

# Comprehensive Annual Financial Report

For the Fiscal Year Ended December 31, 2020



Westerville  
Public Library

Prepared by the Office of Erin Hill, CGFM, Fiscal Officer

126 S. State St. Westerville, Ohio 43081 | 614-882-7277 | [westervillelibrary.org](http://westervillelibrary.org)



OHIO AUDITOR OF STATE  
KEITH FABER



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Board of Trustees  
Westerville School District Library  
126 South State Street  
Westerville, Ohio 43081

We have reviewed the *Independent Auditor's Report* of the Westerville School District Library, Franklin County, prepared by Julian & Grube, Inc., for the audit period January 1, 2020 through December 31, 2020. 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 Westerville School District Library is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

June 21, 2021

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**WESTERVILLE  
PUBLIC LIBRARY**

FRANKLIN COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2020

PREPARED BY THE OFFICE OF:

*ERIN HILL, CGFM  
FISCAL OFFICER*

*126 S. STATE STREET  
WESTERVILLE, OHIO 43081*



# **INTRODUCTORY SECTION**





**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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# Westerville Public Library

June 7, 2021

Citizens who reside in the Westerville City School District  
Members of the Westerville School District Library Board of Trustees

The Comprehensive Annual Financial Report (Financial Report) of the Westerville School District Library (the Library) also commonly referred to as the “Westerville Public Library,” is hereby presented. This Financial Report, for the calendar year ended December 31, 2020, has been prepared using generally accepted accounting principles (GAAP) for governments. It contains financial and statistical data that provide complete and full disclosure of all material aspects of the Library.

Ohio law requires that public offices reporting pursuant to generally accepted accounting principles shall file their reports with the Auditor of the State of Ohio and publish notice of the availability of the financial statements within 150 days of the close of the year. This report is published to fulfill that requirement for the calendar year ended December 31, 2020.

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

Ohio law requires independent audits to be performed on all financial operations of the Library either by the Auditor of State or an independent public accounting firm, if permitted by the Auditor of State. Julian and Grube, Inc., performed the audit for the year ended December 31, 2020. The Independent Auditor’s Report on the basic financial statements is included in the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the Independent Auditor’s Report and provides a narrative introduction, overview, analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

## **PROFILE OF THE GOVERNMENT**

The Library is located in Westerville, and the service area includes Westerville, parts of Columbus, northeast Franklin County and southern Delaware County.

The Library is organized under Ohio State law as a school district public library. A seven-member Board of Trustees governs the Library. Board members hold positions as educators, accountants, attorneys and a variety of other occupations. They come together to apply their knowledge and experience and offer insights to provide management guidance and oversight to the Library.

Under the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14 “The Financial Reporting Entity”, GASB Statement No. 39, “Determining Whether Certain Organizations are Component Units, an amendment of GASB Statement No. 14”, and GASB Statement No. 61 “Omnibus-an amendment of GASB Statements No. 14 and No. 34”, the Library is considered to be a related organization of the Westerville City School District.

The Executive Director is responsible for the administration of the Library, and the Fiscal Officer oversees the Library’s financial affairs. The Board of Trustees has appointed Erin Francoeur to serve as Executive Director and Erin Hill to serve as Fiscal Officer.

The Taxing Authority for the Library is the Westerville City School District Board of Education, but the Library operates under a separate budget with funds derived primarily from the Public Library Fund and a 2.0-mill property tax levy. The Library is fiscally independent of the Westerville City School District Board of Education, although the Board of Education serves in a ministerial capacity as the taxing authority for the Library. The Board of Trustees independently determines whether to request approval of a tax levy and the role and purpose(s) of the levy. If a request is approved, the Board of Education must put the levy on the ballot. There is no potential for the Library to provide a financial benefit or to impose a financial burden on the Board of Education.

## **HISTORY OF THE WESTERVILLE PUBLIC LIBRARY**

In 1930, after a P.T.A. committee recommended the establishment of a public library, the Westerville City Schools Board passed a resolution creating the Westerville Public Library. At the second Library board meeting in August 1930, the Anti-Saloon League, whose headquarters were in Westerville, offered the first floor of the former home of one of their leaders to house the Library. This offer was accepted and on December 15, 1930, the doors to the Westerville Public Library were opened in the former Rev. Purley Baker residence at the corner of Park and Grove Streets. Within two weeks the Library had circulated 809 books and had 885 registered borrowers. This trajectory of growth in service has defined the role of the Library in the community throughout its existence.

By 1933, the Library was outgrowing its first home. The town of Westerville was in the process of remodeling a private home on State Street to house the municipal offices and offered the second floor of this expanded dwelling to the Library. The years while the Library was housed at this location were a period of great activity both in circulation of materials and programming for all ages. Educational programming for youth was a special focus for the Library and early in its history it began story hours for children, a summer reading program and school tours and visits to the Library. A high school “annex” was operated in the school across the street (today Hanby Elementary) in a room supplied with required and recreational reading. However, by 1950, much of the successful programming of the Library had to be curtailed due to lack of space and 6,000 books were stored offsite at the Masonic Temple.

The Westerville voters responded to the call for expanded quarters to resolve this deficiency in space. In November 1947, 73.8% of the votes were cast in favor of a three-mill levy for five years to pay for a new library building. Land was donated on South State Street by the Anti-Saloon League; a new building was erected and dedicated March 1955. In the following decades, new services were added including a bookmobile, photograph collection, film collection, and increased meeting room space.

In 1973, the sole trustee of the Anti-Saloon League donated their old headquarters building to the Library. This structure, located just to the north of the Library, was filled with books and papers which made up an extensive collection of temperance material. The acquisition of this building provided the Library with an opportunity to grow. In 1979, a levy passed, and 17,820 square feet of space was added to the Library and the two buildings were connected in the process.

From the 1980s until today, the Library has been in the forefront of adopting new technologies to better serve the community. This began when the Library’s catalogue moved online to replace the card-filled boxes and computers were provided for the public to search for materials. As growth in use and users continued, the Library turned to several other new technologies in the early 1990s to alleviate the problems associated with a rapidly expanding population. Westerville customers became the first in the state to use self-check-out machines. The Library was the first in Ohio to offer full internet access to patrons via the World Wide Web. The Library partnered with several businesses to develop a revolutionary new product called “The Library Channel.” This new internet interface made it possible for librarians to select reliable and valuable websites and load them into “cyber” shelves that were made instantly available to Library customers. Three hundred libraries across the country purchased this product. In 1999, more services were added which aided the Library in serving the community. Customers could view their library accounts via the internet. They also could reserve materials online and pick them up at the Library. Because of the Westerville Public Library’s commitment to creating better customer service through innovative means, in 1999, it was recognized as the top-ranked library among all in the nation serving populations between 50,000 and 99,000.

As the Library was continuing to make great strides in innovative technology to serve customers, the building was becoming more cramped with bookshelves overflowing and seating capacity for only 60 people. On May 2, 1995, voters responded with 63% voting for an expansion project to add 27,000 square feet. Features of this addition were a gift shop run by the Friends of the Library and the convenience of a drive-up window for picking up reserves. As demand for library services grew, funding was shrinking. To remedy this the citizens of Westerville said “yes” to an operating levy in 2002. The media department was enlarged, a computer area for children was provided, and a new teen area was created. In 2004, more renovations and expansions were undertaken. Library Link which provided daily deliveries to every school in the district began. The youth area was increased and the administration department which had been housed in the old Anti-Saloon League building since it was donated to the Library was moved to a newly created space which allowed the local history collections to expand into the space vacated by that move. In 2007, a replacement levy on the ballot passed by a 78% margin signaling the approval of the public for the services provided by the Library. This levy was then replaced with a continuing levy which passed on November 8, 2011.

The Library is consistently ranked among the best libraries in the nation. The leadership of five directors through its years of existence led to the Library’s reputation of being one of the most beloved institutions in the community. From Cora Bailey, the first librarian and director, to current director, Erin Francoeur, who began serving in June of 2017, the philosophy of the director, staff and board of the Westerville Public Library has been to foresee the needs of the citizens of the community and meet them with innovative technologies and enhancements using cost-effective methods.

## **COMMUNITY OUTLOOK**

The City of Westerville is located in the northeast corner of Ohio’s fastest growing region. Westerville is a vital city of approximately 40,000 residents, a leader in job creation, and is located just 10 miles from the airport and the state capital of Columbus. Westerville has immediate access to I-71 and I-270. Westerville has grown throughout the years to become central Ohio’s largest suburb. Yet it has managed to maintain a small-town feel while preserving its physical and cultural past. Residents consider Westerville’s charm and its historic Uptown District to be among their favorite community attributes. Money Magazine has twice recognized Westerville as one of America’s “Best Places to Live.” Westerville has also been named twice by the Intelligent Community Forum (ICF) to its prestigious international list of “Top7” Intelligent Communities.

Westerville land use is approximately 65 percent residential and 35 percent industrial or commercial. The city provides more city services than any other central Ohio suburb: full-time police, full-time firefighters, electric and water divisions, a community recreation center, and a data center. Westerville City School District’s estimated population is 91,000 and is comprised of 22 school buildings, 1 early learning center and 1 academic enrichment center serving approximately 15,000 students.

## **ECONOMIC CONDITION AND OUTLOOK**

The operational revenue is based on two major sources of funds, the Public Library Fund (PLF) and local property tax levies. The PLF is an amount which the State of Ohio appropriates in their biennium budget to support libraries throughout Ohio. For the current biennium, fiscal years 2020 and 2021, this appropriation is based on 1.70% of the total tax revenue collected to the state’s General Revenue Fund (GRF). Each county receives a portion of this allocation which is further allocated to the libraries in the county.

The second source of funding for the Library is through a property tax levy passed by the residents of the Westerville City School District. A five-year levy for .80 mills for current expenses was passed on November 5, 2002, and it was replaced with a five-year levy for .80 mills which passed on November 6, 2007. This levy was then replaced with a continuing levy for 2.00 mills which passed on November 8, 2011.

When the COVID-19 pandemic hit in 2020, it created a lot of economic uncertainty. PLF estimates were reduced by the County Auditors due to the statewide economic shutdown. This forced the Library to reduce the operating budget to accommodate the projected revenue loss. However, the current economic outlook for the Library looks promising based on the combination of increased PLF estimates by County Auditors and the continuing property levy stability.

## FINANCIAL POLICIES AND LONG-TERM FINANCIAL PLANNING

All budgetary policies are established by Ohio law and/or the Board of Trustees. All funds have annual appropriations approved by the Board of Trustees. The budget process is as follows:

- A temporary appropriation budget is adopted and filed with the Franklin County Budget Commission by January 1.
- An annual appropriation budget is adopted and filed with the Franklin County Budget Commission by March 31.
- The level at which the Board of Trustees approves the budget becomes the legal level of control.
- Transfers of appropriations at this level require approval by the Board of Trustees.
- The annual appropriations may be amended or supplemented, based on needs during the year.
- The Franklin County Budget Commission provides an annual certificate of estimated resources. The Library's maximum annual appropriations are controlled by this document. The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Fiscal Officer.
- Policies on fines, fees and charges are established by the Board of Trustees.
- Library cash is pooled for investment.

