



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

CLEVELAND PUBLIC LIBRARY
CUYAHOGA COUNTY, OHIO

REGULAR AUDIT

For the Year Ended December 31, 2018
Fiscal Year Audited Under GAGAS: 2018

One East Campus View Blvd. Suite 300 • Columbus, OH 43235 • (614) 430-0590 • FAX (614) 448-4519
PO Box 875 • 129 Pinckney Street • Circleville, OH 43113 • (740) 474-5210 • FAX (740) 474-7319
PO Box 687 • 528 S. West Street • Piketon, OH 45661 • (740) 289-4131 • FAX (740) 289-3639

www.bhmcgroup.com

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

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

We have reviewed the *Independent Auditor's Report* of the Cleveland Public Library, Cuyahoga County, prepared by BHM CPA Group, Inc., for the audit period January 1, 2018 through December 31, 2018. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Keith Faber
Auditor of State
Columbus, Ohio

July 12, 2019

This page intentionally left blank.

**CLEVELAND PUBLIC LIBRARY
CUYAHOGA COUNTY, OHIO**

**TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

<u>TITLE</u>	<u>PAGE</u>
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by Governmental Auditing Standards.....	1

This page intentionally left blank.



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

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

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States’ *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cleveland Public Library, Cuyahoga County, (the Library) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Library’s basic financial statements and have issued our report thereon dated June 14, 2019, wherein we noted the Library adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Library's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Handwritten signature in black ink that reads "BHM CPA Group".

BHM CPA Group, Inc.
Piketon, Ohio
June 14, 2019

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2018
Cleveland Public Library | Cleveland, Ohio



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2018
Cleveland Public Library | Cleveland, Ohio
Issued by Carrie Krenicky, Chief Financial Officer



INTRODUCTORY SECTION

This page intentionally left blank.

Cleveland Public Library
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018
Table of Contents

	Page
I. Introductory Section	
Table of Contents	i
Letter of Transmittal	v
List of Principal Officials.....	xiv
Organizational Chart.....	xv
GFOA Certificate of Achievement	xvi
II. Financial Section	
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	4
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	14
Statement of Activities.....	16
Fund Financial Statements:	
Balance Sheet – Governmental Funds	17
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities.....	18
Statement of Revenues, Expenditures and Changes In Fund Balances – Governmental Funds....	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual	
General Fund.....	21
CLEVNET Fund	22
Statement of Fiduciary Assets and Liabilities.....	23
Notes to the Basic Financial Statements	24

Cleveland Public Library
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018
Table of Contents (continued)

Required Supplementary Information

Schedule of the Library's Proportionate Share of the Net Pension Liability – Ohio Public Employees Retirement System - Traditional Plan – Last Five Years.....	67
Schedule of the Library's Proportionate Share of the Net Pension Asset – Ohio Public Employees Retirement System - Combined Plan	68
Schedule of the Library's Proportionate Share of the Net OPEB Liability – Ohio Public Employees Retirement System - OPEB Plan – Last Two Years	69
Schedule of Library Contributions – Ohio Public Employees Retirement System - Last Six Years	70
Notes to Required Supplementary Information	72

Combining and Individual Fund Statements and Schedules:

Combining Statements – Nonmajor Governmental Funds:

Fund Descriptions	74
Combining Balance Sheet – Nonmajor Governmental Funds	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	79
Combining Balance Sheet – Nonmajor Special Revenue Funds	80
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	85
Combining Balance Sheet – Nonmajor Permanent Funds	90
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Permanent Funds	93

Fund Statement – Agency Fund:

Fund Description.....	96
Combining Statement of Changes in Assets and Liabilities – Agency Fund.....	97

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

Cleveland Public Library
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018
Table of Contents (continued)

Major Funds

General Fund.....	99
CLEVNET Fund	100
Building and Repair Fund.....	101

Nonmajor Funds

Anderson Fund.....	102
Endowment for the Blind Fund.....	103
Founders Fund	104
Kaiser Fund	105
Kraley Fund	106
Library Fund	107
Pepke Fund	108
Wickwire Fund	109
Wittke Fund	110
Young Fund	111
Friends Fund	112
Judd Fund	113
Ohio Library for the Blind and Physically Disabled (OLBPD) Fund.....	114
Lockwood Thompson Memorial Fund	115
Ohio Center for the Book Fund	116
Schweinfurth Fund.....	117
Learning Centers Fund.....	118
MyCom Fund.....	119
Early Literacy Fund	120
Tech Centers Fund	121
Abel Fund	122
Ambler Fund.....	123
Beard Fund	124
Klein Fund	125
Malon/Schroeder Fund.....	126
McDonald Fund	127
Ratner Fund	128
Root Fund	129
Sugarman Fund.....	130
Thompson Fund	131
Weidenthal Fund.....	132
White Fund	133
Beard Anna Young Fund	134

Cleveland Public Library
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018
Table of Contents (continued)

III. Statistical Section

Statistical Section Description	S1
Net Position by Component – Last Ten Years.....	S2
Changes in Net Position – Last Ten Years	S4
Fund Balances, Governmental Funds – Last Ten Years	S6
Changes in Fund Balances, Governmental Funds – Last Ten Years	S8
Assessed and Estimated Actual Value of Taxable Property – Last Ten Years.....	S10
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years	S12
Real Property and Public Utility Tax Levies and Collections – Last Ten Years	S16
Principal Real Property Taxpayers – 2018 and 2009.....	S18
Principal Employers – Current Year and Nine Years Ago	S19
Demographic and Economic Statistics – Last Ten Years	S20
Full-Time Equivalent Library Employees by Function/Program – Last Ten Years	S22
Capital Assets Statistics	
By Neighborhood Branches– Last Ten Years.....	S26
By Main Library, Lake Shore Facility and Woodland Annex – Last Ten Years.....	S36
Operating Indicators – Last Ten Years	S38



June 14, 2019

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

We are pleased to submit to you the Comprehensive Annual Financial Report of the Cleveland Public Library (the Library) for the fiscal year ended December 31, 2018. This is the eighth year in a row that the Library has submitted its financial report within the broader framework of a *comprehensive annual financial report* (CAFR). The CAFR format provides the Library with a better way to communicate its financial position with the public. In a CAFR, financial information is put within a larger context that provides the reader with the opportunity to understand how the Library functions and the environment in which it operates.

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

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

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

Ohio law requires independent audits to be performed on all financial operations of the Library either by the Ohio Auditor of State or an independent public accounting firm, if permitted by the Auditor of State. BHM CPA Group, Inc. has rendered an opinion on the Library's financial statements as of December 31, 2018, and the Independent Auditor's Report on the basic financial statements is included in the financial section of this report.

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

Board of Library Trustees

Maritza Rodriguez, President · Alesha Washington, Vice President · Thomas D. Corrigan, Secretary
Alice G. Butts · John M. Hairston, Jr. · Anthony Parker · Alan Seifullah

Felton Thomas, Jr., Executive Director, CEO

PROFILE OF GOVERNMENT

Reporting Entity

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

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

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

The administration of the Library is the responsibility of Executive Director Felton Thomas. His executive team consists of the deputy director/chief of staff, chief financial officer, chief legal officer, chief knowledge officer, chief communications and marketing officer, chief talent officer, chief operations officer, and chief of external relations and development. His management team consists of the executive team, the directors of public services, collection services, human resources, development, and information technology/CLEVNET, and the manager of safety and protective services.

Services

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

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

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

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

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

The Library was an early adopter of computer technology and was at the forefront of efforts to automate library functions. The Library started a major investment in technology in 1979. Within two years, automated circulation control was begun in eleven of the busiest branch libraries and extended to all branches by the next year. The Library made a commitment to share its database and its equipment with other neighboring libraries. Cleveland Heights-University Heights Public Library joined the automated circulation system and online catalog in 1982, marking the birth of the CLEVNET resource-sharing network. From that beginning, CLEVNET has grown to 45 library systems in 12 counties across northeast Ohio, serving more than 1.2 million people. Each month, Cleveland Public Library shares over 60,000 items from its collection with the other CLEVNET-member libraries.

Budget

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

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

The tangible personal property (TPP) replacement payments to local governments and schools from the tax reform passed in 2005 was phased out and the last collection year for the Library was in 2017.

The budget process for the Library begins each spring and is presented to the board in May for approval. The budget is then sent to the Cleveland Metropolitan School District (CMSD) Board of Education and a public hearing is held at its June meeting. The CMSD Board of Education has fiduciary responsibility to move the Library's budget through the hearing and approval process, but cannot alter the budget nor provide input to the budget. Once the Library's budget is approved at the CMSD June meeting, the CMSD Board of Education forwards the budget to the Cuyahoga County Budget Commission. The County Budget Commission presents the budgets for all libraries in the county at a September public meeting. This public meeting is not to decide Cleveland Public Library's budget; the Library has an agreement with the Cuyahoga County Budget Commission County through December 2021 as to how the Public Library Fund (PLF) revenues should be distributed among the nine library systems within the County. Were this agreement not in place, a public hearing would be called to decide the distribution of funds. The Library's current agreement with the Cuyahoga County Budget Commission is the extension of a prior agreement stating that the Library receives 41.18430 percent of Cuyahoga County's PLF entitlement, up to the amount distributed in 2007 by what was then called the Library and Local

Government Support Fund (LLGSF); should PLF receipts exceed the amount distributed to the libraries in the 2007 Base Year, Cleveland Public Library will receive 31.17 percent of the excess.

THE LIBRARY'S ECONOMIC CONDITION

According to the Federal Reserve Bank of Cleveland, economic conditions in the Cleveland metro area improved in 2018. Jobs were created as fast as people were entering the labor force. This allowed the unemployment rate to remain steady even as the size of the labor force grew throughout the year. The stability of the unemployment rate is an indication to analysts that the labor markets are healthy.

In the 12 months leading up to June 2018, the metro area added 5,838 jobs, or 0.6 percent of employment. Nearly 3,000 manufacturing jobs were added. Construction remains an important growth industry for employment; the sector grew 4.8 percent, adding 1,700 jobs. Compared with the nation as a whole, the metro area showed slightly slower growth in service-producing industries. In trade, transportation, and utilities, employment declined in the metro area. Despite these losses, this sector accounts for 17.0 percent of employment, second only to education and health services. For comparison, education and health services accounts for 15.2 percent of employment in the United States. The metro area is more specialized in this sector; 18.6 percent of its jobs are in education or health services.

Each year since 2009, the Cleveland metro area has seen increases in real GDP (gross domestic product), according to the Bureau of Economic Analysis at the United States Department of Commerce. Of the nation's 383 metro statistical areas, 312 saw an increase in real GDP in 2017; the Cleveland metro area was one of them. In per capita terms, real gross domestic product in the Cleveland metro area rose 3.4 percent in 2017. This growth suggests that businesses in the metro area have become more productive because the economy is producing a lot more output with slightly fewer people. Real GDP per capita growth was slower in Ohio and the United States (1.5 percent and 1.3 percent, respectively).

Inflation-adjusted income per capita in the Cleveland metro area increased \$958 to \$53,019 in 2017, passing the United States as a whole, which reached \$52,902. Growth in the metro area and the nation was 1.8 percent and 1.5 percent, respectively. In the State, income per capita grew 1.3 percent (\$609) to \$47,872 in 2017. In all three regions, income per capita growth was much stronger in 2017 than in 2016.

Consumer debt per capita grew 2.2 percent to \$28,768 in the metro area. This is slightly higher than in the State, but both the metro area and the State have lower consumer debt per capita than the nation as a whole (\$41,017). Because homes are more affordable in the metro area and the State, residents in these two regions have less mortgage debt than people in many parts of the country.

In the third quarter of 2018, 7.7 percent of all credit card balances in the Cleveland metro area were on cards with payments that were 90 or more days overdue. This number is slightly more than in Ohio (7.1 percent) and in the United States (7.4 percent). In all three regions, the delinquency rate has been slowly drifting upward in recent years. According to the Federal Reserve, this is most likely because credit card lending standards have loosened in recent years, but it could be due to weakening of households' financial positions. Nevertheless, by historical standards, credit card delinquency remains low.

After a year of accelerated increases during 2017, the rate of home price growth in the Cleveland metro area steadied in 2018. The Federal Reserve reports that the median home value in the metro area rose \$8,800 to \$145,000, in 2018, a 6.5 percent increase. Growth also steadied in the United States as a whole and was 7.6 percent in 2018. In Ohio, home price growth accelerated toward the end of 2018, driven by strong growth in other parts of the State, for a one-year change of 7.4 percent. Even so, the median home value in the Cleveland metro area remained higher than the State average of \$138,500. The national average rose to \$223,900. Even though the average number of building permits issued each month in the

Cleveland metro area was down in 2018, economists at the Federal Reserve reported that the housing market is stable due to strong and steady growth in home prices.

As Cleveland's economy improves and we move ever closer to Cleveland Public Library's 150th anniversary, we took some crucial steps in 2018 to prepare for the future. Throughout the year, we considered how the Library's physical spaces could best meet the emerging needs of the community, a process that entailed evaluating all our neighborhood branch libraries and making plans for some large-scale change.

The reopening of the renovated South Branch in December served as a preview to the exciting developments we have in store elsewhere in our library system. South Branch, a 1911 Carnegie library that closed in 2013 due to structural and maintenance wear, was restored to create the best of both worlds for our patrons: preserved historic architecture blended with modern amenities, expanded space, and updated and accessible facilities.

The beginnings of a separate capital project stood as another highlight of our year. We held an international design competition for a new Martin Luther King, Jr. Branch, funded by the Cleveland Foundation that drew entries from all over the world. The new branch is anticipated to open in 2021.

While the South and Martin Luther King, Jr. Branches represent two high-profile improvements, the Library also took some less conspicuous but no less important steps toward change in 2018. Nine branch libraries underwent critical maintenance work to ensure their facilities remained safe, sustainable, and accessible. We also solicited feedback from patrons, neighborhood residents, and community stakeholders to help inform larger changes on the horizon. Our series of collaborative public meetings and focus groups, which were held in partnership with Kent State University's Cleveland Urban Design Collaborative (CUDC), helped us develop a clearer vision for how select branch libraries could be improved and updated to better serve their surrounding neighborhoods. When the Environmental Design Research Association awarded its 2018 Great Places Award to CUDC for their work on our CPL150: Community Vision Plan, we considered this recognition as just one more sign that we're on the right track as we envision a better future for our Library system.

In 2018, the Library worked to continue providing vital programs and services to the community, such as offering afterschool meals and summer lunches for children, free legal aid clinics, college preparedness and GED classes, and much more. But we also embarked on some innovative projects in 2018 to extend our reach in new and creative ways.

The summer of 2018 presented a unique opportunity for the entire city when FRONT International: Cleveland Triennial for Contemporary Art opened *An American City*, an array of art exhibitions at cultural centers throughout Greater Cleveland that received international attention. As part of FRONT International, Cleveland Public Library hosted *The American Library*, an art installation created by renowned artist Yinka Shonibare that highlighted the American immigrant experience. *The American Library*, which was on display in Brett Hall from July 14 to September 30, showcased thousands of books wrapped in African wax cloth bearing the names of first- or second-generation U.S. immigrants. More than 18,500 people viewed the exhibit, and visitors also had the opportunity to share their own experiences surrounding immigration. In late September, *The American Library* provided an appropriate backdrop for a special naturalization ceremony in the Library, where Judge Thomas Parker of the United States District Court, Northern District of Ohio, naturalized 28 new American citizens.

In September, our Rockport Branch became the first Best Buy Teen Tech Center location in Ohio. Made possible by a grant from Best Buy and in partnership with The Clubhouse Network, the Teen Tech Center is a dedicated, state-of-the-art learning space for youth to explore video and audio production, computing,

graphic design, programming, and more. The Teen Tech Center complements our ongoing work with digital literacy, hands-on learning, STEM education, and civic engagement.

In October, we became part of a countywide effort to provide equitable access to technology and support digital literacy by partnering to offer a new hotspot wireless internet lending program. Thanks to a grant from the Cleveland Foundation, along with additional support from Huntington National Bank and other partner institutions, 900 4G unlimited-data hotspot devices were made available throughout Cuyahoga County. Cleveland Public Library manages 600 of these devices, which are available for free, 21-day checkout periods at all 28 Library locations.

We also embraced innovation this year by partnering with the Cleveland Metropolitan School District, Cuyahoga Community College, and Experience Aviation in a special program that tasked high school students with building a Factory Five GTM Super Car in only five weeks. The resulting car was displayed at the NEOSTREAM Conference at Cleveland State University and at the Library's Mini Maker Faire—showing just what our young residents are capable of when given the training, and encouragement to succeed.

In 2018, we revived a beloved reading series, Writers & Readers, and hosted four acclaimed authors throughout the year. Held in partnership with Literary Cleveland, these events brought high-profile authors to Cleveland while giving local aspiring writers an insider's look at the craft of writing. The Library also celebrated literature this year by hosting additional high-profile author events outside of Writers & Readers. Angie Thomas, the author of the bestselling young adult novel *The Hate U Give*, spoke at the Library in February. Her appearance drew more than 500 attendees of all ages.

This year, we celebrated the 20th anniversary of the founding of the Norman A. Sugarman Children's Biography Award, which was established in 1998 and is presented biennially at the Library as the only prize in the nation that honors biographies written for children. In 2018, Melissa Sweet, author and illustrator of *Some Writer! The Story of E.B. White*, was honored with the award.

Partnerships are an important part of our work here at Cleveland Public Library. In 2018, we were fortunate to partner with some world-class institutions to offer our patrons and the larger community the best services and experiences possible. The Cleveland Digital Public Library partnered with the Cleveland Orchestra this year to digitize the Orchestra's archives throughout its 100-year history. The Library will host the Orchestra's articles, reviews, and ephemera online to improve public access to these valuable materials. The first digitized materials were released in the fall of 2018 and can be viewed on the Library's online digital gallery.

To help expose more Clevelanders to the natural wonders in Ohio and beyond, we continued our partnership with Cleveland Museum of Natural History to offer the family pass program, which allows Library cardholders to check out a free pass admitting up to six people into the Museum. We also embraced nature this summer when we opened the Edgewater Book Box at Edgewater Beach, a library housed in a decommissioned shipping container staffed by Library employees during special summer hours. At the Book Box, we partnered with Cleveland State University's Department of Physics to present physics demonstrations on the beach, and we also offered a Seed Library and seed workshops courtesy of the Cleveland Seed Bank.

Finally, we entered into a Benefits Navigator partnership in 2018 with Cuyahoga County to help our residents gain access to workforce development and education programs and apply for food, medical, and cash assistance. As part of the initiative, our staff were trained to connect patrons with these resources to help remove barriers to community services.

Cleveland Public Library works every day to facilitate early childhood literacy and to establish a love of reading among children and teens. In 2018, Summer Lit League, our newly renamed summer reading club, featured a theme of “Make the Most of Your World” to take children and teens on an eight-week reading adventure around the world, all through the magic of books. This year, the finale event at the Cleveland Metroparks Zoo drew an increased number of participants.

The Ohio Center for the Book (OCFB) hosted the annual State Letters About Literature competition and the regional Poetry Out Loud competition in 2018, two programs that help foster a love of reading among our young patrons. OCFB was also proud to welcome Whitney Porter as our Scholar-in-Residence in 2018. This position, supported by a stipend for the first time, will enhance the Library’s programming and outreach efforts.

At the Library’s sixth annual Mini Maker Faire, a celebration of innovation, creativity, and technology, TechCentral hosted four virtual reality stations in partnership with a local VR artist. And speaking of technology, this year, Cleveland Public Library was the first public library in the country to be designated a Digital Access partner with the United States Government Publishing Office (GPO), a result of the collaboration of Government Documents and the Cleveland Digital Public Library.

On a Statewide level, our Ohio Library for the Blind and Physically Disabled (OLBPD) circulated more than half a million items to nearly 14,000 active readers in 2018. OLBPD devoted time this year to assess and prepare for the future of library services, especially as the National Library Service embarks on new projects, including studying the feasibility of using modified smartphones as the next-generation talking-book player.

On a regional level, we welcomed Morley Library in Painesville, Ohio, into CLEVNET this year. Morley is the 45th library system to enter into the CLEVNET library consortium, which serves a million cardholders across 12 counties in Northeast Ohio to connect patrons to a wider pool of resources.

Branches across our system offered valuable programs and services, including free lunches for children from the Greater Cleveland Food Bank; America Reads tutoring provided by Cleveland State University; Kindergarten Clubs to support a child’s first year in school; workforce development for teens and young adults through Youth Opportunities Unlimited (Y.O.U.); voting registration services; art therapy and creative writing programs for teens; and much more.

A joint effort from NEOMED: The Northeast Ohio Medical University and the MetroHealth Medical System offered patrons free wellness screenings and advice from medical students and physicians. Four branches hosted these wellness screenings in 2018, and the program will expand to offer additional services and locations in 2019. In other wellness news, Walz Branch hosted a mobile monthly food pantry this year in partnership with the Greater Cleveland Food Bank. The branch handed out 6,000 pounds of produce every month and reached over 500 individuals.

All in all, our branch libraries made a priceless impact on our communities, illuminating opportunities for education, personal growth, and new cultural understanding in every corner of the city.

In 2018, we looked ahead with great anticipation to our rapidly approaching 150th anniversary. This milestone encouraged us to carefully evaluate all we do and consider how we can continue evolving in the future. And evolve we will. As proud as we are of our outstanding collections and our literacy efforts, Cleveland Public Library is far more than a place to check out a book. We’re a community center, a partner, and a place for innovation, creativity, and growth.

Long-Term Financial Planning

The Library's long-term financial planning includes the crucial steps we are beginning to take in 2018 to prepare for the future making plans for some large-scale changes as we develop our Facilities Master Plan.

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

Relevant Financial Policies

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

AWARDS & ACKNOWLEDGMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Cleveland Public Library for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2017. This was the seventh year the Library has prepared a CAFR and has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements.

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

Acknowledgments

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

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

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

Respectfully submitted,

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

Carrie Krenicky
Chief Financial Officer/Fiscal Officer

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

Felton Thomas
Executive Director

CLEVELAND PUBLIC LIBRARY

LIST OF PRINCIPAL OFFICIALS
as of December 31, 2018

BOARD OF LIBRARY TRUSTEES

Maritza Rodriguez President
Alesha Washington Vice President
Thomas D. Corrigan Secretary
Alice G. Butts Member
John M. Hairston Member
Anthony T. Parker..... Member
Alan Seifullah Member

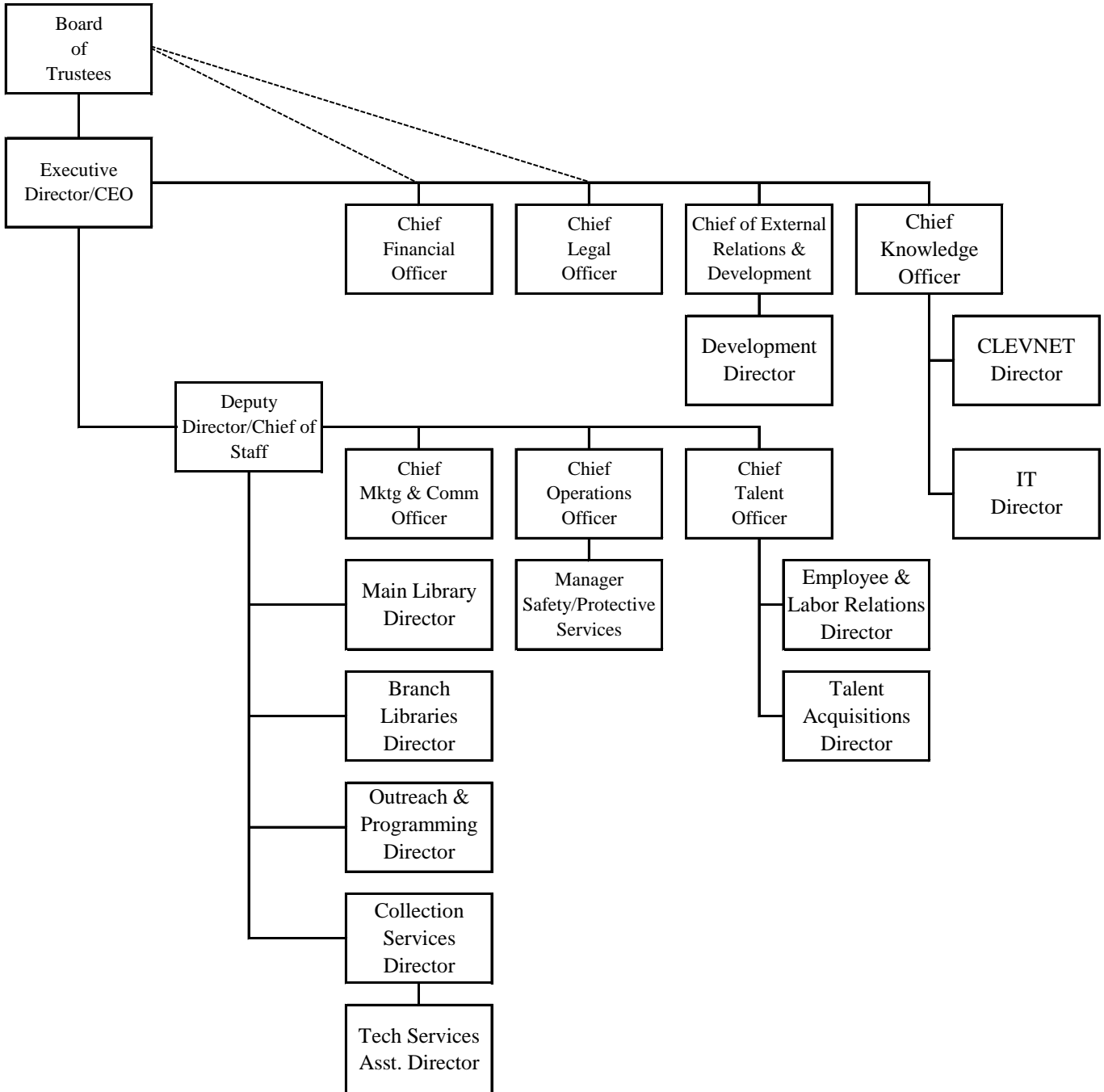
ADMINISTRATIVE STAFF

Felton Thomas Executive Director/Chief Executive Officer
Tena Wilson Deputy Director/Chief of Staff
Carrie Krenicky Chief Financial Officer/Fiscal Officer
Joyce Dodrill Chief Legal Officer
Timothy Diamond Chief Knowledge Officer
Shenise Johnson Thomas Chief of External Relations & Development
Tana Peckham Chief Marketing & Communications Officer
Jeremiah Swetel Chief Operations Officer
Lynn Sargi Chief Talent Officer (1)
John Skrtic Director of Main Library & Research
Harriette Parks Director of Branch Libraries
Aaron Mason Director of Outreach & Programming
Jean McFarren Director of Collection Services
Tracy Martin Director of Development
Cedric Johns Director of Employee & Labor Relations
Robin Wood Director of Talent Acquisitions
Larry Finnegan Director of Information Technology
Hilary Prisbylla Director of CLEVNET
Sandra Jelar Elwell Assistant Director of Technical Services
Lindsey Duncan Safety/Protective Services Manager

(1) Hired January 14, 2019

CLEVELAND PUBLIC LIBRARY

ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Cleveland Public Library
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

This page intentionally left blank.



