



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

CLEVELAND PUBLIC LIBRARY
CUYAHOGA COUNTY, OHIO

REGULAR AUDIT

For the Year Ended December 31, 2017
Fiscal Year Audited Under GAGAS: 2017

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Dave Yost • Auditor of State

Board of Trustees
Cleveland Public Library
325 Superior Avenue
Cleveland, Ohio 44114

We have reviewed the *Independent Auditor's Report* of the Cleveland Public Library, Cuyahoga County, prepared by BHM CPA Group, Inc., for the audit period January 1, 2017 through December 31, 2017. 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 Cleveland Public Library is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

July 19, 2018

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**CLEVELAND PUBLIC LIBRARY
CUYAHOGA COUNTY, OHIO**

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Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*

Cleveland Public Library
Cuyahoga County
325 Superior Avenue
Cleveland, Ohio 44114

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and 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 Cleveland Public Library, Cuyahoga County, (the Library) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Library’s basic financial statements and have issued our report thereon dated June 18, 2018.

Internal Control over Financial Reporting

As part of our financial statement audit, we considered the Library’s internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Library’s internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Library’s financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Library's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Library's internal control or on compliance. This report is an integral part of an audit performed under *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 that reads "BHM CPA Group". The letters are cursive and somewhat stylized.

BHM CPA Group, Inc.
Piketon, Ohio
June 18, 2018

CLEVELAND PUBLIC LIBRARY CLEVELAND, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2017



CLEVELAND PUBLIC LIBRARY CLEVELAND, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2017

Issued by Carrie Krenicky, Chief Financial Officer

Cover photo by Bob Perkoski, courtesy of LAND studio.

INTRODUCTORY SECTION

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Cleveland Public Library
Comprehensive Annual Financial Report
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June 18, 2018

To the Citizens of the Cleveland Metropolitan School District and the Board of Trustees of the Cleveland Public Library:

We are pleased to submit to you the Comprehensive Annual Financial Report of the Cleveland Public Library (the Library) for the fiscal year ended December 31, 2017. This is the seventh year in a row that the Library has submitted its financial report within the broader framework of a *comprehensive annual financial report* (CAFR). The CAFR format provides the Library with a better way to communicate its financial position with the public. In a CAFR, financial information is put within a larger context that provides the reader with the opportunity to understand how the Library functions and the environment in which it operates.

Ohio Revised Code Section 117.38 requires that the Library, as a public office, file a financial report for each fiscal year. The Library's financial report conforms with generally accepted accounting principles (GAAP). The law requires that a financial report of this type be filed with the Auditor of State within 150 days after the close of the fiscal year. At the time the report is filed with Auditor of State, the Library's Chief Fiscal Officer is required to publish a notice in the newspaper that the report has been completed and is available for public inspection.

The Library's management assumes full responsibility for the contents of this report. The financial statements in the report are the work of library management, not the work of independent auditors.

To compile the information for the financial statements in conformity with GAAP, the Library has a comprehensive framework of internal control in place. Because the cost of internal control should not outweigh the benefit, the framework has been designed to provide reasonable—not absolute—assurance that the financial statements are free from material misstatement.

Ohio law requires independent audits to be performed on all financial operations of the Library either by the Ohio Auditor of State or an independent public accounting firm, if permitted by the Auditor of State. BHM CPA Group, Inc. has rendered an opinion on the Library's financial statements as of December 31, 2017, and the Independent Auditor's Report on the basic financial statements is included in the financial section of this report.

Immediately following the independent auditor's report is a narrative introduction, overview and analysis of the basic financial statements, entitled *Management's Discussion & Analysis* (MD&A). This letter of transmittal is meant to complement the MD&A, and is best read in conjunction with it.

Board of Library Trustees

Maritza Rodriguez, President • Alesha Washington, Vice President • Thomas D. Corrigan, Secretary
Alice G. Butts • John M. Hairston, Jr. • Alan Seifullah • Anthony T. Parker
Felton Thomas, Jr., Executive Director, CEO

PROFILE OF GOVERNMENT

Reporting Entity

Cleveland Public Library is organized as a school district library under the laws of the State of Ohio, and is one of nine public library systems in Cuyahoga County. The Library's legal service area shares the boundaries of the Cleveland Metropolitan School District (CMSD): approximately 77 square miles and home to nearly 400,000 citizens.

A seven-member board of trustees appointed by the CMSD Board of Education governs the Library. The trustees are appointed for a term of seven years with one term expiring each year. They meet monthly from September to June and serve without compensation.

Although the Library is fiscally independent of the school district, the Board of Education does serve in a ministerial capacity as the taxing authority for the Library. The Board of Library Trustees decides whether to request approval of a tax levy, as well as the role and purpose of the levy. Once such decisions are made, the Board of Education must place the levy on the ballot.

The administration of the Library is the responsibility of Executive Director Felton Thomas. His executive team consists of the deputy director/chief operations officer, chief financial officer, chief legal officer, chief knowledge officer, chief human resources and inclusion officer, and director of community relations. His management team consists of the executive team and the public services director, technical services director, property management director, information technology director, CLEVNET director, strategy and innovation director, and marketing and communications director.

Services

Since its beginning in 1869, the Library has evolved with the City of Cleveland. As the City grew, so did the Library and the range of services it offered. It opened as the "Public School Library" for the Cleveland Board of Education with 5,800 books. By the 1890s, the Library recognized the need for services at the neighborhood level for children who could not travel to the downtown facility, and opened four branch libraries in rented buildings. A branch building program started in 1903 with a donation from Andrew Carnegie. From 1903 to 1914, a total of \$590,000 in funding was received and eleven branches were built. Today, there are 27 branches spread throughout the city.

For 56 years, the Main Library was in a series of temporary and rented spaces. In 1925, Main Library opened to the public in a new building located in the Group Plan of Cleveland, where all the public buildings surrounding the Mall are designed in a similar classical style. In 1991, a \$90 million bond issue was approved by voters for the renovation of the Main Library and for the construction of a new 267,000 square foot annex named the Louis Stokes Wing, dedicated on April 12, 1997.

By this time, the Library's collection had grown to over 10 million items, making it one of the most important public library collections in the country. Additional space was needed to house books that were requested less frequently but were still of value to the community. A former high school building nine miles east of downtown was purchased and converted into a multi-use facility. In addition to the storage area for half a million books and bound periodicals, the Cleveland Public Library Lake Shore Facility contains a branch library for the neighborhood, the Ohio Library for the Blind & Physically Disabled, a staff training center, meeting rooms, the stockroom for the library system, and all the "behind-the-scenes" departments that purchase, catalog, and process library books and other materials.

This infrastructure exists to provide service to the public. The Library's service model has the Main Library at its center where most of the books, DVDs and CDs are housed. Neighborhood branches have smaller collections but library patrons can use the online catalog to request materials and have them

delivered to a conveniently located facility. Each facility in the system provides library patrons with access, not only to books and other materials such as movies, musical recordings and audio books, but also access to technology. Over 730 computers are available for personal use and one-on-one instruction by library staff.

The Library was an early adopter of computer technology and was at the forefront of efforts to automate library functions. The Library started a major investment in technology in 1979. Within two years, automated circulation control was begun in eleven of the busiest branch libraries and extended to all branches by the next year. The Library made a commitment to share its database and its equipment with other neighboring libraries. Cleveland Heights-University Heights Public Library joined the automated circulation system and online catalog in 1982, marking the birth of the CLEVNET resource-sharing network. From that beginning, CLEVNET has grown to 44 library systems in 12 counties across northeast Ohio, serving more than 1.2 million people. Each month, Cleveland Public Library shares over 60,000 items from its collection with the other CLEVNET-member libraries.

Budget

The majority of the Library's funding comes from property taxes and the State of Ohio's Public Library Fund (PLF). The PLF provides approximately 41 percent of the Library's revenues, whereas the levied mills (6.8) account for 50 percent (property taxes) of the revenues. The remaining revenue comes from grants, fines, fees, and investment earnings.

During the State's biennium budget (HB 153), July 1, 2011 through June 30, 2013, the PLF was derived from a specific dollar amount of the State's total general tax revenue. Beginning August 1, 2011 through June 30, 2014, the PLF received a specific dollar amount equal to 95 percent of the amount distributed during the July 2010 through June 2011 base year. HB 153 made significant changes to prominent revenue sharing and tax reimbursement programs, including the PLF. It returned the PLF to a percentage of general revenue fund (GRF) taxes for fiscal year 2014 and beyond. This percentage was computed by dividing fiscal year 2013 PLF distributions by fiscal year 2013 actual GRF tax revenues, which has calculated out to be 1.66 percent. Statutorily, the Public Library Fund (PLF) receives 1.66 percent of the revenue from all state General Revenue tax sources. The State's biennium budget (HB 64), July 1, 2015 through June 30, 2017, temporarily increased this percentage to 1.7 percent. The State's biennium budget (HB 49), July 1, 2017 through June 30, 2019 temporarily increased the statutory percentage to 1.68 percent.

The Governor's office is reinforcing their intent to phase-out tangible personal property (TPP) replacement payments to local governments and schools from the tax reform passed in 2005. The last collection year for the Library was in 2017.

The budget process for the Library begins each spring and is presented to the board in May for approval. The budget is then sent to the Cleveland Metropolitan School District (CMSD) Board of Education and a public hearing is held at its June meeting. The CMSD Board of Education has fiduciary responsibility to move the Library's budget through the hearing and approval process, but cannot alter the budget nor provide input to the budget. Once the Library's budget is approved at the CMSD June meeting, the CMSD Board of Education forwards the budget to the Cuyahoga County Budget Commission. The County Budget Commission presents the budgets for all libraries in the county at a September public meeting. This public meeting is not to decide Cleveland Public Library's budget; the Library has an agreement with the County through December 2017 as to how the Public Library Fund (PLF) revenues should be distributed among the nine library systems within the County. Were this agreement not in place, a public hearing would be called to decide the distribution of funds. The Library's current agreement with the County is the extension of a prior agreement stating that the Library receives 41.18430 percent of Cuyahoga County's PLF entitlement, up to the amount distributed in 2007 by what

was then called the Library and Local Government Support Fund (LLGSF); should PLF receipts exceed the amount distributed to the libraries in the 2007 Base Year, Cleveland Public Library will receive 31.1725 percent of the excess, a reduction from 34.48 percent under the prior agreement.

THE LIBRARY'S ECONOMIC CONDITION

According to the Federal Reserve Bank of Cleveland, the Cleveland metro area's economic conditions continued to improve in 2017, albeit slowly. For the first time in 19 months, the unemployment rate fell on a year-over-year basis in December 2017. The Federal Reserve sees this as encouraging news because the recent trend in the Cleveland metro area has been one of slowly rising unemployment attributed to the labor force growing faster than the number of jobs.

More than 8,000 jobs were added in the Cleveland metro area between June 2016 and June 2017, a growth of 0.8 percent which is an increase over the modest growth of 0.2 percent between June 2015 and June 2016. The largest gains were in the professional and business services sector with employment growing 3.6 percent, and leisure and hospitality growing 2.7 percent. While 0.8 percent employment growth is positive news, it must be compared to the 1.2 percent growth experienced by the State of Ohio as a whole, and the 1.7 percent growth of the nation. The Cleveland metro area continues to recover from the recession, but at a slower rate than the rest of the State and the nation. For example, employment in the construction sector grew just 1.8 percent in the Cleveland metro area compared to a robust 7.1 percent in Ohio.

Each year since 2009, the Cleveland metro area has seen increases in real GDP (gross domestic product), according to the Bureau of Economic Analysis at the United States Department of Commerce. Of the nation's 382 metro statistical areas, 267 saw an increase in real GDP in 2016; the Cleveland metro area was one of them. In per capita terms, real gross domestic product in the Cleveland metro area grew 1.1 percent in 2016. According to the Federal Reserve, this is another area where the Cleveland metro area's recovery lags behind the rest of the State. Ohio's real gross domestic product per capita has grown 8.8 percent since before the recession, while the Cleveland metro area's output per capita has grown 4.2 percent.

However, when it came to income per capita, the Cleveland metro area grew 0.7 percent in 2016, reaching \$50,011, nearly matching the national average income per capita of \$50,295. In contrast, Ohio's income per capita growth slowed in 2016 to 0.5 percent, stopping at \$45,554.

Ohio also lagged behind the Cleveland metro area in the decline of consumer debt per capita. The Cleveland metro area experienced a decline of 1.2 percent between the fourth quarter of 2016 and the same period in 2017. Ohio saw a decline of 0.8 percent. The national debt per capita, on the other hand, rose in each quarter of 2017. The Federal Reserve notes that the metro area and the State have debt values well below that of the nation, primarily because of lower home values, which result in a smaller mortgage debt burden. Credit card delinquency rates have remained flat in the Cleveland metro area and in Ohio for the past three years.

In 2017, the median home value in the Cleveland metro area saw its strongest growth in more than a decade. As of December 2017, year-over-year growth in home values was 5.3 percent. Analysts at the Federal Reserve see this as a good sign that the housing market has recovered and is stabilizing. The median home value in the metro area grew to \$137,000, slightly higher than the State average of \$130,000 but well below the national average of \$206,300.

While the number of housing permits issued in the Cleveland metro area dropped off slightly at the end of 2017, there had been a steady growth in issuance from late 2016 into 2017, causing construction activity to be higher than normal.

While Cleveland's economic recovery has been slow, it has given Cleveland residents a sense of hope for the future. As Election Day approached in 2017, we were tasked with asking Cleveland residents to think about our shared future and vote in favor of renewing and increasing the Library's existing levy. Prior to Election Day, we sought input from Cleveland residents to determine what they need in a public library and how we can benefit their communities. We learned that patrons and residents value our work and want the Library to maintain its services, materials, and operating hours. We learned that our presence matters in their neighborhoods, and that our offerings—from early literacy programs to employment resources, computer classes, tutoring, cultural events, books of all types, and much more—make a real difference in their lives.

As a result, we heard the same four words again and again from our patrons and community members: "You've got my vote." This was how we knew the levy was about more than numbers. Instead, it represented community support for our work. It showed that Clevelanders care about their libraries and believe in the ideals that say everyone should have equal access to information, books, literacy programming, technology education, electronic resources, and so much more. Based on this feedback, we entered the election season confident that not only maintaining but increasing the levy amount would best serve the city and its residents. We therefore requested an additional 2 mills beyond the 5.8-mill renewal to ensure a comprehensive capital project to revitalize our neighborhood branches could go forward as planned. On November 7, Clevelanders registered their support at the polls by voting in favor of the levy, thus cementing a reliable source of funding for the future.

In order to serve Cleveland residents to the best of our abilities, we need to know our city inside and out, including its roots, its imagination, and its creative legacy. In 2017, we showed that Cleveland is a lot more than the birthplace of rock and roll—Superman was born here, too. The Library honored the Man of Steel's roots through *Superman: From Cleveland to Krypton*, an original exhibit showcasing Superman's journey from his creation in Cleveland to his evolution over the decades. The exhibit covered three floors in the Main Library and featured more than 500 visual elements. Throughout 2017, the exhibit and related events attracted 4,000 visitors a month. The exhibit marked the first time the Library arranged to fund bus transportation for local schools. This initiative afforded hundreds of children the opportunity to experience the exhibit—and it also represents another community need we were able to meet because of our willingness to listen.

In 2017, our dedication to communication came to life in the form of public art on display in our Eastman Reading Garden. The installation, *Dialogue*, featured a series of sound tubes that allowed visitors to interact with each other in a new, playful way. Popular with adults and children alike, this installation stood as a physical manifestation of our belief that talking to each other can help foster understanding.

Our focus on communication isn't just lip service—we made a concerted effort to initiate conversations within our community in 2017. First, we partnered with The Diversity Center of Northeast Ohio to launch *Diversity Dialogues*, a series of facilitated conversations held at five branch libraries to engage local residents in conversation. These events allowed us to extend our reach into neighborhoods, to solicit ideas and suggestions from patrons surrounding their communities, and to spark important discussions. But not all conversations are easy. This year, we worked to confront a taboo topic that impacts our community: addiction. Through our partnership with the Cleveland Clinic to offer programs at branch libraries focusing on opioid abuse, we acknowledged a health crisis impacting Cleveland and the nation at large. In October, author Sam Quinones discussed his book *Dreamland: The True Tale of America's Opioid Epidemic* in a special event held at the Main Library.

Our mission as a public library is to serve all residents, no matter their age. This year, we took steps to connect with seniors who are unable to visit a library branch. Through our new senior outreach program, Library staff travel to nursing homes and senior resident facilities throughout the city to provide activities, crafts, musical performances, and more. This outreach helps keep seniors connected to the larger world.

We launched a series of eSports events in 2017 to bring together gamers and give them the opportunity to compete, network, play, and consider new entrepreneurial and career opportunities. Gamers flocked to these events to explore virtual reality, participate in LAN gaming, and play console games. Our staff created an inclusive environment to encourage gamers of all ages, genders, and experience levels to meet one another in person and build new relationships.

Celebrating diversity has always been a core focus here at Cleveland Public Library, and 2017 was no exception. In January, we hosted a special program with the NASA Glenn Research Center, which centered on the book *Hidden Figures* and featured discussions with female leaders in the STEM field. Our International Languages Department helped bring a prestigious Russian book award for children's literature to the United States for the first time in 2017. Kniguru in America, which tasks children and teens with composing reviews of Russian books, helps young readers develop their reading and writing skills, calls attention to books that might otherwise be overlooked, and encourages students stay in touch with their Russian roots.

The Library embraced diversity in myriad other ways this year, as well. Once again, the Bangla Cultural Celebration showcased Bangladeshi culture through traditional cuisine, music, dance, and fashion. We hosted our fourth Girl Power event in April, a half-day teen summit that sets out to empower girls. More than 300 girls attended this event, which featured breakout sessions focusing on the arts, personal safety, wellness, and college preparedness. The Library also provided meeting space and programming for the Refugee Women's Support Group, which is supported by the U.S. Committee for Refugees and Immigrants.

Serving a diverse community includes assisting patrons of all abilities, which we are able to accomplish on a statewide level through our Ohio Library for the Blind and Physically Disabled (OLBPD). This year, OLBPD was featured in an *American Libraries* magazine article focusing on adaptive technology for library patrons. OLBPD is also participating in a National Library Service (NLS) trial for wireless delivery of talking books, which will help NLS gather information regarding how to best offer wireless delivery options in the future.

As much as Cleveland Public Library embraces technology and innovation, one thing will never change: our advocacy and programming related to literature, reading, and writing. This year, our Literature Department partnered with Literary Cleveland to create Read Ohio, a quarterly reading and discussion series held at locations throughout the city to promote Ohio authors and invite conversation between those authors and their readers. In July, Literary Cleveland hosted its third annual Inkubator writing conference at the downtown Main Library campus, attracting hundreds of writers eager to network, take workshops, and attend readings. And in a partnership with Lake Erie Ink, we launched Club Create, a creative writing program for teens held at two of our branches.

While our legacy literacy programs like the Summer Reading Club will always be an important part of our work, we also took new steps this year to engage young people. Our Youth Services Department partnered with the Puppetry Guild of Northeastern Ohio to bring the magic of puppetry to the Library in 2017. Puppets encourage kids to use their imaginations, connect with stories, and take a break from technology to enjoy a tactile experience. Speaking of storytelling, the Jolly Storytime Trolley presented another unique way to get kids excited about reading. This program took kids and their families on a

special trolley tour throughout the city. During the ride, kids enjoyed singing carols, reading *The Polar Express*, and seeing the sights.

This year also provided a prime opportunity for science education when a total solar eclipse crossed the country in August. Our TechCentral Department produced over 500 laser-cut and 3D-printed eclipse pinhole viewers for public use. The science fun didn't end there. In November, our fourth annual Cleveland Mini Maker Faire celebrated the maker spirit and provided hands-on, interactive fun for visitors of all ages. Highlights at this year's event included Heavy Meta, a fire-breathing mobile metal dragon; performances from the Tesla Orchestra, a quartet of musical tesla coils that convert music into lightning bolts; a traveling NASA Glenn Research Center space exhibit; and a host of drones, robots, games, crafts, and demonstrations.

While puppets, trolley tours, and fire-breathing dragons are no doubt fun, some of our most important work here at Cleveland Public Library is of a humbler nature. Our partnership with the Greater Cleveland Food Bank ensures that children across the city have access to summer lunches and afterschool meals at many of our branch locations. By distributing meals to children, our staff also has the chance connect with these young patrons and get to know them and their needs.

Other programs offered throughout our system, such as tutoring, legal aid services, and employment assistance, contribute to our local neighborhoods by fighting community deficits and forming communities of learning. Our Ohio Means Jobs partnership brought employment specialists to two branches to help patrons search for jobs, learn more about the employment process, identify training opportunities, and more. And TechCentral extended its reach within our neighborhoods by launching an initiative to visit every branch library to conduct a Mobile MakerSpace series; introducing 3D printers to two more branches; and offering video game coding camps at six branch libraries.

Caring about our local communities also means preserving them. The Cleveland Digital Public Library (ClevDPL) is doing just that by recording oral histories and partnering with local institutions to provide digitization assistance. ClevDPL also hosts scan days, where staff travel into the community and invite the members of the public to scan personal items. Finally, ClevDPL continues to work with the State Library of Ohio to serve as one of the largest contributors of records for the Digital Public Library of America (DPLA) Ohio.

Whether it's through technology, history, or programs designed to keep kids fed and healthy, we're here to help the Cleveland community. To continue making a difference as we approach our first 150 years serving the city, we need to be strategic and plan ahead—and that preparation starts right here at home with our branch libraries.

Cleveland Public Library's 27 neighborhood branch libraries provide vital library services throughout the city. Many of these buildings, however, are showing their age. More than three decades have passed since the Library embarked on a system-wide campaign to update its branches, but we are prepared to step boldly into the future by updating our facilities. As part of the Library's Community Vision Plan—a plan that is now ensured to move forward, thanks to the successful levy campaign—we intend to improve and update these aging branches. Listening was again an important part of our process when we held a series of collaborative public meetings that helped identify key recommendations surrounding the branches' architectural, interior design, and technology-related renovations.

That focus on what lies ahead has served us well throughout the year. By the time 2017 drew to a close, we were prepared to mark a new beginning for Cleveland Public Library. This is a time for us to continue improving, innovating, and moving forward—and to keep listening in the process.

Long-Term Financial Planning

The Library's long-term financial planning takes these and other potential capital projects into account. To prepare for future potential construction costs at both the Main Library and at selected branches, the Library is deliberately setting aside monies for this purpose.

The Library places an emphasis on long-term planning and prepares a five-year financial forecast that is shared regularly with the Board of Library Trustees. Assumptions are an integral part of the forecast and represent what the Library believes are significant factors impacting the forecast. It is updated as material changes to income and expenditures are determined, and it covers both operational and capital needs to maintain and enhance current services and facilities.

A key component to the forecast is the timeline for the renewal of the Library's five-year property tax levy. Property tax revenues represent 50 percent of the Library's operating budget. The Library's finances are planned so that many of the facilities' improvements and capital acquisitions are paid with cash and the Library continues to pay cash for most equipment and other major purchases necessary to maintain a high level of services. We live within our means and plan ahead knowing that responsible leadership commands that we observe the budget and expend less than the fund balance carryover plus revenues we receive.

Relevant Financial Policies

All budgetary and financial policies are established by Ohio law and/or the Board of Library Trustees. Budgetary procedures are established by the Library's Fiscal Officer. The implementation of policies and procedures is the responsibility of the Library's Executive Director and Fiscal Officer.

AWARDS & ACKNOWLEDGMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Cleveland Public Library for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2016. This was the sixth year the Library has prepared a CAFR and has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. However, we believe that our current CAFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Financial Services department and the Administrative staff. We wish to thank all Library departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the Board of Library Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the Cleveland Public Library's finances.

The seven trustees who serve on the Board of the Cleveland Public Library give generously of their time and energy to further the Library's mission. Their careful and judicious oversight continues to guide the Library through challenging times. For their service, the Library's management is most grateful.

The citizens of Cleveland have proudly supported their public library throughout its long history. They continue to challenge us to deliver the highest levels of library service. We thank them for their support as we strive to always be worthy of their trust.

Respectfully submitted,

A handwritten signature in blue ink that reads "Carrie Krenicky". The signature is written in a cursive style with a large initial 'C'.

Carrie Krenicky
Chief Financial Officer/Fiscal Officer

A handwritten signature in blue ink that reads "Felton Thomas". The signature is written in a cursive style with a large initial 'F'.

