



OHIO AUDITOR OF STATE
KEITH FABER



**CINCINNATI AND HAMILTON COUNTY PUBLIC LIBRARY
HAMILTON COUNTY
DECEMBER 31, 2020**

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**CINCINNATI AND HAMILTON COUNTY PUBLIC LIBRARY
HAMILTON COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF TREASURY			
<i>Passed Through Ohio Office of Budget and Management</i>			
COVID-19 - Coronavirus Relief Funds- Public Library Assistance Program	21.019	OMB0100122	\$906,662
<i>Passed Through Hamilton County, Ohio</i>			
COVID-19 - Coronavirus Relief Funds	21.019	P0586584	13,136
Total U.S. Department of Treasury			919,798
FEDERAL INSTITUTE OF LIBRARY AND MUSEUM SERVICES			
<i>Passed through State Library of Ohio</i>			
COVID-19- Library Services and Technology Act (LSTA) Cares Act Funds	45.310	N/A	3,000
Total Federal Institute of Library and Museum Services			3,000
Total Expenditures of Federal Awards			\$922,798

See accompanying notes to the Schedule of Expenditures of Federal Awards

**CINCINNATI AND HAMILTON COUNTY PUBLIC LIBRARY
HAMILTON COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Cincinnati and Hamilton County Public Library (the Library's) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Library, it is not intended to and does not present the financial position or changes in net position of the Library.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The Library has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash
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Blue Ash, Ohio 45242-1817
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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

Cincinnati and Hamilton County Public Library
Hamilton County
80 Vine Street
Cincinnati, Ohio 45202

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 the Cincinnati and Hamilton County Public Library, Hamilton County, (the Library) as of and for the year ended December 31, 2020, 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 17, 2021. We noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Library.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Library's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinion 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 financial statements. 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 report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio
June 17, 2021

OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Cincinnati and Hamilton County Public Library
Hamilton County
80 Vine Street
Cincinnati, Ohio 45202

To the Board of Trustees:

Report on Compliance for the Major Federal Program

We have audited the Cincinnati and Hamilton County Public Library's (the Library) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Cincinnati and Hamilton County Public Library's major federal program for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Library's major federal program.

Management's Responsibility

The Library's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Library's compliance for the Library's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Library's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the Library's major program. However, our audit does not provide a legal determination of the Library's compliance.

Opinion on the Major Federal Program

In our opinion, the Cincinnati and Hamilton County Public Library complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

The Library's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Library's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Library's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Cincinnati and Hamilton County Public Library (the Library) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements. We issued our unmodified report thereon dated June 17, 2021 wherein we noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Library. We conducted our audit to opine on the Library's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Cincinnati and Hamilton County Public Library
Hamilton County
Independent Auditor's Report on Compliance with Requirements
Applicable to the Major Federal Program and on Internal Control Over
Compliance Required by the Uniform Guidance
Page 3

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio
June 17, 2021

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**CINCINNATI AND HAMILTON COUNTY PUBLIC LIBRARY
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2020**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	21.019 Coronavirus Relief Funds
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

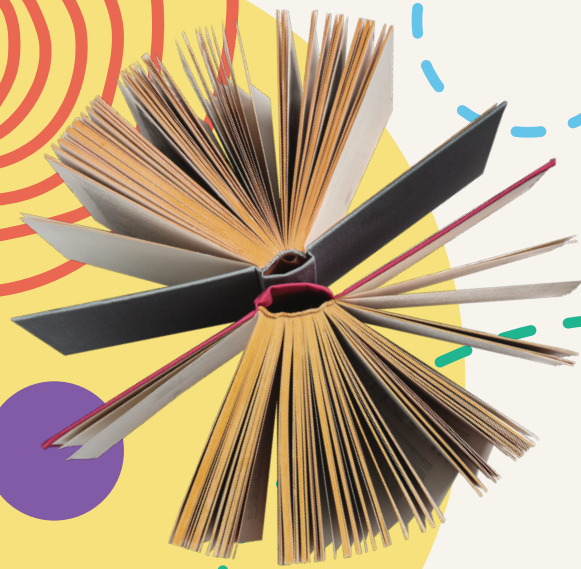
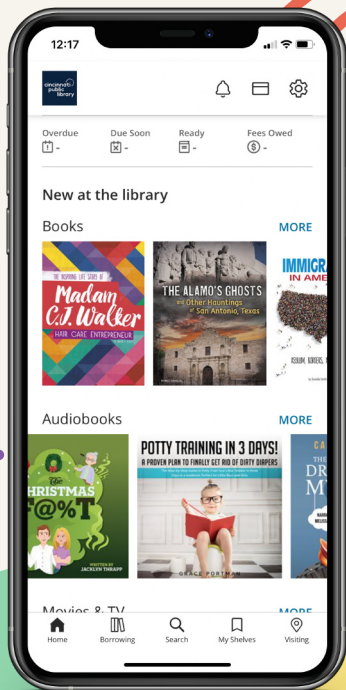
None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

2020 Comprehensive Annual Financial Report

For the Year Ended December 31, 2020



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Introductory Section

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**CINCINNATI AND HAMILTON COUNTY
PUBLIC LIBRARY
CINCINNATI, OHIO**

Comprehensive Annual Financial Report

For the Year Ended December 31, 2020

Issued by:

Molly DeFosse

Fiscal Officer/ Chief Finance & Facilities Officer

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Cincinnati and Hamilton County Public Library

Comprehensive Annual Financial Report

For the Year Ended December 31, 2020

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Cincinnati and Hamilton County Public Library

Comprehensive Annual Financial Report

For the Year Ended December 31, 2020

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June 17, 2021

To the Citizens of Hamilton County and
The Board of Library Trustees of
Cincinnati and Hamilton County Public Library

We are pleased to present to you the Comprehensive Annual Financial Report for Cincinnati and Hamilton County Public Library for the year ended December 31, 2020. This report contains the financial statements and other financial and statistical data that provide complete and full disclosure of all material financial aspects of Cincinnati and Hamilton County Public Library ("The Library"). This Comprehensive Annual Financial Report conforms to generally accepted accounting principles (GAAP) as applicable to governmental entities. The responsibility for the accuracy and completeness of all data presented, and the fairness of the presentation, rests with the management of the Library, specifically the Fiscal Office.

State law requires that every general-purpose local government publish within 150 days of the close of each fiscal year a financial report. This report is published to fulfill that requirement for the year ended December 31, 2020.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from any material misstatements.

The Auditor of State of Ohio has issued an unmodified ("clean") opinion on Cincinnati and Hamilton County Public Library's financial statements for the year ended December 31, 2020. The independent auditor's report is located at the front of the financial section of this report.

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

HISTORY AND DEVELOPMENT

Cincinnati and Hamilton County Public Library dates from 1853; however, its foundations were laid 50 years earlier when, in 1802, efforts were begun to establish the first of a series of subscription libraries. The Public Library occupied several inadequate facilities until 1870, when the burgeoning Cincinnati Library moved into its own building on Vine Street in the heart of downtown. That structure served the Queen City for 85 years until the building at 8th and Vine Streets opened. During that time, the institution acquired a reputation of quality in both its collection and its service.

Eva Jane Romaine Coombe Director

Paula Brehm-Heeger

Board of Library Trustees:

Nadine L. Allen, Retired Judge
Karen R. Clemons
Robert G. Hendon
Monica Donath Kohnen
Elizabeth H. LaMacchia
Gregory W. Olson
Diane Cunningham Redden

*Chief Finance and Facilities Officer /
Fiscal Officer*
Molly DeFosse

Cincinnati and Hamilton County Public Library

The modern era for the Public Library began in 1898 with the establishment of an independent Board of Library Trustees. Within two years, the Main Library opened its' first Children's Room, and the first six branches were added in the nearby suburbs to create a system. The following year, philanthropist Andrew Carnegie agreed to give funds for nine additional branches, seven of which are still in service.

During the depths of the Great Depression, the Ohio legislature passed a tax on intangibles for the financial support of public libraries. This tax on stocks and bonds provided a stable source of funds for five decades, enabling the State's public libraries to grow to meet increasing patron demands and to keep up with the rapid changes in information.

In 1944, the Hamilton County electorate passed a bond issue to build what would be the first modern library in the United States of the post-war period. Eleven years later, the Main Library moved into a newly built facility at its current location at 8th and Vine Streets, just two blocks from its original building. The Library then turned its efforts to enhancing services and branch facilities, adding several new branches and renovating or expanding existing ones. Demand for library materials increased so dramatically that a major addition was made to the Main Library in 1982 and plans were made to construct a half-dozen large library branches to better serve the heavily populated "beltway" areas of the county. The opening of the Sharonville Branch in 1993 completed this master plan.

By the mid-'80s, skyrocketing public demand for downtown library services, a rapidly growing collection, and radical expansion of computerization had once again stretched the Main Library to the limits. After years of planning, an addition to the Main Library was opened in 1997 and renovation of the Main Library south building was completed in 1998. This created a state-of-the-art, seamless main library building of over one half million square feet. In 2008, the Library completed the Main Library for the 21st Century project – a new service model for the Main Library designed to better address changing customer needs. The cost of the building reconfiguration needed to implement this change was more than offset by the operational savings.

The Library continues its' commitment to having a strong presence throughout the county. Throughout 2019, the Library worked on a Facility Master Plan project, engaging over 3,000 community members at over 90 meetings and events. Our goal was to learn first-hand what the needs of community members were so the information could inform the development of a road map for how the Library would re-envision services and spaces at our 41 locations. The Facility Master Plan was published in late 2019 and is guiding the Library for the next ten years. The plan provides a set of recommendations for improving all 41 of our locations, prioritizing those with the most acute accessibility challenges first. A Distribution Center located in Queensgate was opened in 2019 to increase our efficiency with delivery materials throughout the county. Our renovated, expanded and fully accessible Price Hill Branch Library re-opened in April 2021, and construction has begun on the renovation and expansion of our Walnut Hills and Deer Park Branch Libraries. Additionally, in 2020, College Hill, Elmwood Place, Groesbeck, and Madeira all received branch refreshes to replace carpet and furniture and repaint, and North Central received a new HVAC system. In response to the pandemic, we added drive-thru windows at our Anderson, Delhi and Symmes branches, and purchased outdoor furniture for most of our locations so customers could have a safe and comfortable place to access Wi-Fi, read a book and more.

In 2020, in an effort to re-envision the Library's brand and identity and prioritize the need and desire for the Library's name to be inclusive of both the city and the county, the Library formally change the name of the Library from The Public Library of Cincinnati and Hamilton County to Cincinnati and Hamilton County Public Library.

MATERIALS AND SERVICES

Library cards are free to all Ohio residents. Cards are also free through library consortium membership to Kentucky residents of Boone, Campbell and Kenton Counties. The card enables system-wide borrowing privileges, access to the Library's electronic resources and serves as a debit card for copiers and printing. As of the end of 2020 we had nearly 465,600 cardholders.

Cincinnati and Hamilton County Public Library

Our use statistics were high in many areas – circulation was almost 14.6 million, which is a 31% decrease from 2019. This decrease can be attributed to the temporary closure of the library during the pandemic along with reduced hours and capacity limits for a majority of 2020. Print (books and magazines) accounts for 44% of the items borrowed, digital downloads account for 34% of the items borrowed, with the remaining 22% comprised of all forms of audiovisual materials. Our Library was ranked 2nd in the country for circulation behind only New York Public Library. We are delighted that Hamilton County residents value and use their Library so much.

Looking beyond these services, the Library pivoted during the pandemic to meet the changed needs in our community, such as: meal distribution, free COVID-19 testing, help applying for unemployment, assistance for jobseekers, and helping parents and caregivers support their children’s learning from home. These numbers are smaller than our circulation or visit counts but they are certainly just as important.

For several decades the Library has provided a wealth of educational and recreational activities for youth in summer at no cost to families. In 2020, due to the pandemic, we focused on providing resources youth could use at home, including free books, STEM activity booklets, and “take & make” activities. In addition, through a community partnership, we provided weekly meal boxes to youth at about half of our locations, where the need was greatest. The program continues to engage all ages in summer learning activities. Library facilities are open six days per week at 34 branches and seven days per week (via drive-thrus) at the Main Library and Anderson, Covedale, Delhi, Groesbeck, Harrison, Reading, and Symmes Branch Libraries.

The Library’s website (www.CincinnatiLibrary.org) provides online access to the Library’s catalog, extensive reference databases, resources for readers such as our downloadable books, homework help, e-learning opportunities, streaming video service, and information about the Library and its programs. Specialized web pages serve children, teens and older adults. Using the Library’s website, Library cardholders may reserve, request or renew items, pay fines with a credit card, offer comments, ask a reference question and request materials from libraries throughout the world via interlibrary loan. Free Internet access is available at all locations. Self-service equipment at the Main Library and 40 branch libraries enables customers to check out their own materials and make cash and credit card payments.

The downtown Main Library has long served as a resource center for Hamilton County and surrounding counties, and continued to do so during the pandemic. In 2020, popular materials were conveniently accessible in the first floor Popular Library or via the drive-thru, teens had a place of their own on the second floor to participate in remote learning, and adults improved their literacy skills, prepared for the GED, learned how to write a resume and more in the Adult Learning Center. The TechCenter continued to offer state-of-the-art computer technology and computer use access and training, while the MakerSpace provided an opportunity for community members to use specialized equipment like a laser cutter, UV printer, and much more via an appointments process. The Library continues to offer a complete U.S. Patent & Trademark Depository, a U.S. Documents Depository, and an outstanding rare book collection. The Outreach Services Department serves the homebound and despite the pandemic continued to provide programs and book collections to schools, long term care facilities and other institutions. The Virtual Information Center served customers via phone, email and text in their use of Library resources, including databases and downloadable materials. This was an essential service that continued even while our doors were closed to the public from mid-March through mid-May due to the Governor’s stay-at-home order. Their efforts were recently recognized by the National Customer Service Association, receiving an Honorable Mention for their annual NCSA All-Stars Award.

The Library has been an important information and lifelong learning resource for over 150 years and, despite funding challenges, continues to seek ways to fulfill our mission of “*connecting people with the world of ideas and information*”. Recent successes can be directly attributed to the strong focus placed on achieving the six major goals of the Library’s Strategic Plan:

- Increase access to technology and digital content
- Excel in customer service

Cincinnati and Hamilton County Public Library

- Create a sustainable plan for facilities that meets the evolving needs of community members
- Support student success, workforce development, and lifelong learning
- Be good stewards of taxpayer funding
- Become a top place to work in Cincinnati

REPORTING ENTITY

The Library's reporting entity has been defined in accordance with Statement No. 61 of the Governmental Accounting Standards Board. The Library is under the control and management of a Board of Trustees consisting of seven members. Four members of the Board of Library Trustees are appointed by the County Commissioners and three by the judges of the Court of Common Pleas. Board members are appointed for a term of seven years, the term of one trustee expiring each year. At its Annual meeting, the Board organizes for the ensuing year and elects a president, vice president and secretary, and appoints a fiscal officer. There is no potential for the Library to provide a financial benefit to or impose a financial burden on the County Commissioners, nor can the Commissioners significantly influence the programs, activities, or level of service performed or provided by the Library. Although the County Commissioners serve in a ministerial capacity as the taxing authority, the Library is fiscally independent of the county. The Board of Library Trustees makes decisions regarding whether to request approval of a tax, the rate and the purpose(s) of the levy. Once those decisions are made, the County Commissioners must place the levy on the ballot.

The Board reviews and approves an annual budget before the beginning of each year for each fund type at the functional expenditures level. Any necessary re-appropriations require Board approval. Management is responsible for making further breakdowns in the budget, tracking and reporting expenditures throughout the year.

ECONOMIC CONDITIONS AND OUTLOOK

The service area of the Library is the entire 413 square mile area encompassing Hamilton County and the City of Cincinnati (79 square miles), which is located wholly within the county borders. At nearly 819,500 people, Hamilton County's population is slowly increasing. The area remains the largest jurisdiction in the tri-state area and is the center of commerce, as well as a major center of culture, arts, sports, conventions, and tourism. The County's diversified economy, competitive cost structure, skilled work force, access to an international airport, and easy access to national markets continue to provide a strong foundation for future growth.

In January 2008, the Public Library Fund (PLF) replaced the Library and Local Government Support Fund, which had funded Ohio's public libraries since 1986. In establishing the PLF, the state broadened the base of library funding to include all general revenue taxes and fixed the percentage for libraries at 2.2 percent of collections. By mid-2009, the percentage was reduced to 1.97 percent. The 2012-13 biennium budget set library funding at 95% of prior year distributions, less new deductions that fund the Ohio Public Library Information Network (OPLIN) and the Library for the Blind and Physically Handicapped. The 2014-15 biennium budget eliminated the fixed monthly distribution and returned to the percentage of revenue funding approach where the PLF percentage was reset to 1.66% of the GRF. As a result of a statewide campaign in 2014 to educate legislators and members of the media on state funding for Ohio's public libraries, the Ohio General Assembly temporarily increased the PLF from 1.66% to 1.7% for the 2016-17 biennium budget. The 2018-19 biennium budget decreased the percentage from 1.7 percent to 1.68 percent but was returned to 1.7 percent for the second half of calendar year 2019. For the current biennium budget (2020-2021) the percentage remained at 1.7%.

In November 2013, Hamilton County voters overwhelmingly renewed a 1-mill operating levy for ten years for the Library. Over the last several years, the levy revenue has offset the loss of state revenue. In May 2018, Hamilton County voters approved an additional 1-mill operating levy for 10 years first due in 2019. The additional levy money will allow for continued growth and capital projects to be completed in a timely manner.

Cincinnati and Hamilton County Public Library

The PLF remained the primary source of the Library's income in 2020 followed closely by the property tax levy. Additional revenue was derived from fines, gifts, e-rate reimbursements, federal and state grants, investment earnings, rents and services. The Library continues to balance available funding with service needs by seeking grants and gifts and routinely evaluating service delivery efficiencies.

LONG-TERM FINANCIAL PLANNING

The Library maintains a five-year financial projection at all times. 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.