Independent Auditor's Report

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

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cleveland Public Library, Cuyahoga County, Ohio (the Library), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Cleveland Public Library, Cuyahoga County, Ohio, as of December 31, 2018, and the respective changes in financial position thereof and the respective budgetary comparisons for the General Fund and CLEVNET Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during 2018, the Library adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial reporting for Postemployment Benefits Other than Pensions*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

The statements and schedules are management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America.

Members of the Board of Trustees

In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2019, on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control over financial reporting and compliance.

Handwritten signature in black ink that reads "BHM CPA Group".

BHM CPA Group, Inc.
Piketon, Ohio
June 14, 2019

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

The Discussion and Analysis of the Cleveland Public Library's (the "Library") financial performance provides an overall review of the Library's financial activities for the year ended December 31, 2018. The intent of this discussion and analysis is to look at the Library's financial performance as a whole. Readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Library's financial performance.

Financial Highlights

Key financial highlights for 2018 are:

The assets and deferred outflows of resources of the Library exceeded its liabilities at the close of the most recent fiscal year by \$104,321,801 (*net position*). Of this amount, \$83,447,433 represents the Library's net investment in capital assets, \$16,167,823 represents restricted net position and \$4,706,545 represents unrestricted net position.

The Library's total net position decreased by \$11,827,073 or 10.18 percent from 2017. Of this amount, total net investment in capital assets increased by \$498,791 or 0.6 percent, restricted net position decreased by \$1,161,497 or 6.7 percent, and unrestricted net position decreased by \$11,164,367 or 70.34 percent.

Unrestricted net position decreased due to the decrease in governmental fund balances as expenditures exceeded revenues primarily in the building and repair fund in order to fund capital projects along with the decline of the fair value of investments related to the endowment funds.

At the close of the 2018, the Cleveland Public Library's governmental funds reported combined fund balances of \$54,113,849, a decrease of \$11,583,799 in comparison with the prior year. Approximately 35 percent of this amount (\$19,103,623) is available for spending at the Library's discretion (*unassigned fund balance*).

At the end of 2018, unrestricted fund balance (the total of the *committed*, *assigned* and *unassigned* components of *fund balance*) for the general fund was \$24,592,374, or approximately 45 percent of total general fund expenditures.

Using These Basic Financial Statements

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

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

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

Reporting the Library as a Whole

Statement of Net Position and Statement of Activities

While this document contains information about the funds used by the Library to provide services to our citizens, the view of the Library as a whole looks at all financial transactions and asks the question, "How did the Library do financially during 2018?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting method used by the private sector. The accrual basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

Reporting the Cleveland Public Library's Most Significant Funds

Fund Financial Statements

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

Government Funds

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

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

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

Fiduciary Funds

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

The Library as a Whole

Recall that the Statement of Net Position provides the perspective of the Library as a whole. Table 1 provides a summary of the Library's net position for 2018 compared to 2017

Table 1
Net Position

	Governmental Activities		
	2018	2017	Change
Assets			
Current and Other Assets	\$113,878,652	\$112,973,870	\$904,782
Net Pension Asset	254,772	0	254,772
Capital Assets, Net	85,819,888	82,983,165	2,836,723
<i>Total Assets</i>	<u>199,953,312</u>	<u>195,957,035</u>	<u>3,996,277</u>
Deferred Outflows of Resources			
Pension	8,073,116	18,605,459	(10,532,343)
OPEB	1,657,073	305,859	1,351,214
<i>Total Deferred Outflows of Resources</i>	<u>\$9,730,189</u>	<u>\$18,911,318</u>	<u>(\$9,181,129)</u>
Liabilities			
Current and Other Liabilities	5,189,622	2,931,879	2,257,743
Long-Term Liabilities:			
Due Within One Year	121,833	117,103	4,730
Due In More Than One Year:			
Net Pension Liability	32,859,743	48,137,052	(15,277,309)
Net OPEB Liability	22,219,140	20,917,803	1,301,337
Other Amounts	1,390,666	1,372,307	18,359
<i>Total Liabilities</i>	<u>\$61,781,004</u>	<u>\$73,476,144</u>	<u>(\$11,695,140)</u>

(continued)

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

Table 1
Net Position (continued)

	Governmental Activities		
	2018	2017	Change
Deferred Inflows of Resources			
Property Taxes	33,628,501	24,888,821	8,739,680
Pension	8,126,869	354,514	7,772,355
OPEB	1,825,326	0	1,825,326
<i>Total Deferred Inflows of Resources</i>	<u>43,580,696</u>	<u>25,243,335</u>	<u>18,337,361</u>
Net Position			
Net Investment in Capital Assets	83,447,433	82,948,642	498,791
Restricted	16,167,823	17,329,320	(1,161,497)
Unrestricted	4,706,545	15,870,912	(11,164,367)
<i>Total Net Position</i>	<u>\$104,321,801</u>	<u>\$116,148,874</u>	<u>(\$11,827,073)</u>

The net pension liability (NPL) is one of the largest single liabilities reported by the Library at June 30, 2018 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For fiscal year 2018, the Library adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Library's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting the net pension asset and deferred outflows related to pension and OPEB.

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

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

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

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

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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

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

As a result of implementing GASB 75, the Library is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2017, from \$136,760,818 to \$116,148,874.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2018 and 2017.

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

Table 2
Changes in Net Position

	Governmental Activities		
	2018	2017	Change
Revenues			
Program Revenues:			
Charges for Services	\$5,581,755	\$5,540,026	\$41,729
Operating Grants, Contributions and Interest	1,099,410	5,808,111	(4,708,701)
Capital Grants and Contributions	50,000	0	50,000
<i>Total Program Revenues</i>	<u>6,731,165</u>	<u>11,348,137</u>	<u>(4,616,972)</u>
General Revenues:			
Property and Other Taxes	27,881,289	26,167,690	1,713,599
Grants and Entitlements	25,231,672	23,626,983	1,604,689
Unrestricted Donations	120,852	2,555	118,297
Investment Earnings	653,343	416,215	237,128
Gain on Sale of Capital Assets	6,300	0	6,300
Miscellaneous	1,529,152	1,293,691	235,461
<i>Total General Revenues</i>	<u>55,422,608</u>	<u>51,507,134</u>	<u>3,915,474</u>
<i>Total Revenues</i>	<u>62,153,773</u>	<u>62,855,271</u>	<u>(701,498)</u>
Program Expenses			
Administration and Support	27,309,640	27,922,074	612,434
Public Services	46,671,206	44,013,755	(2,657,451)
<i>Total Expenses</i>	<u>73,980,846</u>	<u>71,935,829</u>	<u>(2,045,017)</u>
<i>Change in Net Position</i>	<u>(11,827,073)</u>	<u>(9,080,558)</u>	<u>(2,746,515)</u>
<i>Net Position Beginning of Year</i>	<u>116,148,874</u>	N/A	
<i>Net Position End of Year</i>	<u>\$104,321,801</u>	<u>\$116,148,874</u>	<u>(\$11,827,073)</u>

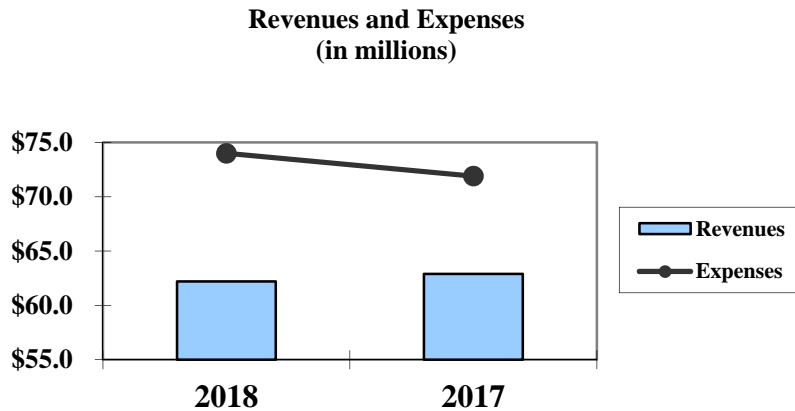
The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$305,859 computed under GASB 45. GASB 45 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report OPEB expense of \$1,797,424. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

Total 2018 program expenses under GASB 75	\$73,980,846
OPEB expense under GASB 75	(1,797,424)
2018 contractually required contribution	<u>21,975</u>
Adjusted 2018 program expenses	72,205,397
Total 2017 program expenses under GASB 45	<u>71,935,829</u>
Decrease in program expenses not related to OPEB	<u><u>\$269,568</u></u>

Graph 1
Revenues and Expenses
(In Millions)

	<u>2018</u>	<u>2017</u>
Revenues	\$62.2	\$62.9
Expenses	74.0	71.9



GOVERNMENTAL ACTIVITIES

For the most part, administration and support expenses are underwritten by the general revenues of the Library, rather than program revenues except for the usage and processing fees received by Cleveland Public Library for automated library services provided to the 45 contracting CLEVNET libraries spread over twelve counties in northern Ohio. Like the administration and support expenses, the public services expenses are also mainly supported by the general revenues of the Library. However, the Library has been successful in being awarded a number of grants to help support the free and equitable access to programming and services.

General revenues from property and other taxes continue to be a primary source of revenue, making up 50 percent of general revenues for governmental activities for the Library in 2018. 2018 was the final and

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

fifth year of five collection years of the 5.8 mill replacement levy approved by voters on November 5, 2013. The Library successfully passed a property tax levy in the November 2017 general election, which consisted of renewing the Library's 5.8 mill, five-year levy with a 5.8 mill, continuing levy, and increasing this with a new 2.0 mill levy for a continuing period of time. The Library's other 1.0 mill property tax levy was approved by voters in 1985 and is in effect for a continuing period of time. Library property tax collections in 2018 saw an increase from 2017 attributed to an increase in delinquent collections compared to 2017. General revenues from grants and entitlements, including the funds received by the State through the Public Library Fund ("PLF"), are the next largest source of revenue. The Library saw an increase in the amount of funding it receives from the State of Ohio through the Public Library Fund due to an increase in the funds collected as general revenues of the State. Statutorily, the PLF receives 1.66 percent of the revenue from all State General Revenue tax sources; however, the State's biennium budget (HB 49), July 1, 2017 through June 30, 2019 temporarily increased the statutory percentage to 1.68 percent.

Table 3 presents a summary for governmental activities, the total cost of services and the net cost of providing those services for the years ending December 31, 2018, and December 31, 2017. The total cost of services associated with public services in 2018 is 63.1 percent of total costs, above 2017's 61.2 percent. The total cost of services increased by 2.8 percent from 2017, due primarily to an increase in the cost of maintaining assets.

Table 3
Governmental Activities

	Total Cost of Services 2018	Net Cost of Services 2018	Total Cost of Services 2017	Net Cost of Services 2017
Administration and Support	27,309,640	(22,041,654)	27,922,074	(22,676,980)
Public Services	46,671,206	(45,208,027)	44,013,755	(37,910,712)
<i>Total</i>	\$73,980,846	(\$67,249,681)	\$71,935,829	(\$60,587,692)

The Library's Funds

Information about the Library's governmental funds begins on page 17. These funds are accounted for by using the modified accrual basis of accounting. All governmental funds had total revenues of \$60,670,845 and expenditures of \$72,260,944. The general fund had an unassigned fund balance at year-end of \$19,247,676 compared to annual expenditures of \$54,391,043. The most significant increase in general fund revenues came from intergovernmental revenue which increased in 2018 by \$694,993. The general fund had a decrease in fund balance due to expenditures exceeding revenues along with the transfer of funds to cover the expenditures for improvements and maintenance of library facilities in the building and repair fund. The CLEVNET fund had a small decrease in fund balance due to an increase in expenditures made for computer equipment and software. The building and repair fund had a decrease in fund balance due to expenditures made for capital projects, technology, and other assets, and for repairs, improvements and maintenance of library facilities. Other governmental funds had a decrease in fund balance primarily due to investment earnings.

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

General Fund Budgeting Highlights

The Library's budget is prepared according to provisions of the Ohio Administrative Code based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund. The original budgeted revenues were \$50,639,061 and the final budgeted amount was \$54,227,569. This \$3,588,508 net increase was primarily due to delinquent property tax collections along with an increase in intergovernmental revenue through the Public Library Fund. The original appropriations were adjusted from \$62,388,453 to \$61,673,453 in the final amendment due to a decrease in the salaries and benefits, supplies and capital outlay appropriations along with a slight increase in the library materials appropriation. The Library's actual revenues came in just above budgeted revenues by \$3,793 and actual expenditures were \$1,192,383 lower than the final estimate. The Library is striving to control cost while continuing to provide extraordinary service. The Library maintained a respectable level of liquidity in the general fund by maintaining unencumbered cash at the end of the year of 30.4 percent of those revenues.

Capital Assets and Debt Administration

Capital Assets

Table 4
Capital Assets
(Net of Depreciation)

	Governmental Activities	
	2018	2017
Land	\$2,828,066	\$2,706,096
Construction in Progress	1,020,396	738,805
Buildings	80,406,267	78,059,385
Furniture/Equipment	365,619	337,886
Computer Equipment	719,632	672,075
Software	478,917	455,565
Vehicles	991	13,353
	\$85,819,888	\$82,983,165
<i>Total</i>		

Total capital assets for the Library as of December 31, 2018 were \$85,819,888, an increase of \$2,836,723 from 2017. The most significant increase in capital assets came in the buildings and improvements due to the South Branch Renovation and the Safe, Warm and Dry Construction Initiative. See Note 9 for additional information on capital assets.

Cleveland Public Library
Cuyahoga County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
Unaudited

Debt

At December 31, 2018, the Library had no bonds outstanding. The Library's long-term obligations outstanding consist of compensated absences payable and net pension/OPEB liability. More detailed information is presented in Note 15 of the notes to the basic financial statements.

Current Financial Related Activities

The Cleveland Public Library, "The People's University," celebrated its 149th year in 2018 and we are very proud of the accomplishments that have taken place over those years. The Library's Main Library is situated on Lake Erie in the heart of Cleveland, Ohio, and the 27 neighborhood branch libraries are the beating heart of this organization. They provide vital library services throughout the city. Many of these buildings, however, are showing their age. More than three decades have passed since the Library embarked on a system-wide campaign to update its branches, but we are prepared to step boldly into the future by updating our facilities.

The voters of the Cleveland Municipal School District, the Library's taxing district, approved on November 7, 2017 the renewal of the expiring 5.8 mills in collection year 2018 along with an increase of 2.0 mills, a total of 7.8 mills, for a continuing period of time with the increase commencing in collection year 2019 for the operation and improvement of the Cleveland Public Library. The levy will help secure the Library's future for years to come, and it also paves the way for a major capital project that will revitalize most of our neighborhood branch libraries. As we look to the Library's 150th Anniversary in 2019, we're now planning new ways to excel. This milestone encouraged us to carefully evaluate all we do and consider how we can continue evolving in the future.

And evolve we will. As proud as we are of our outstanding collections and our literacy efforts, Cleveland Public Library is far more than a place to check out a book. We're a community center, a partner, and a place for innovation, creativity, and growth—and we're going to hold the Lamp of Knowledge higher than ever in the years to come.

The Lamp of Knowledge has long stood as the symbol for Cleveland Public Library's vision. The design appears in a delicately leaded insert in the glass over the Main Library entrance, carved in marble over the doors leading to Brett Hall, and in tile in the lending area of the Louis Stokes Wing. This motif signals the Library's efforts to empower the public through free and open access to information and resources, a commitment that has been part of our foundation since 1869. The work the Cleveland Public Library has done this year ensures the Lamp of Knowledge will only grow brighter in the years to come.

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

Contacting the Library's Finance Department

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

Cleveland Public Library
Cuyahoga County
Statement of Net Position
December 31, 2018

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$53,708,447
Accrued Interest Receivable	92,595
Accounts Receivable	433,563
Intergovernmental Receivable	12,816,133
Materials and Supplies Inventory	165,619
Prepaid Items	934,506
Property and Other Taxes Receivable	45,727,789
Net Pension Asset	254,772
Nondepreciable Capital Assets	3,848,462
Depreciable Capital Assets, Net	81,971,426
<i>Total Assets</i>	199,953,312
Deferred Outflows of Resources	
Pension	8,073,116
OPEB	1,657,073
<i>Total Deferred Outflows of Resources</i>	9,730,189
Liabilities	
Accounts Payable	1,111,558
Retainage Payable	846,102
Contracts Payable	1,526,353
Accrued Wages and Benefits	726,623
Intergovernmental Payable	433,978
Unearned Revenue	403,449
Matured Compensated Absences Payable	141,559
Long-Term Liabilities:	
Due Within One Year	121,833
Due In More Than One Year:	
Net Pension Liability (See Note 11)	32,859,743
Net OPEB Liability (See Note 12)	22,219,140
Other Amounts	1,390,666
<i>Total Liabilities</i>	61,781,004
Deferred Inflows of Resources	
Property Taxes	33,628,501
Pension	8,126,869
OPEB	1,825,326
<i>Total Deferred Inflows of Resources</i>	\$43,580,696

(continued)

Cleveland Public Library
Cuyahoga County
Statement of Net Position (continued)
December 31, 2018

Net Position	
Net Investment in Capital Assets	\$83,447,433
Restricted for:	
John G. White--Special Collections	
Non-Expendable	374,887
Expendable	2,520,650
Center for the Book Activities	
Non-Expendable	110,000
Expendable	234,461
Abel--Photography	
Non-Expendable	10,000
Expendable	301,582
Sugarman--Children's Biography Awards	
Non-Expendable	148,377
Expendable	77,565
Library for the Blind and Physically Disabled	10,567,609
Fine Arts and Special Collections	
Non-Expendable	43,754
Expendable	367,096
Youth Services/Business Departments	
Non-Expendable	5,000
Expendable	303,080
Unclaimed Funds	5,400
Floral and Plant Decorations	
Non-Expendable	76,167
Expendable	199,086
Walz Branch	
Non-Expendable	8,932
Expendable	253,295
History Department	
Non-Expendable	6,000
Expendable	48,554
Architecture	156,741
Early Literacy	169,576
Immigration Books	114,903
Donations for Specific Library Purposes	45,265
Other Purposes	
Non-Expendable	1,200
Expendable	18,643
Unrestricted	4,706,545
<i>Total Net Position</i>	<u><u>\$104,321,801</u></u>

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Statement of Activities
For the Year Ended December 31, 2018

	Program Revenues				Net (Expense) and Changes in Net Position
	Expenses	Charges for Services	Operating Grants, Contributions and Investment Earnings	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Administration and Support	\$27,309,640	\$5,256,064	\$11,922	\$0	(\$22,041,654)
Public Services	46,671,206	325,691	1,087,488	50,000	(45,208,027)
<i>Totals</i>	<u>\$73,980,846</u>	<u>\$5,581,755</u>	<u>\$1,099,410</u>	<u>\$50,000</u>	<u>(67,249,681)</u>
		General Revenues			
		Property and Other Taxes Levied for:			
					27,881,289
					25,231,672
					120,852
					653,343
					6,300
					<u>1,529,152</u>
					<i>Total General Revenues</i>
					55,422,608
					<i>Change in Net Position</i>
					(11,827,073)
					<i>Net Position Beginning of Year - Restated (See Note 3)</i>
					<u>116,148,874</u>
					<i>Net Position End of Year</i>
					<u>\$104,321,801</u>

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Balance Sheet
Governmental Funds
December 31, 2018

	General	CLEVNET	Building and Repair	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$22,402,033	\$926,275	\$5,532,080	\$24,842,659	\$53,703,047
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	5,400	0	0	0	5,400
Receivables:					
Property and Other Taxes	45,727,789	0	0	0	45,727,789
Accounts	125,187	14,530	18,620	275,226	433,563
Intergovernmental	12,427,030	348,399	0	40,704	12,816,133
Accrued Interest	92,595	0	0	0	92,595
Materials and Supplies Inventory	165,619	0	0	0	165,619
Interfund Receivable	255,015	0	0	0	255,015
Prepaid Items	572,910	353,558	0	8,038	934,506
<i>Total Assets</i>	<u>\$81,773,578</u>	<u>\$1,642,762</u>	<u>\$5,550,700</u>	<u>\$25,166,627</u>	<u>\$114,133,667</u>
Liabilities					
Accounts Payable	\$969,653	\$14,542	\$13,922	\$113,441	\$1,111,558
Retainage Payable	0	0	846,102	0	846,102
Contracts Payable	0	0	1,526,353	0	1,526,353
Accrued Wages and Benefits	674,248	30,855	0	21,520	726,623
Intergovernmental Payable	398,901	20,916	0	14,161	433,978
Unearned Revenue	0	0	0	403,449	403,449
Interfund Payable	0	0	0	255,015	255,015
Matured Compensated Absences Payable	109,568	23,356	0	8,635	141,559
<i>Total Liabilities</i>	<u>2,152,370</u>	<u>89,669</u>	<u>2,386,377</u>	<u>816,221</u>	<u>5,444,637</u>
Deferred Inflows of Resources					
Property Tax	33,628,501	0	0	0	33,628,501
Unavailable Revenue	20,656,404	271,656	18,620	0	20,946,680
<i>Total Deferred Inflows of Resources</i>	<u>54,284,905</u>	<u>271,656</u>	<u>18,620</u>	<u>0</u>	<u>54,575,181</u>
Fund Balances					
Nonspendable	743,929	353,558	0	792,355	1,889,842
Restricted	0	0	0	15,377,600	15,377,600
Committed	1,076,212	927,879	531,476	8,171,832	10,707,399
Assigned	4,268,486	0	2,614,227	152,672	7,035,385
Unassigned (Deficit)	19,247,676	0	0	(144,053)	19,103,623
<i>Total Fund Balances</i>	<u>25,336,303</u>	<u>1,281,437</u>	<u>3,145,703</u>	<u>24,350,406</u>	<u>54,113,849</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$81,773,578</u>	<u>\$1,642,762</u>	<u>\$5,550,700</u>	<u>\$25,166,627</u>	<u>\$114,133,667</u>

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2018

Total Governmental Funds Balances		\$54,113,849
 <i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		85,819,888
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds.		
Delinquent Property and Other Taxes	12,099,288	
Intergovernmental	8,476,655	
Charges for Services	257,126	
Fines and Fees	7,982	
Donations	0	
Miscellaneous	105,629	20,946,680
The net pension asset, net pension liability, and net OPEB liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Net Pension Asset	254,772	
Deferred Outflows - Pension	8,073,116	
Deferred Outflows - OPEB	1,657,073	
Deferred Inflows - Pension	(8,126,869)	
Deferred Inflows - OPEB	(1,825,326)	
Net Pension Liability	(32,859,743)	
Net OPEB Liability	(22,219,140)	(55,046,117)
Long-term liabilities, such as compensated absences payable, are not due and payable in the current period and therefore are not reported in the funds.		(1,512,499)
<i>Net Position of Governmental Activities</i>		\$104,321,801

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2018

	General	CLEVNET	Building and Repair	Other Governmental Funds	Total Governmental Funds
Revenues					
Property and Other Taxes	\$26,955,795	\$0	\$0	\$0	\$26,955,795
Fines and Fees	318,827	0	0	0	318,827
Charges for Services	0	5,164,359	0	0	5,164,359
Intergovernmental	24,750,628	0	50,000	1,584,547	26,385,175
Investment Earnings	653,343	0	0	(1,741,490)	(1,088,147)
Contributions and Donations	120,852	0	0	1,343,935	1,464,787
Miscellaneous	1,413,385	56,664	0	0	1,470,049
<i>Total Revenues</i>	<u>54,212,830</u>	<u>5,221,023</u>	<u>50,000</u>	<u>1,186,992</u>	<u>60,670,845</u>
Expenditures					
Current:					
Administration and Support	19,654,068	4,586,808	0	162,995	24,403,871
Public Services	34,176,221	0	0	2,762,194	36,938,415
Capital Outlay	560,754	641,144	9,518,977	197,783	10,918,658
<i>Total Expenditures</i>	<u>54,391,043</u>	<u>5,227,952</u>	<u>9,518,977</u>	<u>3,122,972</u>	<u>72,260,944</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(178,213)</u>	<u>(6,929)</u>	<u>(9,468,977)</u>	<u>(1,935,980)</u>	<u>(11,590,099)</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	6,300	0	0	0	6,300
Transfers In	0	0	2,000,000	50,000	2,050,000
Transfers Out	(2,050,000)	0	0	0	(2,050,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,043,700)</u>	<u>0</u>	<u>2,000,000</u>	<u>50,000</u>	<u>6,300</u>
<i>Net Change in Fund Balances</i>	<u>(2,221,913)</u>	<u>(6,929)</u>	<u>(7,468,977)</u>	<u>(1,885,980)</u>	<u>(11,583,799)</u>
<i>Fund Balances Beginning of Year</i>	<u>27,558,216</u>	<u>1,288,366</u>	<u>10,614,680</u>	<u>26,236,386</u>	<u>65,697,648</u>
<i>Fund Balances End of Year</i>	<u>\$25,336,303</u>	<u>\$1,281,437</u>	<u>\$3,145,703</u>	<u>\$24,350,406</u>	<u>\$54,113,849</u>

See accompanying notes to the basic financial statements

Cleveland Public Library

Cuyahoga County

*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2018*

Net Change in Fund Balances - Total Governmental Funds (\$11,583,799)

***Amounts reported for governmental activities in the
statement of activities are different because***

Governmental funds report capital outlays as expenditures.

