



**Auditor of State  
Betty Montgomery**



TOLEDO-LUCAS COUNTY PUBLIC LIBRARY  
LUCAS COUNTY

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**Auditor of State  
Betty Montgomery**

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

Toledo-Lucas County Public Library  
Lucas County  
325 North Michigan Street  
Toledo, Ohio 43624-1628

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Toledo-Lucas County Public Library, Lucas County, Ohio (the Library), as of and for the year ended December 31, 2004, which collectively comprise the Library's basic financial statements and have issued our report thereon dated June 23, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Library's internal control over financial reporting to determine our auditing procedures in order to express our opinions on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the Library's management dated June 23, 2005, we reported an other matter involving internal control over financial reporting we did not deem a reportable conditions.

### **Compliance and Other Matters**

As part of reasonably assuring whether the Library's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion 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*.

We intend this report solely for the information and use of the audit committee, management, and the Board of Trustees. It is not intended for anyone other than these specified parties.



**Betty Montgomery**  
Auditor of State

June 23, 2005

TOLEDO-LUCAS COUNTY  
PUBLIC LIBRARY, OHIO

Comprehensive Annual Financial Report

For the Year Ended  
December 31, 2004





# Introductory Section

TOLEDO-LUCAS COUNTY  
PUBLIC LIBRARY, OHIO

Comprehensive Annual Financial Report

For the Year Ended  
December 31, 2004

Issued By:

Finance Office

Toledo-Lucas County Public Library  
 Comprehensive Annual Financial Report  
 For the Year Ended December 31, 2004  
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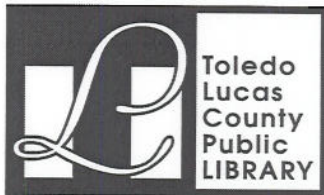
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325 Michigan Street  
Toledo, Ohio 43624-1628

419/259/5207  
www.toledolibrary.org

June 23, 2005

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

We are pleased to present our eleventh Comprehensive Annual Financial Report (CAFR) for the Toledo-Lucas County Public Library. This report, for the year ended December 31, 2004, contains the financial statements and other financial and statistical data that provide complete and full disclosure of all material financial aspects of the Toledo-Lucas County Public Library (the "Library"). This CAFR conforms to generally accepted accounting principles 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 Library, specifically the Finance Office.

This CAFR is divided into three sections as follows:

1. The Introductory Section contains the table of contents, letter of transmittal, a list of principal officials, organization chart of the Library, and the certificate of achievement.
2. The Financial Section includes the Independent Accountants' Report, the Basic Financial Statements and Notes, which provide an overview of the Library's financial position and operating results, and the Combining Statements and Individual Fund Schedules, which provide detailed information about the Basic Financial Statements.
3. The Statistical Section presents social and economic data and financial trend information.

GAAP require the Management's Discussion and Analysis (MD&A), a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to compliment the MD&A and should be read in conjunction with it.

#### History of the Library

The origin of the Toledo-Lucas County Public Library reaches back to 1838 when the Toledo Young Men's Association created "a lyceum and public library in Toledo". This organization later evolved into the Toledo Library Association that became the Toledo Public Library on April 18, 1873. The Toledo Public Library left its original leased quarters in 1888 and moved into a new library building at the corner of Madison and Ontario streets. In 1900, the open shelf system was adopted and four years later catalog cards replaced a printed catalog of the library's holdings.

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

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

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

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

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

In the November 1995 general election, 73 percent of the Lucas County voters approved the Library's proposed capital projects. The \$38.6 million bond issue is funding the renovation and expansion of the Main Library and virtually all of the system's eighteen branch libraries from 1996 through 2005.

Subsequently, the Library assembled a team of architects, construction managers, and other experts to work with the staff and develop the complex capital plans needed. Library users of all ages have been included in this planning process. Public meetings at Library sites, where neighborhood residents talked with the project architects, and focus groups of adults, teenagers, and children have brought forth a good variety of suggestions and comments. By the end of 2004, the Main Library addition and fifteen branch libraries' capital projects had been completed (Birmingham, Heatherdowns, Holland, Kent, Maumee, Mott, Oregon, Point Place, Reynolds Corners, Sanger, South, Sylvania, Toledo Heights, Washington, and West Toledo). The Lagrange and Waterville Branches are in the construction stages. Only Locke Branch remains for updating.

### Mission

The stated mission of the Library is as follows:

The Toledo-Lucas County Public Library supports and enhances a better quality of life for all residents of Lucas County. This is achieved best by offering open and equitable access to information and services in a variety of formats and locations. The Library provides:

- Focused resources and services which meet the needs of young children, adults, and individual learners.
- Popular materials at levels proportional to demands.

- Reference services, including specialized resources and services for economic development and local history.

The Library, in fulfillment of this mission, is committed to sound resource management, to the continued advancement of the Library system, and to quality service for all users.

### Materials/Services

The Library provides the residents of Lucas County with an abundance and variety of excellent services. With a book collection of 2.9 million volumes, of which over 1 million are in the Main Library, the Toledo-Lucas County Public Library has the fifth largest public library collection in the State. Its annual circulation of over 6.4 million includes not only best sellers but also materials on all topics imaginable. In addition to books, the Library has maps, newspapers, current and bound magazines, microfilm, large print materials, videocassettes, compact discs, audio cassettes, books-on-tape, sheet music, digital video discs, and access to the Internet. Electronic books were introduced in 2000 and circulate slowly.

The Main Library is located in downtown Toledo and offers in-depth collections and staff expertise in the following subject areas: Audio-Visual, Business Technology, Children, Humanities, and Local History. Special collections and services include Community Information Profile which is a directory of local organizations and agencies, Grantsmanship Center to assist grants writers, Federal Documents Depository collection dating back to 1884, patents, a genealogical research collection, and a technology center which offers free public access to computers.

The Library's Outreach Services Department operates bookmobile services to nursing homes, retirement centers, and rural Lucas County residents. Outreach Services also provides library materials to correctional facilities, daycare providers, homebound, preschool, teens, and seniors.

One hundred fifty-three PC's were made available to the public at the Main Library and four hundred sixty-six PC's system-wide.

In 2004, staff members responded to approximately 653,000 reference questions from patrons that reached the Library in person, via phone, fax, or mail. The Library offers computerized database services which provide access to hundreds of topics in all fields of knowledge. In addition, the Library's online catalog and other information resources are available through dial-in access. In 2004, our web page was accessed 7,173,104 times.

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

### REPORTING ENTITY

The Library's reporting entity has been defined in accordance with Statement No. 14 of the Governmental Accounting Standards Board. The Library is under the control and management of a Board of Trustees consisting of seven members. Three of the board members are appointed by the Common Pleas Court Judges and four are appointed by the Lucas County Commissioners. Board members are appointed for a term of seven years, the term of one trustee expiring each year. At its January meeting, the Board organizes for the ensuing year and elects a president, vice president, and secretary.

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 County Commissioners significantly influence the programs, activities, or level of service performed or provided by the Library. The Library is fiscally independent of the County, although the County Commissioners serve in a ministerial capacity as the taxing authority. The determination to request approval of a tax, the rate, and the purpose(s) of the levy are discretionary decisions made solely by the Board of Library Trustees. Once those decisions are made, the County Commissioners must place the levy on the ballot.



The Library receives the major portion of its income (50 percent) from the Library and Local Government Support Fund (LLGSF). The LLGSF is a fixed portion (at present 5.7 percent) of the state income tax collection. The monies are distributed to Ohio's eighty-eight counties according to a fixed formula. Within Lucas County, the distribution is based upon a per pupil formula. In 2004, the Toledo-Lucas County Public Library received 98.72 percent of the LLGSF for Lucas County. The balance was received by Swanton Public Library and Evergreen Community Library.

The second largest source of operating revenue (38 percent) comes from two one-mill Lucas County property tax levies. One of the levies is for a ten-year period. The Library began collecting this tax in 1998. The other levy is for a four-year period. The Library began collecting this tax in 2004. In 2004, Toledo-Lucas County Public Library received 2.7 percent of the public utilities property tax, 3.7 percent residential property tax, and 3.4 percent of the commercial property tax in Lucas County.

### ECONOMIC CONDITION AND OUTLOOK

The Library serves the entire County of Lucas and City of Toledo. This area has historically been a prime site for heavy manufacturing of steel, glass, rubber, and plastics, especially related to the automotive industry. As manufacturing has declined, the local economic development officers have nurtured small business start up and have attempted to attract high technology companies with modest success. The City and County salaries remain lower than the State average, unemployment is slightly higher than the State average, and the national downturn lingers somewhat in Toledo. The Toledo and Lucas County economy has not experienced the economic upturn seen in other parts of the United States.

Toledo is home to a world-class museum of art, nationally acclaimed zoo, COSI, well-maintained metropolitan parks, an excellent university, and a medical school.

The population of the City of Toledo has declined during the past several decades, while the County's population has slowly increased. System-wide circulation remains on a generally upward trend, with the 2004 total of all items borrowed exceeding six million items for the ninth consecutive year. Last year's total number of visitors to all Library locations reached nearly 3.5 million. The number of youngsters in the 2004 Summer Reading Club was over 20,087, a 9.5 percent increase over 2003. As an overall sign of a strong, effective Library system, the Toledo-Lucas County Public Library was ranked as the thirteenth best public library in the United States among the ninety libraries in its population category, according to the Hennen American Public Library Rating Index.

The major revenue source for the Library is the Library and Local Government Support Fund (LLGSF), based on an earmarking of the State income tax. The LLGSF is dependent on the economy of the State and, thus, fluctuates widely. In 1992, the Ohio Legislature froze the LLGSF at the 1991 level and temporarily reduced the earmarked funds from 6.3 percent to 5.7 percent. Although the earmarking percentage was reduced, the State income tax revenue grew during those years, and therefore a slight increase in actual dollars was seen in the LLGSF. In 1995, the Ohio legislature changed the temporary reduction into permanent law. Therefore, the increase of the LLGSF is due to the State income tax increase. More recently, LLGSF funding has followed the generally strong statewide economy for 1996 through 2000; however, beginning July 2001, the LLGSF faced a biennium budget freeze. In 2002, the Library faced a reduction of \$1.4 million to its operating budget because of Ohio's poor economy and lowered State income tax collection. Funding from the State of Ohio via the LLGSF plunged further in 2003 correlating to the ebb of the economy. Drastic reductions were made to the materials budget, supplies, building maintenance, technology upgrade and most other line items. Over thirty staff positions were left unfilled. The State's support in 2003 was equivalent to the 1999 level of \$18.4 million. While State funds remained frozen through 2004, the passage of the local one-mill four-year operating levy in November 2003 allowed the library to restore nearly all its line items. All staff vacancies were also filled in 2004.

## MAJOR INITIATIVES

The following are selected highlights of the Library's accomplishments in 2004:

Circulation - 6,425,869

Reference - 652,652

Registered borrowers - 285,381

Collection total - 2,911,554 books

Web access - 7,173,104

**AUTHORS! AUTHORS!** - This popular series continued for an eleventh year and included Scott Turow, Eric Jerome Dickey, Jane Smiley, Faye and Jonathan Kellerman, Mick Foley, and Nicholas Sparks. The Blade remained a proud co-sponsor, as did the Friends of the Library, the Library Legacy Foundation, and various Library trust funds.

**OTHER LOCAL PARTNERSHIPS** - In 2004, the Library formed many partnerships with community businesses and organizations, which benefited children and adults. The major cooperative efforts included the summer reading clubs and teen summer activities, funded by twenty-one local sponsors. Another season of brown bag concerts pleased thousands of downtown noon timers thanks to eleven financial sponsors.

### **CAPITAL PROJECTS**

During 2004, the Library completed construction on the Birmingham Library, an older section of Main Library, and a new addition to Main Library. Outstanding projects include the following:

Lagrange Branch Library - Land was acquired for this branch at the corner of Manhattan and Lagrange Streets. The architect for the project was Collaborative, Inc. The architect worked on the site and floor plan in 2003, with construction in 2004. The new branch was opened in May 2005.

Waterville Branch Library - The architect for this project was Buehrer Group. The architect worked on the site plan and floor plan in 2003, with construction in 2004. The new branch was opened in February 2005.

Other Capital Projects - The Library will continue implementation of capital projects promised to the voters of Lucas County in the 1995 campaign. There is one more year to go and one more project to complete. The Library is looking for land and has hired Spring Valley Architects to design the new building for Locke Branch.

## CASH MANAGEMENT

The Library pursues an aggressive cash management program by expediting the receipt of revenues and prudently investing available cash in obligations issued by the United States Government or the State of Ohio. The Library's deposits are collateralized as required by State statute. The total interest earned by the governmental funds for the year ended December 31, 2004, was \$131,986.

## RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 2004, the Library contracted with several companies for insurance coverage as follows:

<u>Coverage</u>	<u>Company</u>
Property*	Traveler's Insurance
General Liability	Traveler's Insurance
Auto	Traveler's Insurance
Umbrella	Traveler's Insurance
Earthquake/Flood	Traveler's Insurance
Directors and Officers	Chubb Executive Risk Indemnity, Inc.
Special Library Form**	Traveler's Insurance
Electronic Equipment	Traveler's Insurance

\* Includes: Glass and Transit

\*\* Includes: Fine Arts, Rare Books, Electronic Data Processing Equipment, and Valuable Papers

There are various limits and deductibles associated with each type of insurance that is outlined in detail in the notes to the financial statements.

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

## OTHER INFORMATION

### Independent Audit

An audit team for Auditor of State, Betty Montgomery's Office has performed this year's audit. The results of the audit are presented in the Independent Accountant's Report.

### Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Toledo-Lucas County Public Library for its Comprehensive Annual Financial Report for the year ended 2003. This was the tenth consecutive Certificate of Achievement received by the Library.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report which conforms to program standards. Such a report must also satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe our current report continues to conform to the Certificate of Achievement program requirements. Since this report was prepared with the stringent guidelines of the Certificate of Achievement program in mind, it will be submitted to GFOA to determine its eligibility for the Certificate of Achievement for 2004.

Acknowledgements

A special thanks is extended to my staff for its hard work and dedication in compiling cash reports, accrual information, and capital asset information. I would also like to express appreciation to Betty Montgomery, Auditor of State, and to her Local Government Services staff for their assistance in preparing this report.



