



OHIO AUDITOR OF STATE
KEITH FABER



**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
SUMMIT COUNTY
DECEMBER 31, 2023 AND 2022**

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INDEPENDENT AUDITOR'S REPORT

Akron-Summit County Public Library
Summit County
60 S. High Street
Akron, Ohio 44326

To the Board of Trustees:

Report on the Audit of the Financial Statements

Opinions

We have audited the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Akron-Summit County Public Library, Summit County, Ohio (the Library), as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Library, as of December 31, 2023 and 2022, and the respective changes in cash-basis financial position thereof and the budgetary comparison for the General Fund for the year then ended in accordance with the cash-basis of accounting described in Note 2.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Library, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Accounting Basis

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Information

We applied no procedures to management's discussion & analysis, as listed in the table of contents. Accordingly, we express no opinion or any other assurance on it.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2024, on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Library's 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 Library's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

November 12, 2024

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**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

This discussion and analysis of the Akron-Summit County Public Library's (the Library) financial performance provides an overall review of the Library's financial activities for the year ended December 31, 2023, within the limitations of the Library's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Library's financial performance.

Financial Highlights

Key financial highlights for 2023 are as follows:

- The total net position of the Library decreased \$235,703 or 1.11% during 2023.
- General receipts accounted for \$31,991,041 or 97.81% of total governmental activities receipts. Program specific receipts accounted for \$717,553 or 2.19% of total governmental activities receipts.
- The Library had \$32,944,297 in disbursements related to governmental activities; \$717,553 of these disbursements were offset by program specific charges for services, grants or contributions. General receipts (primarily property taxes and public library fund receipts) of \$31,991,041 were not adequate to provide for these programs.
- The Library's major funds are the General Fund and Building and Repair Fund. The General Fund had receipts of \$32,031,831 in 2023. The disbursements and other financing uses of the General Fund totaled \$33,239,114 in 2023. The General Fund's balance decreased \$1,207,283 from a balance of \$13,923,306 to \$12,716,023.
- The Building and Repair Fund had receipts of \$228,785 from earnings on investments and transfers in from the General Fund of \$3,000,000. Disbursements totaled \$2,579,262 in 2023. The Building and Repair Fund balance increased \$649,523 from a balance of \$6,258,130 to \$6,907,653.

Using this Cash Basis Basic Financial Statements

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

Report Components

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

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

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

Basis of Accounting

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

**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

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

Reporting the Library as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities reflect how the Library did financially during 2023, within the limitations of cash basis accounting. The Statement of Net Position presents the cash balances of the governmental activities of the Library at year-end. The Statement of Activities compares cash disbursements with program receipts. Program receipts include patron fines and fees and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Library's general receipts.

These statements report the Library's net position and the changes in net position. Keeping in mind the limitations of the cash basis of accounting, these changes are one way to measure the Library's financial health. Over time, an increase or decrease in the Library's net position is one indicator of whether the Library's financial health is improving or deteriorating. When evaluating the Library's financial condition, one should also consider other nonfinancial factors as well such as the Library's property tax base, the condition of the Library's capital assets and infrastructure, the extent of the Library's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property tax and the Public Library Fund (PLF).

In the Statement of Net Position and the Statement of Activities, the Library reports 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 the PLF. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Reporting the Library's Most Significant Funds

Fund Financial Statements

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

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

Notes to the Basic Financial Statements

The notes provide additional and explanatory data. They are an integral part of the basic financial statements.

**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

The Library as a Whole

Table I provides a summary of the Library's net position at December 31, 2023 and December 31, 2022:

**Table I
Net Position**

	Governmental Activities <u>2023</u>	Governmental Activities <u>2022</u>
<u>Assets</u>		
Equity in pooled cash and cash equivalents	\$ 21,075,591	\$ 21,311,294
<u>Net Position</u>		
Restricted for:		
Debt service	86,582	86,582
Unclaimed monies	9,182	9,182
Donor specified purposes	63,580	48,289
Grantor specified purposes	50,048	97,297
Forfeited FSA	13,056	13,056
FSA contributions	10,577	5,550
Permanent fund:		
Expendable	21,596	11,949
Nonexpendable	435,825	435,825
Unrestricted	<u>20,385,145</u>	<u>20,603,564</u>
Total net position	<u>\$ 21,075,591</u>	<u>\$ 21,311,294</u>

The total net position of the Library decreased \$235,703, which represents a 1.11% decrease from December 31, 2022's net position. This decrease in net position was primarily the result of an increase in salaries and fringe benefits, office supplies, utilities, cleaning services, and IT software licenses, support and maintenance.

The balance of government-wide unrestricted net position of \$20,385,145 may be used to meet the Library's ongoing obligations to citizens and creditors.

**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

Table 2 reflects the changes in net position in 2023 and 2022 for governmental activities:

	Table 2	
	Change in Net Position	
	Governmental Activities 2023	Governmental Activities 2022
Receipts:		
Program receipts:		
Charges for services and sales	\$ 281,047	\$ 272,526
Operating grants, contributions and interest	207,721	180,927
Capital grants, contributions and interest	228,785	64,656
Total program receipts	717,553	518,109
General receipts:		
Property taxes levied for general purposes	14,427,500	14,376,955
Public library fund	15,401,719	15,179,400
Grants and entitlements not restricted	1,296,877	1,302,324
Unrestricted gifts and contributions	10,900	621
Earnings on investments	619,590	214,020
Sale of notes	-	1,200,000
Miscellaneous	234,455	247,432
Total general receipts	31,991,041	32,520,752
Total receipts	32,708,594	33,038,861
Disbursements:		
Current:		
Library services:		
Public services and programs	13,914,726	13,139,933
Collection development and processing	5,290,006	4,778,858
Support services:		
Facilities operation and maintenance	5,126,031	4,654,409
Information services	1,350,373	1,016,925
Business administration	4,065,423	3,813,572
Capital outlay	2,933,708	1,893,187
Debt service:		
Principal retirement	226,733	-
Interest and fiscal charges	37,297	-
Total disbursements	32,944,297	29,296,884
Change in net position	(235,703)	3,741,977
Net position at beginning of year	21,311,294	17,569,317
Net position at end of year	\$ 21,075,591	\$ 21,311,294

Governmental Activities

Governmental net position decreased by \$235,703 in 2023 from 2022. Total governmental disbursements of \$32,944,297 were offset by program receipts of \$717,553 and general receipts of \$31,991,041. Program receipts supported 2.18% of the total governmental disbursements.

**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

Program receipts represent 2.19% of total receipts and are primarily comprised of patron fines and fees, grants, contributions and donations, and interest.

General receipts represent 97.81% of the Library's total receipts, and of this, 44.11% are local taxes. Public library fund and unrestricted grants and entitlements make up another 52.18% of the Library's general receipts. In 2022, the Library issued notes in the amount of \$1,200,000, which were reported in general receipts. Earnings on investments increased \$405,570 during 2023 as a result of higher interest rates on investments. Other miscellaneous receipts are less significant and somewhat unpredictable revenue sources, which include refunds and reimbursements.

The first column of the Statement of Activities lists the major services provided by the Library. The Cash Disbursements column of the Statement identifies the costs of providing these services. The major program disbursements for governmental activities are Public Services and Programs, Collection Development and Processing, Facilities Operation and Maintenance, Information Services, Business Administration, Capital Outlay, and Debt Service, which account for 42.24%, 16.06%, 15.56%, 4.10%, 12.34%, 8.90%, and .80% of all Library disbursements, respectively. The Program Receipt columns of the Statement titled Program Cash Receipts identify amounts paid by persons who are directly charged for the respective service and grants received by the Library that must be used to provide a specific service. The Net (Disbursements) Receipts column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service paid by taxpayers from the Library's general receipts which are represented at the bottom of the Statement.

A comparison between the total cost of services and the net cost is presented in Table 3 below:

**Table 3
Governmental Activities**

	Total Cost of Services <u>2023</u>	Net Cost of Services <u>2023</u>	Total Cost of Services <u>2022</u>	Net Cost of Services <u>2022</u>
Disbursements:				
Current:				
Library services:				
Public services and programs	\$ 13,914,726	\$ 13,550,036	\$ 13,139,933	\$ 12,828,632
Collection development and processing	5,290,006	5,271,746	4,778,858	4,765,915
Support services:				
Facilities operation and maintenance	5,126,031	5,126,031	4,654,409	4,654,409
Information services	1,350,373	1,350,373	1,016,925	1,016,925
Business administration	4,065,423	3,964,605	3,813,572	3,730,076
Capital outlay	2,933,708	2,699,923	1,893,187	1,782,818
Debt service:				
Principal retirement	226,733	226,733	-	-
Interest and fiscal charges	37,297	37,297	-	-
Total	<u>\$ 32,944,297</u>	<u>\$ 32,226,744</u>	<u>\$ 29,296,884</u>	<u>\$ 28,778,775</u>

The dependence upon general receipts for governmental activities is apparent; with 97.82% of disbursements supported through taxes, public library fund, and other general receipts during 2023.

