

**NEWCOMERSTOWN PUBLIC LIBRARY**  
TUSCARAWAS COUNTY, OHIO

**REGULAR AUDIT**

**FOR THE YEARS ENDED  
DECEMBER 31, 2023 & 2022**



OHIO AUDITOR OF STATE  
KEITH FABER



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Columbus, Ohio 43215  
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Board of Trustees  
Newcomerstown Public Library  
123 East Main Street  
Newcomerstown, Ohio 43832

We have reviewed the *Independent Auditor's Report* of the Newcomerstown Public Library, Tuscarawas County, prepared by Julian & Grube, Inc., for the audit period January 1, 2022 through December 31, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

September 03, 2024

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**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY, OHIO**

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## Independent Auditor's Report

Newcomerstown Public Library  
Tuscarawas County  
123 E. Main Street  
Newcomerstown, Ohio 43832

To the Members of the Board of Trustees:

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the cash balances, receipts, and disbursements for each governmental fund type of the Newcomerstown Public Library, Tuscarawas County, Ohio, as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements.

#### *Unmodified Opinions on Regulatory Basis of Accounting*

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts, and disbursements for each governmental fund type of the Newcomerstown Public Library, as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) as described in Note 2.

#### *Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Newcomerstown Public Library, as of December 31, 2023 and 2022, or changes in net position thereof for the years then ended.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Newcomerstown Public 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.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 2 of the financial statements, the financial statements are prepared by the Newcomerstown Public Library on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and GAAP, although not reasonably determinable, are presumed to be material and pervasive.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C). 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 misstatements, 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 Newcomerstown Public 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Newcomerstown Public 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 Newcomerstown Public Library's ability to continue as a going concern for a reasonable period of time.

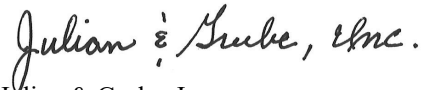


Newcomerstown Public Library  
Tuscarawas County  
Independent Auditor's Report

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 Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2024 on our consideration of the Newcomerstown Public Library's internal control over financial reporting and on 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 Newcomerstown Public 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 Newcomerstown Public Library's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
June 25, 2024

**Newcomerstown Public Library**  
*Tuscarawas County*  
*Combined Statement of Receipts, Disbursements*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*All Governmental Fund Types*  
*For the Year Ended December 31, 2023*

|  | General                 | Capital<br>Projects     | Combined<br>Total       |
|--|-------------------------|-------------------------|-------------------------|
| <b>Cash Receipts</b>                                 |                         |                         |                         |
| Property and Other Local Taxes                       | \$258,604               | \$0                     | \$258,604               |
| Public Library                                       | 358,681                 | 0                       | 358,681                 |
| Intergovernmental                                    | 1,862                   | 0                       | 1,862                   |
| Patron Fines and Fees                                | 5,888                   | 0                       | 5,888                   |
| Contributions, Gifts and Donations                   | 156,557                 | 0                       | 156,557                 |
| Earnings on Investments                              | 107                     | 1,437                   | 1,544                   |
| Miscellaneous  | 274                     | 0                       | 274                     |
| <i>Total Cash Receipts</i>                           | <u>781,973</u>          | <u>1,437</u>            | <u>783,410</u>          |
| <b>Cash Disbursements</b>                            |                         |                         |                         |
| Current:   |                         |                         |                         |
| Library Services                                     | 592,582                 | 0                       | 592,582                 |
| Capital Outlay                                       | 13,929                  | 0                       | 13,929                  |
| <i>Total Cash Disbursements</i>                      | <u>606,511</u>          | <u>0</u>                | <u>606,511</u>          |
| <i>Excess of Receipts Over (Under) Disbursements</i> | <u>175,462</u>          | <u>1,437</u>            | <u>176,899</u>          |
| <b>Other Financing Receipts (Disbursements)</b>      |                         |                         |                         |
| Transfers In   | 0                       | 150,000                 | 150,000                 |
| Transfers Out  | (150,000)               | 0                       | (150,000)               |
| <i>Net Change in Fund Cash Balances</i>              | 25,462                  | 151,437                 | 176,899                 |
| <i>Fund Cash Balances, January 1, Restated</i>       | <u>248,982</u>          | <u>160,169</u>          | <u>409,151</u>          |
| <i>Fund Cash Balances, December 31</i>               | <u><u>\$274,444</u></u> | <u><u>\$311,606</u></u> | <u><u>\$586,050</u></u> |