Clyde S. Scoles  
Director/Clerk-Treasurer



Shirley A. Johnson  
Business Manager/Deputy Clerk-Treasurer

Toledo-Lucas County Public Library

List of Principal Officials

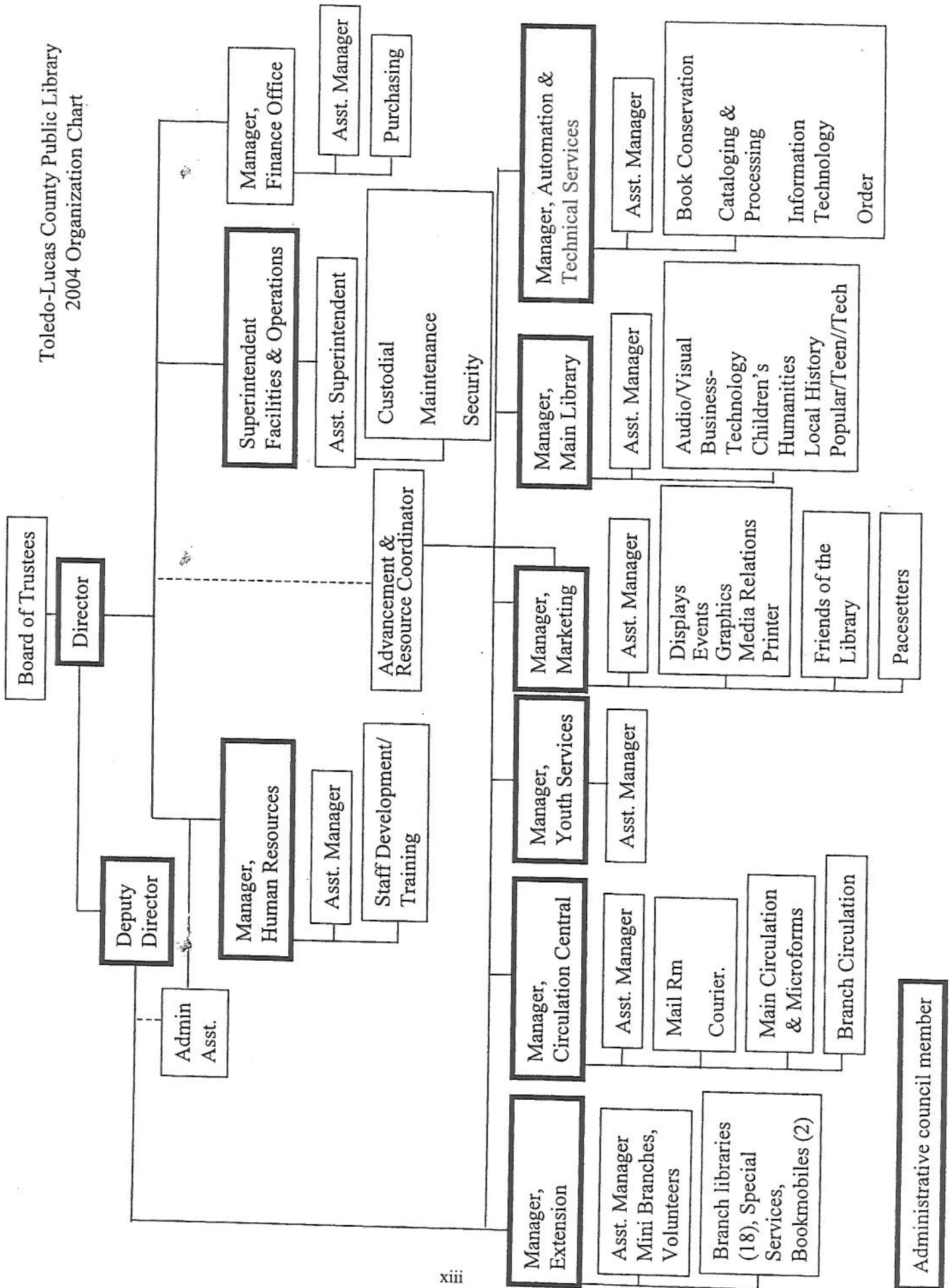
Board of Trustees

President	Carol Z. Block
Vice President	A. Randy Clay
Secretary	George R. Tucker
Board Members	James E. A. Black II
	Bernard F. Judy
	Joseph V. McNamara
	Susan M. Savage

Appointed Officials

Director/Clerk-Treasurer	Clyde S. Scoles
Deputy Director	Margaret C. Danziger
Business Manager/ Deputy Clerk-Treasurer	Shirley A. Johnson
Assistant Deputy Clerk-Treasurers	Linda S. Schramm
	Roger A. Veitch

Toledo-Lucas County Public Library  
2004 Organization Chart



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Toledo-Lucas County  
Public Library, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Nancy L. Zjelle*

President

*Jeffrey R. Enos*

Executive Director

## Financial Section





**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Toledo-Lucas County Public Library  
Lucas County  
325 N. Michigan Street  
Toledo, Ohio 43624-1628

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Toledo-Lucas County Public Library, Lucas County, Ohio (the Library), as of and for the year ended December 31, 2004, which collectively comprise the Library's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Library's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Toledo-Lucas County Public Library, Lucas County, Ohio, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General and Improvement Levy funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2005, 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. While we did not opine on the internal control over financial reporting or on compliance, that

report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the Library's basic financial statements. The introductory section, combining and individual nonmajor fund statements, and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund statements to the auditing procedures applied in the audit of the basic financial statements. 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 tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



**Betty Montgomery**  
Auditor of State

June 23, 2005

## **TOLEDO-LUCAS COUNTY PUBLIC LIBRARY**

Management's Discussion and Analysis

For the Year Ended December 31, 2004

Unaudited

The discussion and analysis of the Toledo-Lucas County Public Library's financial performance provides an overview of the Library's financial activities for the year ended December 31, 2004. The intent of this discussion and analysis is to look at the Library's financial performance as a whole.

### HIGHLIGHTS

Key highlights for 2004 are as follows:

In 2004, the Library started receiving collections from the new one-mill operating levy approved in November 2003. This levy will generate approximately \$7.8 million annually for four years. Passage of this levy helped restore some of the reductions the Library was forced to employ in 2003 as well as take the place of some lost State resources.

In 1996, the Library began a ten-year building and improvement program. During 2004, Waterville and Lagrange Branch Libraries were under construction. Waterville Branch Library opened to the public in February 2005 and Lagrange Branch Library opened to the public in May 2005. At this point, Locke Branch Library is the last project in the ten-year building and improvement program to be undertaken. The Library is looking for land and has hired Spring Valley Architects to design the new building for Locke Branch Library.

### USING THIS ANNUAL REPORT

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

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

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

### REPORTING THE LIBRARY AS A WHOLE

The statement of net assets and the statement of activities reflect how the Library did financially during 2004. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

## **TOLEDO-LUCAS COUNTY PUBLIC LIBRARY**

Management's Discussion and Analysis

For the Year Ended December 31, 2004

Unaudited

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

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

### **REPORTING THE LIBRARY'S MOST SIGNIFICANT FUNDS**

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

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

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

Proprietary Funds - The Library's proprietary funds use the accrual basis of accounting. These funds consist of internal service funds for prescription and dental programs.

**TOLEDO-LUCAS COUNTY PUBLIC LIBRARY**

Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
Unaudited

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Table 1 provides a summary of the Library's net assets for 2004 and 2003.

Table 1  
Net Assets

	<u>Governmental Activities</u>	
	<u>2004</u>	<u>2003</u>
<u>Assets</u>		
Current and Other Assets	\$36,239,252	\$37,444,218
Capital Assets, Net	75,743,106	72,914,680
Total Assets	<u>111,982,358</u>	<u>110,358,898</u>
<u>Liabilities</u>		
Current and Other Liabilities	19,640,183	21,521,673
Long-Term Liabilities	1,763,500	1,749,096
Total Liabilities	<u>21,403,683</u>	<u>23,270,769</u>
<u>Net Assets</u>		
Invested in Capital Assets, Net of Related Debt	73,045,106	69,497,680
Restricted	935,064	1,576,826
Unrestricted	16,598,505	16,013,623
Total Net Assets	<u>\$90,578,675</u>	<u>\$87,088,129</u>

The decrease in current and other assets from the prior year was \$1.2 million, or approximately 3 percent. This decrease can be almost entirely attributed to the reduction of a tax levy for 2005. In prior years, taxes were collected in excess of the amount needed to pay the related debt; therefore, future annual collections will be reduced. The effect was a substantial decrease in the receivable for property taxes, a decrease of approximately 8 percent. However, the Library also experienced a sizable increase in its cash balance as of the end of the year. This increase of over \$500,000 resulted from the increase in tax and intergovernmental revenues from the new tax levy brought on in 2004. In addition, the Library paid its December 2004 pension contribution in 2005. The December 2003 contribution was paid within the year. This timing difference contributed to the increase in cash at the end of the year. Ongoing construction projects caused an increase in capital assets as well as invested in capital assets.

Liabilities were also affected by the reduction of a tax levy as deferred revenue decreased to offset the above receivable. The only other change of any significance was a large increase in contracts payable from the prior year. This relates back to the increase in construction projects for 2004.

A comparison of net assets indicates a large decrease in restricted net assets due to a decrease in net assets held for capital projects. This is solely the result of spending from the Library Legacy Foundation capital projects fund for South Branch improvements. Unrestricted net assets increased primarily due to the increased cash balance in the General Fund at the end of the year.

**TOLEDO-LUCAS COUNTY PUBLIC LIBRARY**

Management's Discussion and Analysis

For the Year Ended December 31, 2004

Unaudited

Table 2 reflects the change in net assets 2004 and 2003.

Table 2  
Change in Net Assets

	Governmental Activities	
	2004	2003
<u>Revenues</u>		
Program Revenues		
Charges for Services	\$873,744	\$879,247
Operating Grants, Contributions, and Interest	7,074	41,602
Capital Grants and Contributions	39,141	0
Total Program Revenues	919,959	920,849
General Revenues		
Property Taxes Levied for General Purposes	13,245,629	5,491,046
Property Taxes Levied for Library Construction	3,379,021	4,359,578
Grants and Entitlements	19,690,920	19,590,118
Interest	138,112	120,667
Gifts and Donations	128,639	479,214
Miscellaneous	472,009	429,774
Total General Revenues	37,054,330	30,470,397
Total Revenues	37,974,289	31,391,246
<u>Expenses</u>		
Public Services		
General Public Services	20,804,148	18,824,822
Purchased and Contracted Services	5,921,069	4,345,187
Library Materials and Information	3,757,594	2,778,720
Intergovernmental	3,875,326	4,968,795
Interest and Fiscal Charges	125,606	195,172
Total Expenses	34,483,743	31,112,696
Increase in Net Assets	\$3,490,546	\$278,550

General revenues represent approximately 98 percent of the Library's overall revenue sources and these are made up almost entirely from property taxes and Library and Local Government Support Fund monies. With almost 52 percent of all revenues provided by the State, it can be seen how any decreases in this funding source have a substantial impact on the services the Library can provide. The decrease in program revenues generated from operating grants is due to a grant received in the prior year that was not received for the current year for the Services to the Elderly Grant. The program revenues for capital grants and contributions is the result of grants provided from the State Library of Ohio to assist the Library in replacing aging public access personal computers and for equipping the meeting rooms spaces with a mobile wireless laptop lab and a printer. The increase in property taxes levied for general purposes is due to the additional one-mill operating levy approved in November 2003.

**TOLEDO-LUCAS COUNTY PUBLIC LIBRARY**

Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
Unaudited

Over 88 percent of all expenses for governmental activities are used directly for services to the public. The intergovernmental expense represents payments to Lucas County for the payment of general obligation bonds the County has issued on the Library's behalf. This amount will decrease annually as principal and interest payments are made.

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

Table 3  
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2004	2003	2004	2003
Public Services				
General Public Services	\$20,804,148	\$18,824,822	\$19,929,404	\$17,941,389
Purchased and Contracted Services	5,921,069	4,345,187	5,921,069	4,345,187
Library Materials and Information	3,757,594	2,778,720	3,712,379	2,741,304
Intergovernmental	3,875,326	4,968,795	3,875,326	4,968,795
Interest and Fiscal Charges	125,606	195,172	125,606	195,172
Total Expenses	<u>\$34,483,743</u>	<u>\$31,112,696</u>	<u>\$33,563,784</u>	<u>\$30,191,847</u>

Over 97 percent of the total costs of Library operations are derived from general revenues, and as stated previously, this consists of property taxes and State funding through Local Government Support.

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The Library's major governmental funds are the General Fund, the Improvement Levy special revenue fund, and the Bond Construction capital projects fund. A review of these funds reflects an increase in fund balance in the General Fund of \$764,938, or 18 percent. The new one-mill tax levy that was enacted in the prior year created a large increase in tax and intergovernmental revenues, thereby, creating an increase in the General Fund fund balance. The 21 percent increase in fund balance in the Bond Construction fund is the result of revenue collections exceeding debt payments made.

BUDGETARY HIGHLIGHTS

The Library prepares an annual budget of revenues and expenditures/expenses for all funds of the Library for use by Library officials and department heads. The Library's most significant budgeted fund is the General Fund. While there was no change in budgeted revenues from the original to final budget, actual revenues were only slightly lower than estimates as a result of reductions in Library and Local Government Support Fund monies. With the passage of the one mill levy, the Library was able to cover the shortfall.

## **TOLEDO-LUCAS COUNTY PUBLIC LIBRARY**

Management's Discussion and Analysis

For the Year Ended December 31, 2004

Unaudited

A 5 percent reduction in the General Fund's fund balance demonstrates the need for spending prior year carry-over balances. However, compared to the prior year's reduction in fund balance of 33 percent, the Library did experience a lesser need for spending carry-over balances. The new one-mill four-year operating levy will help restore some of the General Fund's fund balance as well as services provided by the Library.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The Library's investment in capital assets as of December 31, 2004, was \$73,045,106 (net of accumulated depreciation and related debt). While the overall increase from the prior year was just slightly less than 4 percent, there were some noteworthy additions in 2004. The Library completed several construction projects including Birmingham Library, an older section of Main Library, and a new addition to Main Library. Additions to building and building improvements also include costs to integrate all library buildings for video conferencing. Vehicle additions included the replacement of a book mobile and van and the addition of a new van. Construction also continued on several of the Library's branches. For additional details regarding the Library's capital assets, refer to Note 9 to the basic financial statements.

Debt - At December 31, 2004, the Library had \$2,698,000 in revenue anticipation notes outstanding. The Library's long-term obligations consist of compensated absences. For further information regarding the Library's debt, refer to Notes 15 and 16 to the basic financial statements.

### CURRENT ISSUES

Funding from the State of Ohio for the Library and Local Government Support Fund has been flat and will decrease by about 2.5 percent in 2005. With the Library and Local Government Support Fund being flat since 2001, the Library cut the materials budget, supplies, building maintenance, technology upgrades, and most other line items as well as not filling open positions in 2003. In November 2003, the Board of Library Trustees put a one-mill four-year operating levy on the ballot to help alleviate this problem. The voters passed the levy by 65 percent. With monies generated from this levy in 2004, the Library restored these areas.

The Library has continued the ten-year building and improvement program started in 1996. Construction was completed at the Waterville and Lagrange Branch Libraries in early 2005. Locke Branch Library is the last project of the ten-year building and improvement program. The Library is looking for land and has hired Spring Valley Architects to design a new building.

### REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Library's finances for all those interested in the Library's financial well being. Questions concerning any of the information provided in this report or requests for additional information should be directed to Clyde S. Scoles, Director/Clerk-Treasurer or Shirley Johnson, Business Manager/Deputy Clerk-Treasurer, 325 Michigan Street, Toledo, Ohio 43624.