Felton Thomas
Executive Director

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CLEVELAND PUBLIC LIBRARY

LIST OF PRINCIPAL OFFICIALS
as of December 31, 2017

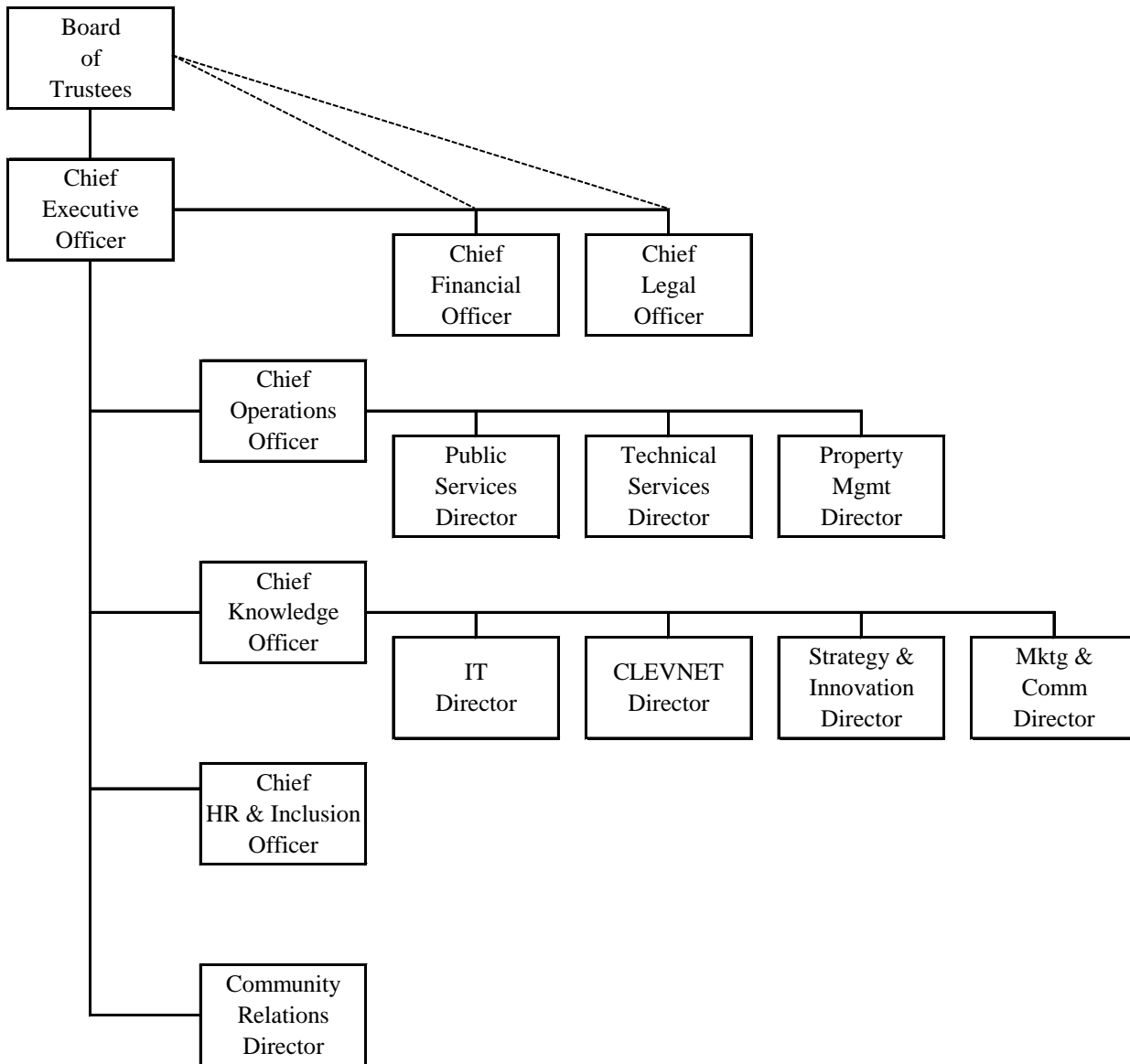
BOARD OF LIBRARY TRUSTEES

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Alesha Washington Vice President
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John M. Hairston Member
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Cindy Lombardo Deputy Director/Chief Operations Officer
Carrie Krenicky Chief Financial Officer/Fiscal Officer
Joyce Dodrill..... Chief Legal Officer
Timothy Diamond..... Chief Knowledge Officer
Madeline Corchado..... Chief Human Resources & Inclusion Officer
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Sandra Jelar Elwell Director of Technical Services
Timothy Murdock Director of Property Management
Larry Finnegan..... Director of Information Technology
Hilary Prisbylla Director of CLEVNET
Vacant Director of Strategy & Innovation
Vacant Director of Marketing & Communications
Shenise Johnson Thomas Director of Community Relations

**CLEVELAND PUBLIC LIBRARY
ORGANIZATIONAL CHART**





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Cleveland Public Library
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

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Independent Auditor's Report

Cleveland Public Library
Cuyahoga County
325 Superior Avenue
Cleveland, Ohio 44114

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cleveland Public Library, Cuyahoga County, Ohio (the Library), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Cleveland Public Library, Cuyahoga County, Ohio, as of December 31, 2017, and the respective changes in financial position thereof and the respective budgetary comparisons for the General Fund and CLEVNET Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2018, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and somewhat stylized.

BHM CPA Group, Inc.
Piketon, Ohio
June 18, 2018

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Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2017
Unaudited

The Discussion and Analysis of the Cleveland Public Library's (the "Library") financial performance provides an overall review of the Library's financial activities for the year ended December 31, 2017. The intent of this discussion and analysis is to look at the Library's financial performance as a whole. Readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Library's financial performance.

Financial Highlights

Key financial highlights for 2017 are:

The assets and deferred outflows of resources of the Library exceeded its liabilities at the close of the most recent fiscal year by \$136,760,818 (*net position*). Of this amount, \$82,948,642 represents the Library's net investment in capital assets, \$17,329,320 represents restricted net position and \$36,482,856 represents unrestricted net position.

The Library's total net position decreased by \$9,080,558 or 6.23 percent from 2016. Of this amount, total net investment in capital assets decreased by \$2,562,873 or 3.0 percent, restricted net position increased by \$2,185,984 or 14.44 percent, and unrestricted net position decreased by \$8,703,669 or 19.26 percent.

Net capital assets have declined as depreciation, along with disposals, outpaced new investments in capital assets. Unrestricted net position decreased due primarily to net pension expense.

At the close of the 2017, the Cleveland Public Library's governmental funds reported combined fund balances of \$65,697,648, an increase of \$1,250,522 in comparison with the prior year. Approximately 21 percent of this amount (\$13,787,978) is available for spending at the Library's discretion (*unassigned fund balance*).

At the end of 2017, unrestricted fund balance (the total of the *committed*, *assigned* and *unassigned* components of *fund balance*) for the general fund was \$26,775,658, or approximately 50 percent of total general fund expenditures.

Using These Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the Cleveland Public Library as a financial whole or as an entire operating entity. The statements proceed to provide an increasingly detailed look at our specific financial condition.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole Library, presenting both an aggregate view of the Library's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short term as well as what dollars remain for future spending. The fund financial statements also look at the Library's most significant funds with all other non-major funds presented in total in one column.

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
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Reporting the Library as a Whole

Statement of Net Position and Statement of Activities

While this document contains information about the funds used by the Library to provide services to our citizens, the view of the Library as a whole looks at all financial transactions and asks the question, "How did the Library do financially during 2017?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting method used by the private sector. The accrual basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the Library's net position and the changes in its position. The change in net position is important because it tells the reader whether, for the Library as a whole, the financial position of the Library has improved or diminished. However, in evaluating the overall position of the Library, non-financial information such as changes in the Library's tax base and the condition of the Library's capital assets will also need to be evaluated. The Statement of Net Position and the Statement of Activities are divided into the following categories:

- Assets
- Deferred Outflows of Resources
- Liabilities
- Deferred Inflows of Resources
- Net Position (Assets plus Deferred Outflows of Resources minus Liabilities minus Deferred Inflows of Resources)
- Program Revenue and Expenses
- General Revenues
- Net Position Beginning of Year and Year's End

Reporting the Cleveland Public Library's Most Significant Funds

Fund Financial Statements

The presentation of the Library's major funds begins on page 17. Fund financial reports provide detailed information about the Library's major funds based on the restrictions on the use of monies. The Library has established many funds that account for the multitude of services and facilities provided for our patrons. However, these fund financial statements focus on the Library's most significant funds. In the case of the Library, the major funds are the general fund, the CLEVNET special revenue fund and the building and repair capital projects fund.

Government Funds

All of the Library's activities are reported in the governmental funds focusing on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Governmental funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Library's general operations and the basic services it provides. Governmental fund information helps you determine whether there are more

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2017
Unaudited

or fewer financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Library's own programs.

The Library as a Whole

The Statement of Net Position looks at the Library as a whole. Table 1 provides a summary of the Library's net position for 2017 compared to 2016.

Table 1
Net Position

	Governmental Activities		
	2017	2016	Change
Assets			
Current and Other Assets	\$112,973,870	\$111,018,582	\$1,955,288
Capital Assets, Net	82,983,165	85,955,929	(2,972,764)
<i>Total Assets</i>	<u>195,957,035</u>	<u>196,974,511</u>	<u>(1,017,476)</u>
Deferred Outflows of Resources			
Pension	<u>18,605,459</u>	<u>14,376,759</u>	<u>4,228,700</u>
Liabilities			
Current and Other Liabilities	2,931,879	2,571,107	360,772
Long-Term Liabilities:			
Due Within One Year	117,103	127,587	(10,484)
Due In More Than One Year:			
Net Pension Liability	48,137,052	36,856,352	11,280,700
Other Amounts	<u>1,372,307</u>	<u>1,341,622</u>	<u>30,685</u>
<i>Total Liabilities</i>	<u>\$52,558,341</u>	<u>\$40,896,668</u>	<u>\$11,661,673</u>

(continued)

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2017
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Table 1
Net Position (continued)

	Governmental Activities		
	2017	2016	Change
Deferred Inflows of Resources			
Property Taxes	\$24,888,821	\$23,901,089	\$987,732
Pension	354,514	712,137	(357,623)
<i>Total Deferred Inflows of Resources</i>	<u>25,243,335</u>	<u>24,613,226</u>	<u>630,109</u>
Net Position			
Net Investment in Capital Assets	82,948,642	85,511,515	(2,562,873)
Restricted	17,329,320	15,143,336	2,185,984
Unrestricted	<u>36,482,856</u>	<u>45,186,525</u>	<u>(8,703,669)</u>
<i>Total Net Position</i>	<u>\$136,760,818</u>	<u>\$145,841,376</u>	<u>(\$9,080,558)</u>

The net pension liability (NPL) is the largest single liability reported by the Library at June 30, 2017 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Library's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 requires the net pension liability to equal the Library's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the Library is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
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are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system as against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

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

In accordance with GASB 68, the Library's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

The decrease in capital assets is due to the annual depreciation along with disposals of capital assets exceeding the investment in new assets. The net pension liability increase represents the Library's proportionate share of the OPERS traditional plan's unfunded benefits. As indicated above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability. The significant increase in total deferred outflow of resources in 2017 was due to an increase in the change of assumptions related to the library's net pension liability for OPERS.

Table 2 shows the changes in net position for the years ended December 31, 2017 and December 31, 2016.

Table 2
Changes in Net Position

	Governmental Activities		
	2017	2016	Change
Revenues			
Program Revenues:			
Charges for Services	\$5,540,026	\$5,410,459	\$129,567
Operating Grants, Contributions and Interest	5,808,111	3,755,937	2,052,174
<i>Total Program Revenues</i>	<u>\$11,348,137</u>	<u>\$9,166,396</u>	<u>\$2,181,741</u>

(continued)

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2017
Unaudited

Table 2
Changes in Net Position (continued)

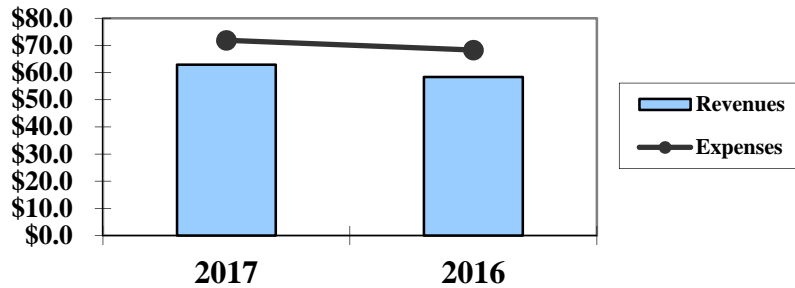
	Governmental Activities		
	2017	2016	Change
General Revenues:			
Property and Other Taxes	\$26,167,690	\$23,680,400	\$2,487,290
Grants and Entitlements	23,626,983	23,919,769	(292,786)
Unrestricted Donations	2,555	1,415	1,140
Investment Earnings	416,215	370,362	45,853
Gain on Sale of Capital Assets	0	6,705	(6,705)
Miscellaneous	1,293,691	1,260,390	33,301
Total General Revenues	51,507,134	49,239,041	2,268,093
<i>Total Revenues</i>	<i>62,855,271</i>	<i>58,405,437</i>	<i>4,449,834</i>
Program Expenses			
Administration and Support	27,922,074	25,237,576	(2,684,498)
Public Services	44,013,755	43,110,485	(903,270)
<i>Total Expenses</i>	<i>71,935,829</i>	<i>68,348,061</i>	<i>(3,587,768)</i>
<i>Change in Net Position</i>	<i>(9,080,558)</i>	<i>(9,942,624)</i>	<i>862,066</i>
<i>Net Position Beginning of Year</i>	<i>145,841,376</i>	<i>155,784,000</i>	<i>862,066</i>
<i>Net Position End of Year</i>	<i>\$136,760,818</i>	<i>\$145,841,376</i>	<i>(\$9,080,558)</i>

Graph 1
Revenues and Expenses
(In Millions)

	2017	2016
Revenues	\$62.9	\$58.4
Expenses	71.9	68.3

Cleveland Public Library
Cuyahoga County
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Unaudited

Revenues and Expenses
(in millions)



GOVERNMENTAL ACTIVITIES

For the most part, administration and support expenses are underwritten by the general revenues of the Library, rather than program revenues except for the usage and processing fees received by Cleveland Public Library for automated library services provided to the 44 contracting CLEVNET libraries spread over twelve counties in northern Ohio. Like the administration and support expenses, the public services expenses are also mainly supported by the general revenues of the Library. However, the Library has been successful in being awarded a number of grants to help support the free and equitable access to programming and services.

General revenues from property and other taxes continue to be a primary source of revenue, making up 51 percent of general revenues for governmental activities for the Library in 2017. 2017 was the fourth year of five collection years of the 5.8 mill replacement levy approved by voters on November 5, 2013. General revenues from grants and entitlements also continue to be a primary source of revenue, but decreased by \$292,786 during 2017 due primarily to the decrease of the Public Library Fund (PLF). Statutorily, the PLF receives 1.66 percent of the revenue from all State General Revenue tax sources; however, the State's biennium budget (HB 64), July 1, 2015 through June 30, 2017, temporarily increased this percentage to 1.7 percent. The State's biennium budget (HB 49), July 1, 2017 through June 30, 2019 temporarily increased the statutory percentage to 1.68 percent, but reflects a decrease from the prior biennium budget.

Table 3 presents a summary for governmental activities, the total cost of services and the net cost of providing those services for the years ending December 31, 2017, and December 31, 2016. The total cost of services associated with public services in 2017 is 61.2 percent of total costs, below 2016's 63.1 percent. The total cost of services increased by 5.2 percent from 2016, due primarily to contracted employee salary and benefit increases.

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Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2017
Unaudited

Table 3
Governmental Activities

	Total Cost of Services 2017	Net Cost of Services 2017	Total Cost of Services 2016	Net Cost of Services 2016
Administration and Support	\$27,922,074	(\$22,676,980)	\$25,237,576	(\$20,142,185)
Public Services	44,013,755	(37,910,712)	43,110,485	(39,039,480)
<i>Total</i>	<u>\$71,935,829</u>	<u>(\$60,587,692)</u>	<u>\$68,348,061</u>	<u>(\$59,181,665)</u>

The Library's Funds

Information about the Library's governmental funds begins on page 17. These funds are accounted for by using the modified accrual basis of accounting. All governmental funds had total revenues of \$63,499,009 and expenditures of \$62,248,487. The general fund had an unassigned fund balance at year-end of \$13,961,626 compared to annual expenditures of \$53,581,841. The most significant increase in general fund revenues came from property and other taxes revenues which increased in 2017 by \$1,069,395. The general fund had a decrease in fund balance due to expenditures exceeding revenues along with the transfer of funds to cover the expenditures for improvements and maintenance of library facilities in the building and repair fund. The CLEVNET fund had a small increase in fund balance due to an increase in expenditures made for prepaid items. The building and repair fund had an increase in fund balance due to expenditures not yet made for commitments for capital projects, technology, and other assets, and for repairs, improvements and maintenance of library facilities. Other governmental funds had an increase in fund balance primarily due to investment earnings.

General Fund Budgeting Highlights

The Library's budget is prepared according to provisions of the Ohio Administrative Code based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund. The original budgeted revenues were \$50,352,364 and the final budgeted amount was \$52,504,032. This \$2,151,668 net increase was primarily due to property tax collections coming in over the amount certified by the County. The original appropriations were adjusted from \$62,006,972 to \$61,006,971 in the final amendment due to a decrease in the salaries and benefits appropriation. The Library's actual revenues came in just above budgeted revenues by \$57,305 and actual expenditures were \$1,713,041 lower than the final estimate. The Library is striving to control cost while continuing to provide extraordinary service. The Library maintained a respectable level of liquidity in the general fund by maintaining unencumbered cash at the end of the year of 36.1 percent of those revenues.

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2017
Unaudited

Capital Assets and Debt Administration

Capital Assets

Table 4
Capital Assets
(Net of Depreciation)

	Governmental Activities	
	2017	2016
Land	\$2,706,096	\$2,706,096
Construction in Progress	738,805	672,070
Buildings	78,059,385	81,185,474
Furniture/Equipment	337,886	452,165
Computer Equipment	672,075	659,724
Software	455,565	247,584
Vehicles	13,353	32,816
<i>Total</i>	\$82,983,165	\$85,955,929

Total capital assets for the Library as of December 31, 2017 were \$82,983,165, a decrease of \$2,972,764 from 2016. The most significant decrease in capital assets came in the buildings and improvements primarily due to annual depreciation of existing buildings along with disposals of capital assets exceeding the additions. See Note 11 for additional information on capital assets.

Debt

At December 31, 2017, the Library had no bonds outstanding. The Library's long-term obligations outstanding consist of compensated absences payable and net pension liability. More detailed information is presented in Note 10 of the notes to the basic financial statements.

Current Financial Related Activities

The Cleveland Public Library, "The People's University," celebrated its 148th year in 2017 and we are very proud of the accomplishments that have taken place over those years. The Library's Main Library is situated on Lake Erie in the heart of Cleveland, Ohio, and the 27 neighborhood branch libraries are the beating heart of this organization. They provide vital library services throughout the city. Many of these buildings, however, are showing their age. More than three decades have passed since the Library embarked on a system-wide campaign to update its branches, but we are prepared to step boldly into the future by updating our facilities.

The voters of the Cleveland Municipal School District, the Library's taxing district, approved on November 7, 2017 the renewal of the expiring 5.8 mills in collection year 2018 along with an increase of 2.0 mills, a total of 7.8 mills, for a continuing period of time with the increase commencing in collection

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For the Year Ended December 31, 2017
Unaudited

year 2019 for the operation and improvement of the Cleveland Public Library. The levy will help secure the Library's future for years to come, and it also paves the way for a major capital project that will revitalize most of our neighborhood branch libraries. As we look to the Library's 150th Anniversary in two short years, we're now considering new ways to excel. To prepare for that future, we spent 2017 listening to our patrons, community members, partners, and employees—and we're not about to stop listening anytime soon. We can't thank voters enough for sending a clear message that libraries matter and that our work makes a positive impact on their lives.

As custodians of the public's trust, we remain committed to ensure that our libraries enrich our neighborhoods as we STEP into the future together:

- Safety:** Cleveland Public Library will designate its neighborhood libraries as safe places for kids and teens where they can access help and supportive resources.
- Technology:** Cleveland Public Library will expand access to the latest technology and instruction on how to use it.
- Education:** Cleveland Public Library will create new learning opportunities for young people after school with the support of friends and mentors.
- Preservation:** Cleveland Public Library will become a preservation center for Cleveland history where people can learn how to preserve and share their family and cultural histories.

Our commitment to our patrons has always been one of full disclosure of the financial position of the Library. We make available this report to all patrons who wish to review it.

Contacting the Library's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the Library's finances and show the Library's accountability for all money it receives, spends or invests. If you have any questions about this report or need financial information, contact the Chief Financial Officer, Carrie Krenicky, Cleveland Public Library, 325 Superior Avenue, Cleveland, Ohio 44114, telephone 216-623-2830. We also offer information regarding our Library on our website, which is at www.cpl.org.

Cleveland Public Library
Cuyahoga County
Statement of Net Position
December 31, 2017

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$62,788,284
Accrued Interest Receivable	122,840
Accounts Receivable	232,968
Intergovernmental Receivable	12,384,223
Materials and Supplies Inventory	143,550
Prepaid Items	1,239,390
Property and Other Taxes Receivable	36,062,615
Nondepreciable Capital Assets	3,444,901
Depreciable Capital Assets, Net	79,538,264
<i>Total Assets</i>	195,957,035
Deferred Outflows of Resources	
Pension	18,605,459
Liabilities	
Accounts Payable	1,078,778
Retainage Payable	10,381
Contracts Payable	24,142
Accrued Wages and Benefits	591,338
Intergovernmental Payable	519,757
Unearned Revenue	559,139
Matured Compensated Absences Payable	148,344
Long-Term Liabilities:	
Due Within One Year	117,103
Due In More Than One Year:	
Net Pension Liability (See Note 13)	48,137,052
Other Amounts	1,372,307
<i>Total Liabilities</i>	52,558,341
Deferred Inflows of Resources	
Property Taxes	24,888,821
Pension	354,514
<i>Total Deferred Inflows of Resources</i>	\$25,243,335

(continued)

Cleveland Public Library
Cuyahoga County
Statement of Net Position (continued)
December 31, 2017

Net Position	
Net Investment in Capital Assets	\$82,948,642
Restricted for:	
John G. White--Special Collections	
Non-Expendable	374,887
Expendable	2,765,617
Center for the Book Activities	
Non-Expendable	110,000
Expendable	271,806
Abel--Photography	
Non-Expendable	10,000
Expendable	325,347
Sugarman--Children's Biography Awards	
Non-Expendable	148,377
Expendable	106,179
Library for the Blind and Physically Disabled	11,351,715
Fine Arts and Special Collections	
Non-Expendable	43,754
Expendable	540,745
Youth Services/Business Departments	
Non-Expendable	5,000
Expendable	327,452
Unclaimed Funds	6,372
Floral and Plant Decorations	
Non-Expendable	76,167
Expendable	221,889
Walz Branch	
Non-Expendable	8,932
Expendable	272,848
History Department	
Non-Expendable	6,000
Expendable	52,756
Architecture	100,742
Immigration Books	133,805
Donations for Specific Library Purposes	43,658
Other Purposes	
Non-Expendable	1,200
Expendable	24,072
Unrestricted	<u>36,482,856</u>
<i>Total Net Position</i>	<u><u>\$136,760,818</u></u>

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Statement of Activities
For the Year Ended December 31, 2017

	Program Revenues			Net (Expense) and Changes in Net Position
	Expenses	Charges for Services	Operating Grants, Contributions and Investment Earnings	Governmental Activities
Governmental Activities				
Administration and Support	\$27,922,074	\$5,180,554	\$64,540	(\$22,676,980)
Public Services	44,013,755	359,472	5,743,571	(37,910,712)
<i>Totals</i>	\$71,935,829	\$5,540,026	\$5,808,111	(60,587,692)
		General Revenues		
		Property and Other Taxes Levied for:		
				26,167,690
				General Purposes
				23,626,983
				Grants and Entitlements not Restricted to Specific Programs
				2,555
				Unrestricted Donations
				416,215
				Investment Earnings
				1,293,691
				Miscellaneous
				<i>Total General Revenues</i>
				51,507,134
				<i>Change in Net Position</i>
				(9,080,558)
				<i>Net Position Beginning of Year</i>
				145,841,376
				<i>Net Position End of Year</i>
				\$136,760,818

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Balance Sheet
Governmental Funds
December 31, 2017

	General	CLEVNET	Building and Repair	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$24,651,382	\$695,319	\$10,649,453	\$26,785,758	\$62,781,912
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	6,372	0	0	0	6,372
Receivables:					
Property and Other Taxes	36,062,615	0	0	0	36,062,615
Accounts	37,411	0	5,720	189,837	232,968
Intergovernmental	11,976,903	338,742	0	68,578	12,384,223
Accrued Interest	122,840	0	0	0	122,840
Materials and Supplies Inventory	143,550	0	0	0	143,550
Interfund Receivable	75,000	0	0	0	75,000
Prepaid Items	632,636	600,421	0	6,333	1,239,390
<i>Total Assets</i>	<u>\$73,708,709</u>	<u>\$1,634,482</u>	<u>\$10,655,173</u>	<u>\$27,050,506</u>	<u>\$113,048,870</u>
Liabilities					
Accounts Payable	\$908,048	\$119,184	\$250	\$51,296	\$1,078,778
Retainage Payable	0	0	10,381	0	10,381
Contracts Payable	0	0	24,142	0	24,142
Accrued Wages and Benefits	546,808	26,611	0	17,919	591,338
Intergovernmental Payable	482,756	21,323	0	15,678	519,757
Unearned Revenue	0	0	0	559,139	559,139
Interfund Payable	0	0	0	75,000	75,000
Matured Compensated Absences Payable	127,261	13,577	0	7,506	148,344
<i>Total Liabilities</i>	<u>2,064,873</u>	<u>180,695</u>	<u>34,773</u>	<u>726,538</u>	<u>3,006,879</u>
Deferred Inflows of Resources					
Property Tax	24,888,821	0	0	0	24,888,821
Unavailable Revenue	19,196,799	165,421	5,720	87,582	19,455,522
<i>Total Deferred Inflows of Resources</i>	<u>44,085,620</u>	<u>165,421</u>	<u>5,720</u>	<u>87,582</u>	<u>44,344,343</u>
Fund Balances					
Nonspendable	782,558	600,421	0	790,650	2,173,629
Restricted	0	0	0	16,538,125	16,538,125
Committed	731,079	687,945	5,072,103	8,912,538	15,403,665
Assigned	12,082,953	0	5,542,577	168,721	17,794,251
Unassigned (Deficit)	13,961,626	0	0	(173,648)	13,787,978
<i>Total Fund Balances</i>	<u>27,558,216</u>	<u>1,288,366</u>	<u>10,614,680</u>	<u>26,236,386</u>	<u>65,697,648</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$73,708,709</u>	<u>\$1,634,482</u>	<u>\$10,655,173</u>	<u>\$27,050,506</u>	<u>\$113,048,870</u>

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2017

Total Governmental Funds Balances		\$65,697,648
 <i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		82,983,165
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds.		
Delinquent Property and Other Taxes	11,173,794	
Intergovernmental	7,995,611	
Charges for Services	165,421	
Fines and Fees	1,118	
Donations	87,582	
Miscellaneous	31,996	19,455,522
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred Outflows - Pension	18,605,459	
Deferred Inflows - Pension	(354,514)	
Net Pension Liability	(48,137,052)	(29,886,107)
Long-term liabilities, such as compensated absences payable, are not due and payable in the current period and therefore are not reported in the funds.		(1,489,410)
<i>Net Position of Governmental Activities</i>		\$136,760,818

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017

	General	CLEVNET	Building and Repair	Other Governmental Funds	Total Governmental Funds
Revenues					
Property and Other Taxes	\$26,407,991	\$0	\$0	\$0	\$26,407,991
Fines and Fees	368,031	0	0	0	368,031
Charges for Services	0	5,172,664	0	0	5,172,664
Intergovernmental	24,055,635	0	0	1,633,117	25,688,752
Investment Earnings	416,215	0	0	3,274,735	3,690,950
Contributions and Donations	2,555	0	0	812,677	815,232
Miscellaneous	1,227,689	97,700	30,000	0	1,355,389
<i>Total Revenues</i>	<u>52,478,116</u>	<u>5,270,364</u>	<u>30,000</u>	<u>5,720,529</u>	<u>63,499,009</u>
Expenditures					
Current:					
Administration and Support	19,662,107	4,758,081	0	49,253	24,469,441
Public Services	33,028,405	0	250	2,574,630	35,603,285
Capital Outlay	891,329	502,059	762,691	19,682	2,175,761
<i>Total Expenditures</i>	<u>53,581,841</u>	<u>5,260,140</u>	<u>762,941</u>	<u>2,643,565</u>	<u>62,248,487</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,103,725)</u>	<u>10,224</u>	<u>(732,941)</u>	<u>3,076,964</u>	<u>1,250,522</u>
Other Financing Sources (Uses)					
Transfers In	0	0	1,300,000	0	1,300,000
Transfers Out	(1,300,000)	0	0	0	(1,300,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,300,000)</u>	<u>0</u>	<u>1,300,000</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(2,403,725)</u>	<u>10,224</u>	<u>567,059</u>	<u>3,076,964</u>	<u>1,250,522</u>
<i>Fund Balances Beginning of Year</i>	<u>29,961,941</u>	<u>1,278,142</u>	<u>10,047,621</u>	<u>23,159,422</u>	<u>64,447,126</u>
<i>Fund Balances End of Year</i>	<u>\$27,558,216</u>	<u>\$1,288,366</u>	<u>\$10,614,680</u>	<u>\$26,236,386</u>	<u>\$65,697,648</u>

See accompanying notes to the basic financial statements

Cleveland Public Library

Cuyahoga County

*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2017*

Net Change in Fund Balances - Total Governmental Funds		\$1,250,522
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*Amounts reported for governmental activities in the
statement of activities are different because*

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital Asset Additions:

Capital Outlays	1,253,271	
Current Year Depreciation	<u>(4,226,035)</u>	(2,972,764)

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

Delinquent Property and Other Taxes	(240,301)	
Intergovernmental	(428,652)	
Charges for Services	7,890	
Fines and Fees	(8,559)	
Donations	87,582	
Miscellaneous	<u>(61,698)</u>	(643,738)

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

3,599,044

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

(10,293,421)

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures.