*See accompanying notes to the financial statement*

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**1. REPORTING ENTITY**

The constitution and law of the State of Ohio establish the rights and privileges of the Newcomerstown Public Library, Tuscarawas County, (the Library) as a body corporate and politic. A seven-member Board of Trustees is appointed by the Newcomerstown Exempted Village School District to govern the Library. The Library provides the community with various educational and literary resources.

The Library's management believes this financial statement presents all activities for which the Library is financially accountable.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Presentation**

The Library's financial statement consists of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which is organized on a fund type basis.

**B. Accounting Basis**

This financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Library recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

**C. Fund Accounting**

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

**1. General Fund**

The General Fund accounts for and reports all financial resources not accounted for and 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.

**2. Capital Project Funds**

These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Library had the following capital project fund:

**Building and Repair Fund** – This Fund receives money for the repairs to the Library building.

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Budgetary Process**

The Board must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end. Budgetary expenditures may not exceed appropriations at the total of all funds level of control.

A summary of budgetary activity appears in Note 4.

**E. Fund Balance**

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

**1. Nonspendable**

The Library classifies assets as nonspendable when legally or contractually required to maintain the amounts intact.

**2. Restricted**

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

**3. Committed**

Trustees can commit amounts via formal action (resolution). The Library must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**4. Assigned**

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**5. Unassigned**

Unassigned fund balance is the residual classification for the general fund and includes amounts not included 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 expenditures 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 expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

**F. Capital Assets**

The Library records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statement does not report these items as assets.

**G. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statement does not include a liability for unpaid leave.

**3. EQUITY IN POOLED DEPOSITS**

The Library maintains a deposit pool all funds use. The Ohio Revised Code prescribes allowable deposits. The carrying amount of deposits at December 31 was as follows:

|                 |             |
|-----------------|-------------|
|                 | <u>2023</u> |
| Demand deposits | \$ 586,050  |

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of the State to secure the repayment of all public monies deposited in the financial institution.

The Library does not have a payroll clearing account that is held outside of the deposit pool. The disbursements included in the accompanying financial statement reflects gross payroll. At December 31, 2023, the Library is holding \$0 in unremitted employee payroll withholdings.

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**4. BUDGETARY ACTIVITY**

Budgetary activity for the year ending December 31, 2023 follows:

| 2023 Budgeted vs. Actual Receipts |                      |                    |            |
|-----------------------------------|----------------------|--------------------|------------|
| Fund Type                         | Budgeted<br>Receipts | Actual<br>Receipts | Variance   |
| General                           | \$ 747,203           | \$ 781,973         | \$ 34,770  |
| Capital Projects                  | 15                   | 151,437            | 151,422    |
| Total                             | \$ 747,218           | \$ 933,410         | \$ 186,192 |

| 2023 Budgeted vs. Actual Budgetary Basis Expenditures |                            |                           |            |
|---|----------------------------|---------------------------|------------|
| Fund Type   | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance   |
| General   | \$ 988,982                 | \$ 756,511                | \$ 232,471 |
| Capital Projects                                      | 160,184                    | -                         | 160,184    |
| Total   | \$ 1,149,166               | \$ 756,511                | \$ 392,655 |

**5. GRANTS-IN-AID AND TAX RECEIPTS**

***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***

Real property taxes become a lien on January 1 preceding the October 1 date for which the taxing authority of the subdivision to whose jurisdiction the Library is subject adopts rates. The State Department of Taxation, Division of Tax Equalization, adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statement includes these credits and/or deduction amounts the State pays as Other Governments' Grants In Aid. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

The County is responsible for assessing property and for billing, collecting, and distrusting all property taxes on behalf of the Library.