Toledo-Lucas County Public Library  
Statement of Net Assets  
December 31, 2004

	Governmental Activities
<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$8,754,895
Cash and Cash Equivalents with Escrow Agent	123,306
Accounts Receivable	15,882
Accrued Interest Receivable	16,347
Due from Other Governments	10,619,345
Prepaid Items	676,683
Materials and Supplies Inventory	68,844
Property Taxes Receivable	15,963,950
Nondepreciable Capital Assets	10,476,162
Depreciable Capital Assets, Net	65,266,944
 Total Assets	 111,982,358
<u>Liabilities</u>	
Accrued Wages Payable	552,583
Accounts Payable	534,178
Contracts Payable	439,727
Due to Other Governments	421,233
Claims Payable	54,994
Accrued Interest Payable	11,916
Retainage Payable	302,436
Deferred Revenue	14,625,116
Long-Term Liabilities	
Due Within One Year	1,731,492
Due in More Than One Year	2,730,008
 Total Liabilities	 21,403,683
<u>Net Assets</u>	
Invested in Capital Assets, Net of Related Debt	73,045,106
Restricted for	
Capital Projects	121,064
Other Purposes	542,026
Library Materials	
Expendable	142,384
Nonexpendable	129,590
Unrestricted	16,598,505
 Total Net Assets	 \$90,578,675

See Accompanying Notes to the Basic Financial Statements

Toledo-Lucas County Public Library  
Statement of Activities  
For the Year Ended December 31, 2004

	Program Revenues			Net (Expense) Revenue and Change in Net Assets	
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants and Contributions	Total
<u>Governmental Activities</u>					
Public Services					
General Public Services	\$20,804,148	\$873,744	\$1,000	\$0	(\$19,929,404)
Purchased and Contracted Services	5,921,069	0	0	0	(5,921,069)
Library Materials and Information	3,757,594	0	6,074	39,141	(3,712,379)
Intergovernmental	3,875,326	0	0	0	(3,875,326)
Interest and Fiscal Charges	125,606	0	0	0	(125,606)
<b>Total</b>	<b>\$34,483,743</b>	<b>\$873,744</b>	<b>\$7,074</b>	<b>\$39,141</b>	<b>(33,563,784)</b>

General Revenues

Property Taxes Levied for General Purposes	13,245,629
Property Taxes Levied for Library Construction	3,379,021
Grants and Entitlements not Restricted to Specific Programs	19,690,920
Interest	138,112
Gifts and Donations	128,639
Miscellaneous	472,009
<b>Total General Revenues</b>	<b>37,054,330</b>
Change in Net Assets	3,490,546
Net Assets Beginning of Year	87,088,129
<b>Net Assets End of Year</b>	<b>\$90,578,675</b>

See Accompanying Notes to the Basic Financial Statements

Toledo-Lucas County Public Library  
Balance Sheet  
Governmental Funds  
December 31, 2004

	General	Improvement Levy	Bond Construction	Other Governmental	Total Governmental Funds
<u>Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$4,434,840	\$0	\$0	\$4,044,187	\$8,479,027
Accounts Receivable	15,882	0	0	0	15,882
Accrued Interest Receivable	14,558	0	0	1,789	16,347
Due from Other Governments	10,619,345	0	0	0	10,619,345
<u>Restricted Assets</u>					
Cash and Cash Equivalents with Escrow Agent	226	0	0	123,080	123,306
Prepaid Items	676,683	0	0	0	676,683
Materials and Supplies Inventory	68,844	0	0	0	68,844
Property Taxes Receivable	14,060,599	1,903,351	0	0	15,963,950
 Total Assets	 <u>\$29,890,977</u>	 <u>\$1,903,351</u>	 <u>\$0</u>	 <u>\$4,169,056</u>	 <u>\$35,963,384</u>
<u>Liabilities and Fund Balance</u>					
<u>Liabilities</u>					
Accrued Wages Payable	\$552,583	\$0	\$0	\$0	\$552,583
Accounts Payable	534,178	0	0	0	534,178
Contracts Payable	67,652	0	0	372,075	439,727
Due to Other Governments	421,233	0	0	0	421,233
Accrued Interest Payable	0	0	11,916	0	11,916
Notes Payable	0	0	2,698,000	0	2,698,000
Retainage Payable	5,626	0	0	173,504	179,130
<u>Liabilities Payable from Restricted Assets</u>					
Retainage Payable	226	0	0	123,080	123,306
Deferred Revenue	23,309,577	1,903,351	0	921	25,213,849
 Total Liabilities	 <u>24,891,075</u>	 <u>1,903,351</u>	 <u>2,709,916</u>	 <u>669,580</u>	 <u>30,173,922</u>
<u>Fund Balance</u>					
Reserved for Encumbrances	2,260,924	0	0	795,923	3,056,847
Reserved for Principal	0	0	0	129,590	129,590
Unreserved, Designated for Scholarships	170,168	0	0	0	170,168
<u>Unreserved, Undesignated Reported in</u>					
General Fund	2,568,810	0	0	0	2,568,810
Special Revenue Funds	0	0	0	267,956	267,956
Capital Projects Funds (Deficit)	0	0	(2,709,916)	2,165,176	(544,740)
Permanent Funds	0	0	0	140,831	140,831
 Total Fund Balance (Deficit)	 <u>4,999,902</u>	 <u>0</u>	 <u>(2,709,916)</u>	 <u>3,499,476</u>	 <u>5,789,462</u>
 Total Liabilities and Fund Balance	 <u>\$29,890,977</u>	 <u>\$1,903,351</u>	 <u>\$0</u>	 <u>\$4,169,056</u>	 <u>\$35,963,384</u>

See Accompanying Notes to the Basic Financial Statements

Toledo-Lucas County Public Library  
 Reconciliation of Total Governmental Fund Balance  
 to Net Assets of Governmental Activities  
 December 31, 2004

Total Governmental Fund Balance		\$5,789,462
Amounts reported for governmental activities on the statement of net assets are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		75,743,106
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:		
Accounts Receivable	62	
Accrued Interest Receivable	14,791	
Due from Other Governments	9,235,046	
Property Taxes Receivable	1,338,834	
		10,588,733
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Compensated Absences Payable		(1,763,500)
Internal service funds are used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities on the statement of net assets.		220,874
Net Assets of Governmental Activities		\$90,578,675

See Accompanying Notes to the Basic Financial Statements

Toledo-Lucas County Public Library  
Statement of Revenues, Expenditures,  
and Changes in Fund Balance  
Governmental Funds  
For the Year Ended December 31, 2004

	General	Improvement Levy	Bond Construction	Other Governmental	Total Governmental Funds
<u>Revenues</u>					
Property Taxes	\$12,432,293	\$3,408,618	\$0	\$0	\$15,840,911
Intergovernmental	15,762,247	466,380	4,080,212	39,141	20,347,980
Patron Fines and Fees	811,313	0	0	0	811,313
Interest	85,350	0	0	46,636	131,986
Services Provided to Others	62,413	0	0	0	62,413
Gifts and Donations	19,695	0	0	108,944	128,639
Miscellaneous	471,681	328	0	254	472,263
<b>Total Revenues</b>	<b>29,644,992</b>	<b>3,875,326</b>	<b>4,080,212</b>	<b>194,975</b>	<b>37,795,505</b>
<u>Expenditures</u>					
Current:					
Public Services					
General Public Services	19,398,177	0	0	4,428	19,402,605
Purchased and Contracted Services	4,804,944	0	0	387,407	5,192,351
Library Materials and Information	3,701,015	0	0	17,438	3,718,453
Intergovernmental	0	3,875,326	0	0	3,875,326
Capital Outlay	1,612,918	0	0	3,239,601	4,852,519
Debt Service					
Interest and Fiscal Charges	0	0	125,606	0	125,606
<b>Total Expenditures</b>	<b>29,517,054</b>	<b>3,875,326</b>	<b>125,606</b>	<b>3,648,874</b>	<b>37,166,860</b>
Excess of Revenues Over (Under) Expenditures	127,938	0	3,954,606	(3,453,899)	628,645
<u>Other Financing Sources (Uses)</u>					
Transfers In	3,217,000	0	0	2,580,000	5,797,000
Transfers Out	(2,580,000)	0	(3,217,000)	0	(5,797,000)
<b>Total Other Financing Sources (Uses)</b>	<b>637,000</b>	<b>0</b>	<b>(3,217,000)</b>	<b>2,580,000</b>	<b>0</b>
Changes in Fund Balance	764,938	0	737,606	(873,899)	628,645
Fund Balance (Deficit) Beginning of Year - Restated (Note 3)	4,234,964	0	(3,447,522)	4,373,375	5,160,817
Fund Balance (Deficit) End of Year	<u>\$4,999,902</u>	<u>\$0</u>	<u>(\$2,709,916)</u>	<u>\$3,499,476</u>	<u>\$5,789,462</u>

See Accompanying Notes to the Basic Financial Statements

Toledo-Lucas County Public Library  
 Reconciliation of Statement of Revenues, Expenditures,  
 and Changes in Fund Balance  
 of Governmental Funds to Statement of Activities  
 For the Year Ended December 31, 2004

Changes in Fund Balance - Total Governmental Funds \$628,645

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

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

Capital Outlay - Non-Depreciable Capital Assets	3,509,393	
Capital Outlay - Depreciable Capital Assets	575,267	
Depreciation	<u>(1,254,017)</u>	2,830,643

The book value of capital assets is removed from the capital asset account on the statement of net assets when disposed of resulting in a loss on disposal of capital assets on the statement of activities. (2,217)

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

Property Taxes	783,739	
Intergovernmental	(617,919)	
Patron Fines and Fees	18	
Interest	<u>12,946</u>	178,784

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

Compensated Absences Payable		(14,404)
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Internal service funds used by management to charge the cost of insurance to individual funds is not reported on the statement of activities. Governmental expenditures and related internal service fund revenue are eliminated. The change for governmental funds is reported for the year.

(130,905)

Change in Net Assets of Governmental Activities		<u><u>\$3,490,546</u></u>
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See Accompanying Notes to the Basic Financial Statements

Toledo-Lucas County Public Library  
Statement of Revenues, Expenditures,  
and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
General Fund  
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		(Under)
<u>Revenues</u>				
Property Taxes	\$12,544,914	\$12,544,914	\$12,432,293	(\$112,621)
Intergovernmental	19,874,949	19,874,949	19,829,666	(45,283)
Patron Fines and Fees	802,000	802,000	810,051	8,051
Interest	80,400	80,400	89,189	8,789
Services Provided to Others	62,602	62,602	62,486	(116)
Gifts and Donations	15,000	15,000	19,695	4,695
Miscellaneous	410,000	410,000	495,066	85,066
<b>Total Revenues</b>	<b>33,789,865</b>	<b>33,789,865</b>	<b>33,738,446</b>	<b>(51,419)</b>
<u>Expenditures</u>				
Current:				
Public Services				
General Public Services	20,943,424	19,448,125	19,069,043	379,082
Purchased and Contracted Services	5,874,152	5,830,452	5,528,851	301,601
Library Materials and Information	5,519,106	4,939,106	4,618,803	320,303
Capital Outlay	2,627,461	2,897,461	2,865,976	31,485
Debt Service				
Principal Retirement	410,000	3,936,000	3,936,000	0
Interest and Fiscal Charges	180,000	145,000	144,212	788
<b>Total Expenditures</b>	<b>35,554,143</b>	<b>37,196,144</b>	<b>36,162,885</b>	<b>1,033,259</b>
Excess of Revenues Under Expenditures	(1,764,278)	(3,406,279)	(2,424,439)	981,840
<u>Other Financing Sources (Uses)</u>				
Other Financing Uses	(1,000,000)	0	0	0
Revenue Anticipation Notes Issued	0	3,217,000	3,217,000	0
Advances In	5,000	5,000	15,000	10,000
Advances Out	(15,000)	(10,000)	(10,000)	0
Transfers Out	0	(2,580,000)	(2,580,000)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(1,010,000)</b>	<b>632,000</b>	<b>642,000</b>	<b>10,000</b>
<b>Changes in Fund Balance</b>	<b>(2,774,278)</b>	<b>(2,774,279)</b>	<b>(1,782,439)</b>	<b>991,840</b>
Fund Balance Beginning of Year	1,667,752	1,667,752	1,667,752	0
Prior Year Encumbrances Appropriated	1,694,210	1,694,210	1,694,210	0
<b>Fund Balance End of Year</b>	<b>\$587,684</b>	<b>\$587,683</b>	<b>\$1,579,523</b>	<b>\$991,840</b>

See Accompanying Notes to the Basic Financial Statements

Toledo-Lucas County Public Library  
Statement of Revenues, Expenditures,  
and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
Improvement Levy Fund  
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property Taxes	\$6,183,500	\$6,183,500	\$3,408,618	(\$2,774,882)
Intergovernmental	416,300	416,300	466,380	50,080
Miscellaneous	200	200	328	128
<b>Total Revenues</b>	<b>6,600,000</b>	<b>6,600,000</b>	<b>3,875,326</b>	<b>(2,724,674)</b>
<u>Expenditures</u>				
Intergovernmental	6,600,000	6,600,000	3,875,326	2,724,674
Changes in Fund Balance	0	0	0	0
Fund Balance Beginning of Year	0	0	0	0
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

See Accompanying Notes to the Basic Financial Statements



Toledo-Lucas County Public Library  
Statement of Fund Net Assets  
Internal Service Funds  
December 31, 2004

Current Assets

Equity in Pooled Cash and Cash Equivalents \$275,868

Current Liabilities

Claims Payable 54,994

Net Assets

Unrestricted \$220,874

See Accompanying Notes to the Basic Financial Statements

Toledo-Lucas County Public Library  
Statement of Revenues, Expenses,  
and Changes in Fund Net Assets  
Internal Service Funds  
For the Year Ended December 31, 2004

<u>Operating Revenues</u>	
Charges for Services	<u>\$663,557</u>
<u>Operating Expenses</u>	
Purchased and Contracted Services	24,653
Claims	<u>769,809</u>
Total Operating Expenses	<u>794,462</u>
Net Loss	(130,905)
Net Assets Beginning of Year	<u>351,779</u>
Net Assets End of Year	<u><u>\$220,874</u></u>

See Accompanying Notes to the Basic Financial Statements

Toledo-Lucas County Public Library  
Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2004

Increase (Decrease) in Cash and Cash Equivalents

<u>Cash Flows from Operating Activities</u>	
Cash Received from Other Funds	\$663,557
Cash Payments for Purchased and Contracted Services	(24,653)
Cash Payments for Claims	<u>(761,837)</u>
Net Cash Used for Operating Activities	(122,933)
Cash and Cash Equivalents Beginning of Year	<u>398,801</u>
Cash and Cash Equivalents End of Year	<u><u>\$275,868</u></u>

Reconciliation of Net Loss to Net  
Cash Used for Operating Activities

Net Loss	(\$130,905)
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Adjustments to Reconcile Net Loss to Net  
Cash Used for Operating Activities

Increase in Claims Payable	<u>7,972</u>
Net Cash Used for Operating Activities	<u><u>(\$122,933)</u></u>

See Accompanying Notes to the Basic Financial Statements

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004

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**NOTE 1 - REPORTING ENTITY**

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

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

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

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

Component units are legally separate organizations for which the Library is financially accountable. The Library is financially accountable for an organization if the Library appoints a voting majority of the organization's governing board and (1) the Library is able to significantly influence the programs or services performed or provided by the organization; or (2) the Library is legally entitled to or can otherwise access the organization's resources; the Library is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Library is obligated for the debt of the organization. Component units may also include organizations for which the Library approves the budget, the issuance of debt, or the levying of taxes. There were no component units of the Toledo-Lucas County Public Library in 2004.