**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

The Library's Funds

Total governmental funds receipts and other financing sources were \$36,023,619 and disbursements and other financing uses were \$36,259,322. The General Fund receipts were \$1,207,283 less than disbursements and other financing uses, and the ending fund balance was \$12,716,023. The General Fund made transfers of \$3,315,025 to other funds during 2023. Receipts increased by \$418,798, primarily due to an increase in earnings on investments as a result of higher interest rates on investments. Disbursements increased overall by \$2,125,421 in 2023 in all areas except for capital outlay.

The Building and Repair Fund balance increased \$649,523 from transfers in and earnings on investments exceeding disbursements to finance capital improvements.

General Fund Budgeting Highlights

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

During 2023, the Library amended its General Fund budget to reflect changing circumstances. Final budgeted receipts were \$31,361,690 and actual receipts were \$31,893,874 which was \$532,184 more than budgeted. The original and final budget for disbursements and other financing uses was \$43,571,190 and actual disbursements and other financing uses were \$33,650,165 (cash disbursements plus encumbrances). Actual disbursements were \$9,921,025 less than budgeted. The primary reason for the difference between budgeted and actual disbursements was due to a budgeted contingency that was not spent. Annually, a contingency line item is included in the budget but normally is not utilized.

Debt Administration

The Library issued \$1,200,000 in Library Facilities Notes, Series 2022 during 2022. The principal balance outstanding at December 31, 2023 was \$973,267 and \$231,426 is due in one year. The notes carry an interest rate of 3.35% and have a final maturity of May 1, 2027.

See Note 10 in the basic financial statements for detail on the Library's debt administration.

Current Issues

All Ohio libraries face the challenge to continue providing quality services to the public while experiencing particular uncertainties in funding. Ohio's public libraries, including the Akron-Summit County Public Library (the Library), depend on the State of Ohio for a major part of their funding through the Public Library Fund (PLF). The PLF is calculated as a percentage of the state's General Revenue Fund (GRF) tax revenue. Ohio libraries received 1.7 percent of the GRF tax revenue for the calendar year 2023 (the Library's fiscal year). Calendar year 2023 is within the state's biennium budget period of July 1, 2022 through June 30, 2024. Since the PLF is based on a percentage of the state's revenue, the PLF funding fluctuates as the state's revenue fluctuates.

The Library's other major operating revenue source is a local property tax levy. The six-year 1.9 mill local property tax levy was approved by the voters in May 2015 to provide for general operations. Collections from this levy ran from 2016 through 2021. In May 2021, the voters approved a renewal of the 1.9 mill levy. Collections from the renewal will run from calendar year 2022 through calendar year 2027.

**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

The Library has remained committed to careful and thoughtful spending, especially since future State funding is somewhat uncertain and levy revenue may remain flat or decline during the levy cycle. During the recession and in the years immediately following it, the Library did not reduce public hours or the services we provided. Significant reductions in salary expenses were realized through workforce attrition and reorganizing work duties. In 2014 and 2015 however, we decreased public hours in order to achieve additional savings to meet the continuing budget constraints and to accommodate our reduced staff levels. In 2016, the Library added back some of the public hours and began filling some open positions in anticipation of additional revenue from the new levy. In 2017 through 2019 the Library continued carefully evaluating hiring for open positions when necessary and reorganizing work duties when practical. In 2020, as a result of the pandemic shut downs, the Library realized significant savings by furloughing approximately 85% of our staff between mid-April and mid-June and suspending in-building services and programming. Since then, the Library's staffing level has remained below pre-pandemic levels primarily due to voluntary separations and continuing to leave selected positions vacant. Future budget considerations include significant capital expenditures to meet the needs of our aging buildings. The Library is exploring possible revenues to fund these upcoming capital needs.

The Akron-Summit County Public Library is a community place for individual development and civic growth. Partnering with other government agencies, community organizations, and educational institutions, the Library brings resources, services, and programming to customers of all ages and abilities, and acts as a catalyst for positive personal and community outcomes. From our Library of Things to computer workshops, from book discussion groups to grant-seeking workshops, from story times in local parks to art workshops in local shelters, the Akron-Summit County Public Library reflects its core values - Excellence, Service, Learning, Diversity and Inclusion - within and beyond our walls.

Contacting the Library's Financial Management

This financial report is designed to provide the citizens, taxpayers, investors, and creditors with a general overview of the Library's finances and to reflect the Library's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Michelle Scarpitti, Fiscal Officer, Akron-Summit County Public Library, 60 S. High Street, Akron, Ohio 44326.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
SUMMIT COUNTY, OHIO**

STATEMENT OF NET POSITION - CASH BASIS
DECEMBER 31, 2023

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 21,075,591
Total assets	<u>\$ 21,075,591</u>
Net position:	
Restricted for:	
Debt service	\$ 86,582
Unclaimed monies	9,182
Donor specified purposes	63,580
Grantor specified purposes	50,048
Forfeited employee FSA	13,056
FSA contributions	10,577
Permanent fund:	
Expendable	21,596
Nonexpendable	435,825
Unrestricted	<u>20,385,145</u>
Total net position	<u>\$ 21,075,591</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
SUMMIT COUNTY, OHIO**

STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

		Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services and Sales	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest	Governmental Activities
Governmental activities:					
Current:					
Library services:					
Public services and programs	\$ 13,914,726	\$ 281,047	\$ 83,643	\$ -	\$ (13,550,036)
Collection development and processing	5,290,006	-	18,260	-	(5,271,746)
Support services:					
Facilities operation and maintenance	5,126,031	-	-	-	(5,126,031)
Information services	1,350,373	-	-	-	(1,350,373)
Business administration	4,065,423	-	100,818	-	(3,964,605)
Capital outlay	2,933,708	-	5,000	228,785	(2,699,923)
Debt service:					
Principal retirement	226,733	-	-	-	(226,733)
Interest and fiscal charges	37,297	-	-	-	(37,297)
Total governmental activities	<u>\$ 32,944,297</u>	<u>\$ 281,047</u>	<u>\$ 207,721</u>	<u>\$ 228,785</u>	<u>(32,226,744)</u>
General receipts:					
Property taxes levied for:					
General purposes					14,427,500
Public library fund					15,401,719
Grants and entitlements not restricted to specific programs					1,296,877
Unrestricted gifts and contributions					10,900
Earnings on investments					619,590
Miscellaneous					234,455
Total general receipts					<u>31,991,041</u>
Change in net position					(235,703)
Net position at beginning of year					<u>21,311,294</u>
Net position at end of year					<u>21,075,591</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
SUMMIT COUNTY, OHIO**

STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	<u>General</u>	<u>Building and Repair</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 12,716,023	\$ 6,907,653	\$ 1,451,915	\$ 21,075,591
Fund balances:				
Nonspendable	\$ 9,182	\$ -	\$ 435,825	\$ 445,007
Restricted	-	-	245,439	245,439
Committed	-	-	34,295	34,295
Assigned	10,898,856	6,907,653	736,356	18,542,865
Unassigned	1,807,985	-	-	1,807,985
Total fund balances	<u>\$ 12,716,023</u>	<u>\$ 6,907,653</u>	<u>\$ 1,451,915</u>	<u>\$ 21,075,591</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
SUMMIT COUNTY, OHIO**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	General	Building and Repair	Other Governmental Funds	Total Governmental Funds
Receipts:				
Property and other local taxes	\$ 14,427,500	\$ -	\$ -	\$ 14,427,500
Public library	15,137,689	-	264,030	15,401,719
Intergovernmental	1,296,877	-	-	1,296,877
Patron fines and fees	272,097	-	-	272,097
Contributions, gifts and donations	34,673	-	64,920	99,593
Earnings on investments	619,590	228,785	18,210	866,585
Rental income	8,950	-	-	8,950
Miscellaneous	234,455	-	100,818	335,273
Total receipts	<u>32,031,831</u>	<u>228,785</u>	<u>447,978</u>	<u>32,708,594</u>
Disbursements:				
Current:				
Library services:				
Public services and programs	13,899,392	-	15,334	13,914,726
Collection development and processing	5,279,341	-	10,665	5,290,006
Support services:				
Facilities operation and maintenance	5,126,031	-	-	5,126,031
Information services	1,350,373	-	-	1,350,373
Business administration	3,969,632	-	95,791	4,065,423
Capital outlay	299,320	2,579,262	55,126	2,933,708
Debt service:				
Principal retirement	-	-	226,733	226,733
Interest and fiscal charges	-	-	37,297	37,297
Total disbursements	<u>29,924,089</u>	<u>2,579,262</u>	<u>440,946</u>	<u>32,944,297</u>
Excess (deficiency) of receipts over (under) disbursements	<u>2,107,742</u>	<u>(2,350,477)</u>	<u>7,032</u>	<u>(235,703)</u>
Other financing sources (uses):				
Transfers in	-	3,000,000	315,025	3,315,025
Transfers (out)	(3,315,025)	-	-	(3,315,025)
Total other financing sources (uses)	<u>(3,315,025)</u>	<u>3,000,000</u>	<u>315,025</u>	<u>-</u>
Net change in fund balances	(1,207,283)	649,523	322,057	(235,703)
Fund balance at beginning of year	<u>13,923,306</u>	<u>6,258,130</u>	<u>1,129,858</u>	<u>21,311,294</u>
Fund balance at end of year	<u>\$ 12,716,023</u>	<u>\$ 6,907,653</u>	<u>\$ 1,451,915</u>	<u>\$ 21,075,591</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
SUMMIT COUNTY, OHIO**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts:				
Property and other local taxes	\$ 14,152,821	\$ 14,186,761	\$ 14,427,500	\$ 240,739
Public library	14,849,489	14,885,100	15,137,689	252,589
Intergovernmental	1,272,186	1,275,237	1,296,877	21,640
Patron fines and fees	266,917	267,557	272,097	4,540
Contributions, gifts and donations	26,343	26,406	26,854	448
Earnings on investments	568,371	569,734	579,402	9,668
Rental income	8,780	8,801	8,950	149
Miscellaneous	141,754	142,094	144,505	2,411
Total receipts	<u>31,286,661</u>	<u>31,361,690</u>	<u>31,893,874</u>	<u>532,184</u>
Disbursements:				
Current:				
Library services:				
Public services and programs	14,279,650	14,279,650	14,033,310	246,340
Collection development and processing	6,939,607	6,939,607	5,503,229	1,436,378
Support services:				
Facilities operation and maintenance	5,816,140	5,816,140	5,241,244	574,896
Information services	1,416,698	1,416,698	1,368,398	48,300
Business administration	10,921,874	10,921,874	3,831,405	7,090,469
Capital outlay	882,196	882,196	357,554	524,642
Total disbursements	<u>40,256,165</u>	<u>40,256,165</u>	<u>30,335,140</u>	<u>9,921,025</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(8,969,504)</u>	<u>(8,894,475)</u>	<u>1,558,734</u>	<u>10,453,209</u>
Other financing (uses):				
Transfers (out)	<u>(3,315,025)</u>	<u>(3,315,025)</u>	<u>(3,315,025)</u>	<u>-</u>
Net change in fund balances	(12,284,529)	(12,209,500)	(1,756,291)	10,453,209
Fund balances at beginning of year	12,301,905	12,301,905	12,301,905	-
Prior year encumbrances appropriated	594,600	594,600	594,600	-
Fund balance at end of year	<u>\$ 611,976</u>	<u>\$ 687,005</u>	<u>\$ 11,140,214</u>	<u>\$ 10,453,209</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 - DESCRIPTION OF THE LIBRARY AND REPORTING ENTITY

The Board of Library Trustees of the Akron-Summit Public Library (the Library) has seven members: three appointed by the Common Pleas Court Judges and four appointed by the Summit County Executive and Council, as established by section 3375.22 of the Ohio Revised Code. Appointments are for seven-year terms and members serve without compensation. Under Ohio statutes, the Library is a body politic and corporate capable of suing and being sued; contracting; acquiring, holding, possessing, and disposing of real 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 control and management of the Library is governed by Sections 3375.33 to 3375.41 of the Ohio Revised Code. The Board of Library Trustees appoints a Director and Fiscal Officer.

There is no potential for the Library to provide a financial benefit to or to impose a financial burden on the County Council, nor can the County Councils 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 Council 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 Council must place the levy on the ballot.

Under the provisions of Governmental Accounting Standards Board Statement No. 61, *The Financial Reporting Entity: Omnibus*, the Library is considered a related organization to Summit County.

There are nineteen Friends groups associated with the Library: one for Main Library; one for each branch library; and one Council of Friends, which is an umbrella group for the other Friends groups. Each Friends group is a not-for-profit organization with a self-appointing board. The Library is not financially accountable for these organizations, nor does the Library approve the budgets or the issuance of debt of these organizations. Therefore, these organizations have been excluded from the reporting entity of the Library.

The Library's management believes these financial statements present all activities for which the Library is financially accountable.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Accounting

As discussed further in the "Basis of Accounting" section of this note, these financial statements are prepared on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Library's accounting policies.

Basis of Presentation

The Library's basic financial statements consist of government-wide 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 Library. The statements present the activities of the Library as governmental activities. Governmental activities are generally financed through taxes, intergovernmental revenues and other nonexchange transactions.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

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

Fund Accounting

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

Governmental Funds - Governmental funds are those through which all governmental functions of the Library are financed. The following are the Library's major governmental funds:

General Fund - The general fund accounts for and reports all financial resources not accounted for or reported 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.

Building and Repair Fund - The building and repair fund accounts for and reports the transfer of general fund receipts and other resources received for the purpose of building, expanding, and repairing library buildings.

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

Basis of Accounting

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

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Budgetary Process

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

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

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations should not exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first permanent appropriation for that fund 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 of Trustees during the year.

Cash and Cash Equivalents

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts respectively. Investment procedures are restricted by the provisions of the Ohio Revised Code.

During 2023, the Library invested in negotiable certificates of deposit, a money market account, and STAR Ohio. Investments are reported at cost, except for the money market account and STAR Ohio. The Library's money market account investment is reported by Fifth Third Securities, Inc. on December 31, 2023.

STAR Ohio (the State Treasury Asset Reserve of 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 their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Interest earnings are allocated to Library funds according to State statutes, grant requirements, debt related restrictions, or Library policy. Interest receipts credited to the General Fund during 2023 totaled \$619,590 which includes \$245,125 assigned from other Library funds.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Unclaimed monies that are required to be held for five years before they may be utilized by the Library are reported as restricted as well as the nonspendable portions of endowments.

Inventory and Prepaid Items

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

Capital Assets

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

Interfund Transactions

Exchange transactions between funds are reported as receipts in the seller fund and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources (uses) in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

Accumulated Leave

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

Employer Contributions to Cost-Sharing Pension Plans

The Library recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

Long-Term Obligations

The Library's cash basis financial statements do not report liabilities for long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset (including the intangible right to use) when entering into a lease transaction is not the result of a cash transaction, neither an other financing source nor a capital outlay disbursement is reported at inception. Lease payments are reported when paid.

Leases

The Library is the lessor/lessee in various leases related to buildings, vehicles, and other equipment under noncancelable leases. Lease receivables/payables are not reflected under the Library's cash basis of accounting. Lease receipts/disbursements are recognized when they are received/paid.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Subscription Based Information Technology Arrangements

Accruals related to Subscription Based Information Technology Arrangement (SBITA) contracts (as defined by GASB Statement No. 96) are not reflected under the Library's cash basis of accounting. SBITA disbursements are recognized when they are paid.

Net Position

Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for the benefit of Library programs and the purchase of certain materials.

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

Fund Balance

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

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion 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 those through debt covenants), grantors, contributors, or laws or regulations of other governments; or are imposed by law through constitutional provisions.

Committed - The committed fund balance classification includes amounts that can be used only for specific purposes imposed by formal action (resolution) of the Board of Trustees. Those 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.

Assigned - Amounts in the assigned fund balance 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. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board of Trustees or a Library official delegated that authority by resolution or by State statute. State statute authorizes the Fiscal Officer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The Board of Trustees may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget in the General Fund.

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.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The Library applies restricted resources first when disbursements are 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 disbursements are incurred for purposes for which amounts in any of the unrestricted fund balance classifications may be used.

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements, and Changes in Fund Balance - Budget and Actual - Budgetary Basis presented for the general fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis are as follows:

1. Outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis).
2. Multiple funds are combined with the general fund in the financial statements to comply with the requirements of GASB Statement No. 54. The budgetary basis statement presents only the activity of the general fund.

Adjustments necessary to convert the results of operations at the end of the year on the budget basis to the cash basis are as follows:

	<u>General</u>
Cash Basis	\$ (1,207,283)
Adjustment for GASB 54	5,033
Encumbrances	<u>(554,041)</u>
Budget Basis	<u><u>\$ (1,756,291)</u></u>

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

Inactive deposits are public monies that have been 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 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 the deposit or by savings or deposit accounts, including passbook accounts.

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 institution's 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.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Interim monies held by the Library can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, 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. No-load money market mutual funds consisting exclusively of obligations described in (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;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
6. 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;
7. The State Treasury Asset Reserve of Ohio (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 purchase, unless matched to a specific obligation or debt of the Library, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Except as noted above, an investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Library, and must be purchased with the expectation that it will be held to maturity. Payment for investments may be made only upon delivery of the securities representing the investments to the Fiscal Officer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At year-end, the Library had \$2,650 of undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the Library will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, the carrying amount of the Library's deposits was \$3,497,003 and the bank balance was \$3,746,931. At year end, \$533,431 of the Library's bank balance was covered by FDIC, \$2,509,707 was covered by the Ohio Pooled Collateral System (OPCS) as discussed below, and \$703,793 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. The Library's financial institutions were approved for a reduced collateral rate of 60 percent and 102 percent through the Ohio Pooled Collateral System.