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**6. DEFINED BENEFIT PENSION PLAN**

The Library’s employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribe this plan’s benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rate. For 2023, OPERS members contributed 10% of their gross salaries and the Library contributed an amount equaling 14% of participants’ gross salaries. The Library has paid all contributions required through December 31, 2023.

**7. RISK POOL MEMBERSHIP**

The Library is exposed to various risks of property and casualty losses, and injuries to employees. The Library pays the State Workers’ Compensation System a premium based on a rate of per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The System administers and pays all claims.

The Library belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments (“Members”). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and has remain unchanged. OPRM had 773 members as of December 31, 2022.

The Pool’s audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2022 (latest available).

|                 |                            |
|-----------------|----------------------------|
| Assets          | \$ 21,662,291              |
| Liabilities     | <u>(18,158,351)</u>        |
| Members' Equity | <u><u>\$ 3,503,940</u></u> |

You can read the complete audited financial statements for OPRM at the Plan’s website, [www.ohioplan.org](http://www.ohioplan.org).

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**8. POSTEMPLOYMENT BENEFITS**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to 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. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

**9. DESIGNATED FUND AGREEMENT**

On April 28, 2014, an agreement was made between the Newcomerstown Public Library and the Coshocton Foundation, an Ohio non-profit corporation. This agreement establishes a designated fund within the Foundation. The Foundation shall hold, manage, invest and reinvest the monies exclusively for the purposes set forth in the Foundation's articles of incorporation, including any amendments there to. Control over the investment will be exercised exclusively by the Foundation. The Library Director, Fiscal Officer, President, Vice President and Secretary of the Board of Trustees shall serve as advisors to the fund.

The Fund is intended to benefit the Newcomerstown Public Library and distributions from the Fund may be used for any purpose benefiting the Library as deemed appropriate by the Fund Advisors. Such purposes include, but are not limited to, capital expenditures, operational expenses, programming and purchase of materials or equipment for the Library.

The Fund Advisors shall determine the amount of the annual distribution from the Fund. Under most circumstances the Fund Advisors should limit their annual distributions to the earnings less expenses of the Fund. However, they may from time to time, at their discretion, invade the Fund principal. However, no more than 10% of the Fund value may be distributed in a single year. The Library's initial contribution was \$10,514.31.

**10. FUND BALANCES**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the Library did not have any outstanding encumbrances.

**11. CONTINGENT LIABILITIES**

Amounts grantor agencies pay to the township are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.



**Newcomerstown Public Library**  
*Tuscarawas County*  
*Combined Statement of Receipts, Disbursements*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*All Governmental Fund Types*  
*For the Year Ended December 31, 2022*

|  | General                 | Capital<br>Projects     | Combined<br>Total       |
|--|-------------------------|-------------------------|-------------------------|
| <b>Cash Receipts</b>                                 |                         |                         |                         |
| Property and Other Local Taxes                       | \$238,889               | \$0                     | \$238,889               |
| Public Library                                       | 352,515                 | 0                       | 352,515                 |
| Intergovernmental                                    | 11,585                  | 0                       | 11,585                  |
| Patron Fines and Fees                                | 5,392                   | 0                       | 5,392                   |
| Contributions, Gifts and Donations                   | 3,514                   | 0                       | 3,514                   |
| Earnings on Investments                              | 0                       | 111                     | 111                     |
| Miscellaneous  | 753                     | 0                       | 753                     |
| <i>Total Cash Receipts</i>                           | <u>612,648</u>          | <u>111</u>              | <u>612,759</u>          |
| <b>Cash Disbursements</b>                            |                         |                         |                         |
| Current:   |                         |                         |                         |
| Library Services                                     | 586,059                 | 0                       | 586,059                 |
| Capital Outlay                                       | 43,545                  | 0                       | 43,545                  |
| <i>Total Cash Disbursements</i>                      | <u>629,604</u>          | <u>0</u>                | <u>629,604</u>          |
| <i>Excess of Receipts Over (Under) Disbursements</i> | <u>(16,956)</u>         | <u>111</u>              | <u>(16,845)</u>         |
| <b>Other Financing Receipts (Disbursements)</b>      |                         |                         |                         |
| Transfers In   | 0                       | 100,000                 | 100,000                 |
| Transfers Out  | (100,000)               | 0                       | (100,000)               |
| Other Financing Uses                                 | (256)                   | 0                       | (256)                   |
| <i>Net Change in Fund Cash Balances</i>              | (117,212)               | 100,111                 | (17,101)                |
| <i>Fund Cash Balances, January 1</i>                 | <u>366,167</u>          | <u>60,058</u>           | <u>426,225</u>          |
| <i>Fund Cash Balances, December 31</i>               | <u><u>\$248,955</u></u> | <u><u>\$160,169</u></u> | <u><u>\$409,124</u></u> |