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Toledo-Lucas County Public Library have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Library also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities and to its internal service funds provided they do not conflict with or contradict GASB pronouncements. Following are the more significant of the Library's accounting policies.

**A. Basis of Presentation**

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

**Government-Wide Financial Statements**

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

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

**Fund Financial Statements**

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

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**B. Fund Accounting**

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

**Governmental Funds**

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

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

**Improvement Levy Fund** - The Improvement Levy Fund is used to account for the receipt and distribution to Lucas County of the property tax levy used to pay the County general obligation bonds issued to finance Library improvements.

**Bond Construction Fund** - The Bond Construction Fund is used to account for note proceeds used to improve the library system by acquiring, equipping, and otherwise improving the Library's facilities and sites, including the acquisition of real estate and interests therein, for the Main Library and all of the branches.

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

**Proprietary Funds**

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

**Internal Service Funds** - Internal service funds are used to account for the Library's self insurance programs for prescriptions and dental insurance.

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

C. Measurement Focus

Government-Wide Financial Statements

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

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

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

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions

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

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

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

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

Deferred Revenues

Deferred revenues arise when assets are recognized before the revenue recognition criteria have been satisfied.

Property taxes for which there was an enforceable legal claim at December 31, 2004, but were levied to finance 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred revenue.

On governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred revenue.

Expenses/Expenditures

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

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

E. Budgetary Process

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



Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

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

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

**F. Cash and Investments**

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

Cash and cash equivalents that are held separately for the Library by escrow agents for payment of retainage to contractors upon project completion are recorded as "Cash and Cash Equivalents with Escrow Agent".

During 2004, the Library invested in nonnegotiable certificates of deposit, repurchase agreements, U.S. Treasury Notes, and STAR Ohio. Investments are reported at fair value, except for nonnegotiable certificates of deposits and repurchase agreements which are reported at cost. Fair value is based on quoted market prices. STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2004.

Following Ohio statutes, the Board of Library Trustees has, by resolution, specified funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during 2004 was \$85,350 which includes \$33,254 assigned from other Library funds.

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

**G. Restricted Assets**

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Resources set aside in separate escrow accounts whose use is limited to the payment of retainage to contractors are reported as restricted.

**H. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2004, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

**I. Inventory**

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

**J. Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The Library maintains a capitalization threshold of five thousand dollars, except for building improvements which have a capitalization threshold of one hundred thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

<u>Description</u>	<u>Useful Lives</u>
Buildings and Improvements	30-100 years
Improvements Other Than Buildings	15 years
Furniture Fixtures, and Equipment	10-20 years
Vehicles	10-13 years

**K. Library Books**

Library books and materials are reflected as expenses when purchased and are not capitalized as assets of the Library.

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

L. Compensated Absences

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

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

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

Aple	5 years on staff
CWA	8 years on staff
Exempt	12 years on staff

M. Accrued Liabilities and Long-Term Obligations

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

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

N. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes primarily include a grant for services provided to the elderly and donations restricted for various library services or materials. For the year ended December 31, 2004, net assets restricted by enabling legislation was \$235,202.

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

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

**O. Fund Balance Reserves and Designations**

The Library reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Fund balance designations are established to indicate tentative plans for financial utilization in future periods. Unreserved, undesignated fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances and principal. The reserve for principal signifies a legal restriction on the use of monies. In the General Fund, the Board has designated a portion of fund balance for scholarships.

**P. Operating Revenues and Expenses**

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

**Q. Interfund Transactions**

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.

**R. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence.

**S. Estimates**

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

**NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE**

**A. Change in Accounting Principles**

For 2004, the Library has implemented Governmental Accounting Standards Board (GASB) Statement No. 39, "Determining Whether Certain Organizations are Component Units", GASB Statement No. 46, "Net Assets Restricted by Enabling Legislation", and GASB Technical Bulletin 2004-2, "Recognition of Pension and Other Postemployment Benefit Expenditures/Expenses and Liabilities by Cost-Sharing Employers".

GASB Statement No. 39 establishes additional guidance on the application of existing standards for determining whether certain organizations should be reported as component units based on the nature and significance of their relationship to the primary government. The implementation of this statement did not result in any change to the Library's financial statements.

GASB Statement No. 46 defines enabling legislation and specifies how net assets should be reported in the financial statements when there are changes in such legislation. The Statement also requires governments to disclose in the notes to the financial statements the amount of net assets restricted by enabling legislation.

GASB Technical Bulletin 2004-2 establishes new guidance addressing the amount that should be recognized as expenditures/expenses and as liabilities each period by employers participating in cost-sharing multiple-employer pension and other postemployment benefit plans.

**B. Restatement of Fund Balance**

Due to the implementation of the above Technical Bulletin, the fund balance for the General Fund at December 31, 2003, decreased \$86,385 from \$5,247,202 to \$5,160,817.

**NOTE 4 - ACCOUNTABILITY AND COMPLIANCE**

**A. Accountability**

At December 31, 2004, the Bond Construction capital projects fund had a deficit fund balance, in the amount of \$2,709,916. The deficit is due to recording the note liability in the fund that received the proceeds and will be alleviated when the notes are paid.

**B. Compliance**

The Lois Waffle special revenue fund had final appropriations in excess of estimated resources plus available balances for the year ended December 31, 2004, in the amount of \$91. A careful review of budgetary activity will eliminate future compliance violations.

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING**

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

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

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

Change in Fund Balance	
GAAP Basis	\$764,938
<u>Increase (Decrease) Due To</u>	
Revenue Accruals:	
Accrued 2003, Received in Cash 2004	1,411,514
Accrued 2004, Not Yet Received in Cash	(1,400,581)
Expenditure Accruals:	
Accrued 2003, Paid in Cash 2004	(1,128,239)
Accrued 2004, Not Yet Paid in Cash	1,581,272
Cash Adjustments:	
Unrecorded Activity 2003	379
Unrecorded Activity 2004	1,930
Prepaid Items	(165,095)
Materials and Supplies Inventory	3,916
	(continued)

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING** (continued)

Change in Fund Balance

Revenue Anticipation Notes	
Issued	(\$3,217,000)
Note Principal Retirement	(3,936,000)
Note Interest	(144,212)
Reallocation of Revenue for Debt	4,080,212
Advances In	15,000
Advances Out	(10,000)
Transfers In	3,217,000
Encumbrances Outstanding at Year End (Budget Basis)	<u>(2,857,473)</u>
Budget Basis	<u><u>(\$1,782,439)</u></u>

**NOTE 6 - DEPOSITS AND INVESTMENTS**

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

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. 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, by surety company bonds deposited with the fiscal officer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

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**NOTE 6 - DEPOSITS AND INVESTMENTS** (continued)

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and,
6. The State Treasurer's investment pool (STAR Ohio).

The Library may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio; and,
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State as to which there is no default of principal, interest, or coupons.

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

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

At year end, the Library had \$11,375 in undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents".



Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

**NOTE 6 - DEPOSITS AND INVESTMENTS** (continued)

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements".

At year end, the carrying amount of the Library's deposits was \$6,183,543 and the bank balance was \$6,942,127. Of the bank balance, \$435,609 was covered by the federal depository insurance and \$6,506,518 was uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Library to a successful claim by the FDIC.

The Library's investments are categorized to give an indication of the level of risk assumed by the Library at year end. Category 1 includes investments that are insured or registered for which the securities are held by the Library or the Library's agent in the Library's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Library's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the Library's name. STAR Ohio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

	Category 2	Category 3	Carrying Value	Fair Value
Repurchase Agreement	\$0	\$758,000	\$758,000	\$758,072
U.S. Treasury Notes	997,122	0	997,122	997,122
	<u>\$997,122</u>	<u>\$758,000</u>	<u>\$1,755,122</u>	<u>\$1,755,194</u>
STAR Ohio			928,161	928,161
			<u>\$2,683,283</u>	<u>\$2,683,355</u>

The classification of cash and cash equivalents and investments on the financial statements is based on the criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting". A reconciliation between the classification of cash and cash equivalents and investments on the financial statements and the classification of deposits and investments according to GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$8,878,201	\$0
Cash on Hand	(11,375)	0
Investments:		
Repurchase Agreement	(758,000)	758,000
U.S. Treasury Notes	(997,122)	997,122
STAR Ohio	(928,161)	928,161
GASB Statement No. 3	<u>\$6,183,543</u>	<u>\$2,683,283</u>

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

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**NOTE 7 - RECEIVABLES**

Receivables at December 31, 2004, consisted of accounts (photocopies, facsimiles, and fines), accrued interest, amounts due from other governments, and property taxes receivable. All receivables are considered collectible in full and within one year. Intergovernmental receivables consisted of library local government support in the General Fund, in the amount of \$10,619,345.

**NOTE 8 - PROPERTY TAXES**

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located within the Library district. Real property tax revenues received in 2004 represent the collection of 2003 taxes. Real property taxes received in 2004 were levied after October 1, 2003, on the assessed values as of January 1, 2003, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in 2004 represent the collection of 2003 taxes. Public utility real and tangible personal property taxes received in 2004 became a lien on December 31, 2002, were levied after October 1, 2003, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax revenues received in 2004 (other than public utility property) represent the collection of 2004 taxes. Tangible personal property taxes received in 2004 were levied after October 1, 2003, on the true value as of December 31, 2003. Tangible personal property is currently assessed at 25 percent of true value for capital assets and 22 percent for inventory. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

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

Accrued property taxes receivable represents real property, public utility property, and tangible personal property taxes which were measurable as of December 31, 2004, and for which there was an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2004 operations.

Collectible delinquent real property taxes have been recorded as a receivable and revenue on the full accrual basis. On the modified accrual basis, the revenue is deferred.

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

**NOTE 8 - PROPERTY TAXES** (continued)

The full tax rate for all Library operations for the year ended December 31, 2004, was \$2.50 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2004 property tax receipts were based are as follows:

Category	Amount
Real Property	\$7,438,089,000
Public Utility Property	295,131,000
Tangible Personal Property	846,481,000
Total Assessed Value	\$8,579,701,000

**NOTE 9 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2004, was as follows:

	Balance December 31, 2003	Additions	Reductions	Balance December 31, 2004
Governmental Activities:				
Nondepreciable Capital Assets				
Land	\$6,863,301	\$2,100	\$0	\$6,865,401
Construction in Progress	44,154,669	3,507,293	(44,051,201)	3,610,761
Total Nondepreciable Capital Assets	51,017,970	3,509,393	(44,051,201)	10,476,162
Depreciable Capital Assets				
Buildings and Improvements	25,645,709	44,465,896	0	70,111,605
Improvements Other Than Buildings	395,170	0	0	395,170
Furniture, Fixtures, and Equipment	3,031,758	79,620	0	3,111,378
Vehicles	191,173	80,952	(69,343)	202,782
Total Depreciable Capital Assets	29,263,810	44,626,468	(69,343)	73,820,935
Less Accumulated Depreciation for				
Buildings and Improvements	(6,122,531)	(1,006,965)	0	(7,129,496)
Improvements Other Than Buildings	(192,096)	(26,345)	0	(218,441)
Furniture, Fixtures, and Equipment	(883,386)	(209,505)	0	(1,092,891)
Vehicles	(169,087)	(11,202)	67,126	(113,163)
Total Accumulated Depreciation	(7,367,100)	(1,254,017)	67,126	(8,553,991)
Total Depreciable Capital Assets, Net	21,896,710	43,372,451	(2,217)	65,266,944
Governmental Activities Capital Assets, Net	\$72,914,680	\$46,881,844	(\$44,053,418)	\$75,743,106

Depreciation expense was charged to general public services.

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

**NOTE 10 - RISK MANAGEMENT**

The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 2004, the Library contracted for the following insurance coverage.

Coverage	Limits	Deductible Amounts
Property	\$112,593,857	\$1,000
General Liability	2,000,000 Aggregate 1,000,000 Each Occurrence	1,000
Employee Benefits	2,000,000 Aggregate 1,000,000 Each Employee	0
Auto	1,000,000	500 Comprehensive 500 Collision
Umbrella	5,000,000	0
Earthquake/Flood	10,000,000	50,000
Directors and Officers	2,000,000	25,000
Special Library Form	77,669,508	1,000
Electronic Equipment	2,620,670	1,000
Fine Arts	1,159,036	1,000

There has been no significant reduction in insurance coverage from 2003, and no insurance settlement has exceeded insurance coverage during the last three years.

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

In 2004, the Library provided prescription and dental benefits through self insured programs. The Library established a Prescription Fund and Dental Fund (internal service funds) to account for and finance these employee benefits. The Prescription Fund provides for unlimited coverage and the Dental Fund provides up to \$750 of coverage, per person, per year. The Library has commercial insurance for claims in excess of coverage provided by the funds.

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

**NOTE 10 - RISK MANAGEMENT** (continued)

All funds of the Library participate in the prescription and dental program, and made payments to the respective funds based on actuarial estimates of the amounts needed to pay prior- and current-year claims. Claims payable is based on the requirements of Governmental Accounting Standards Board Statement No. 30, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Claims payable at December 31, 2004, was estimated by the third party administrators at \$54,994. The changes in the claims liability for the past two years were as follows:

Year	Beginning Balance	Current-Year Claims and Changes in Estimates	Claims Payments	Ending Balance
2004	\$47,022	\$769,809	\$761,837	\$54,994
2003	35,684	469,452	458,114	47,022

**NOTE 11 - SIGNIFICANT CONTRACTUAL COMMITMENTS**

The Library has several outstanding contracts for professional services and construction. The following amounts remained on these contracts as of December 31, 2004:

Branch	Contract Amount	Amount Paid as of December 31, 2004	Outstanding Balance
Lagrange	\$1,389,377	\$553,713	\$835,664
Locke	112,000	5,945	106,055
Main	1,046,286	342,840	703,446
South	1,426,364	1,331,271	95,093
Waterville	1,319,977	827,526	492,451
West	140,650	10,212	130,438

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

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**NOTE 12 - DEFINED BENEFIT PENSION PLANS**

The Library participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

For the year ended December 31, 2004, members of all three plans were required to contribute 8.5 percent of their annual covered salary to fund pension obligations. The Library's contribution rate for pension benefits for 2004 was 9.55 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Library's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2004, 2003, and 2002 were \$2,238,747, \$2,249,059, and \$2,088,240, respectively; 80 percent has been contributed for 2004 and 100 percent has been contributed for 2003 and 2002. Contributions to the member-directed plan for 2004 were \$20,511 made by the Library and \$12,866 made by plan members.

**NOTE 13 - POSTEMPLOYMENT BENEFITS**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2004 employer contribution rate was 13.55 percent of covered payroll; 4.00 percent was the portion used to fund health care.

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

**NOTE 13 - POSTEMPLOYMENT BENEFITS** (continued)

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2003, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees), and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 1 to 6 percent annually for the next eight years and 4 percent annually after eight years.