(20,201)

Change in Net Position of Governmental Activities

(\$9,080,558)

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$23,957,875	\$26,414,755	\$26,415,992	\$1,237
Fines and Fees	399,000	381,034	369,637	(11,397)
Intergovernmental	24,528,350	23,902,518	23,948,893	46,375
Investment Earnings	387,440	580,601	581,183	582
Contributions and Donations	0	2,447	2,605	158
Miscellaneous	1,079,699	1,222,677	1,243,027	20,350
<i>Total Revenues</i>	<u>50,352,364</u>	<u>52,504,032</u>	<u>52,561,337</u>	<u>57,305</u>
Expenditures				
Current:				
Administration and Support	22,422,118	21,521,994	20,711,903	810,091
Public Services	38,018,383	37,903,982	37,310,285	593,697
Capital Outlay	1,566,471	1,580,995	1,271,742	309,253
<i>Total Expenditures</i>	<u>62,006,972</u>	<u>61,006,971</u>	<u>59,293,930</u>	<u>1,713,041</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(11,654,608)</u>	<u>(8,502,939)</u>	<u>(6,732,593)</u>	<u>1,770,346</u>
Other Financing Sources (Uses)				
Advances In	0	0	67,250	67,250
Advances Out	0	0	(101,500)	(101,500)
Transfers Out	0	(1,300,000)	(1,300,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(1,300,000)</u>	<u>(1,334,250)</u>	<u>(34,250)</u>
<i>Net Change in Fund Balance</i>	<u>(11,654,608)</u>	<u>(9,802,939)</u>	<u>(8,066,843)</u>	<u>1,736,096</u>
<i>Fund Balance Beginning of Year</i>	21,319,301	21,319,301	21,319,301	0
Prior Year Encumbrances Appropriated	5,702,168	5,702,168	5,702,168	0
<i>Fund Balance End of Year</i>	<u>\$15,366,861</u>	<u>\$17,218,530</u>	<u>\$18,954,626</u>	<u>\$1,736,096</u>

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
CLEVNET Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$5,080,209	\$5,129,738	\$5,149,436	\$19,698
Miscellaneous	0	97,700	97,700	0
<i>Total Revenues</i>	<u>5,080,209</u>	<u>5,227,438</u>	<u>5,247,136</u>	<u>19,698</u>
Expenditures				
Current:				
Administration and Support	4,914,576	5,352,856	5,003,411	349,445
Capital Outlay	555,990	620,029	613,320	6,709
<i>Total Expenditures</i>	<u>5,470,566</u>	<u>5,972,885</u>	<u>5,616,731</u>	<u>356,154</u>
<i>Net Change in Fund Balance</i>	(390,357)	(745,447)	(369,595)	375,852
<i>Fund Balance Beginning of Year</i>	355,090	355,090	355,090	0
Prior Year Encumbrances Appropriated	390,357	390,357	390,357	0
<i>Fund Balance End of Year</i>	<u>\$355,090</u>	<u>\$0</u>	<u>\$375,852</u>	<u>\$375,852</u>

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2017

Assets	
Equity in Pooled Cash and Cash Equivalents	\$9,396
Accounts Receivable	398
	<hr/>
<i>Total Assets</i>	<u><u>\$9,794</u></u>
 Liabilities	
Due to Others	<u><u>\$9,794</u></u>

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2017

Note 1 – Description of Library and Reporting Entity

The Cleveland Public Library (the "Library") is organized as a school district public library under the laws of the State of Ohio. The Library has its own Board of Library Trustees of seven members who are appointed by the Cleveland Municipal School District Board of Education. Appointments are for seven-year terms and members serve without compensation. Under Ohio statutes, the Library is a body politic and corporate, capable of suing and being sued, contracting, acquiring, holding, possessing and disposing of real property and exercising such other powers and privileges conferred upon it by law. The Library also determines and operates under its own budget. Control and management of the Library is governed by Sections 3375.33 to 3375.39 of the *Ohio Revised Code* with the administration of the day-to-day operations of the Library being the responsibility of the Director and financial accountability being solely that of the Fiscal Officer.

The Library is fiscally independent of the Cleveland Municipal School District Board of Education, although the Cleveland Municipal School District Board of Education serves in a ministerial capacity as the taxing authority for the Library and issues all tax-related debt on behalf of the Library. The determination to request approval of a tax levy and the role and purpose(s) of the levy, are discretionary decisions made solely by the Board of Library Trustees. Once those decisions are made, the Cleveland Municipal School District Board of Education must put the levy on the ballot. There is no potential for the Library to provide a financial benefit to or impose a financial burden on the Cleveland Municipal School District Board of Education.

Under the provisions of Statement No. 14 of the Governmental Accounting Standards Board, "The Financial Reporting Entity", the Library is considered to be a related organization of the Board of Education. Management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in generally accepted accounting principles (GAAP). Based upon the application of these criteria, management does not believe the Library has any potential component unit that should be included as part of the Library's reporting entity.

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

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

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.

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2017

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, except for fiduciary activities.

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

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

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. There are three categories of funds: governmental, proprietary and fiduciary. The Library has no proprietary funds.

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

General Fund The general fund accounts for and reports all financial resources except those required to be 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 provisions of the Ohio Revised Code.

CLEVNET Fund The CLEVNET fund accounts for and reports financial resources received from other libraries and entities on a contractual basis that include itemized fees assessed during the contract term and charges for additional products, materials or services that are not contemplated in the itemized fees. The Library's Board of Trustees imposed internal constraints

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2017

on the use of these resources beginning with the 2015 calendar year. The CLEVNET fund balance is committed to the Library for the purpose of CLEVNET associated activities.

Building and Repair Fund The building and repair fund accounts for specific purposes imposed by formal action (resolution) of the Library's Board of Trustees that are committed and for assigned monies set aside by the Board of Library Trustees specifically for major capital and technology improvements and other capital assets that include the renovation and construction of the Library's branches.

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

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the Library under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the Library's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. The Library only utilizes the agency fund type. The agency fund is used to hold online payments for fines and fees until they are distributed to the member libraries of the CLEVNET consortium.

Measurement Focus

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

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

Basis of Accounting

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

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2017

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

Nonexchange transactions, in which the Library receives value without directly giving equal value in return, include property and other taxes, Public Library Fund payments (PLF), grants, entitlements and donations. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Revenue from PLF payments, grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Library must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Library on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: interest, grants, entitlements and rentals.

Unearned Revenue Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. The Library recognizes unearned revenue for intergovernmental revenue from grants received before the eligibility requirements are met.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Library, deferred outflows of resources are reported on the government-wide statement of net position for pension. The deferred outflows of resources related to pension are explained in Note 13.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Library, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2017, but which were levied to finance 2018 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the Library, unavailable revenue includes Public Library Fund (PLF) payments, homestead/rollback reimbursements, delinquent property taxes, commercial activity taxes, charges for services, fines and fees, and miscellaneous revenue. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net

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Position of Governmental Activities found on page 18. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 13).

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

Cash and Cash Equivalents

To improve cash management, cash received by the Library is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through Library records. Interest in the pool is presented as “equity in pooled cash and cash equivalents”.

During 2017, investments were limited to federal home loan bank bonds, STAR Ohio, money market/principal cash, money market mutual fund, commercial paper, common and convertible preferred stock, federal national mortgage association notes, federal home loan mortgage corporation notes, corporate bonds, United States treasury notes, agency bonds and federal farm credit bank bonds.

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 2017, 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 \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Interest and dividends earned on all funds when the use of such earnings are not restricted by law are recorded in the general fund except investment earnings attributable to endowment fund balances which are recorded in the endowment funds, a subset of funds classified as either special revenue funds or permanent funds. Investment gains credited to investment earnings on behalf of the endowment funds during 2017 amounted to \$3,274,735.

Investments, except STAR Ohio and commercial paper, are reported at fair market value, which is based on quoted market prices. The fair value of the money market mutual fund is determined by the fund’s share price at December 31, 2017. STAR Ohio is reported at net asset value per share. The Library’s commercial paper is measured at amortized cost as it is a highly liquid debt instrument with a remaining

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maturity at the time of purchase of less than one year. Gains (or losses) to fair market value are booked annually as “Investment Earnings”.

Following Ohio statutes, the Board has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during 2017 amounted to \$416,215, which includes \$135,612 assigned from other Library funds.

Investments with original maturities of three months or less at the time they are purchased and investments of the cash management pool are presented on the financial statements as cash equivalents.

Inventory

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2017 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

Restricted Assets

Assets are reported as restricted when limitations on their use change in 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 imposed by law through constitutional provisions. Restricted assets in the general fund represent money set aside for unclaimed funds.

Capital Assets

The Library’s only capital assets are general capital assets. General capital assets are capital assets that are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The Library maintains capitalization thresholds as displayed in the following table. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not.

<u>Description</u>	<u>Capitalization Thresholds</u>
Land	All Land Acquisitions
Construction in Progress	All Major Projects Not Completed By Year-end
Buildings/Improvements	\$100,000
Movable Assets	\$ 5,000
Software/Other Intangibles	\$ 5,000

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

Buildings/Improvements	15 - 40 Years
Furniture/Equipment	5 - 25 Years
Computers	5 - 25 Years
Software	5 - 25 Years
Vehicles	5 Years

Inexhaustible Collections and Books

Collections (works of art and historical artifacts, for example) meet the definition of a capital asset and normally should be reported in the financial statements. GASB Statement No. 34 does not require capitalization of collections that meet all of the following criteria: 1) the collection is held for reasons other than financial gain, 2) the collection is protected, kept unencumbered, cared for, and preserved, and 3) the collection is subject to an organizational policy requiring that the proceeds from sales of collection items be used to acquire other items for the collections. Because the Library's inexhaustible collections, including research books and other rare library materials, meet the above requirements, the Library has not capitalized them. Other library materials used in the circulating collections have not been capitalized because their estimated useful lives or values are less than the Library's capitalization threshold.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The Library records a liability for all accumulated unused vacation time when earned for all employees with more than six months of service. Accumulated but unused vacation time will be paid for upon termination of employment, provided the employee has worked six months or more.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the Library's past experience of making termination payments. The amount is based on accumulated sick leave and employee wage rates at year-end, taking into consideration any limits specified in the Library's termination policy. The Library's termination policy allowed for payment of unused sick time at the time of retirement, as governed by the provisions of the Ohio Public Employees Retirement System through June 30, 2017, for employees who have ten (10) years of service or more on their retirement date. From January 1, 2017 through December 31, 2017, the termination policy capped unused sick hours to five hundred (500) hours and is paid out at twenty five percent (25%) at the time of retirement.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments came due each period upon the occurrence of employee resignations and

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retirements. These amounts are recorded in the account “matured compensated absences payable” in the funds from which the employees who have resigned or retired will be paid.

Pensions

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

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences and net pension liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

Fund Balance

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

Nonspendable: The nonspendable fund balance classification 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 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 the specific purposes imposed by formal action (resolution) of the Library’s 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

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that is not restricted or committed. These amounts are assigned by the Library Board of Trustees. In the general fund, assigned amounts represent intended uses established by the Library Board of Trustees or a Library official delegated that authority by resolution or by State statute. State statute authorizes the Chief Financial Officer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The Library Board of Trustees adopted a fund balance policy authorizing the Chief Financial Officer to assign fund balance for purchases on order by the character or major category of the object code for the general fund, which includes salaries and benefits, supplies, purchased/contracted services, library materials, capital outlay and other.

The Library Board of Trustees assigned fund balance to cover a gap between estimated revenue and appropriations for 2018's spending.

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 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.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions 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 grant-designated activities and specific library collections.

The Library applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Interfund balance amounts are eliminated in the statement of net position.

Estimates

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

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Internal Activity

Transfers within governmental activities are eliminated on the Statement of Activities. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods 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 expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Budgetary Data

All funds are legally required to be budgeted and appropriated. The budgetary process is prescribed by provisions of the Ohio Administrative Code and entails the preparation of budgetary documents within an established timetable. The Ohio Administrative Code section 117-8 does not require public libraries to budget receipts. However, sound budget practice suggests a government cannot appropriate responsibly unless they have an estimate of resources to support the appropriations. The Board of Library Trustees must annually approve appropriation measures and subsequent amendments. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates.

The certificate of estimated resources establishes a limit on the amount the Board of Library Trustees may appropriate. The appropriations resolution is the Board of Library Trustees' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board of Library Trustees. The legal level of control has been established at the character or major category of the object code for the general fund. For all other funds, the legal level of control has been established at the fund level. Budgetary modifications at the legal level of control may only be made by resolution of the Board of Library Trustees.

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

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

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Note 3 – Change in Accounting Principle

For 2017, the Library implemented the Governmental Accounting Standards Board's (GASB) *Implementation Guide No. 2016-1*. These changes were incorporated in the Library's 2017 financial statements; however, there was no effect on beginning net position/fund balance.

Note 4 - Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budgetary) rather than as restricted, committed, or assigned (GAAP).
4. Unrecorded cash represents amounts expended but not included as expenditures on the budgetary basis operating statement. These amounts are included as expenditures on the GAAP basis operating statements.
5. Advances-In and Advances-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
6. Investments are reported at cost (budget basis) rather than fair value (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general and major special revenue funds.

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Net Change in Fund Balance		
	General	CLEVNET
GAAP Basis	(\$2,403,725)	\$10,224
Net Adjustment for Revenue Accruals	(374,584)	(23,023)
Beginning Fair Value of Adjustment for Investments	155,867	0
Ending Fair Value of Adjustments for Investments	339,435	0
Beginning Unrecorded Cash	(18,278)	(89)
Ending Unrecorded Cash	(19,219)	(116)
Net Adjustment for Expenditure Accruals	311,255	(37,240)
Advances In	67,250	0
Advances Out	(101,500)	0
Adjustment for Encumbrances	(6,023,344)	(319,351)
 Budgetary Basis	 (\$8,066,843)	 (\$369,595)

Note 5 – Deposits and Investments

State statutes classify public deposits held by the Library into three categories.

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. A list of permissible investments for interim deposits follows.

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, by surety company bonds deposited with the Chief Financial Officer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

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

1. United States Treasury Notes, Bills, Bonds, 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;

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2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement exceeds the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit or by savings or deposit accounts, including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, or political subdivisions of Ohio, provided that, with respect to bonds or other obligations of political subdivisions, (a) the bonds or other obligations are payable from general revenues of the political subdivision and backed by the full faith and credit of the political subdivision, (b) the bonds or other obligations are rated at the time of purchase in the three highest classifications established by at least one nationally recognized standard rating service and purchased through a registered securities broker or dealer, (c) the aggregate value of the bonds or other obligations does not exceed twenty percent of interim monies available for investment at the time of purchase, and (d) the Library is not the sole purchaser of the bonds or other obligations at original issuance;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio) and any other investment alternative offered to political subdivisions by the Treasurer of State;
8. Up to forty percent of interim monies available for investment in either commercial paper notes or bankers acceptances. Investment in commercial paper notes is limited to notes issued by an entity that is defined in section 1705.01(D) of the Ohio Revised Code and that has assets exceeding five hundred million dollars, and (a) the notes are rated at the time of purchase in the highest classification established by at least two nationally recognized standard rating services, (b) the aggregate value of the notes does not exceed ten percent of the aggregate value of the outstanding commercial paper of the issuing corporation, (c) the notes mature not later than two hundred seventy days after purchase, and (d) the investment in commercial paper notes of a single issuer shall not exceed in the aggregate five percent of interim monies available for investment at the time of purchase. Investment in bankers acceptances is limited to acceptances of banks that are insured by the FDIC and that mature not later than one hundred eighty days after purchase; and

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9. Under limited circumstances, debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

The Library, a fiduciary, having monies belonging to a trust which are to be invested, may invest those monies, except as otherwise provided by law or by the instrument creating the trust, in the following:

1. Bonds or other obligations of the United States or the State of Ohio;
2. Bonds or other interest-bearing obligations of any county, municipal corporation, school district, or other legally constituted political taxing subdivision within the State provided that the subdivision has not defaulted in the payment of the interest on any of its bonds or interest-bearing obligations for more than 120 days during the ten years immediately preceding the investment and provided that the subdivision is not, at the time of investment, in default in the payment of principal or interest on any of its bonds or other interest-bearing obligations;
3. Bonds or other interest-bearing obligations of any other state of the United States, which within 20 years prior to the making of such investment, has not defaulted for more than 90 days in the payment of principal or interest on any of its bonds or other interest-bearing obligations;
4. Any bonds issued by or for federal land banks and any debentures issued by or for federal intermediate credit banks under the "Federal Farm Loan Act of 1916" or any debentures issued by or for banks for cooperatives under the "Farm Credit Act of 1933";
5. Notes which are: (a) secured by a first mortgage on real estate held in fee and located in the State, improved by a unit designed principally for residential use for not more than four families or by a combination of such dwelling units and business property, the area designed or used for nonresidential purposes not to exceed 50 percent of the total floor area; (b) secured by a first mortgage on real estate held in fee and located in the State, improved with a building designed for residential use for more than four families or with a building used primarily for business purposes, if the unpaid principal of the notes secured by such mortgage does not exceed ten percent of the value of the estate or trust or does not exceed \$5,000, whichever is greater; or (c) secured by a first mortgage on an improved farm held in fee and located in the State, provided that such mortgage requires that the buildings on the mortgaged property shall be well insured against loss by fire, and so kept,

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for the benefit of the mortgagee, until the debt is paid, and provided that the unpaid principal of the notes secured by the mortgage shall not exceed 50 percent of the fair value of the mortgaged real estate at the time the investment is made; except that the unpaid principal of the notes may equal 60 percent of the fair value of the mortgaged real estate at the time the investment is made, and may be payable over a period of 15 years following the date of the investment by the fiduciary if regular installment payments are required sufficient to amortize four percent or more of the principal of the outstanding notes per annum and if the unpaid principal and interest become due and payable at the option of the holder upon any default in the payment of any installment of interest or principal upon the notes, or of taxes, assessments, or insurance premiums upon the mortgaged premises or upon the failure to cure any such default within any grace period provided therein not exceeding 90 days in duration;

6. Life, endowment, or annuity contracts of legal reserve life insurance companies and licensed by the superintendent of insurance to transact business within the State provided that the purchase of contracts authorized by this division shall be limited to executors or the successors to their power when specifically authorized by will and to guardians and trustees, which contracts may be issued on the life of a ward, a beneficiary of a trust fund, or according to a will, or upon the life of a person in whom such ward or beneficiary has an insurable interest and the contracts shall be drawn by the insuring company so that the proceeds shall be the sole property of the person whose funds are so invested;
7. Notes or bonds secured by mortgages and insured by the federal housing administrator or debentures issued by such administrator;
8. Obligations issued by a federal home loan bank created under the "Federal Home Loan Bank Act of 1932";
9. Shares and certificates or other evidences of deposits issued by a federal savings and loan association organized and incorporated under the "Home Owners' Loan Act of 1933" to the extent and only to the extent that those shares or certificates or other evidences of deposits are insured pursuant to the "Financial Institutions Reform, Recovery, and Enforcement Act of 1989";
10. Bonds issued by the home owners' loan corporation created under the "Home Owners' Loan Act of 1933";
11. Obligations issued by the national mortgage association created under the "National Housing Act";
12. Shares and certificates or other evidences of deposits issued by a domestic savings and loan association organized under the laws of the State, which association has obtained insurance accounts pursuant to the "Financial Institutions Reform, Recovery, and Enforcement Act of 1989" or as may be otherwise provided by law, only to the extent that such evidences of deposits are insured under that act;

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13. Shares and certificates or other evidences of deposits issued by a domestic savings and loan association organized under the laws of the State, provided that no fiduciary may invest such deposits except with the approval of the probate court, and then in an amount not to exceed the amount which the fiduciary is permitted to invest under division (A)(12);
14. In savings accounts in, or certificates or other evidences of deposits issued by, a national bank located in the State or a state bank located in and organized under the laws of the State by depositing the funds in the bank, and such national or state bank when itself acting in a fiduciary capacity may deposit the funds in savings accounts in, or certificates or other evidences of deposits issued by, its own savings department or any bank subsidiary corporation owned or controlled by the bank holding company that owns or controls such national or state bank; provided that no deposit shall be made by any fiduciary, individual, or corporate, unless the deposits of the depository bank are insured by the Federal Deposit Insurance Corporation (FDIC) and provided that the deposit of the funds of any one trust in any such savings accounts in, or certificates or other evidences of deposits issued by, any one bank shall not exceed the sum insured under the "Federal Deposit Insurance Corporation Act of 1933";
15. Obligations consisting of notes, bonds, debentures, or equipment trust certificates issued under an indenture, which are the direct obligations, or in the case of equipment trust certificates are secured by direct obligations, of a railroad or industrial corporation, or a corporation engaged directly and primarily in the production, transportation, distribution or sale of electricity or gas, or the operation of telephone or telegraph systems or waterworks, or in some combination of them; provided that the obligor corporation is one which is incorporated under the laws of the United States, any state, or the District of Columbia, and the obligations are rated at the time of purchase in the highest or next highest classification established by at least two standard rating services selected from a list of the standard rating services which shall be prescribed by the superintendent of financial institutions; provided that every such list shall be certified by the superintendent to the clerk of each probate court in the State, and shall continue in effect until a different list is prescribed and certified;
16. Obligations issued, assumed, or guaranteed by the international finance corporation or by the international bank for reconstruction and development, the Asian development bank, the inter-American development bank, the African development bank, or other similar development bank in which the president, as authorized by congress and on behalf of the United States, has accepted membership, provided that the obligations are rated at the time of purchase in the highest or next highest classification established by at least one standard rating service selected from a list of standard rating services which shall be prescribed by the superintendent of financial institutions;
17. Securities of any investment company, as defined in and registered under sections 3 and 8 of the "Investment Company Act of 1940" that are invested exclusively in forms of investment or in instruments that are fully collateralized by forms of investment in which the fiduciary is permitted to invest pursuant to 1 through 16 above, provided that, in addition to such forms of investments, the investment company may, for the purpose of reducing risk of loss or of stabilizing investment returns, engage in hedging transactions.

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In addition to the preceding investments, a fiduciary other than a guardian may make investments in any of the following kinds and classes of securities, provided that it may be lawfully sold in Ohio and investment is made only in such securities as would be acquired by prudent persons of discretion and intelligence in such matters who are seeking a reasonable income and the preservation of their capital:

1. Securities of corporations organized and existing under the laws of the United States, the District of Columbia, of any state in the United States including, but not limited to bonds, debentures, notes, equipment trust obligations, or other evidences of indebtedness, and shares of common and preferred stocks of such corporations;
2. Collective investment funds or securities of any investment company whether or not the fiduciary has invested other funds held by it in an agency or other nonfiduciary capacity in the securities of the same investment company. Such investments may be made regardless of the eligibility of the underlying assets held by the fund portfolios of the investment company;
3. Bonds or other interest-bearing obligations of any state or territory of the United States, or of any county, city, village, school district, or other legally constituted political taxing subdivision of any state or territory of the United States, not otherwise eligible under 2 or 3 in the preceding investment list;
4. Debt or equity securities of foreign corporations that trade on recognized United States domiciled exchanges.

These investments are subject to a restriction placed on an administrator or executor which states that no administrator or executor may invest funds belonging to an estate in an asset other than a direct obligation of the United States that has a maturity date not exceeding one year from the date of investment, or other than in a short term investment fund that is invested exclusively in obligations of the United States or of its agencies, or primarily in such obligations and otherwise only in variable demand notes, corporate money market instruments including, but not limited to, commercial paper, or fully collateralized repurchase agreements or other evidences of indebtedness that are payable on demand or generally have a maturity date not exceeding 91 days from the date of investment except with the approval of the probate court or with the permission of the instruments creating the trust.

Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Library's deposits may not be returned. 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: 1) 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% of the deposits being secured; or 2) 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% of the deposits being secured or a rate set by the Treasurer of State. At December 31, 2017, the Library's financial institution was in the process of joining OPCS; the financial institution still maintained its own collateral pool of eligible securities deposited with a qualified trustee and pledged to

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secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105% of the deposits being secured. The Library's bank balance of \$1,176,774 is either covered by FDIC or collateralized by the financial institutions' public entity deposit pool in the manner as described above.

In April 2018, one of the Library's financial institutions participating in OPCS was approved for a reduced collateral floor of 50 percent. At the time the reduced floor became effective, \$92,395 of the Library's total bank balance of \$1,176,774 was exposed to custodial credit risk.