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

Capital Asset Additions:		
Capital Outlays	6,877,586	
Current Year Depreciation	<u>(4,040,863)</u>	2,836,723

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

Delinquent Property and Other Taxes	925,494	
Intergovernmental	481,044	
Charges for Services	91,705	
Fines and Fees	6,864	
Donations	(87,582)	
Miscellaneous	59,103	
Administration and Support	<u>14,530</u>	1,491,158

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

Pension	4,070,653	
OPEB	<u>21,975</u>	4,092,628

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

Pension	(6,843,270)	
OPEB	<u>(1,797,424)</u>	(8,640,694)

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

(23,089)

Change in Net Position of Governmental Activities (\$11,827,073)

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2018

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property and Other Taxes	\$24,914,507	\$26,947,794	\$26,947,794	\$0
Fines and Fees	381,034	318,577	318,048	(529)
Intergovernmental	23,928,120	24,781,545	24,781,545	0
Investment Earnings	524,913	666,608	668,137	1,529
Contributions and Donations	0	86,752	86,852	100
Miscellaneous	890,487	1,426,293	1,428,986	2,693
<i>Total Revenues</i>	<u>50,639,061</u>	<u>54,227,569</u>	<u>54,231,362</u>	<u>3,793</u>
Expenditures				
Current:				
Administration and Support	22,781,048	22,021,836	21,409,838	611,998
Public Services	38,147,983	38,492,196	38,031,161	461,035
Capital Outlay	1,459,422	1,159,421	1,040,071	119,350
<i>Total Expenditures</i>	<u>62,388,453</u>	<u>61,673,453</u>	<u>60,481,070</u>	<u>1,192,383</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(11,749,392)</u>	<u>(7,445,884)</u>	<u>(6,249,708)</u>	<u>1,196,176</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	6,300	6,300
Advances In	0	0	103,500	103,500
Advances Out	0	0	(283,515)	(283,515)
Transfers Out	0	(2,050,000)	(2,050,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(2,050,000)</u>	<u>(2,223,715)</u>	<u>(173,715)</u>
<i>Net Change in Fund Balance</i>	<u>(11,749,392)</u>	<u>(9,495,884)</u>	<u>(8,473,423)</u>	<u>1,022,461</u>
<i>Fund Balance Beginning of Year</i>	18,954,626	18,954,626	18,954,626	0
Prior Year Encumbrances Appropriated	6,023,344	6,023,344	6,023,344	0
<i>Fund Balance End of Year</i>	<u>\$13,228,578</u>	<u>\$15,482,086</u>	<u>\$16,504,547</u>	<u>\$1,022,461</u>

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
CLEVNET Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$5,208,250	\$5,208,250	\$5,246,407	\$38,157
Miscellaneous	0	56,664	56,664	0
<i>Total Revenues</i>	<u>5,208,250</u>	<u>5,264,914</u>	<u>5,303,071</u>	<u>38,157</u>
Expenditures				
Current:				
Administration and Support	4,863,340	5,191,775	4,754,716	437,059
Capital Outlay	664,261	768,342	659,286	109,056
<i>Total Expenditures</i>	<u>5,527,601</u>	<u>5,960,117</u>	<u>5,414,002</u>	<u>546,115</u>
<i>Net Change in Fund Balance</i>	(319,351)	(695,203)	(110,931)	584,272
<i>Fund Balance Beginning of Year</i>	375,852	375,852	375,852	0
Prior Year Encumbrances Appropriated	319,351	319,351	319,351	0
<i>Fund Balance End of Year</i>	<u>\$375,852</u>	<u>\$0</u>	<u>\$584,272</u>	<u>\$584,272</u>

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2018

Assets	
Equity in Pooled Cash and Cash Equivalents	<u><u>\$6,695</u></u>
Liabilities	
Due to Others	<u><u>\$6,695</u></u>

See accompanying notes to the basic financial statements

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Note 1 – Description of Library and Reporting Entity

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

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

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

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

Note 2 – Summary of Significant Accounting Policies

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

Basis of Presentation

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

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Government-wide Financial Statements The statement of net position and the statement of activities display information about the Library as a whole. These statements include the financial activities of the Library, except for fiduciary activities.

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

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

Fund Accounting

The Library uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary. The Library has no proprietary funds.

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

General Fund The general fund accounts for and reports all financial resources except those required to be accounted for and reported in another fund. The general fund balance is available to the Library for any purpose provided it is expended or transferred according to the provisions of the Ohio Revised Code.

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

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

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

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

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

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

Measurement Focus

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

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

Basis of Accounting

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

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

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

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

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

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

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Library, deferred outflows of resources are reported on the government-wide statement of net position for pension and other postemployment benefits. The deferred outflows of resources related to pension and other postemployment benefits plans are explained in Notes 11 and 12.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Library, deferred inflows of resources include property taxes, pension, other postemployment benefits and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2018, but which were levied to finance 2019 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the Library, unavailable revenue includes Public Library Fund (PLF) payments, homestead/rollback reimbursements, delinquent property taxes, commercial activity taxes, charges for services, fines and fees, miscellaneous revenue and administration and support credits. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 18. Deferred inflows of resources related to pension and other postemployment benefits are reported on the government-wide statement of net position. (See Notes 11 and 12).

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

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

Cash and Cash Equivalents

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

During 2018, investments were limited to federal home loan bank bonds, money market/principal cash, money market mutual fund, commercial paper, common and convertible preferred stock, federal national mortgage association notes, federal home loan mortgage corporation notes, corporate bonds, United States treasury notes, agency bonds and federal farm credit bank bonds.

Interest and dividends earned on all funds when the use of such earnings are not restricted by law are recorded in the general fund except investment earnings attributable to endowment fund balances which are recorded in the endowment funds, a subset of funds classified as either special revenue funds or permanent funds.

Investments, except commercial paper, are reported at fair value, which is based on quoted market prices. The fair value of the money market mutual fund is determined by the fund’s share price at December 31, 2018. The Library’s commercial paper is measured at amortized cost as it is a highly liquid debt instrument with a remaining maturity at the time of purchase of less than one year. Gains (or losses) to fair value are booked annually as “Investment Earnings”. The fair value of investments related to endowment funds declined during 2018 resulting in negative investment earnings of \$1,741,491.

Following Ohio statutes, the Board has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during 2018 amounted to \$653,343, which includes \$158,362 assigned from other Library funds.

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

Inventory

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

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2018 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions. Restricted assets in the general fund represent money set aside for unclaimed funds.

Capital Assets

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

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

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

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

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

Inexhaustible Collections and Books

Collections (works of art and historical artifacts, for example) meet the definition of a capital asset and normally should be reported in the financial statements. GASB Statement No. 34 does not require

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

capitalization of collections that meet all of the following criteria: 1) the collection is held for reasons other than financial gain, 2) the collection is protected, kept unencumbered, cared for, and preserved, and 3) the collection is subject to an organizational policy requiring that the proceeds from sales of collection items be used to acquire other items for the collections. Because the Library's inexhaustible collections, including research books and other rare library materials, meet the above requirements, the Library has not capitalized them. Other library materials used in the circulating collections have not been capitalized because their estimated useful lives or values are less than the Library's capitalization threshold.

Compensated Absences

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

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the Library's past experience of making termination payments. The amount is based on accumulated sick leave and employee wage rates at year end, taking into consideration any limits specified in the Library's termination policy. The Library's termination policy allowed for payment of unused sick time at the time of retirement, as governed by the provisions of the Ohio Public Employees Retirement System through June 30, 2018, for employees who have ten (10) years of service or more on their retirement date. From January 1, 2018 through December 31, 2018, the termination policy capped unused sick hours to five hundred (500) hours and is paid out at twenty five percent (25%) at the time of retirement.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments came due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the funds from which the employees who have resigned or retired will be paid.

Pensions/Other Postemployment Benefits

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

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Accrued Liabilities and Long-term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Net pension/other postemployment benefit liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/other postemployment benefit plan's fiduciary net position is not sufficient for payment of those benefits.

Fund Balance

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

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

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

Committed: The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Library's Board of Trustees. Those committed amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned: Amounts in the assigned fund balance classification are intended to be used by the Library for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the Library Board of Trustees. In the general fund, assigned amounts represent intended uses established by the Library Board of Trustees or a Library official delegated that authority by resolution or by State statute. State statute authorizes the Chief Financial Officer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The Library Board of Trustees adopted a fund balance policy authorizing the Chief Financial Officer to assign fund balance for purchases on order by the character or major category of the object code for the general fund, which includes salaries and benefits, supplies, purchased/contracted services, library materials, capital outlay and other.

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

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

The Library applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net Position

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

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

Interfund Balances

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

Estimates

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

Internal Activity

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Budgetary Data

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

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

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

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

Note 3 – Change in Accounting Principle and Restatement of Net Position

For fiscal year 2018, the Library implemented Governmental Accounting Standards Board (GASB) Statement No. 85, *Omnibus 2017*, Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, and related guidance from (GASB) Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*.

For 2018, the Library also implemented the Governmental Accounting Standards Board's (GASB) *Implementation Guide No. 2017-1*. These changes were incorporated in the Library's 2018 financial statements; however, there was no effect on beginning net position/fund balance.

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

GASB 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)). These changes were incorporated in the Library's fiscal year 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 89 establishes accounting requirements for interest cost incurred before the end of a construction period. These changes were incorporated in the Library's 2018 financial statements; however, there was no effect on beginning net position.

GASB 75 established standards for measuring and recognizing Postemployment benefit liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported December 31, 2017:

	Governmental Activities
Net Position December 31, 2017	\$136,760,818
Adjustments:	
Net OPEB Liability	(20,917,803)
Deferred Outflow - Payments Subsequent to Measurement Date	305,859
Restated Net Position December 31, 2017	\$116,148,874

Other than employer contributions subsequent to the measurement date, the Library made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

Note 4 - Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budgetary) rather than as restricted, committed, or assigned (GAAP).

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

4. Unrecorded cash represents amounts expended but not included as expenditures on the budgetary basis operating statement. These amounts are included as expenditures on the GAAP basis operating statements.
5. Advances-In and Advances-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
6. Investments are reported at cost (budget basis) rather than fair value (GAAP basis).

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

Net Change in Fund Balance		
	General	CLEVNET
GAAP Basis	(\$2,221,913)	(\$6,929)
Net Adjustment for Revenue Accruals	49,350	82,060
Beginning Fair Value of Adjustment for Investments	(339,435)	0
Ending Fair Value of Adjustments for Investments	323,984	0
Beginning Unrecorded Cash	19,219	116
Ending Unrecorded Cash	(34,586)	(128)
Net Adjustment for Expenditure Accruals	102,257	155,825
Advances In	103,500	0
Advances Out	(283,515)	0
Adjustment for Encumbrances	(6,192,284)	(341,875)
Budgetary Basis	(\$8,473,423)	(\$110,931)

Note 5 – Deposits and Investments

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

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

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

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

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

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

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

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

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

entity that is defined in section 1705.01(D) of the Ohio Revised Code and that has assets exceeding five hundred million dollars, and (a) the notes are rated at the time of purchase in the highest classification established by at least two nationally recognized standard rating services, (b) the aggregate value of the notes does not exceed ten percent of the aggregate value of the outstanding commercial paper of the issuing corporation, (c) the notes mature not later than two hundred seventy days after purchase, and (d) the investment in commercial paper notes of a single issuer shall not exceed in the aggregate five percent of interim monies available for investment at the time of purchase. Investment in bankers acceptances is limited to acceptances of banks that are insured by the FDIC and that mature not later than one hundred eighty days after purchase; and

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

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

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

At year end, the Library had \$1,940 in undeposited cash on hand, which is included as part of "Equity in Pooled Cash and Cash Equivalents."

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

1. Bonds or other obligations of the United States or the State of Ohio;
2. Bonds or other interest-bearing obligations of any county, municipal corporation, school district, or other legally constituted political taxing subdivision within the State provided that the subdivision has not defaulted in the payment of the interest on any of its bonds or interest-bearing obligations for more than 120 days during the ten years immediately preceding the investment and provided that the subdivision is not, at the time of investment, in default in the payment of principal or interest on any of its bonds or other interest-bearing obligations;
3. Bonds or other interest-bearing obligations of any other state of the United States, which within 20 years prior to the making of such investment, has not defaulted for more than 90 days in the payment of principal or interest on any of its bonds or other interest-bearing obligations;
4. Any bonds issued by or for federal land banks and any debentures issued by or for federal intermediate credit banks under the "Federal Farm Loan Act of 1916" or any debentures issued by or for banks for cooperatives under the "Farm Credit Act of 1933";

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

5. Notes which are: (a) secured by a first mortgage on real estate held in fee and located in the State, improved by a unit designed principally for residential use for not more than four families or by a combination of such dwelling units and business property, the area designed or used for nonresidential purposes not to exceed 50 percent of the total floor area; (b) secured by a first mortgage on real estate held in fee and located in the State, improved with a building designed for residential use for more than four families or with a building used primarily for business purposes, if the unpaid principal of the notes secured by such mortgage does not exceed ten percent of the value of the estate or trust or does not exceed \$5,000, whichever is greater; or (c) secured by a first mortgage on an improved farm held in fee and located in the State, provided that such mortgage requires that the buildings on the mortgaged property shall be well insured against loss by fire, and so kept, for the benefit of the mortgagee, until the debt is paid, and provided that the unpaid principal of the notes secured by the mortgage shall not exceed 50 percent of the fair value of the mortgaged real estate at the time the investment is made; except that the unpaid principal of the notes may equal 60 percent of the fair value of the mortgaged real estate at the time the investment is made, and may be payable over a period of 15 years following the date of the investment by the fiduciary if regular installment payments are required sufficient to amortize four percent or more of the principal of the outstanding notes per annum and if the unpaid principal and interest become due and payable at the option of the holder upon any default in the payment of any installment of interest or principal upon the notes, or of taxes, assessments, or insurance premiums upon the mortgaged premises or upon the failure to cure any such default within any grace period provided therein not exceeding 90 days in duration;
6. Life, endowment, or annuity contracts of legal reserve life insurance companies and licensed by the superintendent of insurance to transact business within the State provided that the purchase of contracts authorized by this division shall be limited to executors or the successors to their power when specifically authorized by will and to guardians and trustees, which contracts may be issued on the life of a ward, a beneficiary of a trust fund, or according to a will, or upon the life of a person in whom such ward or beneficiary has an insurable interest and the contracts shall be drawn by the insuring company so that the proceeds shall be the sole property of the person whose funds are so invested;
7. Notes or bonds secured by mortgages and insured by the federal housing administrator or debentures issued by such administrator;
8. Obligations issued by a federal home loan bank created under the "Federal Home Loan Bank Act of 1932";
9. Shares and certificates or other evidences of deposits issued by a federal savings and loan association organized and incorporated under the "Home Owners' Loan Act of 1933" to the extent and only to the extent that those shares or certificates or other evidences of deposits are insured pursuant to the "Financial Institutions Reform, Recovery, and Enforcement Act of 1989";
10. Bonds issued by the home owners' loan corporation created under the "Home Owners' Loan Act of 1933";

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

11. Obligations issued by the national mortgage association created under the “National Housing Act”;
12. Shares and certificates or other evidences of deposits issued by a domestic savings and loan association organized under the laws of the State, which association has obtained insurance accounts pursuant to the “Financial Institutions Reform, Recovery, and Enforcement Act of 1989” or as may be otherwise provided by law, only to the extent that such evidences of deposits are insured under that act;
13. Shares and certificates or other evidences of deposits issued by a domestic savings and loan association organized under the laws of the State, provided that no fiduciary may invest such deposits except with the approval of the probate court, and then in an amount not to exceed the amount which the fiduciary is permitted to invest under division (A)(12);
14. In savings accounts in, or certificates or other evidences of deposits issued by, a national bank located in the State or a state bank located in and organized under the laws of the State by depositing the funds in the bank, and such national or state bank when itself acting in a fiduciary capacity may deposit the funds in savings accounts in, or certificates or other evidences of deposits issued by, its own savings department or any bank subsidiary corporation owned or controlled by the bank holding company that owns or controls such national or state bank; provided that no deposit shall be made by any fiduciary, individual, or corporate, unless the deposits of the depository bank are insured by the Federal Deposit Insurance Corporation (FDIC) and provided that the deposit of the funds of any one trust in any such savings accounts in, or certificates or other evidences of deposits issued by, any one bank shall not exceed the sum insured under the “Federal Deposit Insurance Corporation Act of 1933”;
15. Obligations consisting of notes, bonds, debentures, or equipment trust certificates issued under an indenture, which are the direct obligations, or in the case of equipment trust certificates are secured by direct obligations, of a railroad or industrial corporation, or a corporation engaged directly and primarily in the production, transportation, distribution or sale of electricity or gas, or the operation of telephone or telegraph systems or waterworks, or in some combination of them; provided that the obligor corporation is one which is incorporated under the laws of the United States, any state, or the District of Columbia, and the obligations are rated at the time of purchase in the highest or next highest classification established by at least two standard rating services selected from a list of the standard rating services which shall be prescribed by the superintendent of financial institutions; provided that every such list shall be certified by the superintendent to the clerk of each probate court in the State, and shall continue in effect until a different list is prescribed and certified;
16. Obligations issued, assumed, or guaranteed by the international finance corporation or by the international bank for reconstruction and development, the Asian development bank, the inter-American development bank, the African development bank, or other similar development bank in which the president, as authorized by congress and on behalf of the United States, has accepted membership, provided that the obligations are rated at the time of purchase in the highest or next highest classification established by at least one standard rating service selected from a list of standard rating services which shall be prescribed by the superintendent of financial institutions;

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

17. Securities of any investment company, as defined in and registered under sections 3 and 8 of the "Investment Company Act of 1940" that are invested exclusively in forms of investment or in instruments that are fully collateralized by forms of investment in which the fiduciary is permitted to invest pursuant to 1 through 16 above, provided that, in addition to such forms of investments, the investment company may, for the purpose of reducing risk of loss or of stabilizing investment returns, engage in hedging transactions.

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

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

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

Investments

Investments are reported at fair value. As of December 31, 2018, the Library had the following investments:

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Measurement/Investment	Ohio Revised Code 135		Ohio Revised Code 2109	
	Measurement Amount	Average Maturity	Measurement Amount	Average Maturity
Amortized Cost:				
Commercial Paper	613,044	154 Days	0	
Fair Value - Level One Inputs				
Money Market/Principal Cash	1,610,129	24-29 Days	0	
Money Market Mutual Fund	0		14,449,505	n/a
Common and Convertible Preferred Stock	0		3,460,553	n/a
Total Fair Value - Level One Inputs	<u>1,610,129</u>		<u>17,910,058</u>	
Fair Value - Level Two Inputs				
United States Treasury Notes	2,565,929	821 Days	1,664,260	12/31/19-05/15/27
Corporate Bonds	0		902,888	01/08/19-12/01/28
Agency Bonds	0		453,294	08/01/26-01/01/41
Federal Home Loan Bank Bonds	4,042,990	602 Days	0	
Federal National Mortgage Association Notes	11,202,490	443 Days	0	
Federal Home Loan Mortgage Corporation Notes	6,405,873	700 Days	0	
Federal Farm Credit Bank Bonds	7,229,448	692 Days	0	
Total Fair Value - Level Two Inputs	<u>31,446,730</u>		<u>3,020,442</u>	
Total Investments	<u>\$33,669,903</u>		<u>\$20,930,500</u>	

Investments are restricted by the provisions of the Ohio Revised Code. During 2018, investments of the cash management pool were limited to federal agency securities, treasury notes, commercial paper, and a money market, with the exception of the Library's endowment monies. The endowment monies are able to invest in common and preferred stock as upheld by a 1975 Cuyahoga County Probate Court Order granting authority to invest. For these endowment monies, according to the Probate Court Order and a ruling from the Cuyahoga County Prosecutor, the Library may invest under *Ohio Revised Code* Sections 2109.37 and 2109.371. In addition to common and preferred stock, endowment monies are invested in corporate bonds, treasury notes, agency bonds, and a money market/mutual fund.

The Library categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above chart identifies the Library's recurring fair value measurements as of December 31, 2018. The Money Market/Principal Cash, Money Market Mutual Fund, Common and Convertible Preferred Stock are valued using quoted market prices (Level 1 inputs). The Library's remaining investments, with the exception of commercial paper, are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data (Level 2 inputs).

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates, the Library's investment policy requires that operating funds be invested primarily in investments so that

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

securities mature to meet cash requirements for ongoing operations. The stated intent of the policy is to avoid the need to sell securities prior to maturity. To date, no investments have been purchased with a life greater than five years for the non-endowment funds.

Credit Risk The Federal Home Loan Bank Bonds, Federal National Mortgage Association Notes, Federal Home Loan Mortgage Corporation Notes, Federal Farm Credit Bank Bonds, and United States Treasury Notes all carry a rating of AAA by Moody's. The ING Funding LLS Commercial Paper carries a rating of A-1 by Standard and Poor's and P-1 by Moody's Investors Service. The Money Market account at US Bank carries a rating of AAAM by Standard and Poor's. Other Money Market/Principal Cash and the Money Market Mutual Funds are unrated. The Corporate Bonds carry ratings of AAA through BAA1 by Moody's. The Agency Bonds carry ratings of AAA by Moody's, with 8 of 10 unrated. The Library's investment policy states that credit risk will be minimized by (1) diversifying assets by issuer; (2) ensuring that required, minimum credit quality ratings exist prior to the purchase of commercial paper and bankers acceptances; and (3) maintaining adequate collateralization of certificates of deposit and other deposit accounts pursuant to the method as determined by the Fiscal Officer.

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as having five percent or more invested in the securities of a single issuer. The Library's investment policy places no limit on the amount it may invest in any one issuer. The following are the Library's major investment holdings as of December 31, 2018:

	Percentage of Investments
Common and Convertible Preferred Stock	6.34%
Federal Home Loan Bank Bonds	7.40%
United States Treasury Notes	7.75%
Federal Home Loan Mortgage Corporation Notes	11.73%
Federal Farm Credit Bank Bonds	13.24%
Federal National Mortgage Association Notes	20.52%
Money Market Mutual Fund	26.46%

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

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Under no circumstances are the Library's investment assets held in safekeeping by a broker/dealer firm, or a firm acting on behalf of a broker/dealer firm.

Note 6 - Property Taxes

Property taxes include amounts levied against all real and public utility property located in the Library district. Property tax revenue received during 2018 for real and public utility property taxes represents collections of 2017 taxes.

The 2018 real property taxes are levied after October 1, 2018, on the assessed value as of January 1, 2018, the lien date. Assessed values are established by State law at 35 percent of appraised market value. The 2018 real property taxes are collected in and intended to finance 2019.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2018 public utility property taxes which became a lien December 31, 2017, are levied after October 1, 2018, and are collected in 2019 with real property taxes.

The full tax rate for all Library operations for the year ended December 31, 2018, was \$6.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2018 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate	
Residential/Agricultural/Other	\$2,074,877,160
Other Real Estate	2,294,021,390
Tangible Personal Property	
Public Utility	418,109,840
Total Assessed Values	\$4,787,008,390

The Cuyahoga County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the Cleveland Public Library. The County Fiscal Officer periodically remits to the Library its portion of the taxes collected. Property taxes receivable represents real and public utility taxes and outstanding delinquencies which are measurable as of December 31, 2018, and for which there is an enforceable legal claim. In the general fund, the portion of the receivable not levied to finance 2018 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Tax Abatements

For 2018, the Library's property taxes were reduced by \$3,473,001 under various tax abatement agreements entered into by the City of Cleveland.