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 369,885. Actual employer contributions for 2004 which were used to fund postemployment benefits was \$517,626. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for the payment of benefits at December 31, 2003 (the latest information available), was \$10.5 billion. The actuarial accrued liability and the unfunded actuarial accrued liability were \$26.9 billion and \$16.4 billion, respectively.

In September 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.

**NOTE 14 - COMPENSATED ABSENCES**

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

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

Employee Type	Maximum Vacation Earned per Year	Maximum Sick Earned per Year	Maximum Vacation Accumulation	Maximum Sick Accumulation	Percentage Sick Leave Paid
Aple	182	104	212	950	39%
CWA	182	104	205	925	39
Exempt	182	104	212	950	39

Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

**NOTE 15 - NOTES PAYABLE**

The changes in the Library's notes payable during 2004 were as follows:

	Interest Rate	Balance December 31, 2003	Additions	Reductions	Balance December 31, 2004
<u>Governmental Activities</u>					
<u>Revenue Anticipation Notes</u>					
2000 Library Facilities Notes	5.36%	\$3,417,000	\$0	\$3,417,000	\$0
2004 Library Facilities Notes	2.65	0	3,217,000	519,000	2,698,000
Total Governmental Activities		<u>\$3,417,000</u>	<u>\$3,217,000</u>	<u>\$3,936,000</u>	<u>\$2,698,000</u>

On May 3, 2004, the Library issued revenue anticipation notes, in the amount of \$3,217,000, to retire revenue anticipation notes previously issued for completing improvements to the library system by acquiring, constructing, reconstructing, equipping, and otherwise improving the library's facilities and sites. The notes were issued under the authority of Ohio Revised Code Sections 3375.40 and 3375.404 for a three year period, with final maturity during 2007. The notes have an interest rate of 2.65 percent. The notes are being repaid through the Bond Construction capital projects fund.

Principal and interest requirements to retire notes payable outstanding at December 31, 2004, were as follows:

Year Ending December 31,	Principal	Interest	Total
2005	\$1,058,000	\$64,527	\$1,122,527
2006	1,086,000	36,305	1,122,305
2007	554,000	7,341	561,341
	<u>\$2,698,000</u>	<u>\$108,173</u>	<u>\$2,806,173</u>

**NOTE 16 - LONG-TERM OBLIGATIONS**

The Library's long-term obligations activity for the year ended December 31, 2004, was as follows:

	Balance December 31, 2003	Additions	Reductions	Balance December 31, 2004	Due Within One Year
Compensated Absences Payable	\$1,749,096	\$67,530	\$53,126	\$1,763,500	\$673,492

The compensated absences liability will be paid from the General Fund.



Toledo-Lucas County Public Library  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004  
(continued)

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**NOTE 17 - CONSTRUCTION AND IMPROVEMENT OF FACILITIES**

In 1995, the Board of Trustees of the Toledo-Lucas County Public Library submitted, to the Lucas County Commissioners, a property tax levy to be used for improvements to the Library system. The County Commissioners serve as the taxing authority and issue tax related debt on behalf of the Library, although their role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Library Trustees.

With approval of the levy, the County Commissioners issued County general obligation bonds, in the amount of \$25,000,000 in 1996 and \$13,600,000 in 1997, for Library improvements. The bonds will be paid from proceeds of the property tax levy. Because the bonds are general obligations of Lucas County, the long-term obligation is excluded from the general long-term obligations of the Toledo-Lucas County Public Library. The receipt and expenditure of the proceeds from the property tax levy for the retirement of the debt is reflected in the Improvement Levy special revenue fund.

**NOTE 18 - INTERFUND TRANSFERS**

During 2004, the General Fund made transfers to other governmental funds, in the amount of \$2,580,000, to subsidize building repairs and improvements.

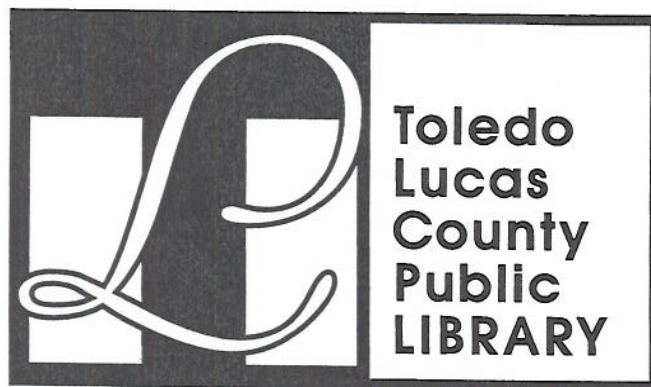
**NOTE 19 - CONTINGENT LIABILITIES**

A. Litigation

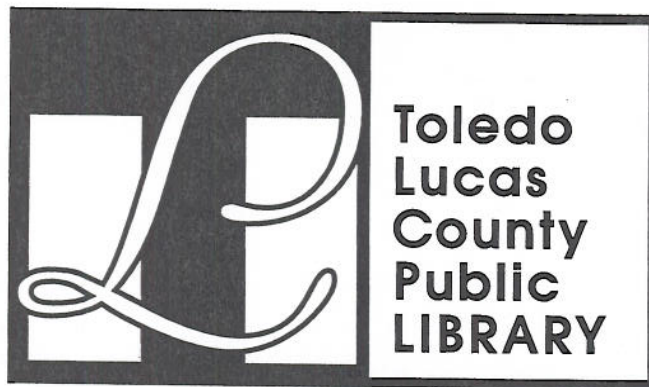
There are currently no matters of litigation with the Library as defendant.

B. Federal and State Grants

For the period January 1, 2004, to December 31, 2004, the Library received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the Library believes such disallowances, if any, would be immaterial.



**COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES**



**NONMAJOR SPECIAL REVENUE FUNDS**

To account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specific purposes.

Services to the Elderly Grant

To account for grant monies for an informational and referral program and for caregiver resources for the elderly.

Staff Development

To account for monies received from Margie Malmberg for staff development.

Special Gifts

To account for small donations used as designated by the donors.

Marci Stothers

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

Toledo Profile

To account for monies received from the sale of a book on local history used for further publications of the book or for revisions to the book.

Lois Waffle

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

Colby

To account for monies received from George F. Colby to benefit the Jermain Branch of the Library. This branch has since been closed. The Board has designated this money to be used for acquisitions relating to the history of Toledo and Lucas County.

Kent

To account for monies received from Eliza M. Kent to purchase books.

Louise M. Meffley

To account for monies donated from the Estate of Louise M. Meffley for purchasing materials for the sight impaired.

(continued)

Toledo-Lucas County Public Library  
Combining Statements - Nonmajor Governmental Funds  
(continued)

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**NONMAJOR CAPITAL PROJECTS FUNDS**

To account for financial resources used for the acquisition or construction of major capital facilities.

Gates Foundation Grant

To account for grant monies from the State Library of Ohio to use toward the replacement of aging public access personal computers.

Service to Target Population Grant

To account for grant monies from the State Library of Ohio under the federal Library Services and Technology Act to equip meeting rooms in the main library with a mobile wireless laptop lab and printer.

Building and Repair

To account for transfers from the General Fund to acquire or construct equipment and buildings.

Library Legacy Foundation

To account for donations from the Library Foundation to improve the library system by assistance with the construction project.

**NONMAJOR PERMANENT FUNDS**

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

Libbey

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

Hopkins

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

Colburn

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

Toledo-Lucas County Public Library  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2004

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$273,662	\$3,499,524	\$271,001	\$4,044,187
Accrued Interest Receivable	597	219	973	1,789
<u>Restricted Assets</u>				
Cash and Cash Equivalents with Escrow Agent	0	123,080	0	123,080
<b>Total Assets</b>	<b>\$274,259</b>	<b>\$3,622,823</b>	<b>\$271,974</b>	<b>\$4,169,056</b>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Contracts Payable	\$0	\$372,075	\$0	\$372,075
Retainage Payable	0	173,504	0	173,504
<u>Liabilities Payable from Restricted Assets</u>				
Retainage Payable	0	123,080	0	123,080
Deferred Revenue	221	219	481	921
<b>Total Liabilities</b>	<b>221</b>	<b>668,878</b>	<b>481</b>	<b>669,580</b>
<u>Fund Balance</u>				
Reserved for Encumbrances	6,082	788,769	1,072	795,923
Reserved for Principal	0	0	129,590	129,590
<u>Unreserved, Reported in</u>				
Special Revenue Funds	267,956	0	0	267,956
Capital Projects Funds	0	2,165,176	0	2,165,176
Permanent Funds	0	0	140,831	140,831
<b>Total Fund Balance</b>	<b>274,038</b>	<b>2,953,945</b>	<b>271,493</b>	<b>3,499,476</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$274,259</b>	<b>\$3,622,823</b>	<b>\$271,974</b>	<b>\$4,169,056</b>

Toledo-Lucas County Public Library  
Combining Balance Sheet  
Special Revenue Funds  
December 31, 2004

	Special Gifts	Marci Stothers	Toledo Profile	Lois Waffle	Colby
<u>Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$13,334	\$701	\$1,543	\$72,770	\$50,280
Accrued Interest Receivable	0	0	0	0	208
<b>Total Assets</b>	<b>\$13,334</b>	<b>\$701</b>	<b>\$1,543</b>	<b>\$72,770</b>	<b>\$50,488</b>
<u>Liabilities and Fund Balance</u>					
<u>Liabilities</u>					
Deferred Revenue	\$0	\$0	\$0	\$0	\$64
<u>Fund Balance</u>					
Reserved for Encumbrances	0	0	0	3,000	412
Unreserved	13,334	701	1,543	69,770	50,012
<b>Total Fund Balance</b>	<b>13,334</b>	<b>701</b>	<b>1,543</b>	<b>72,770</b>	<b>50,424</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$13,334</b>	<b>\$701</b>	<b>\$1,543</b>	<b>\$72,770</b>	<b>\$50,488</b>



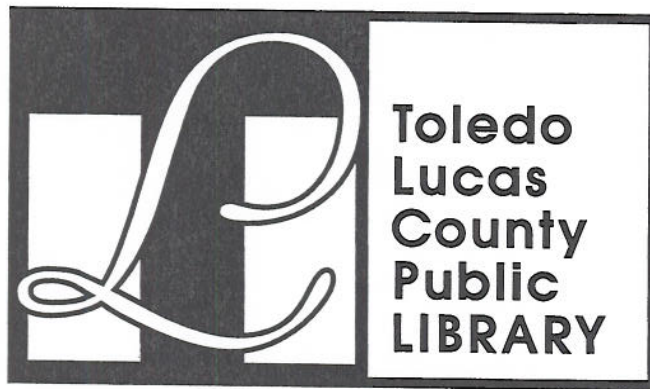
<u>Kent</u>	<u>Louise M. Meffley</u>	<u>Total</u>
\$68,967	\$66,067	\$273,662
300	89	597
<u>\$69,267</u>	<u>\$66,156</u>	<u>\$274,259</u>
<u>\$68</u>	<u>\$89</u>	<u>\$221</u>
570	2,100	6,082
<u>68,629</u>	<u>63,967</u>	<u>267,956</u>
<u>69,199</u>	<u>66,067</u>	<u>274,038</u>
<u>\$69,267</u>	<u>\$66,156</u>	<u>\$274,259</u>

Toledo-Lucas County Public Library  
Combining Balance Sheet  
Capital Projects Funds  
December 31, 2004

	<u>Building and Repair</u>	<u>Library Legacy Foundation</u>	<u>Total</u>
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$3,378,460	\$121,064	\$3,499,524
Accrued Interest Receivable	219	0	219
<u>Restricted Assets</u>			
Cash and Cash Equivalents with Escrow Agent	123,080	0	123,080
<b>Total Assets</b>	<b><u>\$3,501,759</u></b>	<b><u>\$121,064</u></b>	<b><u>\$3,622,823</u></b>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities</u>			
Contracts Payable	\$372,075	\$0	\$372,075
Retainage Payable	173,504	0	173,504
<u>Liabilities Payable from Restricted Assets</u>			
Retainage Payable	123,080	0	123,080
Deferred Revenue	219	0	219
<b>Total Liabilities</b>	<b><u>668,878</u></b>	<b><u>0</u></b>	<b><u>668,878</u></b>
<u>Fund Balance</u>			
Reserved for Encumbrances	788,769	0	788,769
Unreserved	2,044,112	121,064	2,165,176
<b>Total Fund Balance</b>	<b><u>2,832,881</u></b>	<b><u>121,064</u></b>	<b><u>2,953,945</u></b>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$3,501,759</u></b>	<b><u>\$121,064</u></b>	<b><u>\$3,622,823</u></b>

Toledo-Lucas County Public Library  
Combining Balance Sheet  
Permanent Funds  
December 31, 2004

	<u>Libbey</u>	<u>Hopkins</u>	<u>Colburn</u>	<u>Total</u>
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$193,048	\$23,985	\$53,968	\$271,001
Accrued Interest Receivable	706	97	170	973
Total Assets	<u>\$193,754</u>	<u>\$24,082</u>	<u>\$54,138</u>	<u>\$271,974</u>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Deferred Revenue	\$352	\$44	\$85	\$481
<u>Fund Balance</u>				
Reserved for Encumbrances	0	698	374	1,072
Reserved for Principal	100,000	10,000	19,590	129,590
Unreseed	93,402	13,340	34,089	140,831
Total Fund Balance	<u>193,402</u>	<u>24,038</u>	<u>54,053</u>	<u>271,493</u>
Total Liabilities and Fund Balance	<u>\$193,754</u>	<u>\$24,082</u>	<u>\$54,138</u>	<u>\$271,974</u>



Toledo-Lucas County Public Library  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2004

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
<u>Revenues</u>				
Intergovernmental	\$0	\$39,141	\$0	\$39,141
Interest	3,543	39,601	3,492	46,636
Gifts and Donations	20,374	88,570	0	108,944
Miscellaneous	254	0	0	254
<b>Total Revenues</b>	<b>24,171</b>	<b>167,312</b>	<b>3,492</b>	<b>194,975</b>
<u>Expenditures</u>				
Current:				
Public Services				
General Public Services	4,428	0	0	4,428
Purchased and Contracted Services	25,292	361,712	403	387,407
Library Materials and Information	8,552	0	8,886	17,438
Capital Outlay	0	3,239,601	0	3,239,601
<b>Total Expenditures</b>	<b>38,272</b>	<b>3,601,313</b>	<b>9,289</b>	<b>3,648,874</b>
Excess of Revenues Under Expenditures	(14,101)	(3,434,001)	(5,797)	(3,453,899)
<u>Other Financing Sources</u>				
Transfers In	0	2,580,000	0	2,580,000
<b>Changes in Fund Balance</b>	<b>(14,101)</b>	<b>(854,001)</b>	<b>(5,797)</b>	<b>(873,899)</b>
Fund Balance Beginning of Year	288,139	3,807,946	277,290	4,373,375
<b>Fund Balance End of Year</b>	<b>\$274,038</b>	<b>\$2,953,945</b>	<b>\$271,493</b>	<b>\$3,499,476</b>

Toledo-Lucas County Public Library  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balance  
Special Revenue Funds  
For the Year Ended December 31, 2004

