility Property Tax Levies and Collections
 Last Ten Years

<u>Collection Year</u>	<u>Total Tax Levy (1)</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>
2019	\$26,734,481	\$25,514,179	95.44%	\$899,824	\$26,414,003
2018	26,497,756	25,307,973	95.51	980,707	26,288,680
2017	20,580,074	19,604,975	95.26	684,256	20,289,231
2016	20,345,557	19,441,971	95.56	826,135	20,268,106
2015	20,292,816	18,821,303	92.75	1,335,977	20,157,280
2014	20,179,149	18,688,193	92.61	974,397	19,662,590
2013	20,229,884	18,508,564	91.49	814,314	19,322,878
2012	15,747,933	14,367,115	91.23	888,483	15,255,598
2011	15,891,751	14,570,387	91.69	837,244	15,407,631
2010	16,147,179	14,633,434	90.63	811,289	15,444,723

Source: Lucas County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

(2) Amounts listed include penalties and interest.

Note: The county's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. This presentation will be updated as new information becomes available.

<u>Percent of Total Tax Collections to Total Tax Levy</u>	<u>Outstanding Delinquent Taxes (2)</u>	<u>Percent of Outstanding Delinquent Taxes to Total Tax Levy</u>
98.80%	\$2,998,215	11.21%
99.21	2,864,503	10.81
98.59	2,652,031	12.89
99.62	1,995,820	9.81
99.33	2,152,006	10.60
97.44	1,951,593	9.67
95.52	2,105,960	10.41
96.87	2,100,976	13.34
96.95	2,202,706	13.86
95.65	1,470,219	9.11

Toledo Lucas County Public Library
Tangible Personal Property Tax Levies and Collections
Last Ten Years

Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections
2019	\$0	\$0	0.00%	\$0	\$0
2018	0	0	0.00	0	0
2017	0	0	0.00	0	0
2016	0	0	0.00	0	0
2015	0	0	0.00	0	0
2014	0	0	0.00	0	0
2013	0	0	0.00	0	0
2012	0	0	0.00	0	0
2011	0	0	0.00	0	0
2010	0	0	0.00	0	0

Source: Lucas County Auditor

Note: The general business tangible personal property tax has been phased out.

The county's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. This presentation will be updated as new information becomes available.

<u>Percent of Total Tax Collections to Total Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Outstanding Delinquent Taxes to Total Tax Levy</u>
0.00%	\$81,898	0.00%
0.00	83,819	0.00
0.00	273,826	0.00
0.00	216,143	0.00
0.00	217,720	0.00
0.00	226,005	0.00
0.00	247,930	0.00
0.00	269,925	0.00
0.00	356,955	0.00
0.00	278,306	0.00

Toledo Lucas County Public Library
Principal Taxpayers
Current Year and Nine Years Ago

2019		
Taxpayer	Total Assessed Valuation	Percentage of Total Assessed Valuation
GLP Capital LP	\$56,561,000	0.72%
Kroger, Inc.	19,167,000	0.25
DFG	18,710,000	0.24
One Seagate Partners LLC	11,483,000	0.15
Wal-Mart	10,121,000	0.13
Meijer, Inc.	9,605,000	0.12
Ramco	9,563,000	0.12
Westfield Franklin Park Mall	9,123,000	0.12
Realty Income Properties	7,387,000	0.09
Andersons Incorporated	5,603,000	0.07
Total	\$157,323,000	2.01%
Total All Taxpayers's Assessed Valuation	\$7,812,861,000	

2010		
Taxpayer	Total Assessed Valuation	Percentage of Total Assessed Valuation
Toledo Edison	\$136,804,010	1.70%
Promedica Health Systems	20,421,710	0.25
First Energy	19,143,810	0.24
Westfield Franklin Park Mall	18,586,520	0.23
Empirian CKT LLC	15,710,640	0.20
Harvey Tolson	14,367,990	0.18
Kroger, Inc.	13,220,280	0.16
St. Vincent Medical Center	13,077,720	0.16
One Seagate Partners LLC	12,950,000	0.16
Wal-Mart	12,223,870	0.15
Andersons Incorporated	12,198,130	0.15
Total	\$288,704,680	3.58%
Total All Taxpayers's Assessed Valuation	\$8,061,367,000	