The Board of Trustees receives a monthly update from the Fiscal Officer and copies of financial statements so that they are kept current on the financial condition of the Library.

The Finance and Facilities Committee serves an advisory role and makes recommendations to the Westerville Public Library Board of Trustees. Committee actions are subject to approval by a majority of the Board of Trustees. In general, the Committee works in conjunction with the Library's Fiscal Officer and Executive Director.

The responsibilities of the Finance and Facilities Committee includes but is not limited to overseeing and reviewing the budget, reviewing Library audits; performing cost analyses on proposals submitted by the Executive Director and making recommendations to the Board on these proposals. The Committee also reviews projects and services as they relate to Library facilities and provides recommendations to the Board. The Finance and Facilities Committee meets as necessary, but not less often than quarterly.

The Fiscal Officer, with guidance and input from the Finance and Facilities Committee, has developed a ten-year capital budget and financial projection for the Library. This ten-year budget will be updated annually and will assist the Board in long-term financial planning.

## MAJOR INITIATIVES

### Current

From a global pandemic to the increasingly urgent fight for racial justice, 2020 flipped the world upside down and opened doors to new opportunities we never expected.

In early 2020, the Westerville Public Library celebrated the launch of the **Innovation Lab**, welcomed author Jodi Picoult to a sold-out theater, and were gearing up to introduce hundreds of kids to a brand-new musical rendition of *Kate and the Beanstalk* performed by the Westerville Symphony.

Then COVID-19 arrived in Ohio...

### **Changing Gears**

The Westerville Public Library staff quickly pivoted to meet the needs of our community with a renewed focus on health, safety, and equity. Our core services shifted from books to ebooks, homework help to online tutoring, museum visits to **virtual exhibits**.

Within a week of the stay-at-home order, our librarians were **livestreaming storytimes** from their living rooms - engaging familiar faces in a completely different way and connecting with new friends for the first time. And within two weeks of closing the library's doors, we launched Tutor.com, a free virtual **homework help** and **career coaching** service available 7 days a week.



## **Staying Connected**

Staying connected while apart remained a top priority in 2020. We continued to check in on our senior and homebound customers with regular phone calls while home deliveries were paused. Book clubbers met on Zoom. Conversations with librarians moved to chat rooms and text messages. Teachers invited our librarians into their classrooms with virtual presentations and pre-recorded book talks. And kids strengthened their reading skills during one-on-one virtual appointments with our librarians.

Those without reliable Internet access dialed in to hear pre-recorded stories read aloud by our librarians and picked up free books from 13 different Little Free Libraries around town. Census, tax, and voting supplies were available for pickup 24/7. Visitors received prints via the drive-thru window, comfortably connected to **free wi-fi access** with the addition of new outdoor seating in the front lawn and courtyard, and borrowed wi-fi hotspots to connect to the internet at home.

## **Unplugging and Recharging**

Parents combatted Zoom fatigue and cabin fever with over 7,000 custom-made **activity kits**, a new **story trail** at Johnston-McVay Park, a sidewalk obstacle course, and two reading challenges.

In October, Uptown Westerville visitors were delighted by the return of **Hilda the Dragon** – a smoke-breathing art installation created by The Point at Otterbein University.

And the demand for books, movies, and music has not wavered. The **contactless drive-thru** option was extremely popular with an average of 1,670 items picked up each day.

Digital checkouts and database usage increased by 40% in 2020. And checkouts of kids & teen materials increased by an unprecedented 88%.

Binge boxes, subscription bundles, a new British TV streaming service (**Acorn TV**), and personalized picks all helped connect our community with entertainment options, providing a welcome escape from the stress and monotony of a challenging year.

## **Future**

While we grieve for the loss of many in our community and the world, we also embrace the opportunities that have arisen to reflect and recalibrate our priorities to meet the needs of everyone we serve. We continue to develop creative ways to **expand access** to those overwhelmed by a growing list of responsibilities, those with physical limitations, those without transportation, and those without reliable internet access.

**Dismantling barriers** to access and ensuring equity to all in our community will continue to be a focus for us in 2021. In response to our community's need to address racial and social equity head on, we have formed an Equity & Diversity Committee and have hired Tatiana F as our first Equity & Development Specialist. Tatiana, along with board members Cynthia DeVese and Jon Walden, are on the launch team for the new anti-racism nonprofit organization in Westerville, WeRISE. In addition, we are currently investing in staff training on inclusive leadership, reviewing policies and procedures to ensure equity, and working to amplify unheard voices in our community through the Westerville Voices initiative.

The coming year will no doubt bring a new set of challenges. As we prepare to welcome everyone back to our building, we are also hard at work on new projects, including a reading challenge for ages 0-5 and a new museum exhibit. Investing in the future, we are applying for grant funds, investigating options to replace outdated systems, and develop partnerships to offer wi-fi in our parks and expand library access to students.

## AWARDS

### GFOA Certificate of Achievement

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Westerville Public Library for its comprehensive annual financial report for the fiscal year ended December 31, 2019. This was the third consecutive year that the government has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

## ACKNOWLEDGEMENTS

Appreciation is extended to the Board of Trustees of Westerville Public Library and Executive Director Erin Francoeur, Assistant Director Kristin Michel, and Deputy Fiscal Officer Sherry Peterson. Contributions of information from the following individuals were vital in preparing this transmittal letter: Marketing Manager Tamara Murray and Administrative Assistant Darlene Lawson. Special acknowledgement is extended to Julian & Grube, Inc. for their guidance in the preparation of this report.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Erin Hill".

Erin Hill  
Fiscal Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Westerville Public Library  
Ohio**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

December 31, 2019

*Christopher P. Morrill*

Executive Director/CEO

**WESTERVILLE PUBLIC LIBRARY**

*LIST OF PRINCIPAL OFFICIALS*

*DECEMBER 31, 2020*

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**BOARD OF TRUSTEES**

President	Heather Creed
Vice President	Julie Mujic
Secretary	Jon Walden
Member	Cynthia DeVese
Member	Nathan Ericson
Member	John B. Shinnock
Member	Shawn Smith

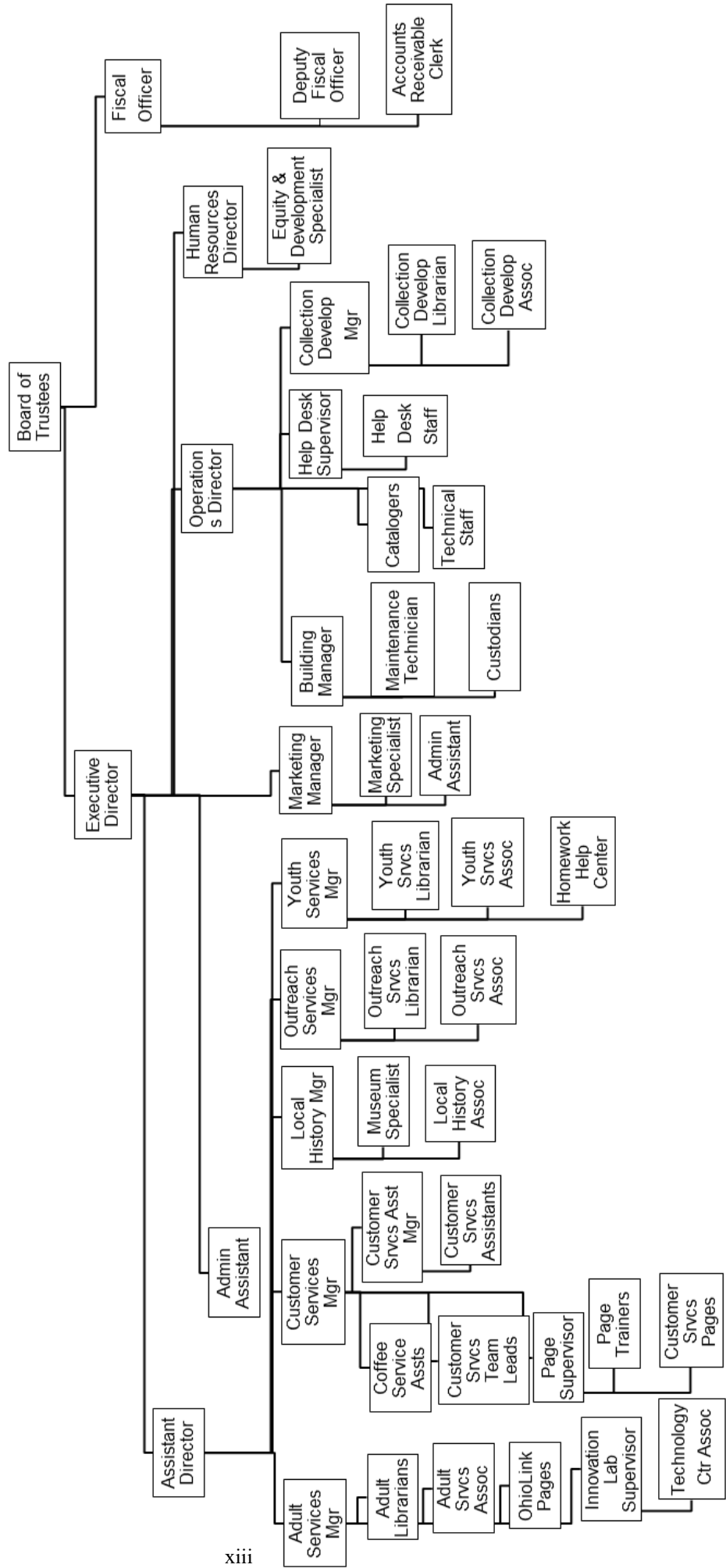
**ADMINISTRATION**

Executive Director	Erin Francoeur
Assistant Director	Kristin Michel
Fiscal Officer	Erin Hill
Human Resources Director	Katrina Plourde
Operations Director	Steven Owley



# Westerville Public Library

## Organizational Chart



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# **FINANCIAL SECTION**

## Independent Auditor's Report

Westerville School District Library  
Franklin County  
126 South State Street  
Westerville, Ohio 43081

To the Board of Trustees:

### *Report on the Financial Statements*

We have audited the accompanying financial statements of the governmental activities, its major fund, and the aggregate remaining fund information of the Westerville School District Library, Franklin County, Ohio, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Westerville School District Library's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Westerville School District Library's preparation and fair presentation of the financial statements 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 Westerville School District Library's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Opinions*

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



***Emphasis of Matter***

As described in Note 19 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Westerville School District Library. Our opinions are not modified with respect to this matter.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis and schedules of net pension and other postemployment benefit assets and liabilities and pension and other postemployment benefit contributions* listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Westerville School District Library's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2021, on our consideration of the Westerville School District Library's internal control over financial reporting and on 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 Westerville School District 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 Westerville School District Library's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.  
June 7, 2021

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**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

The management's discussion and analysis of the Westerville School District Library's (the "Library") financial performance provides an overall review of the Library's financial activities for the year ended December 31, 2020. 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 2020 are as follows:

- Net position of the Library increased \$430,793 or 9.30% from 2019's net position.
- The assets and deferred outflows of resources of the Library exceeded its liabilities and deferred inflows of resources at the close of the year by \$5,060,586 (net position). Of this amount, \$1,621,148 represents unrestricted net position, which may be used to meet the Library's ongoing obligations to citizens.
- General revenues accounted for \$8,038,221 or 97.66% of total governmental activities revenue. Program specific revenues accounted for \$192,841 or 2.34% of total governmental activities revenue.
- The Library had \$7,800,269 in expenses related to governmental activities.
- At year-end, the Library's governmental funds reported combined fund balances of \$7,853,038, an increase of \$1,276,836 or 19.42% from the prior year.