	Services to the Elderly Grant	Staff Development	Special Gifts	Marci Stothers	Toledo Profile
<u>Revenues</u>					
Interest	\$0	\$5	\$102	\$9	\$19
Gifts and Donations	0	0	20,374	0	0
Miscellaneous	0	0	0	0	254
<b>Total Revenues</b>	<b>0</b>	<b>5</b>	<b>20,476</b>	<b>9</b>	<b>273</b>
<u>Expenditures</u>					
Current:					
Public Services					
General Public Services	0	1,407	21	0	0
Purchased and Contracted Services	0	0	21,829	0	0
Library Materials and Information	5,503	0	0	0	0
<b>Total Expenditures</b>	<b>5,503</b>	<b>1,407</b>	<b>21,850</b>	<b>0</b>	<b>0</b>
Changes in Fund Balance	(5,503)	(1,402)	(1,374)	9	273
Fund Balance Beginning of Year	5,503	1,402	14,708	692	1,270
<b>Fund Balances End of Year</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,334</b>	<b>\$701</b>	<b>\$1,543</b>

<u>Lois Waffle</u>	<u>Colby</u>	<u>Kent</u>	<u>Louise M. Meffley</u>	<u>Total</u>
\$995	\$734	\$861	\$818	\$3,543
0	0	0	0	20,374
0	0	0	0	254
<u>995</u>	<u>734</u>	<u>861</u>	<u>818</u>	<u>24,171</u>
3,000	0	0	0	4,428
3,000	154	145	164	25,292
0	927	1,396	726	8,552
<u>6,000</u>	<u>1,081</u>	<u>1,541</u>	<u>890</u>	<u>38,272</u>
(5,005)	(347)	(680)	(72)	(14,101)
<u>77,775</u>	<u>50,771</u>	<u>69,879</u>	<u>66,139</u>	<u>288,139</u>
<u><u>\$72,770</u></u>	<u><u>\$50,424</u></u>	<u><u>\$69,199</u></u>	<u><u>\$66,067</u></u>	<u><u>\$274,038</u></u>

Toledo-Lucas County Public Library  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balance  
Capital Projects Funds  
For the Year Ended December 31, 2004

	Gates Foundation Grant	Service to Target Population Grant	Building and Repair
<u>Revenues</u>			
Intergovernmental	\$21,574	\$17,567	\$0
Interest	0	0	35,951
Gifts and Donations	0	0	0
<b>Total Revenues</b>	<b>21,574</b>	<b>17,567</b>	<b>35,951</b>
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services	0	0	361,712
Capital Outlay	21,574	17,567	2,516,086
<b>Total Expenditures</b>	<b>21,574</b>	<b>17,567</b>	<b>2,877,798</b>
Excess of Revenues Under Expenditures	0	0	(2,841,847)
<u>Other Financing Sources</u>			
Transfers In	0	0	2,580,000
Changes in Fund Balance	0	0	(261,847)
Fund Balance Beginning of Year	0	0	3,094,728
<b>Fund Balance End of Year</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,832,881</b>



<u>Library Legacy Foundation</u>	<u>Total</u>
\$0	\$39,141
3,650	39,601
<u>88,570</u>	<u>88,570</u>
<u>92,220</u>	<u>167,312</u>
0	361,712
<u>684,374</u>	<u>3,239,601</u>
<u>684,374</u>	<u>3,601,313</u>
(592,154)	(3,434,001)
<u>0</u>	<u>2,580,000</u>
(592,154)	(854,001)
<u>713,218</u>	<u>3,807,946</u>
<u>\$121,064</u>	<u>2,953,945</u>

Toledo-Lucas County Public Library  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balance  
Permanent Funds  
For the Year Ended December 31, 2004

	<u>Libbey</u>	<u>Hopkins</u>	<u>Colburn</u>	<u>Total</u>
<u>Revenues</u>				
Interest	\$2,471	\$336	\$685	\$3,492
<u>Expenditures</u>				
Current:				
Public Services				
Purchased and Contracted Services	278	15	110	403
Library Materials and Information	6,581	613	1,692	8,886
Total Expenditures	6,859	628	1,802	9,289
Changes in Fund Balance	(4,388)	(292)	(1,117)	(5,797)
Fund Balance Beginning of Year	197,790	24,330	55,170	277,290
Fund Balance End Year	<u>\$193,402</u>	<u>\$24,038</u>	<u>\$54,053</u>	<u>\$271,493</u>

Toledo-Lucas County Public Library  
Combining Statements - Proprietary Funds

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**INTERNAL SERVICE FUNDS**

To account for the financing of goods or services provided by one department to other departments of the Library on a cost-reimbursement basis.

Prescription

To account for the self insurance program for employee drug card benefits.

Health

To account for the self insurance program for employee health benefits.

Dental

To account for the self insurance program for employee dental benefits.

Toledo-Lucas County Public Library  
 Combining Statement of Fund Net Assets  
 Internal Service Funds  
 December 31, 2004

	Prescription	Dental	Total
<u>Current Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$234,451	\$41,417	\$275,868
<u>Current Liabilities</u>			
Claims Payable	41,833	13,161	54,994
<u>Net Assets</u>			
Unrestricted	\$192,618	\$28,256	\$220,874

Toledo-Lucas County Public Library  
Combining Statement of Revenues, Expenses,  
and Changes in Fund Net Assets  
Internal Service Funds  
For the Year Ended December 31, 2004

	<u>Prescription</u>	<u>Health</u>	<u>Dental</u>	<u>Total</u>
<u>Operating Revenues</u>				
Charges for Services	\$553,564	\$0	\$109,993	\$663,557
<u>Operating Expenses</u>				
Purchased and Contracted Services	14,286	0	10,367	24,653
Claims	428,890	265,793	75,126	769,809
Total Operating Expenses	443,176	265,793	85,493	794,462
Net Income (Loss)	110,388	(265,793)	24,500	(130,905)
Net Assets Beginning of Year	82,230	265,793	3,756	351,779
Net Assets End of Year	<u>\$192,618</u>	<u>\$0</u>	<u>\$28,256</u>	<u>\$220,874</u>

Toledo-Lucas County Public Library  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2004

	<u>Prescription</u>	<u>Health</u>	<u>Dental</u>	<u>Total</u>
Increase (Decrease) in Cash and Cash Equivalents				
<u>Cash Flows from Operating Activities</u>				
Cash Received from Other Funds	\$553,564	\$0	\$109,993	\$663,557
Cash Payments for Purchased and Contracted Services	(14,286)	0	(10,367)	(24,653)
Cash Payments for Claims	(415,490)	(265,793)	(80,554)	(761,837)
Net Cash Provided by (Used for) Operating Activities	123,788	(265,793)	19,072	(122,933)
Cash and Cash Equivalents Beginning of Year	110,663	265,793	22,345	398,801
Cash and Cash Equivalents End of Year	<u>\$234,451</u>	<u>\$0</u>	<u>\$41,417</u>	<u>\$275,868</u>
 <u>Reconciliation of Net Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>				
Net Income (Loss)	\$110,388	(\$265,793)	\$24,500	(\$130,905)
 <u>Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>				
Increase (Decrease) in Claims Payable	13,400	0	(5,428)	7,972
Net Cash Provided by (Used for) Operating Activities	<u>\$123,788</u>	<u>(\$265,793)</u>	<u>\$19,072</u>	<u>(\$122,933)</u>

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

Toledo-Lucas County Public Library  
General Fund

Schedule of Revenues, Expenditures,  
and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2004

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$12,544,914	\$12,544,914	\$12,432,293	(\$112,621)
Intergovernmental	19,874,949	19,874,949	19,829,666	(45,283)
Patron Fines and Fees	802,000	802,000	810,051	8,051
Interest	80,400	80,400	89,189	8,789
Services Provided to Others	62,602	62,602	62,486	(116)
Gifts and Donations	15,000	15,000	19,695	4,695
Miscellaneous	410,000	410,000	495,066	85,066
<b>Total Revenues</b>	<b>33,789,865</b>	<b>33,789,865</b>	<b>33,738,446</b>	<b>(51,419)</b>
<u>Expenditures</u>				
Current:				
Public Services				
General Public Services				
Salaries and Benefits				
Salaries and Leave Benefits	14,590,000	13,950,000	13,894,057	55,943
Retirement Benefits	3,225,000	2,735,000	2,724,646	10,354
Insurance Benefits	2,351,664	1,946,664	1,795,659	151,005
Other Employee Benefits	73,236	72,736	46,985	25,751
<b>Total Salaries and Benefits</b>	<b>20,239,900</b>	<b>18,704,400</b>	<b>18,461,347</b>	<b>243,053</b>
Supplies				
General Administrative Supplies	366,555	366,555	280,716	85,839
Property Maintenance Supplies and Repair	210,700	250,700	240,037	10,663
Motor Vehicle Fuel, Supplies, and Parts	20,600	20,601	14,740	5,861
Other Supplies	1,000	1,000	0	1,000
<b>Total Supplies</b>	<b>598,855</b>	<b>638,856</b>	<b>535,493</b>	<b>103,363</b>
Other Expenditures				
Dues and Memberships	47,000	47,200	29,894	17,306
Taxes and Assessments	36,000	36,000	33,239	2,761
Refunds and Reimbursements	20,669	20,669	9,070	11,599
Other Miscellaneous Expenses	1,000	1,000	0	1,000
<b>Total Other Expenditures</b>	<b>104,669</b>	<b>104,869</b>	<b>72,203</b>	<b>32,666</b>
<b>Total General Public Services</b>	<b>20,943,424</b>	<b>19,448,125</b>	<b>19,069,043</b>	<b>379,082</b>
Purchased and Contracted Services				
Travel and Meeting Expenditures	73,961	73,961	56,192	17,769
Communications, Printing, and Publicity	1,025,630	1,025,630	1,013,495	12,135
Property Maintenance, Repair, and Security Services	1,411,778	1,511,778	1,498,498	13,280
Insurance	244,000	244,000	235,600	8,400
Rents/Leases	321,143	321,143	252,024	69,119
Utilities	1,738,927	1,468,927	1,354,820	114,107
Professional Services	775,807	902,607	859,461	43,146
Library Material Control Services	129,370	129,370	120,838	8,532
Other Purchased and Contracted Services	153,536	153,036	137,923	15,113
<b>Total Purchased and Contracted Services</b>	<b>5,874,152</b>	<b>5,830,452</b>	<b>5,528,851</b>	<b>301,601</b>

(continued)



Toledo-Lucas County Public Library  
General Fund

Schedule of Revenues, Expenditures,  
and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2004  
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Library Materials and Information				
Books and Pamphlets	\$3,832,148	\$3,317,148	\$3,095,774	\$221,374
Periodicals	379,999	379,999	359,295	20,704
Audiovisual Materials	907,723	842,723	797,890	44,833
Computer Services and Information	361,214	361,214	341,326	19,888
Interlibrary Loan Fees/Charges	13,162	13,162	10,638	2,524
Library Materials Repair and Restoration	22,860	22,860	13,880	8,980
Library Materials - All Other	2,000	2,000	0	2,000
Total Library Materials and Information	5,519,106	4,939,106	4,618,803	320,303
Total Public Services	32,336,682	30,217,683	29,216,697	1,000,986
Capital Outlay				
Buildings and Improvements	1,216,850	1,446,850	1,423,230	23,620
Improvements Other Than Buildings	100,000	100,000	100,000	0
Furniture, Fixtures, and Equipment	1,095,611	1,140,611	1,137,070	3,541
Vehicles	210,000	210,000	205,676	4,324
Other	5,000	0	0	0
Total Capital Outlay	2,627,461	2,897,461	2,865,976	31,485
Debt Service				
Principal Retirement	410,000	3,936,000	3,936,000	0
Interst and Fiscal Charges	180,000	145,000	144,212	788
Total Debt Service	590,000	4,081,000	4,080,212	788
Total Expenditures	35,554,143	37,196,144	36,162,885	1,033,259
Excess of Revenues Under Expenditures	(1,764,278)	(3,406,279)	(2,424,439)	981,840
<u>Other Financing Sources (Uses)</u>				
Other Financing Uses	(1,000,000)	0	0	0
Proceeds of Notes	0	3,217,000	3,217,000	0
Advances In	5,000	5,000	15,000	10,000
Advances Out	(15,000)	(10,000)	(10,000)	0
Transfers Out	0	(2,580,000)	(2,580,000)	0
Total Other Financing Sources (Uses)	(1,010,000)	632,000	642,000	10,000
Changes in Fund Balance	(2,774,278)	(2,774,279)	(1,782,439)	991,840
Fund Balance Beginning of Year	1,667,752	1,667,752	1,667,752	0
Prior Year Encumbrances Appropriated	1,694,210	1,694,210	1,694,210	0
Fund Balance End of Year	\$587,684	\$587,683	\$1,579,523	\$991,840

Toledo-Lucas County Public Library  
Improvement Levy Special Revenue Fund

Schedule of Revenues, Expenditures,  
and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2004

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$6,183,500	\$6,183,500	\$3,408,618	(\$2,774,882)
Intergovernmental	416,300	416,300	466,380	50,080
Miscellaneous	200	200	328	128
<b>Total Revenues</b>	<b>6,600,000</b>	<b>6,600,000</b>	<b>3,875,326</b>	<b>(2,724,674)</b>
<u>Expenditures</u>				
Intergovernmental	6,600,000	6,600,000	3,875,326	2,724,674
Changes in Fund Balance	0	0	0	0
Fund Balance Beginning of Year	0	0	0	0
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Toledo-Lucas County Public Library  
 Services to the Elderly Grant Special Revenue Fund

Schedule of Revenues, Expenditures,  
 and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended December 31, 2004

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$7,840	\$5,971	(\$1,869)
<u>Expenditures</u>			
Current:			
Library Materials and Information			
Books and Pamphlets	5,835	3,966	1,869
Audiovisual Materials	1,537	1,537	0
Total Expenditures	7,372	5,503	1,869
Excess of Revenues Over Expenditures	468	468	0
<u>Other Financing (Uses)</u>			
Advances Out	(5,000)	(5,000)	0
Changes in Fund Balance	(4,532)	(4,532)	0
Fund Balance Beginning of Year	(2,840)	(2,840)	0
Prior Year Encumbrances Appropriated	7,372	7,372	0
Fund Balance End of Year	\$0	\$0	\$0

Toledo-Lucas County Public Library  
 Staff Development Special Revenue Fund

Schedule of Revenues, Expenditures,  
 and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended December 31, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Interest	\$21	\$5	(\$16)
<u>Expenditures</u>			
Current:			
Public Services			
General Public Services			
Salaries and Benefits			
Other Employee Benefits			
	<u>1,423</u>	<u>1,407</u>	<u>16</u>
Changes in Fund Balance	(1,402)	(1,402)	0
Fund Balance Beginning of Year	14	14	0
Prior Year Encumbrances Appropriated	<u>1,388</u>	<u>1,388</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Toledo-Lucas County Public Library  
Special Gifts Special Revenue Fund

Schedule of Revenues, Expenditures,  
and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2004