*See accompanying notes to the financial statement*

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**1. REPORTING ENTITY**

The constitution and law of the State of Ohio establish the rights and privileges of the Newcomerstown Public Library, Tuscarawas County, (the Library) as a body corporate and politic. A seven-member Board of Trustees is appointed by the Newcomerstown Exempted Village School District to govern the Library. The Library provides the community with various educational and literary resources.

The Library's management believes this financial statement presents all activities for which the Library is financially accountable.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Presentation**

The Library's financial statement consists of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which is organized on a fund type basis.

**B. Accounting Basis**

This financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Library recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

This statement include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

**C. Fund Accounting**

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

**1. General Fund**

The General Fund accounts for and reports all financial resources not accounted for and 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.

**2. Capital Project Funds**

These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Library had the following capital project fund:

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Building and Repair Fund** – This Fund receives money for the repairs to the Library building.

**D. Budgetary Process**

The Board must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end. Budgetary expenditures may not exceed appropriations at the total of all funds level of control.

A summary of 2022 budgetary activity appears in Note 4.

**E. Fund Balance**

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

**1. Nonspendable**

The Library classifies assets as nonspendable when legally or contractually required to maintain the amounts intact.

**2. Restricted**

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

**3. Committed**

Trustees can commit amounts via formal action (resolution). The Library must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**4. Assigned**

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balances in the general fund is limited to encumbrances outstanding at year end.

**5. Unassigned**

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

**F. Capital Assets**

The Library records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statement does not report these items as assets.

**G. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statement does not include a liability for unpaid leave.

**3. EQUITY IN POOLED DEPOSITS**

The Library maintains a deposit pool all funds use. The Ohio Revised Code prescribes allowable deposits. The carrying amount of deposits at December 31 was as follows:

|                 |             |
|-----------------|-------------|
|                 | <u>2022</u> |
| Demand deposits | \$ 409,124  |

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation or collateralized by securities specifically pledged by the financial institution to the Library. through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of the State to secure the repayment of all public monies deposited in the financial institution.

The Library does not have a payroll clearing account that is held outside of the deposit pool. The disbursements included in the accompanying financial statement reflects gross payroll. At December 31, 2022, the Library is holding \$0 in unremitted employee payroll withholdings.

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**4. BUDGETARY ACTIVITY**

Budgetary activity for the year ending December 31, 2022 follows:

| 2022 Budgeted vs. Actual Receipts |                      |                    |            |
|-----------------------------------|----------------------|--------------------|------------|
| Fund Type                         | Budgeted<br>Receipts | Actual<br>Receipts | Variance   |
| General                           | \$ 611,810           | \$ 612,648         | \$ 838     |
| Capital Projects                  | 7                    | 100,111            | 100,104    |
| Total                             | \$ 611,817           | \$ 712,759         | \$ 100,942 |

| 2022 Budgeted vs. Actual Budgetary Basis Expenditures |                            |                           |            |
|---|----------------------------|---------------------------|------------|
| Fund Type   | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance   |
| General   | \$ 820,921                 | \$ 729,860                | \$ 91,061  |
| Capital Projects                                      | 60,065                     | -                         | 60,065     |
| Total   | \$ 880,986                 | \$ 729,860                | \$ 151,126 |

**5. GRANTS-IN-AID AND TAX RECEIPTS**

***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***

Real property taxes become a lien on January 1 preceding the October 1 date for which the taxing authority of the subdivision to whose jurisdiction the Library is subject adopts rates. The State Department of Taxation, Division of Tax Equalization, adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statement includes these credits and/or deduction amounts the State pays as Other Governments' Grants In Aid. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

The County is responsible for assessing property and for billing, collecting, and distrusting all property taxes on behalf of the Library.