**Using this Comprehensive Annual Financial Report**

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the Library as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net position and statement of activities provide information about the activities of the Library as a whole, presenting both an aggregate view of the Library's finances and a longer-term view of those finances. 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 remains for future spending. The fund financial statements also look at the Library's most significant fund with all other nonmajor funds presented in total in one column.

**Reporting the Library as a Whole**

*Statement of Net Position and the Statement of Activities*

While this document contains a large number of funds used by the Library to provide programs and activities, the view of the Library as a whole looks at all financial transactions and asks the question, "How did the Library perform financially during 2020?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Library's net position and changes in net position. This change in net position is important because it tells the reader that, for the Library as a whole, the financial position of the Library has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the Library's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
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In the Statement of Net Position and the Statement of Activities, the Library reports only governmental activities. Governmental activities are the activities where all of the Library's programs and services are reported. The Library does not have any business-type activities.

**Reporting the Library's Most Significant Funds**

***Fund Financial Statements***

Fund financial statements provide detailed information about the Library's major fund - not the Library as a whole. The Library establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Library are classified as governmental.

***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Library maintains a multitude of individual governmental funds. The Library has segregated these funds into major and nonmajor funds. The Library's major governmental fund is the general fund. Information for the major fund is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation.

***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

***Required Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Library's net pension liability/asset, pension contributions, net other postemployment benefits (OPEB) liability, and OPEB contributions.

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

**Government-Wide Financial Analysis**

The statement of net position serves as a useful indicator of a government's financial position. The table below provides a summary of the Library's net position for 2020 and 2019.

**Net Position**

	<u>2020</u>	<u>2019</u>
<u>Assets</u>		
Current assets	\$ 14,216,454	\$ 12,883,715
Long-term assets		
Capital assets, net	3,435,843	3,700,730
Net pension asset	<u>54,869</u>	<u>12,823</u>
Total assets	<u>17,707,166</u>	<u>16,597,268</u>
<u>Deferred outflows of resources</u>		
Pension and OPEB	<u>1,157,613</u>	<u>2,045,148</u>
<u>Liabilities</u>		
Current liabilities	471,760	194,065
Long-term liabilities		
Net pension liability	4,152,176	6,043,978
Net OPEB liability	2,927,442	2,837,642
Other amounts	<u>207,008</u>	<u>322,352</u>
Total liabilities	<u>7,758,386</u>	<u>9,398,037</u>
<u>Deferred inflows of resources</u>		
Property taxes levied for the next fiscal year	4,531,488	4,454,188
Pension and OPEB	<u>1,514,319</u>	<u>160,398</u>
Total deferred outflows of resources	<u>6,045,807</u>	<u>4,614,586</u>
<u>Net position</u>		
Net investment in capital assets	3,434,083	3,688,762
Restricted	5,355	6,691
Unrestricted	<u>1,621,148</u>	<u>934,340</u>
Total net position	<u>\$ 5,060,586</u>	<u>\$ 4,629,793</u>

The net pension liability/asset is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." 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 deferred outflows related to pension and OPEB and the net pension asset.

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

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/asset 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/asset to equal the Library's proportionate share of each plan's collective:

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

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

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

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

Total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources in 2020 by \$5,060,586, compared to \$4,629,793 in 2019, an increase of 9.30%. During 2020, the Library's total assets and deferred outflows of resources increased by \$222,363 and total liabilities and deferred inflows of resources decreased by \$208,430.

Capital assets reported on the government-wide statements represent 19.40% of the Library's total assets. Capital assets include land, buildings and improvements, fixtures and equipment, and vehicles. The net investment in capital assets at December 31, 2020, was \$3,434,083. These capital assets are used to provide services to citizens and are not available for future spending. Although the Library's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

In accordance with GASB Statement No. 68 and GASB Statement No. 75 (see Notes 14 and 15 in the notes to the basic financial statements for detail), the Library has reported a net pension asset (\$54,869), deferred outflows of resources (\$1,157,613), net pension liability (\$4,152,176), net OPEB liability/asset (\$2,927,442) and deferred inflows of resources (\$1,514,319) at December 31, 2020.

A portion of the Library's net position, \$5,355, represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net position is \$1,621,148.

The table below shows the changes in net position for 2020 and 2019.

**Change in Net Position**

	<u>2020</u>	<u>2019</u>
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 141,313	\$ 158,772
Operating grants and contributions	51,528	65,481
Capital grants and contributions	<u>-</u>	<u>7,242</u>
Total program revenues	<u>192,841</u>	<u>231,495</u>
General revenues:		
Property taxes	4,260,260	4,273,150
Grants and entitlements not restricted to specific programs	3,587,836	3,637,496
Gifts and donations not restricted to specific programs	1,304	18,562
Investment earnings	93,604	153,761
Miscellaneous	95,217	111,338
Total general revenues	<u>8,038,221</u>	<u>8,194,307</u>
Total revenues	<u>8,231,062</u>	<u>8,425,802</u>
<b>Program expenses</b>		
Library services:		
Public services and programs	5,758,452	6,057,377
Collection development and processing	163,849	256,155
Support services:		
Facilities operation and maintenance	866,268	975,725
Information services	61,226	61,434
Business administration	943,094	1,054,833
Interest and fiscal charges	<u>7,380</u>	<u>1,558</u>
Total expenses	<u>7,800,269</u>	<u>8,407,082</u>
Change in net position	430,793	18,720
Net position at beginning of year	<u>4,629,793</u>	<u>4,611,073</u>
Net position at end of year	<u>\$ 5,060,586</u>	<u>\$ 4,629,793</u>



**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

**Governmental Activities**

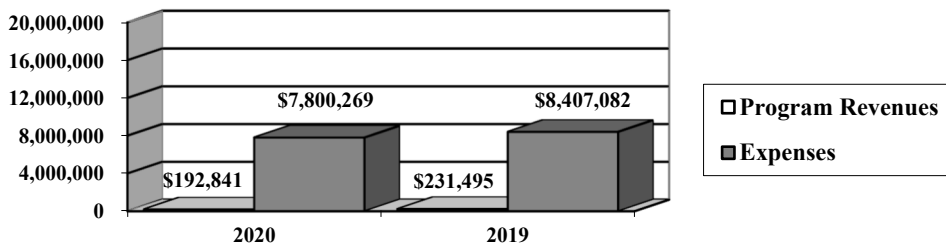
The funding for governmental activities comes from several different sources, the most significant being property taxes and intergovernmental general revenues not restricted to specific programs.

The Library's program revenues are charges for services and sales and operating grants and contributions. During 2020, the Library received \$141,313 in charges for services and sales from patrons and other entities that were used to support public services and programs and information services. The Library also received \$51,528 in operating grants and contributions that are restricted for library programs. Program revenue decreased 16.70% from 2019 as a result of fewer fines and fees and no capital grants and contributions.

The Library's general revenues primarily consist of property taxes and grants and entitlements not restricted to specific programs. Property tax revenue (\$4,260,260) and grants and entitlements not restricted to specific programs (\$3,587,836) represent 51.76% and 43.59%, respectively, of total revenues. The Library operates on a 2-mill property tax levy that was passed in November 2011. Grants and entitlements not restricted to specific programs consists of funds received from the State of Ohio through the Public Library Fund (see Note 7 to the notes to the financial statements for detail) and homestead and rollback. Other general revenues include unrestricted gifts and donations, investment earnings and miscellaneous revenues. Investment earnings decreased during 2020 as a result of lower interest rates and maturing investments. Miscellaneous general revenues include refunds and reimbursements.

The Library's largest expense, public services and programs (\$5,758,452), represents 73.82% of total expenses. Public services and programs expense supports youth and adult programs, outreach programs, processing and cataloging services, computer services, salaries and benefits of non-administrative staff, and the purchase of books, periodicals, newspapers, DVDs, audiobooks, and e-books. Business administration expense (\$943,094) represents 12.09% of total expenses and supports administrative salaries and benefits. Facilities operations and maintenance expense (\$866,268) represents 11.11% of total expenses and includes property maintenance expenses, insurance expenses, rents and leases, and utilities. Collection development and processing expenses are related to professional services such as adult, youth and local history lectures and speakers, library programming, staff development, auditing and accounting services, and marketing. Information services expenses include communication expenses such as telephone services, fax services, postage, and printing. Total expenses decreased 7.22% from 2019 due to a decrease in general administrative supplies, purchased and contracted services (i.e., travel and meeting expenses, property maintenance and repair, utilities, and professional services), and library materials and information.

**Governmental Activities - Program Revenues vs. Total Expenses**



**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

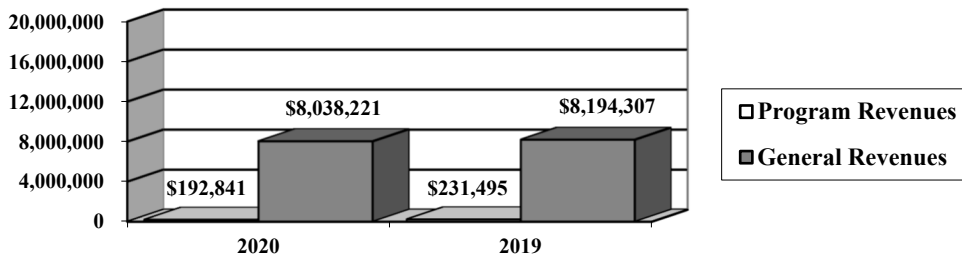
*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by property tax revenue, unrestricted grants and entitlements revenue, unrestricted and gifts and donations, investment earnings and miscellaneous revenue. As can be seen in the graph below, the Library is highly dependent upon property taxes and other general revenues.