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$200	\$102	(\$98)
Gifts and Donations	17,842	20,374	2,532
Total Revenues	<u>18,042</u>	<u>20,476</u>	<u>2,434</u>
<u>Expenditures</u>			
Current:			
Public Services			
General Public Services			
Salaries and Benefits			
Other Employee Benefits	100	0	100
Supplies			
General Administrative Supplies	100	0	100
Other Expenditures			
Refunds and Reimbursements	100	21	79
Total General Public Services	<u>300</u>	<u>21</u>	<u>279</u>
Purchased and Contracted Services			
Travel and Meeting Expenditures	675	675	0
Professional Services	26,750	21,073	5,677
Other Purchased and Contracted Services	3,025	81	2,944
Total Purchased and Contracted Services	<u>30,450</u>	<u>21,829</u>	<u>8,621</u>
Library Materials and Information			
Books and Pamphlets	1,000	0	1,000
Total Public Services	31,750	21,850	9,900
Capital Outlay			
Furniture, Fixtures, and Equipment	1,000	0	1,000
Total Expenditures	<u>32,750</u>	<u>21,850</u>	<u>10,900</u>
Changes in Fund Balance	(14,708)	(1,374)	13,334
Fund Balance Beginning of Year	1,958	1,958	0
Prior Year Encumbrances Appropriated	<u>12,750</u>	<u>12,750</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$0</u></u>	<u><u>\$13,334</u></u>	<u><u>\$13,334</u></u>

Toledo-Lucas County Public Library  
 Marci Stothers Special Revenue Fund

Schedule of Revenues, Expenditures,  
 and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended December 31, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Interest	\$9	\$9	\$0
<u>Expenditures</u>			
Current:			
Public Services			
Library Materials and Information			
Books and Pamphlets	<u>701</u>	<u>0</u>	<u>701</u>
Changes in Fund Balance	(692)	9	701
Fund Balance Beginning of Year	<u>692</u>	<u>692</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$0</u></u>	<u><u>\$701</u></u>	<u><u>\$701</u></u>

Toledo-Lucas County Public Library  
 Toledo Profile Special Revenue Fund

Schedule of Revenues, Expenditures,  
 and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended December 31, 2004

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$20	\$20	\$0
Miscellaneous	0	253	253
	<hr/>	<hr/>	<hr/>
Total Revenues	20	273	253
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Professional Services	1,290	0	1,290
	<hr/>	<hr/>	<hr/>
Changes in Fund Balance	(1,270)	273	1,543
Fund Balance Beginning of Year	1,270	1,270	0
	<hr/>	<hr/>	<hr/>
Fund Balance End of Year	<u>\$0</u>	<u>\$1,543</u>	<u>\$1,543</u>

Toledo-Lucas County Public Library  
Lois Waffle Special Revenue Fund

Schedule of Revenues, Expenditures,  
and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2004

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$1,181	\$995	(\$186)
<u>Expenditures</u>			
Current:			
Public Services			
General Public Services			
Salaries and Benefits			
Other Employee Benefits	11,212	3,000	8,212
Purchased and Contracted Services			
Professional Services	8,000	6,000	2,000
Capital Outlay			
Buildings and Improvements	52,000	0	52,000
Furniture, Fixtures, and Equipment	7,835	0	7,835
Total Capital Outlay	59,835	0	59,835
Total Expenditures	79,047	9,000	70,047
Changes in Fund Balance	(77,866)	(8,005)	69,861
Fund Balance Beginning of Year	77,775	77,775	0
Fund Balance (Deficit) End of Year	(\$91)	\$69,770	\$69,861



Toledo-Lucas County Public Library  
Colby Special Revenue Fund

Schedule of Revenues, Expenditures,  
and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2004

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$1,600	\$1,141	(\$459)
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Professional Services	200	154	46
Library Materials and Information			
Books and Pamphlets	1,689	1,339	350
Total Expenditures	1,889	1,493	396
Changes in Fund Balance	(289)	(352)	(63)
Fund Balance Beginning of Year	50,394	50,394	0
Prior Year Encumbrances Appropriated	289	289	0
Fund Balance End of Year	<u>\$50,394</u>	<u>\$50,331</u>	<u>(\$63)</u>

Toledo-Lucas County Public Library  
 Kent Special Revenue Fund

Schedule of Revenues, Expenditures,  
 and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended December 31, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Interest	\$2,400	\$1,349	(\$1,051)
<u>Expenditures:</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Professional Services	200	145	55
Library Materials and Information			
Books and Pamphlets	2,200	1,966	234
Total Expenditures	2,400	2,111	289
Changes in Fund Balance	0	(762)	(762)
Fund Balance Beginning of Year	69,807	69,807	0
Fund Balance End of Year	<u>\$69,807</u>	<u>\$69,045</u>	<u>(\$762)</u>

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

Schedule of Revenues, Expenditures,  
 and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended December 31, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Interest	\$2,200	\$1,143	(\$1,057)
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Professional Services	200	164	36
Library Materials and Information			
Books and Pamphlets	3,209	2,826	383
Total Expenditures	3,409	2,990	419
Changes in Fund Balance	(1,209)	(1,847)	(638)
Fund Balance Beginning of Year	65,160	65,160	0
Prior Year Encumbrances Appropriated	1,209	1,209	0
Fund Balance End of Year	<u>\$65,160</u>	<u>\$64,522</u>	<u>(\$638)</u>

Toledo-Lucas County Public Library  
 Gates Foundation Grant Capital Projects Fund

Schedule of Revenues, Expenditures,  
 and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended December 31, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$21,574	\$21,574	\$0
<u>Expenditures</u>			
Capital Outlay			
Furniture, Fixtures, and Equipment	<u>21,574</u>	<u>21,574</u>	<u>0</u>
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Toledo-Lucas County Public Library  
 Service to Target Population Grant Capital Projects Fund

Schedule of Revenues, Expenditures,  
 and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended December 31, 2004

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$17,567	\$17,567	\$0
<u>Expenditures</u>			
Capital Outlay			
Furniture, Fixtures, and Equipment	17,567	17,567	0
Excess of Revenues Under Expenditures	0	0	0
<u>Other Financing Sources (Uses)</u>			
Advances In	10,000	10,000	0
Advances Out	(10,000)	(10,000)	0
Total Other Financing Sources (Uses)	0	0	0
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Toledo-Lucas County Public Library  
 Building and Repair Capital Projects Fund

Schedule of Revenues, Expenditures,  
 and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended December 31, 2004

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$35,000	\$35,951	\$951
<u>Expenditures</u>			
Current:			
Public Services			
Purchased and Contracted Services			
Professional Services	525,285	517,030	8,255
Capital Outlay			
Buildings and Improvements	2,993,099	2,920,587	72,512
Improvements Other Than Buildings	20,731	7,403	13,328
Furniture, Fixtures, and Equipment	152,800	121,015	31,785
Total Capital Outlay	3,166,630	3,049,005	117,625
Total Expenditures	3,691,915	3,566,035	125,880
Excess of Revenues Under Expenditures	(3,656,915)	(3,530,084)	126,831
<u>Other Financing Sources</u>			
Transfers In	580,000	2,580,000	2,000,000
Changes in Fund Balance	(3,076,915)	(950,084)	2,126,831
Fund Balance Beginning of Year	2,605,361	2,605,361	0
Prior Year Encumbrances Appropriated	511,915	511,915	0
Fund Balance End of Year	\$40,361	\$2,167,192	\$2,126,831

Toledo-Lucas County Public Library  
Library Legacy Foundation Capital Projects Fund

Schedule of Revenues, Expenditures,  
and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2004

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$7,000	\$3,650	(\$3,350)
Gifts and Donations	43,004	88,570	45,566
Total Revenues	<u>50,004</u>	<u>92,220</u>	<u>42,216</u>
<u>Expenditures</u>			
Capital Outlay			
Buildings and Improvements	791,213	713,020	78,193
Furniture, Fixtures, and Equipment	1,768	1,664	104
	<u>52,000</u>	<u>51,571</u>	<u>429</u>
Total Expenditures	<u>844,981</u>	<u>766,255</u>	<u>78,726</u>
Changes in Fund Balance	(794,977)	(674,035)	120,942
Fund Balance Beginning Year	76,043	76,043	0
Prior Year Encumbrances Appropriated	<u>719,056</u>	<u>719,056</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$122</u></u>	<u><u>\$121,064</u></u>	<u><u>\$120,942</u></u>

Toledo-Lucas County Public Library  
 Libbey Permanent Fund

Schedule of Revenues, Expenditures,  
 and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended December 31, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Interest	\$6,100	\$3,744	(\$2,356)
<u>Expenditures</u>			
Current:			
Purchased and Contracted Services			
Professional Services	320	278	42
Library Materials and Information			
Books and Pamphlets	6,596	6,581	15
Total Expenditures	<u>6,916</u>	<u>6,859</u>	<u>57</u>
Changes in Fund Balance	(816)	(3,115)	(2,299)
Fund Balance Beginning of Year	197,206	197,206	0
Prior Year Encumbrances Appropriated	<u>716</u>	<u>716</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$197,106</u></u>	<u><u>\$194,807</u></u>	<u><u>(\$2,299)</u></u>



Toledo-Lucas County Public Library  
Hopkins Permanent Fund

Schedule of Revenues, Expenditures,  
and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2004

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$800	\$448	(\$352)
<u>Expenditures</u>			
Current:			
Purchased and Contracted Services			
Professional Services	50	15	35
Library Materials and Information			
Books and Pamphlets	1,477	1,311	166
Total Expenditures	1,527	1,326	201
Changes in Fund Balance	(727)	(878)	(151)
Fund Balance Beginning of Year	23,623	23,623	0
Prior Year Encumbrances Appropriated	727	727	0
Fund Balance at End of Year	<u>\$23,623</u>	<u>\$23,472</u>	<u>(\$151)</u>

Toledo-Lucas County Public Library  
Colburn Permanent Fund

Schedule of Revenues, Expenditures,  
and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Interest	\$1,700	\$988	(\$712)
<u>Expenditures</u>			
Current:			
Purchased and Contracted Services			
Professional Services	200	110	90
Library Materials and Information			
Books and Pamphlets	2,473	2,066	407
Total Expenditures	<u>2,673</u>	<u>2,176</u>	<u>497</u>
Changes in Fund Balance	(973)	(1,188)	(215)
Fund Balance Beginning of Year	54,172	54,172	0
Prior Year Encumbrances Appropriated	<u>1,073</u>	<u>1,073</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$54,272</u></u>	<u><u>\$54,057</u></u>	<u><u>(\$215)</u></u>

Toledo-Lucas County Public Library  
 Prescription Internal Service Fund

Schedule of Revenues, Expenses,  
 and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended December 31, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$450,000	\$553,564	\$103,564
<u>Expenses</u>			
<u>Purchased and Contracted Services</u>			
Professional Services	35,000	14,286	20,714
<u>Claims</u>			
Claims	525,000	415,490	109,510
Total Expenses	<u>560,000</u>	<u>429,776</u>	<u>130,224</u>
Changes in Fund Balance	(110,000)	123,788	233,788
Fund Balance Beginning Year	<u>110,663</u>	<u>110,663</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$663</u></u>	<u><u>\$234,451</u></u>	<u><u>\$233,788</u></u>

Toledo-Lucas County Public Library  
 Health Internal Service Fund

Schedule of Revenues, Expenses,  
 and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended December 31, 2004

	Revised Budget	Actual	Variance Over (Under)
Revenues	\$0	\$0	\$0
<u>Expenses</u>			
Claims			
Claims	265,793	265,793	0
Total Expenses	265,793	265,793	0
Changes in Fund Balance	(265,793)	(265,793)	0
Fund Balance Beginning of Year	265,793	265,793	0
Fund Balance End of Year	\$0	\$0	\$0

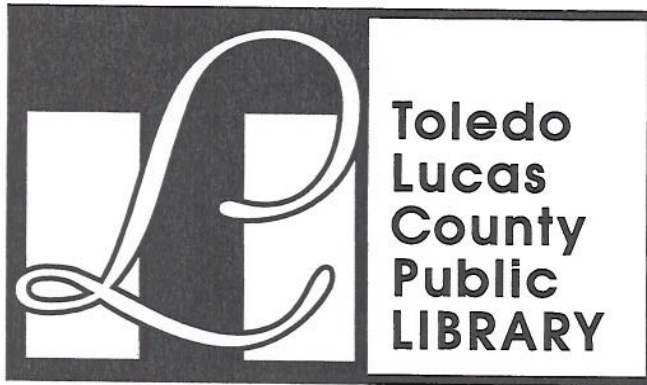
Toledo-Lucas County Public Library  
Dental Internal Service Fund

Schedule of Revenues, Expenses,  
and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended December 31, 2004

	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$99,000	\$109,993	\$10,993
<u>Expenses</u>			
Purchased and Contracted Services			
Professional Services	16,000	10,367	5,633
Claims			
Claims	105,000	80,554	24,446
Total Expenses	121,000	90,921	30,079
Changes in Fund Balance	(22,000)	19,072	41,072
Fund Balance Beginning of Year	22,345	22,345	0
Fund Balance End of Year	\$345	\$41,417	\$41,072

## Statistical Section

**THE FOLLOWING UNAUDITED STATISTICAL TABLES  
REFLECT SOCIAL AND ECONOMIC DATA,  
FINANCIAL TRENDS, AND FISCAL CAPACITY OF THE  
LIBRARY**





Toledo-Lucas County Public Library  
 General Fund Expenditures by Function  
 Last Ten Years

<u>Year</u>	<u>Public Services</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Total</u>
2004	\$27,904,136	\$1,612,918	\$0	\$29,517,054
2003	25,104,124	130,122	0	\$25,234,246
2002	25,179,909	479,542	142,737	25,802,188
2001	25,539,260	707,128	161,266	26,407,654
2000	24,621,915	697,314	157,152	25,476,381
1999	22,891,278	1,737,941	106,213	24,735,432
1998	21,493,814	523,645	50,690	22,068,149
1997	20,260,341	315,870	14,140	20,590,351
1996	19,000,974	288,249	27,241	19,316,464
1995	17,288,597	200,272	34,248	17,523,117

Source: Toledo-Lucas County Public Library records

Tables presenting revenues and expenses of governmental activities will be presented when sufficient data is available to create meaningful comparisons.

Toledo-Lucas County Public Library  
 General Fund Revenues by Source  
 Last Ten Years

Year	Property Taxes	Intergovernmental	Patrons Fines and Fees	Interest	Services Provided to Others
2004	\$12,432,293	\$15,762,247	\$811,313	\$85,350	\$62,413
2003	4,931,663	18,894,859	816,356	73,478	62,847
2002	4,901,608	19,093,284	843,310	139,973	62,787
2001	4,971,874	20,637,392	825,054	300,971	61,767
2000	5,535,630	20,436,213	749,780	348,209	59,606
1999	5,540,938	19,089,223	718,819	631,463	57,665
1998	5,321,029	17,968,114	732,592	2,658,684	85,018
1997	4,892,203	15,630,071	742,769	1,892,704	114,164
1996	4,355,785	14,865,171	727,206	622,262	116,350
1995	4,307,725	13,643,067	678,323	370,147	101,392

Source: Toledo-Lucas County Public Library records

Tables presenting revenues and expenses of governmental activities will be presented when sufficient data is available to create meaningful comparisons.