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 Public Library of Cincinnati and Hamilton County for its comprehensive annual financial report for the fiscal year ended December 31, 2019. This was the twenty-seventh year that the Library has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

Auditor Keith Faber presented the Ohio Auditor of State Award with Distinction to the Library for excellence in financial reporting for its comprehensive annual financial report for the year ended December 31, 2019.

In addition, Library Journal awarded the Library a five-star rating, the highest rating possible for the eighth year in a row. The ranking considers per capita circulation, visits, program attendance, and Internet use.

OTHER INFORMATION

Highlights of the Library's financial activities in 2020 are outlined in Management's Discussion and Analysis, starting on page 4, and in the Notes to the Financial Statements.

Special thanks are extended to my Fiscal Office staff for their hard work and dedication in compiling cash reports, accrual information and capital assets information. I would also like to express appreciation to Keith Faber, Auditor of State, and to his Local Government Services staff for their assistance in preparing this report.



MOLLY DEFOSSE
FISCAL OFFICER/CHIEF FINANCE & FACILITIES OFFICER



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**The Public Library
of Cincinnati and Hamilton County
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

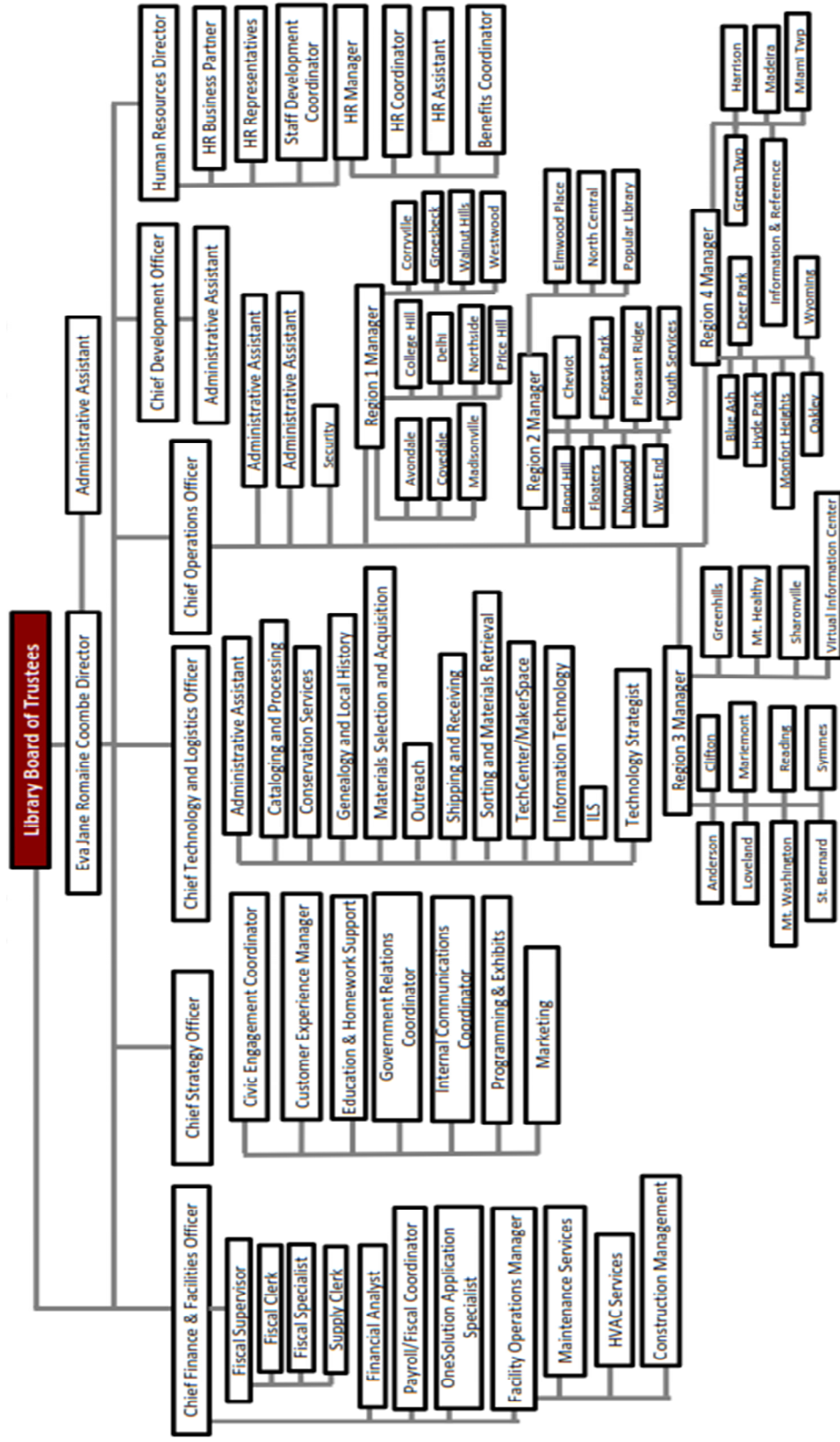
Christopher P. Morill

Executive Director/CEO

CINCINNATI AND HAMILTON COUNTY PUBLIC LIBRARY

ORGANIZATIONAL CHART

DECEMBER 31, 2020



CINCINNATI AND HAMILTON COUNTY PUBLIC LIBRARY

**LIST OF PRINCIPAL OFFICIALS
DECEMBER 31, 2020**

Board of Library Trustees

President	Diane Cunningham Redden
Vice President	Karen R. Clemons
Secretary	Nadine L. Allen
Board Members	Robert G. Hendon Monica Donath Kohnen Elizabeth H. LaMacchia Gregory W. Olson

Appointed Officials

The Eva Jane Romaine Coombe Director	Paula Brehm-Heeger
Fiscal Officer/Chief Finance & Facilities Officer	Molly DeFosse

Senior Leadership Team

Chief Operating Officer	Brett Bonfield
Chief Technology & Logistics Officer	Holbrook Sample
Chief Strategy Officer	Beth Yoke
Chief Development Officer	Staci Dennison
Customer Experience Manager	Justyn Rampa
Facility Operations Manager	Jeff Gerrein
Human Resources Director	Kyla Hardin
Human Resources Manager	Michelle Matthews
ILS Manager	Karen Davis
Information Technology Manager	Bill Lane
Marketing Manager	Chris Rice
Regional Manager	Katie Greifenkamp
Regional Manager	Chris Holt
Regional Manager	Kathy Taylor
Regional Manager	Kathy Bach
Technology Strategist	Ryan Bley

Financial Section

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OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash
11117 Kenwood Road
Blue Ash, Ohio 45242-1817
(513) 361-8550 or (800) 368-7419
SouthwestRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT

Cincinnati and Hamilton County Public Library
Hamilton County
800 Vine Street
Cincinnati, Ohio 45202

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cincinnati and Hamilton County Public Library, Hamilton County, Ohio (the Library), as of and for the year ended December 31, 2020, 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 such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Library, as of December 31, 2020, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 21 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Library. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2021, 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.



Keith Faber
Auditor of State
Columbus, Ohio
June 17, 2021

Cincinnati and Hamilton County Public Library

Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

This comprehensive annual financial report presents Cincinnati and Hamilton County Public Library's financial performance for the year ended December 31, 2020. The report consists of a series of financial statements and notes to those statements, plus other supplementary information. The financial statements are organized to present both the Library's overall financial position – *government-wide financial statements*, plus a detailed look at specific financial activities – *fund financial statements*.

Financial Highlights

Key financial highlights for 2020 are as follows:

- At December 31, the Library's net position was \$119.3 million.
- At the close of the year, the Library's governmental funds reported combined fund balances of \$68.9 million, a \$19.7 million increase from the prior year.
- At December 31, 2020, the Library had no debt.

Government-wide Financial Statements

The government-wide financial statements include all the activities of the Library. The *statement of net position* is the basic government-wide statement of position, presenting information on all of the Library's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position.

The government-wide *statement of activities* presents changes in the net position reported on the government-wide statement of net position. The governmental activities of Cincinnati and Hamilton County Public Library are categorized as either LIBRARY SERVICES, including Public Service and Programs and Collection Development and Processing, or SUPPORT SERVICES, including Facilities Operations and Maintenance, Information Services Support, and Business Administration.

The government-wide financial statements can be found starting on page 11.

Fund Financial Statements

The fund financial statements provide detail of the Library's activities at the fund level. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the Library are governmental funds.

The Library's General Fund, Special Revenue Funds, Capital Projects Funds, and permanent funds are all classified as governmental funds. The funds are reported using the modified accrual accounting method, which measures cash and other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed short-term view of the Library's general governmental operations and the basic services it provides. The statements include the *balance sheet* and the *statement of revenues, expenditures, and changes in fund balances*. A reconciliation of the statement of revenues, expenditures, and changes in fund balances to the statement of activities facilitates a comparison between governmental funds and governmental activities.

The Library presents 14 individual governmental funds during the year ended December 31, 2020. Information is presented in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund. The General Fund, along with the Building and Repair Fund, are the only major funds. The remaining funds are reported together as a single "other governmental" fund. Individual data for several of these nonmajor funds is provided elsewhere in combining statements. Data from all remaining funds is combined with an appropriate fund or in a "various" fund presentation.

The Library adopts an annual appropriated budget for each of its funds. A budgetary comparison statement (Budget and Actual (Budget Basis)) has been provided for each governmental fund that had activity during 2020 to demonstrate compliance with this budget.

Cincinnati and Hamilton County Public Library

Management's Discussion and Analysis

For the Year Ended December 31, 2020

Unaudited

Notes to the Financial Statements

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18-44 of this report.

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2020, the Library's assets plus deferred outflows exceeded liabilities plus deferred inflows of resource by \$119.3 million. The table below provides a comparative analysis of net position between years 2020 and 2019:

	2020	2019	Change
Assets			
Current and Other Assets	\$131,334,203	\$109,971,773	\$21,362,430
Capital Assets, Net	97,404,811	93,950,398	3,454,413
<i>Total Assets</i>	<u>228,739,014</u>	<u>203,922,171</u>	<u>24,816,843</u>
Deferred Outflows of Resources			
Pension	6,065,721	15,826,316	(9,760,595)
OPEB	4,447,485	2,331,782	2,115,703
<i>Total Deferred Outflows of Resources</i>	<u>10,513,206</u>	<u>18,158,098</u>	<u>(7,644,892)</u>
Liabilities			
Current Liabilities	3,847,383	4,271,710	(424,327)
Long-Term Liabilities			
Due Within One Year	1,808,333	1,805,080	3,253
Due in More than One Year:			
Net Pension Liability	37,391,132	51,148,135	(13,757,003)
Net OPEB Liability	26,665,497	25,141,132	1,524,365
Other Amounts	2,147,119	2,138,366	8,753
<i>Total Liabilities</i>	<u>71,859,464</u>	<u>84,504,423</u>	<u>(12,644,959)</u>
Deferred Inflows of Resources			
Property Taxes	35,490,304	35,004,295	486,009
Irrevocable Split-Interest Agreement	674,352	616,742	57,610
Pension	8,131,383	1,244,472	6,886,911
OPEB	3,819,825	346,386	3,473,439
<i>Total Deferred Inflows of Resources</i>	<u>48,115,864</u>	<u>37,211,895</u>	<u>10,903,969</u>
Net Position			
Invested in Capital Assets	97,404,811	93,950,398	3,454,413
Restricted	9,202,711	8,858,566	344,145
Unrestricted	12,669,370	(2,445,013)	15,114,383
<i>Total Net Position</i>	<u>\$119,276,892</u>	<u>\$100,363,951</u>	<u>\$18,912,941</u>

The net pension liability (NPL) and the net OPEB liability are the largest liabilities reported by the Library at December 31, 2020 and are reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions-an amendment of GASB Statement 27" and GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," respectively. 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 OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting the net pension asset and deferred outflows related to pension and OPEB.

Cincinnati and Hamilton County Public Library

*Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited*

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability or net OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability (asset) and the net OPEB liability to equal the Library's proportionate share of each plan's collective:

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

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

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan 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 retirement system is responsible for the administration of the pension and OPEB plans.

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

In accordance with GASB 68 and GASB 75, the Library's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's change in net pension liability (asset) and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

Over time, the net position can serve as a useful indicator of a government's financial position. At December 31, 2020, the Library's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$119,276,892.

Cincinnati and Hamilton County Public Library

Management's Discussion and Analysis

For the Year Ended December 31, 2020

Unaudited

At year end, capital assets represented 42% of total assets. Capital assets include land and land improvements, fine art and rare book collections, construction in progress, buildings and improvements, furniture, fixtures and equipment, and vehicles. The Library uses these assets to provide services; consequently, these assets generally are not available for future spending. This could change if a decision is made in the future to consolidate services or facilities. All of the Library's capital assets are free of outstanding debt.

A portion of the Library's net position, \$9,202,711 represents restricted principal and other resources subject to external restrictions.

Current assets increased from the prior year primarily due to an increase in property tax revenue earmarked for capital projects that have not yet been paid. Long term liabilities decreased due to the decrease in the net pension liability.

The following table explains the change in net position in terms of the Library's governmental activities.

	2020	2019	Change
Revenues			
Program Revenues			
Charges for Services	\$273,150	\$888,323	(\$615,173)
Operating Grants, Contributions and Earnings on Investments	2,293,226	1,629,436	663,790
Capital Grants and Contributions	10,000	-	10,000
General Revenues			
Unrestricted Grants and Contributions	44,612,781	44,968,814	(356,033)
Local Tax	37,478,501	36,921,545	556,956
Other General Revenues	1,339,379	1,106,638	232,741
Total Revenues	<u>86,007,037</u>	<u>85,514,756</u>	<u>492,281</u>
Program Expenses			
Library Services	41,372,900	46,742,393	(5,369,493)
Support Services	25,725,661	27,803,168	(2,077,507)
Total Expenses	<u>67,098,561</u>	<u>74,545,561</u>	<u>(7,447,000)</u>
Increase (Decrease) in Net Position before Contributions	18,908,476	10,969,195	7,939,281
Contributions to Principal	4,465	15,478	(11,013)
<i>Increase (Decrease) in Net Position</i>	<u>18,912,941</u>	<u>10,984,673</u>	<u>7,928,268</u>
<i>Net Position - Beginning of Year</i>	<u>100,363,951</u>	<u>89,379,278</u>	<u>10,984,673</u>
<i>Net Position - End of Year</i>	<u><u>\$119,276,892</u></u>	<u><u>\$ 100,363,951</u></u>	<u><u>\$18,912,941</u></u>

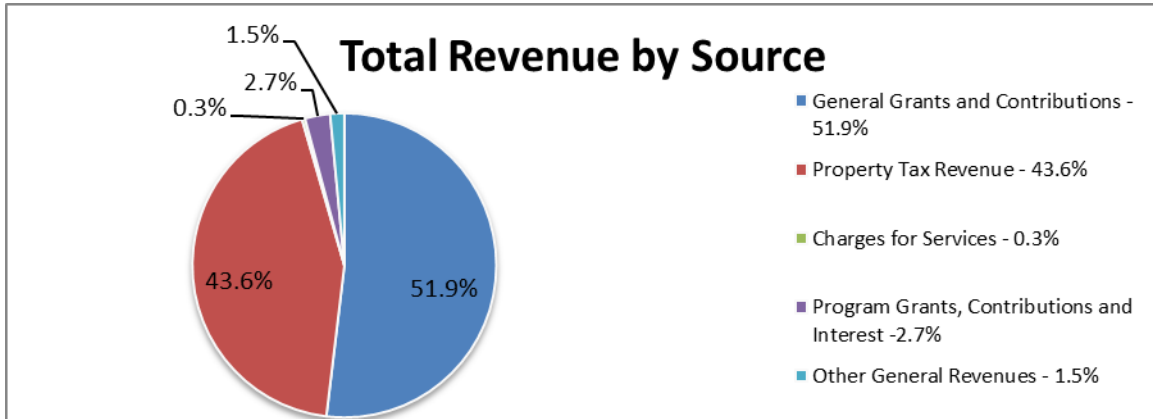
In fiscal year 2020, the Library's total revenues increased by less than 1% which is primarily the result of an increase in federal grants due to the CARES Act offset by a loss of revenue for investment earnings due to the pandemic and a loss of revenue for fines and fees as a result of the Library putting a hold on fines during the pandemic.

Overall program expenses for 2020 decreased 10%. This was the result of a \$4.1 million decrease in program expenses related to pension and OPEB liabilities. The remaining \$3.3 million decrease was due to salary and benefits decreases as a result of delayed implementation of merit increases, temporary salary reductions for the Senior Leadership Team, a reduction in hours for most non-exempt staff as a result of reduced service needs early in the pandemic, and staff furloughs primarily related to reductions in service at the Main Library throughout the pandemic. These savings were partially offset by increases in capital outlay for the continued implementation of the Facility Master Plan and ongoing capital maintenance projects.

Cincinnati and Hamilton County Public Library

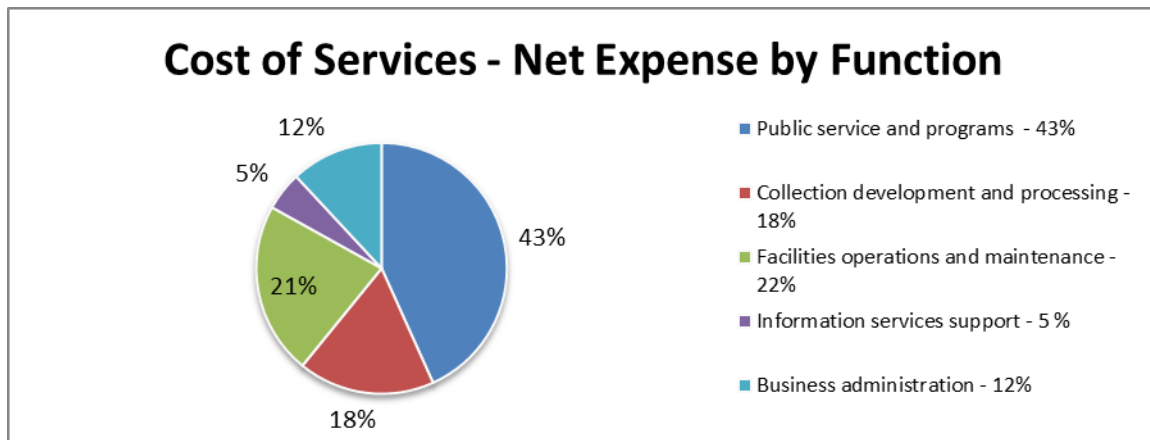
*Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited*

Program revenues (nominal fines and fees) and grants and donations, while important, cannot begin to cover the full cost of providing free public library service, which is dependent upon intergovernmental revenue not restricted to specific programs as well as property taxes. The following graph illustrates the Library's reliance on intergovernmental revenue, specifically the Public Library Fund and a local property tax, which together in 2020 provided 95.5% of the Library's total revenue for governmental activities.