Investments

Investments are reported at fair value. As of December 31, 2017, the Library had the following investments:

Measurement/Investment	Ohio Revised Code 135		Ohio Revised Code 2109	
	Measurement Amount	Average Maturity	Measurement Amount	Average Maturity
Net Asset Value Per Share:				
STAR Ohio	\$459,285	52 Days	\$0	
Amortized Cost:				
Commercial Paper	4,391,890	163 Days	0	
Fair Value - Level One Inputs				
Money Market/Principal Cash	1,145,305	23 Days	0	
Money Market Mutual Fund	0		16,815,759	n/a
Common and Convertible Preferred Stock	0		3,844,052	n/a
Total Fair Value - Level One Inputs	<u>1,145,305</u>		<u>20,659,811</u>	
Fair Value - Level Two Inputs				
United States Treasury Notes	3,308,893	1,009 Days	1,654,065	12/31/19-05/15/26
Corporate Bonds	0		989,047	01/15/18-04/03/27
Agency Bonds	0		457,941	05/28/19-01/01/41
Federal Home Loan Bank Bonds	4,827,387	663 Days	0	
Federal National Mortgage Association Notes	11,141,342	775 Days	0	
Federal Home Loan Mortgage Corporation Notes	6,809,696	991 Days	0	
Federal Farm Credit Bank Bonds	6,896,072	1,029 Days	0	
Total Fair Value - Level Two Inputs	<u>32,983,390</u>		<u>3,101,053</u>	
Total Investments	<u><u>\$38,979,870</u></u>		<u><u>\$23,760,864</u></u>	

Investments are restricted by the provisions of the Ohio Revised Code. During 2017, investments of the cash management pool were limited to federal agency securities, treasury notes, commercial paper, STAR Ohio, and a money market, with the exception of the Library's endowment monies. The endowment monies are able to invest in common and preferred stock as upheld by a 1975 Cuyahoga County Probate Court Order granting authority to invest. For these endowment monies, according to the Probate Court Order and a ruling from the Cuyahoga County Prosecutor, the Library may invest under *Ohio Revised Code* Sections 2109.37 and 2109.371. In addition to common and preferred stock,

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endowment monies are invested in corporate bonds, treasury notes, agency bonds, and a money market/mutual fund.

The Library categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above chart identifies the Library's recurring fair value measurements as of December 31, 2017. The Money Market/Principal Cash, Money Market Mutual Fund, Common and Convertible Preferred Stock are valued using quoted market prices (Level 1 inputs). The Library's remaining investments are measured at fair value, with the exception of STAR Ohio and commercial paper, which are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data (Level 2 inputs).

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates, the Library's investment policy requires that operating funds be invested primarily in investments so that securities mature to meet cash requirements for ongoing operations. The stated intent of the policy is to avoid the need to sell securities prior to maturity. To date, no investments have been purchased with a life greater than five years for the non-endowment funds.

Credit Risk The Federal Home Loan Bank Bonds, Federal National Mortgage Association Notes, Federal Home Loan Mortgage Corporation Notes, Federal Farm Credit Bank Bonds, and United States Treasury Notes all carry a rating of AAA by Moody's. The JP Morgan Securities LLC Commercial Paper, GE Capital Treasury LLC Commercial Paper, Bank of Tokyo Commercial Paper, and Credit Suisse New York Commercial Paper all carry ratings of A-1 by Standard and Poor's and P-1 by Moody's Investors Service. STAR Ohio carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Money Market/Principal Cash and the Money Market Mutual Fund are unrated. The Corporate Bonds carry ratings of AAA through A3 by Moody's, with 0 of 42 unrated. The Agency Bonds carry ratings of AAA by Moody's, with 7 of 10 unrated. The Library's investment policy states that credit risk will be minimized by (1) diversifying assets by issuer; (2) ensuring that required, minimum credit quality ratings exist prior to the purchase of commercial paper and bankers acceptances; and (3) maintaining adequate collateralization of certificates of deposit and other deposit accounts pursuant to the method as determined by the Fiscal Officer.

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as having five percent or more invested in the securities of a single issuer. The Library's investment policy places no limit on the amount it may invest in any one issuer. The following are the Library's major investment holdings as of December 31, 2017:

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	Percentage of Investments
Common and Convertible Preferred Stock	6.13%
Commercial Paper	7.00%
Federal Home Loan Bank Bonds	7.69%
United States Treasury Notes	7.91%
Federal Home Loan Mortgage Corporation Notes	10.85%
Federal Farm Credit Bank Bonds	10.99%
Federal National Mortgage Association Notes	17.76%
Money Market Mutual Fund	26.80%

Custodial Credit Risk For an investment, 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 Federal Home Loan Bank Bonds, Federal National Mortgage Association Notes, Federal Home Loan Mortgage Corporation Notes, Federal Farm Credit Bank Bonds, Corporate Bonds, Commercial Paper, United States Treasury Notes and the various Agency Bonds are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in the Library's name. The Library has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Chief Financial Officer or qualified trustee. To mitigate such custodial risk, the Library has appointed a qualified trustee as provided for in *Ohio Revised Code* Section 135.37, a financial institution with trust powers in the State of Ohio as custodian for the separate safekeeping of investment assets. Securities owned by the Library are held by the Library's custodian and the records of the custodian identify the Library's securities in the custodian's monthly statement to the Library. Under no circumstances are the Library's investment assets held in safekeeping by a broker/dealer firm, or a firm acting on behalf of a broker/dealer firm.

Note 6 - Property Taxes

Property taxes include amounts levied against all real and public utility property located in the Library district. Property tax revenue received during 2017 for real and public utility property taxes represents collections of 2016 taxes.

The 2017 real property taxes are levied after October 1, 2017, on the assessed value as of January 1, 2017, the lien date. Assessed values are established by State law at 35 percent of appraised market value. The 2017 real property taxes are collected in and intended to finance 2018.

Real property taxes are payable annually or semi-annually. If paid annually, 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. 2017 public utility property taxes which became a lien December 31, 2016, are levied after October 1, 2017, and are collected in 2018 with real property taxes.

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The full tax rate for all Library operations for the year ended December 31, 2017, was \$6.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2017 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate	
Residential/Agricultural/Other	\$2,090,575,250
Other Real Estate	2,207,187,580
Tangible Personal Property	
Public Utility	390,043,860
Total Assessed Values	\$4,687,806,690

The Cuyahoga County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the Cleveland Public Library. The County Fiscal Officer periodically remits to the Library its portion of the taxes collected. Property taxes receivable represents real and public utility taxes and outstanding delinquencies which are measurable as of December 31, 2017, and for which there is an enforceable legal claim. In the general fund, the portion of the receivable not levied to finance 2017 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Tax Abatements

For 2017, the Library’s property taxes were reduced by \$3,601,390 under various tax abatement agreements entered into by the City of Cleveland.

Note 7 - Receivables

Receivables at December 31, 2017, consisted of taxes, accounts (billings for user charged services), interest, and intergovernmental receivables. All receivables are deemed collectible in full. All receivables except for delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

The Library receives a substantial portion of its intergovernmental revenue from the Public Library Fund (PLF), (formerly the Library and Local Government Support fund or LLGSF), a State of Ohio fund based on a portion of the general revenues of Ohio as written in State law. The Cuyahoga County Budget Commission, consisting of the County Fiscal Officer, the County Executive and the County Prosecutor, allocate PLF monies to the nine library districts within Cuyahoga County, based on a determination of need. In 2017, the Library received 41.1843 percent of the Countywide total, or \$21,506,144.

A summary of the principal items of intergovernmental receivables follows:

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	Amount
PLF	\$10,764,060
Homestead and Rollback	1,212,843
CLEVNET	338,742
MyCom	68,578
Total	\$12,384,223

Note 8 – Interfund Transfers and Balances

The general fund transferred \$1,300,000 to the building and repair fund for capital projects, technology, and other assets, and for repairs, improvements and maintenance of library facilities.

The general fund advanced \$75,000 to the special revenue fund, MyCom, for grant monies that the fund will receive at a later date. The interfund balance will be repaid within the following year.

Note 9 – Donor-Restricted Endowments

The Library’s permanent funds include donor-restricted endowments. The Net Position-Non-Expendable amounts of \$784,317 represent the principal portions of the endowments. The Net Position – Expendable amount of \$4,908,711 represents the interest earnings on donor- restricted investments and is available for expenditure by the governing board, for purposes consistent with the endowment’s intent. State law permits the governing board to appropriate, for purposes consistent with the endowment's intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise.

Note 10 – Long-Term Obligations

The changes in long-term obligations during the year were as follows:

	Outstanding 12/31/2016	Additions	Reductions	Outstanding 12/31/2017	Amount Due in One Year
Compensated Absences Payable	\$1,469,209	\$171,518	\$151,317	\$1,489,410	\$117,103
Net Pension Liability OPERS	36,856,352	11,280,700	0	48,137,052	0
Total Long-Term Obligations	\$38,325,561	\$11,452,218	\$151,317	\$49,626,462	\$117,103

The Library pays obligations related to employee compensation from the fund benefitting from their service. There is no repayment schedule for the net pension liability. However, employer pension contributions are made from the general fund. Compensated absences will be paid from the general fund which is the fund which employees’ salaries are paid.

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Note 11 – Capital Assets

A summary of changes in capital assets during 2017 follows:

	<u>Balance</u> <u>12/31/2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2017</u>
Governmental Activities				
<i>Nondepreciable Capital Assets</i>				
Land	\$2,706,096	\$0	\$0	\$2,706,096
Construction in Progress	672,070	622,221	(555,486)	738,805
<i>Total Nondepreciable Capital Assets</i>	<u>3,378,166</u>	<u>622,221</u>	<u>(555,486)</u>	<u>3,444,901</u>
<i>Depreciable Capital Assets</i>				
Buildings/Improvements	163,998,919	458,231	0	164,457,150
Furniture/Equipment	3,143,423	55,200	(25,050)	3,173,573
Computers	4,036,248	286,700	(372,657)	3,950,291
Software	2,533,286	386,405	0	2,919,691
Vehicles	557,984	0	0	557,984
<i>Total Depreciable Capital Assets</i>	<u>174,269,860</u>	<u>1,186,536</u>	<u>(397,707)</u>	<u>175,058,689</u>
<i>Less Accumulated Depreciation</i>				
Buildings/Improvements	(82,813,445)	(3,584,320)	0	(86,397,765)
Furniture/Equipment	(2,691,258)	(169,479)	25,050	(2,835,687)
Computers	(3,376,524)	(274,349)	372,657	(3,278,216)
Software	(2,285,702)	(178,424)	0	(2,464,126)
Vehicles	(525,168)	(19,463)	0	(544,631)
<i>Total Accumulated Depreciation</i>	<u>(91,692,097)</u>	<u>(4,226,035) **</u>	<u>397,707</u>	<u>(95,520,425)</u>
<i>Total Depreciable Capital Assets, Net</i>	<u>82,577,763</u>	<u>(3,039,499)</u>	<u>0</u>	<u>79,538,264</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$85,955,929</u>	<u>(\$2,417,278)</u>	<u>(\$555,486)</u>	<u>\$82,983,165</u>

* Depreciation expense was charged to governmental activities as follows:

Administration and Support	\$669,018
Public Services	<u>3,557,017</u>
Total	<u>\$4,226,035</u>

** Of this amount, \$178,424 is presented as amortization expense on the Statement of Activities relating to the Library's intangible asset of purchased software which is included in the above table.

Note 12 - 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. The Library maintains a variety of insurance policies, including coverage for automobiles and equipment, general liability, public officials, property, boilers and machinery as indicated in the table below. The general liability coverage

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is \$1 million with excess umbrella coverage of an additional \$25 million. Settled claims have not exceeded this commercial coverage in any of the past three years and there has not been a significant reduction in the coverage from the prior year.

Company / Type	Deductible	Coverage
Affiliated FM Insurance Company		
Property, Boiler & Machinery	\$100,000	\$570,000,000
Flood/Earthquake	\$100,000	\$100,000,000/\$200,000,000
Philadelphia Insurance Company		
Umbrella Liability	\$0	\$15,000,000
Ohio Casualty Insurance Company		
Excess Liability	\$0	\$10,000,000
Philadelphia Insurance Company		
General Liability	\$0	\$1,000,000/\$2,000,000
Philadelphia Insurance Company		
Automobile Liability	\$500/\$1,000	\$1,000,000
Uninsured/Underinsured	\$0	\$100,000
Travelers		
Fiscal Officer/Deputy Surety Bonds	\$0	\$50,000 each
Crime	\$10,000	\$2,000,000/\$1,000,000/\$100,000
Illinois National Insurance Company		
Public Officials	\$50,000/\$100,000	\$2,000,000
Illinois National Insurance Company		
Cyber Liability	\$10,000	\$1,000,000

Workers' compensation is provided by the State. 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 Library provides medical, dental, and vision insurance on a paid premium basis. Other employee benefits include life insurance, short-term disability insurance and an IRC Section 125 flexible benefit plan.

Note 13 – Defined Benefit Pension Plans

Net Pension Liability

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

The net pension liability represents the Library's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each

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pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - Library employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional 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 cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. Library employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. 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 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 plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information including requirements for reduced and unreduced benefits):

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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
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	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	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.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

	<u>State and Local</u>
2017 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2017 Actual Contribution Rates	
Employer:	
Pension	13.0 %
Post-employment Health Care Benefits	<u>1.0</u>
Total Employer	<u><u>14.0 %</u></u>
Employee	<u><u>10.0 %</u></u>

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Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Library's contractually required contribution was \$3,599,044 for 2017. Of this amount, \$405,703 is reported as an intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability was based on the Library's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS
Proportion of the Net Pension Liability:	
Current Measurement Date	0.211980%
Prior Measurement Date	0.212781%
Change in Proportionate Share	-0.0008010%
Proportionate Share of the Net Pension Liability	\$48,137,052
Pension Expense	\$10,293,421

At December 31, 2017, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS
Deferred Outflows of Resources	
Differences between expected and actual experience	\$65,246
Changes of assumptions	7,635,126
Net difference between projected and actual earnings on pension plan investments	7,168,718
Changes in proportion and differences between Library contributions and proportionate share of contributions	137,325
Library contributions subsequent to the measurement date	3,599,044
Total Deferred Outflows of Resources	\$18,605,459

(continued)

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	OPERS
Deferred Inflows of Resources	
Differences between expected and actual experience	\$286,489
Changes in proportion and differences between Library contributions and proportionate share of contributions	68,025
Total Deferred Inflows of Resources	\$354,514

\$3,599,044 reported as deferred outflows of resources related to pension resulting from Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS
Year Ending December 31:	
2018	\$6,100,078
2019	6,216,419
2020	2,545,537
2021	(210,133)
Total	\$14,651,901

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. In 2016, the OPERS' actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0 percent down to 7.5 percent, for the defined benefit investments. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2016, compared with December 31, 2015, are presented below.

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	December 31, 2016	December 31, 2015
Wage Inflation	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.05 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

For 2016, mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

For 2015, mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2015. The prior experience study was completed for the five year period ended December 31, 2010.

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

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. Within the Defined Benefit portfolio,

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contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3 percent for 2016.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.75 %
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other investments	18.00	4.92
Total	100.00 %	5.66 %

Discount Rate The discount rate used to measure the total pension liability for 2016 was 7.5 percent. The discount rate for 2015 was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Library's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the Library's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.5 percent, as well as what the Library's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Library's proportionate share of the net pension liability	\$73,540,102	\$48,137,052	\$26,968,096

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Note 14 – 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 postemployment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage, and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member-directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced below for additional information.

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

Disclosures for the health care plan are presented separately in the OPERS financial report. 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 requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS may be set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2017, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0 percent during calendar year 2017. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care

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For Year Ended December 31, 2017

beginning January 1, 2018 decreased to 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2017 was 4.0 percent.

Substantially all of the Library's contribution allocated to fund postemployment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the years ended December 31, 2017, 2016, and 2015 was \$306,787, \$608,959, and \$557,731, respectively. For 2017, 90% has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2016 and 2015.

Note 15 – Compensated Absences

Full-time employees are entitled to up to 15 sick days per year and may earn and carry forward up to 120 days of sick leave at the end of the fiscal year. Employees who had at least ten (10) years of service and who retired from January 1, 2017 through December 31, 2017, were paid for twenty-five percent (25%) of unused sick hours up to five hundred (500) hours in cash at their current salary rate. Vacation is earned based upon length of service and may be taken once earned, provided the employee works six months or more. Employees may carry forward up to 150 percent of their annual earned vacation leave at the end of any fiscal year. Accrued vacation leave is paid upon retirement, termination, or death of the employee.

Note 16 – Contingencies

Grants

The Library receives financial assistance from federal and state agencies in the forms of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or any other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Library.

Litigation

The Library is not presently a defendant in any pending lawsuits. The Library is the subject of several pending charges with the Equal Employment Opportunity Commission (EEOC) and the Ohio Civil Rights Commission. The probability of liability is reasonably possible in one of the EEOC claims, but the resolution of this claim, in the opinion of the Chief Legal Officer, will not have a material adverse effect on the financial condition of the Library.

Note 17 – Operating Lease

Cleveland Public Library entered into a ten (10) year operating lease on May 17, 2007 with Bridgeport Place LLC for a 3,517 square foot portion of the building located at 7201 Kinsman Road for the purpose of housing the Garden Valley Branch. The Library commenced monthly rent payments of \$4,689 in

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early 2008 once the space was available for occupancy, and continued to pay that same monthly rent amount during 2012 as well as the common area prorated shared expenses. The monthly rent payments in 2013 increased to \$4,830.01, and the monthly rent increased 3% each successive year. The ten (10) year term expired on November 30, 2017. The Library provided six (6) months advanced notice and exercised its option to renew the lease, based upon the same terms and conditions of the existing lease (except rent), for an additional five year term from December 1, 2017 through November 30, 2022. The monthly rent payments start at \$5,517.77 which will increase 1.5% each successive year. The Library now has the option to renew the lease for three additional five (5) years terms by providing six (6) months advanced notice, and the monthly rent shall increase 1.5% each successive year of the five (5) year renewal option. The Library has the right to terminate the lease with 90 days written notice if the Library experiences a 10% or more reduction in Public Library Fund (PLF) revenues received in the prior year, or if the Library fails to renew an operating levy.

The Cleveland Public Library entered into a lease on September 12, 2012 with Gerald E. Zahler for approximately 3,688 square feet of floor space in a building located at 2704 Clark Avenue. The space is leased for the temporary location of the South Branch of the Library. The Library commenced monthly rent payments of \$2,500 (\$30,000 per year), plus utilities and other related expenses in January, 2013. The initial lease term was for two (2) years with a one (1) year renewal option. The Library and Mr. Zahler agreed upon a one year renewal which commenced on January 15, 2015 and expired on January 14, 2016. The Library entered into the first lease extension and modification agreement on December 8, 2015, which amended and extended the term of the original lease for one (1) year beginning January 14, 2016 and terminating on January 14, 2017, setting the gross rent at \$2,550 per month. The Library provided six (6) months advanced notice and entered into the second extension and modification agreement extending the term for an additional sixteen (16) months from January 15, 2017 through May 14, 2018, at the same gross rent. Due to the delay of the renovation work on the original South Branch, the Library entered into a third extension and modification agreement through November 30, 2018 at the same gross rent.

Note 18 – Fund Deficits

The Friends, the Ohio Library for the Blind and Physically Disabled (OLBPD) and the MyCom special revenue funds had deficit fund balances of \$1,875, \$166,320 and \$372, respectively, as of December 31, 2017. The special revenue fund deficits are the result of adjustments made on the modified accrual basis of accounting. The general fund is liable for any deficit in these funds and provides transfers when cash is required, rather than when accruals occur.

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Notes to the Basic Financial Statements
For Year Ended December 31, 2017

Note 19 – Significant Commitments

Contractual Commitments

At December 31, 2017, the Library’s significant contractual commitments consisted of the following:

Project	Amount	Paid to Date	Remaining on Contract
Safe, Warm and Dry Construction Initiative	\$5,000,000	\$350,532	\$4,649,468
South Branch Renovation	3,500,000	317,585	3,182,415
Main Library Heat Conversion	1,371,585	1,193,463	178,122
Lakeshore Facility Roof	1,000,000	29,360	970,640
Security Camera Systems	799,557	759,513	40,044

\$5,019,162 of the contractual commitments were encumbered.

Encumbrances

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 amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General	\$6,023,344
CLEVNET	319,351
Building and Repair	5,119,526
Other Governmental Funds	345,782
Total	<u>\$11,808,003</u>

Cleveland Public Library
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Notes to the Basic Financial Statements
For Year Ended December 31, 2017

Note 20 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Library is bound to observe constraints imposed upon the use of the resources in 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	CLEVNET	Building and Repair	Other Governmental Funds	Total
<i>Nonspendable</i>					
Inventory	\$143,550	\$0	\$0	\$0	\$143,550
Prepaid Items	632,636	600,421	0	6,333	1,239,390
Unclaimed Funds	6,372	0	0	0	6,372
Endowments--Non-Expendable	0	0	0	784,317	784,317
<i>Total Nonspendable</i>	782,558	600,421	0	790,650	2,173,629
<i>Restricted for</i>					
Architecture	0	0	0	100,742	100,742
Children's Biography Awards	0	0	0	106,179	106,179
Dentistry	0	0	0	3,214	3,214
Fine Arts and Special Collections	0	0	0	540,745	540,745
Floral and Plant Decorations	0	0	0	221,889	221,889
History	0	0	0	52,756	52,756
Homebound Services	0	0	0	214	214
Immigration Books	0	0	0	133,805	133,805
John G. White Special Collections	0	0	0	2,765,617	2,765,617
Judaica	0	0	0	16,935	16,935
Library for the Blind and Physically Disabled	0	0	0	11,351,209	11,351,209
Ohio Center for the Book	0	0	0	271,806	271,806
Photography	0	0	0	325,347	325,347
Student Learning Centers	0	0	0	3,709	3,709
Walz Branch	0	0	0	272,848	272,848
Youth Services/Business Departments	0	0	0	327,452	327,452
Other Purposes	0	0	0	43,658	43,658
<i>Total Restricted</i>	\$0	\$0	\$0	\$16,538,125	\$16,538,125

(continued)

Cleveland Public Library
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Notes to the Basic Financial Statements
For Year Ended December 31, 2017

Fund Balances	General	CLEVNET	Building and Repair	Other Governmental Funds	Total
<i>Committed to</i>					
CLEVNET Operations	\$0	\$687,945	\$0	\$0	\$687,945
Capital Improvement Projects:					
Safe, Warm and Dry					
Construction Initiative	0	0	4,562,908	0	4,562,908
Construction Management / Architectural and Design Services for South Branch Renovation Project	0	0	378,869	0	378,869
Union Branch Repair/Replacement Design and Construction	0	0	77,082	0	77,082
Administration for Lakeshore Roof	0	0	13,200	0	13,200
Security Cameras	0	0	40,044	0	40,044
Education--Government and Social Science	0	0	0	426,390	426,390
Reserved by Board of Trustees (Founders fund)	0	0	0	8,486,148	8,486,148
Agent and Lobbyist Services	48,000	0	0	0	48,000
Bank Fees	1,077	0	0	0	1,077
Benefit Consulting Services	61,600	0	0	0	61,600
Book Binding Services	27,645	0	0	0	27,645
Branch Security Guard and Night Alarms	10,650	0	0	0	10,650
Carpet and Vinyl Flooring for South Brooklyn and Walz Branches	75,602	0	0	0	75,602
Cataloging, Worldshare ILL and Access Subscription Services	143,426	0	0	0	143,426
Cobra Services	2,586	0	0	0	2,586
Collection Services	78,313	0	0	0	78,313
Community Engagement Services	8,625	0	0	0	8,625
Computer Hardware	22,860	0	0	0	22,860
Consulting Services for Development of Library Foundation Board	18,316	0	0	0	18,316
Financial Audits for 2017-2019	59,400	0	0	0	59,400
Financial Consulting / Community Financial Center Program	42,000	0	0	0	42,000
Fleet and Facilities Performance Audit	31	0	0	0	31

(continued)

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Notes to the Basic Financial Statements
For Year Ended December 31, 2017

Fund Balances	General	CLEVNET	Building and Repair	Other Governmental Funds	Total
<i>Committed to (continued)</i>					
FMLA Case Management Services	\$10,021	\$0	\$0	\$0	\$10,021
Legal Advice and Services	59,921	0	0	0	59,921
Maintenance Agreements	55,316	0	0	0	55,316
Rent for Garden Valley Branch	566	0	0	0	566
Waste Material Services	5,124	0	0	0	5,124
<i>Total Committed</i>	731,079	687,945	5,072,103	8,912,538	15,403,665
<i>Assigned to</i>					
Capital Improvement Projects	0	0	5,542,577	0	5,542,577
Year 2018 Appropriation	7,726,048	0	0	0	7,726,048
Purchases on Order:					
Salaries and Benefits	18,456	0	0	0	18,456
Supplies	87,207	0	0	0	87,207
Purchased/Contracted Services	337,093	0	0	0	337,093
Library Materials	3,859,899	0	0	0	3,859,899
Capital Outlay	40,149	0	0	0	40,149
Other Purposes	14,101	0	0	168,721	182,822
<i>Total Assigned</i>	12,082,953	0	5,542,577	168,721	17,794,251
<i>Unassigned (Deficit)</i>	13,961,626	0	0	(173,648)	13,787,978
<i>Total Fund Balances</i>	\$27,558,216	\$1,288,366	\$10,614,680	\$26,236,386	\$65,697,648

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Library's Proportion of the Net Pension Liability	0.2119800%	0.2127810%	0.2095770%	0.2095770%
Library's Proportionate Share of the Net Pension Liability	\$48,137,052	\$36,856,352	\$25,277,328	\$24,706,398
Library's Covered Payroll	\$27,402,725	\$26,483,178	\$25,694,247	\$28,189,850
Library's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	175.67%	139.17%	98.38%	87.64%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.25%	81.08%	86.45%	86.36%

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

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

Cleveland Public Library
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Required Supplementary Information
Schedule of Library Contributions
Ohio Public Employees Retirement System - Traditional Plan
Last Five Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$3,599,044	\$3,288,327	\$3,177,981	\$3,083,310	\$3,664,681
Contributions in Relation to the Contractually Required Contribution	<u>(3,599,044)</u>	<u>(3,288,327)</u>	<u>(3,177,981)</u>	<u>(3,083,310)</u>	<u>(3,664,681)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Library Covered Payroll	\$27,684,954	\$27,402,725	\$26,483,178	\$25,694,247	\$28,189,850
Contributions as a Percentage of Covered Payroll	13.00%	12.00%	12.00%	12.00%	13.00%

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

Cleveland Public Library
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Notes to Required Supplementary Information
For Year Ended December 31, 2017

Changes in Assumptions - OPERS

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

	December 31, 2017	December 31, 2016 and Prior
Wage Inflation	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.05 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Combining and Individual Fund Statements and Schedules

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Following is a description of the Library's nonmajor special revenue funds.