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 participation in the 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

The fair value of these investments is not materially different from measurement value. As of December 31, 2023, the Library had the following investments:

<u>Investment type</u>	<u>Measurement Value</u>	<u>Investment Maturities</u>		<u>Percentage of Total Investments</u>
		<u>6 Months or Less</u>	<u>7 to 12 Months</u>	
<i>Fair value:</i>				
U.S. Government Money Market	\$ 421,527	\$ 421,527	\$ -	2.40%
<i>Cost:</i>				
Negotiable Certificates of Deposit	727,000	482,000	245,000	4.14%
<i>Net Asset Value:</i>				
STAR Ohio	<u>16,427,411</u>	<u>16,427,411</u>	<u>-</u>	<u>93.46%</u>
Total	<u>\$ 17,575,938</u>	<u>\$ 17,330,938</u>	<u>\$ 245,000</u>	<u>100.00%</u>

Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Library's investment policy addresses interest rate risk by requiring that the Library's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity, and by investing operating funds primarily in short-term investments.

Credit risk is the possibility that an issuer or other counterparty to an investment will not fulfill its obligation. STAR Ohio carries a rating of AAAm by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Library has no investment policy dealing with investment credit risk beyond the requirements in State statutes.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

The Library places no limit on the amount it may invest in any one issuer.

NOTE 5 - GRANTS IN AID AND PROPERTY TAXES

Grants in Aid

The primary source of revenue for Ohio public libraries is the Public Library Fund (PLF). The State allocates PLF to each county based on the total tax revenue credited to the State's general revenue fund during the preceding month using the statutory allocation method. Estimated entitlement figures were issued to County Auditors. The actual current year entitlements were computed in December of the current year. The difference between the estimate and actual will be adjusted evenly in the PLF distributions made from January-June of the subsequent year.

Property Taxes

Property taxes include amounts levied against all real and public utility property located within Summit County. Property tax revenue received during 2023 for real and public utility property taxes represents collections of 2022 taxes.

2023 real property taxes are levied after October 1, 2023, on the assessed value as of January 1, 2023, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2023 real property taxes are collected in and intended to finance 2024.

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31. If paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes.

In May of 2015, of the Library district's voters approved a 1.4 mil renewal and a 0.5 mil increase property tax levy for a six-year period with collections beginning in 2016. In 2021, the voters approved a 1.9 mil renewal property tax levy. Collections for the levy begins in 2022 and ends in 2027.

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the county including the Library. The County Fiscal Officer periodically remits the Library's portion of the taxes collected.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 6 - TRANSFERS

During 2023, the following transfers were made:

Transfer from	Transfer to		Total
	Major Fund: Building and Repair	Other Nonmajor Governmental	
General Fund	\$3,000,000	\$315,025	\$3,315,025

The above-mentioned Transfers From/To were made to use unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 7 - RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2023, the Library contracted with several companies for various types of insurance coverage as follows:

Company	Type of Coverage	Coverage
Cincinnati Insurance	Property - Main - Building	\$60,000,000
	Property - Branches - Building	\$32,300,000
	Property - Main - Contents	\$20,800,000
	Property - Branches - Contents	\$23,555,353
	Commercial Umbrella Liability	\$7,000,000
	Electronic Data Equipment	\$2,653,525
	Fine Arts	\$502,401
	Extra Expense	\$2,010,000
	General Liability, in aggregate	\$2,000,000
	General Liability, per occurrence	\$1,000,000
	Fleet Insurance, single limit	\$1,000,000
	Fleet Insurance, uninsured	\$1,000,000
	Employee Dishonesty	\$250,000
	Boiler and Machinery	Property Limits
	Flood	\$1,000,000
	Earthquake	\$5,000,000
	Bookmobile Contents	\$1,345,753
	Off Premises Services Interruption	\$250,000
Philadelphia Insurance	Directors and Officers Liability	\$3,000,000
	Employment Practices	\$3,000,000
Western Surety	Public Officials Bond	\$200,000
CFC Underwriting Limited	Cyber	\$2,000,000
Intact Insurance	Builders Risk	\$2,500,000

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 7 - RISK MANAGEMENT - (Continued)

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

The Library also provides health, dental and vision insurances to employees through private carriers.

NOTE 8 - DEFINED BENEFIT PENSION PLAN

Ohio Public Employees Retirement System

Plan Description - Library employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension 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 OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C 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	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	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
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	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	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

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 8 - DEFINED BENEFIT PENSION PLAN - (Continued)

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. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for 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 who retired prior to January 7, 2013, the cost of living adjustment is 3.00%. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

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 participants must have attained the age of 55, 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 members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20.00% each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 8 - DEFINED BENEFIT PENSION PLAN - (Continued)

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

	State and Local	
	Traditional	Combined
2023 Statutory Maximum Contribution Rates		
Employer	14.0 %	14.0 %
Employee *	10.0 %	10.0 %
2023 Actual Contribution Rates		
Employer:		
Pension **	14.0 %	12.0 %
Post-employment Health Care Benefits **	0.0	2.0
Total Employer	14.0 %	14.0 %
Employee	10.0 %	10.0 %

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The Library's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$1,927,861 for 2023.

NOTE 9 - DEFINED BENEFIT OPEB PLAN

Ohio Public Employees Retirement System

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension 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 post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 9 - DEFINED BENEFIT OPEB PLAN - (Continued)

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to traditional pension plan and combined plan benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify based on the following age-and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Group C 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50.00% of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 9 - DEFINED BENEFIT OPEB PLAN - (Continued)

The health care 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 separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The 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 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, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. 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 determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan. 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 in the member-directed plan for 2023 was 4.00%; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Library's contractually required contribution was \$20,645 for 2023.

NOTE 10 - LONG-TERM OBLIGATIONS

During 2023, the following activity occurred in governmental activities long-term obligations:

	Balance <u>12/31/2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>12/31/2023</u>	Amount Due in <u>One Year</u>
Library Facilities					
Notes, Series 2022	\$ <u>1,200,000</u>	\$ <u>-</u>	\$ <u>(226,733)</u>	\$ <u>973,267</u>	\$ <u>231,426</u>

Library Facilities Notes, Series 2022 - On May 27, 2022, the Library issued \$1,200,000 in general obligation notes to provide funding for capital improvements.

The issue is comprised of general obligation notes, par value \$1,200,000. The interest rate on the notes is 3.35%. Interest payments on the notes are due on May 1 of each year. The final maturity stated in the issue is May 1, 2027. Principal and interest payments will be paid with public library fund monies out of the Note Retirement Debt Service Fund (a nonmajor governmental fund).

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The following is a summary of the future debt service requirements to maturity for the Library Facilities Notes, Series 2022:

Year Ending December 31,	Library Facilities Notes, Series 2022		
	Principal	Interest	Total
2024	\$ 231,426	\$ 32,604	\$ 264,030
2025	239,178	24,852	264,030
2026	247,191	16,839	264,030
2027	<u>255,472</u>	<u>8,558</u>	<u>264,030</u>
Total	<u>\$ 973,267</u>	<u>\$ 82,853</u>	<u>\$ 1,056,120</u>

NOTE 11 - CONTINGENT LIABILITIES

The Library may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, they believe the resolution of any matter will not materially adversely affect the Library's financial condition.

NOTE 12 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. The Library will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

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**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 13 - FUND BALANCES

Fund balance is classified as 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 the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Building and Repair	Other Governmental Funds	Total
Nonspendable				
Unclaimed monies	\$ 9,182	\$ -		\$ 9,182
Permanent fund:				
Barber fund	-	-	10,000	10,000
Taylor Lerch fund	-	-	425,825	425,825
<i>Total Nonspendable</i>	<u>9,182</u>	<u>-</u>	<u>435,825</u>	<u>445,007</u>
Restricted for				
Donor specified purposes	-	-	63,580	63,580
Grantor specified purposes	-	-	50,048	50,048
Forfeited employee FSA	-	-	13,056	13,056
FSA contributions	-	-	10,577	10,577
Permanent fund expendable:				
Barber fund	-	-	1,670	1,670
Taylor Lerch fund	-	-	19,926	19,926
Debt service	-	-	86,582	86,582
<i>Total Restricted</i>	<u>-</u>	<u>-</u>	<u>245,439</u>	<u>245,439</u>
Committed for				
Fundraising	-	-	34,295	34,295
Assigned to				
Capital projects	-	6,907,653	736,356	7,644,009
Subsequent year appropriations	10,344,815	-	-	10,344,815
Encumbrances	554,041	-	-	554,041
<i>Total Assigned</i>	<u>10,898,856</u>	<u>6,907,653</u>	<u>736,356</u>	<u>18,542,865</u>
Unassigned	<u>1,807,985</u>	<u>-</u>	<u>-</u>	<u>1,807,985</u>
<i>Total Fund Balances</i>	<u><u>\$ 12,716,023</u></u>	<u><u>\$ 6,907,653</u></u>	<u><u>\$ 1,451,915</u></u>	<u><u>\$ 21,075,591</u></u>

**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)**

This discussion and analysis of the Akron-Summit County Public Library's (the Library) financial performance provides an overall review of the Library's financial activities for the year ended December 31, 2022, within the limitations of the Library's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Library's financial performance.