In the words of our Mission Statement, Cincinnati and Hamilton County Public Library's function is to "connect people with the world of ideas and information". It follows then that the expenses for the governmental activity Library Services, which includes both Public Service and Programs and Collection Development and Processing, makes up the largest portion of net expense – 61%. Net expense by function is detailed in the table below and illustrated in the following graph.

Net Expense by Function	2020	2019	Change
Public Service and Programs	\$27,915,547	\$31,794,136	(\$3,878,589)
Collection Development and Processing	11,363,112	13,035,827	(1,672,715)
Facilities Operations and Maintenance	14,314,794	15,095,798	(781,004)
Information Services Support	3,229,284	3,686,620	(457,336)
Business Administration	7,699,448	8,415,421	(715,973)
Total Net Expense by Function	\$64,522,185	\$72,027,802	(\$7,505,617)



Cincinnati and Hamilton County Public Library

Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

Fund Financial Analysis

As previously noted, the General Fund and the Building and Repair Fund are the Library's only major funds. Overall, the fund balance of the General Fund increased \$5,976,425 in 2020. Revenues remained flat while expenditures and other financing uses decreased by 6 percent as a result of decreases in salary and benefit expenses, and decreases in all support services expenses due to the temporary closure of the Library and reduced staffing within the buildings in 2020 due to the pandemic. The fund balance in the Building and Repair Fund increased by \$13,332,107 as a result of the timing of the implementation of the Facility Master Plan and completion of the open capital projects.

General Fund Budgetary Analysis

In 2020, the Library amended its General Fund budget primarily for lower than anticipated public library fund revenue, earnings on investments and fines and fees. The only significant variance from budget to actual in individual expenditure accounts was due to savings on salaries and benefits, and purchased and contracted services. The overall variance was a result of conservative budget estimates in both salaries and benefits and utility expenses.

Actual revenues exceeded the budgeted amount by \$4,675,210 a difference of 5.6% due to higher than anticipated public library fund and property tax revenues. As a result of ongoing management efforts to control operating costs, actual expenditures were \$6,879,790 less than budgeted, a difference of 11.8%.

Capital Assets

As of December 31, 2020, the Library had \$97,404,811 invested in capital assets. The table below provides a comparative analysis of capital assets net of accumulated depreciation between 2020 and 2019. The increase is a result of an increase in Construction in Progress related to the Price Hill renovation project.

	2020	2019	Change
Land	\$14,231,823	\$14,231,823	\$0
Fine Arts and Rare Book Collection	17,614,531	17,614,531	0
Construction in Progress	7,116,870	3,041,818	4,075,052
Land Improvements	274,063	285,012	(10,949)
Buildings and Improvements	54,739,577	55,266,528	(526,951)
Furniture, Fixtures, and Equipment	3,291,620	3,307,581	(15,961)
Vehicles	136,327	203,105	(66,778)
Total Capital Assets	<u>\$97,404,811</u>	<u>\$93,950,398</u>	<u>\$3,454,413</u>

For more information on capital assets, see Note 10 to the basic financial statements.

Debt

The Library had no debt during 2020.

Contacting the Library's Financial Management

This financial report is designed to provide our citizens with a general overview of the Library's finances and to show the Library's accountability for the money it receives. If you have any questions about this report or need additional information, contact Molly DeFosse, Fiscal Officer/Chief Finance & Facilities Officer, Cincinnati and Hamilton County Public Library, 800 Vine Street, Cincinnati, Ohio, 45202.

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Cincinnati and Hamilton County Public Library

Statement of Net Position

December 31, 2020

	Governmental Activities
	<hr/>
<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$62,464,959
Investments	6,084,360
Beneficial Interest in Assets Held by Others	674,352
Accrued Interest Receivable	40,007
Intergovernmental Receivable	22,762,396
Prepaid Items	497,668
Supplies Inventory	278,126
Property Taxes Receivable	38,095,773
Net Pension Asset	436,562
Capital Assets	
Land	14,231,823
Fine Art and Rare Books Collections	17,614,531
Construction in Progress	7,116,870
Depreciable Capital Assets, Net	58,441,587
Total Assets	<hr/> <hr/> 228,739,014
<u>Deferred Outflows of Resources</u>	
Pension	6,065,721
OPEB	4,447,485
Total Deferred Outflows of Resources	<hr/> <hr/> 10,513,206
<u>Liabilities</u>	
Accounts Payable	1,704,346
Contracts Payable	1,276,160
Accrued Salaries Payable	383,943
Intergovernmental Payable	482,934
Noncurrent liabilities:	
Due within one year	1,808,333
Due in more than one year:	
Net Pension Liability (See Note 13)	37,391,132
Net OPEB Liability (See Note 14)	26,665,497
Other Amounts	2,147,119
Total Liabilities	<hr/> <hr/> 71,859,464
<u>Deferred Inflows of Resources</u>	
Property Taxes	35,490,304
Irrevocable Split-Interest Agreement	674,352
Pension	8,131,383
OPEB	3,819,825
Total Deferred Inflows of Resources	<hr/> <hr/> 48,115,864
<u>Net Position</u>	
Invested in Capital Assets	97,404,811
Restricted for Grants, Materials, and Programs	904,573
Restricted for Permanent Funds:	
Collection Development	
Expendable	262,368
Nonexpendable	4,698,565
Employee Training & Awards	
Expendable	93,145
Nonexpendable	487,266
Public Programs	
Expendable	253,264
Nonexpendable	207,631
Other	
Expendable	916,917
Nonexpendable	1,378,982
Unrestricted	12,669,370
Total Net Position	<hr/> <hr/> <hr/> \$119,276,892

See accompanying notes to the basic financial statements.

Cincinnati and Hamilton County Public Library

Statement of Activities

For the Year Ended December 31, 2020

<u>Functions/Programs</u>	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants, Contributions and Earnings on Investments	Capital Grants and Contributions	
Library Services					
Public service and programs	\$29,861,656	\$273,150	\$1,672,959	\$0	(\$27,915,547)
Collection development and processing	11,511,244	0	148,132	0	(11,363,112)
Support Services					
Facilities operations and maintenance	14,324,794	0	0	10,000	(14,314,794)
Information services support	3,701,419	0	472,135	0	(3,229,284)
Business administration	7,699,448	0	0	0	(7,699,448)
Total Governmental Activities	\$67,098,561	\$273,150	\$2,293,226	\$10,000	(64,522,185)
General Revenues:					
Grants and contributions not restricted to specific programs					44,612,781
Property taxes levied for general purposes					37,478,501
Unrestricted earnings on investments					490,250
Miscellaneous					849,129
Contributions to principal for permanent funds					4,465
Total general revenues and contributions					<u>83,435,126</u>
Change in net position					18,912,941
Net position - beginning of the year					<u>100,363,951</u>
Net position - end of the year					<u><u>\$119,276,892</u></u>

See accompanying notes to the basic financial statements.

Cincinnati and Hamilton County Public Library

Balance Sheet

Governmental Funds

December 31, 2020

	<u>General</u>	<u>Building & Repair</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$24,623,220	\$34,606,423	\$3,235,316	\$62,464,959
Investments	0	0	6,084,360	6,084,360
Beneficial Interest in Assets Held by Others	0	0	674,352	674,352
Receivables:				
Accrued Interest	21,962	0	18,045	40,007
Intergovernmental	22,762,396	0	0	22,762,396
Property Taxes	38,095,773	0	0	38,095,773
Prepaid Items	497,668	0	0	497,668
Supplies Inventory	278,126	0	0	278,126
Total Assets	<u>\$86,279,145</u>	<u>\$34,606,423</u>	<u>\$10,012,073</u>	<u>\$130,897,641</u>
<u>Liabilities</u>				
Accounts Payable	\$1,428,527	\$215,789	\$60,030	\$1,704,346
Contracts Payable	0	1,276,160	0	1,276,160
Accrued Salaries Payable	383,943	0	0	383,943
Intergovernmental Payable	482,934	0	0	482,934
Total Liabilities	<u>2,295,404</u>	<u>1,491,949</u>	<u>60,030</u>	<u>3,847,383</u>
<u>Deferred Inflows of Resources</u>				
Property Taxes	35,490,304	0	0	35,490,304
Unavailable Revenue	21,866,019	0	74,980	21,940,999
Irrevocable Split-Interest Agreement	0	0	674,352	674,352
Total Deferred Inflows of Resources	<u>57,356,323</u>	<u>0</u>	<u>749,332</u>	<u>58,105,655</u>
<u>Fund Balances</u>				
Nonspendable	775,794	0	6,772,444	7,548,238
Restricted	0	0	2,430,267	2,430,267
Committed	80,000	0	0	80,000
Assigned	1,161,556	33,114,474	0	34,276,030
Unassigned	24,610,068	0	0	24,610,068
Total Fund Balances	<u>26,627,418</u>	<u>33,114,474</u>	<u>9,202,711</u>	<u>68,944,603</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$86,279,145</u>	<u>\$34,606,423</u>	<u>\$10,012,073</u>	<u>\$130,897,641</u>

See accompanying notes to the basic financial statements.

Cincinnati and Hamilton County Public Library
Reconciliation of Total Governmental Fund Balances
To Net Position of Governmental Activities
December 31, 2020

Total fund balances in governmental funds		\$68,944,603
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		97,404,811
The net pension asset, net pension liability and net OPEB liability are not due and payable in the current period; therefore, the asset, liabilities and related deferred inflows/outflows are not reported in governmental funds:		
Net Pension Asset	436,562	
Deferred Outflows- Pension	6,065,721	
Deferred Inflows- Pension	(8,131,383)	
Net Pension Liability	(37,391,132)	
Deferred Outflows- OPEB	4,447,485	
Deferred Inflows- OPEB	(3,819,825)	
Net OPEB Liability	<u>(26,665,497)</u>	(65,058,069)
Some of the Library's revenues will be collected after year-end, but are not available soon enough to pay for the current period expenditures and therefore are deferred in the funds:		
Intergovernmental revenue	19,335,530	
Property taxes	<u>2,605,469</u>	21,940,999
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds		
Compensated absences payable		<u>(3,955,452)</u>
Net Position of governmental activities		<u><u>\$119,276,892</u></u>

See accompanying notes to the basic financial statements.

Cincinnati and Hamilton County Public Library
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020

	General	Building & Repair	Other Governmental	Total Governmental Funds
Revenues				
Intergovernmental	\$43,791,200	\$0	\$966,156	\$44,757,356
Property taxes	36,985,382	0	0	36,985,382
Fines and fees	273,150	0	0	273,150
Earnings on investments	453,671	0	324,527	778,198
Contributions, gifts and donations	82,500	0	412,012	494,512
Miscellaneous	1,333,224	0	0	1,333,224
Total Revenues	82,919,127	0	1,702,695	84,621,822
Expenditures				
Current				
Library Services				
Public service and programs	25,131,728	0	972,034	26,103,762
Collection development and processing	11,128,277	0	49,261	11,177,538
Support Services				
Facilities operations and maintenance	7,438,453	2,825,210	0	10,263,663
Information services support	3,445,853	0	0	3,445,853
Business administration	7,059,228	0	54,820	7,114,048
Capital Outlay	239,163	6,342,683	282,435	6,864,281
Total Expenditures	54,442,702	9,167,893	1,358,550	64,969,145
Excess (deficiency) of revenues over (under) expenditures	28,476,425	(9,167,893)	344,145	19,652,677
Other Financing Sources (Uses)				
Transfers in	0	22,500,000	0	22,500,000
Transfers out	(22,500,000)	0	0	(22,500,000)
Total Other Financing Sources (Uses)	(22,500,000)	22,500,000	0	0
Net change in fund balances	5,976,425	13,332,107	344,145	19,652,677
Fund balances - beginning of year	20,650,993	19,782,367	8,858,566	49,291,926
Fund balances - end of year	\$26,627,418	\$33,114,474	\$9,202,711	\$68,944,603

See accompanying notes to the basic financial statements.

Cincinnati and Hamilton County Public Library
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, 2020

Net change in fund balances - total governmental funds \$19,652,677

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 and reported as depreciation expense. This is the amount by which capital asset additions exceeded depreciation in the current period. These items include:

Capital assets additions, net	6,864,281	
Depreciation expense	<u>(3,365,385)</u>	
		3,498,896

Governmental funds only report the disposal of capital assets to the extent the proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each disposal.

Loss on disposal of capital assets		(44,483)
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Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

Pension	3,490,875	
OPEB	<u>59,611</u>	
		3,550,486

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

Pension	(6,180,597)	
OPEB	<u>(2,941,712)</u>	
		(9,122,309)

Because some revenues will not be collected for several months after the Library's year-end, they are not considered "available" revenues and are deferred in governmental funds. Deferred inflows changed by these amounts:

Decrease in intergovernmental revenue	896,561	
Increase in property taxes	<u>493,119</u>	
		1,389,680

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. The items include:

Increase in compensated absences		<u>(12,006)</u>
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Change in net position of government activities		<u><u>\$18,912,941</u></u>
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See accompanying notes to the basic financial statements.

Cincinnati and Hamilton County Public Library
Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual (Budget Basis)
General Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues				
Intergovernmental	\$44,002,668	\$40,803,661	\$43,636,573	\$2,832,912
Property taxes	35,002,131	35,002,131	36,985,382	1,983,251
Fines and fees	893,000	283,007	273,150	(9,857)
Earnings on investments	802,000	653,000	441,381	(211,619)
Services provided to other entities	10,000	10,000	0	(10,000)
Contributions, gifts and donations	285,000	285,000	82,500	(202,500)
Miscellaneous	1,040,201	1,040,201	1,333,224	293,023
Total Revenues	<u>82,035,000</u>	<u>78,077,000</u>	<u>82,752,210</u>	<u>4,675,210</u>
Expenditures				
Current				
Salaries and benefits				
Salaries and leave benefits	34,092,337	31,592,337	28,613,192	2,979,145
Retirement benefits	4,696,963	4,346,963	3,909,829	437,134
Insurance benefits	4,639,536	5,139,536	5,035,930	103,606
Supplies	1,857,319	1,832,319	1,247,345	584,974
Purchased and contracted services	11,619,133	11,036,133	9,513,208	1,522,925
Library materials and information	10,364,735	9,364,735	9,364,735	0
Other objects	661,640	661,640	640,973	20,667
Capital outlay	1,358,898	1,358,898	127,559	1,231,339
Total Expenditures	<u>69,290,561</u>	<u>65,332,561</u>	<u>58,452,771</u>	<u>6,879,790</u>
Excess (deficiency) of revenues over (under) expenditures	12,744,439	12,744,439	24,299,439	11,555,000
Other financing sources (uses)				
Transfers out	(22,500,000)	(22,500,000)	(22,500,000)	0
Total other financing sources (uses)	<u>(22,500,000)</u>	<u>(22,500,000)</u>	<u>(22,500,000)</u>	<u>0</u>
Net change in fund balance	(9,755,561)	(9,755,561)	1,799,439	11,555,000
Fund balance at beginning of year	15,890,000	15,890,000	15,890,000	0
Prior year encumbrances appropriated	3,525,561	3,525,561	3,525,561	0
Fund balance at end of year	<u>\$9,660,000</u>	<u>\$9,660,000</u>	<u>\$21,215,000</u>	<u>\$11,555,000</u>

See accompanying notes to the basic financial statements.

Cincinnati and Hamilton County Public Library

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2020*

NOTE 1 - REPORTING ENTITY

The Library was founded in 1853 as a school district library of the Cincinnati School Board. In 1898 when State laws were changed, The Public Library of Cincinnati and Hamilton County, Hamilton County, Ohio (the "Library") was established as a county district library completely separate from the Cincinnati School Board. In 2020, in an effort to re-envision the Library's brand and identity and to prioritize the need and desire for the Library's name to be inclusive of both the city and the county, the Library formally changed the name of the Library to Cincinnati and Hamilton County Public Library. Currently there is a main library located in downtown Cincinnati, a distribution center and 40 branches located throughout Hamilton County.

The Board of Library Trustees has a membership of seven: three appointed by the Common Pleas Court Judges, and four by the Hamilton County Commissioners. Appointments are for seven-year terms and members serve without compensation. Under Ohio statutes, the Library is a body politic and corporate capable of suing and being sued, contracting, acquiring, holding, possessing and disposing of real and personal property, and of exercising such other powers and privileges as are conferred upon it by law. The Library also determines and operates under its own budget. The control and management of the Library is governed by sections 3375.22 to 3375.27 of the Ohio Revised Code. The Board of Library Trustees appoints the Eva Jane Romaine Coombe Director and Fiscal Officer to administer the day-to-day operations of the Library.

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

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

Component units are legally separate organizations for which the Library is financially accountable. The Library is financially accountable for an organization if the Library appoints a voting majority of the organization's governing board and (1) the Library is able to significantly influence the programs or services performed or provided by the organization; or (2) the Library is legally entitled to or can otherwise access the organization's resources; the Library is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Library is obligated for the debt of the organization. Component units may also include organizations for which the Library approves the budget, the issuance of debt or the levying of taxes. The Library has no component units.

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.

Governmental-wide Financial Statements

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

Cincinnati and Hamilton County Public Library

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2020*

that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants, contributions and interest that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Library, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function 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. Non-major funds are aggregated and presented in a single column.