Anderson Fund - This fund was established in 1958 from a contribution from the estate of Lumyra S. Anderson. The principal amount is committed by the Library Board of Trustees and the income earned is committed to the furtherance of the work of the Education Section of the Government, Education and Social Science Department for purchases which would not normally be made from the General Fund.

Endowment for the Blind Fund – This fund was established in 1929 by the Library Board of Trustees for the provision of service to the blind and the Library continues to account for revenue received from various donors for large contributions and is restricted for service to the blind in this fund.

Founders Fund – This fund was established in 1989 combining small committed fund balances of special revenue funds and also accounts for larger donations and small grants. The principal balance was made non-expendable by the Library Board of Trustees.

Kaiser Fund – This fund was established in 1981 from a contribution from the estate of Charles A. Kaiser that is restricted to the purchase of equipment and supplies for blind and handicapped individuals.

Kraley Fund – This fund was established in 1997 from a contribution from the estate of Irene Kraley that is restricted to the support of the Music Section of Fine Arts.

Library Fund – This fund was established in 1978 and accounts for small donations that are given to a branch or department; some assigned and those that are restricted support the specified purpose or if no purpose is specified, at the discretion of the branch or department.

Pepke Fund – This fund was established in 1983 from an expendable gift that is restricted to the support of the Youth Services and the Business Department.

Wickwire Fund – This fund was established in 1935 from a portion of the estate of Metelene E. Wickwire. From 1936 through 1940, partial distributions were received. In 1940, the Library Board of Trustees authorized “that the income from the Wickwire Estate when and as received be appropriated for the Library for the Blind.”

Wittke Fund – This fund was established in 1981 from a contribution from Carl Frederick Wittke that is restricted to immigration books.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

Young Fund – This fund was established in 1973 from the estate of Winifred Beech Young. The principal is managed by KeyBank Trust Department and the Library receives quarterly distributions restricted to providing goods and services for blind persons.

Friends Fund – This fund was established in 1958 and accounts for contributions from the Friends of the Cleveland Public Library that are restricted to the support of library programs and events.

Judd Fund – This fund was established in 1941 for annual grants from the Judd Trust administered by the Cleveland Foundation restricted to the support of services to shut-ins.

Ohio Library for the Blind and Physically Disabled (OLBPD) Fund – This fund accounts for revenue received from the State that is restricted to provide library services to the blind and physically disabled residents.

Lockwood Thompson Memorial Fund – This fund was established in 2003 for annual grants from the Cleveland Foundation's Lockwood Thompson Fund restricted to four purposes: art books or exhibit work of contemporary artists; expense of staff travel by attending learned conferences; lectures in the field of literature or the visual arts; and staff recognition.

Ohio Center for the Book Fund – This fund was established in 2003 for revenue received from the Library of Congress restricted to promoting and celebrating books, reading, literacy, and libraries to Ohio's citizens and the book community at large.

Schweinfurth Fund – This fund was established in 1991 to process purchases and reimbursement from the Schweinfurth Trust for which the Library is the sole recipient of its income restricted to the purchase of material on architecture.

Learning Centers Fund – This fund was established in 2011 with a grant from the Cleveland Foundation restricted to establishing learning centers at the branches.

MyCom Fund – This fund was established in 2010 with a grant from the Cleveland Foundation along with financial support from the Board of Cuyahoga County Commissioners/Family and Children First Council restricted to support and develop services for youth in targeted areas who are in transition from one stage of education or development to the next.

Early Literacy Fund – This fund was established in 2017 with a grant from the Eva L. and Joseph M. Bruening Foundation restricted to deliver literacy interventions to the youngest children, ages 0-3 years, and their families.

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Permanent Funds

The Permanent funds are used to account and report financial resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the Library's programs and/or specified purposes.

Abel Fund – This fund was established in 1958 from a bequest left to the Library as part of the estate of Charles Abel. The principal amount is nonspendable and the income earned is restricted to Photography.

Ambler Fund – This fund was established from a contribution left to the Library from Dr. Henry Ambler. The principal amount is nonspendable and the income earned is restricted to Dentistry.

Beard Fund – This fund was established in 1973 from a contribution from the estate of Edmund Beard. The principal amount is nonspendable and the income earned is restricted to providing floral and plant decorations for display or as exhibits in any or all of the library buildings.

Klein Fund – This fund was established in 1930 from a contribution in memory of Adam Klein. The principal amount is nonspendable and the income earned is restricted to Judaica.

Malon/Schroeder Fund – This fund was established in 1995 from a contribution in memory of Edna Malon and Hilda Schroeder. The principal amount is nonspendable and the income earned is restricted to activities related to the Center for the Book concept, encouraging people to develop their interests in reading, writing, publishing and using books.

McDonald Fund – This fund was established in 1971 from a contribution in memory of Thomas McDonald. The principal amount is nonspendable and the income earned is restricted to the purchase of books and equipment for the Walz Branch.

Ratner Fund – This fund was established in 1979 from a bequest as part of the estate of Faye Katz Ratner. The principal amount is nonspendable and the income earned is restricted to youth services.

Root Fund – This fund was established in 1982 from a contribution in memory of Donna Root, a long time employee of the Library. The principal amount is nonspendable and the income earned is restricted to works on history.

Sugarman Fund – This fund was established in 1998 from a contribution in memory of Norman Sugarman and honoring children's librarians. The principal amount is nonspendable and the income earned is restricted to the awards in the field of children's biography.

Thompson Fund – This fund was established in 1968 from a contribution in memory of Amos Burt and Jeanne Lockwood Thompson. The principal amount is nonspendable and the income earned is restricted to the purchase of books or periodicals in the field of Fine Arts, or to defray expenses of employees of the Library while attending conventions deemed by the Director and the Board of Trustees of the Library to be beneficial to library aims and purposes.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Permanent Funds (continued)

Weidenthal Fund –This fund was established in 1955 from a contribution from the estate of Lizzie Weidenthal. The principal amount is nonspendable and the income earned is restricted to Judaica.

White Fund –This fund was established in 1928 from a contribution from the estate of John G. White. The principal amount is nonspendable and the income earned is restricted to support John G. White special collections, the world’s largest chess and checkers collection.

Beard Anna Young Fund –This fund was established in 2012 from a contribution from the estate of Anna Young Beard. The principal amount is nonspendable and the income earned is restricted to providing floral and plant decorations for display or as exhibits in any or all of the Library buildings.

Cleveland Public Library
Cuyahoga County
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2017

	Nonmajor Special Revenue Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$21,653,655	\$5,132,103	\$26,785,758
Accounts Receivable	189,837	0	189,837
Intergovernmental Receivable	68,578	0	68,578
Prepaid Items	6,333	0	6,333
<i>Total Assets</i>	<u>\$21,918,403</u>	<u>\$5,132,103</u>	<u>\$27,050,506</u>
Liabilities			
Accounts Payable	\$51,051	\$245	\$51,296
Accrued Wages and Benefits	17,919	0	17,919
Intergovernmental Payable	15,678	0	15,678
Unearned Revenue	559,139	0	559,139
Interfund Payable	75,000	0	75,000
Matured Compensated Absences Payable	7,506	0	7,506
<i>Total Liabilities</i>	<u>726,293</u>	<u>245</u>	<u>726,538</u>
Deferred Inflows of Resources			
Unavailable Revenue	87,582	0	87,582
Fund Balances			
Nonspendable	6,333	784,317	790,650
Restricted	12,190,584	4,347,541	16,538,125
Committed	8,912,538	0	8,912,538
Assigned	168,721	0	168,721
Unassigned (Deficit)	(173,648)	0	(173,648)
<i>Total Fund Balances</i>	<u>21,104,528</u>	<u>5,131,858</u>	<u>26,236,386</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$21,918,403</u>	<u>\$5,132,103</u>	<u>\$27,050,506</u>

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Cleveland Public Library
Cuyahoga County

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended December 31, 2017

	Nonmajor Special Revenue Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
Revenues			
Intergovernmental	\$1,633,117	\$0	\$1,633,117
Investment Earnings	2,603,102	671,633	3,274,735
Contributions and Donations	812,677	0	812,677
<i>Total Revenues</i>	<u>5,048,896</u>	<u>671,633</u>	<u>5,720,529</u>
Expenditures			
Current:			
Administration and Support	43,170	6,083	49,253
Public Services	2,541,141	33,489	2,574,630
Capital Outlay	19,682	0	19,682
<i>Total Expenditures</i>	<u>2,603,993</u>	<u>39,572</u>	<u>2,643,565</u>
<i>Net Change in Fund Balances</i>	2,444,903	632,061	3,076,964
<i>Fund Balances Beginning of Year</i>	<u>18,659,625</u>	<u>4,499,797</u>	<u>23,159,422</u>
<i>Fund Balances End of Year</i>	<u><u>\$21,104,528</u></u>	<u><u>\$5,131,858</u></u>	<u><u>\$26,236,386</u></u>

Cleveland Public Library
Cuyahoga County
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2017

	Anderson	Endowment for the Blind	Founders
Assets			
Equity in Pooled Cash and			
Cash Equivalents	\$426,390	\$3,234,815	\$8,535,850
Accounts Receivable	0	0	187,582
Intergovernmental Receivable	0	0	0
Prepaid Items	0	0	746
<i>Total Assets</i>	<u>\$426,390</u>	<u>\$3,234,815</u>	<u>\$8,724,178</u>
Liabilities			
Accounts Payable	\$0	\$0	\$44,752
Accrued Wages and Benefits	0	0	0
Intergovernmental Payable	0	0	0
Unearned Revenue	0	0	104,950
Interfund Payable	0	0	0
Matured Compensated Absences Payable	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>149,702</u>
Deferred Inflows of Resources			
Unavailable Revenue	0	0	87,582
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>87,582</u>
Fund Balances			
Nonspendable	0	0	746
Restricted	0	3,234,815	0
Committed	426,390	0	8,486,148
Assigned	0	0	0
Unassigned (Deficit)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>426,390</u>	<u>3,234,815</u>	<u>8,486,894</u>
<i>Total Liabilities , Deferred Inflows of Resources and Fund Balances</i>	<u>\$426,390</u>	<u>\$3,234,815</u>	<u>\$8,724,178</u>

<u>Kaiser</u>	<u>Kraley</u>	<u>Library</u>	<u>Pepke</u>	<u>Wickwire</u>
\$91,448	\$229,402	\$212,234	\$192,787	\$2,026,691
0	0	155	0	0
0	0	0	0	0
0	0	0	0	506
<u>\$91,448</u>	<u>\$229,402</u>	<u>\$212,389</u>	<u>\$192,787</u>	<u>\$2,027,197</u>
\$0	\$0	\$10	\$0	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	10	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	506
91,448	229,402	43,658	192,787	2,026,691
0	0	0	0	0
0	0	168,721	0	0
0	0	0	0	0
<u>91,448</u>	<u>229,402</u>	<u>212,379</u>	<u>192,787</u>	<u>2,027,197</u>
<u>\$91,448</u>	<u>\$229,402</u>	<u>\$212,389</u>	<u>\$192,787</u>	<u>\$2,027,197</u>

(continued)

Cleveland Public Library
Cuyahoga County
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2017

	Wittke	Young	Friends	Judd
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$133,805	\$5,998,255	\$4,269	\$13,367
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	0	0	0	0
Prepaid Items	0	0	0	0
<i>Total Assets</i>	<u>\$133,805</u>	<u>\$5,998,255</u>	<u>\$4,269</u>	<u>\$13,367</u>
Liabilities				
Accounts Payable	\$0	\$0	\$1,875	\$691
Accrued Wages and Benefits	0	0	0	1,664
Intergovernmental Payable	0	0	0	1,771
Unearned Revenue	0	0	4,269	9,027
Interfund Payable	0	0	0	0
Matured Compensated Absences Payable	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>6,144</u>	<u>13,153</u>
Deferred Inflows of Resources				
Unavailable Revenue	0	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Nonspendable	0	0	0	0
Restricted	133,805	5,998,255	0	214
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned (Deficit)	0	0	(1,875)	0
<i>Total Fund Balances (Deficit)</i>	<u>133,805</u>	<u>5,998,255</u>	<u>(1,875)</u>	<u>214</u>
<i>Total Liabilities , Deferred Inflows of Resources and Fund Balances</i>	<u>\$133,805</u>	<u>\$5,998,255</u>	<u>\$4,269</u>	<u>\$13,367</u>

<u>OLBPD</u>	<u>Lockwood Thompson Memorial</u>	<u>Ohio Center For The Book</u>	<u>Schweinfurth</u>
\$14,901	\$157,076	\$25	\$141,254
0	0	2,100	0
0	0	0	0
5,081	0	0	0
<u>\$19,982</u>	<u>\$157,076</u>	<u>\$2,125</u>	<u>\$141,254</u>
\$57	\$3,666	\$0	\$0
16,255	0	0	0
13,907	0	0	0
148,577	20,452	25	40,512
0	0	0	0
7,506	0	0	0
<u>186,302</u>	<u>24,118</u>	<u>25</u>	<u>40,512</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
5,081	0	0	0
0	132,958	2,100	100,742
0	0	0	0
0	0	0	0
(171,401)	0	0	0
<u>(166,320)</u>	<u>132,958</u>	<u>2,100</u>	<u>100,742</u>
<u>\$19,982</u>	<u>\$157,076</u>	<u>\$2,125</u>	<u>\$141,254</u>

(continued)

Cleveland Public Library
Cuyahoga County
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2017

	Learning Centers	MyCom	Early Literacy	Total Nonmajor Special Revenue Funds
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$86,209	\$6,050	\$148,827	\$21,653,655
Accounts Receivable	0	0	0	189,837
Intergovernmental Receivable	0	68,578	0	68,578
Prepaid Items	0	0	0	6,333
<i>Total Assets</i>	<u>\$86,209</u>	<u>\$74,628</u>	<u>\$148,827</u>	<u>\$21,918,403</u>
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$51,051
Accrued Wages and Benefits	0	0	0	17,919
Intergovernmental Payable	0	0	0	15,678
Unearned Revenue	82,500	0	148,827	559,139
Interfund Payable	0	75,000	0	75,000
Matured Compensated Absences Payable	0	0	0	7,506
<i>Total Liabilities</i>	<u>82,500</u>	<u>75,000</u>	<u>148,827</u>	<u>726,293</u>
Deferred Inflows of Resources				
Unavailable Revenue	0	0	0	87,582
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>87,582</u>
Fund Balances				
Nonspendable	0	0	0	6,333
Restricted	3,709	0	0	12,190,584
Committed	0	0	0	8,912,538
Assigned	0	0	0	168,721
Unassigned (Deficit)	0	(372)	0	(173,648)
<i>Total Fund Balances (Deficit)</i>	<u>3,709</u>	<u>(372)</u>	<u>0</u>	<u>21,104,528</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$86,209</u>	<u>\$74,628</u>	<u>\$148,827</u>	<u>\$21,918,403</u>

**Cleveland Public Library
Cuyahoga County**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2017*

	Anderson	Endowment for the Blind	Founders
Revenues			
Intergovernmental	\$0	\$0	\$49,822
Investment Earnings	56,145	415,959	984,544
Contributions and Donations	0	0	194,893
<i>Total Revenues</i>	<u>56,145</u>	<u>415,959</u>	<u>1,229,259</u>
Expenditures			
Current:			
Administration and Support	0	0	8,185
Public Services	0	1,038	399,154
Capital Outlay	0	0	11,161
<i>Total Expenditures</i>	<u>0</u>	<u>1,038</u>	<u>418,500</u>
<i>Net Change in Fund Balances</i>	56,145	414,921	810,759
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>370,245</u>	<u>2,819,894</u>	<u>7,676,135</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$426,390</u>	<u>\$3,234,815</u>	<u>\$8,486,894</u>

(continued)

**Cleveland Public Library
Cuyahoga County**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2017*

	Kaiser	Kralej	Library
Revenues			
Intergovernmental	\$0	\$0	\$0
Investment Earnings	12,040	29,849	24,661
Contributions and Donations	0	0	5,553
<i>Total Revenues</i>	<u>12,040</u>	<u>29,849</u>	<u>30,214</u>
Expenditures			
Current:			
Administration and Support	0	0	0
Public Services	0	4,120	15,512
Capital Outlay	0	0	6,079
<i>Total Expenditures</i>	<u>0</u>	<u>4,120</u>	<u>21,591</u>
<i>Net Change in Fund Balances</i>	12,040	25,729	8,623
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>79,408</u>	<u>203,673</u>	<u>203,756</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$91,448</u>	<u>\$229,402</u>	<u>\$212,379</u>

<u>Pepke</u>	<u>Wickwire</u>	<u>Wittke</u>	<u>Young</u>	<u>Friends</u>
\$0	\$0	\$0	\$0	\$0
25,380	263,175	17,608	773,741	0
0	0	0	48,622	35,426
<u>25,380</u>	<u>263,175</u>	<u>17,608</u>	<u>822,363</u>	<u>35,426</u>
0	0	0	0	0
0	26,907	0	0	34,731
0	0	0	0	0
<u>0</u>	<u>26,907</u>	<u>0</u>	<u>0</u>	<u>34,731</u>
25,380	236,268	17,608	822,363	695
<u>167,407</u>	<u>1,790,929</u>	<u>116,197</u>	<u>5,175,892</u>	<u>(2,570)</u>
<u>\$192,787</u>	<u>\$2,027,197</u>	<u>\$133,805</u>	<u>\$5,998,255</u>	<u>(\$1,875)</u>

(continued)

Cleveland Public Library
Cuyahoga County
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2017

	Judd	OLBPD	Lockwood Thompson Memorial	Ohio Center For The Book
Revenues				
Intergovernmental	\$0	\$1,498,967	\$0	\$0
Investment Earnings	0	0	0	0
Contributions and Donations	225,706	0	184,259	2,075
<i>Total Revenues</i>	<u>225,706</u>	<u>1,498,967</u>	<u>184,259</u>	<u>2,075</u>
Expenditures				
Current:				
Administration and Support	0	0	34,985	0
Public Services	217,336	1,500,604	146,742	875
Capital Outlay	200	0	2,242	0
<i>Total Expenditures</i>	<u>217,536</u>	<u>1,500,604</u>	<u>183,969</u>	<u>875</u>
<i>Net Change in Fund Balances</i>	8,170	(1,637)	290	1,200
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(7,956)</u>	<u>(164,683)</u>	<u>132,668</u>	<u>900</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$214</u>	<u>(\$166,320)</u>	<u>\$132,958</u>	<u>\$2,100</u>

Schweinfurth	Learning Centers	MyCom	Early Literacy	Total Nonmajor Special Revenue Funds
\$0	\$0	\$84,328	\$0	\$1,633,117
0	0	0	0	2,603,102
49,454	65,516	0	1,173	812,677
49,454	65,516	84,328	1,173	5,048,896
0	0	0	0	43,170
51,939	61,807	79,203	1,173	2,541,141
0	0	0	0	19,682
51,939	61,807	79,203	1,173	2,603,993
(2,485)	3,709	5,125	0	2,444,903
103,227	0	(5,497)	0	18,659,625
\$100,742	\$3,709	(\$372)	\$0	\$21,104,528

Cleveland Public Library
Cuyahoga County
Combining Balance Sheet
Nonmajor Permanent Funds
December 31, 2017

	<u>Abel</u>	<u>Ambler</u>	<u>Beard</u>	<u>Klein</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$335,347</u>	<u>\$3,414</u>	<u>\$195,900</u>	<u>\$8,048</u>
Liabilities				
Accounts Payable	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Fund Balances				
Nonspendable	10,000	200	8,886	500
Restricted	<u>325,347</u>	<u>3,214</u>	<u>187,014</u>	<u>7,548</u>
<i>Total Fund Balances</i>	<u>335,347</u>	<u>3,414</u>	<u>195,900</u>	<u>8,048</u>
<i>Total Liabilites and Fund Balances</i>	<u>\$335,347</u>	<u>\$3,414</u>	<u>\$195,900</u>	<u>\$8,048</u>

<u>Malon/ Schroeder</u>	<u>McDonald</u>	<u>Ratner</u>	<u>Root</u>	<u>Sugarman</u>	<u>Thompson</u>
<u>\$379,890</u>	<u>\$281,780</u>	<u>\$139,665</u>	<u>\$58,756</u>	<u>\$254,556</u>	<u>\$222,139</u>
<u>\$184</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
110,000	8,932	5,000	6,000	148,377	43,754
<u>269,706</u>	<u>272,848</u>	<u>134,665</u>	<u>52,756</u>	<u>106,179</u>	<u>178,385</u>
<u>379,706</u>	<u>281,780</u>	<u>139,665</u>	<u>58,756</u>	<u>254,556</u>	<u>222,139</u>
<u>\$379,890</u>	<u>\$281,780</u>	<u>\$139,665</u>	<u>\$58,756</u>	<u>\$254,556</u>	<u>\$222,139</u>

(continued)

Cleveland Public Library
Cuyahoga County
Combining Balance Sheet
Nonmajor Permanent Funds (continued)
December 31, 2017

	Weidenthal	White	Beard Anna Young	Total Nonmajor Permanent Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$9,887	\$3,140,504	\$102,217	\$5,132,103
Liabilities				
Accounts Payable	\$0	\$0	\$61	\$245
Fund Balances				
Nonspendable	500	374,887	67,281	784,317
Restricted	9,387	2,765,617	34,875	4,347,541
<i>Total Fund Balances</i>	9,887	3,140,504	102,156	5,131,858
<i>Total Liabilites and Fund Balances</i>	\$9,887	\$3,140,504	\$102,217	\$5,132,103

Cleveland Public Library

Cuyahoga County

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Permanent Funds

For the Year Ended December 31, 2017

	<u>Abel</u>	<u>Ambler</u>	<u>Beard</u>	<u>Klein</u>
Revenues				
Investment Earnings	<u>\$42,951</u>	<u>\$441</u>	<u>\$25,183</u>	<u>\$1,041</u>
Expenditures				
Current:				
Administration and Support	0	0	2,888	0
Public Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>2,888</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	42,951	441	22,295	1,041
<i>Fund Balances Beginning of Year</i>	<u>292,396</u>	<u>2,973</u>	<u>173,605</u>	<u>7,007</u>
<i>Fund Balances End of Year</i>	<u><u>\$335,347</u></u>	<u><u>\$3,414</u></u>	<u><u>\$195,900</u></u>	<u><u>\$8,048</u></u>

(continued)

Cleveland Public Library

Cuyahoga County

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Permanent Funds (continued)

For the Year Ended December 31, 2017

	<u>Malon/ Schroeder</u>	<u>McDonald</u>	<u>Ratner</u>	<u>Root</u>
Revenues				
Investment Earnings	<u>\$49,924</u>	<u>\$37,084</u>	<u>\$18,382</u>	<u>\$7,689</u>
Expenditures				
Current:				
Administration and Support	0	0	0	0
Public Services	<u>4,563</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Expenditures</i>	<u>4,563</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	45,361	37,084	18,382	7,689
<i>Fund Balances Beginning of Year</i>	<u>334,345</u>	<u>244,696</u>	<u>121,283</u>	<u>51,067</u>
<i>Fund Balances End of Year</i>	<u><u>\$379,706</u></u>	<u><u>\$281,780</u></u>	<u><u>\$139,665</u></u>	<u><u>\$58,756</u></u>

<u>Sugarman</u>	<u>Thompson</u>	<u>Weidenthal</u>	<u>White</u>	<u>Beard Anna Young</u>	<u>Total Nonmajor Permanent Funds</u>
<u>\$33,070</u>	<u>\$28,811</u>	<u>\$1,282</u>	<u>\$412,658</u>	<u>\$13,117</u>	<u>\$671,633</u>
0	0	0	0	3,195	6,083
<u>0</u>	<u>3,862</u>	<u>0</u>	<u>25,064</u>	<u>0</u>	<u>33,489</u>
<u>0</u>	<u>3,862</u>	<u>0</u>	<u>25,064</u>	<u>3,195</u>	<u>39,572</u>
33,070	24,949	1,282	387,594	9,922	632,061
<u>221,486</u>	<u>197,190</u>	<u>8,605</u>	<u>2,752,910</u>	<u>92,234</u>	<u>4,499,797</u>
<u>\$254,556</u>	<u>\$222,139</u>	<u>\$9,887</u>	<u>\$3,140,504</u>	<u>\$102,156</u>	<u>\$5,131,858</u>

Combining Statements – Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the Library under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the Library's own programs. The Library has no trust funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Agency Fund

CLEVNET Fines & Fees Fund – This fund accounts for and reports resources that belong to the member libraries of the CLEVNET consortium, accounting for the collection of online payments of fines and fees until they are forwarded to the proper organization.