Financial Highlights

Key financial highlights for 2022 are as follows:

- The total net position of the Library increased \$3,741,977 or 21.30% during 2022.
- General receipts accounted for \$32,520,752 or 98.43% of total governmental activities receipts. Program specific receipts accounted for \$518,109 or 1.57% of total governmental activities receipts.
- The Library had \$29,296,884 in disbursements related to governmental activities; \$518,109 of these disbursements were offset by program specific charges for services, grants or contributions. General receipts (primarily property taxes and public library fund receipts) of \$32,520,752 were adequate to provide for these programs.
- The Library's major funds are the General Fund and Building and Repair Fund. The General Fund had receipts of \$31,613,033 in 2022. The disbursements and other financing uses of the General Fund totaled \$32,112,718 in 2022. The General Fund's balance decreased \$499,685 from a balance of \$14,422,991 to \$13,923,306.
- The Building and Repair Fund had receipts of \$64,656 from earnings on investments, \$1,200,000 from Library Facilities Notes, Series 2022, and transfers in from the General Fund of \$4,214,050. Disbursements totaled \$1,342,169 in 2022. The Building and Repair Fund balance increased \$4,136,537 from a balance of \$2,121,593 to \$6,258,130.

Using this Cash Basis Basic Financial Statements

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

Report Components

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

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

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

Basis of Accounting

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

**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)**

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

Reporting the Library as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities reflect how the Library did financially during 2022, within the limitations of cash basis accounting. The Statement of Net Position presents the cash balances of the governmental activities of the Library at year-end. The Statement of Activities compares cash disbursements with program receipts. Program receipts include patron fines and fees and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Library's general receipts.

These statements report the Library's net position and the changes in net position. Keeping in mind the limitations of the cash basis of accounting, these changes are one way to measure the Library's financial health. Over time, an increase or decrease in the Library's net position is one indicator of whether the Library's financial health is improving or deteriorating. When evaluating the Library's financial condition, one should also consider other nonfinancial factors as well such as the Library's property tax base, the condition of the Library's capital assets and infrastructure, the extent of the Library's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property tax and the Public Library Fund (PLF).

In the Statement of Net Position and the Statement of Activities, the Library reports 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 the PLF. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Reporting the Library's Most Significant Funds

Fund Financial Statements

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

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

Notes to the Basic Financial Statements

The notes provide additional and explanatory data. They are an integral part of the basic financial statements.

**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

The Library as a Whole

Table I provides a summary of the Library's net position at December 31, 2022 and December 31, 2021:

**Table I
Net Position**

	Governmental Activities <u>2022</u>	Governmental Activities <u>2021</u>
<u>Assets</u>		
Equity in pooled cash and cash equivalents	\$ 21,311,294	\$ 17,569,317
<u>Net Position</u>		
Restricted for:		
Debt service	86,582	86,582
Unclaimed monies	9,182	9,182
Donor specified purposes	48,289	-
Grantor specified purposes	97,297	-
Forfeited FSA	13,056	13,056
FSA contributions	5,550	-
Permanent fund:		
Expendable	11,949	11,623
Nonexpendable	435,825	435,825
Other purposes	-	107,647
Unrestricted	<u>20,603,564</u>	<u>16,905,402</u>
Total net position	<u>\$ 21,311,294</u>	<u>\$ 17,569,317</u>

The total net position of the Library increased \$3,741,977, which represents a 21.30% increase over December 31, 2021's net position. This increase was primarily the result of an increase in public library funds and property and other local taxes.

The balance of government-wide unrestricted net position of \$20,603,564 may be used to meet the Library's ongoing obligations to citizens and creditors.

**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)**

Table 2 reflects the changes in net position in 2022 and 2021 for governmental activities:

	Table 2	
	Change in Net Position	
	Governmental Activities 2022	Governmental Activities 2021
Receipts:		
Program receipts:		
Charges for services and sales	\$ 272,526	\$ 210,452
Operating grants, contributions and interest	180,927	173,436
Capital grants, contributions and interest	64,656	-
Total program receipts	518,109	383,888
General receipts:		
Property taxes levied for general purposes	14,376,955	14,092,823
Public library fund	15,179,400	14,128,845
Grants and entitlements not restricted	1,302,324	1,470,896
Unrestricted gifts and contributions	621	968
Earnings on investments	214,020	16,466
Sale of notes	1,200,000	-
Miscellaneous	247,432	164,538
Total general receipts	32,520,752	29,874,536
Total receipts	33,038,861	30,258,424
Disbursements:		
Current:		
Library services:		
Public services and programs	13,139,933	13,067,723
Collection development and processing	4,778,858	4,257,042
Support services:		
Facilities operation and maintenance	4,654,409	4,548,956
Information services	1,016,925	933,323
Business administration	3,813,572	3,805,848
Capital outlay	1,893,187	700,599
Total disbursements	29,296,884	27,313,491
Change in net position	3,741,977	2,944,933
Net position at beginning of year	17,569,317	14,624,384
Net position at end of year	\$ 21,311,294	\$ 17,569,317

Governmental Activities

Governmental net position increased by \$3,741,977 in 2022 from 2021. Total governmental disbursements of \$29,296,884 were offset by program receipts of \$518,109 and general receipts of \$32,520,752. Program receipts supported 1.77% of the total governmental disbursements.

Program receipts represent 1.57 percent of total receipts and are primarily comprised of patron fines and fees, grants, and contributions and donations.

**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)**

General receipts represent 98.43 percent of the Library's total receipts, and of this, 43.52 percent are local taxes. Public library fund and unrestricted grants and entitlements make up another 49.89 percent of the Library's general receipts. The Library issued notes in the amount of \$1,200,000, which are reported in general receipts. Earnings on investments and other miscellaneous receipts are less significant and somewhat unpredictable revenue sources.

The first column of the Statement of Activities lists the major services provided by the Library. The Cash Disbursements column of the Statement identifies the costs of providing these services. The major program disbursements for governmental activities are Public Services and Programs, Collection Development and Processing, Facilities Operation and Maintenance, Information Services, Business Administration, and Capital Outlay, which account for 44.85 percent, 16.31 percent, 15.89 percent, 3.47 percent, 13.02 percent, and 6.46 percent of all Library disbursements, respectively. The Program Receipt columns of the Statement titled Program Cash Receipts identify amounts paid by persons who are directly charged for the respective service and grants received by the Library that must be used to provide a specific service. The Net (Disbursements) Receipts column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service paid by taxpayers from the Library's general receipts which are represented at the bottom of the Statement.

A comparison between the total cost of services and the net cost is presented in Table 3 below:

**Table 3
Governmental Activities**

	Total Cost of Services <u>2022</u>	Net Cost of Services <u>2022</u>	Total Cost of Services <u>2021</u>	Net Cost of Services <u>2021</u>
Disbursements:				
Current:				
Library services:				
Public services and programs	\$ 13,139,933	\$ 12,828,632	\$ 13,067,723	\$ 12,774,546
Collection development and processing	4,778,858	4,765,915	4,257,042	4,250,111
Support services:				
Facilities operation and maintenance	4,654,409	4,654,409	4,548,956	4,548,956
Information services	1,016,925	1,016,925	933,323	933,323
Business administration	3,813,572	3,730,076	3,805,848	3,722,068
Capital outlay	<u>1,893,187</u>	<u>1,782,818</u>	<u>700,599</u>	<u>700,599</u>
Total	<u>\$ 29,296,884</u>	<u>\$ 28,778,775</u>	<u>\$ 27,313,491</u>	<u>\$ 26,929,603</u>

The dependence upon general receipts for governmental activities is apparent; with 98.23 percent of disbursements supported through taxes and other general receipts during 2022.

The Library's Funds

Total governmental funds receipts and other financing sources were \$37,352,911 and disbursements and other financing uses were \$33,610,934. The General Fund receipts were \$499,685 less than disbursements, and other financing uses and the ending fund balance was \$13,923,306. The General Fund made transfers of \$4,314,050 to other funds during 2022. Receipts increased by \$1,512,303, primarily due to an increase in property and other local taxes and public library fund receipts. Disbursements increased \$1,091,388 in 2022 in all areas except for business administration.

The Building and Repair Fund balance increased \$4,136,537 from transfers in and the issuance of the Library Facilities Notes, Series 2022, to finance capital improvements.