Fund Accounting

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

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

The Library's major governmental funds are the General Fund and the Building and Repair Fund. The General Fund accounts for and reports all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the Library for any purpose provided it is expended or transferred according to the general laws of Ohio. The Building and Repair Fund is used to account for transfers from the General Fund to be used for the acquisition of property for future capital construction, for major capital improvements, and for emergency repair of library facilities.

The other governmental funds of the Library account for grants and other resources where use of the asset is restricted to a particular purpose.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets plus deferred outflows of resources and liabilities plus 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 current liabilities plus 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.

Cincinnati and Hamilton County Public Library

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2020*

Basis of Accounting

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

Revenues-Exchange and Non-Exchange 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. "Measurable" means the amount of the transaction can be determined and "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 31 days of year-end.

Non-exchange transactions, in which the Library receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Library must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Library on a reimbursement basis. On a modified accrual basis, revenue from non-exchange 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: entitlements and earnings on investments.

Deferred Outflows of Resources and Deferred 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 and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 13 and 14.

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 as an inflow of resources (revenue) until that time. For the Library, deferred inflows of resources include property taxes, irrevocable split-interest agreement, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2020, but which were levied to finance year 2021 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. Deferred inflows related to irrevocable split-interest agreements have also been recorded 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 delinquent property taxes and intergovernmental grants. 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 Position of Governmental Activities found on page 14. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position. (See Notes 13 and 14)

Cincinnati and Hamilton County Public Library

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2020*

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.

Budgetary Process

The budgetary process is prescribed by internal control guidelines and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources, as certified. All funds are required to be budgeted and appropriated. Budgetary control is maintained at the object level within each fund. Budgetary modifications may only be made by resolution of the Board of Library Trustees.

Budget

In 2003, Ohio Senate Bill 55 made changes (effective January 8, 2004) to Ohio Revised Code Section 5705.28, the section of law that requires the Library to submit an annual budget. As revised, Section 5705.281 provides that in any county in which a single library receives all of the county library and local government support fund or receives all of that portion of the fund that is distributed to libraries, the county budget commission may waive the requirement that the public library certify to the taxing authority its estimate of contemplated revenue and expenditures. However, if the county budget commission waives this requirement, it can require the library to provide any information the commission requires to perform its duties under this chapter. In response to a request by the Library Board of Trustees, the Hamilton County Budget Commission, on January 28, 2005, approved a motion to allow the Library to file a modified tax budget for 2006, in a simplified but more useful format. This approval has been reviewed on an annual basis since 2007.

Estimated Resources

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

Appropriations

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

Cash and Cash Equivalents

Cash received by the Library is pooled in a common group of bank accounts. Moneys for all funds, except the unexpended portion of permanent funds, are maintained in the accounts or temporarily used to purchase investments. Individual fund integrity is maintained through Library records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

Cincinnati and Hamilton County Public Library

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2020*

During 2020, investments included U.S. Savings Bonds, Federal Agency Notes, US Treasury Notes, money market mutual funds, negotiable certificates of deposits and STAROhio.

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 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$100 million or more. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Investments, except for non-participating investment contracts, are reported at fair value which is based on quoted market prices. For investments in money market mutual funds, the fair value is determined by the fund's current share price.

Ohio statutes specify the funds to receive an allocation of interest earnings. Interest and dividend revenue credited to the General Fund during 2020 amounted to \$453,671, which includes \$260,259 assigned from other Library funds.

Investments of the cash management pool and investments with a maturity of three months or less at the time they are purchased by the Library are presented on the financial statements as "Equity in Pooled Cash and Cash Equivalents".

Beneficial Interest

The Library is reporting a *Beneficial Interest in Assets Held by Others* which represents the Library's right to a portion of the benefits from donated resources pursuant to a split-interest agreement in which a donor entered into a trust with characteristics that are equivalent to a split-interest agreement and transferred the resources to a third party intermediary. The portion of the *Beneficial Interest in Assets Held by Others* which represents cash is measured at cost while the portion represented by investments is measured at fair value. These amounts are offset by an *Irrevocable Split-Interest Agreement Deferred Inflow*.

Inventory of Supplies

Inventory is stated at cost on a first-in, first-out basis and is 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, 2020, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which services are consumed.

Capital Assets

All capital assets of the Library are general capital assets that are associated with governmental activities. General capital assets result from expenditures in the governmental funds. These 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.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The Library was able to estimate the historical cost for the initial reporting of infrastructure by back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using

Cincinnati and Hamilton County Public Library

Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The Library maintains a capitalization threshold of \$1,500. The Library does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets, except land, construction in progress, and fine art and rare books collections, are depreciated. Fine art and rare books collections are considered inexhaustible. Improvements are depreciated over the remaining useful lives of the related capital assets and leasehold improvements (included in building improvements) are depreciated over the life of the lease. Depreciation is computed using the straight-line method over the following useful lives:

Land Improvements	10 - 30 years
Buildings and Improvements	25 - 50 years
Furniture, Fixtures and Equipment	5 – 25 years
Vehicles	6 years

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributed to services already rendered and it is probable that the Library will compensate the employees for the benefits through paid time off or some other means.

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 the benefits will result in termination payments. The liability is based on the Library's past experience in making termination payments.

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

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

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

Enabling legislation authorizes the Library to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and include a legally enforceable requirement that those resources be used only for specific purposes stipulated in the legislation. Legal enforceability means the Library can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for purposes specified by the legislation.

Committed - The committed classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Board of Library Trustees. The committed amounts cannot be used for any other purpose unless the Board of Library Trustees removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process.

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Constraints imposed on the use of committed amounts are imposed by the Board of Library Trustees, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the Library for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board of Library Trustees. State statute authorizes the Fiscal Officer to assign fund balance for purchases on order provide such amounts have been lawfully appropriated.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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.

Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements.

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.

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, and are reported as obligations of the funds. However, compensated absences 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 fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

Net Position

Net Position represents the difference between all other elements on 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 borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include amounts legally restricted or donor designated for specific purposes. The Library's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Cincinnati and Hamilton County Public Library

*Notes to the Basic Financial Statements
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Estimates

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

Pensions/Other Post Employment Benefits (OPEB)

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

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES

For 2020, the Library implemented Governmental Accounting Standards Board (GASB) Statement No. 91, Conduit Debt Obligations.

For 2020, the Library implemented the Governmental Accounting Standards Board's (GASB) *Implementation Guide No. 2019-2*. These changes were incorporated in the Library's 2020 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 91 aims to provide a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. These changes were incorporated in the Library's 2020 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 requires accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

The statement of revenues, expenditures, and changes in fund balance - budget and actual (budget basis) for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

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

Net Change in General Fund Balance

GAAP Basis	\$5,976,425
Revenue Accruals	(166,917)
Expenditure Accruals	(1,442,443)
Encumbrances	(2,567,626)
Budget Basis	<u>\$1,799,439</u>

Cincinnati and Hamilton County Public Library

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2020*

NOTE 5 - DEPOSITS AND INVESTMENTS

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

Active deposits are public deposits necessary to meet current demands on the treasury. Such moneys 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 Library has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing no 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 moneys. Interim moneys are those moneys which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

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

Interim moneys may be invested in the following securities:

- A. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
- B. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- C. No-load money market mutual funds consisting exclusively of obligations described in (A) or (B) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
- D. Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
- E. 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;
- F. The State Treasurer's investment pool (STAR Ohio) and any other investment alternative offered to political subdivisions by the Treasurer of State;
- G. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and

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- H. Written repurchase agreements in the securities described in (A) or (B) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

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.

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 treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

Investments

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 below table identifies the Library's recurring fair value measurements as of December 31, 2020. As discussed further in Note 2, STAR Ohio is reported at its share price (Net Asset value per share). The First American Treasury Obligation Mutual Funds are measured at fair value and are valued using quoted market prices (Level 1 inputs). The Library's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

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Investments are reported at fair value. As of December 31, 2020, the Library had the following investments:

Measurement/Investment	Measurement Amount	Investment Maturities (in Years)			
		Less than 1	1-2	2-3	3-5
Net Asset Value Per Share					
StarOhio	\$1,119,403	\$1,119,403	\$0	\$0	\$0
Fair Value- Level One Inputs					
First American Treasury Obligation Mutual Funds	784,093	784,093	0	0	0
Fair Value- Level Two Inputs					
Negotiable Certificates of Deposit	5,314,420	1,765,047	1,017,830	1,280,523	1,251,020
Federal Farm Credit Bank Notes	5,251,464	0	1,249,775	859,124	3,142,565
Federal Home Loan Mortgage Corporation Medium Term Notes	4,677,369	0	550,518	626,079	3,500,772
Federal Home Loan Bank Notes	600,642	0	300,195	0	300,447
Federal National Mortgage Association Notes	3,915,311	0	0	3,615,377	299,934
US Treasury Notes	639,165	0	0	318,726	320,439
Total Fair Value - Level Two Inputs	20,398,371	1,765,047	3,118,318	6,699,829	8,815,177
Total Investments	\$22,301,867	\$3,668,543	\$3,118,318	\$6,699,829	\$8,815,177

Interest Rate Risk

The Library's investment policy does not address interest rate risk. State statute requires an investment to mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Library, and that an investment must be purchased with the expectation that it will be held until maturity. It has been the practice of the Library to immediately sell contributed investments that do not meet the Library's investment policy, unless the sale will result in a substantial loss.

Credit Risk

The Federal Home Loan Bank notes, Federal National Mortgage Association notes, Federal Home Loan Mortgage Corporation notes, Federal Farm Credit Bank notes, US Treasury Notes and First American Treasury Obligation Mutual Fund all carry ratings of Aaa by Moody's. Negotiable Certificates of Deposits were fully insured by FDIC. STAROhio carries a rating of AAAM by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized rating service and that the money market mutual funds be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service. The Library has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

The Library places no limit on the amount it may invest in any one issuer. Of the Library's total investments, 21 percent are in Federal Home Loan Mortgage Corporation notes, 18 percent are Federal National Mortgage notes, and 24 percent are Federal Farm Credit Bank notes.

NOTE 6 – BENEFICIAL INTEREST

The Beneficial Interest in Assets Held by Others reported at December 31, 2020, is related to a charitable remainder trust using a third party as an intermediary. The balance of \$674,352 includes depository balances of \$47,209 measured at cost and recurring fair value measurement of various mutual fund balances of \$627,143 measured at fair value using quoted market prices (level 1 input) (See Note 5 for definition of input levels).

Cincinnati and Hamilton County Public Library

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NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility located in the Library district. Property tax revenue received during 2020 for real and public utility property taxes represents collections of 2019 taxes.

2020 real property taxes are levied after October 1, 2020, on the assessed value as of January 1, 2020, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2020 real property taxes are collected in and intended to finance 2021 operations.

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. 2020 public utility property taxes became a lien December 31, 2019, are levied after October 1, 2020, and are collected in 2020 with real property taxes.

The full tax rate for all Library operations for the year ended December 31, 2020, was \$2.00 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2020 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$18,531,556,280
Public Utility Personal	1,157,539,060
Total	<u>\$19,689,095,340</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Library. The County Auditor periodically remits to the Library its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2020, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2020 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.

NOTE 8 – TAX ABATEMENTS

For 2020, the Library’s property tax revenues were reduced by \$388,211 under various tax abatement agreements entered into by the City of Cincinnati, City of Sharonville, City of Norwood, Village of Mariemont and various other municipalities in Hamilton County.

NOTE 9 - RECEIVABLES

Receivables at December 31, 2020, consisted of accrued earnings on investments, intergovernmental, and property taxes. Intergovernmental receivables consisted of \$21,648,750 from the Public Library Fund and \$1,113,646 for homestead and rollback taxes. It is all recorded in the General Fund. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. All other receivables are considered fully collectible and will be received in one year due to the stable condition of state programs.

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NOTE 10 – CAPITAL ASSETS

Changes in capital assets during the year ended December 31, 2020, were as follows:

	<u>Balance at 12/31/2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at 12/31/2020</u>
<u>Governmental Activities</u>				
Capital Assets, Not Being Depreciated:				
Land	\$14,231,823	\$0	\$0	\$14,231,823
Fine Art and Rare Book Collections	17,614,531	0	0	17,614,531
Construction in Progress	<u>3,041,818</u>	<u>6,119,167</u>	<u>(2,044,115)</u>	<u>7,116,870</u>
Total Capital Assets, Not Being Depreciated	<u>34,888,172</u>	<u>6,119,167</u>	<u>(2,044,115)</u>	<u>38,963,224</u>
Capital Assets Being Depreciated:				
Land Improvements	891,662	22,849	(18,630)	895,881
Buildings and Improvements	111,204,022	2,255,543	(170,948)	113,288,617
Furniture, Fixtures and Equipment	15,856,239	510,837	(9,427)	16,357,649
Vehicles	<u>625,533</u>	<u>0</u>	<u>0</u>	<u>625,533</u>
Totals Capital Assets, Being Depreciated	<u>128,577,456</u>	<u>2,789,229</u>	<u>(199,005)</u>	<u>131,167,680</u>
Less Accumulated Depreciation:				
Land Improvements	(606,650)	(29,451)	14,283	(621,818)
Building and Improvements	(55,937,494)	(2,743,547)	132,001	(58,549,040)
Furniture, Fixtures and Equipment	(12,548,658)	(525,609)	8,238	(13,066,029)
Vehicles	<u>(422,428)</u>	<u>(66,778)</u>	<u>0</u>	<u>(489,206)</u>
Total Accumulated Depreciation	<u>(69,515,230)</u>	<u>(3,365,385) *</u>	<u>154,522</u>	<u>(72,726,093)</u>
Total Capital Assets Being Depreciated, Net	<u>59,062,226</u>	<u>(576,156)</u>	<u>(44,483)</u>	<u>58,441,587</u>
Governmental Activities Capital Assets, Net	<u>\$93,950,398</u>	<u>\$5,543,011</u>	<u>(\$2,088,598)</u>	<u>\$97,404,811</u>

*Depreciation expense is charged to facilities and maintenance operations as this is the function where most assets are used.

NOTE 11 – LEASES

The Library leases various buildings for library service operations under noncancelable operating leases. The total cost for these leases was \$348,702 for the year ended December 31, 2020. The future minimum lease payments for these leases are as follows:

<u>Year Ending December 31,</u>	
2021	\$359,944
2022	332,423
2023	313,337
2024	313,337
2025	315,365
2026-2031	<u>1,437,395</u>
Total minimum lease payments	<u>\$3,071,801</u>

NOTE 12 – INTERFUND ACTIVITY

Interfund Transfers

During 2020, there was one transfer from the General Fund to the Building and Repair Fund for \$22,500,000 for ongoing maintenance projects.

Cincinnati and Hamilton County Public Library

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NOTE 13 - DEFINED BENEFIT PENSION PLAN

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability (Asset)/Net OPEB Liability

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

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

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a net pension/OPEB asset or a long-term net pension/OPEB liability on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 14 for the required OPEB disclosures.

Plan Description - Ohio Public Employees Retirement System (OPERS)

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 combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

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Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

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

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment of the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At

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retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

	<u>State and Local</u>
2020 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
 2020 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	<u>0.0 %</u>
 Total Employer	<u><u>14.0 %</u></u>
 Employee	<u><u>10.0 %</u></u>

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

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

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

For 2020, The Library's contractually required contribution was \$3,370,218 for the traditional plan, \$120,657 for the combined plan and \$149,028 for the member-directed plan. Of these amounts, \$493,237 is reported as an intergovernmental payable for the traditional plan, \$17,651 for the combined plan, and \$21,812 for the member-directed plan.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability (asset) was based on the Library's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the Library's defined benefit pension plans:

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	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:			
Current Measurement Date	0.18917200%	0.20935800%	
Prior Measurement Date	<u>0.18675400%</u>	<u>0.21085200%</u>	
Change in Proportionate Share	<u>0.00241800%</u>	<u>-0.00149400%</u>	
Proportionate Share of the:			
Net Pension Liability	\$37,391,132	\$0	\$37,391,132
Net Pension Asset	0	(436,562)	(436,562)
Pension Expense	6,137,126	43,471	6,180,597

2020 pension expense for the member-directed defined contribution plan was \$208,639. The aggregate pension expense for all pension plans was \$6,389,236 for 2020.

At December 31, 2020, the Library reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes of assumptions	\$1,997,124	\$45,014	\$2,042,138
Changes in proportion and differences between Library contributions and proportionate share of contributions	531,180	1,528	532,708
Library contributions subsequent to the measurement date	<u>3,370,218</u>	<u>120,657</u>	<u>3,490,875</u>
Total Deferred Outflows of Resources	<u>\$5,898,522</u>	<u>\$167,199</u>	<u>\$6,065,721</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$472,757	\$102,491	\$575,248
Net difference between projected and actual earnings on pension plan investments	7,458,690	56,624	7,515,314
Changes in proportion and differences between Library contributions and proportionate share of contributions	<u>0</u>	<u>40,821</u>	<u>40,821</u>
Total Deferred Inflows of Resources	<u>\$7,931,447</u>	<u>\$199,936</u>	<u>\$8,131,383</u>

\$3,490,875 reported as deferred outflows of resources related to pension resulting from Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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Year Ending December 31:	OPERS Traditional Plan	OPERS Combined Plan	Total
2021	(\$455,320)	(\$33,574)	(\$488,894)
2022	(2,295,095)	(32,511)	(2,327,606)
2023	308,863	(16,722)	292,141
2024	(2,961,591)	(37,452)	(2,999,043)
2025	0	(11,670)	(11,670)
Thereafter	0	(21,465)	(21,465)
Total	(\$5,403,143)	(\$153,394)	(\$5,556,537)

Actuarial Assumptions- OPERS

Actuarial valuations of an ongoing plan involve estimates of the value 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, 2019, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2019, are presented below.

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	1.4 percent, simple through 2020, then 2.15 percent, simple	1.4 percent, simple through 2020, then 2.15 percent, simple
Investment Rate of Return	7.5 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

In October 2019, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 3 percent simple through 2018 then 2.15 simple to 1.4 percent simple through 2020 then 2.15 percent simple.

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

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

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a 17.2 percent for 2019.