Cleveland Public Library
Cuyahoga County
Combining Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended December 31, 2017

	Balance 12/31/16	Additions	Reductions	Balance 12/31/17
<i>CLEVNET Fines & Fees</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$0	\$136,257	\$126,861	\$9,396
Accounts Receivable	0	398	0	398
<i>Total Assets</i>	<u>\$0</u>	<u>\$136,655</u>	<u>\$126,861</u>	<u>\$9,794</u>
Liabilities				
Due to Others	<u>\$0</u>	<u>\$136,655</u>	<u>\$126,861</u>	<u>\$9,794</u>

**Individual Fund Schedules of Revenues, Expenditures/Expenses
and Changes in Fund Balances/Equity –
Budget (Non-GAAP Basis) and Actual**

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$23,957,875	\$26,414,755	\$26,415,992	\$1,237
Fines and Fees	399,000	381,034	369,637	(11,397)
Intergovernmental	24,528,350	23,902,518	23,948,893	46,375
Investment Earnings	387,440	580,601	581,183	582
Contributions and Donations	0	2,447	2,605	158
Miscellaneous	1,079,699	1,222,677	1,243,027	20,350
<i>Total Revenues</i>	<u>50,352,364</u>	<u>52,504,032</u>	<u>52,561,337</u>	<u>57,305</u>
Expenditures				
Current:				
Administration and Support				
Salaries and Wages	12,978,190	12,277,474	12,154,770	122,704
Supplies	996,650	909,862	742,175	167,687
Purchased Services	8,095,502	7,983,749	7,501,346	482,403
Library Materials	225,061	225,061	214,074	10,987
Other	126,715	125,848	99,538	26,310
<i>Total Administration and Support</i>	<u>22,422,118</u>	<u>21,521,994</u>	<u>20,711,903</u>	<u>810,091</u>
Public Services				
Salaries and Wages	24,307,528	23,993,718	23,686,706	307,012
Supplies	209,491	296,279	296,279	0
Purchased Services	3,494,383	3,606,137	3,606,137	0
Library Materials	9,969,302	9,969,302	9,682,617	286,685
Other	37,679	38,546	38,546	0
<i>Total Public Services</i>	<u>38,018,383</u>	<u>37,903,982</u>	<u>37,310,285</u>	<u>593,697</u>
Capital Outlay				
Improvements	20,453	39,816	39,816	0
Furniture and Equipment	501,714	499,395	359,093	140,302
Computer Hardware/Software	1,044,304	1,041,784	872,833	168,951
<i>Total Capital Outlay</i>	<u>1,566,471</u>	<u>1,580,995</u>	<u>1,271,742</u>	<u>309,253</u>
<i>Total Expenditures</i>	<u>62,006,972</u>	<u>61,006,971</u>	<u>59,293,930</u>	<u>1,713,041</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(11,654,608)</u>	<u>(8,502,939)</u>	<u>(6,732,593)</u>	<u>1,770,346</u>
Other Financing Sources (Uses)				
Advances In	0	0	67,250	67,250
Advances Out	0	0	(101,500)	(101,500)
Transfers Out	0	(1,300,000)	(1,300,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(1,300,000)</u>	<u>(1,334,250)</u>	<u>(34,250)</u>
<i>Net Change in Fund Balance</i>	<u>(11,654,608)</u>	<u>(9,802,939)</u>	<u>(8,066,843)</u>	<u>1,736,096</u>
<i>Fund Balance Beginning of Year</i>	<u>21,319,301</u>	<u>21,319,301</u>	<u>21,319,301</u>	<u>0</u>
Prior Year Encumbrances Appropriated	5,702,168	5,702,168	5,702,168	0
<i>Fund Balance End of Year</i>	<u>\$15,366,861</u>	<u>\$17,218,530</u>	<u>\$18,954,626</u>	<u>\$1,736,096</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
CLEVNET Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$5,080,209	\$5,129,738	\$5,149,436	\$19,698
Miscellaneous	0	97,700	97,700	0
<i>Total Revenues</i>	<u>5,080,209</u>	<u>5,227,438</u>	<u>5,247,136</u>	<u>19,698</u>
Expenditures				
Current:				
Administration and Support				
Salaries and Wages	1,881,985	1,979,798	1,842,402	137,396
Supplies	29,199	29,199	25,787	3,412
Purchased Services	1,458,066	1,530,253	1,452,114	78,139
Library Materials	1,170,338	1,200,685	1,200,660	25
Other	374,988	612,921	482,448	130,473
Total Administration and Support	<u>4,914,576</u>	<u>5,352,856</u>	<u>5,003,411</u>	<u>349,445</u>
Capital Outlay				
Furniture and Equipment	61	627	627	0
Computer Hardware/Software	555,929	619,402	612,693	6,709
Total Capital Outlay	<u>555,990</u>	<u>620,029</u>	<u>613,320</u>	<u>6,709</u>
<i>Total Expenditures</i>	<u>5,470,566</u>	<u>5,972,885</u>	<u>5,616,731</u>	<u>356,154</u>
<i>Net Change in Fund Balance</i>	(390,357)	(745,447)	(369,595)	375,852
<i>Fund Balance Beginning of Year</i>	355,090	355,090	355,090	0
Prior Year Encumbrances Appropriated	<u>390,357</u>	<u>390,357</u>	<u>390,357</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$355,090</u>	<u>\$0</u>	<u>\$375,852</u>	<u>\$375,852</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Building and Repair Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Miscellaneous	\$0	\$30,000	\$30,000	\$0
Expenditures				
Capital Outlay				
Building Repairs	14,222	4,238,549	14,222	4,224,327
Construction/Improvements	1,568,397	6,268,052	6,268,052	0
Furniture and Equipment	4,473,996	1,315,434	9,834	1,305,600
Computer Hardware/Software	25,025	0	0	0
<i>Total Expenditures</i>	<u>6,081,640</u>	<u>11,822,035</u>	<u>6,292,108</u>	<u>5,529,927</u>
<i>Excess of Revenues Under Expenditures</i>	(6,081,640)	(11,792,035)	(6,262,108)	5,529,927
Other Financing Sources				
Transfers In	0	1,300,000	1,300,000	0
<i>Net Change in Fund Balance</i>	(6,081,640)	(10,492,035)	(4,962,108)	5,529,927
<i>Fund Balance Beginning of Year</i>	8,876,395	8,876,395	8,876,395	0
Prior Year Encumbrances Appropriated	<u>1,615,640</u>	<u>1,615,640</u>	<u>1,615,640</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$4,410,395</u>	<u>\$0</u>	<u>\$5,529,927</u>	<u>\$5,529,927</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Anderson Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$19,000	\$19,000	\$27,333	\$8,333
Expenditures				
Current:				
Public Services	<u>275,100</u>	<u>297,114</u>	<u>0</u>	<u>297,114</u>
<i>Net Change in Fund Balance</i>	(256,100)	(278,114)	27,333	305,447
<i>Fund Balance Beginning of Year</i>	<u>298,257</u>	<u>298,257</u>	<u>298,257</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$42,157</u></u>	<u><u>\$20,143</u></u>	<u><u>\$325,590</u></u>	<u><u>\$305,447</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Endowment for the Blind Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$145,000	\$145,000	\$218,843	\$73,843
Expenditures				
Current:				
Public Services	20,000	20,000	1,038	18,962
Capital Outlay	2,245,000	2,440,139	0	2,440,139
<i>Total Expenditures</i>	<u>2,265,000</u>	<u>2,460,139</u>	<u>1,038</u>	<u>2,459,101</u>
<i>Net Change in Fund Balance</i>	(2,120,000)	(2,315,139)	217,805	2,532,944
<i>Fund Balance Beginning of Year</i>	<u>2,315,139</u>	<u>2,315,139</u>	<u>2,315,139</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$195,139</u></u>	<u><u>\$0</u></u>	<u><u>\$2,532,944</u></u>	<u><u>\$2,532,944</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Founders Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$0	\$49,822	\$49,822	\$0
Investment Earnings	375,000	375,000	512,384	137,384
Contributions and Donations	<u>0</u>	<u>150,584</u>	<u>150,584</u>	<u>0</u>
<i>Total Revenues</i>	<u>375,000</u>	<u>575,406</u>	<u>712,790</u>	<u>137,384</u>
Expenditures				
Current:				
Administration and Support	88,220	98,221	31,185	67,036
Public Services	3,973,236	4,578,450	540,514	4,037,936
Capital Outlay	<u>132,595</u>	<u>142,596</u>	<u>11,161</u>	<u>131,435</u>
<i>Total Expenditures</i>	<u>4,194,051</u>	<u>4,819,267</u>	<u>582,860</u>	<u>4,236,407</u>
<i>Net Change in Fund Balance</i>	(3,819,051)	(4,243,861)	129,930	4,373,791
<i>Fund Balance Beginning of Year</i>	6,519,471	6,519,471	6,519,471	0
Prior Year Encumbrances Appropriated	<u>189,052</u>	<u>189,052</u>	<u>189,052</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$2,889,472</u>	<u>\$2,464,662</u>	<u>\$6,838,453</u>	<u>\$4,373,791</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Kaiser Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	\$4,000	\$4,000	\$6,073	\$2,073
Expenditures				
Current:				
Public Services	<u>62,600</u>	<u>67,387</u>	<u>0</u>	<u>67,387</u>
<i>Net Change in Fund Balance</i>	(58,600)	(63,387)	6,073	69,460
<i>Fund Balance Beginning of Year</i>	<u>63,387</u>	<u>63,387</u>	<u>63,387</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,787</u></u>	<u><u>\$0</u></u>	<u><u>\$69,460</u></u>	<u><u>\$69,460</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Kraley Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$11,000	\$11,000	\$15,532	\$4,532
Expenditures				
Current:				
Public Services	184,911	197,463	5,050	192,413
<i>Net Change in Fund Balance</i>	(173,911)	(186,463)	10,482	196,945
<i>Fund Balance Beginning of Year</i>	186,152	186,152	186,152	0
Prior Year Encumbrances Appropriated	311	311	311	0
<i>Fund Balance End of Year</i>	<u>\$12,552</u>	<u>\$0</u>	<u>\$196,945</u>	<u>\$196,945</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Library Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$7,000	\$7,000	\$15,223	\$8,223
Contributions and Donations	5,000	5,000	5,548	548
<i>Total Revenues</i>	<u>12,000</u>	<u>12,000</u>	<u>20,771</u>	<u>8,771</u>
Expenditures				
Current:				
Administration and Support	118,891	137,969	0	137,969
Public Services	36,625	33,991	15,619	18,372
Capital Outlay	7,389	8,531	6,079	2,452
<i>Total Expenditures</i>	<u>162,905</u>	<u>180,491</u>	<u>21,698</u>	<u>158,793</u>
<i>Net Change in Fund Balance</i>	(150,905)	(168,491)	(927)	167,564
<i>Fund Balance Beginning of Year</i>	165,286	165,286	165,286	0
Prior Year Encumbrances Appropriated	3,205	3,205	3,205	0
<i>Fund Balance End of Year</i>	<u>\$17,586</u>	<u>\$0</u>	<u>\$167,564</u>	<u>\$167,564</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Pepke Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	\$9,000	\$9,000	\$12,035	\$3,035
Expenditures				
Current:				
Public Services	<u>135,200</u>	<u>145,084</u>	<u>0</u>	<u>145,084</u>
<i>Net Change in Fund Balance</i>	(126,200)	(136,084)	12,035	148,119
<i>Fund Balance Beginning of Year</i>	<u>136,084</u>	<u>136,084</u>	<u>136,084</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$9,884</u></u>	<u><u>\$0</u></u>	<u><u>\$148,119</u></u>	<u><u>\$148,119</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Wickwire Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$95,000	\$95,000	\$139,627	\$44,627
Expenditures				
Current:				
Public Services	1,404,359	1,529,885	26,900	1,502,985
<i>Net Change in Fund Balance</i>	(1,309,359)	(1,434,885)	112,727	1,547,612
<i>Fund Balance Beginning of Year</i>	1,441,278	1,441,278	1,441,278	0
Prior Year Encumbrances Appropriated	859	859	859	0
<i>Fund Balance End of Year</i>	<u>\$132,778</u>	<u>\$7,252</u>	<u>\$1,554,864</u>	<u>\$1,547,612</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Wittke Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	\$6,000	\$6,000	\$8,882	\$2,882
Expenditures				
Current:				
Public Services	<u>92,200</u>	<u>99,248</u>	<u>0</u>	<u>99,248</u>
<i>Net Change in Fund Balance</i>	(86,200)	(93,248)	8,882	102,130
<i>Fund Balance Beginning of Year</i>	<u>93,248</u>	<u>93,248</u>	<u>93,248</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$7,048</u></u>	<u><u>\$0</u></u>	<u><u>\$102,130</u></u>	<u><u>\$102,130</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Young Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$250,000	\$251,378	\$391,222	\$139,844
Contributions and Donations	50,000	48,622	48,622	0
<i>Total Revenues</i>	300,000	300,000	439,844	139,844
Expenditures				
Current:				
Public Services	4,260,247	4,584,705	0	4,584,705
<i>Net Change in Fund Balance</i>	(3,960,247)	(4,284,705)	439,844	4,724,549
<i>Fund Balance Beginning of Year</i>	4,284,458	4,284,458	4,284,458	0
Prior Year Encumbrances Appropriated	247	247	247	0
<i>Fund Balance End of Year</i>	<u>\$324,458</u>	<u>\$0</u>	<u>\$4,724,549</u>	<u>\$4,724,549</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Friends Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Contributions and Donations	\$31,500	\$26,500	\$26,500	\$0
Expenditures				
Current:				
Public Services	39,695	39,695	39,695	0
<i>Excess of Revenues Under Expenditures</i>	<u>(8,195)</u>	<u>(13,195)</u>	<u>(13,195)</u>	<u>0</u>
Other Financing Sources (Uses)				
Advances In	0	0	26,500	26,500
Advances Out	0	0	(26,500)	(26,500)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(8,195)	(13,195)	(13,195)	0
<i>Fund Balance Beginning of Year</i>	5,000	5,000	5,000	0
Prior Year Encumbrances Appropriated	8,195	8,195	8,195	0
<i>Fund Balance End of Year</i>	<u>\$5,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Judd Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Contributions and Donations	\$220,000	\$234,733	\$234,733	\$0
Expenditures				
Current:				
Public Services	224,337	238,870	238,870	0
Capital Outlay	0	200	200	0
<i>Total Expenditures</i>	<u>224,337</u>	<u>239,070</u>	<u>239,070</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(4,337)	(4,337)	(4,337)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>4,337</u>	<u>4,337</u>	<u>4,337</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Library for the Blind and Physically Disabled (OLBPD) Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$1,508,194	\$1,508,194	\$1,508,194	\$0
Expenditures				
Current:				
Public Services	<u>1,521,099</u>	<u>1,513,807</u>	<u>1,507,459</u>	<u>6,348</u>
<i>Net Change in Fund Balance</i>	(12,905)	(5,613)	735	6,348
<i>Fund Balance (Deficit) Beginning of Year</i>	(7,292)	(7,292)	(7,292)	0
Prior Year Encumbrances Appropriated	<u>12,905</u>	<u>12,905</u>	<u>12,905</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$7,292)</u></u>	<u><u>\$0</u></u>	<u><u>\$6,348</u></u>	<u><u>\$6,348</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Lockwood Thompson Memorial Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Contributions and Donations	\$180,000	\$183,536	\$183,536	\$0
Expenditures				
Current:				
Administration and Support	57,306	57,305	40,741	16,564
Public Services	262,865	281,530	253,887	27,643
Capital Outlay	0	2,500	2,341	159
<i>Total Expenditures</i>	<u>320,171</u>	<u>341,335</u>	<u>296,969</u>	<u>44,366</u>
<i>Net Change in Fund Balance</i>	(140,171)	(157,799)	(113,433)	44,366
<i>Fund Balance Beginning of Year</i>	17,629	17,629	17,629	0
Prior Year Encumbrances Appropriated	<u>140,170</u>	<u>140,170</u>	<u>140,170</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$17,628</u>	<u>\$0</u>	<u>\$44,366</u>	<u>\$44,366</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Center for the Book Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Contributions and Donations	\$900	\$900	\$900	\$0
Expenditures				
Current:				
Public Services	<u>900</u>	<u>900</u>	<u>875</u>	<u>25</u>
<i>Net Change in Fund Balance</i>	0	0	25	25
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$25</u>	<u>\$25</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Schweinfurth Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions and Donations	\$50,000	\$70,508	\$70,508	\$0
Expenditures				
Current:				
Public Services	196,985	193,193	71,519	121,674
<i>Net Change in Fund Balance</i>	(146,985)	(122,685)	(1,011)	121,674
<i>Fund Balance Beginning of Year</i>	105,500	105,500	105,500	0
Prior Year Encumbrances Appropriated	17,185	17,185	17,185	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$24,300)</u>	<u>\$0</u>	<u>\$121,674</u>	<u>\$121,674</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Learning Centers Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions and Donations	\$0	\$0	\$82,500	\$82,500
Expenditures				
Current:				
Public Services	<u>65,516</u>	<u>65,516</u>	<u>65,516</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(65,516)	(65,516)	16,984	82,500
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>65,516</u>	<u>65,516</u>	<u>65,516</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$82,500</u></u>	<u><u>\$82,500</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
MyCom Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$40,750	\$35,063	\$35,063	\$0
Expenditures				
Current:				
Public Services	15,974	90,378	84,328	6,050
<i>Excess of Revenues Over (Under) Expenditures</i>	24,776	(55,315)	(49,265)	6,050
Other Financing Sources (Uses)				
Advances In	0	0	75,000	75,000
Advances Out	0	0	(40,750)	(40,750)
<i>Total Other Financing Sources (Uses)</i>	0	0	34,250	34,250
<i>Net Change in Fund Balance</i>	24,776	(55,315)	(15,015)	40,300
<i>Fund Balance Beginning of Year</i>	5,091	5,091	5,091	0
Prior Year Encumbrances Appropriated	15,974	15,974	15,974	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$45,841</u>	<u>(\$34,250)</u>	<u>\$6,050</u>	<u>\$40,300</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Early Literacy Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$150,000	\$150,000	\$150,000	\$0
Expenditures				
Current:				
Public Services	<u>150,000</u>	<u>150,000</u>	<u>1,173</u>	<u>148,827</u>
<i>Net Change in Fund Balance</i>	0	0	148,827	148,827
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$148,827</u></u>	<u><u>\$148,827</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Abel Fund
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment Earnings	\$15,500	\$15,500	\$21,861	\$6,361
Expenditures				
Current:				
Public Services	216,400	241,673	0	241,673
<i>Net Change in Fund Balance</i>	(200,900)	(226,173)	21,861	248,034
<i>Fund Balance Beginning of Year</i>	236,173	236,173	236,173	0
<i>Fund Balance End of Year</i>	<u>\$35,273</u>	<u>\$10,000</u>	<u>\$258,034</u>	<u>\$248,034</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ambler Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	\$150	\$150	\$222	\$72
Expenditures				
Current:				
Public Services	<u>2,150</u>	<u>2,343</u>	<u>0</u>	<u>2,343</u>
<i>Net Change in Fund Balance</i>	(2,000)	(2,193)	222	2,415
<i>Fund Balance Beginning of Year</i>	<u>2,393</u>	<u>2,393</u>	<u>2,393</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$393</u></u>	<u><u>\$200</u></u>	<u><u>\$2,615</u></u>	<u><u>\$2,415</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Beard Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$9,200	\$9,200	\$13,694	\$4,494
Expenditures				
Current:				
Administration and Support	129,486	139,966	6,514	133,452
<i>Net Change in Fund Balance</i>	(120,286)	(130,766)	7,180	137,946
<i>Fund Balance Beginning of Year</i>	137,366	137,366	137,366	0
Prior Year Encumbrances Appropriated	2,286	2,286	2,286	0
<i>Fund Balance End of Year</i>	<u>\$19,366</u>	<u>\$8,886</u>	<u>\$146,832</u>	<u>\$137,946</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Klein Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	\$350	\$350	\$525	\$175
Expenditures				
Current:				
Public Services	<u>5,050</u>	<u>5,513</u>	<u>0</u>	<u>5,513</u>
<i>Net Change in Fund Balance</i>	(4,700)	(5,163)	525	5,688
<i>Fund Balance Beginning of Year</i>	<u>5,663</u>	<u>5,663</u>	<u>5,663</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$963</u></u>	<u><u>\$500</u></u>	<u><u>\$6,188</u></u>	<u><u>\$5,688</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Malon/Schroeder Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$17,500	\$17,500	\$26,104	\$8,604
Expenditures				
Current:				
Public Services	<u>181,555</u>	<u>201,839</u>	<u>4,650</u>	<u>197,189</u>
<i>Net Change in Fund Balance</i>	(164,055)	(184,339)	21,454	205,793
<i>Fund Balance Beginning of Year</i>	294,283	294,283	294,283	0
Prior Year Encumbrances Appropriated	<u>55</u>	<u>55</u>	<u>55</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$130,283</u></u>	<u><u>\$109,999</u></u>	<u><u>\$315,792</u></u>	<u><u>\$205,793</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
McDonald Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$12,000	\$12,000	\$17,713	\$5,713
Expenditures				
Current:				
Public Services	185,900	200,343	0	200,343
<i>Net Change in Fund Balance</i>	(173,900)	(188,343)	17,713	206,056
<i>Fund Balance Beginning of Year</i>	197,274	197,274	197,274	0
<i>Fund Balance End of Year</i>	<u>\$23,374</u>	<u>\$8,931</u>	<u>\$214,987</u>	<u>\$206,056</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ratner Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	\$6,500	\$6,500	\$8,653	\$2,153
Expenditures				
Current:				
Public Services	<u>91,300</u>	<u>98,408</u>	<u>0</u>	<u>98,408</u>
<i>Net Change in Fund Balance</i>	(84,800)	(91,908)	8,653	100,561
<i>Fund Balance Beginning of Year</i>	<u>96,908</u>	<u>96,908</u>	<u>96,908</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$12,108</u></u>	<u><u>\$5,000</u></u>	<u><u>\$105,561</u></u>	<u><u>\$100,561</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Root Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	\$2,500	\$2,500	\$3,878	\$1,378
Expenditures				
Current:				
Public Services	34,800	37,911	0	37,911
<i>Net Change in Fund Balance</i>	(32,300)	(35,411)	3,878	39,289
<i>Fund Balance Beginning of Year</i>	41,411	41,411	41,411	0
<i>Fund Balance End of Year</i>	<u>\$9,111</u>	<u>\$6,000</u>	<u>\$45,289</u>	<u>\$39,289</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Sugarman Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$12,000	\$12,000	\$16,680	\$4,680
Expenditures				
Current:				
Public Services	48,800	64,796	0	64,796
<i>Net Change in Fund Balance</i>	(36,800)	(52,796)	16,680	69,476
<i>Fund Balance Beginning of Year</i>	200,673	200,673	200,673	0
Prior Year Encumbrances Appropriated	500	500	500	0
<i>Fund Balance End of Year</i>	<u>\$164,373</u>	<u>\$148,377</u>	<u>\$217,853</u>	<u>\$69,476</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Thompson Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$11,000	\$11,000	\$15,211	\$4,211
Expenditures				
Current:				
Public Services	119,717	131,467	6,571	124,896
<i>Net Change in Fund Balance</i>	(108,717)	(120,467)	8,640	129,107
<i>Fund Balance Beginning of Year</i>	161,104	161,104	161,104	0
Prior Year Encumbrances Appropriated	3,117	3,117	3,117	0
<i>Fund Balance End of Year</i>	<u>\$55,504</u>	<u>\$43,754</u>	<u>\$172,861</u>	<u>\$129,107</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Weidenthal Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	\$430	\$430	\$647	\$217
Expenditures				
Current:				
Public Services	6,430	6,952	0	6,952
<i>Net Change in Fund Balance</i>	(6,000)	(6,522)	647	7,169
<i>Fund Balance Beginning of Year</i>	7,022	7,022	7,022	0
<i>Fund Balance End of Year</i>	<u>\$1,022</u>	<u>\$500</u>	<u>\$7,669</u>	<u>\$7,169</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
White Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$145,000	\$145,000	\$213,333	\$68,333
Expenditures				
Current:				
Public Services	<u>1,814,724</u>	<u>1,980,193</u>	<u>31,249</u>	<u>1,948,944</u>
<i>Net Change in Fund Balance</i>	(1,669,724)	(1,835,193)	182,084	2,017,277
<i>Fund Balance Beginning of Year</i>	2,205,356	2,205,356	2,205,356	0
Prior Year Encumbrances Appropriated	<u>4,724</u>	<u>4,724</u>	<u>4,724</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$540,356</u>	<u>\$374,887</u>	<u>\$2,392,164</u>	<u>\$2,017,277</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Beard Anna Young Fund
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$4,400	\$4,400	\$6,836	\$2,436
Expenditures				
Current:				
Administration and Support	9,570	25,487	3,134	22,353
<i>Net Change in Fund Balance</i>	(5,170)	(21,087)	3,702	24,789
<i>Fund Balance Beginning of Year</i>	85,698	85,698	85,698	0
Prior Year Encumbrances Appropriated	2,670	2,670	2,670	0
<i>Fund Balance End of Year</i>	<u>\$83,198</u>	<u>\$67,281</u>	<u>\$92,070</u>	<u>\$24,789</u>

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STATISTICAL SECTION

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Statistical Section

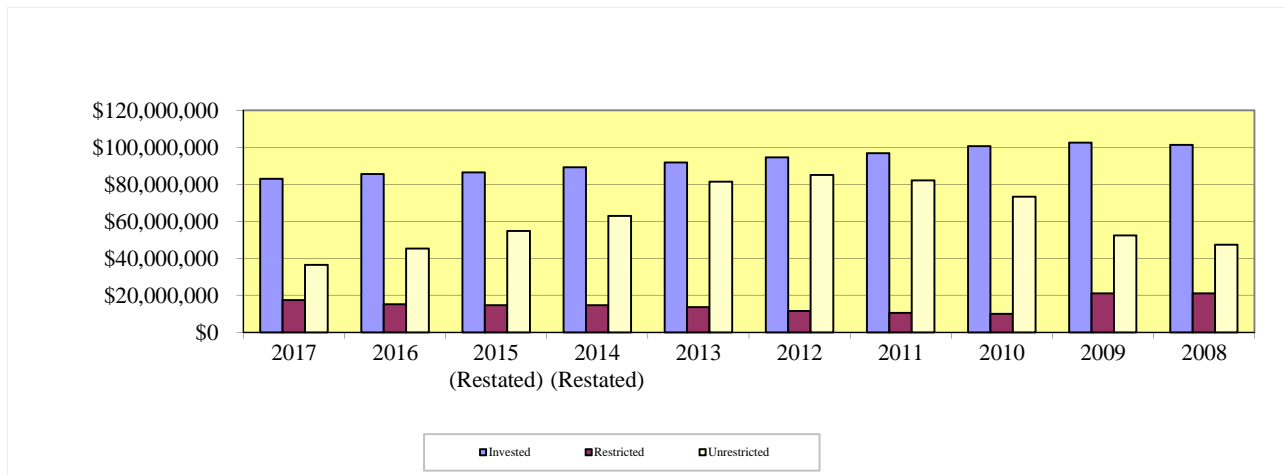
This part of the Cleveland Public Library's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Library's overall financial health.

Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S9</i>
These schedules contain trend information to help the reader understand how the Library's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S10 – S18</i>
These schedules contain information to help the reader assess the Library's most significant local revenue, the property tax.	
<i>Economic and Demographic Information</i>	<i>S19 – S20</i>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the Library's financial activities take place.	
<i>Operating Information</i>	<i>S22 – S39</i>
These schedules contain service and infrastructure data to help the reader understand how the information in the Library's financial report relates to the services the Library provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Basic Financial Statements / General Purpose Financial Statements for the relevant year.