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**6. DEFINED BENEFIT PENSION PLAN**

The Library’s employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribe this plan’s benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rate. For 2022, OPERS members contributed 10% of their gross salaries and the Library contributed an amount equaling 14% of participants’ gross salaries. The Library has paid all contributions required through December 31, 2022.

**7. RISK POOL MEMBERSHIP**

The Library is exposed to various risks of property and casualty losses, and injuries to employees. The Library pays the State Workers’ Compensation System a premium based on a rate of per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The System administers and pays all claims.

The Library belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments (“Members”). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and has remain unchanged. OPRM had 773 members as of December 31, 2022.

The Pool’s audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2022.

|                 |                            |
|-----------------|----------------------------|
| Assets          | \$ 21,662,291              |
| Liabilities     | <u>(18,158,351)</u>        |
| Members' Equity | <u><u>\$ 3,503,940</u></u> |

You can read the complete audited financial statements for OPRM at the Plan’s website, [www.ohioplan.org](http://www.ohioplan.org).

**NEWCOMERSTOWN PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**8. POSTEMPLOYMENT BENEFITS**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2022.

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.

**9. DESIGNATED FUND AGREEMENT**

On April 28, 2014, an agreement was made between the Newcomerstown Public Library and the Coshocton Foundation, an Ohio non-profit corporation. This agreement establishes a designated fund within the Foundation. The Foundation shall hold, manage, invest and reinvest the monies exclusively for the purposes set forth in the Foundation's articles of incorporation, including any amendments there to. Control over the investment will be exercised exclusively by the Foundation. The Library Director, Fiscal Officer, President, Vice President and Secretary of the Board of Trustees shall serve as advisors to the fund.

The Fund is intended to benefit the Newcomerstown Public Library and distributions from the Fund may be used for any purpose benefiting the Library as deemed appropriate by the Fund Advisors. Such purposes include, but are not limited to, capital expenditures, operational expenses, programming and purchase of materials or equipment for the Library.

The Fund Advisors shall determine the amount of the annual distribution from the Fund. Under most circumstances the Fund Advisors should limit their annual distributions to the earnings less expenses of the Fund. However, they may from time to time, at their discretion, invade the Fund principal. However, no more than 10% of the Fund value may be distributed in a single year. The Library's initial contribution was \$10,514.31.

**10. FUND BALANCES**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the Library did not have any outstanding encumbrances.

**11. CONTINGENT LIABILITIES**

Amounts grantor agencies pay to the township are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed in Accordance With  
*Government Auditing Standards***

Newcomerstown Public Library  
Tuscarawas County  
123 E. Main Street  
Newcomerstown, Ohio 43832

To the Members of 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, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type of the Newcomerstown Public Library, Tuscarawas County, Ohio, as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements and have issued our report thereon dated June 25, 2024, wherein we noted the Newcomerstown Public Library followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Newcomerstown Public 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 Newcomerstown Public Library's internal control. Accordingly, we do not express an opinion on the effectiveness of the Newcomerstown Public 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 Newcomerstown Public 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 Newcomerstown Public 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*.



Newcomerstown Public Library

Tuscarawas County

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Based on an Audit of Financial Statements Performed in Accordance With *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 Newcomerstown Public 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 Newcomerstown Public Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.

June 25, 2024

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# OHIO AUDITOR OF STATE KEITH FABER



**NEWCOMERSTOWN PUBLIC LIBRARY**

**TUSCARAWAS 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 9/17/2024**

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](http://www.ohioauditor.gov)