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 long-term expected 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. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00 %	1.83 %
Domestic Equities	19.00	5.75
Real Estate	10.00	5.20
Private Equity	12.00	10.70
International Equities	21.00	7.66
Other investments	13.00	4.98
Total	100.00 %	5.61 %

Discount Rate

The discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. 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 for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Library's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following table presents the Library's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2 percent, as well as what the Library's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

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	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
Library's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	\$61,670,072	\$37,391,132	\$15,565,072
OPERS Combined Plan	(263,791)	(436,562)	(561,079)

NOTE 14 – DEFINED BENEFIT OPEB PLANS

See Note 13 for a description of the net OPEB liability.

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement 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 separation, 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 with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Comprehensive Annual Financial Report referenced below for additional information.

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

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.0 percent of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2020, OPERS did not allocate any employer contribution to health care for members in the traditional plan or combined plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a

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percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2020 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Library's contractually required contribution was \$59,611 for 2020. Of this amount, \$8,725 is reported as an intergovernmental payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Library's proportion of the net OPEB liability was based on the Library's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>
Proportion of the Net OPEB Liability:	
Current Measurement Date	0.193052%
Prior Measurement Date	<u>0.192835%</u>
Change in Proportionate Share	<u>0.0002170%</u>
Proportionate Share of the Net OPEB Liability	\$26,665,497
OPEB Expense	\$2,941,712

At December 31, 2020, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>
Deferred Outflows of Resources	
Differences between expected and actual experience	\$715
Changes of assumptions	4,220,864
Changes in proportion and differences between Library contributions and proportionate share of contributions	166,295
Library contributions subsequent to the measurement date	<u>59,611</u>
Total Deferred Outflows of Resources	<u>\$4,447,485</u>
Deferred Inflows of Resources	
Differences between expected and actual experience	\$2,438,682
Net difference between projected and actual earnings on OPEB plan investments	1,357,800
Changes in proportion and differences between Library contributions and proportionate share of contributions	<u>23,343</u>
Total Deferred Inflows of Resources	<u>\$3,819,825</u>

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\$59,611 reported as deferred outflows of resources related to OPEB resulting from Library contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS
2021	\$815,742
2022	331,428
2023	1,080
2024	(580,201)
Total	\$568,049

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 health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.16 percent
Prior Measurement date	3.96 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	
Current measurement date	2.75 percent
Prior Measurement date	3.71 percent
Health Care Cost Trend Rate	
Current measurement date	10.00 percent, initial 3.50 percent, ultimate in 2030
Prior Measurement date	7.25 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then

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established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

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

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contributions are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 19.7 percent for 2019.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	36.00 %	1.53 %
Domestic Equities	21.00	5.75
Real Estate Investment Trust	6.00	5.69
International Equities	23.00	7.66
Other investments	14.00	4.90
Total	100.00 %	4.55 %

Discount Rate

A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.75 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

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Sensitivity of the Library's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the Library's proportionate share of the net OPEB liability calculated using the single discount rate of 3.16 percent, as well as what the Library's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.16 percent) or one-percentage-point higher (4.16 percent) than the current rate:

	1% Decrease (2.16%)	Current Discount Rate (3.16%)	1% Increase (4.16%)
Library's proportionate share of the net OPEB liability	\$34,896,080	\$26,665,497	\$20,075,477

Sensitivity of the Library's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2020 is 10.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Library's proportionate share of the net OPEB liability	\$25,878,621	\$26,665,497	\$27,442,342

Changes between Measurement Date and Reporting Date

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability.

NOTE 15 - OTHER EMPLOYEE BENEFITS

Compensated Absences - Accumulated Unpaid Vacation

The Library grants paid time off to employees regularly scheduled to work at least 20 hours per week. Library employees who are eligible earn vacation leave at varying rates based upon length of service and full-time or part-time status. The Library does not close on four legal holidays. Holiday time is not granted, but rather is included as part of paid time off. In the case of termination, death or retirement, an employee (or his or her estate) is paid for any unused vacation leave based on the board approved policy. The total obligation for vacation accrual for the Library as a whole amounted to \$3,104,327 at December 31, 2020.

Compensated Absences - Accumulated Unpaid Sick Leave

All eligible employees earn sick leave at the board approved rates. Full-time employees who retire from the Library with proper notice receive a payout at their current rate of pay, for the amount of unused sick leave over 1,440 hours up to the maximum allowable amount. If a staff member dies in service, this payment will be made to their estate. There is no sick leave payout to any staff member who resigns or is discharged. The total obligation for sick leave accrual for the Library as a whole as of December 31, 2020 was \$851,125.

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Medical, Dental and Life Insurance

The Library provides medical insurance for full-time employees through an Anthem Lumenos Health Savings Account or PPO. Dental insurance is provided through Dental Care Plus. Employees are required to share in the cost of their medical and dental plans. The Library provides a \$20,000 life insurance policy for all full-time employees through Mutual of Omaha.

NOTE 16 - RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The Library carries three layers of insurance coverage. In 2020, the Library contracted with several insurance companies for primary coverage as follows:

<u>Coverages</u>	<u>Company</u>
Property and Equipment Breakdown Protection	Cincinnati Insurance Company
Automobile	Cincinnati Insurance Company
Crime	The Hanover Insurance Co.
Cyber	Travelers
Fine Arts	AXA Art Insurance Corp
Commercial General Liability	Cincinnati Insurance Company
Commercial Umbrella	Cincinnati Insurance Company
Excess Liability	Federal Insurance Company (Chubb)
Executive Liability	Cincinnati Insurance Company

No insurance settlement has exceeded insurance coverage during the last three years. There has been no significant decrease in the level of coverage from the prior year. The Library pays the State of Ohio Bureau of Workers' Compensation System a premium based on a rate per \$100 of salaries.

The Library also carries Public Official Bond coverage for the Fiscal Officer/Chief Finance & Facilities Officer and the Deputy Fiscal Officer/Fiscal Supervisor. These bonds are provided by the Hartford Fire Insurance Company.

NOTE 17 - LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2020, was as follows:

	Balance 12/31/2019	Increase	Decrease	Balance 12/31/2020	Amount Due Within One Year
Net Pension Liability	\$51,148,135	\$0	\$13,757,003	\$37,391,132	\$0
Net OPEB Liability	25,141,132	1,524,365	0	26,665,497	0
Compensated Absences	3,943,446	2,501,995	2,489,989	3,955,452	1,808,333
Total	<u>\$80,232,713</u>	<u>\$4,026,360</u>	<u>\$16,246,992</u>	<u>\$68,012,081</u>	<u>\$1,808,333</u>

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 or net OPEB liability; however, employer pension and OPEB contributions are made from the General fund. For additional information related to the net pension liability and net OPEB liability see Notes 13 and 14 respectively. Compensated absences will be paid from the general fund which is the fund which employees' salaries are paid.

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NOTE 18 - CONTINGENT LIABILITIES

Federal and State Grants

For the period January 1, 2020 to December 31, 2020, the Library received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the Library believes such disallowance, if any, would be immaterial.

Litigation

The Library is a defendant in two lawsuits. Although the outcome of these lawsuits is not presently determinable, Library management is of the opinion that the ultimate disposition of claims and legal proceedings will not have a material adverse effect, if any, on the financial condition of the Library.

NOTE 19 – 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 governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Building and Repair	Other Governmental Funds	Total
Nonspendable:				
Prepaid items	\$497,668	\$0	\$0	\$497,668
Supplies inventory	278,126	0	0	278,126
Principal restricted	0	0	6,772,444	6,772,444
Total Nonspendable	775,794	0	6,772,444	7,548,238
Restricted for:				
Library programs	0	0	2,430,267	2,430,267
Committed to contracts	80,000	0	0	80,000
Assigned to:				
Capital improvements and repair	0	33,114,474	0	33,114,474
Purchases on Order:				
Purchased and Contracted Services	474,279	0	0	474,279
Library Material and Information	535,344	0	0	535,344
Other Purposes	151,933	0	0	151,933
Total Assigned	1,161,556	33,114,474	0	34,276,030
Unassigned	24,610,068	0	0	24,610,068
Total Fund Balances	\$26,627,418	\$33,114,474	\$9,202,711	\$68,944,603

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NOTE 20 – SIGNIFICANT COMMITMENTS

Contractual Commitments

At December 31, 2020, the Library’s significant contractual commitments consisted of the following:

<u>Vendor</u>	<u>Outstanding Balance</u>
Aggressive Construction	\$ 51,026
CHC Manufacturing	79,384
Delta Electric Contractors	225,054
EAP Inc	57,500
Fishbeck	255,747
GBBN Architects	113,851
Geiger Construction	238,096
Geiler Company	344,621
Jostin Construction	1,021,486
Megen Construction	9,312,608
Messer Construction Co	142,771
OK Interiors	129,367
Preferred Fire Protection	77,441
River Rock Ventures	66,910
Triton Services	404,142

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:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General	\$2,567,626
Building & Repair	13,339,479
Other nonmajor governmental funds	141,060
Total	<u>\$16,048,165</u>

NOTE 21 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Library. The Library’s investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the Library’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated. Additional funding will be available through the Consolidated Appropriations Act, 2021, passed by Congress on December 21, 2020 and/or the American Rescue Plan Act, passed by Congress on March 11, 2021.

During 2020, the Library received Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. The Library received \$1,025,000 in funds passed through the Ohio Office of Budget and Management, \$13,136 in funds passed through Hamilton County, and \$3,000 passed through the State Library of Ohio. The Library is also a sub-grantee of an IMLS Cares Act Grant that was awarded to the Cincinnati Museum Center. The total amount of this grant for the Library is \$228,392 to be spent in 2021 and 2022.

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

	2020	2019	2018
Library's proportion of the net pension liability	0.189172%	0.186754%	0.182816%
Library's proportionate share of the net pension liability	\$37,391,132	\$51,148,135	\$28,680,287
Library's covered payroll	\$26,613,814	\$25,266,886	\$24,122,708
Library's proportionate share of the net pension liability as a percentage of its covered payroll	140.50%	202.43%	118.89%
Plan fiduciary net position as a percentage of the total pension liability	82.17%	74.70%	84.66%

(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 for each year were determined as of the Library's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.191220%	0.185794%	0.187341%	0.187341%
\$43,422,811	\$32,181,863	\$22,595,418	\$22,085,063
\$24,716,675	\$23,133,783	\$22,967,900	\$22,678,392
175.68%	139.11%	98.38%	97.38%
77.25%	81.08%	86.45%	86.36%

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

	2020	2019	2018
Library's Proportion of the Net Pension Liability	0.209358%	0.210852%	0.170455%
Library's Proportionate Share of the Net Pension Asset	\$436,562	\$235,781	\$232,045
Library's Covered Payroll	\$931,964	\$895,100	\$700,600
Library's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	-46.84%	-26.34%	-33.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	145.28%	126.64%	137.28%

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

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

See accompanying notes to the required supplementary information.

Cincinnati and Hamilton County Public Library

Required Supplementary Information

Schedule of the Library's Proportionate Share of the

Net OPEB Liability

Ohio Public Employees Retirement System - OPEB Plan

Last Four Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Library's Proportion of the Net OPEB Liability	0.1930520%	0.1928350%	0.1887800%	0.1965800%
Library's Proportionate Share of the Net OPEB Liability	\$26,665,497	\$25,141,132	\$20,500,117	\$19,855,248
Library's Covered Payroll	\$29,166,028	\$27,970,136	\$26,739,633	\$27,166,883
Library's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	91.43%	89.89%	76.67%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.80%	46.33%	54.14%	54.04%

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

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

See accompanying notes to the required supplementary information.

Cincinnati and Hamilton County Public Library

*Required Supplementary Information
Schedule of the Library's Contributions
Ohio Public Employees Retirement System
Last Eight Years (1)(2)*

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net Pension Liability - Traditional Plan			
Contractually Required Contribution	\$3,370,218	\$3,725,934	\$3,537,364
Contributions in Relation to the Contractually Required Contribution	<u>(3,370,218)</u>	<u>(3,725,934)</u>	<u>(3,537,364)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Library Covered Payroll	\$24,072,986	\$26,613,814	\$25,266,886
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net Pension Liability - Combined Plan			
Contractually Required Contribution	\$120,657	\$130,475	\$125,314
Contributions in Relation to the Contractually Required Contribution	<u>(120,657)</u>	<u>(130,475)</u>	<u>(125,314)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Library Covered Payroll	\$861,836	\$931,964	\$895,100
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net OPEB Liability - OPEB Plan			
Contractually Required Contribution	\$59,611	\$64,810	\$72,326
Contributions in Relation to the Contractually Required Contribution	<u>(59,611)</u>	<u>(64,810)</u>	<u>(72,326)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Library Covered Payroll (3)	\$26,425,097	\$29,166,028	\$27,970,136
OPEB Contributions as a Percentage of Covered Payroll	<u>0.23%</u>	<u>0.22%</u>	<u>0.26%</u>

(1) Information prior to 2014 is not available for combined and OPEB plans. Information prior to 2013 is not available for traditional plan.

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

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

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$3,135,952	\$2,966,001	\$2,776,054	\$2,756,148	\$2,948,191
<u>(3,135,952)</u>	<u>(2,966,001)</u>	<u>(2,776,054)</u>	<u>(2,756,148)</u>	<u>(2,948,191)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$24,122,708	\$24,716,675	\$23,133,783	\$22,967,900	\$22,678,392
<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$91,078	\$62,305	\$58,221	\$75,561	
<u>(91,078)</u>	<u>(62,305)</u>	<u>(58,221)</u>	<u>(75,561)</u>	
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
\$700,600	\$519,208	\$485,175	\$629,675	
<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	
\$324,886	\$581,958	\$549,249	\$536,162	
<u>(324,886)</u>	<u>(581,958)</u>	<u>(549,249)</u>	<u>(536,162)</u>	
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
\$26,739,633	\$27,166,883	\$25,326,533	\$25,024,464	
<u>1.21%</u>	<u>2.14%</u>	<u>2.17%</u>	<u>2.14%</u>	

Cincinnati and Hamilton County Public Library

*Notes to the Required Supplementary Information
For the Year Ended December 31, 2020*

Changes in Assumptions – OPERS Pension- Traditional Plan

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

	<u>2019</u>	<u>2018 and 2017</u>	<u>2016 and prior</u>
Wage Inflation	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related COLA or Ad Hoc COLA for Post-January 7, 2013 Retirees are as follows:

COLA or Ad Hoc COLA, Post-January 7, 2013 Retirees:

2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.0 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.0 percent, simple through 2018 then 2.80 percent, simple

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality 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.

Changes in Assumptions – OPERS Pension – Combined Plan

For 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013 retirees as the Traditional Plan. For 2019, the investment rate of return changed from 7.5 percent to 7.2 percent.

Cincinnati and Hamilton County Public Library

*Notes to the Required Supplementary Information
For the Year Ended December 31, 2020*

Changes in Assumptions – OPERS OPEB

Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2020	10.0 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

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Cincinnati and Hamilton County Public Library

Nonmajor Fund Descriptions

Special Revenue Funds

The Special Revenue Funds are used to account for and report revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects and include:

Various Funds - To account for the Anderson/Mt. Washington Fund and the Gift Fund which are combined for reporting purposes.

LSTA Grant Fund - To account for various Library Services and Technology Act (LSTA) grants that are restricted to expenditures for specified purposes.

CARES Grant Fund - To account for various grants awarded under the CARES Act that are restricted to expenditures for specified purposes.

Library Programs Fund - To account for various gifts that are restricted to fund library programs.

Permanent Funds

The Permanent Funds are used to account for gifts and investment earnings that are donor restricted to expenditure for specific purposes. The following are descriptions of the Library's nonmajor permanent funds:

Various Permanent Funds

To account for the following separate funds which are combined for reporting purposes:

Anderson Library Committee	Karline Brown	Cochran	Incidental Expenses
Haven Gillespie	Glueck	Goldsmith	Greider
Abell	Hatfield	Hattendorf	Heekin
Huenefeld	Iacobucci	Kahn	Kane/Merton
King	Library Materials	Lenke	Lewis
Marsh	Meister	Nolan	O'Brien
Plaut	DeMarke	Rhein	Schild/SCORE
Sackett	Ruth G. Stern	Stern	Striker
T & R	Trager	Valerio Family	Levesay
Dehner			

Armstrong Fund - To account for a restricted gift from the estate of George W. Armstrong, Jr. for the general use and benefit of the Library. Investment income is used for occasional special events and to supplement the Karline Brown Fund.

Feld Fund - To account for a restricted gift from the estate of Natalie Feld. Investment income is used for the purchase of books on travel and world affairs.

Hadley Fund - To account for a restricted gift from Edna Hendrie Hadley. Investment income is used for travel and study purposes for library employees.

Heisel/Dunlap Fund - To account for restricted gifts from the estates of Emma E. Heisel and Alice M. Dunlap. Investment income is used to fund educational grants for library employees.

Kersten Fund - To account for a restricted gift from the estate of Dorothy M.M. Kersten. Investment income is used to fund library programs for children and teens.

Dwyer Fund - To account for a restricted gift from the estate of Cecilia J. Dwyer. Investment income is used to support outreach services.

Howard Fund - To account for a restricted gift from the estate of Jerome Howard. Investment income is used to purchase books of non-fiction, with an emphasis on nature and fine arts.