Source: Lucas County Auditor

Toledo Lucas County Public Library
Debt Ratios
Last Ten Years

Year	Outstanding Debt	Estimated Actual Value of All Taxable Property	Percentage of Estimated Actual Value of Taxable Property	Per Capita (1)	Percentage of Personal Income (1)
2019	\$35,723,000	\$21,686,966,000	0.16%	\$80.86	0.29%
2018	38,384,175	20,122,141,000	0.19	86.88	0.32
2017	40,835,702	20,097,829,000	0.20	92.43	0.36
2016	16,974,141	19,946,368,000	0.09	38.42	0.16
2015	18,072,712	19,676,084,000	0.09	40.91	0.17
2014	19,128,239	19,589,330,000	0.10	43.29	0.18
2013	20,015,395	19,660,609,000	0.10	45.30	0.19
2012	26,251	22,278,924,000	0.00	0.06	0.00
2011	38,242	22,494,306,000	0.00	0.09	0.00
2010	49,195	22,661,532,000	0.00	0.11	0.00

Source: Toledo Lucas County Public Library

(1) See schedule S-23 for population and personal income.

Note: Details regarding the Library's outstanding debt can be found in the notes the financial statements.

Toledo Lucas County Public Library
 Revenue Supported Debt Coverage
 Last Six Years

Year	Library Local Government Support (1)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2019	\$16,368,102	\$2,657,000	\$1,113,283	\$3,770,283	4.34
2018	15,716,211	2,439,000	1,325,463	3,764,463	4.17
2017	15,107,503	1,128,000	601,619	1,729,619	8.73
2016	15,054,761	1,085,000	640,136	1,725,136	8.73
2015	15,287,248	1,043,000	677,163	1,720,163	8.89
2014	13,901,952	925,000	613,361	1,538,361	9.04

Source: Toledo Lucas County Public Library

(1) Includes only Library Local Government Support revenues from the General Fund.

Toledo Lucas County Public Library
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Personal Income (2)	Per Capita Personal Income	Unemployment Rate (3)	
				County	Ohio
2019	441,815	\$12,530,315,215	\$28,361	4.20%	4.01%
2018	441,815	11,978,046,465	27,111	5.50	4.60
2017	441,815	11,477,028,255	25,977	5.10	4.90
2016	441,815	10,964,081,040	24,816	5.00	5.00
2015	441,815	10,905,319,645	24,683	5.00	4.80
2014	441,815	10,595,165,515	23,981	5.30	5.10
2013	441,815	10,595,165,515	23,981	7.40	7.10
2012	441,815	10,595,165,515	23,981	7.50	6.70
2011	441,815	10,595,165,515	23,981	8.40	7.90
2010	441,815	9,065,160,170	20,518	10.00	9.20

Source: (1) U.S. Census
Years 2010 through 2019 - 2010 Federal Census

(2) Computation of per capita personal income multiplied by population

(3) Ohio Bureau of Employment Services

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Toledo Lucas County Public Library
Principal Employers
Current Year and Nine Years Ago

2019		
Taxpayer	Total Number of Employees	Percentage of Total Number of Employees
Promedica Health Systems	11,517	5.74%
University of Toledo	8,502	4.25
Chrysler Holdings	6,759	3.38
Mercy Health Partners	5,880	2.94
Toledo City School District	3,193	1.59
Lucas County	2,821	1.41
City of Toledo	2,748	1.37
Kroger, Inc.	2,300	1.15
Wal-Mart	1,954	0.98
General Motors	1,778	0.89
Total	47,452	23.70%
Total County Employment	200,200	

2010		
Taxpayer	Total Number of Employees	Percentage of Total Number of Employees
Promedica Health Systems	9,945	5.04%
Mercy Health Partners	6,625	3.36
University of Toledo	5,046	2.56
Toledo Public School District	4,400	2.23
University of Toledo Health Science Campus	3,547	1.80
Lucas County	3,360	1.70
City of Toledo	2,650	1.34
Kroger, Inc.	2,640	1.34
State of Ohio	2,249	1.14
Wal-Mart	2,218	1.12
Total	42,680	21.63%
Total County Employment	197,300	