<u>Gifts and Donations</u>	<u>Miscellaneous</u>	<u>Total</u>
\$19,695	\$471,681	\$29,644,992
14,290	417,840	25,211,333
22,439	666,458	25,729,859
11,752	551,445	27,360,255
14,970	403,811	27,548,219
12,521	300,364	26,350,993
10,370	207,668	26,983,475
13,320	193,583	23,478,814
15,377	147,084	20,849,235
15,706	59,424	19,175,784

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

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>
2004	\$16,134,850	\$15,421,170	95.58%	\$528,130	\$15,949,300
2003	10,179,452	9,635,485	94.66%	365,827	10,001,312
2002	10,055,856	9,514,805	94.62	346,973	9,861,778
2001	10,051,354	9,620,151	95.71	182,248	9,802,399
2000	10,104,136	9,639,614	95.40	282,648	9,922,262
1999	9,763,522	9,499,692	97.30	314,001	9,813,693
1998	9,762,156	9,390,195	96.19	316,333	9,706,528
1997	8,146,000	7,912,831	97.14	356,329	8,269,160
1996	8,080,100	7,687,188	95.14	526,892	8,214,080
1995	4,005,921	3,847,687	96.05	132,953	3,980,640

Source: Lucas County Auditor

<u>Percent of Total Tax Collections to Total Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Outstanding Delinquent Taxes to Total Tax Levy</u>
98.85%	\$1,338,834	8.30%
98.25%	555,095	5.45%
98.07	601,156	5.98
97.52	663,629	6.60
98.20	624,775	6.18
100.51	649,621	6.65
99.43	787,480	8.07
101.51	652,742	8.01
101.66	700,727	8.67
99.37	393,515	9.82

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

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>
2003	\$2,214,548	\$2,061,450	93.09%	\$135,382	\$2,196,832
2003	1,568,542	1,368,954	87.28%	179,981	1,548,935
2002	1,596,235	1,442,911	90.39	139,277	1,582,188
2001	1,707,564	1,622,000	94.99	106,489	1,728,489
2000	1,681,842	1,666,706	99.10	61,783	1,728,489
1999	1,608,156	1,585,076	98.56	167,191	1,752,267
1998	1,554,000	1,495,259	96.22	83,411	1,578,670
1997	1,515,050	1,438,061	94.92	87,070	1,525,131
1996	1,483,424	1,440,968	97.14	64,276	1,505,244
1995	764,630	730,731	95.57	52,731	783,462

Source: Lucas County Auditor

<u>Percent of Total Tax Collections to Total Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Outstanding Delinquent Taxes to Total Tax Levy</u>
99.20%	\$572,870	25.87%
98.75%	321,033	20.47%
99.12	276,570	17.33
101.23	249,750	14.63
102.77	245,824	14.62
108.96	209,275	13.01
101.59	497,794	32.03
100.67	382,133	25.22
101.47	40,050	2.70
102.46	56,783	7.43

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

Year	Real Property		Public Utility Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2004	\$7,438,089	\$21,251,683	\$295,131	\$1,180,524
2003	6,581,213	18,803,466	329,127	1,316,508
2002	6,473,136	18,494,674	313,631	1,254,524
2001	6,388,628	18,253,223	453,115	1,812,460
2000	5,198,999	14,854,283	453,059	1,677,996
1999	5,100,496	14,572,846	483,823	1,791,937
1998	5,014,699	14,327,711	490,200	1,815,556
1997	4,550,925	13,002,643	494,129	1,830,107
1996	4,481,814	12,805,183	526,527	1,880,454
1995	4,449,295	12,712,271	552,585	1,973,518

Source: Lucas County Auditor



Tangible Personal Property		Total	
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
\$846,481	\$3,680,352	\$8,579,701	\$26,112,559
868,142	3,617,258	7,778,482	23,737,232
934,788	3,739,152	7,721,555	23,488,350
986,679	3,946,716	7,828,422	24,012,399
934,788	3,739,152	6,586,846	20,271,431
869,274	3,477,096	6,453,593	19,841,879
862,363	3,449,452	6,367,262	19,592,719
841,559	3,366,236	5,886,613	18,198,986
801,851	3,207,404	5,810,192	17,893,041
750,332	3,001,328	5,752,212	17,687,117

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

Collection Year	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Toledo-Lucas County Public Library	<u>\$2.50</u>	<u>\$1.70</u>	<u>\$1.70</u>	<u>\$1.70</u>	<u>\$1.70</u>
Lucas County:					
General Fund	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Board of Mental Retardation	5.00	5.00	5.00	4.50	4.50
Children Services Board	2.40	2.65	2.65	3.50	3.50
Community Mental Health	1.50	1.50	1.50	1.50	1.50
Emergency Medical Service	0.00	0.00	0.00	0.00	0.00
Senior Services	0.45	0.45	0.45	0.45	0.25
911 Emergency Telephone System	0.70	0.70	0.70	0.70	0.70
Zoo	1.65	1.65	1.65	1.65	1.65
Total Lucas County	<u>\$13.70</u>	<u>\$13.95</u>	<u>\$13.95</u>	<u>\$14.30</u>	<u>\$14.10</u>
School Districts:					
Anthony Wayne	\$64.90	\$63.70	\$63.70	\$63.70	\$63.70
Evergreen	47.88	47.88	50.43	47.23	42.53
Maumee	71.74	62.30	62.30	62.30	62.30
Oregon	55.10	49.20	49.20	49.20	49.20
Otsego	43.50	47.40	56.90	56.90	56.90
Ottawa Hills	114.65	114.35	114.50	113.10	113.10
Springfield	67.90	68.10	68.10	64.10	64.10
Swanton	68.11	68.11	68.11	68.74	68.74
Sylvania	70.00	70.10	65.20	65.20	65.20
Toledo	67.60	67.99	63.00	63.00	63.00
Washington	65.90	65.90	65.90	65.90	65.90
Joint Vocational School Districts:					
Four County	\$3.20	\$3.20	\$3.20	\$3.20	\$3.20
Penta County	3.20	2.20	2.20	2.20	2.20

<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
<u>\$1.85</u>	<u>\$1.85</u>	<u>\$1.85</u>	<u>\$1.85</u>	<u>\$1.00</u>
\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
4.50	4.50	4.50	4.50	4.50
3.50	3.50	3.50	3.50	3.50
1.50	1.50	1.50	1.50	1.50
0.00	0.00	0.00	0.00	0.00
0.25	0.25	0.25	0.25	0.25
0.70	0.70	0.50	0.50	0.50
1.65	1.65	1.65	1.70	1.70
<u>\$14.10</u>	<u>\$14.10</u>	<u>\$13.90</u>	<u>\$13.95</u>	<u>\$13.95</u>

\$64.50	\$64.50	\$66.80	\$66.80	\$66.80
39.70	39.70	42.90	42.90	42.90
62.30	62.30	64.50	59.60	59.60
49.20	49.20	49.20	45.80	45.80
49.11	57.20	51.80	52.60	52.60
107.05	107.05	104.30	104.30	104.30
64.20	64.20	67.40	67.40	67.40
62.10	62.10	64.60	65.16	65.16
66.30	66.30	68.20	63.90	63.90
57.80	57.80	57.80	57.80	57.80
61.70	61.70	61.70	56.80	56.80

\$3.20	\$3.20	\$3.20	\$3.20	\$3.20
2.20	2.20	2.20	2.20	2.20

(continued)

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

Collection Year	2004	2003	2002	2001	2000
<b>Townships:</b>					
Harding	\$4.30	\$4.30	\$4.30	\$4.30	\$4.30
Jerusalem	9.75	9.75	9.75	9.75	9.75
Monclova	5.20	5.20	5.20	5.20	5.20
Providence	6.95	6.95	6.95	6.95	6.95
Richfield	8.64	5.80	5.80	7.20	7.20
Spencer	6.00	6.00	6.00	6.00	6.00
Springfield	8.10	8.10	8.10	8.10	8.10
Swanton	6.10	6.10	6.10	6.10	6.10
Sylvania	17.72	17.72	17.72	16.22	16.22
Washington	22.95	18.20	18.20	18.20	18.20
Waterville	9.60	9.60	10.80	10.80	10.80
<b>Municipalities:</b>					
Village of Berkey	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Village of Harbor View	7.00	7.00	7.00	7.00	7.00
Village of Holland	0.80	0.80	0.80	0.80	0.80
City of Maumee	3.70	3.70	3.70	3.70	3.70
City of Oregon	3.50	3.50	3.50	3.50	3.50
Village of Ottawa Hills	4.10	4.10	4.10	4.10	4.10
Village of Swanton	4.50	4.50	4.50	4.50	4.50
City of Sylvania	5.10	5.10	5.10	5.10	5.10
City of Toledo	4.40	4.40	4.40	4.40	4.40
Village of Waterville	3.50	3.50	3.50	3.50	3.50
Village of Whitehouse	3.50	3.50	3.50	3.50	3.50
<b>Metroparks:</b>					
Toledo-Lucas County Port Authority	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40
Toledo Area Regional Transportation Authority (TARTA) (b)	0.40	0.40	0.40	0.40	0.40
	2.50	2.50	2.50	2.50	2.50

Source: Lucas County Auditor

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

b - TARTA is not levied in every county taxing district.

1999	1998	1997	1996	1995
\$3.30	\$3.30	\$3.30	\$3.30	\$3.30
9.75	9.75	9.75	9.75	9.75
5.20	5.20	4.90	4.90	4.90
6.95	4.45	6.45	6.45	6.45
7.20	7.20	5.30	5.30	5.30
6.00	6.00	6.00	6.00	6.00
8.10	8.10	6.30	6.30	6.30
6.10	5.20	4.70	4.70	4.70
15.90	16.40	16.40	16.40	16.40
18.20	18.20	19.20	19.20	19.20
9.30	9.30	9.30	9.30	9.30
\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
7.00	7.00	7.00	7.00	7.00
0.80	0.80	2.00	2.00	2.00
3.85	4.00	4.20	4.20	4.20
3.50	3.50	3.50	3.50	3.50
4.10	4.10	4.10	4.10	4.10
3.00	3.00	3.00	3.00	3.00
5.10	6.25	5.75	5.75	5.75
4.40	4.40	4.40	4.40	4.40
3.50	3.50	3.50	3.50	3.50
3.50	3.50	3.50	3.50	3.50
\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
0.40	0.40	0.40	0.40	0.40
2.50	2.50	2.50	2.50	2.50

Toledo-Lucas County Public Library  
Demographic Statistics  
Last Ten Years

Year	Population (a)	Unemployment Rate (b)	
		County	Ohio
2004	455,054	6.60%	5.90%
2003	455,054	7.20%	6.00%
2002	455,054	5.80	5.00
2001	455,054	5.10	4.50
2000	455,054	4.90	4.10
1999	462,361	5.20	4.20
1998	462,361	5.50	4.20
1997	462,361	5.20	4.60
1996	462,361	5.00	4.90
1995	462,361	5.00	4.80

Source: a - 1990 and 2000 Census  
b - Ohio Bureau of Employment Services

Toledo-Lucas County Public Library  
Property Values, Construction, and Bank Deposits  
Last Ten Years  
(dollar amounts expressed in thousands)

Year	Property Values	Residential Construction (b)		Commercial Construction (b)		County Bank Deposits (c)
		Number of Permits	Value (a)	Number of Permits	Value (a)	
2004	\$8,579,701	1,956	\$250,742	697	\$203,302	\$184,607
2003	7,778,482	2,007	236,576	621	147,754	\$139,299
2002	7,721,555	1,726	194,094	1,060	139,055	83,835
2001	7,828,422	1,683	210,838	841	6,802,511	0 (d)
2000	6,586,846	7,823	211,843	1,493	507,966	2,413,149
1999	6,453,593	9,060	162,282	1,418	178,607	6,340,350
1998	6,367,262	1,806	166,716	692	452,756	5,302,858
1997	5,886,613	1,659	136,610	742	98,492	3,037,031
1996	5,810,192	9,647	169,808	1,877	177,256	3,810,869
1995	5,752,212	6,010	134,803	1,031	124,126	3,053,287

Source: a - Estimated Actual Property Value

b - City of Toledo Building Department, Lucas County Building Regulation Department, City of Oregon Inspection Department, City of Maumee Division of Building, and the Village of Whitehouse Building Department

c - Federal Reserve Bank of Cleveland

d - During 2001 there were no bank headquarters located within the county, branches only.

Toledo-Lucas County Public Library  
Principal Taxpayers  
December 31, 2004

Name of Taxpayer	Total Assessed Valuation	Percentage of Total Assessed Valuation
Toledo Edison	\$128,132,000	1.49%
Ohio Bell	60,556,000	0.71
General Motors	59,190,000	0.69
Sunoco Incorporated	53,734,000	0.63
BP America	35,735,000	0.42
Daimler Chrysler	31,998,000	0.37
Block Communications	24,060,000	0.28
Columbia Gas	23,207,000	0.27
Owens Illinois	22,145,000	0.26
Johns Manville	21,980,000	0.26
 Total All Taxpayers' Assessed Valuation	 \$8,579,701,000	

Source: Lucas County Auditor



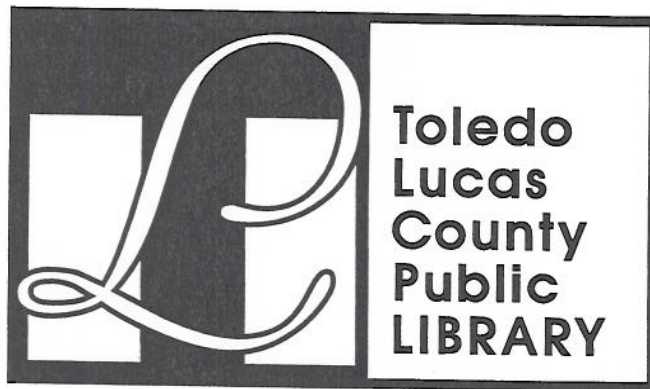
Toledo-Lucas County Public Library  
Miscellaneous Statistics  
Last Ten Years

Year	Number of Employees	Number of Volumes Owned	Number of Library Materials Circulated	Number of Registered Borrowers (a)
2004	365	2,911,554	6,425,869	285,381
2003	317	2,376,636	6,300,189	279,785
2002	342	2,469,168	6,603,030	298,674
2001	360	2,227,893	6,501,428	287,912
2000	366	2,288,418	6,105,445	277,888
1999	364	2,253,118	6,045,409	271,637
1998	365	2,486,266	6,199,395	270,260
1997	358	2,418,175	6,570,426	268,205
1996	352	2,248,571	6,357,823	255,256
1995	351	2,564,304	5,834,894	N/A

Source: Toledo-Lucas County Public Library records

a - The Toledo-Lucas County Public Library's computer system was changed during 1995.  
The number of card holders was not available for 1995.

N/A - Not available





**Auditor of State  
Betty Montgomery**

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Columbus, Ohio 43216-1140

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800-282-0370

Facsimile 614-466-4490

**TOLEDO-LUCAS COUNTY PUBLIC LIBRARY**

**LUCAS COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
AUGUST 9, 2005**