Cincinnati and Hamilton County Public Library

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2020

	Nonmajor Special Revenue	Nonmajor Permanent	Total Nonmajor Governmental
	<u> </u>	<u> </u>	<u> </u>
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$1,028,903	\$2,206,413	\$3,235,316
Investments	0	6,084,360	6,084,360
Beneficial Interest in Assets Held by Others	674,352	0	674,352
Receivables:			
Accrued Interest	0	18,045	18,045
Total Assets	<u><u>\$1,703,255</u></u>	<u><u>\$8,308,818</u></u>	<u><u>\$10,012,073</u></u>
<u>Liabilities</u>			
Accounts Payable	<u>\$49,350</u>	<u>\$10,680</u>	<u>\$60,030</u>
<u>Deferred Inflows of Resources</u>			
Unavailable Revenue	74,980	0	74,980
Irrevocable Split-Interest Agreement	<u>674,352</u>	<u>0</u>	<u>674,352</u>
Total Deferred Inflows of Resources	<u>749,332</u>	<u>0</u>	<u>749,332</u>
<u>Fund Balances</u>			
Nonspendable	0	6,772,444	6,772,444
Restricted	<u>904,573</u>	<u>1,525,694</u>	<u>2,430,267</u>
Total Fund Balances	<u>904,573</u>	<u>8,298,138</u>	<u>9,202,711</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>\$1,703,255</u></u>	<u><u>\$8,308,818</u></u>	<u><u>\$10,012,073</u></u>

Cincinnati and Hamilton County Public Library

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2020

	<u>Various</u>	<u>CARES Grant</u>	<u>Library Programs</u>	<u>Total</u>
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$812,252	\$ 118,345	\$98,306	\$1,028,903
Beneficial Interest in Assets Held by Others	674,352	0	0	674,352
Total Assets	<u>\$1,486,604</u>	<u>\$118,345</u>	<u>\$98,306</u>	<u>\$1,703,255</u>
<u>Liabilities</u>				
Accounts Payable	\$5,985	\$ 43,365	\$0	\$49,350
<u>Deferred Inflows of Resources</u>				
Unavailable Revenue	0	74,980	0	74,980
Irrevocable Split-Interest Agreement	674,352	0	0	674,352
Total Deferred Inflows of Resources	674,352	74,980	0	749,332
<u>Fund Balances</u>				
Restricted	806,267	0	98,306	904,573
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$1,486,604</u>	<u>\$118,345</u>	<u>\$98,306</u>	<u>\$1,703,255</u>

Cincinnati and Hamilton County Public Library

**Combining Balance Sheet
Nonmajor Permanent Funds
December 31, 2020**

	Various Permanent	Armstrong	Feld	Hadley
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$373,593	\$900,085	\$373,908	\$47,421
Investments	901,145	885,859	2,491,662	75,781
Receivables:				
Accrued Interest	2,673	2,627	7,390	225
Total Assets	<u>\$1,277,411</u>	<u>\$1,788,571</u>	<u>\$2,872,960</u>	<u>\$123,427</u>
<u>Liabilities</u>				
Accounts Payable	\$200	\$0	\$3,732	\$0
Total Liabilities	<u>200</u>	<u>0</u>	<u>3,732</u>	<u>0</u>
<u>Fund Balances</u>				
Nonspendable	1,003,057	986,042	2,773,445	84,350
Restricted	274,154	802,529	95,783	39,077
Total Fund Balances	<u>1,277,211</u>	<u>1,788,571</u>	<u>2,869,228</u>	<u>123,427</u>
Total Liabilities and Fund Balances	<u>\$1,277,411</u>	<u>\$1,788,571</u>	<u>\$2,872,960</u>	<u>\$123,427</u>

Heisel/ Dunlap	Kersten	Dwyer	Howard	Total
\$63,307	\$223,042	\$19,166	\$205,891	\$2,206,413
274,805	88,519	116,599	1,249,990	6,084,360
815	262	346	3,707	18,045
<u>\$338,927</u>	<u>\$311,823</u>	<u>\$136,111</u>	<u>\$1,459,588</u>	<u>\$8,308,818</u>
\$0	\$380	\$0	\$6,368	\$10,680
0	380	0	6,368	10,680
305,883	98,529	129,786	1,391,352	6,772,444
33,044	212,914	6,325	61,868	1,525,694
<u>338,927</u>	<u>311,443</u>	<u>136,111</u>	<u>1,453,220</u>	<u>8,298,138</u>
<u>\$338,927</u>	<u>\$311,823</u>	<u>\$136,111</u>	<u>\$1,459,588</u>	<u>\$8,308,818</u>

Cincinnati and Hamilton County Public Library
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	Nonmajor Special Revenue	Nonmajor Permanent	Total Nonmajor Governmental
<u>Revenues</u>			
Intergovernmental	\$966,156	\$0	\$966,156
Earnings on investments	36,707	287,820	324,527
Contributions, gifts and donations	406,547	5,465	412,012
Total Revenues	<u>1,409,410</u>	<u>293,285</u>	<u>1,702,695</u>
<u>Expenditures</u>			
Current			
Library Services			
Public service and programs	959,981	12,053	972,034
Collection development and processing	3,120	46,141	49,261
Support Services			
Business administration	0	54,820	54,820
Capital Outlay	282,435	0	282,435
Total Expenditures	<u>1,245,536</u>	<u>113,014</u>	<u>1,358,550</u>
Net change in fund balances	163,874	180,271	344,145
Fund balances - beginning of year	740,699	8,117,867	8,858,566
Fund balances - end of year	<u>\$904,573</u>	<u>\$8,298,138</u>	<u>\$9,202,711</u>

Cincinnati and Hamilton County Public Library
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020

	<u>Various</u>	<u>LSTA Grant</u>	<u>CARES Grant</u>	<u>Library Programs</u>	<u>Total</u>
<u>Revenues</u>					
Intergovernmental	\$0	\$3,000	\$ 963,156	\$0	\$966,156
Earnings on investments	36,454	0	7	246	36,707
Contributions, gifts and donations	340,428	0	0	66,119	406,547
Total Revenues	<u>376,882</u>	<u>3,000</u>	<u>963,163</u>	<u>66,365</u>	<u>1,409,410</u>
<u>Expenditures</u>					
Current					
Library Services					
Public service and programs	245,609	3,000	707,877	3,495	959,981
Collection development and processing	3,120	0	0	0	3,120
Capital Outlay	27,149	0	255,286	0	282,435
Total Expenditures	<u>275,878</u>	<u>3,000</u>	<u>963,163</u>	<u>3,495</u>	<u>1,245,536</u>
Net change in fund balances	101,004	0	0	62,870	163,874
Fund balances - beginning of year	705,263	0	0	35,436	740,699
Fund balances - end of year	<u>\$806,267</u>	<u>\$0</u>	<u>\$0</u>	<u>\$98,306</u>	<u>\$904,573</u>

Cincinnati and Hamilton County Public Library
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Permanent Funds
For the Year Ended December 31, 2020

	Various Permanent	Armstrong	Feld	Hadley
<u>Revenues</u>				
Earnings on investments	\$44,155	\$27,496	\$61,695	\$2,126
Contributions, gifts and donations	4,465	1,000	0	0
Total Revenues	<u>48,620</u>	<u>28,496</u>	<u>61,695</u>	<u>2,126</u>
<u>Expenditures</u>				
Current				
Library Services				
Public service and programs	200	0	0	0
Collection development and processing	5,624	0	27,080	0
Support Services				
Business administration	8,208	46,612	0	0
Total Expenditures	<u>14,032</u>	<u>46,612</u>	<u>27,080</u>	<u>0</u>
Net change in fund balances	34,588	(18,116)	34,615	2,126
Fund balances - beginning of year	1,242,623	1,806,687	2,834,613	121,301
Fund balances - end of year	<u>\$1,277,211</u>	<u>\$1,788,571</u>	<u>\$2,869,228</u>	<u>\$123,427</u>

<u>Heisel/ Dunlap</u>	<u>Kersten</u>	<u>Dwyer</u>	<u>Howard</u>	<u>Total</u>
\$6,957	\$111,358	\$2,903	\$31,130	\$287,820
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,465</u>
<u>6,957</u>	<u>111,358</u>	<u>2,903</u>	<u>31,130</u>	<u>293,285</u>
0	11,251	602	0	12,053
0	0	0	13,437	46,141
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>54,820</u>
<u>0</u>	<u>11,251</u>	<u>602</u>	<u>13,437</u>	<u>113,014</u>
6,957	100,107	2,301	17,693	180,271
<u>331,970</u>	<u>211,336</u>	<u>133,810</u>	<u>1,435,527</u>	<u>8,117,867</u>
<u>\$338,927</u>	<u>\$311,443</u>	<u>\$136,111</u>	<u>\$1,453,220</u>	<u>\$8,298,138</u>

Cincinnati and Hamilton County Public Library

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis)

Building and Repair Fund

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Contributions, gifts and donations	\$0	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Current				
Purchased and contracted services	5,756,437	5,756,437	3,689,459	2,066,978
Capital outlay	35,192,056	35,192,056	18,306,416	16,885,640
Total expenditures	<u>40,948,493</u>	<u>40,948,493</u>	<u>21,995,875</u>	<u>18,952,618</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40,948,493)</u>	<u>(40,948,493)</u>	<u>(21,995,875)</u>	<u>18,952,618</u>
Other financing sources (uses)				
Transfers in	22,500,000	22,500,000	22,500,000	0
Total other financing sources (uses)	<u>22,500,000</u>	<u>22,500,000</u>	<u>22,500,000</u>	<u>0</u>
Net change in fund balance	(18,448,493)	(18,448,493)	504,125	18,952,618
Fund balance at beginning of year	16,704,327	16,704,327	16,704,327	0
Prior year encumbrances appropriated	4,058,492	4,058,492	4,058,492	0
Fund balance at end of year	<u><u>\$2,314,326</u></u>	<u><u>\$2,314,326</u></u>	<u><u>\$21,266,944</u></u>	<u><u>\$18,952,618</u></u>

Cincinnati and Hamilton County Public Library
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis)
Various Funds
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues				
Earnings on investments	\$0	\$0	\$36,454	\$36,454
Contributions, gifts and donations	427,500	427,500	340,428	(87,072)
Total revenues	<u>427,500</u>	<u>427,500</u>	<u>376,882</u>	<u>(50,618)</u>
Expenditures				
Current				
Supplies	254,850	254,850	188,415	66,435
Purchased and contracted services	244,255	244,255	132,007	112,248
Library materials and information	6,105	6,105	3,511	2,594
Capital outlay	24,175	24,175	3,115	21,060
Total expenditures	<u>529,385</u>	<u>529,385</u>	<u>327,048</u>	<u>202,337</u>
Net change in fund balance	(101,885)	(101,885)	49,834	151,719
Fund balance at beginning of year	701,144	701,144	701,144	0
Prior year encumbrances appropriated	6,660	6,660	6,660	0
Fund balance at end of year	<u>\$605,919</u>	<u>\$605,919</u>	<u>\$757,638</u>	<u>\$151,719</u>

Cincinnati and Hamilton County Public Library

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis)

LSTA Grant Fund

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$3,000	\$3,000	\$3,000	\$0
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>
Expenditures				
Current				
Supplies	3,000	3,000	3,000	0
Total expenditures	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>
Net change in fund balance	0	0	0	0
Fund balance at beginning of year	0	0	0	0
Fund balance at end of year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Cincinnati and Hamilton County Public Library

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis)

CARES Grant Fund

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,025,000	\$1,038,136	\$1,038,136	\$0
Earnings on investments	0	0	7	7
Total revenues	<u>1,025,000</u>	<u>1,038,136</u>	<u>1,038,143</u>	<u>7</u>
Expenditures				
Current				
Supplies	625,000	536,871	535,848	1,023
Purchased and contracted services	0	15,636	14,150	1,486
Capital Outlay	400,000	485,629	440,977	44,652
Total expenditures	<u>1,025,000</u>	<u>1,038,136</u>	<u>990,975</u>	<u>47,161</u>
Net change in fund balance	0	0	47,168	47,168
Fund balance at beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance at end of year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$47,168</u></u>	<u><u>\$47,168</u></u>

Cincinnati and Hamilton County Public Library

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis)

Library Programs Fund

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Earnings on investments	\$0	\$0	\$246	\$246
Contributions, gifts and donations	15,000	15,000	66,119	51,119
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>66,365</u>	<u>51,365</u>
Expenditures				
Current				
Supplies	20,000	20,000	3,495	16,505
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>3,495</u>	<u>16,505</u>
Net change in fund balance	(5,000)	(5,000)	62,870	67,870
Fund balance at beginning of year	<u>35,436</u>	<u>35,436</u>	<u>35,436</u>	<u>0</u>
Fund balance at end of year	<u><u>\$30,436</u></u>	<u><u>\$30,436</u></u>	<u><u>\$98,306</u></u>	<u><u>\$67,870</u></u>

Cincinnati and Hamilton County Public Library

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis)

Various Permanent Funds

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Earnings on investments	\$37,900	\$37,900	\$35,239	(\$2,661)
Contributions, gifts and donations	1,500	1,500	4,465	2,965
Total revenues	<u>39,400</u>	<u>39,400</u>	<u>39,704</u>	<u>304</u>
Expenditures				
Current				
Salaries and benefits				
Salaries and leave benefits	7,000	7,000	1,000	6,000
Supplies	11,000	11,000	6,471	4,529
Purchased and contracted services	33,900	33,900	1,337	32,563
Library materials and information	34,540	34,540	5,624	28,916
Total expenditures	<u>86,440</u>	<u>86,440</u>	<u>14,432</u>	<u>72,008</u>
Net change in fund balance	(47,040)	(47,040)	25,272	72,312
Fund balance at beginning of year	1,237,863	1,237,863	1,237,863	0
Prior year encumbrances appropriated	440	440	440	0
Fund balance at end of year	<u>\$1,191,263</u>	<u>\$1,191,263</u>	<u>\$1,263,575</u>	<u>\$72,312</u>

Cincinnati and Hamilton County Public Library

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis)

Armstrong Fund

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Earnings on investments	\$30,000	\$30,000	\$18,752	(\$11,248)
Contributions, gifts and donations	0	0	1,000	1,000
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>19,752</u>	<u>(10,248)</u>
Expenditures				
Current				
Salaries and benefits				
Salaries and leave benefits	45,000	45,000	31,650	13,350
Supplies	10,100	15,100	15,092	8
Purchased and contracted services	5,000	5,000	0	5,000
Total expenditures	<u>60,100</u>	<u>65,100</u>	<u>46,742</u>	<u>18,358</u>
Net change in fund balance	(30,100)	(35,100)	(26,990)	8,110
Fund balance at beginning of year	1,801,927	1,801,927	1,801,927	0
Prior year encumbrances appropriated	100	100	100	0
Fund balance at end of year	<u>\$1,771,927</u>	<u>\$1,766,927</u>	<u>\$1,775,037</u>	<u>\$8,110</u>

Cincinnati and Hamilton County Public Library

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis)

Feld Fund

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Earnings on investments	\$40,000	\$40,000	\$37,096	(\$2,904)
Total revenues	<u>40,000</u>	<u>40,000</u>	<u>37,096</u>	<u>(2,904)</u>
Expenditures				
Current				
Library materials and information	53,843	53,843	31,876	21,967
Total expenditures	<u>53,843</u>	<u>53,843</u>	<u>31,876</u>	<u>21,967</u>
Net change in fund balance	(13,843)	(13,843)	5,220	19,063
Fund balance at beginning of year	2,820,837	2,820,837	2,820,837	0
Prior year encumbrances appropriated	3,843	3,843	3,843	0
Fund balance at end of year	<u><u>\$2,810,837</u></u>	<u><u>\$2,810,837</u></u>	<u><u>\$2,829,900</u></u>	<u><u>\$19,063</u></u>

Cincinnati and Hamilton County Public Library

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis)

Hadley Fund

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Earnings on investments	\$2,000	\$2,000	\$1,377	(\$623)
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>1,377</u>	<u>(623)</u>
Expenditures				
Current				
Salaries and benefits				
Other employee benefits	15,000	15,000	0	15,000
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>0</u>	<u>15,000</u>
Net change in fund balance	(13,000)	(13,000)	1,377	14,377
Fund balance at beginning of year	120,903	120,903	120,903	0
Fund balance at end of year	<u><u>\$107,903</u></u>	<u><u>\$107,903</u></u>	<u><u>\$122,280</u></u>	<u><u>\$14,377</u></u>

Cincinnati and Hamilton County Public Library

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis)

Heisel/Dunlap Fund

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Earnings on investments	\$4,500	\$4,500	\$4,244	(\$256)
Total revenues	<u>4,500</u>	<u>4,500</u>	<u>4,244</u>	<u>(256)</u>
Expenditures				
Current				
Salaries and benefits				
Other employee benefits	10,000	10,000	0	10,000
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>0</u>	<u>10,000</u>
Net change in fund balance	(5,500)	(5,500)	4,244	9,744
Fund balance at beginning of year	330,525	330,525	330,525	0
Fund balance at end of year	<u><u>\$325,025</u></u>	<u><u>\$325,025</u></u>	<u><u>\$334,769</u></u>	<u><u>\$9,744</u></u>

Cincinnati and Hamilton County Public Library

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis)

Kersten Fund

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Earnings on investments	\$55,000	\$55,000	\$110,484	\$55,484
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>110,484</u>	<u>55,484</u>
Expenditures				
Current				
Supplies	40,957	40,957	15,828	25,129
Purchased and contracted services	11,050	11,050	1,150	9,900
Total expenditures	<u>52,007</u>	<u>52,007</u>	<u>16,978</u>	<u>35,029</u>
Net change in fund balance	2,993	2,993	93,506	90,513
Fund balance at beginning of year	209,496	209,496	209,496	0
Prior year encumbrances appropriated	7,007	7,007	7,007	0
Fund balance at end of year	<u><u>\$219,496</u></u>	<u><u>\$219,496</u></u>	<u><u>\$310,009</u></u>	<u><u>\$90,513</u></u>

Cincinnati and Hamilton County Public Library

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis)

Dwyer Fund

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Earnings on investments	\$2,000	\$2,000	\$1,752	(\$248)
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>1,752</u>	<u>(248)</u>
Expenditures				
Current				
Supplies	1,000	1,000	602	398
Library materials and information	500	500	0	500
Total expenditures	<u>1,500</u>	<u>1,500</u>	<u>602</u>	<u>898</u>
Net change in fund balance	500	500	1,150	650
Fund balance at beginning of year	133,197	133,197	133,197	0
Fund balance at end of year	<u><u>\$133,697</u></u>	<u><u>\$133,697</u></u>	<u><u>\$134,347</u></u>	<u><u>\$650</u></u>

Cincinnati and Hamilton County Public Library

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis)

Howard Fund

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Earnings on investments	\$20,000	\$20,000	\$18,790	(\$1,210)
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>18,790</u>	<u>(1,210)</u>
Expenditures				
Current				
Library materials and information	18,152	18,152	18,086	66
Total expenditures	<u>18,152</u>	<u>18,152</u>	<u>18,086</u>	<u>66</u>
Net change in fund balance	1,848	1,848	704	(1,144)
Fund balance at beginning of year	1,427,717	1,427,717	1,427,717	0
Prior year encumbrances appropriated	3,152	3,152	3,152	0
Fund balance at end of year	<u>\$1,432,717</u>	<u>\$1,432,717</u>	<u>\$1,431,573</u>	<u>(\$1,144)</u>

Statistical Section

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Cincinnati and Hamilton County Public Library

Statistical Section

This part of the Cincinnati and Hamilton County 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.