**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)**

General Fund Budgeting Highlights

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

During 2022, the Library amended its General Fund budget to reflect changing circumstances. Final budgeted receipts were \$30,695,827 and actual receipts were \$31,599,351 which was \$903,524 more receipts than budgeted. The original and final budget for disbursements was \$42,220,400 and actual disbursements and other financing uses were \$32,671,554 (cash disbursements plus encumbrances). Actual disbursements were \$9,548,846 less than budgeted. The primary reason for the difference between budgeted and actual disbursements was due to a budgeted contingency that was not spent. Annually, a contingency line item is included in the budget but normally is not utilized.

Debt Administration

The Library issued \$1,200,000 in Library Facilities Notes, Series 2022 during 2022. At December 31, 2022, \$226,733 is due in one year and \$973,267 is due in more than one year. The notes carry an interest rate of 3.35% and have a final maturity of May 1, 2027.

See Note 10 in the basic financial statements for detail on the Library's debt administration.

Current Issues

All Ohio libraries face the challenge to continue providing quality services to the public while experiencing certain uncertainties in funding. Ohio's public libraries, including the Akron-Summit County Public Library (the Library), depend on the State of Ohio for a major part of their funding through the Public Library Fund (PLF). The PLF is calculated as a percentage of the state's General Revenue Fund (GRF) tax revenue. Ohio libraries received 1.7 percent of the GRF tax revenue for the calendar year 2022 (the Library's fiscal year). Calendar year 2022 is partially within the state's biennium budget period of July 1, 2020 through June 30, 2022 and partially within the budget period of July 1, 2022 through June 30, 2024. Since the PLF is based on a percentage of the state's revenue, the PLF funding fluctuates as the state's revenue fluctuates.

The Library's other major operating revenue source is a local property tax levy. The six-year 1.9 mill local property tax levy was approved by the voters in May 2015 to provide for general operations. Collections from this levy run from 2016 through 2021. In May 2021, the voters approved a renewal of the 1.9 mill levy. Collections from the renewal will run from calendar year 2022 through calendar year 2027.

The Library has remained committed to careful and thoughtful spending, especially since future State funding is somewhat uncertain and levy revenue may remain flat or decline during the levy cycle. During the recession and in the years immediately following it, the Library did not reduce public hours or the services we provided. Significant reductions in salary expenses were realized through workforce attrition and reorganizing work duties. In 2014 and 2015 however, we decreased public hours in order to achieve additional savings to meet the continuing budget constraints and to accommodate our reduced staff levels. In 2016, the Library added back some of the public hours and began filling some open positions in anticipation of additional revenue from the new levy. In 2017 through 2019 the Library continued carefully evaluating hiring for open positions when necessary and reorganizing work duties when practical. In 2020, as a result of the pandemic shut downs, the Library realized significant savings by furloughing approximately 85% of our staff between mid-April and mid-June and suspending in-building services and programming. Throughout 2022, the Library's staffing level was still below pre-pandemic levels primarily due to voluntary separations and continuing to leave selected positions vacant. Future budget considerations include significant capital expenditures to meet the needs of our aging buildings. The Library is exploring possible revenues to fund these upcoming capital needs.

**AKRON-SUMMIT COUNTY DISTRICT LIBRARY
SUMMIT COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)**

The Akron-Summit County Public Library is a community place for individual development and civic growth. Partnering with other government agencies, community organizations, and educational institutions, the Library brings resources, services, and programming to customers of all ages and abilities, and acts as a catalyst for positive personal and community outcomes. From our Library of Things to computer workshops, from book discussion groups to grant-seeking workshops, from story times in local parks to art workshops in local shelters, the Akron-Summit County Public Library reflects its core values - Excellence, Service, Learning, Diversity and Inclusion - within and beyond our walls.

Contacting the Library's Financial Management

This financial report is designed to provide the citizens, taxpayers, investors, and creditors with a general overview of the Library's finances and to reflect the Library's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Michelle Scarpitti, Fiscal Officer, Akron-Summit County Public Library, 60 S. High Street, Akron, Ohio 44326.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
SUMMIT COUNTY, OHIO**

STATEMENT OF NET POSITION - CASH BASIS
DECEMBER 31, 2022

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	<u>\$ 21,311,294</u>
Total assets	<u><u>\$ 21,311,294</u></u>
Net position:	
Restricted for:	
Debt service	\$ 86,582
Unclaimed monies	9,182
Donor specified purposes	48,289
Grantor specified purposes	97,297
Forfeited employee FSA	13,056
FSA contributions	5,550
Permanent fund:	
Expendable	11,949
Nonexpendable	435,825
Unrestricted	<u>20,603,564</u>
Total net position	<u><u>\$ 21,311,294</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
SUMMIT COUNTY, OHIO**

STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

		Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services and Sales	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest	Governmental Activities
Governmental activities:					
Current:					
Library services:					
Public services and programs	\$ 13,139,933	\$ 272,526	\$ 38,775	\$ -	\$ (12,828,632)
Collection development and processing	4,778,858	-	12,943	-	(4,765,915)
Support services:					
Facilities operation and maintenance	4,654,409	-	-	-	(4,654,409)
Information services	1,016,925	-	-	-	(1,016,925)
Business administration	3,813,572	-	83,496	-	(3,730,076)
Capital outlay	1,893,187	-	45,713	64,656	(1,782,818)
Total governmental activities	<u>\$ 29,296,884</u>	<u>\$ 272,526</u>	<u>\$ 180,927</u>	<u>\$ 64,656</u>	<u>(28,778,775)</u>
General receipts:					
Property taxes levied for:					
General purposes					14,376,955
Public library fund					15,179,400
Grants and entitlements not restricted to specific programs					1,302,324
Unrestricted gifts and contributions					621
Earnings on investments					214,020
Note issuance					1,200,000
Miscellaneous					247,432
Total general receipts					<u>32,520,752</u>
Change in net position					3,741,977
Net position at beginning of year					<u>17,569,317</u>
Net position at end of year					<u>21,311,294</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
SUMMIT COUNTY, OHIO**

STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	<u>General</u>	<u>Building and Repair</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 13,923,306	\$ 6,258,130	\$ 1,129,858	\$ 21,311,294
Fund balances:				
Nonspendable	\$ 9,182	\$ -	\$ 435,825	\$ 445,007
Restricted	-	-	262,723	262,723
Assigned	12,688,370	6,258,130	431,310	19,377,810
Unassigned	1,225,754	-	-	1,225,754
Total fund balances	<u>\$ 13,923,306</u>	<u>\$ 6,258,130</u>	<u>\$ 1,129,858</u>	<u>\$ 21,311,294</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
SUMMIT COUNTY, OHIO**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	General	Building and Repair	Other Governmental Funds	Total Governmental Funds
Receipts:				
Property and other local taxes	\$ 14,376,955	\$ -	\$ -	\$ 14,376,955
Public library	15,179,400	-	-	15,179,400
Intergovernmental	1,302,324	-	-	1,302,324
Patron fines and fees	272,526	-	-	272,526
Contributions, gifts and donations	20,376	-	71,713	92,089
Earnings on investments	214,020	64,656	5,963	284,639
Miscellaneous	247,432	-	83,496	330,928
Total receipts	<u>31,613,033</u>	<u>64,656</u>	<u>161,172</u>	<u>31,838,861</u>
Disbursements:				
Current:				
Library services:				
Public services and programs	13,129,933	-	10,000	13,139,933
Collection development and processing	4,772,963	-	5,895	4,778,858
Support services:				
Facilities operation and maintenance	4,654,409	-	-	4,654,409
Information services	1,016,925	-	-	1,016,925
Business administration	3,725,163	-	88,409	3,813,572
Capital outlay	499,275	1,342,169	51,743	1,893,187
Total disbursements	<u>27,798,668</u>	<u>1,342,169</u>	<u>156,047</u>	<u>29,296,884</u>
Excess (deficiency) of receipts over (under) disbursements	<u>3,814,365</u>	<u>(1,277,513)</u>	<u>5,125</u>	<u>2,541,977</u>
Other financing sources (uses):				
Note issuance	-	1,200,000	-	1,200,000
Transfers in	-	4,214,050	100,000	4,314,050
Transfers (out)	<u>(4,314,050)</u>	<u>-</u>	<u>-</u>	<u>(4,314,050)</u>
Total other financing sources (uses)	<u>(4,314,050)</u>	<u>5,414,050</u>	<u>100,000</u>	<u>1,200,000</u>
Net change in fund balances	(499,685)	4,136,537	105,125	3,741,977
Fund balance at beginning of year	<u>14,422,991</u>	<u>2,121,593</u>	<u>1,024,733</u>	<u>17,569,317</u>
Fund balance at end of year	<u>\$ 13,923,306</u>	<u>\$ 6,258,130</u>	<u>\$ 1,129,858</u>	<u>\$ 21,311,294</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
SUMMIT COUNTY, OHIO**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts:				
Property and other local taxes	\$ 13,418,065	\$ 13,965,873	\$ 14,376,955	\$ 411,082
Public library	14,166,990	14,745,374	15,179,400	434,026
Intergovernmental	1,215,464	1,265,086	1,302,324	37,238
Patron fines and fees	254,350	264,734	272,526	7,792
Contributions, gifts and donations	19,017	19,793	20,376	583
Earnings on investments	186,976	194,610	200,338	5,728
Miscellaneous	230,929	240,357	247,432	7,075
Total receipts	<u>29,491,791</u>	<u>30,695,827</u>	<u>31,599,351</u>	<u>903,524</u>
Disbursements:				
Current:				
Library services:				
Public services and programs	14,224,365	14,224,365	13,246,511	977,854
Collection development and processing	6,657,811	6,657,811	5,031,524	1,626,287
Support services:				
Facilities operation and maintenance	5,404,046	5,404,046	4,680,609	723,437
Information services	1,346,549	1,346,549	1,031,497	315,052
Business administration	9,397,228	9,397,228	3,707,117	5,690,111
Capital outlay	876,351	876,351	660,246	216,105
Total disbursements	<u>37,906,350</u>	<u>37,906,350</u>	<u>28,357,504</u>	<u>9,548,846</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(8,414,559)</u>	<u>(7,210,523)</u>	<u>3,241,847</u>	<u>10,452,370</u>
Other financing (uses):				
Transfers (out)	<u>(4,314,050)</u>	<u>(4,314,050)</u>	<u>(4,314,050)</u>	<u>-</u>
Net change in fund balances	(12,728,609)	(11,524,573)	(1,072,203)	10,452,370
Fund balances at beginning of year	12,792,409	12,792,409	12,792,409	-
Prior year encumbrances appropriated	581,699	581,699	581,699	-
Fund balance at end of year	<u>\$ 645,499</u>	<u>\$ 1,849,535</u>	<u>\$ 12,301,905</u>	<u>\$ 10,452,370</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 1 - DESCRIPTION OF THE LIBRARY AND REPORTING ENTITY