Source: Lucas County Auditor

Toledo Lucas County Public Library
Operating Indicators by Branch
Last Ten Years

Branch Location	2019	2018	2017	2016	2015
Birmingham					
Number of Employees	6	5	6	6	6
Number of Library Materials Circulated	38,705	39,577	33,163	37,941	57,455
Number of Registered Borrowers	2,779	2,833	2,720	2,847	3,196
Heatherdowns					
Number of Employees	13	15	15	14	15
Number of Library Materials Circulated	258,520	285,877	313,678	325,067	361,881
Number of Registered Borrowers	14,338	15,385	14,409	14,256	16,846
Holland					
Number of Employees	15	13	14	14	15
Number of Library Materials Circulated	332,459	358,962	367,670	402,552	437,361
Number of Registered Borrowers	20,646	21,532	20,242	20,363	24,427
Kent					
Number of Employees	11	11	10	10	11
Number of Library Materials Circulated	77,939	66,853	61,540	71,887	74,943
Number of Registered Borrowers	6,776	7,176	6,743	6,799	7,465
King					
Number of Employees	16	16	16	14	0
Number of Library Materials Circulated	311,455	491,100	420,185	87,551	0
Number of Registered Borrowers	5,632	6,267	4,370	2,158	0
Lagrange					
Number of Employees	8	8	7	6	7
Number of Library Materials Circulated	61,804	60,979	63,314	78,594	92,589
Number of Registered Borrowers	7,383	7,691	7,147	7,214	7,800
Locke					
Number of Employees	7	8	6	7	7
Number of Library Materials Circulated	85,510	67,219	76,970	82,967	139,992
Number of Registered Borrowers	8,237	8,682	8,298	8,428	9,699
Main					
Number of Employees	184	151	185	180	185
Number of Volumes Owned	1,600,984	1,708,313	1,827,670	1,523,380	1,578,515
Number of Library Materials Circulated	201,845	457,097	684,786	713,229	781,750
Number of Registered Borrowers	46,315	51,675	57,275	53,490	54,776
Maumee					
Number of Employees	11	12	10	10	12
Number of Library Materials Circulated	257,747	248,101	266,065	296,206	328,541
Number of Registered Borrowers	10,754	11,759	10,563	10,467	12,188
Mobile Services					
Number of Employees	13	12	15	14	12
Number of Library Materials Circulated	199,940	200,447	180,686	226,618	344,347
Number of Registered Borrowers	3,580	3,687	3,414	3,224	3,377
Mott					
Number of Employees	10	8	7	7	7
Number of Library Materials Circulated	50,900	42,477	48,110	49,518	54,091
Number of Registered Borrowers	7,490	7,640	7,351	7,504	8,356
Oregon					
Number of Employees	16	16	14	15	15
Number of Library Materials Circulated	314,518	334,613	347,152	373,056	184,791
Number of Registered Borrowers	19,487	20,801	19,165	17,968	20,522

2014	2013	2012	2011	2010
5	4	5	5	5
55,601	49,428	50,352	72,585	78,674
3,233	3,359	3,307	3,150	3,181
15	15	15	13	15
398,530	452,997	474,433	520,627	538,875
17,569	19,640	19,490	18,607	18,922
16	17	14	15	16
546,943	579,584	576,364	602,182	534,449
25,455	27,919	27,644	25,822	25,373
11	11	10	9	0
94,325	83,902	101,712	12,110	86,825
7,664	8,351	7,927	7,265	7,685
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
6	7	5	6	7
129,978	125,310	123,277	144,202	114,233
7,835	8,358	8,039	7,409	7,035
6	7	7	6	7
133,309	120,484	122,453	131,043	101,199
9,815	11,036	10,816	10,336	10,450
182	159	142	165	145
1,731,624	1,876,176	2,418,153	2,476,238	2,659,066
1,472,065	1,316,402	1,254,145	1,176,540	1,119,523
56,927	52,089	63,258	60,651	61,171
12	11	12	11	11
338,838	362,768	353,474	385,711	359,995
12,665	14,076	13,814	13,096	13,187
13	14	12	12	10
401,162	434,523	456,155	457,881	441,083
3,482	3,633	4,059	3,991	4,048
7	8	6	5	5
69,588	78,945	81,091	99,464	94,233
8,626	9,661	9,492	9,010	9,055
7	14	13	13	13
323,993	450,748	426,453	451,277	428,207
21,925	25,478	25,018	23,791	23,881

(continued)

Toledo Lucas County Public Library
 Operating Indicators by Branch
 Last Ten Years
 (continued)