<u>Contents</u>	<u>Pages</u>
Financial Trends	78-85
These schedules contain trend information to help the reader understand how the Library's financial performance and well-being has changed over time.	
Revenue Capacity	86-90
These schedules contain trend information to help the reader understand the Library's most significant sources of local revenue.	
Economic and Demographic Information	91-93
These schedules offer economic and demographic indicators to help the reader understand the environment in which the Library's financial activities take place.	
Operating Information	94-97
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 Comprehensive Annual Financial Reports for the relevant year.

Cincinnati and Hamilton County Public Library
Net Position by Component
Last Ten Years
(accrual basis of accounting)

	<u>2011 (*)</u>	<u>2012 (*)</u>	<u>2013</u>	<u>2014(**)</u>
Governmental Activities:				
Invested in Capital Assets	\$87,110,748	\$85,341,907	\$84,898,227	\$89,838,832
Restricted	8,765,055	8,549,943	8,640,838	8,451,806
Unrestricted	<u>32,602,540</u>	<u>36,678,842</u>	<u>39,408,975</u>	<u>16,220,317</u>
Total Governmental Activities Net Position	<u><u>\$128,478,343</u></u>	<u><u>\$130,570,692</u></u>	<u><u>\$132,948,040</u></u>	<u><u>\$114,510,955</u></u>

*Amount restated to correctly reflect accumulated depreciation

**Amount restated in accordance with GASB Statement No.68

***Amount restated in accordance with GASB Statement No.75

2015	2016	2017(***)	2018	2019	2020
\$91,459,134	\$89,431,482	\$90,483,901	\$91,535,951	\$93,950,398	\$97,404,811
8,418,530	8,406,749	8,441,260	8,593,091	8,858,566	9,202,711
18,085,749	19,483,048	(7,220,704)	(10,749,764)	(2,445,013)	12,669,370
<u>\$117,963,413</u>	<u>\$117,321,279</u>	<u>\$91,704,457</u>	<u>\$89,379,278</u>	<u>\$100,363,951</u>	<u>\$119,276,892</u>

Cincinnati and Hamilton County Public Library

Changes in Net Position

Last Ten Years

(accrual basis of accounting)

	2011 (*)	2012 (*)	2013	2014
Program Revenues:				
Charges for Services:				
Library Services:				
Public Service and Programs	\$1,853,699	\$1,836,534	\$1,488,381	\$1,378,960
Collection Development and Processing	3,048	270	0	0
Operating grants, contributions, and earnings on investments:				
Library Services:				
Public Service and Programs	461,895	302,650	446,865	225,674
Collection Development and Processing	135,199	90,651	35,756	301,378
Support Services:				
Facilities operations and maintenance	276,970	34,121	268,402	51,650
Information services support	0	0	0	0
Business administration	0	950	0	0
Capital grants and contributions				
Support Services:				
Facilities operations and maintenance	0	0	0	0
Total Program Revenues	2,730,811	2,265,176	2,239,404	1,957,662
Expenses:				
Library Services:				
Public Service and Programs	24,012,269	25,089,210	24,481,482	23,276,690
Collection Development and Processing	12,857,701	13,256,882	11,779,143	12,296,021
Support Services:				
Facilities Operations and Maintenance	12,173,882	11,344,275	10,776,056	13,172,401
Information Services Support	1,904,726	1,146,958	1,759,322	2,008,484
Business Administration	4,316,845	4,746,904	5,165,273	5,673,489
Total Expenses	55,265,423	55,584,229	53,961,276	56,427,085
Net Expenses	(52,534,612)	(53,319,053)	(51,721,872)	(54,469,423)
General Revenues:				
Governmental Activities:				
Grants and Contributions not Restricted to Specific Programs	38,927,193	38,320,131	38,316,460	39,124,507
Property taxes levied for general purposes	17,244,148	15,912,280	14,954,099	15,046,679
Earnings on Investments	56,218	56,419	48,273	53,111
Gain on sale of capital asset	0	0	0	0
Other	563,561	1,119,987	775,432	1,131,857
Contributions to Principal for Permanent Funds	5,072	2,585	4,956	5,099
Total General Revenues and Contributions	56,796,192	55,411,402	54,099,220	55,361,253
Change in Net Position	\$4,261,580	\$2,092,349	\$2,377,348	\$891,830

(1) In 2018 the Library passed an additional 10 year, 1-mil levy that was first received in 2019.

*Amount restated to correctly reflect accumulated depreciation

2015	2016	2017	2018	2019 (1)	2020
\$1,464,251 0	\$1,243,747 0	\$1,221,642 0	\$1,068,078 0	\$888,323 0	\$273,150 0
406,987 79,245	714,906 33,253	558,282 62,440	833,523 105,635	853,307 170,800	1,672,959 148,132
101,428 0 397	0 0 0	0 0 0	2,500 499,904 0	5,000 600,329 0	0 472,135 0
0	0	0	513,390	0	10,000
2,052,308	1,991,906	1,842,364	3,023,030	2,517,759	2,576,376
24,825,845 12,454,497	26,729,301 12,709,842	27,870,334 12,379,791	27,741,394 12,675,019	33,535,766 13,206,627	29,861,656 11,511,244
11,942,451 2,565,611 5,420,242	11,959,422 2,747,053 5,936,201	15,228,643 3,491,316 6,512,933	14,428,440 4,106,247 6,448,280	15,100,798 4,286,949 8,415,421	14,324,794 3,701,419 7,699,448
57,208,646	60,081,819	65,483,017	65,399,380	74,545,561	67,098,561
(55,156,338)	(58,089,913)	(63,640,653)	(62,376,350)	(72,027,802)	(64,522,185)
41,480,926 16,204,408 59,692 0 861,470 2,300	39,964,131 16,208,904 130,144 0 1,141,300 3,300	39,765,475 16,303,119 306,660 0 1,173,559 5,380	42,168,367 16,859,786 550,267 81,969 387,492 3,290	44,968,814 36,921,545 875,108 0 231,530 15,478	44,612,781 37,478,501 490,250 0 849,129 4,465
58,608,796	57,447,779	57,554,193	60,051,171	83,012,475	83,435,126
\$3,452,458	(\$642,134)	(\$6,086,460)	(\$2,325,179)	\$10,984,673	\$18,912,941

Cincinnati and Hamilton County Public Library
Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund				
Nonspendable	\$408,748	\$530,998	\$286,770	\$262,519
Committed	80,000	80,000	80,000	80,000
Assigned	373,970	827,940	1,061,664	1,561,251
Unassigned	<u>13,693,604</u>	<u>14,007,805</u>	<u>17,553,989</u>	<u>12,616,657</u>
Total General Fund	<u>14,556,322</u>	<u>15,446,743</u>	<u>18,982,423</u>	<u>14,520,427</u>
All Other Governmental Funds				
Nonspendable	\$6,725,591	\$6,728,176	\$6,733,132	\$6,738,231
Restricted	2,039,464	1,821,767	1,907,706	1,713,575
Assigned	<u>4,754,170</u>	<u>6,604,104</u>	<u>6,742,069</u>	<u>6,887,069</u>
Total All Other Governmental Funds	<u>13,519,225</u>	<u>15,154,047</u>	<u>15,382,907</u>	<u>15,338,875</u>
Total Governmental Funds	<u><u>\$28,075,547</u></u>	<u><u>\$30,600,790</u></u>	<u><u>\$34,365,330</u></u>	<u><u>\$29,859,302</u></u>

2015	2016	2017	2018	2019	2020
\$416,022	\$515,354	\$359,484	\$409,341	\$386,722	\$775,794
80,000	80,000	80,000	80,000	80,000	80,000
1,440,624	1,142,449	1,661,312	2,693,051	1,328,306	1,161,556
16,084,960	17,146,542	18,342,320	16,512,002	18,855,965	24,610,068
18,021,606	18,884,345	20,443,116	19,694,394	20,650,993	26,627,418
\$6,740,531	\$6,737,503	\$6,749,211	\$6,752,501	\$6,767,979	\$6,772,444
1,677,999	1,669,246	1,692,049	1,840,590	2,090,587	2,430,267
4,424,642	6,654,019	4,623,483	4,538,316	19,782,367	33,114,474
12,843,172	15,060,768	13,064,743	13,131,407	28,640,933	42,317,185
<u>\$30,864,778</u>	<u>\$33,945,113</u>	<u>\$33,507,859</u>	<u>\$32,825,801</u>	<u>\$49,291,926</u>	<u>\$68,944,603</u>

Cincinnati and Hamilton County Public Library
Changes in Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2011	2012	2013	2014
Revenues:				
Intergovernmental	\$39,798,636	\$37,445,155	\$38,162,831	\$37,742,457
Property taxes	17,613,602	15,948,657	16,044,155	16,172,491
Fines and fees	1,853,699	1,836,534	1,488,381	1,378,960
Earnings on investments	195,357	144,720	93,056	162,977
Services provided to other entities	0	0	0	0
Contributions, gifts, and donations	481,376	276,749	683,196	312,071
Miscellaneous	566,910	1,121,163	775,432	1,131,857
Total Revenues	60,509,580	56,772,978	57,247,051	56,900,813
Expenditures:				
Current:				
Library services:				
Public service and programs	24,384,028	25,405,327	24,701,042	24,569,487
Collection development and processing	12,940,503	13,475,983	11,844,354	12,392,518
Support Services:				
Facilities operations and maintenance	10,907,773	9,191,772	9,745,206	16,721,876
Information services support	1,990,538	1,632,347	1,966,232	2,164,844
Business administration	4,350,817	4,862,306	5,225,677	5,593,116
Capital Outlay	0	0	0	0
Total Expenditures	54,573,659	54,567,735	53,482,511	61,441,841
Excess of Revenues Over (Under) Expenditures	5,935,921	2,205,243	3,764,540	(4,541,028)
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	0	320,000	0	35,000
Transfers In	2,500,000	2,500,000	2,000,000	9,000,000
Transfers Out	(2,500,000)	(2,500,000)	(2,000,000)	(9,000,000)
Total Other Financing Sources (Uses)	0	320,000	0	35,000
Net Change in Fund Balances	\$5,935,921	\$2,525,243	\$3,764,540	(\$4,506,028)
Debt Service as a Percentage of Noncapital Expenditures	0.0%	0.0%	0.0%	0.0%

(1) In 2020 the Library changed accounting procedures to report capital outlay as a separate line on the financial statements due to the increase in capital projects over the next 10 years. This was primarily reported as facilities operations and maintenance in the previous years.

2015	2016	2017	2018	2019	2020 (1)
\$41,005,594	\$39,960,649	\$40,042,001	\$41,763,947	\$43,861,922	\$44,757,356
16,226,162	16,300,929	16,349,822	16,575,155	36,131,706	36,985,382
1,464,251	1,243,747	1,218,580	1,067,520	879,453	273,150
145,887	269,402	445,063	763,892	1,121,134	778,198
0	0	0	558	8,870	0
325,740	612,201	484,049	1,137,110	690,469	494,512
985,544	1,141,300	1,176,771	966,329	939,949	1,333,224
<u>60,153,178</u>	<u>59,528,228</u>	<u>59,716,286</u>	<u>62,274,511</u>	<u>83,633,503</u>	<u>84,621,822</u>
25,723,835	25,742,717	26,535,165	27,819,834	28,756,633	26,103,762
12,483,229	12,632,780	11,964,719	12,445,894	12,576,534	11,177,538
12,813,932	9,185,917	12,225,143	12,530,072	14,448,821	10,263,663
2,647,622	3,110,119	3,480,082	4,207,903	3,906,609	3,445,853
5,479,084	5,776,360	5,948,431	6,195,046	7,478,781	7,114,048
0	0	0	0	0	6,864,281
<u>59,147,702</u>	<u>56,447,893</u>	<u>60,153,540</u>	<u>63,198,749</u>	<u>67,167,378</u>	<u>64,969,145</u>
<u>1,005,476</u>	<u>3,080,335</u>	<u>(437,254)</u>	<u>(924,238)</u>	<u>16,466,125</u>	<u>19,652,677</u>
0	0	0	242,180	0	0
2,000,000	3,000,000	2,000,000	3,500,000	21,000,000	22,500,000
<u>(2,000,000)</u>	<u>(3,000,000)</u>	<u>(2,000,000)</u>	<u>(3,500,000)</u>	<u>(21,000,000)</u>	<u>(22,500,000)</u>
0	0	0	242,180	0	0
<u>\$1,005,476</u>	<u>\$3,080,335</u>	<u>(\$437,254)</u>	<u>(\$682,058)</u>	<u>\$16,466,125</u>	<u>\$19,652,677</u>
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Cincinnati and Hamilton County Public Library
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years

Year	Real Property			Totals		Ratio	Weighted Average Property Tax Rate (per \$1,000 of assessed value)
	Assessed Value		Estimated Actual Value	Assessed Value	Estimated Actual Value		
	Residential/ Agricultural	Commercial/ Industrial/PU					
2011	\$14,030,000,000	\$5,590,000,000	\$56,057,142,857	\$19,620,000,000	\$56,057,142,857	35.00%	1.00
2012	12,239,420,000	5,159,970,000	49,712,542,857	17,399,390,000	49,712,542,857	35.00%	1.00
2013	12,244,400,000	5,265,760,000	50,029,028,571	17,510,160,000	50,029,028,571	35.00%	1.00
2014	12,705,736,300	5,463,869,150	51,913,158,429	18,169,605,450	51,913,158,429	35.00%	1.00
2015	12,781,985,050	5,485,555,020	52,192,971,629	18,267,540,070	52,192,971,629	35.00%	1.00
2016	12,830,163,620	5,518,212,030	52,423,930,429	18,348,375,650	52,423,930,429	35.00%	1.00
2017	12,855,565,900	5,607,295,600	52,751,032,857	18,462,861,500	52,751,032,857	35.00%	1.00
2018	13,546,811,940	5,796,553,750	55,266,759,114	19,343,365,690	55,266,759,114	35.00%	1.00
2019	13,629,004,640	5,816,820,090	55,559,499,229	19,445,824,730	55,559,499,229	35.00%	2.00
2020	13,741,844,800	5,947,250,540	56,254,558,114	19,689,095,340	56,254,558,114	35.00%	2.00

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.

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

Source: Hamilton County Auditor

Cincinnati and Hamilton County Public Library
Property Tax Levies and Collections
Last Ten Years

Collection Year	Current Tax Levy (1) (3)	Delinquent Tax Levy (2)	Total Tax Levy	Current Tax Collections (1)	Percent of Current Tax Collections to Total Tax Levy	Delinquent Tax Collections (2)	Total Tax Collections(1)	Percent of Total Tax Collections to Total Tax Levy
2011	\$18,151,202	\$1,611,694	\$19,762,896	\$16,832,702	85.17%	\$780,900	\$17,613,602	89.12%
2012	16,248,167	1,381,473	17,629,640	15,202,234	86.23%	746,423	15,948,657	90.47%
2013	16,264,444	1,233,409	17,497,853	15,489,157	88.52%	554,998	16,044,155	91.69%
2014	16,275,801	1,032,815	17,308,616	15,601,048	90.13%	571,443	16,172,491	93.44%
2015	16,350,365	1,013,297	17,363,662	15,702,798	90.43%	523,364	16,226,162	93.45%
2016	16,414,649	922,122	17,336,771	15,824,143	91.28%	476,786	16,300,929	94.03%
2017	16,527,658	882,322	17,409,980	15,920,350	91.44%	429,472	16,349,822	93.91%
2018	16,670,579	1,167,158	17,837,737	16,093,055	90.22%	482,100	16,575,155	92.92%
2019	36,482,645	2,112,350	38,594,995	35,151,051	91.08%	980,655	36,131,706	93.62%
2020	36,987,577	2,605,469	39,593,046	35,867,572	90.59%	1,117,810	36,985,382	93.41%

Source: Office of the Auditor, Hamilton County, Ohio

(1) Does not include homestead/rollback reimbursement from the State of Ohio.

(2) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

(3) In 2018 the Library passed an additional 10 year, 1-mil levy that was first received in 2019.

Note: Delinquencies are tracked by the date the parcel is first certified delinquent and penalties and interest are applied to the total delinquent balance.