Cleveland Public Library
Cuyahoga County
Net Position By Component
Last Ten Years
(Accrual Basis of Accounting)

	2017	2016	2015 (Restated)	2014 (Restated)	2013
Governmental Activities					
Net Investment in Capital Asset	\$82,948,642	\$85,511,515	\$86,424,294	\$89,206,483	\$91,848,752
Restricted	17,329,320	15,143,336	14,554,036	14,542,182	13,526,515
Unrestricted	36,482,856	45,186,525	54,805,670	62,968,171	81,421,117
<i>Total Governmental Activities</i>					
<i>Net Position</i>	<u>\$136,760,818</u>	<u>\$145,841,376</u>	<u>\$155,784,000</u>	<u>\$166,716,836</u>	<u>\$186,796,384</u>



2012	2011 (Restated)	2010	2009	2008
\$94,528,127	\$96,879,830	\$100,613,647	\$102,606,127	\$101,326,326
11,521,146	10,406,618	10,000,553	21,065,169	20,986,011
85,067,218	82,081,320	73,352,974	52,283,523	47,365,150
<u>\$191,116,491</u>	<u>\$189,367,768</u>	<u>\$183,967,174</u>	<u>\$175,954,819</u>	<u>\$169,677,487</u>

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

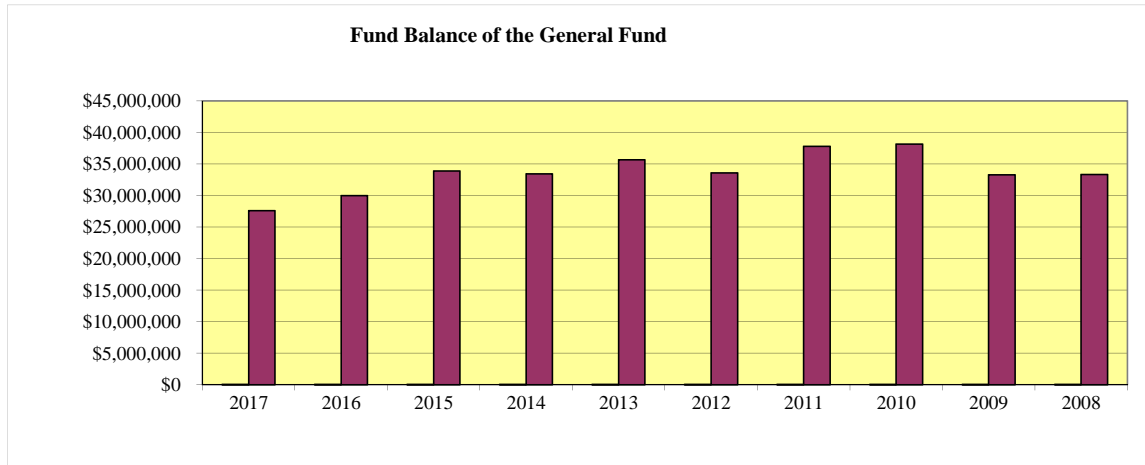
	2017	2016	2015 (Restated)	2014	2013
Program Revenues					
Governmental Activities:					
Charges for Services:					
Administration and Support	\$5,180,554	\$5,027,028	\$5,066,928	\$3,362,720	\$3,045,659
Public Services	359,472	383,431	406,800	406,918	392,289
Subtotal - Charges for Services	<u>5,540,026</u>	<u>5,410,459</u>	<u>5,473,728</u>	<u>3,769,638</u>	<u>3,437,948</u>
Operating Grants, Contributions and Investment Earnings:					
Administration and Support	64,540	68,363	46,583	95,667	107,065
Public Services	5,743,571	3,687,574	3,380,979	4,169,486	5,556,587
Subtotal - Operating Grants and Contributions	<u>5,808,111</u>	<u>3,755,937</u>	<u>3,427,562</u>	<u>4,265,153</u>	<u>5,663,652</u>
Capital Grants and Contributions:					
Public Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>189,751</u>	<u>50,000</u>
<i>Total Governmental Activities</i>					
<i>Program Revenues</i>	<u>11,348,137</u>	<u>9,166,396</u>	<u>8,901,290</u>	<u>8,224,542</u>	<u>9,151,600</u>
Expenses					
Governmental Activities:					
Administration and Support	27,922,074	25,237,576	24,401,806	22,543,315	21,376,607
Public Services	44,013,755	43,110,485	39,756,122	38,109,756	39,240,774
<i>Total Governmental Activities Expenses</i>	<u>71,935,829</u>	<u>68,348,061</u>	<u>64,157,928</u>	<u>60,653,071</u>	<u>60,617,381</u>
Net Expense					
Governmental Activities	<u>(60,587,692)</u>	<u>(59,181,665)</u>	<u>(55,256,638)</u>	<u>(52,428,529)</u>	<u>(51,465,781)</u>
General Revenues					
Governmental Activities					
Taxes:					
Property and Other Taxes Levied For:					
General Purposes	26,167,690	23,680,400	17,795,265	27,151,087	22,311,584
Grants and Entitlements not Restricted to Specific Programs					
Unrestricted Donations	2,555	1,415	7,265	0	0
Investment Earnings	416,215	370,362	340,175	241,905	150,389
Gain on Sale of Capital Assets	0	6,705	24,000	1,000	7,413
Miscellaneous	1,293,691	1,260,390	1,076,007	734,803	778,257
<i>Total Governmental Activities</i>	<u>51,507,134</u>	<u>49,239,041</u>	<u>44,323,802</u>	<u>53,972,069</u>	<u>47,145,674</u>
Change in Net Position					
Governmental Activities	<u>(\$9,080,558)</u>	<u>(\$9,942,624)</u>	<u>(\$10,932,836)</u>	<u>\$1,543,540</u>	<u>(\$4,320,107)</u>

2012	2011 (Restated)	2010	2009	2008
\$3,053,765	\$2,601,707	\$2,646,483	\$2,930,834	\$3,007,800
380,186	452,568	430,153	332,036	322,319
3,433,951	3,054,275	3,076,636	3,262,870	3,330,119
60,175	50,590	67,343	401,175	2,432
5,011,884	2,335,651	3,281,431	3,162,453	1,406,148
5,072,059	2,386,241	3,348,774	3,563,628	1,408,580
52,700	0	0	0	0
8,558,710	5,440,516	6,425,410	6,826,498	4,738,699
22,427,970	22,008,997	21,894,937	23,249,386	26,466,270
38,935,923	39,624,599	41,802,466	43,855,750	48,647,667
61,363,893	61,633,596	63,697,403	67,105,136	75,113,937
(52,805,183)	(56,193,080)	(57,271,993)	(60,278,638)	(70,375,238)
28,248,758	29,042,241	33,678,372	36,627,248	28,815,253
25,229,927	31,365,166	30,665,636	28,867,436	32,115,428
0	0	0	0	0
249,417	339,555	418,177	514,757	(1,530,793)
3,015	2,099	0	0	0
822,789	844,613	522,163	546,529	488,759
54,553,906	61,593,674	65,284,348	66,555,970	59,888,647
\$1,748,723	\$5,400,594	\$8,012,355	\$6,277,332	(\$10,486,591)

Cleveland Public Library
Cuyahoga County
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2017	2016	2015	2014	2013
General Fund					
Nonspendable	\$782,558	\$691,484	\$707,801	\$1,088,531	\$1,503,768
Restricted	0	0	0	0	0
Committed	731,079	1,162,571	1,171,198	1,080,905	791,954
Assigned	12,082,953	11,163,459	11,936,330	8,337,028	10,075,197
Unassigned	13,961,626	16,944,427	20,064,929	22,892,279	23,268,411
Reserved	n/a	n/a	n/a	n/a	n/a
Unreserved	n/a	n/a	n/a	n/a	n/a
Total General Fund	27,558,216	29,961,941	33,880,258	33,398,743	35,639,330
All Other Governmental Funds					
Nonspendable	1,391,071	1,250,948	1,152,181	830,772	837,025
Restricted	16,538,125	14,350,889	13,746,883	13,726,005	12,716,960
Committed	14,672,586	10,031,530	11,622,583	7,693,604	7,289,131
Assigned	5,711,298	9,037,316	9,255,104	13,711,769	12,460,807
Unassigned (Deficit)	(173,648)	(185,498)	(163,450)	(219,187)	(193,550)
Reserved	n/a	n/a	n/a	n/a	n/a
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	n/a	n/a	n/a	n/a	n/a
Capital Projects Fund	n/a	n/a	n/a	n/a	n/a
Permanent Funds	n/a	n/a	n/a	n/a	n/a
Total All Other Governmental Funds	38,139,432	34,485,185	35,613,301	35,742,963	33,110,373
Total Governmental Funds	\$65,697,648	\$64,447,126	\$69,493,559	\$69,141,706	\$68,749,703

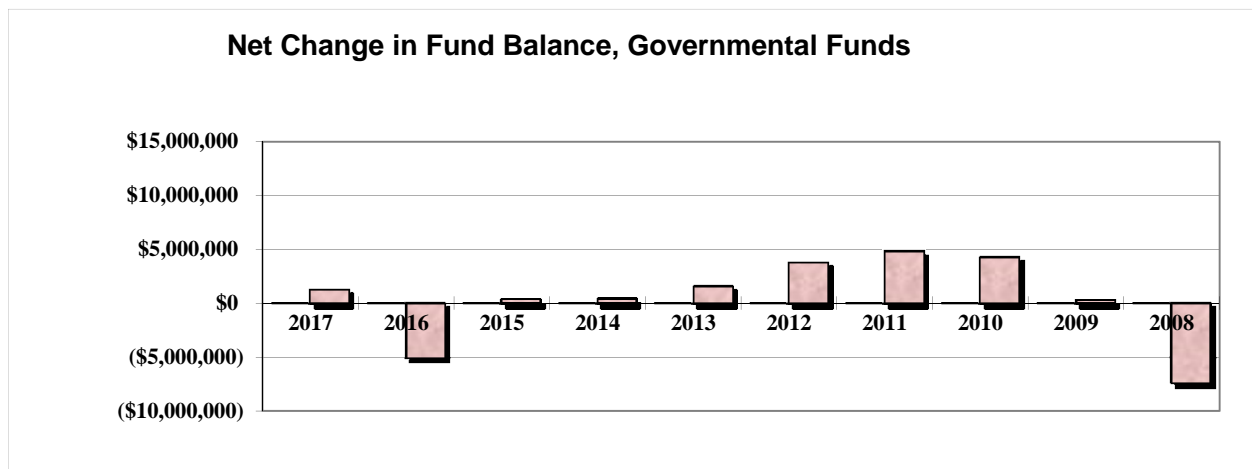
Note: The Library implemented GASB 54 in 2011.



2012	2011	2010 (Restated)	2009	2008
\$1,204,145	\$1,089,401	\$0	n/a	n/a
0	17,007	17,376	n/a	n/a
799,187	340,637	0	n/a	n/a
6,734,372	15,390,658	5,672,594	n/a	n/a
24,812,021	20,956,246	32,440,050	n/a	n/a
n/a	n/a	n/a	\$4,591,151	\$3,614,741
n/a	n/a	n/a	28,683,690	29,685,554
<u>33,549,725</u>	<u>37,793,949</u>	<u>38,130,020</u>	<u>33,274,841</u>	<u>33,300,295</u>
795,168	717,036	717,036	n/a	n/a
10,726,782	9,752,411	9,261,231	n/a	n/a
6,389,902	6,244,533	5,370,992	n/a	n/a
15,714,984	8,978,212	5,142,439	n/a	n/a
(12,353)	(94,649)	0	n/a	n/a
n/a	n/a	n/a	2,582,959	5,336,963
n/a	n/a	n/a	10,558,268	8,859,620
n/a	n/a	n/a	5,890,210	4,924,399
n/a	n/a	n/a	2,033,732	1,640,020
<u>33,614,483</u>	<u>25,597,543</u>	<u>20,491,698</u>	<u>21,065,169</u>	<u>20,761,002</u>
<u>\$67,164,208</u>	<u>\$63,391,492</u>	<u>\$58,621,718</u>	<u>\$54,340,010</u>	<u>\$54,061,297</u>

Cleveland Public Library
Cuyahoga County
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2017	2016	2015	2014	2013
Revenues					
Property and Other Taxes	\$26,407,991	\$25,338,596	\$25,482,287	\$25,132,257	\$25,429,115
Fines and Fees	368,031	381,029	408,800	409,394	391,849
Charges for Services	5,172,664	4,933,005	5,029,219	3,361,641	3,110,804
Intergovernmental	25,688,752	25,937,389	27,934,901	26,660,555	27,237,525
Investment Earnings	3,690,950	1,465,748	725,576	1,873,893	3,244,240
Contributions and Donations	815,232	1,229,076	1,204,910	763,756	679,368
Miscellaneous	1,355,389	1,201,935	1,056,813	745,024	777,882
<i>Total Revenues</i>	<u>63,499,009</u>	<u>60,486,778</u>	<u>61,842,506</u>	<u>58,946,520</u>	<u>60,870,783</u>
Expenditures					
Current:					
Administration and Support	24,469,441	23,504,614	23,689,340	21,393,882	20,675,293
Public Service	35,603,285	36,356,791	35,680,210	34,353,851	34,849,512
Capital Outlay	2,175,761	5,671,806	2,121,103	2,807,784	3,767,896
<i>Total Expenditures</i>	<u>62,248,487</u>	<u>65,533,211</u>	<u>61,490,653</u>	<u>58,555,517</u>	<u>59,292,701</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,250,522</u>	<u>(5,046,433)</u>	<u>351,853</u>	<u>391,003</u>	<u>1,578,082</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	0	0	0	1,000	7,413
Transfers In	1,300,000	1,500,000	0	3,500,000	0
Transfers Out	(1,300,000)	(1,500,000)	0	(3,500,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,000</u>	<u>7,413</u>
<i>Net Change in Fund Balances</i>	<u>\$1,250,522</u>	<u>(\$5,046,433)</u>	<u>\$351,853</u>	<u>\$392,003</u>	<u>\$1,585,495</u>



2012	2011	2010	2009	2008
\$27,604,803	\$27,652,041	\$29,409,031	\$31,392,194	\$27,930,751
379,732	444,551	427,313	332,036	322,319
3,021,846	2,548,967	2,641,277	2,930,834	3,007,800
27,876,287	30,563,839	31,094,455	31,077,082	33,494,271
1,940,004	755,136	2,064,403	2,590,815	(1,530,793)
1,354,106	829,794	700,488	556,592	607,164
811,191	874,668	483,610	546,529	488,759
62,987,969	63,668,996	66,820,577	69,426,082	64,320,271
20,762,107	21,610,354	21,482,092	22,766,194	25,556,203
34,397,275	36,108,993	38,157,071	40,869,197	43,795,978
4,062,291	1,181,974	2,899,706	5,511,978	2,373,691
59,221,673	58,901,321	62,538,869	69,147,369	71,725,872
3,766,296	4,767,675	4,281,708	278,713	(7,405,601)
6,420	2,099	0	0	0
10,000,000	5,000,000	54,600	3,029,900	0
(10,000,000)	(5,000,000)	(54,600)	(3,029,900)	0
6,420	2,099	0	0	0
\$3,772,716	\$4,769,774	\$4,281,708	\$278,713	(\$7,405,601)

Cleveland Public Library
Cuyahoga County
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value			Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value
2017	\$2,090,575,250	\$2,207,187,580	\$12,279,322,371	\$390,043,860	\$443,231,659
2016	2,091,147,610	2,224,577,210	12,330,642,343	333,848,530	379,373,330
2015	2,127,960,040	2,558,282,800	13,389,265,257	320,762,670	364,503,034
2014	2,145,454,810	2,511,033,840	13,304,253,286	300,460,010	341,431,830
2013	2,169,817,680	2,484,935,110	13,299,293,686	273,122,230	310,366,170
2012	2,744,283,400	2,705,037,350	15,569,487,857	247,613,470	281,378,943
2011	2,778,537,270	2,677,303,870	15,588,117,543	243,660,000	276,886,364
2010	2,796,094,950	2,540,255,530	15,246,715,657	235,305,430	267,392,534
2009	3,172,514,560	2,371,683,330	15,840,565,400	222,204,080	252,504,636
2008	3,151,380,470	2,375,125,200	15,790,016,200	212,297,240	241,246,864

Source: Cuyahoga County, Ohio; County Fiscal Officer

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property tax has been phased out, and during the phase out period, all general business tangible personal property was assessed at 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies, at 5 percent for 2010. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers, (except telephone companies whose last year to pay tangible personal property tax was 2010).

The tangible personal property values associated with each year were the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent and a 2 1/2 percent and homestead exemptions before being billed.

Tangible Personal Property					Weighted Average Tax Rate (per \$1,000 of Assessed Value)
General Business		Total			
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	
\$0	\$0	\$4,687,806,690	\$12,722,554,031	36.85 %	\$6.4450
0	0	4,649,573,350	12,710,015,672	36.58	6.4500
0	0	5,007,005,510	13,753,768,291	36.40	6.4363
0	0	4,956,948,660	13,645,685,115	36.33	6.4240
0	0	4,927,875,020	13,609,659,856	36.21	6.4189
0	0	5,696,934,220	15,850,866,800	35.94	6.3159
0	0	5,699,501,140	15,865,003,907	35.92	6.3242
0	0	5,571,655,910	15,514,108,191	35.91	6.3465
221,152,998	3,538,447,968	5,987,554,968	19,631,518,004	30.50	6.3267
424,870,855	3,398,966,840	6,163,673,765	19,430,229,904	31.72	5.4481

Cleveland Public Library
Cuyahoga County
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2017	2016	2015	2014	2013
Voted Millage - by levy					
1985 Current Expense					
Residential/Agricultural Real	\$0.5465	\$0.5455	\$0.5380	\$0.5345	\$0.5284
Commercial/Industrial and Public Utility Real	0.6934	0.6956	0.6725	0.6560	0.6561
General Business and Public Utility Personal	1.0000	1.0000	1.0000	1.0000	1.0000
2003 Current Expense - 5 Years (1)					
Residential/Agricultural Real	5.8000	5.8000	5.8000	5.8000	5.8000
Commercial/Industrial and Public Utility Real	5.7822	5.8000	5.8000	5.7995	5.8000
General Business and Public Utility Personal	5.8000	5.8000	5.8000	5.8000	5.8000
Total Millage					
Residential/Agricultural Real	\$6.3465	\$6.3455	\$6.3380	\$6.3345	\$6.3284
Commercial/Industrial and Public Utility Real	6.4756	6.4956	6.4725	6.4555	6.4561
General Business and Public Utility Personal	6.8000	6.8000	6.8000	6.8000	6.8000
Total Weighted Average Tax Rate	\$6.4450	\$6.4500	\$6.4363	\$6.4240	\$6.4189
Overlapping Rates by Taxing District					
Cuyahoga County					
Residential/Agricultural Real	\$13.8802	\$13.8698	\$14.0500	\$14.0500	\$13.2200
Commercial/Industrial and Public Utility Real	14.0124	14.0500	14.0195	13.9495	12.9968
General Business and Public Utility Personal	14.0500	14.0500	14.0500	14.0500	13.2200
Cleveland Municipal School District					
Residential/Agricultural Real	52.5272	52.4795	52.6999	52.4272	52.1165
Commercial/Industrial and Public Utility Real	61.5783	61.7401	61.1077	60.1246	60.1288
General Business and Public Utility Personal	79.3000	79.3000	79.9000	79.8000	79.8000

2012	2011	2010	2009	2008
\$0.4210	\$0.4177	\$0.4168	\$0.3703	\$0.3698
0.6393	0.6417	0.6473	0.6473	0.6460
1.0000	1.0000	1.0000	1.0000	1.0000
5.8000	5.8000	5.8000	5.8000	4.5308
5.7286	5.7498	5.8000	5.8000	5.1659
5.8000	5.8000	5.8000	5.8000	5.8000
\$6.2210	\$6.2177	\$6.2168	\$6.1703	\$4.9006
6.3679	6.3915	6.4473	6.4473	5.8119
6.8000	6.8000	6.8000	6.8000	6.8000
\$6.3159	\$6.3242	\$6.3465	\$6.3267	\$5.4481
\$13.1182	\$13.1866	\$13.1789	\$12.6607	\$11.8689
12.7845	12.8413	12.8457	12.8153	12.4536
13.2200	13.3200	13.3200	13.3200	13.4200
31.6742	31.5069	31.4601	29.0767	29.0505
44.2358	44.3621	44.6614	44.6610	44.5926
64.8000	64.8000	64.8000	64.8000	64.8000

(continued)

Cleveland Public Library
Cuyahoga County
Property Tax Rates - Direct and Overlapping Governments (continued)
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2017	2016	2015	2014	2013
Cleveland City					
Residential/Agricultural Real	\$12.7000	\$12.7000	\$12.7000	\$12.7000	\$12.7000
Commercial/Industrial and Public Utility Real	12.7000	12.7000	12.7000	12.7000	12.7000
General Business and Public Utility Personal	12.7000	12.7000	12.7000	12.7000	12.7000
Cleveland Metro Parks					
Residential/Agricultural Real	2.7112	2.7119	2.7500	2.7500	1.8500
Commercial/Industrial and Public Utility Real	2.7416	2.7500	2.7368	2.7046	1.7917
General Business and Public Utility Personal	2.7500	2.7500	2.7500	2.7500	1.8500
Cuyahoga Community College					
Residential/Agricultural Real	3.9461	3.9428	4.0000	3.1000	3.1000
Commercial/Industrial and Public Utility Real	3.9881	4.0000	3.9906	3.0690	3.0606
General Business and Public Utility Personal	4.0000	4.0000	4.0000	3.1000	3.1000
Cleveland-Cuyahoga Port Authority					
Residential/Agricultural Real	0.1128	0.1127	0.1143	0.1139	0.1135
Commercial/Industrial and Public Utility Real	0.1172	0.1176	0.1127	0.1106	0.1098
General Business and Public Utility Personal	0.1300	0.1300	0.1300	0.1300	0.1300

Source: Cuyahoga County Fiscal Officer

(1) The 2003 Current Expense levy was renewed in 2008 and in 2013.

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

The Library's basic property tax rate may be increased only by a majority vote of the Library's residents.

Overlapping rates are those of local and county governments that apply to property owners within the Cities.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes.

2012	2011	2010	2009	2008
\$12.7000	\$12.7000	\$12.7000	\$12.7000	\$12.7000
12.7000	12.7000	12.7000	12.7000	12.7000
12.7000	12.7000	12.7000	12.7000	12.7000
1.8188	1.8106	1.8068	1.6698	1.6720
1.7354	1.7243	1.7249	1.7171	1.7125
1.8500	1.8500	1.8500	1.8500	1.8500
3.0820	3.0765	2.5973	2.3952	2.3923
3.0232	3.0151	2.5814	2.5690	2.5625
3.1000	3.1000	2.8000	2.8000	2.8000
0.1033	0.1029	0.1027	0.0947	0.0946
0.1063	0.1056	0.1056	0.1051	0.1049
0.1300	0.1300	0.1300	0.1300	0.1300

**Cleveland Public Library
Cuyahoga County**
*Real Property and Public Utility Tax Levies And Collections
Last Ten Years*

Collection Year	Current Tax Levy	Delinquent Tax Levy	Total Tax Levy(1)	Current Tax Collections(1)	Percent of Current Tax Collections To Current Tax Levy
2017	\$30,212,972	\$11,241,386	\$41,454,358	\$26,846,522	88.86%
2016	29,683,447	9,018,062	38,701,509	25,896,763	87.24
2015	32,374,715	18,685,988	51,060,703	25,658,916	79.26
2014	31,834,150	18,913,775	50,747,925	25,367,914	79.69
2013	31,400,469	16,625,756	48,026,225	25,777,415	82.09
2012	36,273,180	20,613,570	56,886,750	27,766,329	76.55
2011	36,030,798	16,598,378	52,629,176	28,444,975	78.95
2010	35,991,178	13,553,969	49,545,147	29,150,761	80.99
2009	36,578,166	11,481,786	48,059,952	30,725,823	84.00
2008	30,978,100	9,405,038	40,383,138	25,995,387	83.92

Source: Cuyahoga County, Ohio; County Fiscal Officer

- (1) Information for Real and Public Utility Property Only
- (2) State Reimbursements of Rollback and Homestead Exemptions are included
- (3) The County does not identify delinquent collections by the year for which the tax was levied.
- (4) Penalties and interest are included, since by Ohio Law, they become part of the tax obligation as assessment occurs.
- (5) The Cleveland Clinic was included until the court case settled and they became exempt and were removed in 2016.