Note 7 - Receivables

Receivables at December 31, 2018, consisted of taxes, accounts (billings for user charged services), interest, and intergovernmental receivables. All receivables are deemed collectible in full. All receivables except for delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

The Library receives a substantial portion of its intergovernmental revenue from the Public Library Fund (PLF), (formerly the Library and Local Government Support fund or LLGSF), a State of Ohio fund based on a portion of the general revenues of Ohio as written in State law. The Cuyahoga County Budget Commission, consisting of the County Fiscal Officer, the County Executive and the County Prosecutor, allocate PLF monies to the nine library districts within Cuyahoga County, based on a determination of need. In 2018, the Library received 41.1843 percent of the Countywide total, or \$22,369,957.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
PLF	\$11,223,691
Homestead and Rollback	1,203,339
CLEVNET	348,399
MyCom	<u>40,704</u>
Total	<u><u>\$12,816,133</u></u>

Note 8 – Interfund Transfers and Balances

The general fund transferred \$2,000,000 to the building and repair fund for capital projects, technology, and other assets, and for repairs, improvements and maintenance of library facilities and \$50,000 to the Tech Centers special revenue fund to match the \$50,000 Best Buy Teen Tech Centers construction grant requirement.

The general fund advanced \$75,015 to the special revenue fund, MyCom, and \$180,000 to the special revenue fund, Tech Centers, for grant monies that the fund will receive at a later date. The interfund balances will be repaid within the following year.

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Note 9 – Capital Assets

A summary of changes in capital assets during 2018 follows:

	<u>Balance</u> 12/31/2017	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 12/31/2018
Governmental Activities				
<i>Nondepreciable Capital Assets</i>				
Land	\$2,706,096	\$121,970	\$0	\$2,828,066
Construction in Progress	738,805	985,317	(703,726)	1,020,396
<i>Total Nondepreciable Capital Assets</i>	<u>3,444,901</u>	<u>1,107,287</u>	<u>(703,726)</u>	<u>3,848,462</u>
<i>Depreciable Capital Assets</i>				
Buildings/Improvements	164,457,150	5,778,193	0	170,235,343
Furniture/Equipment	3,173,573	166,244	(121,464)	3,218,353
Computers	3,950,291	327,936	(255,231)	4,022,996
Software	2,919,691	201,652	0	3,121,343
Vehicles	557,984	0	(197,824)	360,160
<i>Total Depreciable Capital Assets</i>	<u>175,058,689</u>	<u>6,474,025</u>	<u>(574,519)</u>	<u>180,958,195</u>
<i>Less Accumulated Depreciation</i>				
Buildings/Improvements	(86,397,765)	(3,431,311)	0	(89,829,076)
Furniture/Equipment	(2,835,687)	(138,511)	121,464	(2,852,734)
Computers	(3,278,216)	(280,379)	255,231	(3,303,364)
Software	(2,464,126)	(178,300)	0	(2,642,426)
Vehicles	(544,631)	(12,362)	197,824	(359,169)
<i>Total Accumulated Depreciation</i>	<u>(95,520,425)</u>	<u>(4,040,863) **</u>	<u>574,519</u>	<u>(98,986,769)</u>
<i>Total Depreciable Capital Assets, Net</i>	<u>79,538,264</u>	<u>2,433,162</u>	<u>0</u>	<u>81,971,426</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$82,983,165</u>	<u>\$3,540,449</u>	<u>(\$703,726)</u>	<u>\$85,819,888</u>

* Depreciation expense was charged to governmental activities as follows:

Administration and Support	\$671,766
Public Services	<u>3,369,097</u>
Total	<u>\$4,040,863</u>

** Of this amount, \$178,300 is presented as amortization expense on the Statement of Activities relating to the Library's intangible asset of purchased software which is included in the above table.

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

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. The Library maintains a variety of insurance policies, including coverage for automobiles and equipment, general liability, public officials, property, boilers and machinery as indicated in the table below. The general liability coverage is \$1 million with excess umbrella coverage of an additional \$25 million. Settled claims have not exceeded this commercial coverage in any of the past three years and there has not been a significant reduction in the coverage from the prior year.

Company / Type	Deductible	Coverage
Affiliated FM Insurance Company		
Property, Boiler & Machinery	\$100,000	\$586,500,000
Flood/Earthquake	\$100,000	\$100,000,000/\$200,000,000
Liberty Mutual Insurance Company		
Umbrella Liability	\$0	\$10,000,000
General Liability	\$0	\$1,000,000/\$2,000,000
Law Enforcement Professional and Abuse and Molestation Liability	\$2,500	\$1,000,000
Automobile Liability	\$500/\$1,000	\$1,000,000
Uninsured/Underinsured	\$0	\$100,000
Travelers Insurance Company		
Excess Liability	\$0	\$15,000,000
Fiscal Officer/Deputy Surety Bonds	\$0	\$50,000 each
Crime	\$10,000	\$2,000,000/\$1,000,000/\$100,000
Illinois National Insurance Company		
Public Officials	\$50,000/\$100,000	\$2,000,000
Cyber Liability	\$10,000	\$1,000,000

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

The Library provides medical, dental, and vision insurance on a paid premium basis. Other employee benefits include life insurance, short-term disability insurance and an IRC Section 125 flexible benefit plan.

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Note 11 – Defined Benefit Pension Plans

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

Net Pension Liability (Asset)/Net OPEB Liability

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

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

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

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

The proportionate share of each plan’s unfunded benefits is presented as a *net pension/OPEB asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 12 for the required OPEB disclosures.

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - Library employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

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

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

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

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

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

	State and Local
2018 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
 2018 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	0.0
Total Employer	14.0 %
Employee	10.0 %

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

- * Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- ** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

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

For 2018, The Library's contractually required contribution was \$3,964,796 for the traditional plan, \$105,857 for the combined plan and \$54,936 for the member-directed plan. Of these amounts, \$397,666 is reported as an intergovernmental payable for the traditional plan, \$10,607 for the combined plan, and \$7,695 for the member-directed plan.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability (asset) was based on the Library's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the Library's defined benefit pension plans:

	<u>OPERS</u> <u>Traditional Plan</u>	<u>OPERS</u> <u>Combined Plan</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:			
Current Measurement Date	0.20945700%	0.18715100%	
Prior Measurement Date	<u>0.21198000%</u>	<u>0.16848700%</u>	
Change in Proportionate Share	<u>-0.00252300%</u>	<u>0.01866400%</u>	
Proportionate Share of the:			
Net Pension Liability	\$32,859,743	\$0	\$32,859,743
Net Pension Asset	0	254,772	254,772
Pension Expense	6,995,158	(151,888)	6,843,270

2018 pension expense for the member-directed defined contribution plan was \$54,936.

At December 31, 2018, the Library reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

	OPERS Traditional Plan	OPERS Combined Plan	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$33,557	\$0	\$33,557
Changes of assumptions	3,926,959	22,264	3,949,223
Changes in proportion and differences between Library contributions and proportionate share of contributions	19,683	0	19,683
Library contributions subsequent to the measurement date	<u>3,964,796</u>	<u>105,857</u>	<u>4,070,653</u>
Total Deferred Outflows of Resources	<u>\$7,944,995</u>	<u>\$128,121</u>	<u>\$8,073,116</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$647,562	\$75,898	\$723,460
Net difference between projected and actual earnings on pension plan investments	7,054,554	40,197	7,094,751
Changes in proportion and differences between Library contributions and proportionate share of contributions	<u>299,606</u>	<u>9,052</u>	<u>308,658</u>
Total Deferred Inflows of Resources	<u>\$8,001,722</u>	<u>\$125,147</u>	<u>\$8,126,869</u>

\$4,070,653 reported as deferred outflows of resources related to pension resulting from Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Plan	OPERS Combined Plan	Total
Year Ending December 31:			
2019	\$2,795,235	(\$13,866)	\$2,781,369
2020	(811,488)	(14,966)	(826,454)
2021	(3,106,451)	(23,972)	(3,130,423)
2022	(2,898,819)	(23,022)	(2,921,841)
2023	0	(8,908)	(8,908)
Thereafter	<u>0</u>	<u>(18,149)</u>	<u>(18,149)</u>
Total	<u>(\$4,021,523)</u>	<u>(\$102,883)</u>	<u>(\$4,124,406)</u>

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2017, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2017, are presented below.

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.15 percent, simple
Investment Rate of Return	7.5 percent	7.5 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

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

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

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 16.82 percent for 2017.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.20 %
Domestic Equities	19.00	6.37
Real Estate	10.00	5.26
Private Equity	10.00	8.97
International Equities	20.00	7.88
Other investments	18.00	5.26
Total	100.00 %	5.66 %

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

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

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
Library's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	\$58,350,531	\$32,859,743	\$11,608,107
OPERS Combined Plan	(138,492)	(254,772)	(335,000)

Changes between Measurement Date and Report Date In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 7.5 percent to 7.2 percent. This change will be effective for the 2018 valuation. The exact amount of the impact to the Library's net pension liability is not known.

Note 12 – Defined Benefit OPEB Plans

See Note 11 for a description of the net OPEB liability

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced below for additional information.

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

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

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2018, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2018. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2019 is 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited for Member-Directed Plan participants remained unchanged for 2018 at 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Library's contractually required contribution was \$21,975 for 2018. Of this amount, \$2,199 is reported as an intergovernmental payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Library's proportion of the net OPEB liability was based on the Library's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportion of the Net OPEB Liability:	
Current Measurement Date	0.204610%
Prior Measurement Date	0.207100%
Change in Proportionate Share	-0.0024900%
Proportionate Share of the Net OPEB Liability	\$22,219,140
OPEB Expense	\$1,797,424

At December 31, 2018, the Library reported deferred outflows of resources and deferred inflows of

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

resources related to OPEB from the following sources:

	OPERS
Deferred Outflows of Resources	
Differences between expected and actual experience	\$17,309
Changes of assumptions	1,617,789
Library contributions subsequent to the measurement date	21,975
Total Deferred Outflows of Resources	\$1,657,073
Deferred Inflows of Resources	
Net difference between projected and actual earnings on OPEB plan investments	1,655,177
Changes in proportion and differences between Library contributions and proportionate share of contributions	170,149
Total Deferred Inflows of Resources	\$1,825,326

\$21,975 reported as deferred outflows of resources related to OPEB resulting from Library contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS
Year Ending December 31:	
2019	\$286,602
2020	286,602
2021	(349,636)
2022	(413,796)
Total	(\$190,228)

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

as of December 31, 2016, rolled forward to the measurement date of December 31, 2017. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.85 percent
Prior Measurement date	4.23 percent
Investment Rate of Return	6.50 percent
Municipal Bond Rate	3.31 percent
Health Care Cost Trend Rate	7.5 percent, initial 3.25 percent, ultimate in 2028
Actuarial Cost Method	Individual Entry Age

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

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

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

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 15.2 percent for 2017.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	34.00 %	1.88 %
Domestic Equities	21.00	6.37
Real Estate Investment Trust	6.00	5.91
International Equities	22.00	7.88
Other investments	17.00	5.39
Total	<u>100.00 %</u>	<u>4.98 %</u>

Discount Rate A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. A single discount rate of 4.23 percent was used to measure the OPEB liability on the measurement date of December 31, 2016. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.50 percent and a municipal bond rate of 3.31 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Library's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the Library's proportionate share of the net OPEB liability calculated using the single discount rate of 3.85 percent, as well as what the Library's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.85 percent) or one-percentage-point higher (4.85 percent) than the current rate:

	<u>1% Decrease (2.85%)</u>	<u>Discount Rate (3.85%)</u>	<u>1% Increase (4.85%)</u>
Library's proportionate share of the net OPEB liability	\$29,519,085	\$22,219,140	\$16,313,555

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Sensitivity of the Library’s Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2018 is 7.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Library's proportionate share of the net OPEB liability	\$21,258,979	\$22,219,140	\$23,210,958

Changes between Measurement Date and Report Date In October 2018, the OPERS Board adopted a change in investment return assumption, reducing it from 6.5 percent to 6.0 percent. This change will be effective for the 2018 valuation. The exact amount of the impact to the Library’s net OPEB liability is not known.

Note 13 – Compensated Absences

Full-time employees are entitled to up to 15 sick days per year and may earn and carry forward up to 120 days of sick leave at the end of the fiscal year. Employees who had at least ten (10) years of service and who retired from January 1, 2018 through December 31, 2018, were paid for twenty-five percent (25%) of unused sick hours up to five hundred (500) hours in cash at their current salary rate. Vacation is earned based upon length of service and may be taken once earned, provided the employee works six months or more. Employees may carry forward up to 150 percent of their annual earned vacation leave at the end of any fiscal year. Accrued vacation leave is paid upon retirement, termination, or death of the employee.

Note 14 – Donor-Restricted Endowments

The Library’s permanent funds include donor-restricted endowments. The Net Position-Non-Expendable amounts of \$784,317 represent the principal portions of the endowments. The Net Position – Expendable amount of \$4,324,012 represents the interest earnings on donor- restricted investments and is available for expenditure by the governing board, for purposes consistent with the endowment’s intent. State law permits the governing board to appropriate, for purposes consistent with the endowment's intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise.

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Note 15 – Long-Term Obligations

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

	Outstanding 12/31/2017	Additions	Reductions	Outstanding 12/31/2018	Amount Due in One Year
Compensated Absences Payable	\$1,489,410	\$199,081	\$175,992	\$1,512,499	\$121,833
Net Pension Liability					
OPERS	48,137,052		15,277,309	32,859,743	0
Net OPEB Liability					
OPERS	20,917,803	1,301,337	0	22,219,140	0
Total Long-Term Obligations	<u>\$70,544,265</u>	<u>\$1,500,418</u>	<u>\$15,453,301</u>	<u>\$56,591,382</u>	<u>\$121,833</u>

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

Note 16 – Contingencies

Grants

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

Litigation

The Library is a defendant in one pending lawsuit in the Cuyahoga County Common Pleas Court filed in July of 2018. The lawsuit alleges that the Library engaged in employment discrimination. The case is set for trial in December of 2019. The probability of liability is possible, but any judgment or settlement would not, in the opinion of the Chief Legal Officer, have a material adverse effect on the financial condition of the Library since the Library is covered by employment practices insurance. The two EEOC charges that were pending against the Library in 2018 were dismissed in 2018.

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Note 17 – Operating Lease

Cleveland Public Library entered into a ten (10) year operating lease on May 17, 2007 with Bridgeport Place LLC for a 3,517 square foot portion of the building located at 7201 Kinsman Road for the purpose of housing the Garden Valley Branch. The Library commenced monthly rent payments of \$4,689 in early 2008 once the space was available for occupancy, and continued to pay that same monthly rent amount during 2012 as well as the common area prorated shared expenses. The monthly rent payments in 2013 increased to \$4,830.01, and the monthly rent increased 3% each successive year. The ten (10) year term expired on November 30, 2017. The Library provided six (6) months advanced notice and exercised its option to renew the lease, based upon the same terms and conditions of the existing lease (except rent), for an additional five year term from December 1, 2017 through November 30, 2022. The monthly rent payments start at \$5,517.77 which will increase 1.5% each successive year. The Library now has the option to renew the lease for three additional five (5) years terms by providing six (6) months advanced notice, and the monthly rent shall increase 1.5% each successive year of the five (5) year renewal option. The Library has the right to terminate the lease with 90 days written notice if the Library experiences a 10% or more reduction in Public Library Fund (PLF) revenues received in the prior year, or if the Library fails to renew an operating levy.

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

The Library is also subject to a lease which commenced in 1957 for a 20 foot by 198 foot parcel of land underneath its Louis Stokes Wing building. The Lease terms require the Library to pay \$6,400 in rent per year in quarterly installments. The lease expired in 2018 and the Library is now legally considered a hold over tenant. The Library continues to make the rental payments. The Library's legal department is attempting to acquire title to the property that was subject to the lease.

Note 18 – Fund Deficits

The Ohio Library for the Blind and Physically Disabled (OLBPD), the MyCom and the Tech Centers special revenue funds had deficit fund balances of \$129,364, \$372 and \$10,006, respectively, as of December 31, 2018. The OLBPD special revenue fund's deficit is the result of adjustments made on the modified accrual basis of accounting. The deficits in the MyCom and Tech Centers funds are due to interfund payables. The general fund is liable for any deficit in these funds and provides transfers when cash is required, rather than when accruals occur.

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Note 19 – Significant Commitments

Contractual Commitments

At December 31, 2018, the Library’s significant contractual commitments consisted of the following:

Project	Amount	Paid to Date	Remaining on Contract
Safe, Warm and Dry Construction Initiative	\$5,000,000	\$3,889,605	\$1,110,395
South Branch Renovation	4,500,000	2,923,437	1,576,563
Lakeshore Facility Roof	1,000,000	482,294	517,706

\$2,651,655 of the contractual commitments were encumbered.

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General	\$6,192,284
CLEVNET	341,875
Building and Repair	2,924,910
Other Governmental Funds	970,731
Total	<u><u>\$10,429,800</u></u>

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Note 20 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Library is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	CLEVNET	Building and Repair	Nonmajor Governmental Funds	Total
<i>Nonspendable</i>					
Inventory	\$165,619	\$0	\$0	\$0	\$165,619
Prepaid Items	572,910	353,558	0	8,038	934,506
Unclaimed Funds	5,400	0	0	0	5,400
Endowments--Non-Expendable	0	0	0	784,317	784,317
<i>Total Nonspendable</i>	743,929	353,558	0	792,355	1,889,842
<i>Restricted for</i>					
John G. White Special Collections	0	0	0	2,520,650	2,520,650
Ohio Center for the Book	0	0	0	234,461	234,461
Photography	0	0	0	301,582	301,582
Children's Biography Awards	0	0	0	77,565	77,565
Library for the Blind and Physically Disabled	0	0	0	10,567,103	10,567,103
Fine Arts and Special Collections	0	0	0	367,096	367,096
Youth Services/Business Departments	0	0	0	303,080	303,080
Floral and Plant Decorations	0	0	0	199,086	199,086
Walz Branch	0	0	0	253,295	253,295
History	0	0	0	48,554	48,554
Architecture	0	0	0	156,741	156,741
Early Literacy	0	0	0	169,576	169,576
Immigration Books	0	0	0	114,903	114,903
Other Purposes	0	0	0	45,265	45,265
Dentistry	0	0	0	2,973	2,973
Homebound Services	0	0	0	3	3
Judaica	0	0	0	15,667	15,667
<i>Total Restricted</i>	\$0	\$0	\$0	\$15,377,600	\$15,377,600

(continued)

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Fund Balances	General	CLEVNET	Building and Repair	Nonmajor Governmental Funds	Total
<i>Committed to</i>					
CLEVNET Operations	\$0	\$927,879	\$0	\$0	\$927,879
Capital Improvement Projects:					
Safe, Warm and Dry					
Construction Initiative	0	0	101,533	0	101,533
Construction Management / Architectural and Design Services for South Branch Renovation Project	0	0	228,447	0	228,447
Martin Luther King Jr. Branch Design Services	0	0	15,097	0	15,097
Design and Construction Administration for Lakeshore Roof	0	0	7,515	0	7,515
Building Control Panels and Software	0	0	138,840	0	138,840
Security Cameras	0	0	40,044	0	40,044
Education--Government and Social Science	0	0	0	396,718	396,718
Reserved by Board of Trustees (Founders fund)	0	0	0	7,775,114	7,775,114
Agent and Lobbyist Services	48,000	0	0	0	48,000
Bank Fees	1,274	0	0	0	1,274
Benefit Consulting Services	33,600	0	0	0	33,600
Book Binding Services	25,571	0	0	0	25,571
Branch Security Guard and Night Alarms	31,227	0	0	0	31,227
Architectural Design Services and Consulting for Facilities Master Plan	204,999	0	0	0	204,999
Cataloging, Worldshare ILL and Access Subscription Services	169,998	0	0	0	169,998
Cobra Services	2,660	0	0	0	2,660
Collection Services	86,792	0	0	0	86,792
Computer Hardware	95,100	0	0	0	95,100
Consulting Services for Development of Library Foundation Board	12,719	0	0	0	12,719

(continued)

Cleveland Public Library
Cuyahoga County
Notes to the Basic Financial Statements
For Year Ended December 31, 2018

Fund Balances	General	CLEVNET	Building and Repair	Nonmajor Governmental Funds	Total
<i>Committed to (continued)</i>					
Design, Bid and Contract Administration					
Service for Façade Cleaning and Restoration at Main and LSW					
	\$18,000	\$0	\$0	\$0	\$18,000
Digital Advertising	13,938	0	0	0	13,938
Ease @ Work Program	12,696	0	0	0	12,696
Financial Audits for 2018-2019	39,600	0	0	0	39,600
Financial Consulting / Community					
Financial Center Program					
	16,167	0	0	0	16,167
FMLA Case Management Services					
	13,862	0	0	0	13,862
Legal Advice and Services					
	70,191	0	0	0	70,191
Maintenance Agreements					
	54,206	0	0	0	54,206
Public Relations Services for CPL 150					
	31,890	0	0	0	31,890
Purchase New Vehicles					
	73,974	0	0	0	73,974
Rent for Garden Valley Branch					
	2,291	0	0	0	2,291
Strategic Planning Services					
	9,688	0	0	0	9,688
Uniform Rental Services					
	1,563	0	0	0	1,563
Waste Material Services					
	6,206	0	0	0	6,206
<i>Total Committed</i>	1,076,212	927,879	531,476	8,171,832	10,707,399
<i>Assigned to</i>					
Capital Improvement Projects					
	0	0	2,614,227	0	2,614,227
Purchases on Order:					
Salaries and Benefits					
	15,660	0	0	0	15,660
Supplies					
	58,535	0	0	0	58,535
Purchased/Contracted Services					
	353,181	0	0	0	353,181
Library Materials					
	3,727,144	0	0	0	3,727,144
Capital Outlay					
	112,290	0	0	0	112,290
Other Purposes					
	1,676	0	0	152,672	154,348
<i>Total Assigned</i>	4,268,486	0	2,614,227	152,672	7,035,385
<i>Unassigned (Deficit)</i>	19,247,676	0	0	(144,053)	19,103,623
<i>Total Fund Balances</i>	\$25,336,303	\$1,281,437	\$3,145,703	\$24,350,406	\$54,113,849

(This page intentionally left blank)

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

	2018	2017	2016	2015	2014
Library's Proportion of the Net Pension Liability	0.209457%	0.211980%	0.212781%	0.209577%	0.209577%
Library's Proportionate Share of the Net Pension Liability	\$32,859,743	\$48,137,052	\$36,856,352	\$25,277,328	\$24,706,398
Library's Covered Payroll	\$27,684,954	\$27,402,725	\$26,483,178	\$25,694,247	\$28,189,850
Library's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	118.69%	175.67%	139.17%	98.38%	87.64%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.66%	77.25%	81.08%	86.45%	86.36%

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

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

See accompanying notes to the required supplementary information

Cleveland Public Library
Cuyahoga County
Required Supplementary Information
Schedule of the Library's Proportionate Share of the
Net Pension Asset
Ohio Public Employees Retirement System - Combined Plan
2018 (1)

	<u>2018</u>
Library's Proportion of the Net Pension Asset	0.187151%
Library's Proportionate Share of the Net Pension Asset	\$254,772
Library's Covered Payroll	\$762,746
Library's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	-33.40%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	137.28%

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

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

See accompanying notes to the required supplementary information

Cleveland Public Library
Cuyahoga County
Required Supplementary Information
Schedule of the Library's Proportionate Share of the
Net OPEB Liability
Ohio Public Employees Retirement System - OPEB Plan
Last Two Years (1)

	2018	2017
Library's Proportion of the Net OPEB Liability	0.204610%	0.207100%
Library's Proportionate Share of the Net OPEB Liability	\$22,219,140	\$20,917,803
Library's Covered Payroll	\$28,982,250	\$28,619,917
Library's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	76.66%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	54.14%	54.04%

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

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

See accompanying notes to the required supplementary information

Cleveland Public Library
Cuyahoga County
Required Supplementary Information
Schedule of the Library's Contributions
Ohio Public Employees Retirement System
Last Six Years (1)

	2018	2017	2016
Net Pension Liability - Traditional Plan			
Contractually Required Contribution	\$3,964,796	\$3,599,044	\$3,288,327
Contributions in Relation to the Contractually Required Contribution	<u>(3,964,796)</u>	<u>(3,599,044)</u>	<u>(3,288,327)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Library Covered Payroll	\$28,319,971	\$27,684,954	\$27,402,725
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>
Net Pension Asset - Combined Plan			
Contractually Required Contribution	\$105,857	\$99,157	\$78,701
Contributions in Relation to the Contractually Required Contribution	<u>(105,857)</u>	<u>(99,157)</u>	<u>(78,701)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Library Covered Payroll	\$756,121	\$762,746	\$655,842
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>
Net OPEB Liability - OPEB Plan (2)			
Contractually Required Contribution	\$21,975	\$305,859	\$583,625
Contributions in Relation to the Contractually Required Contribution	<u>(21,975)</u>	<u>(305,859)</u>	<u>(583,625)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Library Covered Payroll (3)	\$29,625,467	\$28,982,250	\$28,619,917
OPEB Contributions as a Percentage of Covered Payroll	<u>0.07%</u>	<u>1.06%</u>	<u>2.04%</u>

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

(2) Information prior to 2016 is not presented for the OPEB plan.

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

See accompanying notes to the required supplementary information

<u>2015</u>	<u>2014</u>	<u>2013</u>
\$3,177,981	\$3,083,310	\$3,664,681
<u>(3,177,981)</u>	<u>(3,083,310)</u>	<u>(3,664,681)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$26,483,178	\$25,694,247	\$28,189,850
<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$74,517	\$59,985	\$61,334
<u>(74,517)</u>	<u>(59,985)</u>	<u>(61,334)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$620,975	\$499,875	\$471,800
<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>

Cleveland Public Library
Cuyahoga County
Notes to Required Supplementary Information
For Year Ended December 31, 2018

Changes in Assumptions – OPERS Pension

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

	2017	2016 and prior
Wage Inflation	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

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

Changes in Assumptions – OPERS OPEB

For 2018, the single discount rate changed from 4.23 percent to 3.85 percent.