Cincinnati and Hamilton County Public Library
Direct and Overlapping Property Tax Rates
(Per \$1,000 of Assessed Value)
Last Ten Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
County Direct Rates				
General Fund	\$2.26	\$2.26	\$2.26	\$2.26
Crime Info Center	0.54	0.54	0.54	0.54
Museum Center	0.18	0.18	0.18	0.00
Zoo	0.46	0.46	0.46	0.46
Family Services & Treatment	0.34	0.34	0.34	0.34
Senior Services	1.29	1.29	1.29	1.29
Mental Health	2.99	2.99	2.99	2.99
Indigent Health Care	4.07	4.07	4.07	4.07
Children's Services	2.77	2.77	2.77	2.77
Development Disabilities	4.13	4.13	4.13	4.13
Parks	1.03	1.03	1.03	1.03
Public Library	1.00	1.00	1.00	1.00
Total Hamilton County	<u>\$21.06</u>	<u>\$21.06</u>	<u>\$21.06</u>	<u>\$20.88</u>
City Rates	.65-20.13	.65-20.13	.65-20.13	.65-27.60
Village Rates	1.19-40.73	1.19-40.73	1.19-48.73	1.19-48.73
School District Rates	44.18-106.97	44.18-107.77	44.18-107.77	44.18-113.92
Township Rates	5.24-26.34	5.24-26.34	5.24-26.34	5.24-30.58
Special District Rates	2.25-12.05	2.28-12.05	2.25-12.05	1.50-12.05
Joint Vocational Levy Rates	1.93-2.70	1.93-2.70	1.93-2.70	1.93-2.70

Source: Ohio Department of Taxation, Office of the Auditor, Hamilton County, Ohio

The rates presented are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue for that year.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

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

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$2.26	\$2.26	\$2.26	\$2.26	\$2.26	\$2.26
0.54	0.54	0.54	0.54	0.54	0.54
0.00	0.00	0.00	0.00	0.00	0.00
0.46	0.46	0.46	0.46	0.46	0.46
0.34	0.34	0.34	0.34	0.34	0.34
1.29	1.29	1.29	1.60	1.60	1.60
2.99	2.99	2.99	2.99	2.99	2.99
4.07	4.07	4.07	4.07	4.07	4.07
2.77	2.77	2.77	2.77	4.75	4.75
4.13	4.13	4.13	4.13	4.13	4.13
1.03	1.03	1.03	1.03	1.03	1.03
1.00	1.00	1.00	1.00	2.00	2.00
<u>\$20.88</u>	<u>\$20.88</u>	<u>\$20.88</u>	<u>\$21.19</u>	<u>\$24.17</u>	<u>\$24.17</u>
.65-27.60	.65-27.60	3.06-20.13	3.06-20.13	3.06-20.13	3.06-20.13
1.19-48.73	1.19-48.73	0.65-48.73	0.65-43.52	0.65-57.83	0.65-57.83
44.18-113.92	44.18-113.92	44.18-113.92	44.18-113.92	44.37-121.98	44.30-121.98
5.24-30.58	5.24-30.58	0.06-30.58	0.06-31.12	0.06-34.57	0.06-34.57
1.50-12.05	1.50-12.05	2.25-12.05	2.25-12.05	2.25-12.05	2.25-14.05
1.93-2.70	1.93-2.70	1.93-2.70	1.93-2.70	1.93-2.70	1.93-2.70

Cincinnati and Hamilton County Public Library

Principal Property Taxpayers Current Year and Nine Years Ago

Name of Taxpayer	2020		
	Assessed Value (1)	Percent of Total Assesed Value	Rank
Duke Energy Ohio Inc	\$1,212,223,510	6.16%	1
City of Cincinnati	93,261,880	0.47%	2
Procter & Gamble Co	70,630,320	0.36%	3
Fifth Third Bank	52,115,210	0.26%	4
HGREIT II Edmondson Road LLC	37,624,300	0.19%	6
Duke Energy Miami Fort LLC	37,356,610	0.19%	7
Texas Gas Transmission LLC	29,651,700	0.15%	5
HGREIT II Madison Road LLC	29,211,000	0.15%	8
Acabay Atrium Two LP	27,125,000	0.14%	9
312 Walnut LLC	25,153,400	0.13%	10
Subtotal	1,614,352,930	8.20%	
All Other	18,074,742,410	91.80%	
Total	<u>\$19,689,095,340</u>	<u>100.00%</u>	

Name of Taxpayer	2011		
	Assessed Value (1)	Percent of Total Assesed Value	Rank
Duke Energy Ohio Inc	\$700,295,680	3.57%	1
City of Cincinnati	126,116,520	0.64%	2
Procter & Gamble Co	77,774,300	0.40%	3
Duke Realty Ohio	33,884,550	0.17%	4
Cincinnati Trophy LLC	29,677,330	0.15%	5
Carew Realty Inc	26,646,190	0.14%	6
Fifth Third Bank	25,334,890	0.13%	7
Dayton Power & Light Co	26,086,960	0.13%	8
Columbia Development Corp	20,448,030	0.10%	9
OTR	21,525,000	0.11%	10
Subtotal	1,087,789,450	5.62%	
All Other	18,532,210,550	94.38%	
Total	<u>\$19,620,000,000</u>	<u>100.00%</u>	

(1) The assessed value is 35% of the market value of the property. Taxes are levied against the assessed value. The taxes are calculated annually using the reduction factor which maintains the existing level of taxes paid on voted millage. The taxing district collects the same amount of revenue that was voted regardless of increased property values, except for added value of new construction.

Source: Office of the Auditor, Hamilton County, Ohio, Total County Valuation

Cincinnati and Hamilton County Public Library

Demographic and Economic Statistics

Last Ten Years

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	Hamilton County Unemployment Rate (4)
2011	800,362	\$38,425,612,445	\$48,010	8.6%
2012	802,038	38,947,903,470	48,561	7.0%
2013	804,520	40,522,867,880	50,369	7.1%
2014	806,631	42,101,298,414	52,194	5.3%
2015	807,598	42,654,903,566	52,817	4.4%
2016	809,099	43,360,424,509	53,591	4.3%
2017	813,822	44,547,802,458	54,739	4.4%
2018	816,684	48,029,186,040	58,810	4.1%
2019	817,473	50,442,171,465	61,705	3.8%
2020	819,517	53,726,715,003	65,559	7.8%

Sources: (1) U.S. Department of Commerce, U.S. Census Bureau web site
2020 data had not been released at time of report. Population total for 2020 was estimated at a 0.25% growth rate from 2019.

(2) Calculated based on rounded per capita income multiplied by population

(3) U.S. Department of Commerce, Bureau of Economic Analysis web site.

Ohio's personal income increased 6.2% in 2020. County data for 2020 has been estimated based on a 6.2% increase from BEA's 2019 revised amount of \$50,464,493,000. County data released in March 2020.

(4) Ohio Department of Job and Family Services web site

Cincinnati and Hamilton County Public Library

Principal Employers

Current Year and Nine Years Ago

Employer	2020			2011		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Kroger Co.	17,713	1	1.72%	12,000	4	1.24%
Cincinnati Children's Hospital Medical Center	16,446	2	1.60%	6,433	10	0.66%
TriHealth Inc.	12,000	3	1.17%	6,758	8	0.70%
University of Cincinnati	10,159	4	0.99%	14,084	1	1.45%
UC Health	10,112	5	0.98%			
Procter & Gamble Co.	10,000	6	0.97%	13,700	2	1.41%
St. Elizabeth Healthcare	9,007	7	0.88%			
General Electric	9,000	8	0.88%			
Bon Secours Mercy Health	8,500	9	0.83%	7,223	6	0.74%
Fifth Third Bancorp	7,000	10	0.68%			
Cincinnati Public Schools				7,132	7	0.74%
Health Alliance of Greater Cincinnati				13,505	3	1.39%
City of Cincinnati				6,500	9	0.67%
GE Aviation				7,500	5	0.77%
Average County Employment for the Year	<u>1,028,260</u>			<u>970,170</u>		

Sources: Cincinnati Business Courier Book of Lists 2012 (2011 data) & 2020/2021 (2020 data)
U.S. Bureau of Labor Statistics

Cincinnati and Hamilton County Public Library

Library Employees by Function

Last Ten Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities:										
Library Services:										
Public Service and Programs	597	591	637	630	651	673	668	679	682	509
Collection Development and Processing	63	59	79	82	84	82	75	72	67	64
Support Services:										
Facilities Operations and Maintenance	54	32	43	43	45	44	38	40	40	43
Information Services Support	14	15	16	16	14	16	17	17	18	17
Business Administration	35	31	31	34	35	39	36	37	41	38
<i>Total Number of Employees</i>	<u>763</u>	<u>728</u>	<u>806</u>	<u>805</u>	<u>829</u>	<u>854</u>	<u>834</u>	<u>845</u>	<u>848</u>	<u>671</u>

Source: Library records

Cincinnati and Hamilton County Public Library
Operating Indicators by Function
Last Ten Years

Function/Program	2011	2012	2013	2014
Library Services				
Public Service and Programs				
Items in Collection	8,819,759	9,558,816	9,793,942	10,161,894
Material Loans	17,600,307	17,335,953	17,884,498	18,249,132
Active Registered Borrowers	425,454	483,110	526,678	579,158
Number of Public Programs	17,546	20,964	23,178	25,093
Collection Development and Processing				
Items Purchased	340,298	321,279	332,345	362,333
Support Services				
Facilities Operations and Maintenance				
Facilities Maintained	45	43	43	43
Square Footage of Facilities	931,537	917,083	917,083	916,574
Information Services Support				
Computer Workstations/Devices	1,941	1,934	2,202	2,217
Online Resource Usage	137,120,046	118,964,203	20,179,323 *	17,114,285

Source: Library records

*Catalog Searches no longer counted for Online Resource Usage

(1) During 2020, programming was conducted virtually for most of the year as a result of the pandemic and only live views were counted. Material loans were lower due to Library closure for part of the pandemic as well as increased safety measures for sanitizing physical materials. Physical items purchased decreased as a result of a demand for more electronic options. Temporary additional leased space for Walnut Hills while building is under renovations.

2015	2016	2017	2018	2019	2020(1)
9,886,509	9,694,102	9,696,276	9,794,026	9,636,266	9,605,730
18,771,227	21,226,498	19,838,362	19,953,082	21,098,880	14,557,031
620,062	531,588	495,895	511,127	489,258	465,558
17,098	17,468	17,951	16,937	17,807	6,146
372,038	327,858	323,023	305,444	313,558	264,414
42	42	42	43	43	44
925,567	938,902	938,902	975,790	975,790	983,400
2,479	2,559	2,716	2,728	2,838	2,965
17,973,823	17,603,604	16,073,226	14,825,606	14,403,855	14,559,635

Cincinnati and Hamilton County Public Library
Capital Assets Statistics by Function
Last Ten Years

	<u>2011 (*)</u>	<u>2012 (*)</u>	<u>2013</u>	<u>2014</u>
Library Services:				
Public Service and Programs				
Land	\$12,320,016	\$12,268,873	\$12,268,873	\$12,146,473
Land improvements	471,191	471,863	446,995	409,823
Buildings and improvements	42,680,799	41,932,318	40,780,204	40,040,148
Furniture, fixtures and equipment	1,764,154	1,775,488	1,648,080	1,388,615
Collection Development and Processing				
Land	435,456	435,456	435,456	435,456
Fine Arts and Rare Books	17,614,531	17,614,531	17,614,531	17,614,531
Buildings and improvements	1,211,981	1,176,827	1,129,890	1,077,287
Furniture, fixtures and equipment	197,340	212,284	211,337	326,667
Support Services:				
Facilities Operations and Maintenance				
Land	922,056	922,056	922,056	922,056
Buildings and improvements	4,094,863	3,976,247	3,817,874	6,546,266
Furniture, fixtures and equipment	488,101	581,826	592,273	549,483
Vehicles	61,556	36,433	15,455	69,496
Construction in progress	1,153,978	252,834	1,403,665	4,953,806
Information Services Support				
Land	54,432	54,432	54,432	54,432
Buildings and improvements	151,498	147,104	141,237	134,662
Furniture, fixtures and equipment	742,382	790,393	812,909	667,678
Business Administration				
Land	707,617	707,617	707,617	707,617
Buildings and improvements	1,983,744	1,926,618	1,850,345	1,764,865
Furniture, fixtures and equipment	55,053	58,707	44,998	29,471
	<u>\$87,110,748</u>	<u>\$85,341,907</u>	<u>\$84,898,227</u>	<u>\$89,838,832</u>

Land improvements, buildings and improvements, furniture and equipment and vehicles are presented net of accumulated depreciation.

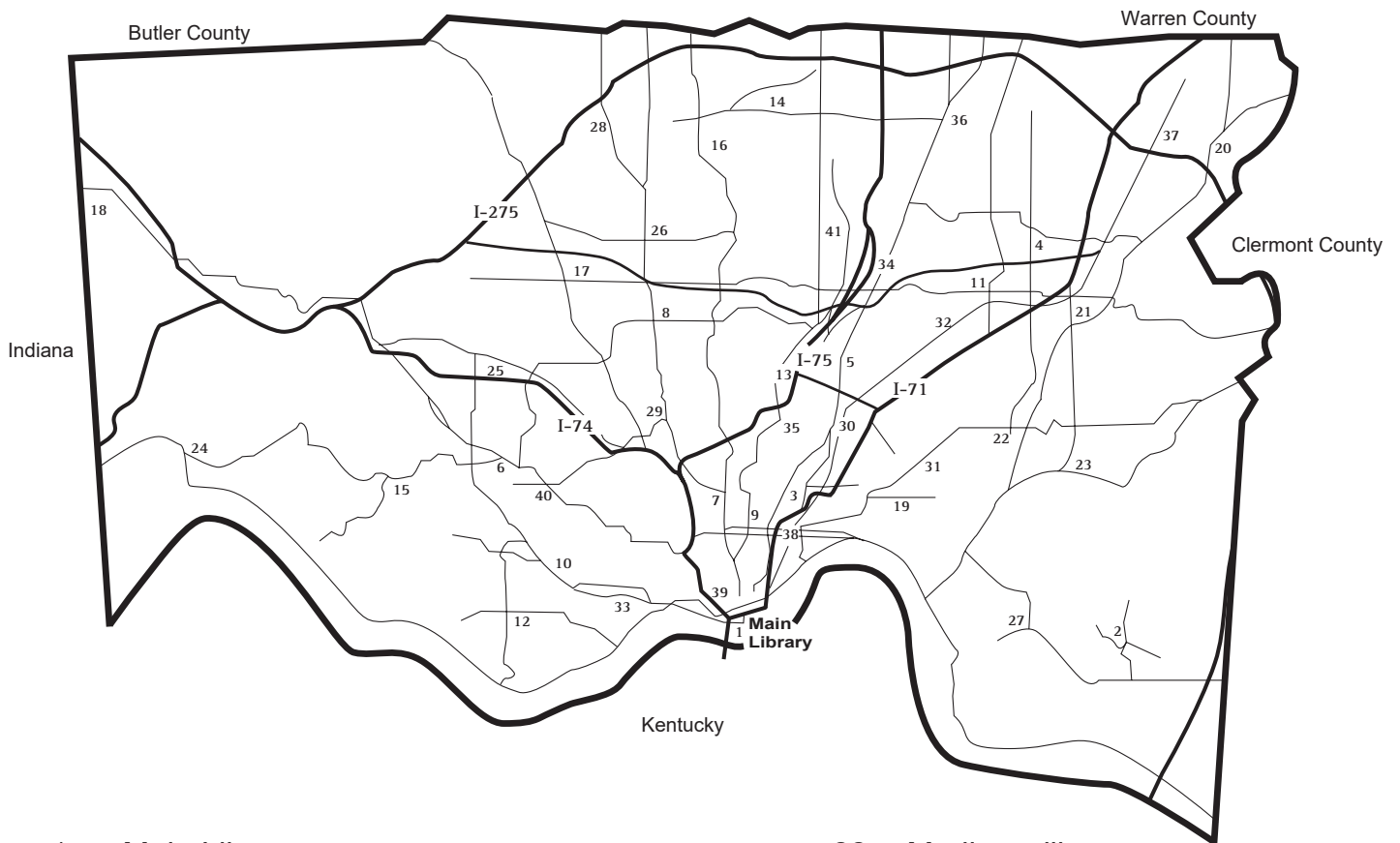
Source: Library capital asset records.

*Amount restated to correctly reflect accumulated depreciation

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$12,146,473	\$12,146,473	\$12,146,473	\$11,986,262	\$12,112,262	\$12,112,262
389,261	351,237	352,052	318,532	285,012	274,063
38,075,315	36,095,418	37,742,450	38,009,801	37,769,630	35,991,569
1,671,206	1,321,446	1,175,032	1,586,724	1,959,850	2,040,085
435,456	435,456	435,456	435,456	435,456	435,456
17,614,531	17,614,531	17,614,531	17,614,531	17,614,531	17,614,531
1,020,448	963,173	920,905	881,155	839,099	799,448
283,702	228,386	199,075	181,572	151,119	142,078
922,056	922,056	922,056	922,056	922,056	922,056
15,063,090	14,958,628	14,629,435	15,789,615	15,176,940	16,537,677
591,269	514,036	475,426	474,923	490,151	436,438
100,427	178,895	193,000	253,288	203,105	136,327
0	356,425	300,181	0	3,041,818	7,116,870
54,432	54,432	54,432	54,432	54,432	54,432
127,557	120,397	115,114	110,145	104,888	99,932
559,784	852,176	959,827	724,763	652,499	627,498
707,617	707,617	707,617	707,617	707,617	707,617
1,672,502	1,579,430	1,510,119	1,444,935	1,375,971	1,310,951
24,008	31,270	30,720	40,144	53,962	45,521
<u>\$91,459,134</u>	<u>\$89,431,482</u>	<u>\$90,483,901</u>	<u>\$91,535,951</u>	<u>\$93,950,398</u>	<u>\$97,404,811</u>

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Cincinnati & Hamilton County Public Library Service Areas and Locations



- | | |
|--------------------|---------------------|
| 1. Main Library | 22. Madisonville |
| 2. Anderson | 23. Mariemont |
| 3. Avondale | 24. Miami Township |
| 4. Blue Ash | 25. Monfort Heights |
| 5. Bond Hill | 26. Mt. Healthy |
| 6. Cheviot | 27. Mt. Washington |
| 7. Clifton | 28. North Central |
| 8. College Hill | 29. Northside |
| 9. Corryville | 30. Norwood |
| 10. Covedale | 31. Oakley |
| 11. Deer Park | 32. Pleasant Ridge |
| 12. Delhi Township | 33. Price Hill |
| 13. Elmwood Place | 34. Reading |
| 14. Forest Park | 35. St. Bernard |
| 15. Green Township | 36. Sharonville |
| 16. Greenhills | 37. Symmes Township |
| 17. Groesbeck | 38. Walnut Hills |
| 18. Harrison | 39. West End |
| 19. Hyde Park | 40. Westwood |
| 20. Loveland | 41. Wyoming |
| 21. Madeira | |

OHIO AUDITOR OF STATE KEITH FABER



CINCINNATI AND HAMILTON COUNTY PUBLIC LIBRARY

HAMILTON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 7/8/2021

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

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