Branch Location	2019	2018	2017	2016	2015
Point Place					
Number of Employees	9	8	9	9	11
Number of Library Materials Circulated	122,085	133,113	151,836	155,596	165,653
Number of Registered Borrowers	8,864	9,040	8,640	8,672	10,140
Reynolds Corners					
Number of Employees	9	12	9	10	10
Number of Library Materials Circulated	170,299	182,437	209,552	232,196	242,571
Number of Registered Borrowers	12,586	13,157	12,461	12,486	15,250
Sanger					
Number of Employees	14	16	16	17	16
Number of Library Materials Circulated	375,140	395,751	380,047	472,285	530,267
Number of Registered Borrowers	19,119	19,919	18,987	18,746	22,012
South					
Number of Employees	6	6	7	5	6
Number of Library Materials Circulated	55,112	60,504	68,176	70,968	77,538
Number of Registered Borrowers	5,451	5,851	5,510	5,500	6,365
Sylvania					
Number of Employees	17	17	0	17	19
Number of Library Materials Circulated	281,415	96,350	249,322	563,818	618,666
Number of Registered Borrowers	18,339	18,437	18,068	19,040	22,752
Toledo Heights					
Number of Employees	7	7	7	6	6
Number of Library Materials Circulated	56,988	59,852	73,393	99,573	118,316
Number of Registered Borrowers	5,740	6,142	5,885	6,003	6,985
Washington					
Number of Employees	15	14	14	13	14
Number of Library Materials Circulated	265,311	307,538	328,708	369,918	378,157
Number of Registered Borrowers	15,367	15,676	14,634	14,311	16,899
Waterville					
Number of Employees	12	11	12	10	12
Number of Library Materials Circulated	264,265	268,603	275,820	288,893	318,598
Number of Registered Borrowers	9,709	10,155	9,309	10,127	10,437
West Toledo					
Number of Employees	11	13	12	12	12
Number of Library Materials Circulated	181,186	190,876	207,195	212,211	224,295
Number of Registered Borrowers	15,574	15,747	14,806	14,625	16,930
Total Number of Employees	410	379	391	396	398
Total Number of Volumes Owned	1,600,984	1,708,313	1,827,670	1,523,380	1,578,515
Total Number of Library Materials Circulated	3,963,143	4,348,326	4,807,368	5,210,644	5,531,802
Total Number of Register Borrowers	264,166	279,252	269,997	264,228	296,422

Source: Toledo Lucas County Public Library

Note: All employees of the Library are considered part of the general public services program as reported on the Statement of Activities.

2014	2013	2012	2011	2010
11	11	8	9	10
186,335	191,228	185,358	203,391	205,655
10,513	11,475	11,365	10,816	10,961
11	11	8	8	9
240,851	233,550	250,552	282,115	276,306
15,669	17,176	17,003	16,376	16,853
17	19	15	15	15
630,628	615,559	631,276	635,769	563,258
22,806	25,083	24,671	23,305	23,276
7	7	5	5	6
78,635	80,111	83,544	97,654	93,986
6,494	7,601	7,258	6,934	6,891
18	18	16	15	17
646,135	684,329	671,667	693,463	639,315
23,323	25,628	25,334	24,058	24,237
4	6	4	5	5
130,903	120,548	119,329	131,602	115,618
7,124	8,003	7,791	7,485	7,582
12	13	11	12	12
454,377	428,445	405,882	419,254	390,671
17,314	19,351	18,934	18,049	18,492
11	12	11	11	11
326,085	351,811	330,741	353,415	338,563
10,648	11,755	11,586	10,974	10,967
11	0	10	9	9
41,171	179,695	233,159	267,647	258,657
16,863	20,280	20,017	19,253	19,761
382	364	329	349	328
1,731,624	1,876,176	2,418,153	2,476,238	2,659,066
6,699,452	6,940,367	6,931,417	7,137,932	6,779,325
305,950	329,952	336,823	320,378	323,008

Toledo Lucas County Public Library
Capital Assets Statistics
Last Ten Years

<u>Year</u>	<u>Buildings</u>	<u>Bookmobiles</u>	<u>Vehicles</u>
2019	20	4	10
2018	20	4	9
2017	20	4	10
2016	20	4	10
2015	20	4	10
2014	20	4	9
2013	20	3	9
2012	20	3	9
2011	20	3	9
2010	20	2	9

Source: Toledo Lucas County Public Library