	<b>Governmental Activities</b>		<b>Governmental Activities</b>	
	<u>2020</u>		<u>2019</u>	
	<u>Total Cost of</u> <u>Services</u>	<u>Net Cost of</u> <u>Services</u>	<u>Total Cost of</u> <u>Services</u>	<u>Net Cost of</u> <u>Services</u>
Program expenses:				
Library services:				
Public services and programs	\$ 5,758,452	\$ 5,565,838	\$ 6,057,377	\$ 5,826,934
Collection development and processing	163,849	163,849	256,155	256,155
Support services:				
Facilities operation and maintenance	866,268	866,268	975,725	975,725
Information services	61,226	60,999	61,434	60,382
Business administration	943,094	943,094	1,054,833	1,054,833
Interest and fiscal charges	<u>7,380</u>	<u>7,380</u>	<u>1,558</u>	<u>1,558</u>
Total	<u>\$ 7,800,269</u>	<u>\$ 7,607,428</u>	<u>\$ 8,407,082</u>	<u>\$ 8,175,587</u>

The dependence upon general revenues for governmental activities is apparent, with 97.53% and 97.25% of expenses supported through property taxes and other general revenues for 2020 and 2019, respectively.

**Governmental Activities - General and Program Revenues**



**Financial Analysis of the Government's Funds**

As noted earlier, the Library uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the Library's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Library's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Library's net resources available for spending at year-end.

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

The Library's governmental funds reported a combined fund balance of \$7,853,038 which is \$1,276,836 greater than last year's total of \$6,576,202. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2020 and December 31, 2019 for all major and nonmajor governmental funds.

	<u>Fund Balances</u> <u>12/31/20</u>	<u>Fund Balances</u> <u>12/31/19</u>	<u>Change</u>
Major fund:			
General	\$ 7,366,619	\$ 6,088,447	\$ 1,278,172
Other nonmajor governmental funds	<u>486,419</u>	<u>487,755</u>	<u>(1,336)</u>
Total	<u>\$ 7,853,038</u>	<u>\$ 6,576,202</u>	<u>\$ 1,276,836</u>

**General Fund**

The Library's general fund balance increased 20.99% from \$6,088,447 to \$7,366,619 in 2020. \$5,368,771 of the general fund balance was unassigned, which is an increase of \$1,619,354 from the prior year. Revenues and other financing sources exceeded expenditures and other financing uses by \$1,278,172 and \$2,749,248 in both 2020 and 2019, respectively.

General fund revenues decreased 1.39% from the prior year. Property taxes and intergovernmental revenues in 2020 remained comparable with prior year. Patron fines and fees decreased as a result of fewer fines collected in 2020. Earnings on investment decreased due to maturing investments and lower interest rates. Miscellaneous revenue decreased from fewer refunds received in 2020.

General fund expenditures decreased 3.91% from the prior year. Public services and programs increased slightly in the areas of salaries and benefits and expenditures for supplies. Collection development and processing decreased in relation to library programming. Facilities operation and maintenance decreased due to lower utility costs and property maintenance and repairs. Information services decreased slightly due to costs associated with communication, publication and printing. Business administration decreased from fewer travel and meeting expenditures. Debt service expenditures related to the Library's capital leases increased during 2020 due to the new capital lease.

**Budgeting Highlights**

The Library's budget is prepared according to the laws of the State of Ohio and is based on accounting for transactions on a cash basis for receipts, expenditures, and encumbrances. The most significant budgeted fund is the general fund.

Budgetary information is presented for the general fund. The actual revenues of \$8,181,552 were higher than the final budgeted revenues and other financing sources of \$8,179,552. Actual expenditures and other financing uses of \$7,261,750 were lower than the final appropriations of \$9,795,070. The variances between the actual and final budgeted amounts were due to conservative budgeting. Budgeted revenues and other financing sources decreased \$133,125 from original to final. Budgeted expenditures and other financing uses decreased \$700,000 from original to final.

**Capital Assets and Debt Administration**

**Capital Assets**

At December 31, 2020, the Library had \$3,435,843 (net of accumulated depreciation) invested in land, buildings and improvements, fixtures and equipment, and vehicles.

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

The following table shows 2020 balances compared to 2019:

**Capital Assets at December 31 (Net of Depreciation)**

	<u>Governmental Activities</u>	
	<u>2020</u>	<u>2019</u>
Land	\$ 70,603	\$ 70,603
Buildings and improvements	2,583,341	2,721,984
Fixtures and equipment	774,917	896,077
Vehicles	<u>6,982</u>	<u>12,066</u>
Totals	<u>\$ 3,435,843</u>	<u>\$ 3,700,730</u>

The Library had additions of \$61,308, depreciation expense of \$248,959 and disposals of \$77,236 (net of depreciation) during 2020, resulting in a decrease in net capital assets of \$264,887. See Note 9 in the notes to the basic financial statements for detail on capital assets.

***Debt Administration***

The Library had capital lease obligations in the amount of \$107,228 and \$15,790 at December 31, 2020 and 2019, respectively. At December 31, 2020, \$26,195 of the capital lease obligation was due in one year.

See Note 11 to the basic financial statements for detail on long-term obligations.

**Contacting the Library's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Library's finances and to show the Library's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Erin Hill, Fiscal Officer, Westerville School District Library, 126 S. State Street, Westerville, Ohio 43081.

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BASIC  
FINANCIAL STATEMENTS

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*STATEMENT OF NET POSITION  
DECEMBER 31, 2020*

	<b>Governmental Activities</b>
<b>Assets:</b>	
Equity in pooled cash and investments. . . . .	\$ 7,511,144
Receivables:	
Property taxes . . . . .	4,618,183
Accrued interest . . . . .	5,498
Intergovernmental . . . . .	1,823,599
Materials and supplies inventory. . . . .	4,159
Prepayments . . . . .	253,871
Net pension asset. . . . .	54,869
Capital assets:	
Nondepreciable capital assets . . . . .	70,603
Depreciable capital assets, net. . . . .	3,365,240
Total capital assets, net. . . . .	3,435,843
Total assets . . . . .	17,707,166
<b>Deferred outflows of resources:</b>	
Pension . . . . .	684,378
OPEB . . . . .	473,235
Total deferred outflows of resources . . . . .	1,157,613
<b>Liabilities:</b>	
Accounts payable. . . . .	113,911
Accrued wages and benefits payable . . . . .	55,276
Intergovernmental payable . . . . .	8,541
Long-term liabilities:	
Due within one year . . . . .	294,032
Due greater than one year:	
Net pension liability. . . . .	4,152,176
Net OPEB liability . . . . .	2,927,442
Other amounts due in more than one year.	207,008
Total liabilities . . . . .	7,758,386
<b>Deferred inflows of resources:</b>	
Property taxes levied for the next fiscal year. . . . .	4,531,488
Pension . . . . .	1,051,831
OPEB . . . . .	462,488
Total deferred inflows of resources . . . . .	6,045,807
<b>Net position:</b>	
Net investment in capital assets. . . . .	3,434,083
Restricted for:	
Public services and programs . . . . .	5,355
Unrestricted. . . . .	1,621,148
Total net position . . . . .	\$ 5,060,586

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<b>Program Revenues</b>			<b>Net (Expense) Revenue and Changes in Net Position</b>
<b>Expenses</b>	<b>Charges for Services and Sales</b>	<b>Operating Grants and Contributions</b>	<b>Governmental Activities</b>	
<b>Governmental activities:</b>				
Library services:				
Public services and programs . . . . .	\$ 5,758,452	\$ 141,086	\$ 51,528	\$ (5,565,838)
Collection development and processing . . . . .	163,849	-	-	(163,849)
Support services:				
Facilities operation and maintenance. . . . .	866,268	-	-	(866,268)
Information services . . . . .	61,226	227	-	(60,999)
Business administration. . . . .	943,094	-	-	(943,094)
Interest and fiscal charges. . . . .	7,380	-	-	(7,380)
Total governmental activities . . . . .	<u>\$ 7,800,269</u>	<u>\$ 141,313</u>	<u>\$ 51,528</u>	<u>(7,607,428)</u>
<b>General revenues:</b>				
Property taxes . . . . .				4,260,260
Grants and entitlements not restricted to specific programs . . . . .				3,587,836
Gifts and donations not restricted to specific programs . . . . .				1,304
Investment earnings . . . . .				93,604
Miscellaneous . . . . .				95,217
Total general revenues . . . . .				<u>8,038,221</u>
Change in net position . . . . .				430,793
<b>Net position at beginning of year . . . . .</b>				<u>4,629,793</u>
<b>Net position at end of year. . . . .</b>				<u>\$ 5,060,586</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2020*

	<b>General Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>			
Equity in pooled cash and investments. . . . .	\$ 7,024,687	\$ 486,457	\$ 7,511,144
Receivables:			
Property taxes . . . . .	4,618,183	-	4,618,183
Accrued interest . . . . .	5,498	-	5,498
Intergovernmental . . . . .	1,823,599	-	1,823,599
Materials and supplies inventory. . . . .	4,159	-	4,159
Prepayments . . . . .	253,871	-	253,871
Total assets . . . . .	\$ 13,729,997	\$ 486,457	\$ 14,216,454
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 113,873	\$ 38	\$ 113,911
Accrued wages and benefits payable . . . . .	55,276	-	55,276
Intergovernmental payable . . . . .	8,541	-	8,541
Total liabilities . . . . .	177,690	38	177,728
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year . . . . .	4,531,488	-	4,531,488
Delinquent property tax revenue not available . . . . .	86,695	-	86,695
Accrued interest not available . . . . .	4,986	-	4,986
Intergovernmental revenue not available . . . . .	1,562,519	-	1,562,519
Total deferred inflows of resources . . . . .	6,185,688	-	6,185,688
<b>Fund balances:</b>			
Nonspendable:			
Materials and supplies inventory . . . . .	4,159	-	4,159
Prepayments . . . . .	253,871	-	253,871
Restricted for:			
Public services and programs. . . . .	-	5,355	5,355
Assigned:			
Capital projects . . . . .	-	481,064	481,064
Public services and programs . . . . .	136,265	-	136,265
Collection and processing. . . . .	16,521	-	16,521
Facilities operation and maintenance . . . . .	61,642	-	61,642
Information services. . . . .	870	-	870
Business administration . . . . .	17,282	-	17,282
Capital outlay . . . . .	2,397	-	2,397
Flexible spending account. . . . .	3,833	-	3,833
Subsequent year appropriations . . . . .	1,501,008	-	1,501,008
Unassigned. . . . .	5,368,771	-	5,368,771
Total fund balances . . . . .	7,366,619	486,419	7,853,038
Total liabilities, deferred inflows of resources and fund balances . . . . .	\$ 13,729,997	\$ 486,457	\$ 14,216,454