The Board of Library Trustees of the Akron-Summit Public Library (the Library) has seven members: three appointed by the Common Pleas Court Judges and four appointed by the Summit County Executive and Council, as established by section 3375.22 of the Ohio Revised Code. Appointments are for seven-year terms and members serve without compensation. Under Ohio statutes, the Library is a body politic and corporate capable of suing and being sued; contracting; acquiring, holding, possessing, and disposing of real 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 control and management of the Library is governed by Sections 3375.33 to 3375.41 of the Ohio Revised Code. The Board of Library Trustees appoints a Director and Fiscal Officer.

There is no potential for the Library to provide a financial benefit to or to impose a financial burden on the County Council, nor can the County Councils 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 Council 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 Council must place the levy on the ballot.

Under the provisions of Governmental Accounting Standards Board Statement No. 61, *The Financial Reporting Entity: Omnibus*, the Library is considered a related organization to Summit County.

There are nineteen Friends groups associated with the Library: one for Main Library; one for each branch library; and one Council of Friends, which is an umbrella group for the other Friends groups. Each Friends group is a not-for-profit organization with a self-appointing board. The Library is not financially accountable for these organizations, nor does the Library approve the budgets or the issuance of debt of these organizations. Therefore, these organizations have been excluded from the reporting entity of the Library.

The Library's management believes these financial statements present all activities for which the Library is financially accountable.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Accounting

As discussed further in the "Basis of Accounting" section of this note, these financial statements are prepared on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Library's accounting policies.

Basis of Presentation

The Library's basic financial statements consist of government-wide 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 Library. The statements present the activities of the Library as governmental activities. Governmental activities are generally financed through taxes, intergovernmental revenues and other nonexchange transactions.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

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

Fund Accounting

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

Governmental Funds - Governmental funds are those through which all governmental functions of the Library are financed. The following are the Library's major governmental funds:

General Fund - The general fund accounts for and reports all financial resources not accounted for or reported 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.

Building and Repair Fund - The building and repair fund accounts for and reports the transfer of general fund receipts and other resources received for the purpose of building, expanding, and repairing library buildings.

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

Basis of Accounting

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

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

Budgetary Process

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

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations should not exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first permanent appropriation for that fund 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 of Trustees during the year.

Cash and Cash Equivalents

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts respectively. Investment procedures are restricted by the provisions of the Ohio Revised Code.

During 2022, the Library invested in negotiable certificates of deposit, a money market account, and STAR Ohio. Investments are reported at cost, except for the money market account and STAR Ohio. The Library's money market account investment is reported by Fifth Third Securities, Inc. on December 31, 2022.

STAR Ohio (the State Treasury Asset Reserve of 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 their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Interest earnings are allocated to Library funds according to State statutes, grant requirements, debt related restrictions, or Library policy. Interest receipts credited to the General Fund during 2022 totaled \$214,020 which includes \$57,987 assigned from other Library funds.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Unclaimed monies that are required to be held for five years before they may be utilized by the Library are reported as restricted as well as the nonspendable portions of endowments.

Inventory and Prepaid Items

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

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Capital Assets

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

Interfund Transactions

Exchange transactions between funds are reported as receipts in the seller fund and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources (uses) in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

Accumulated Leave

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

Employer Contributions to Cost-Sharing Pension Plans

The Library recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

Long-Term Obligations

The Library's cash basis financial statements do not report liabilities for long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset (including the intangible right to use) when entering into a lease transaction is not the result of a cash transaction, neither an other financing source nor a capital outlay disbursement is reported at inception. Lease payments are reported when paid.

Leases

For 2022, GASB Statement No. 87, Leases was effective. This GASB pronouncement had no effect on beginning net position/fund balance.

The Library is the lessor/lessee in various leases related to buildings, vehicles, and other equipment under noncancelable leases. Lease receivables/payables are not reflected under the Library's cash basis of accounting. Lease receipts/disbursements are recognized when they are received/paid.

Net Position

Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for the benefit of Library programs and the purchase of certain materials.

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

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Fund Balance

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

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion 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 those through debt covenants), grantors, contributors, or laws or regulations of other governments; or are imposed by law through constitutional provisions.

Committed - The committed fund balance classification includes amounts that can be used only for specific purposes imposed by formal action (resolution) of the Board of Trustees. Those 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.

Assigned - Amounts in the assigned fund balance 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. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board of Trustees or a Library official delegated that authority by resolution or by State statute. State statute authorizes the Fiscal Officer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The Board of Trustees may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget in the General Fund.

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 applies restricted resources first when disbursements are 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 disbursements are incurred for purposes for which amounts in any of the unrestricted fund balance classifications may be used.

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements, and Changes in Fund Balance - Budget and Actual - Budgetary Basis presented for the general fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis are as follows:

1. Outstanding year-end encumbrances are treated as cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis).
2. Multiple funds are combined with the general fund in the financial statements to comply with the requirements of GASB Statement No. 54. The budgetary basis statement presents only the activity of the general fund.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

Adjustments necessary to convert the results of operations at the end of the year on the budget basis to the cash basis are as follows:

	<u>General</u>
Cash Basis	\$ (1,072,203)
Adjustment for GASB 54	(22,082)
Encumbrances	<u>594,600</u>
Budget Basis	<u><u>\$ (499,685)</u></u>

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

Inactive deposits are public monies that have been 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 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 the deposit or by savings or deposit accounts, including passbook accounts.

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 institution's 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 held by the Library can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, 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. No-load money market mutual funds consisting exclusively of obligations described in (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;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

5. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
6. 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;
7. The State Treasury Asset Reserve of Ohio (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 purchase, unless matched to a specific obligation or debt of the Library, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Except as noted above, an investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Library, and must be purchased with the expectation that it will be held to maturity. Payment for investments may be made only upon delivery of the securities representing the investments to the Fiscal Officer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At year-end, the Library had \$2,625 of undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the Library will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, the carrying amount of the Library's deposits was \$3,599,317 and the bank balance was \$3,809,844. At year end, \$1,162,639 of the Library's bank balance was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. The Library's financial institutions were approved for a reduced collateral rate of 50 percent through the Ohio Pooled Collateral System.

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

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.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Investments

The fair value of these investments is not materially different from measurement value. As of December 31, 2022, the Library had the following investments:

<u>Investment type</u>	<u>Measurement Value</u>	<u>Investment Maturities</u>		<u>Percentage of Total Investments</u>
		<u>6 Months or Less</u>	<u>7 to 12 Months</u>	
<i>Fair value:</i>				
U.S. Government Money Market	\$ 242,740	\$ 242,740	\$ -	1.37%
<i>Cost:</i>				
Negotiable Certificates of Deposit	879,000	480,000	399,000	4.96%
<i>Net Asset Value:</i>				
STAR Ohio	<u>16,587,612</u>	<u>16,587,612</u>	<u>-</u>	<u>93.67%</u>
Total	<u>\$ 17,709,352</u>	<u>\$ 17,310,352</u>	<u>\$ 399,000</u>	<u>100.00%</u>

Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Library's investment policy addresses interest rate risk by requiring that the Library's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity, and by investing operating funds primarily in short-term investments.