(This page intentionally left blank)

Combining and Individual Fund Statements and Schedules

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

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

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

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

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

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

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

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

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

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

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

Tech Centers Fund – This fund was established in 2017 with a grant from Best Buy, in partnership with the international Clubhouse Network, restricted to open a Teen Tech Center at the Rockport Branch in 2018 where teens can develop critical skills through hands-on activities exploring their interests in programming, filmmaking, music production and design and future resources whose uses are committed to this purpose.

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Permanent Funds

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

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

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

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

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

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

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

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

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

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

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

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Permanent Funds (continued)

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

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

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

Cleveland Public Library
Cuyahoga County
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$20,125,544	\$4,717,115	\$24,842,659
Accounts Receivable	275,226	0	275,226
Intergovernmental Receivable	40,704	0	40,704
Prepaid Items	8,038	0	8,038
<i>Total Assets</i>	<u>\$20,449,512</u>	<u>\$4,717,115</u>	<u>\$25,166,627</u>
Liabilities			
Accounts Payable	\$113,035	\$406	\$113,441
Accrued Wages and Benefits	21,520	0	21,520
Intergovernmental Payable	14,161	0	14,161
Unearned Revenue	403,449	0	403,449
Interfund Payable	255,015	0	255,015
Matured Compensated Absences Payable	8,635	0	8,635
<i>Total Liabilities</i>	<u>815,815</u>	<u>406</u>	<u>816,221</u>
Fund Balances			
Nonspendable	8,038	784,317	792,355
Restricted	11,445,208	3,932,392	15,377,600
Committed	8,171,832	0	8,171,832
Assigned	152,672	0	152,672
Unassigned (Deficit)	(144,053)	0	(144,053)
<i>Total Fund Balances</i>	<u>19,633,697</u>	<u>4,716,709</u>	<u>24,350,406</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$20,449,512</u>	<u>\$4,717,115</u>	<u>\$25,166,627</u>

Cleveland Public Library
Cuyahoga County

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended December 31, 2018

	Nonmajor Special Revenue Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
Revenues			
Intergovernmental	\$1,584,547	\$0	\$1,584,547
Investment Earnings	(1,388,695)	(352,795)	(1,741,490)
Contributions and Donations	1,343,935	0	1,343,935
<i>Total Revenues</i>	<u>1,539,787</u>	<u>(352,795)</u>	<u>1,186,992</u>
Expenditures			
Current:			
Administration and Support	152,380	10,615	162,995
Public Services	2,710,455	51,739	2,762,194
Capital Outlay	197,783	0	197,783
<i>Total Expenditures</i>	<u>3,060,618</u>	<u>62,354</u>	<u>3,122,972</u>
<i>Excess of Revenues Under Expenditures</i>	(1,520,831)	(415,149)	(1,935,980)
Other Financing Sources			
Transfers In	50,000	0	50,000
<i>Net Change in Fund Balances</i>	(1,470,831)	(415,149)	(1,885,980)
<i>Fund Balances Beginning of Year</i>	<u>21,104,528</u>	<u>5,131,858</u>	<u>26,236,386</u>
<i>Fund Balances End of Year</i>	<u><u>\$19,633,697</u></u>	<u><u>\$4,716,709</u></u>	<u><u>\$24,350,406</u></u>

Cleveland Public Library
Cuyahoga County
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2018

	Anderson	Endowment for the Blind	Founders
Assets			
Equity in Pooled Cash and			
Cash Equivalents	\$396,718	\$2,996,295	\$7,746,861
Accounts Receivable	0	0	52,500
Intergovernmental Receivable	0	0	0
Prepaid Items	0	0	3,221
<i>Total Assets</i>	<u>\$396,718</u>	<u>\$2,996,295</u>	<u>\$7,802,582</u>
Liabilities			
Accounts Payable	\$0	\$0	\$12,766
Accrued Wages and Benefits	0	0	646
Intergovernmental Payable	0	0	444
Unearned Revenue	0	0	10,391
Interfund Payable	0	0	0
Matured Compensated Absences Payable	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>24,247</u>
Fund Balances			
Nonspendable	0	0	3,221
Restricted	0	2,996,295	0
Committed	396,718	0	7,775,114
Assigned	0	0	0
Unassigned (Deficit)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>396,718</u>	<u>2,996,295</u>	<u>7,778,335</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$396,718</u>	<u>\$2,996,295</u>	<u>\$7,802,582</u>

<u>Kaiser</u>	<u>Kraley</u>	<u>Library</u>	<u>Pepke</u>	<u>Wickwire</u>
\$84,869	\$211,955	\$197,787	\$179,637	\$1,871,455
0	0	150	0	0
0	0	0	0	0
0	0	0	0	506
<u>\$84,869</u>	<u>\$211,955</u>	<u>\$197,937</u>	<u>\$179,637</u>	<u>\$1,871,961</u>
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	506
84,869	211,955	45,265	179,637	1,871,455
0	0	0	0	0
0	0	152,672	0	0
0	0	0	0	0
<u>84,869</u>	<u>211,955</u>	<u>197,937</u>	<u>179,637</u>	<u>1,871,961</u>
<u>\$84,869</u>	<u>\$211,955</u>	<u>\$197,937</u>	<u>\$179,637</u>	<u>\$1,871,961</u>

(continued)

Cleveland Public Library
Cuyahoga County
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2018

	Wittke	Young	Friends	Judd
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$114,903	\$5,614,484	\$4,490	\$63,464
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	0	0	0	0
Prepaid Items	0	0	0	0
<i>Total Assets</i>	<u>\$114,903</u>	<u>\$5,614,484</u>	<u>\$4,490</u>	<u>\$63,464</u>
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$1,160
Accrued Wages and Benefits	0	0	0	1,936
Intergovernmental Payable	0	0	0	1,206
Unearned Revenue	0	0	4,490	59,159
Interfund Payable	0	0	0	0
Matured Compensated Absences Payable	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>4,490</u>	<u>63,461</u>
Fund Balances				
Nonspendable	0	0	0	0
Restricted	114,903	5,614,484	0	3
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>114,903</u>	<u>5,614,484</u>	<u>0</u>	<u>3</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$114,903</u>	<u>\$5,614,484</u>	<u>\$4,490</u>	<u>\$63,464</u>

<u>OLBPD</u>	<u>Lockwood Thompson Memorial</u>	<u>Ohio Center For The Book</u>	<u>Schweinfurth</u>
\$52,520	\$158,273	\$64	\$84,165
0	0	0	72,576
0	0	0	0
4,311	0	0	0
<u>\$56,831</u>	<u>\$158,273</u>	<u>\$64</u>	<u>\$156,741</u>
\$58	\$26,265	\$0	\$0
17,682	0	0	0
11,723	0	0	0
148,097	132,008	39	0
0	0	0	0
8,635	0	0	0
<u>186,195</u>	<u>158,273</u>	<u>39</u>	<u>0</u>
4,311	0	0	0
0	0	25	156,741
0	0	0	0
0	0	0	0
(133,675)	0	0	0
<u>(129,364)</u>	<u>0</u>	<u>25</u>	<u>156,741</u>
<u>\$56,831</u>	<u>\$158,273</u>	<u>\$64</u>	<u>\$156,741</u>

(continued)

Cleveland Public Library
Cuyahoga County
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2018

	Learning Centers	MyCom	Early Literacy	Tech Centers	Total Nonmajor Special Revenue Funds
Assets					
Equity in Pooled Cash and					
Cash Equivalents	\$49,265	\$33,939	\$94,400	\$170,000	\$20,125,544
Accounts Receivable	0	0	150,000	0	275,226
Intergovernmental Receivable	0	40,704	0	0	40,704
Prepaid Items	0	0	0	0	8,038
<i>Total Assets</i>	<u>\$49,265</u>	<u>\$74,643</u>	<u>\$244,400</u>	<u>\$170,000</u>	<u>\$20,449,512</u>
Liabilities					
Accounts Payable	\$0	\$0	\$72,786	\$0	\$113,035
Accrued Wages and Benefits	0	0	1,256	0	21,520
Intergovernmental Payable	0	0	782	6	14,161
Unearned Revenue	49,265	0	0	0	403,449
Interfund Payable	0	75,015	0	180,000	255,015
Matured Compensated Absences Payable	0	0	0	0	8,635
<i>Total Liabilities</i>	<u>49,265</u>	<u>75,015</u>	<u>74,824</u>	<u>180,006</u>	<u>815,815</u>
Fund Balances					
Nonspendable	0	0	0	0	8,038
Restricted	0	0	169,576	0	11,445,208
Committed	0	0	0	0	8,171,832
Assigned	0	0	0	0	152,672
Unassigned (Deficit)	0	(372)	0	(10,006)	(144,053)
<i>Total Fund Balances (Deficit)</i>	<u>0</u>	<u>(372)</u>	<u>169,576</u>	<u>(10,006)</u>	<u>19,633,697</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$49,265</u>	<u>\$74,643</u>	<u>\$244,400</u>	<u>\$170,000</u>	<u>\$20,449,512</u>

Cleveland Public Library

Cuyahoga County

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2018

	Anderson	Endowment for the Blind	Founders	Kaiser
Revenues				
Intergovernmental	\$0	\$0	\$0	\$0
Investment Earnings	(29,600)	(228,520)	(505,973)	(6,579)
Contributions and Donations	0	0	309,057	0
<i>Total Revenues</i>	<u>(29,600)</u>	<u>(228,520)</u>	<u>(196,916)</u>	<u>(6,579)</u>
Expenditures				
Current:				
Administration and Support	0	0	91,443	0
Public Services	72	10,000	415,827	0
Capital Outlay	0	0	4,373	0
<i>Total Expenditures</i>	<u>72</u>	<u>10,000</u>	<u>511,643</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(29,672)	(238,520)	(708,559)	(6,579)
Other Financing Sources				
Transfers In	0	0	0	0
<i>Net Change in Fund Balances</i>	(29,672)	(238,520)	(708,559)	(6,579)
<i>Fund Balances (Deficit) Beginning of Year</i>	426,390	3,234,815	8,486,894	91,448
<i>Fund Balances (Deficit) End of Year</i>	<u>\$396,718</u>	<u>\$2,996,295</u>	<u>\$7,778,335</u>	<u>\$84,869</u>

(continued)

Cleveland Public Library**Cuyahoga County***Combining Statement of Revenues, Expenditures and Changes in Fund Balances**Nonmajor Special Revenue Funds (continued)**For the Year Ended December 31, 2018*

	Kralej	Library	Pepke	Wickwire
Revenues				
Intergovernmental	\$0	\$0	\$0	\$0
Investment Earnings	(15,267)	(12,094)	(13,150)	(142,664)
Contributions and Donations	0	7,732	0	0
<i>Total Revenues</i>	<u>(15,267)</u>	<u>(4,362)</u>	<u>(13,150)</u>	<u>(142,664)</u>
Expenditures				
Current:				
Administration and Support	0	0	0	0
Public Services	2,180	8,985	0	12,572
Capital Outlay	0	1,095	0	0
<i>Total Expenditures</i>	<u>2,180</u>	<u>10,080</u>	<u>0</u>	<u>12,572</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(17,447)	(14,442)	(13,150)	(155,236)
Other Financing Sources				
Transfers In	0	0	0	0
<i>Net Change in Fund Balances</i>	(17,447)	(14,442)	(13,150)	(155,236)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>229,402</u>	<u>212,379</u>	<u>192,787</u>	<u>2,027,197</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$211,955</u>	<u>\$197,937</u>	<u>\$179,637</u>	<u>\$1,871,961</u>

Wittke	Young	Friends	Judd	OLBPD
\$0	\$0	\$0	\$0	\$1,524,483
(8,902)	(425,946)	0	0	0
0	52,175	28,279	186,184	0
(8,902)	(373,771)	28,279	186,184	1,524,483
0	0	0	0	0
10,000	10,000	26,404	186,395	1,474,794
0	0	0	0	12,733
10,000	10,000	26,404	186,395	1,487,527
(18,902)	(383,771)	1,875	(211)	36,956
0	0	0	0	0
(18,902)	(383,771)	1,875	(211)	36,956
133,805	5,998,255	(1,875)	214	(166,320)
\$114,903	\$5,614,484	\$0	\$3	(\$129,364)

(continued)

Cleveland Public Library**Cuyahoga County***Combining Statement of Revenues, Expenditures and Changes in Fund Balances**Nonmajor Special Revenue Funds (continued)**For the Year Ended December 31, 2018*

	Lockwood Thompson Memorial	Ohio Center For The Book	Schweinfurth
Revenues			
Intergovernmental	\$0	\$0	\$0
Investment Earnings	0	0	0
Contributions and Donations	72,872	(14)	113,088
<i>Total Revenues</i>	<u>72,872</u>	<u>(14)</u>	<u>113,088</u>
Expenditures			
Current:			
Administration and Support	60,937	0	0
Public Services	144,893	2,061	57,089
Capital Outlay	0	0	0
<i>Total Expenditures</i>	<u>205,830</u>	<u>2,061</u>	<u>57,089</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(132,958)	(2,075)	55,999
Other Financing Sources			
Transfers In	0	0	0
<i>Net Change in Fund Balances</i>	(132,958)	(2,075)	55,999
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>132,958</u>	<u>2,100</u>	<u>100,742</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$0</u>	<u>\$25</u>	<u>\$156,741</u>

Learning Centers	MyCom	Early Literacy	Tech Centers	Total Nonmajor Special Revenue Funds
\$0	\$60,064	\$0	\$0	\$1,584,547
0	0	0	0	(1,388,695)
115,735	0	298,827	160,000	1,343,935
115,735	60,064	298,827	160,000	1,539,787
0	0	0	0	152,380
119,444	59,926	129,251	40,562	2,710,455
0	138	0	179,444	197,783
119,444	60,064	129,251	220,006	3,060,618
(3,709)	0	169,576	(60,006)	(1,520,831)
0	0	0	50,000	50,000
(3,709)	0	169,576	(10,006)	(1,470,831)
3,709	(372)	0	0	21,104,528
\$0	(\$372)	\$169,576	(\$10,006)	\$19,633,697

Cleveland Public Library
Cuyahoga County
Combining Balance Sheet
Nonmajor Permanent Funds
December 31, 2018

	Abel	Ambler	Beard	Klein
Assets				
Equity in Pooled Cash and Cash Equivalents	\$311,582	\$3,173	\$180,422	\$7,479
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$0
Fund Balances				
Nonspendable	10,000	200	8,886	500
Restricted	301,582	2,973	171,536	6,979
<i>Total Fund Balances</i>	311,582	3,173	180,422	7,479
<i>Total Liabilities and Fund Balances</i>	\$311,582	\$3,173	\$180,422	\$7,479

<u>Malon/ Schroeder</u>	<u>McDonald</u>	<u>Ratner</u>	<u>Root</u>	<u>Sugarman</u>	<u>Thompson</u>
<u>\$344,436</u>	<u>\$262,227</u>	<u>\$128,443</u>	<u>\$54,554</u>	<u>\$226,348</u>	<u>\$198,895</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$406</u>	<u>\$0</u>
110,000	8,932	5,000	6,000	148,377	43,754
<u>234,436</u>	<u>253,295</u>	<u>123,443</u>	<u>48,554</u>	<u>77,565</u>	<u>155,141</u>
<u>344,436</u>	<u>262,227</u>	<u>128,443</u>	<u>54,554</u>	<u>225,942</u>	<u>198,895</u>
<u>\$344,436</u>	<u>\$262,227</u>	<u>\$128,443</u>	<u>\$54,554</u>	<u>\$226,348</u>	<u>\$198,895</u>

(continued)

Cleveland Public Library
Cuyahoga County
Combining Balance Sheet
Nonmajor Permanent Funds (continued)
December 31, 2018

	Weidenthal	White	Beard Anna Young	Total Nonmajor Permanent Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$9,188	\$2,895,537	\$94,831	\$4,717,115
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$406
Fund Balances				
Nonspendable	500	374,887	67,281	784,317
Restricted	8,688	2,520,650	27,550	3,932,392
<i>Total Fund Balances</i>	9,188	2,895,537	94,831	4,716,709
<i>Total Liabilities and Fund Balances</i>	\$9,188	\$2,895,537	\$94,831	\$4,717,115

Cleveland Public Library

Cuyahoga County

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Permanent Funds

For the Year Ended December 31, 2018

	<u>Abel</u>	<u>Ambler</u>	<u>Beard</u>	<u>Klein</u>
Revenues				
Investment Earnings	<u>(\$23,765)</u>	<u>(\$241)</u>	<u>(\$9,638)</u>	<u>(\$569)</u>
Expenditures				
Current:				
Administration and Support	0	0	5,840	0
Public Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>5,840</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(23,765)	(241)	(15,478)	(569)
<i>Fund Balances Beginning of Year</i>	<u>335,347</u>	<u>3,414</u>	<u>195,900</u>	<u>8,048</u>
<i>Fund Balances End of Year</i>	<u><u>\$311,582</u></u>	<u><u>\$3,173</u></u>	<u><u>\$180,422</u></u>	<u><u>\$7,479</u></u>

(continued)

Cleveland Public Library

Cuyahoga County

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Permanent Funds (continued)

For the Year Ended December 31, 2018

	Malon/ Schroeder	McDonald	Ratner	Root
Revenues				
Investment Earnings	<u>(\$26,561)</u>	<u>(\$19,553)</u>	<u>(\$9,685)</u>	<u>(\$4,202)</u>
Expenditures				
Current:				
Administration and Support	0	0	0	0
Public Services	<u>8,709</u>	<u>0</u>	<u>1,537</u>	<u>0</u>
<i>Total Expenditures</i>	<u>8,709</u>	<u>0</u>	<u>1,537</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(35,270)	(19,553)	(11,222)	(4,202)
<i>Fund Balances Beginning of Year</i>	<u>379,706</u>	<u>281,780</u>	<u>139,665</u>	<u>58,756</u>
<i>Fund Balances End of Year</i>	<u><u>\$344,436</u></u>	<u><u>\$262,227</u></u>	<u><u>\$128,443</u></u>	<u><u>\$54,554</u></u>

<u>Sugarman</u>	<u>Thompson</u>	<u>Weidenthal</u>	<u>White</u>	<u>Beard Anna Young</u>	<u>Total Nonmajor Permanent Funds</u>
<u>(\$17,237)</u>	<u>(\$15,024)</u>	<u>(\$699)</u>	<u>(\$218,296)</u>	<u>(\$7,325)</u>	<u>(\$352,795)</u>
0	4,775	0	0	0	10,615
<u>11,377</u>	<u>3,445</u>	<u>0</u>	<u>26,671</u>	<u>0</u>	<u>51,739</u>
<u>11,377</u>	<u>8,220</u>	<u>0</u>	<u>26,671</u>	<u>0</u>	<u>62,354</u>
<u>(28,614)</u>	<u>(23,244)</u>	<u>(699)</u>	<u>(244,967)</u>	<u>(7,325)</u>	<u>(415,149)</u>
<u>254,556</u>	<u>222,139</u>	<u>9,887</u>	<u>3,140,504</u>	<u>102,156</u>	<u>5,131,858</u>
<u>\$225,942</u>	<u>\$198,895</u>	<u>\$9,188</u>	<u>\$2,895,537</u>	<u>\$94,831</u>	<u>\$4,716,709</u>

Combining Statements – Fiduciary Funds

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

Agency Fund

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

Cleveland Public Library
Cuyahoga County
Combining Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended December 31, 2018

	Balance 12/31/17	Additions	Reductions	Balance 12/31/18
<i>CLEVNET Fines & Fees</i>				
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$9,396	\$100,905	\$103,606	\$6,695
Accounts Receivable	398	0	398	0
<i>Total Assets</i>	<u>\$9,794</u>	<u>\$100,905</u>	<u>\$104,004</u>	<u>\$6,695</u>
Liabilities				
Due to Others	<u>\$9,794</u>	<u>\$100,905</u>	<u>\$104,004</u>	<u>\$6,695</u>

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

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property and Other Taxes	\$24,914,507	\$26,947,794	\$26,947,794	\$0
Fines and Fees	381,034	318,577	318,048	(529)
Intergovernmental	23,928,120	24,781,545	24,781,545	0
Investment Earnings	524,913	666,608	668,137	1,529
Contributions and Donations	0	86,752	86,852	100
Miscellaneous	890,487	1,426,293	1,428,986	2,693
<i>Total Revenues</i>	<u>50,639,061</u>	<u>54,227,569</u>	<u>54,231,362</u>	<u>3,793</u>
Expenditures				
Current:				
Administration and Support				
Salaries and Wages	12,781,140	12,405,788	12,303,125	102,663
Supplies	994,125	607,388	493,207	114,181
Purchased Services	8,586,092	8,624,012	8,257,036	366,976
Library Materials	273,306	238,306	221,092	17,214
Other	146,385	146,342	135,378	10,964
<i>Total Administration and Support</i>	<u>22,781,048</u>	<u>22,021,836</u>	<u>21,409,838</u>	<u>611,998</u>
Public Services				
Salaries and Wages	23,996,290	24,071,642	23,946,995	124,647
Supplies	146,527	333,264	333,264	0
Purchased Services	3,629,171	3,591,252	3,460,521	130,731
Library Materials	10,352,616	10,472,616	10,267,161	205,455
Other	23,379	23,422	23,220	202
<i>Total Public Services</i>	<u>38,147,983</u>	<u>38,492,196</u>	<u>38,031,161</u>	<u>461,035</u>
Capital Outlay				
Improvements	29,362	30,994	30,994	0
Furniture and Equipment	596,823	332,951	316,656	16,295
Computer Hardware/Software	833,237	721,502	618,447	103,055
Motor Vehicles	0	73,974	73,974	0
<i>Total Capital Outlay</i>	<u>1,459,422</u>	<u>1,159,421</u>	<u>1,040,071</u>	<u>119,350</u>
<i>Total Expenditures</i>	<u>62,388,453</u>	<u>61,673,453</u>	<u>60,481,070</u>	<u>1,192,383</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(11,749,392)</u>	<u>(7,445,884)</u>	<u>(6,249,708)</u>	<u>1,196,176</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	6,300	6,300
Advances In	0	0	103,500	103,500
Advances Out	0	0	(283,515)	(283,515)
Transfers Out	0	(2,050,000)	(2,050,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(2,050,000)</u>	<u>(2,223,715)</u>	<u>(173,715)</u>
<i>Net Change in Fund Balance</i>	<u>(11,749,392)</u>	<u>(9,495,884)</u>	<u>(8,473,423)</u>	<u>1,022,461</u>
<i>Fund Balance Beginning of Year</i>	<u>18,954,626</u>	<u>18,954,626</u>	<u>18,954,626</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>6,023,344</u>	<u>6,023,344</u>	<u>6,023,344</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$13,228,578</u>	<u>\$15,482,086</u>	<u>\$16,504,547</u>	<u>\$1,022,461</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
CLEVNET Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$5,208,250	\$5,208,250	\$5,246,407	\$38,157
Miscellaneous	0	56,664	56,664	0
<i>Total Revenues</i>	<u>5,208,250</u>	<u>5,264,914</u>	<u>5,303,071</u>	<u>38,157</u>
Expenditures				
Current:				
Administration and Support				
Salaries and Wages	1,863,713	2,030,633	1,974,167	56,466
Supplies	29,289	29,289	19,109	10,180
Purchased Services	1,453,911	1,406,495	1,241,707	164,788
Library Materials	1,072,015	1,072,015	1,071,951	64
Other	444,412	653,343	447,782	205,561
Total Administration and Support	<u>4,863,340</u>	<u>5,191,775</u>	<u>4,754,716</u>	<u>437,059</u>
Capital Outlay				
Furniture and Equipment	5,000	5,000	573	4,427
Computer Hardware/Software	659,261	763,342	658,713	104,629
Total Capital Outlay	<u>664,261</u>	<u>768,342</u>	<u>659,286</u>	<u>109,056</u>
<i>Total Expenditures</i>	<u>5,527,601</u>	<u>5,960,117</u>	<u>5,414,002</u>	<u>546,115</u>
<i>Net Change in Fund Balance</i>	(319,351)	(695,203)	(110,931)	584,272
<i>Fund Balance Beginning of Year</i>	375,852	375,852	375,852	0
Prior Year Encumbrances Appropriated	<u>319,351</u>	<u>319,351</u>	<u>319,351</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$375,852</u>	<u>\$0</u>	<u>\$584,272</u>	<u>\$584,272</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Building and Repair Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$50,000	\$50,000	\$50,000	\$0
Expenditures				
Capital Outlay				
Building Repairs	14,222	1,784,015	191,106	1,592,909
Construction/Improvements	5,171,674	10,357,823	9,525,013	832,810
Furniture and Equipment	1,740,830	456,948	275,497	181,451
Computer Hardware/Software	0	100,667	100,667	0
<i>Total Expenditures</i>	<u>6,926,726</u>	<u>12,699,453</u>	<u>10,092,283</u>	<u>2,607,170</u>
<i>Excess of Revenues Under Expenditures</i>	(6,876,726)	(12,649,453)	(10,042,283)	2,607,170
Other Financing Sources				
Transfers In	0	2,000,000	2,000,000	0
<i>Net Change in Fund Balance</i>	(6,876,726)	(10,649,453)	(8,042,283)	2,607,170
<i>Fund Balance Beginning of Year</i>	5,529,927	5,529,927	5,529,927	0
Prior Year Encumbrances Appropriated	5,119,526	5,119,526	5,119,526	0
<i>Fund Balance End of Year</i>	<u>\$3,772,727</u>	<u>\$0</u>	<u>\$2,607,170</u>	<u>\$2,607,170</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Anderson Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$20,000	\$13,730	\$20,937	\$7,207
Expenditures				
Current:				
Public Services	<u>297,100</u>	<u>319,177</u>	<u>72</u>	<u>319,105</u>
<i>Net Change in Fund Balance</i>	(277,100)	(305,447)	20,865	326,312
<i>Fund Balance Beginning of Year</i>	<u>325,590</u>	<u>325,590</u>	<u>325,590</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$48,490</u></u>	<u><u>\$20,143</u></u>	<u><u>\$346,455</u></u>	<u><u>\$326,312</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Endowment for the Blind Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$170,000	\$74,840	\$130,478	\$55,638
Expenditures				
Current:				
Public Services	<u>2,444,000</u>	<u>2,607,784</u>	<u>10,000</u>	<u>2,597,784</u>
<i>Net Change in Fund Balance</i>	(2,274,000)	(2,532,944)	120,478	2,653,422
<i>Fund Balance Beginning of Year</i>	<u>2,532,944</u>	<u>2,532,944</u>	<u>2,532,944</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$258,944</u>	<u>\$0</u>	<u>\$2,653,422</u>	<u>\$2,653,422</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Founders Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$400,000	\$264,950	\$388,148	\$123,198
Contributions and Donations	0	277,952	261,998	(15,954)
<i>Total Revenues</i>	<u>400,000</u>	<u>542,902</u>	<u>650,146</u>	<u>107,244</u>
Expenditures				
Current:				
Administration and Support	7,626	264,364	109,361	155,003
Public Services	3,510,175	4,585,323	1,110,061	3,475,262
Capital Outlay	0	226,807	4,373	222,434
<i>Total Expenditures</i>	<u>3,517,801</u>	<u>5,076,494</u>	<u>1,223,795</u>	<u>3,852,699</u>
<i>Net Change in Fund Balance</i>	(3,117,801)	(4,533,592)	(573,649)	3,959,943
<i>Fund Balance Beginning of Year</i>	6,838,453	6,838,453	6,838,453	0
Prior Year Encumbrances Appropriated	<u>169,801</u>	<u>169,801</u>	<u>169,801</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$3,890,453</u>	<u>\$2,474,662</u>	<u>\$6,434,605</u>	<u>\$3,959,943</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Kaiser Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	\$4,500	\$2,260	\$3,865	\$1,605
Expenditures				
Current:				
Public Services	<u>67,800</u>	<u>71,720</u>	<u>0</u>	<u>71,720</u>
<i>Net Change in Fund Balance</i>	(63,300)	(69,460)	3,865	73,325
<i>Fund Balance Beginning of Year</i>	<u>69,460</u>	<u>69,460</u>	<u>69,460</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,160</u></u>	<u><u>\$0</u></u>	<u><u>\$73,325</u></u>	<u><u>\$73,325</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Kraley Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$11,000	\$7,270	\$10,986	\$3,716
Expenditures				
Current:				
Public Services	<u>192,530</u>	<u>205,145</u>	<u>2,313</u>	<u>202,832</u>
<i>Net Change in Fund Balance</i>	(181,530)	(197,875)	8,673	206,548
<i>Fund Balance Beginning of Year</i>	196,945	196,945	196,945	0
Prior Year Encumbrances Appropriated	<u>930</u>	<u>930</u>	<u>930</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$16,345</u></u>	<u><u>\$0</u></u>	<u><u>\$206,548</u></u>	<u><u>\$206,548</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Library Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$8,000	\$8,720	\$11,673	\$2,953
Contributions and Donations	3,000	11,275	7,737	(3,538)
<i>Total Revenues</i>	<u>11,000</u>	<u>19,995</u>	<u>19,410</u>	<u>(585)</u>
Expenditures				
Current:				
Administration and Support	107,500	159,226	4,275	154,951
Public Services	35,117	27,355	8,995	18,360
Capital Outlay	0	1,095	1,095	0
<i>Total Expenditures</i>	<u>142,617</u>	<u>187,676</u>	<u>14,365</u>	<u>173,311</u>
<i>Net Change in Fund Balance</i>	(131,617)	(167,681)	5,045	172,726
<i>Fund Balance Beginning of Year</i>	167,564	167,564	167,564	0
Prior Year Encumbrances Appropriated	117	117	117	0
<i>Fund Balance End of Year</i>	<u>\$36,064</u>	<u>\$0</u>	<u>\$172,726</u>	<u>\$172,726</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Pepke Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$8,000	\$6,850	\$10,043	\$3,193
Expenditures				
Current:				
Public Services	143,300	154,969	0	154,969
<i>Net Change in Fund Balance</i>	(135,300)	(148,119)	10,043	158,162
<i>Fund Balance Beginning of Year</i>	148,119	148,119	148,119	0
<i>Fund Balance End of Year</i>	<u>\$12,819</u>	<u>\$0</u>	<u>\$158,162</u>	<u>\$158,162</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Wickwire Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$109,000	\$52,840	\$87,570	\$34,730
Expenditures				
Current:				
Public Services	<u>1,514,916</u>	<u>1,600,468</u>	<u>12,572</u>	<u>1,587,896</u>
<i>Net Change in Fund Balance</i>	(1,405,916)	(1,547,628)	74,998	1,622,626
<i>Fund Balance Beginning of Year</i>	1,554,864	1,554,864	1,554,864	0
Prior Year Encumbrances Appropriated	<u>16</u>	<u>16</u>	<u>16</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$148,964</u></u>	<u><u>\$7,252</u></u>	<u><u>\$1,629,878</u></u>	<u><u>\$1,622,626</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Wittke Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$6,000	\$5,440	\$7,599	\$2,159
Expenditures				
Current:				
Public Services	99,200	107,570	10,000	97,570
<i>Net Change in Fund Balance</i>	(93,200)	(102,130)	(2,401)	99,729
<i>Fund Balance Beginning of Year</i>	102,130	102,130	102,130	0
<i>Fund Balance End of Year</i>	<u>\$8,930</u>	<u>\$0</u>	<u>\$99,729</u>	<u>\$99,729</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Young Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$320,000	\$137,060	\$240,768	\$103,708
Contributions and Donations	50,000	52,175	52,175	0
<i>Total Revenues</i>	370,000	189,235	292,943	103,708
Expenditures				
Current:				
Public Services	4,635,600	4,913,784	10,000	4,903,784
<i>Net Change in Fund Balance</i>	(4,265,600)	(4,724,549)	282,943	5,007,492
<i>Fund Balance Beginning of Year</i>	4,724,549	4,724,549	4,724,549	0
<i>Fund Balance End of Year</i>	\$458,949	\$0	\$5,007,492	\$5,007,492

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Friends Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions and Donations	\$12,000	\$28,500	\$28,500	\$0
Expenditures				
Current:				
Public Services	16,269	32,769	28,379	4,390
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(4,269)</u>	<u>(4,269)</u>	<u>121</u>	<u>4,390</u>
Other Financing Sources (Uses)				
Advances In	0	0	28,500	28,500
Advances Out	0	0	(28,500)	(28,500)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(4,269)	(4,269)	121	4,390
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	4,269	4,269	4,269	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$4,390</u>	<u>\$4,390</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Judd Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions and Donations	\$230,000	\$236,316	\$236,316	\$0
Expenditures				
Current:				
Public Services	243,364	249,680	192,194	57,486
<i>Net Change in Fund Balance</i>	(13,364)	(13,364)	44,122	57,486
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	13,364	13,364	13,364	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$57,486</u>	<u>\$57,486</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Library for the Blind and Physically Disabled (OLBPD) Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$1,508,194	\$1,524,003	\$1,524,003	\$0
Expenditures				
Current:				
Public Services	1,516,690	1,526,114	1,484,856	41,258
Capital Outlay	0	12,733	12,733	0
<i>Total Expenditures</i>	<u>1,516,690</u>	<u>1,538,847</u>	<u>1,497,589</u>	<u>41,258</u>
<i>Net Change in Fund Balance</i>	(8,496)	(14,844)	26,414	41,258
<i>Fund Balance Beginning of Year</i>	6,348	6,348	6,348	0
Prior Year Encumbrances Appropriated	<u>8,496</u>	<u>8,496</u>	<u>8,496</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,348</u></u>	<u><u>\$0</u></u>	<u><u>\$41,258</u></u>	<u><u>\$41,258</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Lockwood Thompson Memorial Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Contributions and Donations	\$180,000	\$184,428	\$184,428	\$0
Expenditures				
Current:				
Administration and Support	49,699	63,997	63,997	0
Public Services	242,912	277,408	260,375	17,033
Capital Outlay	99	99	0	99
<i>Total Expenditures</i>	<u>292,710</u>	<u>341,504</u>	<u>324,372</u>	<u>17,132</u>
<i>Net Change in Fund Balance</i>	(112,710)	(157,076)	(139,944)	17,132
<i>Fund Balance Beginning of Year</i>	44,366	44,366	44,366	0
Prior Year Encumbrances Appropriated	<u>112,710</u>	<u>112,710</u>	<u>112,710</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$44,366</u></u>	<u><u>\$0</u></u>	<u><u>\$17,132</u></u>	<u><u>\$17,132</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Center for the Book Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Contributions and Donations	\$2,100	\$2,100	\$2,100	\$0
Expenditures				
Current:				
Public Services	<u>2,125</u>	<u>2,125</u>	<u>2,061</u>	<u>64</u>
<i>Net Change in Fund Balance</i>	(25)	(25)	39	64
<i>Fund Balance Beginning of Year</i>	<u>25</u>	<u>25</u>	<u>25</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$64</u></u>	<u><u>\$64</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Schweinfurth Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions and Donations	\$50,000	\$72,576	\$0	(\$72,576)
Expenditures				
Current:				
Public Services	<u>185,580</u>	<u>213,830</u>	<u>65,249</u>	<u>148,581</u>
<i>Net Change in Fund Balance</i>	(135,580)	(141,254)	(65,249)	76,005
<i>Fund Balance Beginning of Year</i>	121,674	121,674	121,674	0
Prior Year Encumbrances Appropriated	<u>19,580</u>	<u>19,580</u>	<u>19,580</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$5,674</u></u>	<u><u>\$0</u></u>	<u><u>\$76,005</u></u>	<u><u>\$76,005</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Learning Centers Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions and Donations	\$165,000	\$82,500	\$82,500	\$0
Expenditures				
Current:				
Public Services	<u>168,709</u>	<u>168,709</u>	<u>142,174</u>	<u>26,535</u>
<i>Net Change in Fund Balance</i>	(3,709)	(86,209)	(59,674)	26,535
<i>Fund Balance Beginning of Year</i>	82,500	82,500	82,500	0
Prior Year Encumbrances Appropriated	<u>3,709</u>	<u>3,709</u>	<u>3,709</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$82,500</u></u>	<u><u>\$0</u></u>	<u><u>\$26,535</u></u>	<u><u>\$26,535</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
MyCom Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$75,000	\$87,938	\$87,938	\$0
Expenditures				
Current:				
Public Services	74,505	74,505	59,933	14,572
Capital Outlay	138	138	138	0
<i>Total Expenditures</i>	<u>74,643</u>	<u>74,643</u>	<u>60,071</u>	<u>14,572</u>
<i>Excess of Revenues Over Expenditures</i>	<u>357</u>	<u>13,295</u>	<u>27,867</u>	<u>14,572</u>
Other Financing Sources (Uses)				
Advances In	0	0	75,015	75,015
Advances Out	0	0	(75,000)	(75,000)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>15</u>	<u>15</u>
<i>Net Change in Fund Balance</i>	357	13,295	27,882	14,587
<i>Fund Balance Beginning of Year</i>	<u>6,050</u>	<u>6,050</u>	<u>6,050</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$6,407</u>	<u>\$19,345</u>	<u>\$33,932</u>	<u>\$14,587</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Early Literacy Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Public Services	<u>0</u>	<u>148,827</u>	<u>127,213</u>	<u>21,614</u>
<i>Net Change in Fund Balance</i>	0	(148,827)	(127,213)	21,614
<i>Fund Balance Beginning of Year</i>	<u>148,827</u>	<u>148,827</u>	<u>148,827</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$148,827</u></u>	<u><u>\$0</u></u>	<u><u>\$21,614</u></u>	<u><u>\$21,614</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Tech Centers Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions and Donations	\$40,000	\$160,000	\$160,000	\$0
Expenditures				
Current:				
Administration and Support	10,000	40,556	40,556	0
Capital Outlay	30,000	179,444	179,444	0
<i>Total Expenditures</i>	<u>40,000</u>	<u>220,000</u>	<u>220,000</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	<u>0</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>0</u>
Other Financing Sources				
Advances In	0	0	180,000	180,000
Transfers In	0	50,000	50,000	0
<i>Total Other Financing Sources</i>	<u>0</u>	<u>50,000</u>	<u>230,000</u>	<u>180,000</u>
<i>Net Change in Fund Balance</i>	0	(10,000)	170,000	180,000
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$0</u>	<u>(\$10,000)</u>	<u>\$170,000</u>	<u>\$180,000</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Abel Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$17,000	\$7,200	\$12,990	\$5,790
Expenditures				
Current:				
Public Services	<u>242,300</u>	<u>255,234</u>	<u>0</u>	<u>255,234</u>
<i>Net Change in Fund Balance</i>	(225,300)	(248,034)	12,990	261,024
<i>Fund Balance Beginning of Year</i>	<u>258,034</u>	<u>258,034</u>	<u>258,034</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$32,734</u></u>	<u><u>\$10,000</u></u>	<u><u>\$271,024</u></u>	<u><u>\$261,024</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ambler Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$175	\$75	\$142	\$67
Expenditures				
Current:				
Public Services	<u>2,275</u>	<u>2,491</u>	<u>0</u>	<u>2,491</u>
<i>Net Change in Fund Balance</i>	(2,100)	(2,416)	142	2,558
<i>Fund Balance Beginning of Year</i>	<u>2,615</u>	<u>2,615</u>	<u>2,615</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$515</u></u>	<u><u>\$199</u></u>	<u><u>\$2,757</u></u>	<u><u>\$2,558</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Beard Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$5,000	\$16,920	\$19,273	\$2,353
Expenditures				
Current:				
Administration and Support	133,026	158,492	10,014	148,478
<i>Net Change in Fund Balance</i>	(128,026)	(141,572)	9,259	150,831
<i>Fund Balance Beginning of Year</i>	146,832	146,832	146,832	0
Prior Year Encumbrances Appropriated	3,626	3,626	3,626	0
<i>Fund Balance End of Year</i>	<u>\$22,432</u>	<u>\$8,886</u>	<u>\$159,717</u>	<u>\$150,831</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Klein Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	\$420	\$200	\$334	\$134
Expenditures				
Current:				
Public Services	<u>5,520</u>	<u>5,888</u>	<u>0</u>	<u>5,888</u>
<i>Net Change in Fund Balance</i>	(5,100)	(5,688)	334	6,022
<i>Fund Balance Beginning of Year</i>	<u>6,188</u>	<u>6,188</u>	<u>6,188</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,088</u></u>	<u><u>\$500</u></u>	<u><u>\$6,522</u></u>	<u><u>\$6,022</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Malon/Schroeder Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	\$19,000	\$10,820	\$17,285	\$6,465
Expenditures				
Current:				
Public Services	<u>199,471</u>	<u>216,885</u>	<u>8,893</u>	<u>207,992</u>
<i>Net Change in Fund Balance</i>	(180,471)	(206,065)	8,392	214,457
<i>Fund Balance Beginning of Year</i>	315,792	315,792	315,792	0
Prior Year Encumbrances Appropriated	<u>271</u>	<u>271</u>	<u>271</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$135,592</u></u>	<u><u>\$109,998</u></u>	<u><u>\$324,455</u></u>	<u><u>\$214,457</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
McDonald Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	<u>\$13,000</u>	<u>\$9,080</u>	<u>\$13,838</u>	<u>\$4,758</u>
Expenditures				
Current:				
Public Services	190,300	205,136	0	205,136
Capital Outlay	<u>10,000</u>	<u>10,000</u>	<u>5,539</u>	<u>4,461</u>
<i>Total Expenditures</i>	<u>200,300</u>	<u>215,136</u>	<u>5,539</u>	<u>209,597</u>
<i>Net Change in Fund Balance</i>	(187,300)	(206,056)	8,299	214,355
<i>Fund Balance Beginning of Year</i>	<u>214,987</u>	<u>214,987</u>	<u>214,987</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$27,687</u></u>	<u><u>\$8,931</u></u>	<u><u>\$223,286</u></u>	<u><u>\$214,355</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ratner Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	\$6,000	\$4,560	\$6,911	\$2,351
Expenditures				
Current:				
Public Services	<u>97,200</u>	<u>105,121</u>	<u>1,537</u>	<u>103,584</u>
<i>Net Change in Fund Balance</i>	(91,200)	(100,561)	5,374	105,935
<i>Fund Balance Beginning of Year</i>	<u>105,561</u>	<u>105,561</u>	<u>105,561</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$14,361</u></u>	<u><u>\$5,000</u></u>	<u><u>\$110,935</u></u>	<u><u>\$105,935</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Root Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$3,000	\$1,450	\$2,468	\$1,018
Expenditures				
Current:				
Public Services	38,400	40,739	0	40,739
<i>Net Change in Fund Balance</i>	(35,400)	(39,289)	2,468	41,757
<i>Fund Balance Beginning of Year</i>	45,289	45,289	45,289	0
<i>Fund Balance End of Year</i>	<u>\$9,889</u>	<u>\$6,000</u>	<u>\$47,757</u>	<u>\$41,757</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Sugarman Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$12,000	\$7,620	\$11,821	\$4,201
Expenditures				
Current:				
Public Services	<u>64,200</u>	<u>77,096</u>	<u>11,877</u>	<u>65,219</u>
<i>Net Change in Fund Balance</i>	(52,200)	(69,476)	(56)	69,420
<i>Fund Balance Beginning of Year</i>	<u>217,853</u>	<u>217,853</u>	<u>217,853</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$165,653</u></u>	<u><u>\$148,377</u></u>	<u><u>\$217,797</u></u>	<u><u>\$69,420</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Thompson Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	<u>\$11,000</u>	<u>\$7,300</u>	<u>\$10,956</u>	<u>\$3,656</u>
Expenditures				
Current:				
Administration and Support	5,000	5,724	4,775	949
Public Services	<u>122,709</u>	<u>133,392</u>	<u>6,945</u>	<u>126,447</u>
<i>Total Expenditures</i>	<u>127,709</u>	<u>139,116</u>	<u>11,720</u>	<u>127,396</u>
<i>Net Change in Fund Balance</i>	(116,709)	(131,816)	(764)	131,052
<i>Fund Balance Beginning of Year</i>	172,861	172,861	172,861	0
Prior Year Encumbrances Appropriated	<u>2,709</u>	<u>2,709</u>	<u>2,709</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$58,861</u>	<u>\$43,754</u>	<u>\$174,806</u>	<u>\$131,052</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Weidenthal Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Investment Earnings	\$520	\$240	\$412	\$172
Expenditures				
Current:				
Public Services	<u>7,020</u>	<u>7,409</u>	<u>0</u>	<u>7,409</u>
<i>Net Change in Fund Balance</i>	(6,500)	(7,169)	412	7,581
<i>Fund Balance Beginning of Year</i>	<u>7,669</u>	<u>7,669</u>	<u>7,669</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,169</u></u>	<u><u>\$500</u></u>	<u><u>\$8,081</u></u>	<u><u>\$7,581</u></u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
White Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$150,000	\$98,780	\$151,932	\$53,152
Expenditures				
Current:				
Public Services	<u>1,964,785</u>	<u>2,122,242</u>	<u>37,990</u>	<u>2,084,252</u>
<i>Net Change in Fund Balance</i>	(1,814,785)	(2,023,462)	113,942	2,137,404
<i>Fund Balance Beginning of Year</i>	2,392,164	2,392,164	2,392,164	0
Prior Year Encumbrances Appropriated	<u>6,185</u>	<u>6,185</u>	<u>6,185</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$583,564</u>	<u>\$374,887</u>	<u>\$2,512,291</u>	<u>\$2,137,404</u>

Cleveland Public Library
Cuyahoga County
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Beard Anna Young Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment Earnings	\$5,000	\$2,300	\$4,080	\$1,780
Expenditures				
Current:				
Administration and Support	<u>20,500</u>	<u>27,089</u>	<u>61</u>	<u>27,028</u>
<i>Net Change in Fund Balance</i>	(15,500)	(24,789)	4,019	28,808
<i>Fund Balance Beginning of Year</i>	<u>92,070</u>	<u>92,070</u>	<u>92,070</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$76,570</u></u>	<u><u>\$67,281</u></u>	<u><u>\$96,089</u></u>	<u><u>\$28,808</u></u>

Statistical Section

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

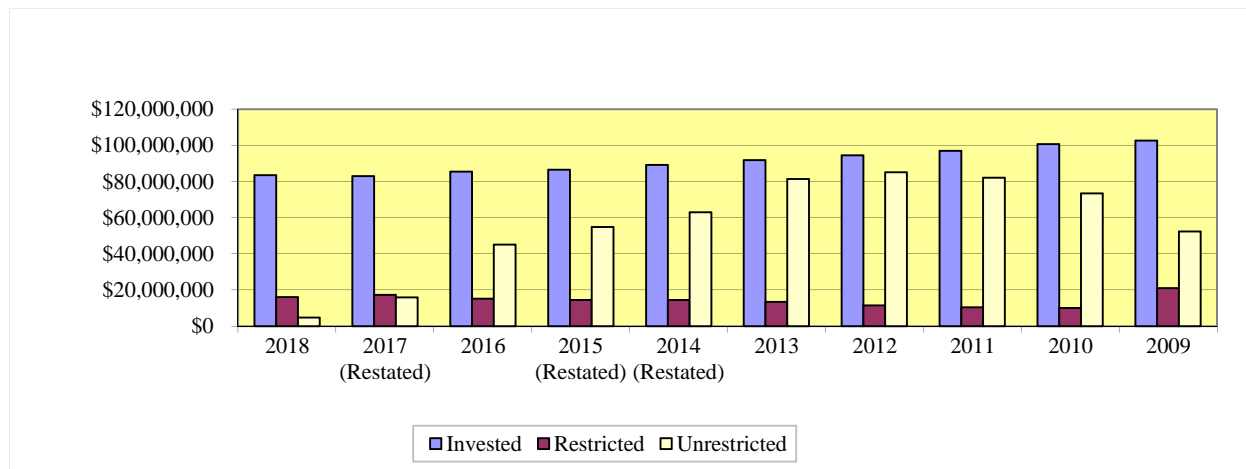
Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S9</i>
These schedules contain trend information to help the reader understand how the Library's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S10 – S18</i>
These schedules contain information to help the reader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

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

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

	2018	2017 (Restated)	2016	2015 (Restated)	2014 (Restated)
Governmental Activities					
Net Investment in Capital Asset:	\$83,447,433	\$82,948,642	\$85,511,515	\$86,424,294	\$89,206,483
Restricted	16,167,823	17,329,320	15,143,336	14,554,036	14,542,182
Unrestricted	4,706,545	15,870,912	45,186,525	54,805,670	62,968,171
Total Governmental Activities					
Net Position	\$104,321,801	\$116,148,874	\$145,841,376	\$155,784,000	\$166,716,836

Note: The Library reported the impact of GASB Statement No. 68 beginning in 2015.
The Library reported the impact of GASB Statement No. 75 beginning in 2018.



2013	2012	2011 (Restated)	2010	2009
\$91,848,752	\$94,528,127	\$96,879,830	\$100,613,647	\$102,606,127
13,526,515	11,521,146	10,406,618	10,000,553	21,065,169
81,421,117	85,067,218	82,081,320	73,352,974	52,283,523
<u>\$186,796,384</u>	<u>\$191,116,491</u>	<u>\$189,367,768</u>	<u>\$183,967,174</u>	<u>\$175,954,819</u>

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

	2018	2017	2016	2015 (Restated)	2014
Program Revenues					
Governmental Activities:					
Charges for Services:					
Administration and Support	\$5,256,064	\$5,180,554	\$5,027,028	\$5,066,928	\$3,362,720
Public Services	325,691	359,472	383,431	406,800	406,918
Subtotal - Charges for Services	<u>5,581,755</u>	<u>5,540,026</u>	<u>5,410,459</u>	<u>5,473,728</u>	<u>3,769,638</u>
Operating Grants, Contributions and Investment Earnings:					
Administration and Support	11,922	64,540	68,363	46,583	95,667
Public Services	1,087,488	5,743,571	3,687,574	3,380,979	4,169,486
Subtotal - Operating Grants and Contributions	<u>1,099,410</u>	<u>5,808,111</u>	<u>3,755,937</u>	<u>3,427,562</u>	<u>4,265,153</u>
Capital Grants and Contributions:					
Public Services	<u>50,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>189,751</u>
<i>Total Governmental Activities</i>					
<i>Program Revenues</i>	<u>6,731,165</u>	<u>11,348,137</u>	<u>9,166,396</u>	<u>8,901,290</u>	<u>8,224,542</u>
Expenses					
Governmental Activities:					
Administration and Support	27,309,640	27,922,074	25,237,576	24,401,806	22,543,315
Public Services	46,671,206	44,013,755	43,110,485	39,756,122	38,109,756
<i>Total Governmental Activities Expenses</i>	<u>73,980,846</u>	<u>71,935,829</u>	<u>68,348,061</u>	<u>64,157,928</u>	<u>60,653,071</u>
Net Expense					
Governmental Activities	<u>(67,249,681)</u>	<u>(60,587,692)</u>	<u>(59,181,665)</u>	<u>(55,256,638)</u>	<u>(52,428,529)</u>
General Revenues					
Governmental Activities					
Taxes:					
Property and Other Taxes Levied For:					
General Purposes	27,881,289	26,167,690	23,680,400	17,795,265	27,151,087
Grants and Entitlements not Restricted to Specific Programs					
Unrestricted Donations	120,852	2,555	1,415	7,265	0
Investment Earnings	653,343	416,215	370,362	340,175	241,905
Gain on Sale of Capital Assets	6,300	0	6,705	24,000	1,000
Miscellaneous	1,529,152	1,293,691	1,260,390	1,076,007	734,803
<i>Total Governmental Activities</i>	<u>55,422,608</u>	<u>51,507,134</u>	<u>49,239,041</u>	<u>44,323,802</u>	<u>53,972,069</u>
Change in Net Position					
Governmental Activities	<u>(\$11,827,073)</u>	<u>(\$9,080,558)</u>	<u>(\$9,942,624)</u>	<u>(\$10,932,836)</u>	<u>\$1,543,540</u>

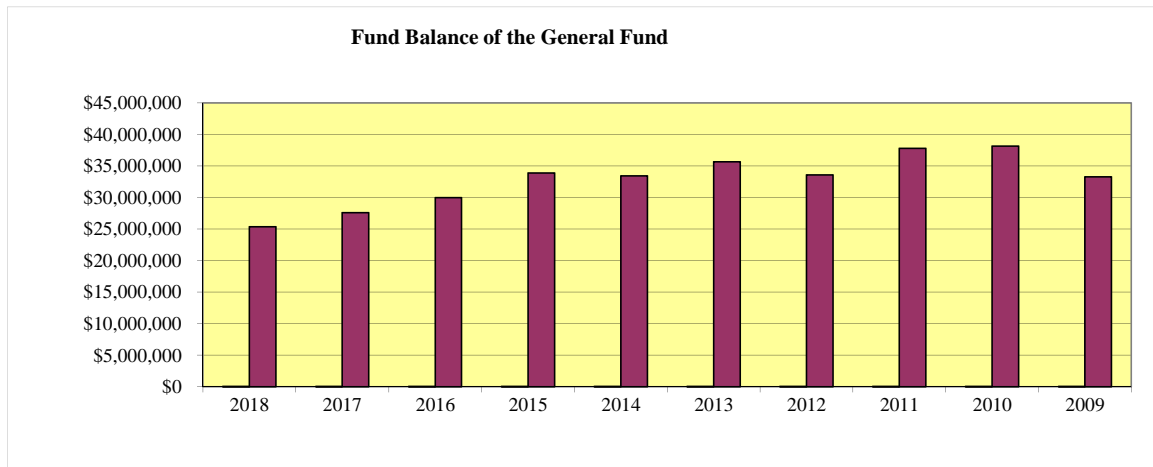
Note: Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.
Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in 2018.

2013	2012	2011 (Restated)	2010	2009
\$3,045,659	\$3,053,765	\$2,601,707	\$2,646,483	\$2,930,834
392,289	380,186	452,568	430,153	332,036
<u>3,437,948</u>	<u>3,433,951</u>	<u>3,054,275</u>	<u>3,076,636</u>	<u>3,262,870</u>
107,065	60,175	50,590	67,343	401,175
<u>5,556,587</u>	<u>5,011,884</u>	<u>2,335,651</u>	<u>3,281,431</u>	<u>3,162,453</u>
<u>5,663,652</u>	<u>5,072,059</u>	<u>2,386,241</u>	<u>3,348,774</u>	<u>3,563,628</u>
<u>50,000</u>	<u>52,700</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>9,151,600</u>	<u>8,558,710</u>	<u>5,440,516</u>	<u>6,425,410</u>	<u>6,826,498</u>
21,376,607	22,427,970	22,008,997	21,894,937	23,249,386
<u>39,240,774</u>	<u>38,935,923</u>	<u>39,624,599</u>	<u>41,802,466</u>	<u>43,855,750</u>
<u>60,617,381</u>	<u>61,363,893</u>	<u>61,633,596</u>	<u>63,697,403</u>	<u>67,105,136</u>
<u>(51,465,781)</u>	<u>(52,805,183)</u>	<u>(56,193,080)</u>	<u>(57,271,993)</u>	<u>(60,278,638)</u>
22,311,584	28,248,758	29,042,241	33,678,372	36,627,248
23,898,031	25,229,927	31,365,166	30,665,636	28,867,436
0	0	0	0	0
150,389	249,417	339,555	418,177	514,757
7,413	3,015	2,099	0	0
<u>778,257</u>	<u>822,789</u>	<u>844,613</u>	<u>522,163</u>	<u>546,529</u>
<u>47,145,674</u>	<u>54,553,906</u>	<u>61,593,674</u>	<u>65,284,348</u>	<u>66,555,970</u>
<u>(\$4,320,107)</u>	<u>\$1,748,723</u>	<u>\$5,400,594</u>	<u>\$8,012,355</u>	<u>\$6,277,332</u>

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

	2018	2017	2016	2015	2014
General Fund					
Nonspendable	\$743,929	\$782,558	\$691,484	\$707,801	\$1,088,531
Restricted	0	0	0	0	0
Committed	1,076,212	731,079	1,162,571	1,171,198	1,080,905
Assigned	4,268,486	12,082,953	11,163,459	11,936,330	8,337,028
Unassigned	19,247,676	13,961,626	16,944,427	20,064,929	22,892,279
Reserved	n/a	n/a	n/a	n/a	n/a
Unreserved	n/a	n/a	n/a	n/a	n/a
Total General Fund	25,336,303	27,558,216	29,961,941	33,880,258	33,398,743
All Other Governmental Funds					
Nonspendable	1,145,913	1,391,071	1,250,948	1,152,181	830,772
Restricted	15,377,600	16,538,125	14,350,889	13,746,883	13,726,005
Committed	9,631,187	14,672,586	10,031,530	11,622,583	7,693,604
Assigned	2,766,899	5,711,298	9,037,316	9,255,104	13,711,769
Unassigned (Deficit)	(144,053)	(173,648)	(185,498)	(163,450)	(219,187)
Reserved	n/a	n/a	n/a	n/a	n/a
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	n/a	n/a	n/a	n/a	n/a
Capital Projects Fund	n/a	n/a	n/a	n/a	n/a
Permanent Funds	n/a	n/a	n/a	n/a	n/a
Total All Other Governmental Funds	28,777,546	38,139,432	34,485,185	35,613,301	35,742,963
Total Governmental Funds	\$54,113,849	\$65,697,648	\$64,447,126	\$69,493,559	\$69,141,706

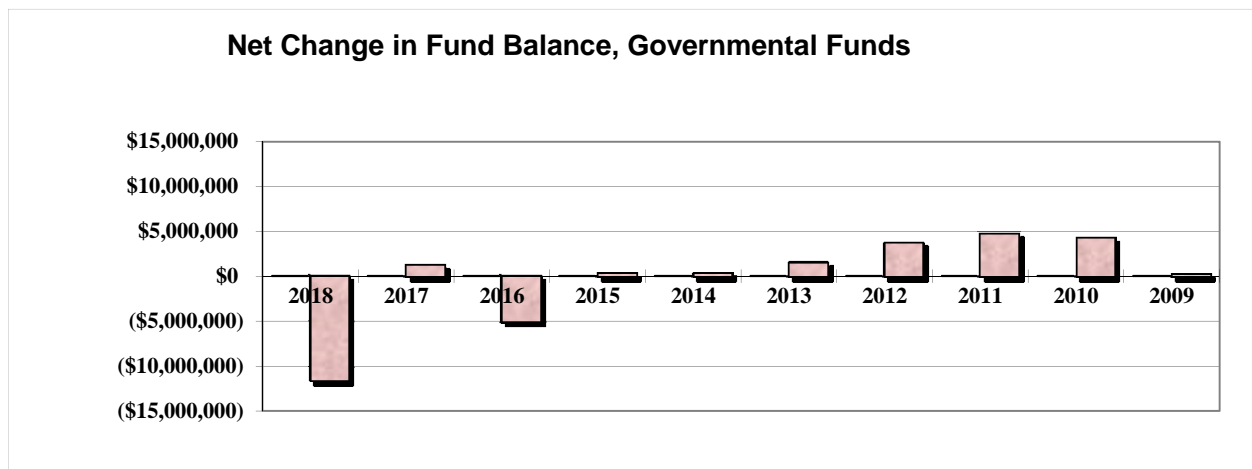
Note: The Library implemented GASB 54 in 2011.



2013	2012	2011	2010 (Restated)	2009
\$1,503,768	\$1,204,145	\$1,089,401	\$0	n/a
0	0	17,007	17,376	n/a
791,954	799,187	340,637	0	n/a
10,075,197	6,734,372	15,390,658	5,672,594	n/a
23,268,411	24,812,021	20,956,246	32,440,050	n/a
n/a	n/a	n/a	n/a	\$4,591,151
n/a	n/a	n/a	n/a	28,683,690
<u>35,639,330</u>	<u>33,549,725</u>	<u>37,793,949</u>	<u>38,130,020</u>	<u>33,274,841</u>
837,025	795,168	717,036	717,036	n/a
12,716,960	10,726,782	9,752,411	9,261,231	n/a
7,289,131	6,389,902	6,244,533	5,370,992	n/a
12,460,807	15,714,984	8,978,212	5,142,439	n/a
(193,550)	(12,353)	(94,649)	0	n/a
n/a	n/a	n/a	n/a	2,582,959
n/a	n/a	n/a	n/a	10,558,268
n/a	n/a	n/a	n/a	5,890,210
n/a	n/a	n/a	n/a	2,033,732
<u>33,110,373</u>	<u>33,614,483</u>	<u>25,597,543</u>	<u>20,491,698</u>	<u>21,065,169</u>
<u>\$68,749,703</u>	<u>\$67,164,208</u>	<u>\$63,391,492</u>	<u>\$58,621,718</u>	<u>\$54,340,010</u>

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

	2018	2017	2016	2015	2014
Revenues					
Property and Other Taxes	\$26,955,795	\$26,407,991	\$25,338,596	\$25,482,287	\$25,132,257
Fines and Fees	318,827	368,031	381,029	408,800	409,394
Charges for Services	5,164,359	5,172,664	4,933,005	5,029,219	3,361,641
Intergovernmental	26,385,175	25,688,752	25,937,389	27,934,901	26,660,555
Investment Earnings	(1,088,147)	3,690,950	1,465,748	725,576	1,873,893
Contributions and Donations	1,464,787	815,232	1,229,076	1,204,910	763,756
Miscellaneous	1,470,049	1,355,389	1,201,935	1,056,813	745,024
<i>Total Revenues</i>	<u>60,670,845</u>	<u>63,499,009</u>	<u>60,486,778</u>	<u>61,842,506</u>	<u>58,946,520</u>
Expenditures					
Current:					
Administration and Support	24,403,871	24,469,441	23,504,614	23,689,340	21,393,882
Public Service	36,938,415	35,603,285	36,356,791	35,680,210	34,353,851
Capital Outlay	10,918,658	2,175,761	5,671,806	2,121,103	2,807,784
<i>Total Expenditures</i>	<u>72,260,944</u>	<u>62,248,487</u>	<u>65,533,211</u>	<u>61,490,653</u>	<u>58,555,517</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(11,590,099)</u>	<u>1,250,522</u>	<u>(5,046,433)</u>	<u>351,853</u>	<u>391,003</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	6,300	0	0	0	1,000
Transfers In	2,050,000	1,300,000	1,500,000	0	3,500,000
Transfers Out	(2,050,000)	(1,300,000)	(1,500,000)	0	(3,500,000)
<i>Total Other Financing Sources (Uses)</i>	<u>6,300</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,000</u>
<i>Net Change in Fund Balances</i>	<u><u>(\$11,583,799)</u></u>	<u><u>\$1,250,522</u></u>	<u><u>(\$5,046,433)</u></u>	<u><u>\$351,853</u></u>	<u><u>\$392,003</u></u>



2013	2012	2011	2010	2009
\$25,429,115	\$27,604,803	\$27,652,041	\$29,409,031	\$31,392,194
391,849	379,732	444,551	427,313	332,036
3,110,804	3,021,846	2,548,967	2,641,277	2,930,834
27,237,525	27,876,287	30,563,839	31,094,455	31,077,082
3,244,240	1,940,004	755,136	2,064,403	2,590,815
679,368	1,354,106	829,794	700,488	556,592
777,882	811,191	874,668	483,610	546,529
60,870,783	62,987,969	63,668,996	66,820,577	69,426,082
20,675,293	20,762,107	21,610,354	21,482,092	22,766,194
34,849,512	34,397,275	36,108,993	38,157,071	40,869,197
3,767,896	4,062,291	1,181,974	2,899,706	5,511,978
59,292,701	59,221,673	58,901,321	62,538,869	69,147,369
1,578,082	3,766,296	4,767,675	4,281,708	278,713
7,413	6,420	2,099	0	0
0	10,000,000	5,000,000	54,600	3,029,900
0	(10,000,000)	(5,000,000)	(54,600)	(3,029,900)
7,413	6,420	2,099	0	0
\$1,585,495	\$3,772,716	\$4,769,774	\$4,281,708	\$278,713

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

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value			Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value
2018	\$2,074,877,160	\$2,294,021,390	\$12,482,567,286	\$418,109,840	\$475,124,818
2017	2,090,575,250	2,207,187,580	12,279,322,371	390,043,860	443,231,659
2016	2,091,147,610	2,224,577,210	12,330,642,343	333,848,530	379,373,330
2015	2,127,960,040	2,558,282,800	13,389,265,257	320,762,670	364,503,034
2014	2,145,454,810	2,511,033,840	13,304,253,286	300,460,010	341,431,830
2013	2,169,817,680	2,484,935,110	13,299,293,686	273,122,230	310,366,170
2012	2,744,283,400	2,705,037,350	15,569,487,857	247,613,470	281,378,943
2011	2,778,537,270	2,677,303,870	15,588,117,543	243,660,000	276,886,364
2010	2,796,094,950	2,540,255,530	15,246,715,657	235,305,430	267,392,534
2009	3,172,514,560	2,371,683,330	15,840,565,400	222,204,080	252,504,636

Source: Cuyahoga County, Ohio; County Fiscal Officer

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

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

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

Tangible Personal Property					Weighted Average Tax Rate (per \$1,000 of Assessed Value)
General Business		Total			
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	
\$0	\$0	\$4,787,008,390	\$12,957,692,104	36.94 %	\$6.4208
0	0	4,687,806,690	12,722,554,031	36.85	6.4450
0	0	4,649,573,350	12,710,015,672	36.58	6.4500
0	0	5,007,005,510	13,753,768,291	36.40	6.4363
0	0	4,956,948,660	13,645,685,115	36.33	6.4240
0	0	4,927,875,020	13,609,659,856	36.21	6.4189
0	0	5,696,934,220	15,850,866,800	35.94	6.3159
0	0	5,699,501,140	15,865,003,907	35.92	6.3242
0	0	5,571,655,910	15,514,108,191	35.91	6.3465
221,152,998	3,538,447,968	5,987,554,968	19,631,518,004	30.50	6.3267

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

	2018	2017	2016	2015	2014
Voted Millage - by levy					
1985 Current Expense					
Residential/Agricultural Real	\$0.5485	\$0.5465	\$0.5455	\$0.5380	\$0.5345
Commercial/Industrial and Public Utility Real	0.6872	0.6934	0.6956	0.6725	0.6560
General Business and Public Utility Personal	1.0000	1.0000	1.0000	1.0000	1.0000
2003 Current Expense - 5 Years/Continuing (1)					
Residential/Agricultural Real	5.8000	5.8000	5.8000	5.8000	5.8000
Commercial/Industrial and Public Utility Real	5.7298	5.7822	5.8000	5.8000	5.7995
General Business and Public Utility Personal	5.8000	5.8000	5.8000	5.8000	5.8000
Total Millage					
Residential/Agricultural Real	\$6.3485	\$6.3465	\$6.3455	\$6.3380	\$6.3345
Commercial/Industrial and Public Utility Real	6.4170	6.4756	6.4956	6.4725	6.4555
General Business and Public Utility Personal	6.8000	6.8000	6.8000	6.8000	6.8000
Total Weighted Average Tax Rate	\$6.4208	\$6.4450	\$6.4500	\$6.4363	\$6.4240
Overlapping Rates by Taxing District					
Cuyahoga County					
Residential/Agricultural Real	\$13.9141	\$13.8802	\$13.8698	\$14.0500	\$14.0500
Commercial/Industrial and Public Utility Real	14.0060	14.0124	14.0500	14.0195	13.9495
General Business and Public Utility Personal	14.0500	14.0500	14.0500	14.0500	14.0500
Cleveland Municipal School District					
Residential/Agricultural Real	52.6275	52.5272	52.4795	52.6999	52.4272
Commercial/Industrial and Public Utility Real	61.1031	61.5783	61.7401	61.1077	60.1246
General Business and Public Utility Personal	79.3000	79.3000	79.3000	79.9000	79.8000

2013	2012	2011	2010	2009
\$0.5284	\$0.4210	\$0.4177	\$0.4168	\$0.3703
0.6561	0.6393	0.6417	0.6473	0.6473
1.0000	1.0000	1.0000	1.0000	1.0000
5.8000	5.8000	5.8000	5.8000	5.8000
5.8000	5.7286	5.7498	5.8000	5.8000
5.8000	5.8000	5.8000	5.8000	5.8000
\$6.3284	\$6.2210	\$6.2177	\$6.2168	\$6.1703
6.4561	6.3679	6.3915	6.4473	6.4473
6.8000	6.8000	6.8000	6.8000	6.8000
\$6.4189	\$6.3159	\$6.3242	\$6.3465	\$6.3267
\$13.2200	\$13.1182	\$13.1866	\$13.1789	\$12.6607
12.9968	12.7845	12.8413	12.8457	12.8153
13.2200	13.2200	13.3200	13.3200	13.3200
52.1165	31.6742	31.5069	31.4601	29.0767
60.1288	44.2358	44.3621	44.6614	44.6610
79.8000	64.8000	64.8000	64.8000	64.8000

(continued)

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

	2018	2017	2016	2015	2014
Cleveland City					
Residential/Agricultural Real	\$12.7000	\$12.7000	\$12.7000	\$12.7000	\$12.7000
Commercial/Industrial and Public Utility Real	12.7000	12.7000	12.7000	12.7000	12.7000
General Business and Public Utility Personal	12.7000	12.7000	12.7000	12.7000	12.7000
Cleveland Metro Parks					
Residential/Agricultural Real	2.7183	2.7112	2.7119	2.7500	2.7500
Commercial/Industrial and Public Utility Real	2.7403	2.7416	2.7500	2.7368	2.7046
General Business and Public Utility Personal	2.7500	2.7500	2.7500	2.7500	2.7500
Cuyahoga Community College					
Residential/Agricultural Real	4.4569	3.9461	3.9428	4.0000	3.1000
Commercial/Industrial and Public Utility Real	4.4860	3.9881	4.0000	3.9906	3.0690
General Business and Public Utility Personal	4.5000	4.0000	4.0000	4.0000	3.1000
Cleveland-Cuyahoga Port Authority					
Residential/Agricultural Real	0.1131	0.1128	0.1127	0.1143	0.1139
Commercial/Industrial and Public Utility Real	0.1171	0.1172	0.1176	0.1127	0.1106
General Business and Public Utility Personal	0.1300	0.1300	0.1300	0.1300	0.1300

Source: Cuyahoga County Fiscal Officer

(1) The 2003 Current Expense levy was renewed in 2013 for 5 years and in 2017 for a continuing period of time.

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

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

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

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

2013	2012	2011	2010	2009
\$12.7000	\$12.7000	\$12.7000	\$12.7000	\$12.7000
12.7000	12.7000	12.7000	12.7000	12.7000
12.7000	12.7000	12.7000	12.7000	12.7000
1.8500	1.8188	1.8106	1.8068	1.6698
1.7917	1.7354	1.7243	1.7249	1.7171
1.8500	1.8500	1.8500	1.8500	1.8500
3.1000	3.0820	3.0765	2.5973	2.3952
3.0606	3.0232	3.0151	2.5814	2.5690
3.1000	3.1000	3.1000	2.8000	2.8000
0.1135	0.1033	0.1029	0.1027	0.0947
0.1098	0.1063	0.1056	0.1056	0.1051
0.1300	0.1300	0.1300	0.1300	0.1300

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

Collection Year	Current Tax Levy	Delinquent Tax Levy	Total Tax Levy(1)	Current Tax Collections(1)	Percent of Current Tax Collections To Current Tax Levy
2018	\$30,881,801	\$11,252,069	\$42,133,870	\$27,140,641	87.89%
2017	30,212,972	11,241,386	41,454,358	26,846,522	88.86
2016	29,683,447	9,018,062	38,701,509	25,896,763	87.24
2015	32,374,715	18,685,988	51,060,703	25,658,916	79.26
2014	31,834,150	18,913,775	50,747,925	25,367,914	79.69
2013	31,400,469	16,625,756	48,026,225	25,777,415	82.09
2012	36,273,180	20,613,570	56,886,750	27,766,329	76.55
2011	36,030,798	16,598,378	52,629,176	28,444,975	78.95
2010	35,991,178	13,553,969	49,545,147	29,150,761	80.99
2009	36,578,166	11,481,786	48,059,952	30,725,823	84.00

Source: Cuyahoga County, Ohio; County Fiscal Officer

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

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

<u>Delinquent Tax Collection (3)</u>	<u>Total Tax Collections(2)(4)</u>	<u>Percent of Total Tax Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes (5)</u>	<u>Percent of Delinquent Taxes to Total Tax Levy</u>
\$2,150,668	\$29,291,309	69.52%	\$12,099,288	28.72 %
1,927,200	28,773,722	69.41	11,173,794	26.95
1,837,697	27,734,460	71.66	11,414,095	29.49
2,295,798	27,954,714	54.75	23,805,985	46.62
2,250,019	27,617,933	54.42	20,759,313	40.91
2,187,411	27,964,826	58.23	18,607,883	38.75
3,134,706	30,901,035	54.32	21,714,946	38.17
2,370,129	30,815,104	58.55	21,137,884	40.16
2,499,862	31,650,623	63.88	16,707,972	33.72
2,271,336	32,997,159	68.66	14,413,534	29.99

Cleveland Public Library
Cuyahoga County
Principal Real Property Taxpayers
2018 and 2009

Taxpayer	2018	
	Real Property Assessed Valuation	Percentage of Total Real Property Assessed Valuation
Cleveland Electric Illuminating Company	\$212,442,850	4.86 %
East Ohio Gas Company	124,001,100	2.84
Cuyahoga County Port Authority	83,891,590	1.92
American Transmission System	79,952,250	1.83
Cleveland Clinic Foundation	64,680,730	1.48
Rock Ohio Ceasars Cleveland LLC	45,641,450	1.04
Cleveland Financial Associates, LLC	45,527,380	1.05
Quintus Landlord LLC	32,900,020	0.75
Hertz Cleveland North Point, LLC	32,801,800	0.75
City of Cleveland	28,764,440	0.66
Total	\$750,603,610	17.18 %
Total Real Property Assessed Valuation	\$4,368,898,550	
Taxpayer	2009	
	Real Property Assessed Valuation	Percentage of Total Real Property Assessed Valuation
Cleveland Clinic Foundation	\$231,940,760	4.18 %
Cleveland Electric Illuminating Company	161,793,280	2.92
City of Cleveland	108,575,090	1.96
Key Center Properties LLC	83,619,320	1.51
Cleveland Financial Associates, LLC	46,967,070	0.85
East Ohio Gas Company	41,294,010	0.74
National City Center LLC	36,419,500	0.66
Hub North Point Properties	33,309,480	0.60
ISG Cleveland Inc.	26,790,930	0.48
Optima One Cleveland	25,857,270	0.47
Total	\$796,566,710	14.37 %
Total Real Property Assessed Valuation	\$5,544,197,890	

Source: Office of the Fiscal Officer Cuyahoga County - 2018 Tax Collection Year;
City of Cleveland CAFR 2009 Tax Collection Year

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

Year	Population (1)	Total Personal Income (2)	Personal Income per Capita (3)	Cleveland Metropolitan School District Enrollment (4)	Unemployment Rates (5)
2018	385,552	\$7,480,094,352	\$19,401	38,645	6.5%
2017	385,810	7,383,245,970	19,137	38,949	6.9
2016	390,584	6,849,671,608	17,537	39,125	6.9
2015	389,524	6,701,760,420	17,205	38,555	6.9
2014	390,106	6,844,409,770	17,545	37,962	8.0
2013	390,923	6,347,025,828	16,236	38,725	9.8
2012	393,806	6,562,776,990	16,665	40,871	9.5
2011	400,787	6,533,629,674	16,302	44,362	10.3
2010	409,833	6,681,097,566	16,302	45,060	11.5
2009	418,879	6,527,391,457	15,583	48,410	10.9

Sources:

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

(This page intentionally left blank)

Cleveland Public Library
Cuyahoga County
Full-Time Equivalent Library Employees by Function/Program
Last Ten Years