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2020*

<b>Total governmental fund balances</b>		\$ 7,853,038
<i>Amounts reported for governmental activities on 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.		3,435,843
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	\$ 86,695	
Intergovernmental receivable	1,562,519	
Accrued interest receivable	4,986	
Total	1,654,200	1,654,200
The net pension asset and net pension liability are not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.		
Net pension asset	54,869	
Deferred outflows of resources	684,378	
Deferred inflows of resources	(1,051,831)	
Net pension liability	(4,152,176)	
Total	(4,464,760)	(4,464,760)
The net OPEB liability is not available to pay for current period expenditures and is not due and payable in the current period, respectively; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows of resources	473,235	
Deferred inflows of resources	(462,488)	
Net OPEB liability	(2,927,442)	
Total	(2,916,695)	(2,916,695)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(393,812)	
Capital lease obligation	(107,228)	
Total	(501,040)	(501,040)
<b>Net position of governmental activities</b>		<b>\$ 5,060,586</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<b>General Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>			
Property taxes . . . . .	\$ 4,279,552	\$ -	\$ 4,279,552
Intergovernmental . . . . .	3,571,269	30,500	3,601,769
Patron fines and fees . . . . .	29,708	-	29,708
Services provided to other entities . . . . .	111,605	-	111,605
Investment earnings. . . . .	95,939	-	95,939
Contributions, gifts and donations . . . . .	16,380	5,952	22,332
Other . . . . .	95,217	-	95,217
Total revenues. . . . .	8,199,670	36,452	8,236,122
<b>Expenditures:</b>			
Current:			
Library services:			
Public services and programs. . . . .	4,955,315	20,899	4,976,214
Collection development and processing . . . . .	158,217	-	158,217
Support services:			
Facilities operation and maintenance . . . . .	826,582	-	826,582
Information services. . . . .	42,238	-	42,238
Business administration. . . . .	829,509	-	829,509
Capital outlay . . . . .	193,695	16,889	210,584
Debt service:			
Principal retirement . . . . .	36,347	-	36,347
Interest and fiscal charges . . . . .	7,380	-	7,380
Total expenditures . . . . .	7,049,283	37,788	7,087,071
Excess (deficiency) of revenues over (under) expenditures . . . . .	1,150,387	(1,336)	1,149,051
<b>Other financing sources:</b>			
Capital lease transaction. . . . .	127,785	-	127,785
Net change in fund balances . . . . .	1,278,172	(1,336)	1,276,836
<b>Fund balances at beginning of year. . . . .</b>	<b>6,088,447</b>	<b>487,755</b>	<b>6,576,202</b>
<b>Fund balances at end of year . . . . .</b>	<b>\$ 7,366,619</b>	<b>\$ 486,419</b>	<b>\$ 7,853,038</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2020*

<b>Net change in fund balances - total governmental funds</b>	\$	1,276,836
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlay in the current period.		
Capital asset additions	\$ 61,308	
Current year depreciation	<u>(248,959)</u>	
Total		(187,651)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net assets.		(77,236)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	(19,292)	
Intergovernmental revenues	16,567	
Earnings on investments	<u>(2,335)</u>	
Total		(5,060)
Proceeds of capital leases are reported as an other financing source in the governmental funds, however, in the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net position.		(127,785)
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		36,347
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	448,353	
OPEB	<u>5,870</u>	
Total		454,223
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB liability are reported as pension expense in the statement of activities.		
Pension	(569,114)	
OPEB	<u>(282,517)</u>	
Total		(851,631)
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 in governmental funds.		<u>(87,250)</u>
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b><u>430,793</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property taxes. . . . .	\$ 4,348,140	\$ 4,276,551	\$ 4,279,552	\$ 3,001
Intergovernmental. . . . .	3,637,529	3,580,153	3,580,150	(3)
Patron fines and fees . . . . .	30,333	29,175	29,855	680
Services provided to other entities . . . . .	113,394	111,605	111,605	-
Investment earnings. . . . .	75,961	73,583	74,763	1,180
Contributions, gifts and donations . . . . .	16,643	17,076	16,380	(696)
Other . . . . .	90,677	91,409	89,247	(2,162)
Total revenues . . . . .	<u>8,312,677</u>	<u>8,179,552</u>	<u>8,181,552</u>	<u>2,000</u>
<b>Expenditures:</b>				
Current:				
Library services:				
Public services and programs. . . . .	5,695,978	5,499,726	5,138,412	361,314
Collection development and processing . . . . .	424,357	267,357	186,892	80,465
Support services:				
Facilities operation and maintenance . . . . .	1,340,257	1,173,722	966,955	206,767
Information services. . . . .	58,689	55,624	42,612	13,012
Business administration. . . . .	906,742	885,693	847,892	37,801
Capital outlay. . . . .	299,460	143,361	78,987	64,374
Total expenditures. . . . .	<u>8,725,483</u>	<u>8,025,483</u>	<u>7,261,750</u>	<u>763,733</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(412,806)</u>	<u>154,069</u>	<u>919,802</u>	<u>765,733</u>
<b>Other financing uses:</b>				
Transfers (out) . . . . .	<u>(1,769,587)</u>	<u>(1,769,587)</u>	<u>-</u>	<u>1,769,587</u>
Total other financing uses . . . . .	<u>(1,769,587)</u>	<u>(1,769,587)</u>	<u>-</u>	<u>1,769,587</u>
Net change in fund balances . . . . .	(2,182,393)	(1,615,518)	919,802	2,535,320
<b>Fund balances at beginning of year . . . . .</b>	5,243,332	5,243,332	5,243,332	-
<b>Prior year encumbrances appropriated . . . . .</b>	484,133	484,133	484,133	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,545,072</u>	<u>\$ 4,111,947</u>	<u>\$ 6,647,267</u>	<u>\$ 2,535,320</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

**NOTE 1 - DESCRIPTION OF THE LIBRARY AND REPORTING ENTITY**

The Westerville School District Library (Library), Franklin County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Westerville City School District Board of Education appoints a seven-member Board of Trustees to govern the Library. The Library provides the community with various educational and literary resources.

The Library is fiscally independent of the Westerville 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 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 Board of Education must put the levy on the ballot. There is no potential for the Library to provide a financial benefit or to impose a financial burden on the Board of Education.

Under the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14 “The Financial Reporting Entity”, GASB Statement No. 39, “Determining Whether Certain Organizations are Component Units, an amendment of GASB Statement No. 14”, and GASB Statement No. 61 “Omnibus-an amendment of GASB Statements No. 14 and No. 34”, the Library is considered to be a related organization of the Westerville 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; (3) the Library is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization; (4) or the Library is obligated for the debt of the organization. Component units may also include organizations for which the Library approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Library. 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. Based upon the application of this criteria, management does not believe the Library has any material potential component units that should be included as part of the Library’s reporting entity.

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

The basic financial statements (BFS) of the Library have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial principles. The Library’s significant accounting policies are described below.

**A. Basis of Presentation**

The Library’s BFS 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.

***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 primary government.

The Statement of Net Position presents the financial condition of the governmental activities of the Library at year end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the Library’s governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants 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 function is self-financing or draws from the general revenues of the Library.

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

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

***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.

**B. Fund Accounting**

The Library uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary. The following category is used by the Library:

***Governmental Funds*** - Governmental funds are those through which most governmental functions typically 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 liabilities and deferred inflows of resources is reported as fund balance. The following is the Library's major governmental fund:

***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.

Other governmental funds of the Library are used to account for (a) specific revenue sources that are restricted to expenditures for specified purposes and (b) financial resources that are assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets.

**C. Measurement Focus**

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

***Fund Financial Statements*** - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities 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 financial statements for governmental funds.

**D. Basis of Accounting**

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

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

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

***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 fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Library, available means expected to be received within thirty-one days of year-end.

Nonexchange transactions, in which the Library receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (See Note 5). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Library must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Library on a reimbursement basis. On a modified accrual basis, revenue from 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: earnings on investments, grants, entitlements and donations.

***Deferred Outflows of Resources and Deferred Inflows of Resources*** - In addition to assets, the government-wide Statement of Net Position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents 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, see Notes 14 and 15 for deferred outflows of resources related to the Library's net pension liability and net OPEB liability, respectively.

In addition to liabilities, both the government-wide Statement of Net Position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Library, deferred inflows of resources include property taxes, unavailable revenue, and pension/OPEB. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2020, but which were levied to finance 2021 operations. These amounts have been recorded as a deferred inflow of resources 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, but is not limited to, delinquent property taxes, grants and earnings on investments. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the Library, see Notes 14 and 15 for deferred inflows of resources related to the Library's net pension liability and net OPEB liability, respectively. This deferred inflow of resources is only reported on the government-wide Statement of Net Position.

***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.



**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

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

**E. Budgetary Process**

All funds are legally required to be budgeted and appropriated. The budget documents prepared by the Library 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 established a limit on the amount the Board of Trustees may appropriate. The appropriations resolution is the Board of Trustees' authorization to spend resources and set annual limits on expenditures plus encumbrances at the level of control selected by the Board of Trustees. The legal level of control has been established at the fund and two-digit object code level for all funds. Budgetary modifications at the legal level of control may only be made by resolution of the Board of Trustees.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amount set forth in the budgetary statements and schedules as final budgeted amounts represent amounts from the amended certificate in force at the time final appropriations were passed by the Board of Trustees.

**F. Cash and Investments**

To improve cash management, cash received by the Library is pooled. Individual fund integrity is maintained through the Library's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the financial statements.

During 2020, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio), U.S. government money markets, and negotiable certificates of deposits. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices.

During 2020, the Library invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The Library measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the Library has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during 2020 amounted to \$95,939 of which \$6,848 was assigned from other Library funds.

For purposes of presentation on the Statement of Net Position, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the Library, are considered to be cash equivalents. Investments with maturities greater than three months at the time of purchase are reported as investments. An analysis of the Library's investment account at year end is provided in Note 4.

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

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

**G. Inventory**

Inventories of all funds are stated at cost which is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as expenditures in the governmental fund types. Inventory consists of supplies.

On the fund financial statements, reported inventory is equally offset by a nonspendable fund balance in the governmental funds.

**H. Prepaid Items**

Payments made to vendors for services that will benefit beyond December 31, 2020, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditures/expense in the year in which the services are consumed.

On the fund financial statements, reported prepayments are equally offset by a nonspendable fund balance in the governmental funds.

**I. Capital Assets**

The Library's only capital assets are general capital assets. General capital assets are those assets specifically related to governmental activities. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements.

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 a capitalization threshold of \$5,000. The Library does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset life are not capitalized. Interest incurred during the construction of capital assets is also capitalized. Library books are reflected as expenses when purchased and are not capitalized as assets of the Library.

All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	20 years
Buildings and improvements	20 - 40 years
Fixtures and equipment	5 - 20 years
Vehicles	8 years

**J. Compensated Absences**

Compensated absences of the Library consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the Library and the employee.

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

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

In accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences”, a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination (severance) benefits. A liability for sick leave is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at December 31, 2020, by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, all employees with at least ten years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at December 31, 2020 and reduced to the maximum payment allowed by labor contract and/or statute, plus any applicable additional salary related payments.

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

Compensated absences are only reported in the governmental fund financial statements if they have matured. These amounts are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated unpaid leave are paid, which is primarily the general fund. The Library had no matured compensated absences payable at December 31, 2020. The noncurrent portion of the liability is not reported.

**K. 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. Capital leases are recognized as a liability on the governmental fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan’s fiduciary net position is not sufficient for payment of those benefits.

**L. Budget Stabilization Reserve Arrangement**

The Library established a budget stabilization reserve during 2019 in accordance with authority established by State law. Additions to the budget stabilization reserve can only be made by formal resolution of the Board of Trustees. Expenditures out of the budget stabilization reserve can be made to offset future revenue shortfalls as approved by the Board of Trustees. At December 31, 2020, the balance in the budget stabilization reserve was \$1,769,587. This amount is included in unassigned fund balance of the general fund and in unrestricted net position on the Statement of Net Position.

**M. 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 legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Board of Trustees (the highest level of decision making authority). 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. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process. Constraints are imposed on the use of underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

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

The Library applies restricted resources first when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, and unassigned) fund balance are available. The Library considers committed, assigned and unassigned fund balances, respectively, to be spent when expenditures are incurred for the purposes for which any of the unrestricted fund balance classifications could be used.

**N. Net Position**

Net position represents the difference between assets plus deferred outflows of resources less liabilities plus deferred inflows of resources. 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 the use of resources either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

**O. Interfund Activity**

Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

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

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 BFS.

**P. Estimates**

The preparation of the BFS in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the BFS and accompanying notes. Actual results may differ from those estimates.

**Q. Pensions/Other Postemployment Benefits (OPEB)**

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

**R. Fair Value Measurements**

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.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**Change in Accounting Principles**

For 2020, the Library has applied GASB Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance" to GASB Statement Nos. 87 and 89, which were originally due to be implemented in 2020. GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The following pronouncement is postponed by one year and the Library has elected delaying implementation until the fiscal year ended December 31, 2021:

- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*

The following pronouncements are postponed by eighteen months and the Library has elected delaying implementation until the fiscal year ended December 31, 2022:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*

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*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

**NOTE 4 - DEPOSITS AND INVESTMENTS**

The Library's investment policy was developed and implemented in accordance with Ohio Revised Code Section 135. State statutes classify monies held by the Library into three categories:

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

Inactive deposits are public deposits that the Governing Board 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 in interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts. Interim monies may be deposited or invested in those instruments identified in Section 135.18(B) of the Ohio Revised Code. Specifically, authorized investments shall consist of the following:

1. Bonds, notes or other obligations of the United States;
2. Bonds, notes or other obligations issued by any federal government agency;
3. Certificates of deposit in any bank or savings and loan association having an office located within Franklin County and eligible to become a public depository in accordance with Section 135.04 of the Ohio Revised Code;
4. Written repurchase agreements of any eligible bank or savings and loan association under the terms of which agreement the Library purchases and seller agrees unconditionally to repurchase any of the securities. This agreement shall contain the requirement that for each transaction the participating institution shall provide all of the following information: (a) the face amount of the securities; (b) the rate and maturity date of the securities; (c) a numerical identifier generally accepted in the securities industry that designates the securities;
5. Bonds and other obligations of this state, its political subdivisions, or other units or agencies of this state or its political subdivisions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Demand deposit accounts (checking, savings, and negotiable orders of withdrawal, zero balance, and concentration accounts) established with local financial institutions approved as depositories for active, interim and inactive funds.

Protection of the Library's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the finance director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. The issuer of the surety bond shall be rated at least "AA" by any of the 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. Investments may only be made through specified dealers and institutions.

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*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**A. Cash on Hand**

At year end, the Library had \$2,080 in undeposited cash on hand which is included on the financial statements of the Library as part of “equity in pooled cash and investments”.

**B. Deposits with Financial Institutions**

At December 31, 2020, the carrying amount of all Library deposits was \$865,315. As of December 31, 2020, the Library’s bank balance was \$947,750, which was covered by FDIC.

The Library has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the Library and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2020, the Library’s financial institution was approved for a collateral rate through the OPCS.

**C. Investments**

As of December 31, 2020, the Library had the following investments and maturities:

<u>Investment type</u>	<u>Investment Maturities</u>					
	<u>Measurement Amount</u>	<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>Greater than 24 months</u>
<i>Fair value:</i>						
Negotiable CDs	\$ 3,002,847	\$ 493,339	\$ 249,179	\$ 503,926	\$ 502,569	\$ 1,253,834
U.S. Government money market	11,530	11,530	-	-	-	-
<i>Amortized cost:</i>						
STAR Ohio	<u>3,629,372</u>	<u>3,629,372</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 6,643,749</u>	<u>\$ 4,134,241</u>	<u>\$ 249,179</u>	<u>\$ 503,926</u>	<u>\$ 502,569</u>	<u>\$ 1,253,834</u>

The Library’s investments in U.S. Government money markets are valued using quoted market prices in active markets (Level 1 inputs). The Library’s investments in negotiable CDs are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

*Interest Rate Risk:* The Library’s investment policy limits investment purchases to those that mature within five years of the date of purchase. The term of any repurchase agreement shall not exceed thirty days. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Library’s investment policy addresses interest rate risk by requiring the consideration of cash flow projections in determining the appropriate maturities.

*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 investment or collateral securities that are in the possession of an outside party. The Library has no investment policy dealing with investment custodial risk beyond the requirement in Ohio law that prohibits payments for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee. The Library has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Fiscal Officer or qualified trustee.

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**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

*Credit Risk:* Standard & Poor's has assigned STAR Ohio an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The U.S. government money market and negotiable CDs were not rated. The negotiable CDs are covered by FDIC. The Library's investment policy does not specifically address credit risk beyond requiring the Library to only invest in certain securities authorized by State Statute.

*Concentration of Credit Risk:* The Library's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities.

The following table includes the percentage of each investment type held by the Library at December 31, 2020:

<u>Measurement/ Investment type</u>	<u>Measurement</u>	
	<u>Amount</u>	<u>% of Total</u>
<i>Fair value:</i>		
Negotiable CDs	\$ 3,002,847	45.20
U.S. Government money market	11,530	0.17
<i>Amortized cost:</i>		
STAR Ohio	<u>3,629,372</u>	<u>54.63</u>
Total	<u>\$ 6,643,749</u>	<u>100.00</u>

**D. Reconciliation of Cash and Investments to the Statement of Net Position**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the Statement of Net Position as of December 31, 2020:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 865,315
Investments	6,643,749
Cash on hand	<u>2,080</u>
Total	<u>\$ 7,511,144</u>

<u>Equity in pooled cash and investments per Statement of Net Position</u>	
Governmental activities	<u>\$ 7,511,144</u>

**NOTE 5 - PROPERTY TAXES**

Property taxes include amounts levied against all real and public utility property located in the boundaries of the Westerville City School District. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. 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 real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2020 public utility property taxes became a lien December 31, 2019, are levied after October 1, 2020, and are collected in 2021 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.



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**NOTE 5 - PROPERTY TAXES - (Continued)**

The Library receives property taxes from Franklin and Delaware Counties. The County Auditors periodically remit to the Library its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, tangible personal property taxes and outstanding delinquencies which are measurable as of December 31, 2020 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by unearned revenue since the current taxes were not levied to finance 2020 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is reported as a deferred inflow of resources.

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

<u>Real Property</u>	
Residential/Agricultural	\$ 2,147,242,590
Commercial/Industrial	490,466,840
<u>Public Utility</u>	
Real	<u>55,271,050</u>
Total Assessed Value	<u>\$ 2,692,980,480</u>

**NOTE 6 - TAX ABATEMENTS**

**Community Reinvestment Area**

The City of Westerville provides tax abatements through Community Reinvestment Areas (CRAs).

Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

The CRA agreements entered into by the City of Westerville affect the property tax receipts collected and distributed to the Library. There were 124 parcels that have taxes abated through CRA agreements that affected the Library. Under these agreements, the Library's property taxes were reduced by \$59,026 in 2020.

**NOTE 7 - GRANTS-IN-AID**

A major source of revenue for Ohio public libraries is the Public Library Fund (PLF). The source of money for this fund comes from a percentage of the State taxes collected in Ohio including the State income tax and sales tax. During 2020, the PLF distribution was based on 1.70 percent of the State's General Revenue Fund tax. The Franklin and Delaware County Budget Commissions allocate these funds to the Library based on a formula that was negotiated and agreed to by public libraries located in the counties. The County Budget Commissions cannot reduce their allocation of these funds to the Library based on any additional revenues the Library receives.

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*NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 8 - RECEIVABLES**

Receivables at December 31, 2020, consisted primarily of property taxes, accrued interest, and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are deemed collectible in full. All receivables are expected to be collected within the subsequent year.

A summary of the principal items of receivables reported on the statement of net position follows:

**Governmental activities:**

Property taxes	\$ 4,618,183
Accrued interest	5,498
Intergovernmental:	
Public library fund	1,555,861
Homestead and rollback	267,329
Miscellaneous	409
Total intergovernmental receivables	<u>\$ 1,823,599</u>

**NOTE 9 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2020, was as follows:

	Balance <u>12/31/19</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>12/31/20</u>
<b><u>Governmental activities:</u></b>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 70,603	\$ -	\$ -	\$ 70,603
Total capital assets, not being depreciated	<u>70,603</u>	<u>-</u>	<u>-</u>	<u>70,603</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	275,228	-	-	275,228
Buildings and improvements	7,740,808	-	-	7,740,808
Fixtures and equipment	2,078,764	61,308	(88,104)	2,051,968
Vehicles	45,191	-	-	45,191
Total capital assets, being depreciated	<u>10,139,991</u>	<u>61,308</u>	<u>(88,104)</u>	<u>10,113,195</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(275,228)	-	-	(275,228)
Buildings and improvements	(5,018,824)	(138,643)	-	(5,157,467)
Fixtures and equipment	(1,182,687)	(105,232)	10,868	(1,277,051)
Vehicles	(33,125)	(5,084)	-	(38,209)
Total accumulated depreciation	<u>(6,509,864)</u>	<u>(248,959)</u>	<u>10,868</u>	<u>(6,747,955)</u>
Total capital assets, being depreciated, net	<u>3,630,127</u>	<u>(187,651)</u>	<u>(77,236)</u>	<u>3,365,240</u>
Governmental activities capital assets, net	<u>\$ 3,700,730</u>	<u>\$ (187,651)</u>	<u>\$ (77,236)</u>	<u>\$ 3,435,843</u>

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*NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 9 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to governmental activities as follows:

Library services:	
Public services and programs	\$ 218,699
Collection development and processing	387
Support services:	
Facilities operation and maintenance	12,285
Information services	<u>17,588</u>
Total depreciation expense	<u>\$ 248,959</u>

**NOTE 10 - CAPITALIZED LEASES - LESSEE DISCLOSURE**

During the current year and in prior fiscal years, the Library entered into capitalized leases for copiers and equipment. The lease agreements meet the criteria of a capital lease as defined by GASB, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures in the financial statements for the governmental funds and as functional expenditures in the budgetary statements.

At December 31, 2020, capital assets acquired by the capital lease obligations outstanding at year-end have been capitalized in the amount of \$39,634, which represents the present value of the future minimum lease payments at the time of acquisition. Accumulated depreciation as of December 31, 2020 was \$33,102, leaving a current book value of \$6,532. The liability of the capital lease obligations that were capitalized at December 31, 2020 was \$1,760. The Library had a balance of \$105,468 in capital lease obligations for computer equipment that was not capitalized, as the equipment was below the capitalization threshold.

A corresponding liability is recorded in the Statement of Net Position. Principal and interest payments in fiscal year 2020 totaled \$36,347 and \$7,380, respectively, in the general fund.

The following is a schedule of the future long-term minimum lease payments required under the capital lease obligations and the present value of the minimum lease payments as of December 31, 2020:

<u>Year Ending December 31,</u>	<u>Copiers &amp; Equipment</u>
2021	\$ 30,907
2022	29,135
2023	29,135
2024	<u>29,135</u>
Total minimum lease payments	118,312
Less: amount representing interest	<u>(11,084)</u>
Total	<u>\$ 107,228</u>

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
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*NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - LONG-TERM OBLIGATIONS**

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

	Balance			Balance	Amounts
<b>Governmental activities:</b>	<u>12/31/2019</u>	<u>Increase</u>	<u>Decrease</u>	<u>12/31/2020</u>	<u>Due in</u> <u>One Year</u>
Compensated absences	\$ 306,562	\$ 298,976	\$ (211,726)	\$ 393,812	\$ 267,837
Net pension liability	6,043,978	-	(1,891,802)	4,152,176	-
Net OPEB liability	2,837,642	89,800	-	2,927,442	-
Capital lease obligation	<u>15,790</u>	<u>127,785</u>	<u>(36,347)</u>	<u>107,228</u>	<u>26,195</u>
Total governmental activities	<u>\$ 9,203,972</u>	<u>\$ 516,561</u>	<u>\$ (2,139,875)</u>	<u>\$ 7,580,658</u>	<u>\$ 294,032</u>

Compensated Absences

Compensated absences will be paid from the funds from which the employees' salaries are paid, which is the general fund.

Net Pension Liability and Net OPEB Liability:

The net pension liability and net OPEB liability will be paid from the general fund. See Notes 14 and 15 for details.

Capital Lease Obligations

See Note 10 for detail on the Library's capital lease obligations.

**NOTE 12 - RISK MANAGEMENT**

**A. Property and Liability Insurance**

The Library has obtained commercial insurance from the Ohio Plan for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions

Settled claims have not exceeded commercial insurance coverage in any of the past three years and there was no significant change in insurance coverage from the prior year.

**B. Workers' Compensation**

The Library belongs to the Ohio Library Council Group Retrospective Rating Program (Group Retro) for Workers' Compensation. Group Retro offers the potential for premium refunds paid over a three-year period at 12, 24, and 36 months following the end of the group retro policy year. These premium refunds are based on the total group's cost control performance.

Workers' compensation coverage is provided by the State of Ohio. 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 (if material).

**C. Employee Health Insurance**

The Library provides employees with health, dental, vision and life insurance. The Library pays 100% of the monthly premiums for the benefits for full-time employees, and 50% of the monthly benefits for part-time employees. If employees choose to enroll spouses and/or other family members, the employee pays the additional premiums.

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**NOTE 13 - OTHER EMPLOYEE BENEFITS**

**A. Accumulated Unpaid Vacation**

Library full-time and part-time employees earn vacation leave at varying rates based upon position, hire date, length of service and hours worked per week. Vacation leave is credited on a monthly basis (pay period) and no vacation credit will be given for partial months worked. Vacation leave may be accumulated to a maximum of credits that can be earned in two consecutive years of employment. Employees whose employment that is terminated for any reason other than cause or resignation without proper notice will receive payout of accrued but unused vacation.

**B. Accumulated Unpaid Sick Leave**

Library full-time and part-time employees earn sick leave credits on a monthly-basis as follows:

	<u>Hours per Week</u>	<u>Sick Leave Hours Accrued per Month</u>	<u>Maximum Accumulated Sick Leave Hours</u>
Full-time employees	n/a	10	960
Part-time employees	12	3	288
Part-time employees	16	4	384
Part-time employees	20	5	480

Employees whose employment that is terminated for any reason other than cause or resignation without proper notice will be paid 25% of his/her accumulated sick leave at the time of termination after ten years of continuous employment. Payment shall be made at the employee's rate of pay at the time of termination.

**NOTE 14 - DEFINED BENEFIT PENSION PLANS**

The Statewide retirement system provides both pension benefits and other postemployment benefits (OPEB).

***Net Pension Liability/Asset and Net OPEB Liability***

Pensions and OPEB are a component of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions are provided to an employee - on a deferred-payment basis - as part of the total compensation package offered by an employer for employee services each financial period.

The net pension liability/asset and the net OPEB liability 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 this estimate annually.

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

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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

GASB 68/75 assumes the liability/asset 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. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide health care to eligible benefit recipients.

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

The remainder of this note includes the pension disclosures. See Note 15 for the OPEB disclosures.

***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. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

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

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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

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

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

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 annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

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

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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

\* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

\*\* This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4.00%.

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

The Library's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$448,353 for 2020. Of this amount, \$7,639 is reported as intergovernmental payable.

***Net Pension Liabilities/Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

The net pension liability and net pension asset for OPERS were measured as of December 31, 2019, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability or 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:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
Proportion of the net pension liability/asset prior measurement date	0.022068%	0.011007%	0.022613%	
Proportion of the net pension liability/asset current measurement date	0.021007%	0.025914%	0.022013%	
Change in proportionate share	-0.001061%	0.014907%	-0.000600%	
Proportionate share of the net pension liability	\$ 4,152,176	\$ -	\$ -	\$ 4,152,176
Proportionate share of the net pension asset	-	(54,037)	(832)	(54,869)
Pension expense	563,413	6,191	(490)	569,114



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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
<b>Deferred outflows of resources:</b>				
Differences between expected and actual experience	\$ -	\$ -	\$ 2,780	\$ 2,780
Changes of assumptions	221,774	5,573	136	227,483
Changes in employer's proportionate percentage/difference between employer contributions	5,762	-	-	5,762
Contributions subsequent to the measurement date	413,493	20,184	14,676	448,353
Total deferred outflows of resources	<u>\$ 641,029</u>	<u>\$ 25,757</u>	<u>\$ 17,592</u>	<u>\$ 684,378</u>
<b>Deferred inflows of resources:</b>				
Differences between expected and actual experience	\$ 52,499	\$ 12,688	\$ -	\$ 65,187
Net difference between projected and actual earnings on pension plan investments	828,266	7,008	263	835,537
Changes in employer's proportionate percentage/difference between employer contributions	151,107	-	-	151,107
Total deferred inflows of resources	<u>\$ 1,031,872</u>	<u>\$ 19,696</u>	<u>\$ 263</u>	<u>\$ 1,051,831</u>

\$448,353 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/asset in the year ending December 31, 2021.

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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
2021	\$ (188,298)	\$ (3,442)	\$ 326	\$ (191,414)
2022	(321,460)	(3,312)	330	(324,442)
2023	34,296	(1,360)	395	33,331
2024	(328,874)	(3,923)	297	(332,500)
2025	-	(738)	359	(379)
Thereafter	-	(1,348)	946	(402)
<b>Total</b>	<b>\$ (804,336)</b>	<b>\$ (14,123)</b>	<b>\$ 2,653</b>	<b>\$ (815,806)</b>

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

Wage inflation	3.25%
Future salary increases, including inflation COLA or ad hoc COLA	3.25% to 10.75% including wage inflation Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 1.40%, simple through 2020, then 2.15% simple
Investment rate of return	
Current measurement date	7.20%
Prior measurement date	7.20%
Actuarial cost method	Individual entry age

In October 2019, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 3.00% simple through 2018 then 2.15% simple to 1.40% simple through 2020 the 2.15% simple.

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

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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 17.20% for 2019.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed income	25.00 %	1.83 %
Domestic equities	19.00	5.75
Real estate	10.00	5.20
Private equity	12.00	10.70
International equities	21.00	7.66
Other investments	13.00	4.98
<b>Total</b>	<b>100.00 %</b>	<b>5.61 %</b>

**Discount Rate** - The discount rate used to measure the total pension liability/asset was 7.20%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2019 was 7.20%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Library's Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate** - The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 7.20%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (6.20%) or one-percentage-point higher (8.20%) than the current rate:

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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Library's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 6,848,282	\$ 4,152,176	\$ 1,728,456
Combined Plan	(32,652)	(54,037)	(69,450)
Member-Directed Plan	(440)	(832)	(1,101)

**NOTE 15 - DEFINED BENEFIT OPEB PLANS**

***Net OPEB Liability***

See Note 14 for a description of the net OPEB liability.

***Plan Description - Ohio Public Employees Retirement System (OPERS)***

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or 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' Comprehensive Annual Financial Report referenced below for additional information.

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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**NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care was 0.00% for the Traditional and Combined plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2020 was 4.00%.

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

The Library's contractually required contribution was \$5,870 for 2020. Of this amount, \$100 is reported as intergovernmental payable.

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

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

Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>
Proportion of the net OPEB liability prior measurement date	0.021765%
Proportion of the net OPEB liability current measurement date	<u>0.021194%</u>
Change in proportionate share	<u>-0.000571%</u>
Proportionate share of the net OPEB liability	\$ 2,927,442
OPEB expense	\$ 282,517

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**NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

	OPERS
<b>Deferred outflows of resources:</b>	
Differences between expected and actual experience	\$ 79
Changes of assumptions	463,382
Changes in employer's proportionate percentage/ difference between employer contributions	3,904
Contributions subsequent to the measurement date	5,870
Total deferred outflows of resources	\$ 473,235

	OPERS
<b>Deferred inflows of resources:</b>	
Differences between expected and actual experience	\$ 267,729
Net difference between projected and actual earnings on OPEB plan investments	149,063
Changes in employer's proportionate percentage/ difference between employer contributions	45,696
Total deferred inflows of resources	\$ 462,488

\$5,870 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 the year ending December 31, 2021.

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**NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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:		
2021	\$	50,775
2022		17,677
2023		118
2024		(63,693)
Total	\$	4,877

***Actuarial Assumptions - OPERS***

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

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

Wage Inflation	3.25%
Projected Salary Increases, including inflation	3.25 to 10.75% including wage inflation
Single Discount Rate:	
Current measurement date	3.16%
Prior Measurement date	3.96%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	2.75%
Prior Measurement date	3.71%
Health Care Cost Trend Rate	
Current measurement date	10.50% initial, 3.50% ultimate in 2030
Prior Measurement date	10.00%, initial 3.25%, ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

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**NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 19.70% for 2019.