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

<u>Delinquent Tax Collection (3)</u>	<u>Total Tax Collections(2)(4)</u>	<u>Percent of Total Tax Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes (5)</u>	<u>Percent of Delinquent Taxes to Total Tax Levy</u>
\$1,927,200	\$28,773,722	69.41%	\$11,173,794	26.95 %
1,837,697	27,734,460	71.66	11,414,095	29.49
2,295,798	27,954,714	54.75	23,805,985	46.62
2,250,019	27,617,933	54.42	20,759,313	40.91
2,187,411	27,964,826	58.23	18,607,883	38.75
3,134,706	30,901,035	54.32	21,714,946	38.17
2,370,129	30,815,104	58.55	21,137,884	40.16
2,499,862	31,650,623	63.88	16,707,972	33.72
2,271,336	32,997,159	68.66	14,413,534	29.99
2,387,352	28,382,739	70.28	10,319,464	25.55

Cleveland Public Library
Cuyahoga County
Principal Real Property Taxpayers
2017 and 2008

Taxpayer	2017	
	Real Property Assessed Valuation	Percentage of Total Real Property Assessed Valuation
Cleveland Electric Illuminating Company	\$203,456,950	4.73 %
East Ohio Gas Company	117,852,030	2.74
Cuyahoga County Port Authority	81,346,080	1.89
American Transmission System	67,159,180	1.56
Rock Ohio Caesars Cleveland LLC	45,641,450	1.06
Cleveland Financial Associates, LLC	45,527,380	1.06
Hertz Cleveland North Point, LLC	32,801,800	0.77
Quintus Landlord LLC	32,525,480	0.76
City of Cleveland	28,764,440	0.67
National City Bank	24,901,290	0.58
Total	\$679,976,080	15.82 %
Total Real Property Assessed Valuation	\$4,297,762,830	
Taxpayer	2008	
	Real Property Assessed Valuation	Percentage of Total Real Property Assessed Valuation
Cleveland Electric Illuminating Company	\$140,684,540	2.55 %
City of Cleveland Land Reutilization Program	80,690,020	1.46
Cleveland Clinic Foundation	80,131,810	1.45
Cuyahoga County Land Reutilization Corporation	53,816,060	0.97
Cleveland Financial Associates, LLC	49,232,020	0.89
City of Cleveland	36,388,770	0.66
Hertz Cleveland North Point, LLC	35,062,590	0.63
East Ohio Gas Company	34,912,770	0.63
Case Western Reserve University	29,097,880	0.53
National City Bank	28,147,750	0.51
Total	\$568,164,210	10.28 %
Total Real Property Assessed Valuation	\$5,526,505,670	

Source: Office of the Fiscal Officer Cuyahoga County - 2017/2008 Tax Collection Year

Cleveland Public Library
Cuyahoga County
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (2)	Personal Income per Capita (3)	Cleveland Metropolitan School District Enrollment (4)	Unemployment Rates (5)
2017	385,810	\$7,383,245,970	\$19,137	38,949	6.9%
2016	390,584	6,849,671,608	17,537	39,125	6.9
2015	389,524	6,701,760,420	17,205	38,555	6.9
2014	390,106	6,844,409,770	17,545	37,962	8.0
2013	390,923	6,347,025,828	16,236	38,725	9.8
2012	393,806	6,562,776,990	16,665	40,871	9.5
2011	400,787	6,533,629,674	16,302	44,362	10.3
2010	409,833	6,681,097,566	16,302	45,060	11.5
2009	418,879	6,527,391,457	15,583	48,410	10.9
2008	427,925	7,080,019,125	16,545	52,954	8.8

Sources:

- (1) Cleveland State University, Northern Ohio Data & Information Service and U.S. Census Bureau
- (2) Computation of per capita personal income multiplied by population.
- (3) U.S. Census Bureau, 2000 Census and American Community Survey Estimates (1-Year and 5-Year)
- (4) Ohio Department of Education website and Cleveland Metropolitan School District website
- (5) Ohio Labor Market Information website (for the City of Cleveland)

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Cleveland Public Library**Cuyahoga County***Full-Time Equivalent Library Employees by Function/Program**Last Nine Years (1)*

Function/Program	2017	2016	2015	2014
Administration and Support				
Director/Deputy Director Office	5.980	4.000	4.000	3.000
Legal Services	3.500	3.500	3.500	1.500
Financial Services	10.500	10.500	10.500	10.500
Human Resources	10.533	10.533	5.363	4.473
Public Relations	6.180	6.000	7.000	7.000
Knowledge Office	4.173	3.200	4.173	3.173
Property Management	48.043	47.363	53.900	55.603
Safety and Protective Services	35.706	27.338	27.911	21.011
Information Technology/CLEVNET	18.000	16.013	17.027	14.980
Technical Services	45.310	48.677	53.047	53.153
Public Services				
Branches				
Branch/Outreach Office	1.000	0.000	1.000	1.000
Branch Substitutes	21.590	23.523	22.243	17.807
Library for the Blind	17.667	18.667	18.667	16.451
Mobile Services	7.237	7.227	6.127	6.780
Addison	7.457	7.520	6.725	6.367
Broadway	0.000	0.000	0.000	0.000
Brooklyn	7.047	7.173	7.100	6.467
Carnegie West	8.037	7.567	7.520	6.693
Collinwood	6.440	8.333	7.320	5.860
East 131	7.327	4.940	4.940	6.623
Eastman	8.933	8.293	9.213	8.283
Fleet	6.767	10.560	8.347	8.133
Fulton	7.473	7.927	8.700	9.087
Garden Valley	6.043	7.047	5.340	5.113
Glenville	8.167	4.930	8.020	7.080
Harvard Lee	6.920	8.867	8.230	7.900
Hough	7.460	7.240	5.480	7.947
Jefferson	9.153	7.153	6.507	5.873
Langston Hughes	7.313	8.773	7.600	6.713
Lorain	6.747	8.210	8.140	6.133
Martin Luther King Jr	6.487	9.193	8.227	7.793
Memorial Nottingham	7.893	8.900	9.060	7.277
Mount Pleasant	7.740	6.347	6.953	7.713
Rice	8.353	7.873	9.493	9.227
Rockport	8.250	6.633	8.447	9.133

2013	2012	2011	2010	2009
3.000	3.000	3.000	3.000	3.513
1.500	1.500	1.000	0.000	0.000
10.500	10.500	8.500	10.000	10.000
7.420	7.373	7.540	6.480	6.680
6.000	6.000	6.000	12.627	7.440
3.307	4.307	4.307	4.267	3.307
51.703	53.297	49.363	47.993	47.765
21.817	23.423	19.987	18.820	23.000
18.080	18.030	19.000	19.000	18.920
53.347	55.520	57.810	56.083	63.715
2.000	2.000	2.000	2.000	3.000
15.127	8.937	8.073	7.327	16.847
19.360	18.933	20.293	18.340	16.327
5.560	7.040	6.330	6.347	5.600
8.613	8.106	7.627	6.573	7.753
0.000	0.000	2.000	1.600	1.600
6.893	6.753	6.677	5.013	7.093
8.147	7.220	7.320	9.080	9.033
7.820	7.920	7.880	5.627	5.620
4.533	5.520	6.520	6.007	7.520
9.227	8.973	9.200	9.820	8.040
9.580	9.546	7.073	8.227	8.413
8.173	7.553	6.400	8.107	8.213
5.820	4.420	5.387	3.647	4.007
7.740	7.753	6.887	7.679	7.443
8.140	7.433	7.667	8.437	8.627
7.660	6.793	6.920	7.113	8.580
6.227	5.780	7.140	5.120	7.420
6.760	6.490	7.907	6.520	5.733
6.371	4.765	7.840	4.973	6.820
7.967	7.793	7.803	7.693	6.960
8.653	7.273	8.273	8.320	8.155
7.667	5.653	6.520	8.067	7.053
9.257	8.960	9.133	8.720	8.217
9.297	6.873	9.493	9.253	10.113

(continued)

Cleveland Public Library

Cuyahoga County

Full-Time Equivalent Library Employees by Function/Program (continued)

Last Nine Years (1)

Function/Program	2017	2016	2015	2014
South	8.060	8.200	7.247	7.707
South Brooklyn	10.033	9.853	8.133	9.020
Sterling	6.773	6.960	7.087	7.780
Union	7.727	7.000	7.840	6.753
Walz	8.190	6.857	7.493	8.120
West Park	10.040	11.053	9.400	10.167
Woodland	7.327	8.100	6.307	7.727
Programming and Outreach Services	9.000	9.000	9.000	9.183
Main Library				
Main Library Office	6.000	4.000	4.007	5.000
Audio Video/Lending	14.677	13.937	14.960	12.500
Business Economics Labor	8.453	8.453	8.320	6.453
Cleveland Digital Public Library	6.693	6.320	7.000	1.000
Fine Arts/Special Collections	9.040	7.453	9.067	9.280
Foreign Literature	6.570	6.460	6.820	6.890
General Reference	0.000	0.000	0.000	0.000
Government Documents	2.000	2.000	1.980	2.000
Center for Local and Global History	8.093	7.453	6.960	5.773
Literature	8.320	9.503	9.087	8.990
Popular Library	8.427	8.613	8.453	9.227
Public Administration Library	2.747	2.747	2.720	2.000
Science and Technology	5.773	5.840	6.440	5.587
Social Sciences	6.773	6.700	8.653	8.533
TechCentral	15.733	14.733	14.153	12.733
Youth Services	5.173	5.427	8.213	7.187
Shelf Office and Pages	14.850	15.443	17.483	17.990
Know It Now	0.000	0.000	0.000	1.000
Totals:	<u>581.898</u>	<u>572.125</u>	<u>582.643</u>	<u>550.446</u>

Method: Using total hours worked by all staff on the last pay date of December divided by a 75-hour biweekly pay period. Beginning 2015, Safety and Protective Services' total hours are divided by an 80-hour biweekly pay period.

(1) Information prior to 2009 is not available

2013	2012	2011	2010	2009
6.717	7.747	6.880	7.927	7.840
9.247	9.507	9.333	10.153	10.190
7.607	8.847	9.420	8.867	7.973
6.693	7.920	7.973	5.973	7.826
7.913	8.020	7.050	8.373	7.947
9.800	9.227	10.293	11.893	10.810
8.760	7.507	6.813	8.290	8.827
9.133	6.053	5.000	0.000	4.000
4.000	6.073	5.633	4.380	1.260
16.493	16.467	15.530	21.417	26.727
6.320	9.907	13.533	11.067	14.067
n/a	n/a	n/a	n/a	n/a
8.140	8.280	10.000	10.000	12.000
5.407	5.377	5.533	6.000	7.000
0.000	0.000	1.000	9.000	12.837
3.453	4.000	4.000	4.000	5.000
7.547	9.000	11.000	10.000	13.000
9.153	8.717	6.000	7.067	6.067
10.697	11.630	8.067	4.533	4.000
3.000	3.000	3.000	3.000	3.000
10.447	10.060	9.000	9.000	12.851
8.807	8.853	8.000	8.497	11.000
10.053	10.133	0.000	0.000	0.000
7.480	6.587	4.213	3.773	6.753
19.596	19.677	30.882	29.116	31.905
2.000	2.000	2.000	2.000	2.000
<u>571.729</u>	<u>566.026</u>	<u>565.023</u>	<u>562.206</u>	<u>613.407</u>

Cleveland Public Library
Cuyahoga County
Capital Assets Statistics by Neighborhood Branches
Last Ten Years

Branch	2017	2016	2015	2014	2013
Addison (8,000 sq ft)					
<i>Built 1990</i>					
Circulation	86,379	101,419	112,002	136,577	148,587
Attendance	60,211	63,704	62,146	72,321	87,776
Collection Count	17,838	18,224	19,302	22,489	23,561
Broadway (1,150 sq ft)					
<i>Leased space 1988-Nov. 2012</i>					
Circulation	0	0	0	0	0
Attendance	0	0	0	0	0
Collection Count	0	0	0	0	0
Brooklyn (5,500 sq ft)					
<i>Built 1919; renovated 1985</i>					
Circulation	52,776	65,510	71,635	81,878	93,016
Attendance	43,043	47,569	42,045	49,522	57,609
Collection Count	20,245	22,346	21,032	20,424	20,200
Carnegie West (28,600 sq ft)					
<i>Built 1910; renovated 1979</i>					
Circulation	137,434	146,365	152,838	168,320	176,688
Attendance	107,785	122,842	186,622	180,128	195,576
Collection Count	25,641	25,881	25,910	28,095	29,823
Collinwood (15,800 sq ft)					
<i>Built 1928; renovated 1980</i>					
Circulation	62,900	82,789	94,094	108,760	121,966
Attendance	66,780	87,695	80,249	88,168	90,422
Collection Count	20,517	19,935	18,499	19,639	20,800
East 131st Street (15,800 sq ft)					
<i>Built 1929; renovated 1979</i>					
Circulation	45,036	48,829	54,812	66,857	66,903
Attendance	86,016	85,552	89,041	88,142	93,792
Collection Count	15,573	15,686	15,449	15,510	15,299

2012	2011	2010	2009	2008
152,724	183,093	165,748	193,211	187,391
83,010	72,606	82,899	103,824	137,419
25,497	29,393	30,657	42,308	48,883
35,715	40,743	42,610	46,814	48,843
18,421	18,073	20,222	26,825	24,036
7,048	9,263	10,549	12,002	12,950
109,167	108,922	102,816	115,152	110,020
55,694	54,761	51,590	56,126	60,295
22,776	23,857	28,523	32,576	34,079
172,840	164,735	155,513	157,946	142,699
205,429	225,437	230,345	261,572	202,015
34,866	40,673	46,274	51,523	57,617
127,053	126,298	131,518	153,531	151,249
83,473	85,807	93,265	113,400	113,182
23,148	28,781	31,649	32,220	37,244
69,715	70,499	58,053	67,661	61,972
89,047	81,120	78,275	80,580	88,142
15,635	17,497	18,833	28,804	30,483

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Cleveland Public Library
Cuyahoga County
Capital Assets Statistics by Neighborhood Branches (Continued)
Last Ten Years

Branch	2017	2016	2015	2014	2013
Eastman (11,400 sq ft)					
<i>Built 1980</i>					
Circulation	180,473	226,088	237,722	252,785	275,432
Attendance	118,387	126,228	122,151	138,529	154,703
Collection Count	40,408	42,741	42,908	43,595	45,974
Fleet (9,000 sq ft)					
<i>Built 1981</i>					
Circulation	115,355	141,271	145,846	169,136	202,290
Attendance	105,435	118,577	119,480	130,267	148,426
Collection Count	18,795	22,801	25,227	29,961	33,306
Fulton (8,600 sq ft)					
<i>Built 1983</i>					
Circulation	124,556	161,960	133,075	173,058	168,345
Attendance	85,714	100,576	87,485	94,896	108,588
Collection Count	32,252	32,144	32,487	31,230	30,972
Garden Valley (3,500 sq ft)					
<i>Current leased space since 2008</i>					
Circulation	37,459	41,403	40,390	46,944	59,956
Attendance	43,661	49,739	51,861	62,097	57,048
Collection Count	13,441	14,083	13,069	12,453	13,888
Glenville (13,100 sq ft)					
<i>Built 1980</i>					
Circulation	62,464	71,700	79,301	98,786	110,936
Attendance	59,998	73,488	96,826	79,139	90,166
Collection Count	16,957	16,801	17,814	20,149	24,067
Harvard-Lee (8,700 sq ft)					
<i>Built 1979</i>					
Circulation	89,276	108,056	110,474	109,856	126,524
Attendance	92,044	90,783	91,217	111,718	114,108
Collection Count	20,457	21,828	20,992	23,397	24,408

2012	2011	2010	2009	2008
237,030	233,862	253,399	234,441	216,276
146,598	145,027	158,413	165,202	156,100
48,870	57,036	58,776	66,092	73,670
189,166	161,990	172,568	179,584	145,010
132,180	126,141	126,041	137,207	139,398
38,144	36,541	43,899	54,045	54,922
146,168	148,064	139,260	121,787	118,417
95,501	95,188	89,996	87,062	88,734
34,575	33,646	40,783	44,004	46,844
65,016	57,095	57,283	55,655	59,973
57,209	61,805	77,338	85,585	84,096
15,753	18,265	18,353	20,219	23,491
114,105	106,841	93,225	111,254	107,074
98,117	92,186	102,634	112,256	109,670
25,550	29,907	30,762	37,971	45,246
122,280	122,398	120,253	128,116	124,991
101,518	105,375	113,229	145,985	159,254
27,090	32,111	38,533	41,838	41,934

(continued)

Cleveland Public Library
Cuyahoga County
Capital Assets Statistics by Neighborhood Branches (Continued)
Last Ten Years

Branch	2017	2016	2015	2014	2013
Hough (7,800 sq ft)					
<i>Opened 1988</i>					
Circulation	51,490	58,685	55,843	63,285	64,411
Attendance	85,117	84,588	122,906	137,401	129,082
Collection Count	15,818	17,329	18,037	18,990	18,993
Jefferson (6,900 sq ft)					
<i>Opened 1988</i>					
Circulation	74,916	82,825	90,390	98,087	108,194
Attendance	58,264	62,903	81,428	87,303	96,000
Collection Count	19,549	21,191	20,969	21,804	22,451
Langston Hughes (8,200 sq ft)					
<i>Built 1998</i>					
Circulation	73,011	80,797	81,435	95,843	100,666
Attendance	82,558	93,911	80,755	88,849	87,610
Collection Count	28,181	29,060	29,789	30,423	29,231
Lorain (8,400 sq ft)					
<i>Built 1912; renovated 1985</i>					
Circulation	81,754	106,911	121,259	138,404	155,842
Attendance	77,254	82,937	85,244	102,420	108,090
Collection Count	19,377	21,541	22,991	25,194	24,946
Martin Luther King, Jr. (17,100 sq ft)					
<i>Built 1970</i>					
Circulation	63,865	97,004	111,278	137,547	121,465
Attendance	72,756	93,191	87,340	83,444	75,843
Collection Count	29,943	30,819	30,784	31,348	30,197
Memorial-Nottingham (15,000 sq ft)					
<i>Built 1994 (part of Lake Shore Facility)</i>					
Circulation	127,723	147,556	151,140	179,584	192,810
Attendance	64,871	68,682	62,578	77,104	102,043
Collection Count	34,545	33,660	31,480	27,984	35,501

2012	2011	2010	2009	2008
75,257	79,029	79,190	90,554	84,044
141,340	165,682	167,134	199,235	217,384
20,601	24,552	26,084	30,269	32,314
119,097	125,293	128,916	150,047	146,070
102,675	99,934	101,882	114,345	114,032
25,490	28,551	29,210	31,839	36,526
93,989	94,860	93,283	87,462	89,667
79,427	77,002	83,021	83,897	89,589
32,661	35,069	38,920	49,919	52,304
150,836	150,565	154,786	163,939	126,994
95,338	91,545	93,554	107,712	100,441
31,120	30,220	32,661	35,473	39,398
102,324	108,668	109,211	116,588	112,499
66,561	70,232	76,713	86,799	92,219
35,268	36,275	39,344	48,428	55,057
202,561	210,316	235,004	243,669	233,257
98,491	99,752	110,306	117,742	122,970
41,315	46,714	55,055	58,234	67,235

(continued)

Cleveland Public Library
Cuyahoga County
Capital Assets Statistics by Neighborhood Branches (Continued)
Last Ten Years

Branch	2017	2016	2015	2014	2013
Mt. Pleasant (7,200 sq ft)					
<i>Opened 1937; renovated 1981</i>					
Circulation	39,059	45,614	55,307	71,723	86,345
Attendance	48,421	63,524	68,259	77,113	76,344
Collection Count	12,121	12,986	15,793	16,514	16,684
Rice (14,000 sq ft)					
<i>Built 2010</i>					
Circulation	109,544	126,498	148,329	150,738	172,793
Attendance	127,143	138,261	151,848	142,561	172,424
Collection Count	31,109	32,047	33,809	34,671	35,447
Rockport (9,200 sq ft)					
<i>Built 1964</i>					
Circulation	180,751	202,054	221,849	252,301	270,933
Attendance	96,452	119,422	118,786	144,589	126,890
Collection Count	31,277	41,805	48,493	50,142	50,013
South (9,500 sq ft)					
<i>Built 1911; Deactivated 2013</i>					
<i>Leasing space (3,688 sq ft)</i>					
<i>March 16, 2013 -</i>					
Circulation	85,866	100,821	101,020	115,694	116,207
Attendance	66,931	75,395	79,649	92,489	93,752
Collection Count	14,355	14,877	13,054	14,558	24,643
South Brooklyn (10,300 sq ft)					
<i>Built 1979</i>					
Circulation	178,078	209,087	223,700	260,635	281,803
Attendance	120,438	172,095	149,791	155,588	160,347
Collection Count	29,368	31,068	33,472	36,388	44,421
Sterling (6,500 sq ft)					
<i>Built 1913</i>					
Circulation	49,849	55,107	60,122	75,031	87,722
Attendance	102,649	121,163	105,686	130,795	150,035
Collection Count	16,010	17,662	18,169	18,846	17,962

2012	2011	2010	2009	2008
88,262	87,799	81,055	102,589	101,443
74,666	78,651	95,700	114,814	112,878
18,693	21,560	24,995	29,498	32,439
167,245	162,701	162,102	111,884	95,720
154,018	167,460	186,074	83,500	74,463
37,940	36,791	36,800	37,224	39,623
285,134	283,241	279,868	286,142	273,060
133,446	156,020	135,152	147,788	148,572
55,824	55,524	58,071	63,564	64,296
111,598	118,840	111,899	137,454	119,892
100,919	103,510	108,352	117,638	115,496
28,361	31,000	29,993	33,635	40,191
268,634	266,329	288,142	309,970	296,427
160,946	170,091	198,337	207,059	198,673
47,523	48,503	50,941	63,641	69,926
88,728	75,907	80,008	90,383	75,628
145,837	163,086	150,856	153,752	149,829
20,247	19,594	20,166	21,779	25,089

(continued)

Cleveland Public Library
Cuyahoga County
Capital Assets Statistics by Neighborhood Branches (Continued)
Last Ten Years

Branch	2017	2016	2015	2014	2013
Union (9,200 sq ft)					
<i>Built 1982</i>					
Circulation	47,723	68,373	80,675	96,951	106,419
Attendance	63,664	70,096	74,425	76,564	72,932
Collection Count	15,380	16,480	18,902	20,947	23,698
Walz (9,600 sq ft)					
<i>Built 1967</i>					
Circulation	149,395	162,094	170,811	196,782	230,606
Attendance	96,409	103,871	94,375	111,135	125,542
Collection Count	34,411	35,695	36,880	36,590	38,555
West Park (14,800 sq ft)					
<i>Built 1928; renovated 1978</i>					
Circulation	200,895	235,179	249,414	264,864	283,683
Attendance	86,837	108,273	104,242	117,319	120,237
Collection Count	40,060	41,347	41,113	40,403	47,567
Woodland (15,300 sq ft)					
<i>Built 1961</i>					
Circulation	85,363	103,505	112,507	127,833	151,815
Attendance	104,762	93,371	84,897	92,658	94,415
Collection Count	19,365	21,877	22,263	23,298	24,098

2012	2011	2010	2009	2008
100,938	85,174	74,070	100,586	99,370
86,900	99,934	122,880	151,247	125,233
26,685	30,539	35,779	37,727	39,371
215,055	217,726	212,027	213,129	197,312
112,276	123,982	127,387	139,167	128,031
43,779	46,408	48,132	52,408	53,909
296,712	309,415	341,010	361,682	352,628
127,672	128,117	144,524	154,877	146,500
59,470	60,553	60,127	63,011	66,357
133,857	126,053	84,378	124,183	137,937
90,254	94,435	65,589	92,582	111,418
26,181	29,290	29,077	35,888	40,691

**Cleveland Public Library
Cuyahoga County**

*Capital Assets Statistics by Main Library, Lake Shore Facility and Woodland Annex
Last Ten Years*

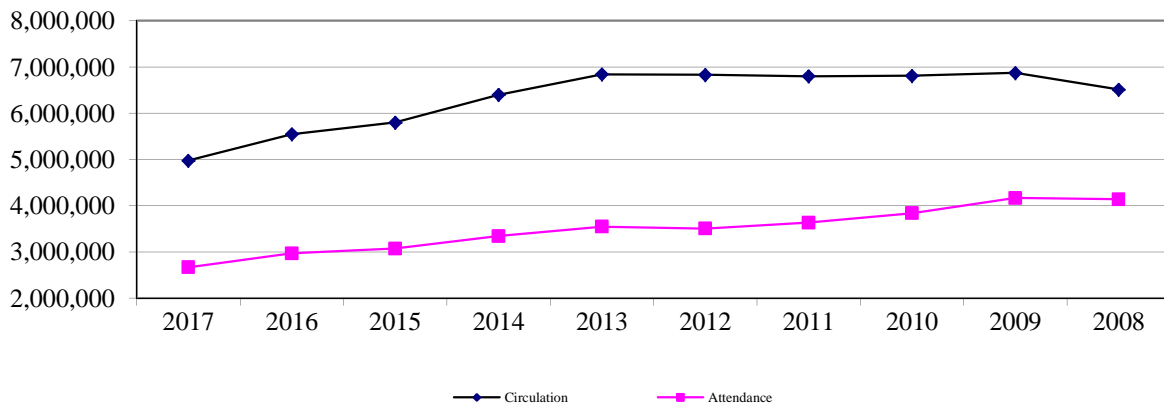
Facility	2017	2016	2015	2014	2013
Main Library (2 buildings)					
Main Building (261,223 sq ft)					
<i>Built 1925; renovated 1999</i>					
Louis Stokes Wing (267,981 sq ft)					
<i>Built 1997</i>					
Circulation	1,280,659	1,385,667	1,485,679	1,585,841	1,726,353
Attendance	444,807	449,613	485,570	524,934	548,562
Collection Count	9,913,712	9,879,685	9,860,853	9,810,719	9,785,000
Lake Shore Facility (147,200 sq ft)					
<i>Opened 1994 in school converted to new use</i>					
Houses:					
Memorial-Nottingham Branch					
Ohio Library for the Blind and Physically Disabled					
Technical Services					
Book Storage					
Meeting Rooms					
Training Center					
Auditorium					
Stock Room					
Woodland Annex (28,500 sq ft)					
<i>Added 2010 to Woodland Branch</i>					
Houses:					
Offices for Mobile Services					
Garage for bookmobile and literacy van					

2012	2011	2010	2009	2008
1,852,676	1,908,246	1,975,622	1,988,704	1,930,610
559,239	570,007	636,500	709,628	717,764
9,843,117	9,883,327	10,102,807	10,330,987	10,137,857

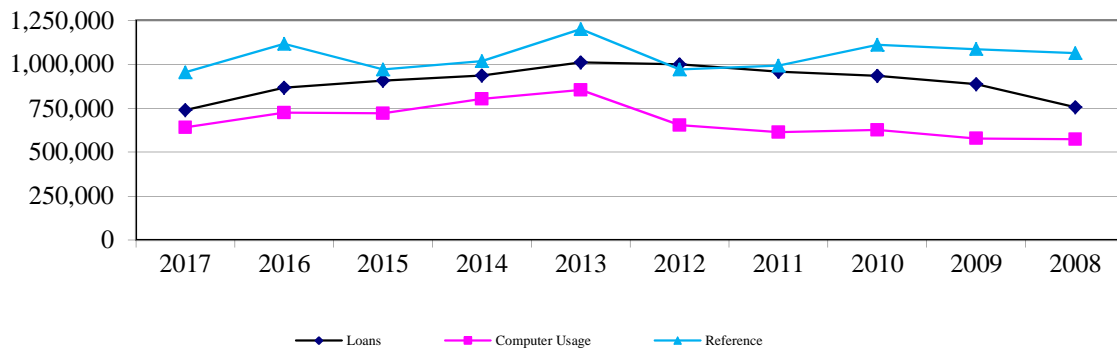
Cleveland Public Library
Cuyahoga County
Operating Indicators
Last Ten Years

	2017	2016	2015	2014	2013
Total Circulation for System (1)	4,976,511	5,546,909	5,800,972	6,399,116	6,840,905
Total Attendance for System (2)	2,668,407	2,968,049	3,071,819	3,344,078	3,545,705
Loans to Other Library Systems	739,395	865,686	906,581	935,317	1,009,506
Computer Usage (in hours)	640,544	724,204	721,082	802,117	853,698
Reference Transactions	954,036	1,115,972	969,699	1,016,860	1,199,098

Circulation and Attendance



Loans to Other Library Systems, Computer Usage and Reference Transactions



(1) Includes eMedia, Ohio Library for the Blind and Physically Disabled and Mobile Services

(2) Includes the Bookmobile

2012	2011	2010	2009	2008
6,830,416	6,799,839	6,809,003	6,873,457	6,514,722
3,505,208	3,632,365	3,836,924	4,166,169	4,137,530
999,060	957,465	933,529	886,602	754,471
653,634	613,302	625,970	577,613	572,882
969,752	991,381	1,110,555	1,085,588	1,062,987

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Our Vision: Cleveland Public Library will be the driving force behind a powerful culture of learning that will inspire Clevelanders from all walks of life to continually learn, share, and seek out new knowledge in ways that are beneficial to themselves, their community, and the world.

Our Mission: We are The People's University, the center of learning for a diverse and inclusive community.

Cleveland Public Library

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Dave Yost • Auditor of State

CLEVELAND PUBLIC LIBRARY

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
AUGUST 2, 2018