Credit risk is the possibility that an issuer or other counterparty to an investment will not fulfill its obligation. STAR Ohio carries a rating of AAAm by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Library has no investment policy dealing with investment credit risk beyond the requirements in State statutes.

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

The Library places no limit on the amount it may invest in any one issuer.

NOTE 5 - GRANTS IN AID AND PROPERTY TAXES

Grants in Aid

The primary source of revenue for Ohio public libraries is the Public Library Fund (PLF). The State allocates PLF to each county based on the total tax revenue credited to the State's general revenue fund during the preceding month using the statutory allocation method. Estimated entitlement figures were issued to County Auditors. The actual current year entitlements were computed in December of the current year. The difference between the estimate and actual will be adjusted evenly in the PLF distributions made from January-June of the subsequent year.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 5 - GRANTS IN AID AND PROPERTY TAXES - (Continued)

Property Taxes

Property taxes include amounts levied against all real and public utility property located within Summit County. Property tax revenue received during 2022 for real and public utility property taxes represents collections of 2021 taxes.

2022 real property taxes are levied after October 1, 2022, on the assessed value as of January 1, 2022, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2022 real property taxes are collected in and intended to finance 2023.

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31. If paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2022 public utility property taxes became a lien December 31, 2021, are levied after October 1, 2022, and are collected in 2023 with real property taxes.

In May of 2015, of the Library district's voters approved a 1.4 mil renewal and a 0.5 mil increase property tax levy for a six-year period with collections beginning in 2016. In 2021, the voters approved a 1.9 mil renewal property tax levy. Collections for the levy begins in 2022 and ends in 2027.

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the county including the Library. The County Fiscal Officer periodically remits the Library's portion of the taxes collected.

NOTE 6 - TRANSFERS

During 2022, the following transfers were made:

<u>Transfer from</u>	<u>Transfer to</u>		<u>Total</u>
	Major Fund: Building and Repair	Other Nonmajor Governmental	
General Fund	\$4,214,050	\$100,000	\$4,314,050

The above-mentioned Transfers From/To were made to use unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 7 - RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2022, the Library contracted with several companies for various types of insurance coverage as follows:

Company	Type of Coverage	Coverage
Cincinnati Insurance	Property - Main - Building	\$60,000,000
	Property - Branches - Building	\$32,300,000
	Property - Main - Contents	\$20,800,000
	Property - Branches - Contents	\$23,555,353
	Commercial Umbrella Liability	\$7,000,000
	Electronic Data Equipment	\$2,653,525
	Fine Arts	\$382,383
	Extra Expense	\$2,010,000
	General Liability, in aggregate	\$2,000,000
	General Liability, per occurrence	\$1,000,000
	Fleet Insurance, single limit	\$1,000,000
	Fleet Insurance, uninsured	\$1,000,000
	Employee Dishonesty	\$250,000
	Boiler and Machinery	Property Limits
	Flood	\$1,000,000
	Earthquake	\$5,000,000
	Bookmobile Contents	\$1,345,753
	Off Premises Services Interruption	\$250,000
Philadelphia Insurance	Directors and Officers Liability	\$3,000,000
	Employment Practices	\$3,000,000
Western Surety	Public Officials Bond	\$200,000

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

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

The Library also provides health, dental and vision insurances to employees through private carriers.

NOTE 8 - DEFINED BENEFIT PENSION PLAN

Ohio Public Employees Retirement System (OPERS)

Plan Description - Library employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension 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.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 8 - DEFINED BENEFIT PENSION PLAN - (Continued)

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 OPERS' Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C 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	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	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

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. The amount of a member's pension benefit vests upon receipt of the initial benefit payment.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for 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 who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 8 - DEFINED BENEFIT PENSION PLAN - (Continued)

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 participants must have attained the age of 55, 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 members' contributions, vested employer contributions and investment gains or losses resulting from the members' 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 accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Effective January 1, 2022, the Combined Plan is no longer available for member selection.

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

	<u>State and Local</u>
2022 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2022 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	<u>0.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For 2022, the Library's contractually required contribution was 1,796,839.

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 9 - POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension 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 post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

The health care 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 separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report 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. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 9 - POSTEMPLOYMENT BENEFITS - (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 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, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, state and local employers contributed at a rate of 14.0 percent of earnable salary. This is the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. 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 in the member-directed plan for 2022 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Library's contractually required contribution was \$-0- for 2022.

NOTE 10 - LONG-TERM OBLIGATIONS

During 2022, the following activity occurred in governmental activities long-term obligations:

	Balance <u>12/31/2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>12/31/2022</u>	Amount Due in <u>One Year</u>
Library Facilities					
Notes, Series 2022	\$ -	\$ 1,200,000	\$ -	\$ 1,200,000	\$ 226,733

Library Facilities Notes, Series 2022 - On May 27, 2022, the Library issued \$1,200,000 in general obligation notes to provide funding for capital improvements.

The issue is comprised of general obligation notes, par value \$1,200,000. The interest rate on the notes is 3.35%. Interest payments on the notes are due on May 1 of each year. The final maturity stated in the issue is May 1, 2027. Principal and interest payments will be paid with public library fund monies out of the Tax Anticipation Note Retirement Debt Service Fund (a nonmajor governmental fund).

The following is a summary of the future debt service requirements to maturity for the Library Facilities Notes, Series 2022:

Year Ending December 31,	<u>Library Facilities Notes, Series 2022</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 226,733	\$ 37,297	\$ 264,030
2024	231,426	32,604	264,030
2025	239,178	24,852	264,030
2026	247,191	16,839	264,030
2027	255,472	8,558	264,030
Total	<u>\$ 1,200,000</u>	<u>\$ 120,150</u>	<u>\$ 1,320,150</u>

**AKRON-SUMMIT COUNTY PUBLIC LIBRARY
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 11 - FUND BALANCES

Fund balance is classified as 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 the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Building and Repair	Other Governmental Funds	Total
Nonspendable:				
Unclaimed monies	\$ 9,182	\$ -	\$ -	\$ 9,182
Permanent fund:				
Barber fund	-	-	10,000	10,000
Taylor Lerch fund	-	-	425,825	425,825
<i>Total Nonspendable</i>	<u>9,182</u>	<u>-</u>	<u>435,825</u>	<u>445,007</u>
Restricted for				
Donor specified purposes	-	-	48,289	48,289
Grantor specified purposes	-	-	97,297	97,297
Forfeited employee FSA	-	-	13,056	13,056
FSA contributions	-	-	5,550	5,550
Permanent fund expendable:				
Barber fund	-	-	1,210	1,210
Taylor Lerch fund	-	-	10,739	10,739
Debt service	-	-	86,582	86,582
<i>Total Restricted</i>	<u>-</u>	<u>-</u>	<u>262,723</u>	<u>262,723</u>
Assigned to				
Capital projects	-	6,258,130	431,310	6,689,440
Subsequent year appropriations	12,093,770	-	-	12,093,770
Encumbrance	594,600	-	-	594,600
<i>Total Assigned</i>	<u>12,688,370</u>	<u>6,258,130</u>	<u>431,310</u>	<u>19,377,810</u>
Unassigned	<u>1,225,754</u>	<u>-</u>	<u>-</u>	<u>1,225,754</u>
<i>Total Fund Balances</i>	<u><u>\$ 13,923,306</u></u>	<u><u>\$ 6,258,130</u></u>	<u><u>\$ 1,129,858</u></u>	<u><u>\$ 21,311,294</u></u>

NOTE 12 - CONTINGENT LIABILITIES

The Library may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, they believe the resolution of any matter will not materially adversely affect the Library's financial condition.

NOTE 13 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Library. The impact on the Library's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated. The Library's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined.

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OHIO AUDITOR OF STATE KEITH FABER

65 East State Street
Columbus, Ohio 43215
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800-282-0370

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

Akron-Summit County Public Library
Summit County
60 S. High Street
Akron, Ohio 44328

To the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Akron-Summit County Public Library, Summit County, (the Library) as of and for the year ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements and have issued our report thereon dated November 12, 2024, wherein we noted the Library followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Library's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control. Accordingly, we do not express an opinion on the effectiveness of the Library's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Library's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Library's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Keith Faber". The signature is fluid and cursive, with the first name "Keith" and last name "Faber" clearly distinguishable.

Keith Faber
Auditor of State
Columbus, Ohio

November 12, 2024

OHIO AUDITOR OF STATE KEITH FABER



AKRON-SUMMIT COUNTY PUBLIC LIBRARY

SUMMIT COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 12/10/2024

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov