

WICKLIFFE PUBLIC LIBRARY

LAKE COUNTY, OHIO

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023





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Columbus, Ohio 43215
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800-282-0370

Board of Trustees
Wickliffe Public Library
1713 Lincoln Rd
Wickliffe, OH 44092

We have reviewed the *Independent Auditor's Report* of the Wickliffe Public Library, Lake County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2023 through December 31, 2024. 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 Wickliffe Public Library is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

September 18, 2025

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Wickliffe Public Library
Lake County
For the Years Ended December 31, 2024 and 2023

Table of Contents

Title	Page
Independent Auditor’s Report.....	1
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types - For the Year Ended December 31, 2024.....	4
Notes to the Financial Statements –2024.....	5
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types – For the Year Ended December 31, 2023.....	13
Notes to the Financial Statements –2023.....	14
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters By <i>Government Auditing Standards</i>	22

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Charles E. Harris & Associates, Inc.

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INDEPENDENT AUDITOR'S REPORT

Wickliffe Public Library
Lake County
1713 Lincoln Rd
Wickliffe, OH 44092

To the Board of Trustees:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Wickliffe Public Library, Lake County, Ohio (the Library), which comprise the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Library, as of December 31, 2024 and 2023, or the changes in financial position thereof for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Library, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2025, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Library's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.

June 24, 2025

Wickliffe Public Library
Lake County
Combined Statement of Receipts, Disbursements, and Changes in
Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2024

	General	Capital Projects	Totals (Memorandum Only)
Cash Receipts			
Property and Other Local Taxes	\$ 643,424	\$ -	\$ 643,424
Public Library	863,782	-	863,782
Intergovernmental	78,658	-	78,658
Patron Fines and Fees	17,053	-	17,053
Contributions, Gifts and Donations	1,320	-	1,320
Earnings on Investments	188,514	-	188,514
Miscellaneous	41,929	-	41,929
<i>Total Cash Receipts</i>	<u>1,834,680</u>	<u>-</u>	<u>1,834,680</u>
Cash Disbursements			
Current:			
Library Services:			
Public Service and Programs	612,334	-	612,334
Collection Development and Processing	213,633	-	213,633
Support Services:			
Facilities Operation and Maintenance	88,093	-	88,093
Information Services	76,865	-	76,865
Business Administration	304,335	-	304,335
Capital Outlay	16,431	377,284	393,715
<i>Total Cash Disbursements</i>	<u>1,311,691</u>	<u>377,284</u>	<u>1,688,975</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	522,989	(377,284)	145,705
Other Financing Receipts (Disbursements)			
Transfers In	-	550,000	550,000
Transfers Out	(550,000)	-	(550,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(550,000)</u>	<u>550,000</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	(27,011)	172,716	145,705
<i>Fund Cash Balances, January 1</i>	<u>3,165,596</u>	<u>1,762,286</u>	<u>4,927,882</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 3,138,585</u></u>	<u><u>\$ 1,935,002</u></u>	<u><u>\$ 5,073,587</u></u>

See notes to the financial statements

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 – Reporting Entity

The Wickliffe Public Library, Lake County, Ohio, (the Library) was organized as a school district public library in 1936 under the laws of the State of Ohio. The Library system has one main branch which is located at 1713 Lincoln Road, Wickliffe, Ohio 44092. The Library has its own Board of Trustees of seven members who are appointed by the Wickliffe City 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 of 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 (“ORC”) 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 Wickliffe City School District Board of Education, although the Board of Education serves in a ministerial capacity as the taxing authority for the Library. The determination to request approval of a tax levy, 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 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 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 Wickliffe City School District. Component units are legally separate organizations for which the Library is financially accountable. The Library is financially accountable for an organization if the Library appoints a voting majority of the organization's governing board and (1) the Library is able to significantly influence the programs or services performed or provided by the organization; or (2) the Library is legally entitled to or can otherwise access the organization's resources; the Library is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Library is obligated for the debt of the organization. The Library is also financially accountable for any organizations for which the Library approves the budget, the issuance of debt or the levying of taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Library, are accessible to the Library and are significant in amount to the Library. The Library has no component units.

Wickliffe Public Library Foundation is a non-for-profit organization with self-appointed boards. The Library is not financially accountable for the organization, nor does the Library approve the budget or the issuance of debt of the organization. Therefore, this organizations has been excluded from the reporting entity of the Library.

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

Basis of Presentation

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

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

Fund Accounting

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

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Library for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

Building Improvement Fund The building improvement fund accounts for monies set aside by the Board of Library Trustees specifically for the purpose of repairing, improving, furnishing and equipping the existing library facility.

Automation Fund The automation fund accounts for monies set aside by the Board of Library Trustees specifically for computer technology system upgrades and enhancements.

Basis of Accounting

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

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

Budgetary Process

All funds are legally required to be appropriated. The appropriations resolution is the Trustee's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the Trustees. The legal level of control has been established at the fund and character or major category of the object code level for all funds. Budgetary modifications at the legal level of control may only be made by resolution of the Board of Library Trustees.

A summary of 2024 budgetary activity appears in Note 3.

Deposits and Investments

The Library's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

The Library values U.S. Treasury Notes at cost. Money market mutual funds are recorded at share values the mutual funds report. During 2024, investments were a Certificates of Deposit, United States Treasury notes, and Victory Federal Money Market Mutual Fund. These investments were recorded at cost.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Investment revenue credited to the General Fund during 2024 amounted to \$188,514.

Capital Assets

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

Accumulated Leave

The Library employees may qualify for sick time based upon employee handbook guidelines. In certain circumstances; such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Library's basis of accounting.

Leases

The Library is the lessee in a lease (as defined by GASB 87) related to equipment under noncancelable leases. Lease disbursements are recognized when they are paid.

SBITA

The Library has entered into noncancelable Subscription-Based Information Technology Arrangements (SBITA) contracts (as defined by GASB 96) for several types of software including contracts related to financial systems. Subscription disbursements are recognized when they are paid.

Fund Balance

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

Nonspendable The Library classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Library.

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

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

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 9.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2024 follows:

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted	Actual	Variance
	Receipts	Receipts	
General	\$ 1,823,481	\$ 1,834,680	\$ 11,199
Capital Projects	550,000	550,000	-

2024 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation	Budgetary	Variance
	Authority	Disbursements	
General	\$ 2,224,637	\$ 1,875,465	\$ 349,172
Capital Projects	842,250	381,003	461,247

Note 4 – Deposits and Investments

To improve cash management, cash received by the Library is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash, deposits and investments at December 31, 2024 was as follows:

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 4 – Deposits and Investments (continued)

	2024
Demand deposits	\$ 852,286
Petty Cash	80
Certificates of deposit	500,000
Total deposits	1,352,366
Treasury Notes	2,504,280
Money Market Mutual Fund	1,216,941
Total investments	3,721,221
Total deposits and investments	<u>\$ 5,073,587</u>

The Library does not use a payroll clearing account. The expenditures included in the accompanying financial statement reflects net payroll plus all remitted payroll withholdings. At December 31, 2024, the Library is holding \$7,032 in unremitted employee payroll withholdings.

Deposits

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

Investments

The federal reserve holds the Library's U.S. Treasury Notes in book entry form, in the name of the Library's financial institution. The financial institution maintains records identifying the Library as owner of these securities. Investments in mutual funds are not evidenced by securities that exist in physical or book-entry form.

Note 5 – Grants In Aid and Property Taxes

Grants in Aid

The primary source of revenue for Ohio public libraries is the Public Library Fund (PLF). The State allocates PLF to each county based on the total tax revenue credited to the State's general revenue fund during the preceding month using the statutory allocation method. Estimated entitlement figures were issued to County Auditors. The actual current year entitlements were computed in December of the current year. The difference between the estimate and actual will be adjusted evenly in the PLF distributions made from January-June of the subsequent year.

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 5 – Grants In Aid and Property Taxes (continued)

Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Wickliffe City School District. Real property tax receipts received in 2024 represent the collection of 2023 taxes. Real property taxes received in 2023 were levied after October 1, 2024, on the assessed values as of January 1, 2024, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20.

Public utility are also taxed on personal property located within the taxing district. Tax receipts received in 2024 represent the collection of 2023 taxes and became a lien on December 31, 2023, were levied after October 1, 2023. Public utility real property is assessed at 25 percent of true on average.

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

Note 6 – 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. During 2024, the Library contracted with several companies for various types of insurance coverage as follows:

<u>Company</u>	<u>Type of Coverage</u>	<u>Amount of Coverage</u>
Westfield Companies	Commercial Property	\$6,399,670
	Earthquake Coverage	5,964,246
	Valuable Papers	2,500,000
	General Liability	1,000,000
	Vehicle	1,000,000
	Flood Coverage	825,000
	Personal Property	294,750
	Computer Equipment	100,000
	Business Income	60,000
	Employee theft	25,000
	Umbrella Coverage	5,000,000
Ohio Farmers Insurance Co.	Fiscal Officer/Treasurers Bond	50,000
Chubb Group – Federal Insurance	Errors and Omissions	3,000,000
Cincinnati Insurance Co.	Boiler and Machinery	6,532,500

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 6 – Risk Management (continued)

Workers' Compensation

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 System administers and pays all claims.

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10%, of their gross salaries and the Library contributed an amount equaling 14%, of participants' gross salaries. The Library has paid all contributions required through December 31, 2024.

Note 8 – Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2024, this portion of employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2024, the portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 9 – Fund Balances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilities effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Capital	
		Projects	Total
Outstanding Encumbrances	\$ 13,774	\$ 3,719	\$ 17,493

The fund balance of capital projects funds are restricted, committed, or assigned. These restricted, committed, and assigned amounts in the capital projects include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 10 – Contingent Liabilities

The Library may be a defendant in a lawsuit. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Library's financial condition.

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

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

	General	Capital Projects	Totals (Memorandum Only)
Cash Receipts			
Property and Other Local Taxes	\$ 633,818	\$ -	\$ 633,818
Public Library	909,662	-	909,662
Intergovernmental	77,915	-	77,915
Patron Fines and Fees	15,720	-	15,720
Contributions, Gifts and Donations	685	-	685
Earnings on Investments	125,438	-	125,438
Miscellaneous	48,031	-	48,031
<i>Total Cash Receipts</i>	<u>1,811,269</u>	<u>-</u>	<u>1,811,269</u>
Cash Disbursements			
Current:			
Library Services	1,283,694	-	1,283,694
Capital Outlay	8,796	457,328	466,124
<i>Total Cash Disbursements</i>	<u>1,292,490</u>	<u>457,328</u>	<u>1,749,818</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	518,779	(457,328)	61,451
Other Financing Receipts (Disbursements)			
Transfers In	-	550,000	550,000
Transfers Out	(550,000)	-	(550,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(550,000)</u>	<u>550,000</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	(31,221)	92,672	61,451
<i>Fund Cash Balances, January 1</i>	<u>3,196,817</u>	<u>1,669,614</u>	<u>4,866,431</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 3,165,596</u>	<u>\$ 1,762,286</u>	<u>\$ 4,927,882</u>

See notes to the financial statements

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 – Reporting Entity

The Wickliffe Public Library, Lake County, Ohio, (the Library) was organized as a school district public library in 1936 under the laws of the State of Ohio. The Library system has one main branch which is located at 1713 Lincoln Road, Wickliffe, Ohio 44092. The Library has its own Board of Trustees of seven members who are appointed by the Wickliffe City 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 of 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 (“ORC”) 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 Wickliffe City School District Board of Education, although the Board of Education serves in a ministerial capacity as the taxing authority for the Library. The determination to request approval of a tax levy, 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 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 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 Wickliffe City School District. Component units are legally separate organizations for which the Library is financially accountable. The Library is financially accountable for an organization if the Library appoints a voting majority of the organization's governing board and (1) the Library is able to significantly influence the programs or services performed or provided by the organization; or (2) the Library is legally entitled to or can otherwise access the organization's resources; the Library is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Library is obligated for the debt of the organization. The Library is also financially accountable for any organizations for which the Library approves the budget, the issuance of debt or the levying of taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Library, are accessible to the Library and are significant in amount to the Library. The Library has no component units.

Wickliffe Public Library Foundation is a non-for-profit organization with self-appointed boards. The Library is not financially accountable for the organizations, nor does the Library approve the budget or the issuance of debt of the organizations. Therefore, these organizations have been excluded from the reporting entity of the Library. 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

Basis of Presentation

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

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

Fund Accounting

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

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

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

Building Improvement Fund The building improvement fund accounts for monies set aside by the Board of Library Trustees specifically for the purpose of repairing, improving, furnishing and equipping the existing library facility.

Automation Fund The automation fund accounts for monies set aside by the Board of Library Trustees specifically for computer technology system upgrades and enhancements.

Accounting Basis

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

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

Budgetary Process

All funds are legally required to be appropriated. The appropriations resolution is the Trustee's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the Trustees. The legal level of control has been established at the fund and character or major category of the object code level for all funds. Budgetary modifications at the legal level of control may only be made by resolution of the Board of Library Trustees.

A summary of 2023 budgetary activity appears in Note 3.

Deposits and Investments

The Library's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

The Library values U.S. Treasury Notes at cost. Money market mutual funds are recorded at share values the mutual funds report. During 2023, investments were a Certificates of Deposit, United States Treasury notes, and Victory Federal Money Market Mutual Fund. These investments were recorded at cost.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Investment revenue credited to the general fund during 2023 amounted to \$125,438.

Capital Assets

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

Accumulated Leave

The Library employees may qualify for sick time based upon employee handbook guidelines. In certain circumstances; such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Library's basis of accounting.

Leases

The Library is the lessee in a lease (as defined by GASB 87) related to equipment under noncancelable leases. Lease disbursements are recognized when they are paid.

SBITA

The Library has entered into noncancelable Subscription-Based Information Technology Arrangements (SBITA) contracts (as defined by GASB 96) for several types of software including contracts related to financial systems. Subscription disbursements are recognized when they are paid.

Fund Balance

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

Nonspendable The Library classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Library.

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

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

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 9.

Note 3 – Budgetary Activity

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

2023 Budgeted vs. Actual Receipts			
	Budgeted	Actual	
Fund Type	Receipts	Receipts	Variance
General	\$ 1,706,482	\$ 1,811,269	\$ 104,787
Capital Projects	250,000	550,000	300,000

2023 Budgeted vs. Actual Budgetary Basis Disbursements			
	Appropriation	Budgetary	
Fund Type	Authority	Disbursements	Variance
General	\$ 2,265,278	\$ 1,859,438	\$ 405,840
Capital Projects	815,898	788,341	27,557

Note 4 – Deposits and Investments

To improve cash management, cash received by the Library is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash, deposits and investments at December 31, 2024 was as follows:

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 4 – Deposits and Investments (continued)

	<u>2023</u>
Demand deposits	\$ 319,812
Petty Cash	80
Certificates of deposit	<u>1,250,000</u>
Total deposits	1,569,892
 Treasury Notes	 1,994,746
Money Market Mutual Fund	<u>1,363,244</u>
Total investments	<u>3,357,990</u>
 Total deposits and investments	 <u>\$ 4,927,882</u>

The Library does not use a payroll clearing account. The expenditures included in the accompanying financial statement reflects net payroll plus all remitted payroll withholdings. At December 31, 2023, the Library is holding \$5,733 in unremitted employee payroll withholdings.

Deposits

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

Investments

The federal reserve holds the Library's U.S. Treasury Notes in book entry form, in the name of the Library's financial institution. The financial institution maintains records identifying the Library as owner of these securities. Investments in mutual funds are not evidenced by securities that exist in physical or book-entry form.

Note 5 – Grants In Aid and Property Taxes

Grants in Aid

The primary source of revenue for Ohio public libraries is the Public Library Fund (PLF). The State allocates PLF to each county based on the total tax revenue credited to the State's general revenue fund during the preceding month using the statutory allocation method. Estimated entitlement figures were issued to County Auditors. The actual current year entitlements were computed in December of the current year. The difference between the estimate and actual will be adjusted evenly in the PLF distributions made from January-June of the subsequent year.

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 5 – Grants In Aid and Property Taxes (continued)

Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Wickliffe City School District. Real property tax receipts received in 2023 represent the collection of 2022 taxes. Real property taxes received in 2022 were levied after October 1, 2023, on the assessed values as of January 1, 2023, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20.

Public utility are also taxed on personal property located within the taxing district. Tax receipts received in 2023 represent the collection of 2022 taxes and became a lien on December 31, 2022, were levied after October 1, 2022. Public utility real property is assessed at 25 percent of true on average.

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

Note 6 – 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. During 2023, the Library contracted with several companies for various types of insurance coverage as follows:

<u>Company</u>	<u>Type of Coverage</u>	<u>Amount of Coverage</u>
Westfield Companies	Commercial Property	\$ 5,964,246
	Earthquake Coverage	5,964,246
	Valuable Papers	2,500,000
	General Liability	1,000,000
	Vehicle	1,000,000
	Flood Coverage	825,000
	Personal Property	294,750
	Computer Equipment	100,000
	Business Income	60,000
	Employee theft	25,000
	Umbrella Coverage	5,000,000
Ohio Farmers Insurance Co.	Fiscal Officer/Treasurers Bond	50,000
Chubb Group – Federal Insurance	Errors and Omissions	3,000,000
Cincinnati Insurance Co.	Boiler and Machinery	6,532,500

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 6 – Risk Management (continued)

Workers' Compensation

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 System administers and pays all claims.

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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

Note 8 – Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2023, this portion of employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 9 – Fund Balances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilities effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Capital	
		Projects	Total
Outstanding Encumbrances	\$ 16,948	\$331,013	\$347,961

The fund balance of Capital Projects Funds are restricted, committed, or assigned. These restricted, committed, and assigned amounts in the capital projects include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Wickliffe Public Library
Lake County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 10 – Contingent Liabilities

The Library may be a defendant in a lawsuit. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Library's financial condition.

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

Charles E. Harris & Associates, Inc.

Certified Public Accountants

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

Wickliffe Public Library
Lake County
1713 Lincoln Rd
Wickliffe, OH 44092

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type as of and for the years ended December 31, 2024 and 2023 and the related notes to the financial statements of the Wickliffe Public Library, Lake County, (the Library) and have issued our report thereon dated June 24, 2025, wherein we noted the Library followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Library's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control. Accordingly, we do not express an opinion on the effectiveness of the Library's internal control.

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

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


Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Library's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We did note certain matters not requiring inclusion in this report that we reported to the Library's management in a separate letter dated June 24, 2025.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Library's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.

June 24, 2025

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OHIO AUDITOR OF STATE KEITH FABER



WICKLIFFE PUBLIC LIBRARY

LAKE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 9/30/2025

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

This report is a matter of public record and is available online at
www.ohioauditor.gov