Function/Program	2018	2017	2016	2015
Administration and Support				
Director/Deputy Director Office	3.000	5.980	4.000	4.000
Legal Services	2.500	3.500	3.500	3.500
Financial Services	9.500	10.500	10.500	10.500
External Relations and Development Office	4.000	n/a	n/a	n/a
Human Resources	7.533	10.533	10.533	5.363
Public Relations	7.053	6.180	6.000	7.000
Knowledge Office	4.173	4.173	3.200	4.173
Property Management	54.958	48.043	47.363	53.900
Safety and Protective Services	30.262	35.706	27.338	27.911
Information Technology/CLEVNET	19.000	18.000	16.013	17.027
Technical Services	40.423	45.310	48.677	53.047
Public Services				
Branches				
Branch/Outreach Office	1.000	1.000	0.000	1.000
Branch Substitutes	18.487	21.590	23.523	22.243
Library for the Blind	16.509	17.667	18.667	18.667
Mobile Services	5.247	7.237	7.227	6.127
Addison	7.487	7.457	7.520	6.725
Broadway (1)	n/a	n/a	n/a	n/a
Brooklyn	5.200	7.047	7.173	7.100
Carnegie West	7.333	8.037	7.567	7.520
Collinwood	7.007	6.440	8.333	7.320
East 131	6.867	7.327	4.940	4.940
Eastman	9.260	8.933	8.293	9.213
Fleet	8.133	6.767	10.560	8.347
Fulton	5.260	7.473	7.927	8.700
Garden Valley	6.733	6.043	7.047	5.340
Glenville	6.607	8.167	4.930	8.020
Harvard Lee	7.260	6.920	8.867	8.230
Hough	8.207	7.460	7.240	5.480
Jefferson	7.447	9.153	7.153	6.507
Langston Hughes	7.987	7.313	8.773	7.600
Lorain	7.143	6.747	8.210	8.140
Martin Luther King Jr	7.400	6.487	9.193	8.227
Memorial Nottingham	7.400	7.893	8.900	9.060
Mount Pleasant	6.320	7.740	6.347	6.953
Rice	7.427	8.353	7.873	9.493
Rockport	10.493	8.250	6.633	8.447

2014	2013	2012	2011	2010	2009
3.000	3.000	3.000	3.000	3.000	3.513
1.500	1.500	1.500	1.000	0.000	0.000
10.500	10.500	10.500	8.500	10.000	10.000
n/a	n/a	n/a	n/a	n/a	n/a
4.473	7.420	7.373	7.540	6.480	6.680
7.000	6.000	6.000	6.000	12.627	7.440
3.173	3.307	4.307	4.307	4.267	3.307
55.603	51.703	53.297	49.363	47.993	47.765
21.011	21.817	23.423	19.987	18.820	23.000
14.980	18.080	18.030	19.000	19.000	18.920
53.153	53.347	55.520	57.810	56.083	63.715
1.000	2.000	2.000	2.000	2.000	3.000
17.807	15.127	8.937	8.073	7.327	16.847
16.451	19.360	18.933	20.293	18.340	16.327
6.780	5.560	7.040	6.330	6.347	5.600
6.367	8.613	8.106	7.627	6.573	7.753
n/a	n/a	n/a	2.000	1.600	1.600
6.467	6.893	6.753	6.677	5.013	7.093
6.693	8.147	7.220	7.320	9.080	9.033
5.860	7.820	7.920	7.880	5.627	5.620
6.623	4.533	5.520	6.520	6.007	7.520
8.283	9.227	8.973	9.200	9.820	8.040
8.133	9.580	9.546	7.073	8.227	8.413
9.087	8.173	7.553	6.400	8.107	8.213
5.113	5.820	4.420	5.387	3.647	4.007
7.080	7.740	7.753	6.887	7.679	7.443
7.900	8.140	7.433	7.667	8.437	8.627
7.947	7.660	6.793	6.920	7.113	8.580
5.873	6.227	5.780	7.140	5.120	7.420
6.713	6.760	6.490	7.907	6.520	5.733
6.133	6.371	4.765	7.840	4.973	6.820
7.793	7.967	7.793	7.803	7.693	6.960
7.277	8.653	7.273	8.273	8.320	8.155
7.713	7.667	5.653	6.520	8.067	7.053
9.227	9.257	8.960	9.133	8.720	8.217
9.133	9.297	6.873	9.493	9.253	10.113

(continued)

Cleveland Public Library
Cuyahoga County
Full-Time Equivalent Library Employees by Function/Program (continued)
Last Ten Years

Function/Program	2018	2017	2016	2015
South	8.213	8.060	8.200	7.247
South Brooklyn	7.873	10.033	9.853	8.133
Sterling	7.753	6.773	6.960	7.087
Union	7.320	7.727	7.000	7.840
Walz	8.303	8.190	6.857	7.493
West Park	11.667	10.040	11.053	9.400
Woodland	7.280	7.327	8.100	6.307
Programming and Outreach Services	11.747	9.000	9.000	9.000
Main Library				
Main Library Office	2.000	6.000	4.000	4.007
Audio Video/Lending	13.589	14.677	13.937	14.960
Business Economics Labor	8.453	8.453	8.453	8.320
Cleveland Digital Public Library	7.453	6.693	6.320	7.000
Fine Arts/Special Collections	8.747	9.040	7.453	9.067
Foreign Literature	7.127	6.570	6.460	6.820
General Reference	0.000	0.000	0.000	0.000
Government Documents	2.000	2.000	2.000	1.980
Center for Local and Global History	7.960	8.093	7.453	6.960
Literature	8.400	8.320	9.503	9.087
Popular Library	8.693	8.427	8.613	8.453
Public Administration Library	2.747	2.747	2.747	2.720
Science and Technology	5.773	5.773	5.840	6.440
Social Sciences	7.907	6.773	6.700	8.653
TechCentral	17.997	15.733	14.733	14.153
Youth Services	6.453	5.173	5.427	8.213
Shelf Office and Pages	15.993	14.850	15.443	17.483
Know It Now	0.000	0.000	0.000	0.000
Totals:	572.064	581.898	572.125	582.643

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

(1) Broadway Branch closed permanently in November, 2012.

2014	2013	2012	2011	2010	2009
7.707	6.717	7.747	6.880	7.927	7.840
9.020	9.247	9.507	9.333	10.153	10.190
7.780	7.607	8.847	9.420	8.867	7.973
6.753	6.693	7.920	7.973	5.973	7.826
8.120	7.913	8.020	7.050	8.373	7.947
10.167	9.800	9.227	10.293	11.893	10.810
7.727	8.760	7.507	6.813	8.290	8.827
9.183	9.133	6.053	5.000	0.000	4.000
5.000	4.000	6.073	5.633	4.380	1.260
12.500	16.493	16.467	15.530	21.417	26.727
6.453	6.320	9.907	13.533	11.067	14.067
1.000	n/a	n/a	n/a	n/a	n/a
9.280	8.140	8.280	10.000	10.000	12.000
6.890	5.407	5.377	5.533	6.000	7.000
0.000	0.000	0.000	1.000	9.000	12.837
2.000	3.453	4.000	4.000	4.000	5.000
5.773	7.547	9.000	11.000	10.000	13.000
8.990	9.153	8.717	6.000	7.067	6.067
9.227	10.697	11.630	8.067	4.533	4.000
2.000	3.000	3.000	3.000	3.000	3.000
5.587	10.447	10.060	9.000	9.000	12.851
8.533	8.807	8.853	8.000	8.497	11.000
12.733	10.053	10.133	0.000	0.000	0.000
7.187	7.480	6.587	4.213	3.773	6.753
17.990	19.596	19.677	30.882	29.116	31.905
1.000	2.000	2.000	2.000	2.000	2.000
<u>550.446</u>	<u>571.729</u>	<u>566.026</u>	<u>565.023</u>	<u>562.206</u>	<u>613.407</u>

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

Branch	2018	2017	2016	2015	2014
Addison (8,000 sq ft) (1)					
<i>Built 1990</i>					
Circulation	80,363	86,379	101,419	112,002	136,577
Attendance	29,962	60,211	63,704	62,146	72,321
Collection Count	16,847	17,838	18,224	19,302	22,489
Broadway (1,150 sq ft)					
<i>Leased space 1988-Nov. 2012</i>					
Circulation	0	0	0	0	0
Attendance	0	0	0	0	0
Collection Count	0	0	0	0	0
Brooklyn (5,500 sq ft)					
<i>Built 1919; renovated 1985</i>					
Circulation	60,174	52,776	65,510	71,635	81,878
Attendance	38,517	43,043	47,569	42,045	49,522
Collection Count	20,421	20,245	22,346	21,032	20,424
Carnegie West (28,600 sq ft) (1)					
<i>Built 1910; renovated 1979</i>					
Circulation	117,148	137,434	146,365	152,838	168,320
Attendance	80,252	107,785	122,842	186,622	180,128
Collection Count	25,233	25,641	25,881	25,910	28,095
Collinwood (15,800 sq ft) (1)					
<i>Built 1928; renovated 1980</i>					
Circulation	66,383	62,900	82,789	94,094	108,760
Attendance	44,626	66,780	87,695	80,249	88,168
Collection Count	17,822	20,517	19,935	18,499	19,639
East 131st Street (15,800 sq ft)					
<i>Built 1929; renovated 1979</i>					
Circulation	52,780	45,036	48,829	54,812	66,857
Attendance	84,987	86,016	85,552	89,041	88,142
Collection Count	14,113	15,573	15,686	15,449	15,510

2013	2012	2011	2010	2009
148,587	152,724	183,093	165,748	193,211
87,776	83,010	72,606	82,899	103,824
23,561	25,497	29,393	30,657	42,308
0	35,715	40,743	42,610	46,814
0	18,421	18,073	20,222	26,825
0	7,048	9,263	10,549	12,002
93,016	109,167	108,922	102,816	115,152
57,609	55,694	54,761	51,590	56,126
20,200	22,776	23,857	28,523	32,576
176,688	172,840	164,735	155,513	157,946
195,576	205,429	225,437	230,345	261,572
29,823	34,866	40,673	46,274	51,523
121,966	127,053	126,298	131,518	153,531
90,422	83,473	85,807	93,265	113,400
20,800	23,148	28,781	31,649	32,220
66,903	69,715	70,499	58,053	67,661
93,792	89,047	81,120	78,275	80,580
15,299	15,635	17,497	18,833	28,804

(continued)

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

Branch	2018	2017	2016	2015	2014
Eastman (11,400 sq ft)					
<i>Built 1980</i>					
Circulation	193,619	180,473	226,088	237,722	252,785
Attendance	108,204	118,387	126,228	122,151	138,529
Collection Count	37,754	40,408	42,741	42,908	43,595
Fleet (9,000 sq ft)					
<i>Built 1981</i>					
Circulation	127,396	115,355	141,271	145,846	169,136
Attendance	97,854	105,435	118,577	119,480	130,267
Collection Count	19,373	18,795	22,801	25,227	29,961
Fulton (8,600 sq ft) (1)					
<i>Built 1983</i>					
Circulation	91,708	124,556	161,960	133,075	173,058
Attendance	64,340	85,714	100,576	87,485	94,896
Collection Count	27,419	32,252	32,144	32,487	31,230
Garden Valley (3,500 sq ft)					
<i>Current leased space since 2008</i>					
Circulation	39,134	37,459	41,403	40,390	46,944
Attendance	49,763	43,661	49,739	51,861	62,097
Collection Count	12,294	13,441	14,083	13,069	12,453
Glenville (13,100 sq ft) (1)					
<i>Built 1980</i>					
Circulation	62,387	62,464	71,700	79,301	98,786
Attendance	43,979	59,998	73,488	96,826	79,139
Collection Count	16,903	16,957	16,801	17,814	20,149
Harvard-Lee (8,700 sq ft) (1)					
<i>Built 1979</i>					
Circulation	70,733	89,276	108,056	110,474	109,856
Attendance	57,902	92,044	90,783	91,217	111,718
Collection Count	17,973	20,457	21,828	20,992	23,397

2013	2012	2011	2010	2009
275,432	237,030	233,862	253,399	234,441
154,703	146,598	145,027	158,413	165,202
45,974	48,870	57,036	58,776	66,092
202,290	189,166	161,990	172,568	179,584
148,426	132,180	126,141	126,041	137,207
33,306	38,144	36,541	43,899	54,045
168,345	146,168	148,064	139,260	121,787
108,588	95,501	95,188	89,996	87,062
30,972	34,575	33,646	40,783	44,004
59,956	65,016	57,095	57,283	55,655
57,048	57,209	61,805	77,338	85,585
13,888	15,753	18,265	18,353	20,219
110,936	114,105	106,841	93,225	111,254
90,166	98,117	92,186	102,634	112,256
24,067	25,550	29,907	30,762	37,971
126,524	122,280	122,398	120,253	128,116
114,108	101,518	105,375	113,229	145,985
24,408	27,090	32,111	38,533	41,838

(continued)

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

Branch	2018	2017	2016	2015	2014
Hough (7,800 sq ft)					
<i>Opened 1988</i>					
Circulation	67,609	51,490	58,685	55,843	63,285
Attendance	79,501	85,117	84,588	122,906	137,401
Collection Count	15,349	15,818	17,329	18,037	18,990
Jefferson (6,900 sq ft) (1)					
<i>Opened 1988</i>					
Circulation	55,265	74,916	82,825	90,390	98,087
Attendance	36,830	58,264	62,903	81,428	87,303
Collection Count	18,887	19,549	21,191	20,969	21,804
Langston Hughes (8,200 sq ft) (1)					
<i>Built 1998</i>					
Circulation	81,218	73,011	80,797	81,435	95,843
Attendance	67,000	82,558	93,911	80,755	88,849
Collection Count	27,774	28,181	29,060	29,789	30,423
Lorain (8,400 sq ft) (1)					
<i>Built 1912; renovated 1985</i>					
Circulation	65,378	81,754	106,911	121,259	138,404
Attendance	52,621	77,254	82,937	85,244	102,420
Collection Count	18,549	19,377	21,541	22,991	25,194
Martin Luther King, Jr. (17,100 sq ft)					
<i>Built 1970</i>					
Circulation	66,113	63,865	97,004	111,278	137,547
Attendance	56,519	72,756	93,191	87,340	83,444
Collection Count	32,033	29,943	30,819	30,784	31,348
Memorial-Nottingham (15,000 sq ft)					
<i>Built 1994 (part of Lake Shore Facility)</i>					
Circulation	142,480	127,723	147,556	151,140	179,584
Attendance	64,092	64,871	68,682	62,578	77,104
Collection Count	28,530	34,545	33,660	31,480	27,984

2013	2012	2011	2010	2009
64,411	75,257	79,029	79,190	90,554
129,082	141,340	165,682	167,134	199,235
18,993	20,601	24,552	26,084	30,269
108,194	119,097	125,293	128,916	150,047
96,000	102,675	99,934	101,882	114,345
22,451	25,490	28,551	29,210	31,839
100,666	93,989	94,860	93,283	87,462
87,610	79,427	77,002	83,021	83,897
29,231	32,661	35,069	38,920	49,919
155,842	150,836	150,565	154,786	163,939
108,090	95,338	91,545	93,554	107,712
24,946	31,120	30,220	32,661	35,473
121,465	102,324	108,668	109,211	116,588
75,843	66,561	70,232	76,713	86,799
30,197	35,268	36,275	39,344	48,428
192,810	202,561	210,316	235,004	243,669
102,043	98,491	99,752	110,306	117,742
35,501	41,315	46,714	55,055	58,234

(continued)

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

Branch	2018	2017	2016	2015	2014
Mt. Pleasant (7,200 sq ft)					
<i>Opened 1937; renovated 1981</i>					
Circulation	48,109	39,059	45,614	55,307	71,723
Attendance	40,883	48,421	63,524	68,259	77,113
Collection Count	11,580	12,121	12,986	15,793	16,514
Rice (14,000 sq ft)					
<i>Built 2010</i>					
Circulation	123,286	109,544	126,498	148,329	150,738
Attendance	110,788	127,143	138,261	151,848	142,561
Collection Count	24,305	31,109	32,047	33,809	34,671
Rockport (9,200 sq ft)					
<i>Built 1964</i>					
Circulation	198,044	180,751	202,054	221,849	252,301
Attendance	88,030	96,452	119,422	118,786	144,589
Collection Count	32,466	31,277	41,805	48,493	50,142
South (12,300 sq ft) (2)					
<i>Built 1911; Deactivated 2013</i>					
<i>Leased space (3,688 sq ft)</i>					
<i>March 16, 2013 - November 30, 2018</i>					
<i>Reopened December 1, 2018</i>					
Circulation	95,162	85,866	100,821	101,020	115,694
Attendance	56,800	66,931	75,395	79,649	92,489
Collection Count	24,945	14,355	14,877	13,054	14,558
South Brooklyn (10,300 sq ft)					
<i>Built 1979</i>					
Circulation	183,583	178,078	209,087	223,700	260,635
Attendance	131,207	120,438	172,095	149,791	155,588
Collection Count	28,988	29,368	31,068	33,472	36,388
Sterling (6,500 sq ft)					
<i>Built 1913</i>					
Circulation	57,254	49,849	55,107	60,122	75,031
Attendance	88,992	102,649	121,163	105,686	130,795
Collection Count	15,292	16,010	17,662	18,169	18,846

2013	2012	2011	2010	2009
86,345	88,262	87,799	81,055	102,589
76,344	74,666	78,651	95,700	114,814
16,684	18,693	21,560	24,995	29,498
172,793	167,245	162,701	162,102	111,884
172,424	154,018	167,460	186,074	83,500
35,447	37,940	36,791	36,800	37,224
270,933	285,134	283,241	279,868	286,142
126,890	133,446	156,020	135,152	147,788
50,013	55,824	55,524	58,071	63,564
116,207	111,598	118,840	111,899	137,454
93,752	100,919	103,510	108,352	117,638
24,643	28,361	31,000	29,993	33,635
281,803	268,634	266,329	288,142	309,970
160,347	160,946	170,091	198,337	207,059
44,421	47,523	48,503	50,941	63,641
87,722	88,728	75,907	80,008	90,383
150,035	145,837	163,086	150,856	153,752
17,962	20,247	19,594	20,166	21,779

(continued)

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

Branch	2018	2017	2016	2015	2014
Union (9,200 sq ft)					
<i>Built 1982</i>					
Circulation	53,702	47,723	68,373	80,675	96,951
Attendance	67,113	63,664	70,096	74,425	76,564
Collection Count	15,017	15,380	16,480	18,902	20,947
Walz (9,600 sq ft)					
<i>Built 1967</i>					
Circulation	148,164	149,395	162,094	170,811	196,782
Attendance	84,709	96,409	103,871	94,375	111,135
Collection Count	29,030	34,411	35,695	36,880	36,590
West Park (14,800 sq ft)					
<i>Built 1928; renovated 1978</i>					
Circulation	208,714	200,895	235,179	249,414	264,864
Attendance	92,789	86,837	108,273	104,242	117,319
Collection Count	37,646	40,060	41,347	41,113	40,403
Woodland (15,300 sq ft)					
<i>Built 1961</i>					
Circulation	87,637	85,363	103,505	112,507	127,833
Attendance	91,696	104,762	93,371	84,897	92,658
Collection Count	18,306	19,365	21,877	22,263	23,298

2013	2012	2011	2010	2009
106,419	100,938	85,174	74,070	100,586
72,932	86,900	99,934	122,880	151,247
23,698	26,685	30,539	35,779	37,727
230,606	215,055	217,726	212,027	213,129
125,542	112,276	123,982	127,387	139,167
38,555	43,779	46,408	48,132	52,408
283,683	296,712	309,415	341,010	361,682
120,237	127,672	128,117	144,524	154,877
47,567	59,470	60,553	60,127	63,011
151,815	133,857	126,053	84,378	124,183
94,415	90,254	94,435	65,589	92,582
24,098	26,181	29,290	29,077	35,888

Cleveland Public Library
Cuyahoga County
Capital Assets Statistics by Main Library, Lake Shore Facility and Woodland Annex
Last Ten Years

Facility	2018	2017	2016	2015	2014
Main Library (2 buildings)					
Main Building (261,223 sq ft)					
<i>Built 1925; renovated 1999</i>					
Louis Stokes Wing (267,981 sq ft)					
<i>Built 1997</i>					
Circulation	1,475,972	1,280,659	1,385,667	1,485,679	1,585,841
Attendance	401,805	444,807	449,613	485,570	524,934
Collection Count	9,956,603	9,913,712	9,879,685	9,860,853	9,810,719

Lake Shore Facility (147,200 sq ft)
Opened 1994 in school converted to new use

Houses:

- Memorial-Nottingham Branch
- Ohio Library for the Blind and Physically Disabled
- Technical Services
- Book Storage
- Meeting Rooms
- Training Center
- Auditorium
- Stock Room

Woodland Annex (28,500 sq ft)
Added 2010 to Woodland Branch

Houses:

- Offices for Mobile Services
- Garage for bookmobile and literacy van

Source: Cleveland Public Library; Knowledge Office

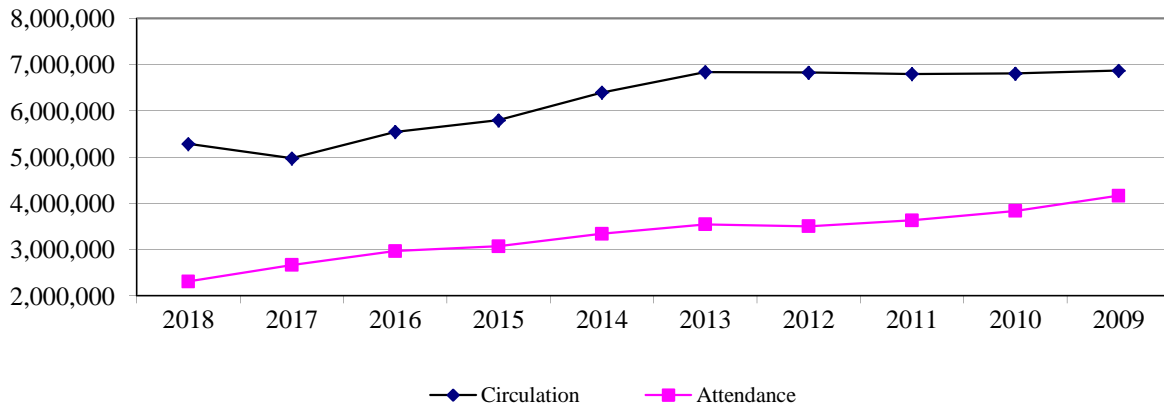
- (1) In 2018, the Branch Revitalization Project addressed critical repairs to nine branches located throughout the Library system. Branches were closed for approximately six to nine weeks.
- (2) In 2018, the South Branch Renovation Project increased square footage from 9,500 to 12,300.

2013	2012	2011	2010	2009
1,726,353	1,852,676	1,908,246	1,975,622	1,988,704
548,562	559,239	570,007	636,500	709,628
9,785,000	9,843,117	9,883,327	10,102,807	10,330,987

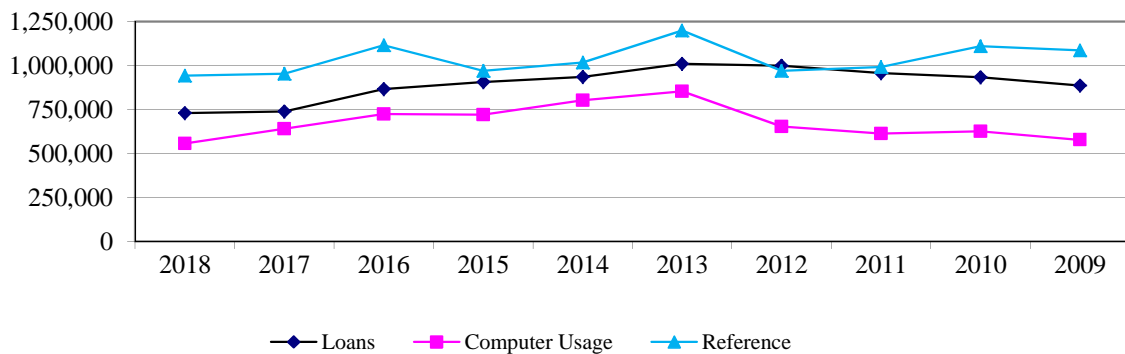
Cleveland Public Library
Cuyahoga County
Operating Indicators
Last Ten Years

	2018	2017	2016	2015	2014
Total Circulation for System (1)	5,288,250	4,976,511	5,546,909	5,800,972	6,399,116
Total Attendance for System (2)	2,311,761	2,668,407	2,968,049	3,071,819	3,344,078
Loans to Other Library Systems	729,145	739,395	865,686	906,581	935,317
Computer Usage (in hours)	556,924	640,544	724,204	721,082	802,117
Reference Transactions	942,560	954,036	1,115,972	969,699	1,016,860

Circulation and Attendance



Loans to Other Library Systems, Computer Usage and Reference Transactions



Source: Cleveland Public Library; Knowledge Office

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

(2) Includes the Bookmobile

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
6,840,905	6,830,416	6,799,839	6,809,003	6,873,457
3,545,705	3,505,208	3,632,365	3,836,924	4,166,169
1,009,506	999,060	957,465	933,529	886,602
853,698	653,634	613,302	625,970	577,613
1,199,098	969,752	991,381	1,110,555	1,085,588

(This page intentionally left blank)

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

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

Cleveland Public Library

325 Superior Ave.
Cleveland, OH 44114

Phone: 216.623.2800
Email: information@cpl.org
Web: www.cpl.org

This page intentionally left blank.

OHIO AUDITOR OF STATE
KEITH FABER



CLEVELAND PUBLIC LIBRARY

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 16, 2019**