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

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

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



**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

**NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)**

**Discount Rate** - A single discount rate of 3.16% was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96% was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.75%. 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 proportionate share of the net OPEB liability calculated using the single discount rate of 3.16%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.16%) or one-percentage-point higher (4.16%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Library's proportionate share of the net OPEB liability	\$ 3,831,027	\$ 2,927,442	\$ 2,203,964

**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 1.00% lower or 1.00% higher than the current rate.

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

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
Library's proportionate share of the net OPEB liability	\$ 2,841,056	\$ 2,927,442	\$ 3,012,727

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

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

**NOTE 16 - 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 and disbursements.

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

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned, committed, or restricted fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and
- (e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and
- (f) Fund included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for the general fund:

**Net Change in Fund Balance**

	<u>General</u>
Budget basis	\$ 919,802
Net adjustment for revenue accruals	12,268
Net adjustment for expenditure accruals	(124,748)
Net adjustment for other sources (uses)	127,785
Fund budgeted elsewhere*	279
Adjustment for encumbrances	342,786
GAAP basis	\$ 1,278,172

\*The flexible spending account fund, which is legally classified in separate fund, is considered part of the general fund on a GAAP-basis.

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

**NOTE 17 - CONTINGENCIES**

**A. Grants**

The Library receives significant financial assistance from federal and State agencies in the form 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 other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the reporting units included herein or on the overall financial position of the Library at December 31, 2020.

**B. Litigation**

The Library is not a party to legal proceedings.

**NOTE 18 - OTHER COMMITMENTS**

The Library utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the Library's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	<u>\$ 234,977</u>

**NOTE 19 - COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Library. The Library's investment portfolio and the pension and other employee benefits plan in which the Library participate fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the Library's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

During 2020, the Library received \$25,000 in CARES Act funding which is reflected as public services and programs and capital outlay expenditures in the Coronavirus Relief Grant special revenue fund on the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION*

*SCHEDULE OF THE LIBRARY'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY/NET PENSION ASSET  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*LAST FIVE YEARS*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Traditional Plan:</i>				
Library's proportion of the net pension liability	0.021007%	0.022068%	0.021954%	0.022648%
Library's proportionate share of the net pension liability	\$ 4,152,176	\$ 6,043,978	\$ 3,444,157	\$ 5,142,976
Library's covered payroll	\$ 2,958,021	\$ 2,985,279	\$ 2,899,992	\$ 2,928,600
Library's proportionate share of the net pension liability as a percentage of its covered payroll	140.37%	202.46%	118.76%	175.61%
Plan fiduciary net position as a percentage of the total pension liability	82.17%	74.70%	84.66%	77.25%
<i>Combined Plan:</i>				
Library's proportion of the net pension asset	0.025914%	0.011007%	0.011307%	0.014948%
Library's proportionate share of the net pension asset	\$ 54,037	\$ 12,308	\$ 15,392	\$ 8,320
Library's covered payroll	\$ 111,664	\$ 47,071	\$ 46,308	\$ 58,175
Library's proportionate share of the net pension asset as a percentage of its covered payroll	48.39%	26.15%	33.24%	14.30%
Plan fiduciary net position as a percentage of the total pension asset	145.28%	126.64%	137.28%	116.55%
<i>Member Directed Plan:</i>				
Library's proportion of the net pension asset	0.022013%	0.022613%	0.021985%	0.017071%
Library's proportionate share of the net pension asset	\$ 832	\$ 515	\$ 767	\$ 71
Library's covered payroll	\$ 130,860	\$ 129,260	\$ 92,692	\$ 88,617
Library's proportionate share of the net pension asset as a percentage of its covered payroll	0.64%	0.40%	0.83%	0.08%
Plan fiduciary net position as a percentage of the total pension asset	118.84%	113.42%	124.46%	103.40%

Note: Information prior to 2016 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**2016**

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0.023043%

\$ 3,991,338

\$ 3,123,043

127.80%

81.08%

0.017360%

\$ 8,448

\$ 63,183

13.37%

116.90%

0.014023%

\$ 54

\$ 78,092

0.07%

103.91%

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION*

*SCHEDULE OF LIBRARY PENSION CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*LAST SIX YEARS*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 413,493	\$ 414,123	\$ 417,939	\$ 376,999
Contributions in relation to the contractually required contribution	<u>(413,493)</u>	<u>(414,123)</u>	<u>(417,939)</u>	<u>(376,999)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Library's covered payroll	\$ 2,953,521	\$ 2,958,021	\$ 2,985,279	\$ 2,899,992
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 20,184	\$ 15,633	\$ 6,590	\$ 6,020
Contributions in relation to the contractually required contribution	<u>(20,184)</u>	<u>(15,633)</u>	<u>(6,590)</u>	<u>(6,020)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Library's covered payroll	\$ 144,171	\$ 111,664	\$ 47,071	\$ 46,308
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 14,676	\$ 13,086	\$ 12,926	\$ 12,050
Contributions in relation to the contractually required contribution	<u>(14,676)</u>	<u>(13,086)</u>	<u>(12,926)</u>	<u>(12,050)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Library's covered payroll	\$ 146,760	\$ 130,860	\$ 129,260	\$ 92,692
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	13.00%

Note: Information prior to 2015 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>
\$ 351,432	\$ 374,765
<u>(351,432)</u>	<u>(374,765)</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 2,928,600	\$ 3,123,043
12.00%	12.00%
\$ 6,981	\$ 7,582
<u>(6,981)</u>	<u>(7,582)</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 58,175	\$ 63,183
12.00%	12.00%
\$ 10,634	\$ 9,371
<u>(10,634)</u>	<u>(9,371)</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 88,617	\$ 78,092
12.00%	12.00%



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**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION*

*SCHEDULE OF THE LIBRARY'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*LAST FOUR YEARS*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Library's proportion of the net OPEB liability	0.021194%	0.021765%	0.021660%	0.022169%
Library's proportionate share of the net OPEB liability	\$ 2,927,442	\$ 2,837,642	\$ 2,352,116	\$ 2,239,100
Library's covered payroll	\$ 3,200,545	\$ 3,161,610	\$ 3,038,992	\$ 3,075,392
Library's proportionate share of the net OPEB liability as a percentage of its covered payroll	91.47%	89.75%	77.40%	72.81%
Plan fiduciary net position as a percentage of the total OPEB liability	47.80%	46.33%	54.14%	54.05%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION*

*SCHEDULE OF LIBRARY OPEB CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*LAST SIX YEARS*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 5,870	\$ 5,234	\$ 5,171	\$ 34,283
Contributions in relation to the contractually required contribution	<u>(5,870)</u>	<u>(5,234)</u>	<u>(5,171)</u>	<u>(34,283)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Library's covered payroll	\$ 3,244,452	\$ 3,200,545	\$ 3,161,610	\$ 3,038,992
Contributions as a percentage of covered payroll	0.18%	0.16%	0.16%	1.13%

Note: Information prior to 2015 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>
\$ 61,508	\$ 64,883
<u>(61,508)</u>	<u>(64,883)</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 3,075,392	\$ 3,264,318
2.00%	1.99%

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2020*

**PENSION**

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*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for 2014-2020.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%. There were no changes in assumptions for 2018. For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%. There were no changes in assumptions for 2020.

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**OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

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*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for 2017-2020.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017. For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%. For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029. For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% down to 3.16%, (b) the municipal bond rate was decreased from 3.71% down to 2.75% and (c) the health care cost trend rate was increased from 10.00%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.

COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

**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.

**SPECIAL REVENUE FUNDS**

The special revenue funds are used to account for all specific financial resources (other than major capital projects) that are legally restricted or committed for specified expenditure purposes. The following are the special revenue funds which the Library operates:

**Nonmajor Special Revenue Funds**

***Imagination Library Fund***

This fund accounts for donations received from the Westerville Library Foundation to implement an Imagination Library project through the Dollywood Foundation, to provide books to children.

***Library Census Equity Mini-Grant Fund***

This fund accounts for grants provided through the American Library Association to provide funds to bolster the Library's service to hard-to-count communities and help achieve a complete count in the 2020 Census.

***Library Services and Technology Act (LSTA) Cares Act Mini-Grant Fund***

This fund accounts for stimulus funding provided through the LSTA funded through the independent federal agency Institute of Museum and Library Services to assist with the Library's response to the COVID-19 pandemic.

***Coronavirus Relief Grant Fund***

This fund accounts for grants provided by the Coronavirus Aid, Relief and Economic Security Act (CARES) Act to support the Library's response to the COVID-19 pandemic.

***Youth Literacy Grant Fund***

This fund accounts for youth literacy grants through the Literacy Foundation to provide funding to help students who are below grade level or experiencing difficulty reading.

***American Library Association (ALA) Resilient Communities Fund***

This fund accounts for grants provided through the Library Services and Technology Act program, funded through the independent federal agency Institute of Museum and Library Services.

***Flexible Spending Account Fund***

This fund accounts for flexible spending accounts for employees. This fund is included with the General Fund for GAAP reporting as it does not have a restricted or committed revenue source.

**CAPITAL PROJECTS FUND**

Capital project funds are used to account for and report financial resources that are restricted or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Following is a description of the Library's capital projects fund:

**Nonmajor Capital Project Fund**

***Building and Repair Fund***

The monies maintained in this fund are to be used for improving, repairing and expanding the existing Library facility.

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property taxes . . . . .	\$ 4,348,140	\$ 4,276,551	\$ 4,279,552	\$ 3,001
Intergovernmental . . . . .	3,637,529	3,580,153	3,580,150	(3)
Patron fines and fees . . . . .	30,333	29,175	29,855	680
Services provided to other entities . . . . .	113,394	111,605	111,605	-
Investment earnings . . . . .	75,961	73,583	74,763	1,180
Contributions, gifts and donations . . . . .	16,643	17,076	16,380	(696)
Other . . . . .	90,677	91,409	89,247	(2,162)
<b>Total revenues . . . . .</b>	<b>8,312,677</b>	<b>8,179,552</b>	<b>8,181,552</b>	<b>2,000</b>
<b>Expenditures:</b>				
Salaries and benefits				
Salaries and leave benefits . . . . .	3,470,000	3,470,000	3,350,046	119,954
Retirement benefits . . . . .	525,000	491,705	455,081	36,624
Insurance benefits . . . . .	698,580	690,374	684,742	5,632
Other employee benefits . . . . .	31,700	21,700	19,372	2,328
<b>Total salaries and benefits . . . . .</b>	<b>4,725,280</b>	<b>4,673,779</b>	<b>4,509,241</b>	<b>164,538</b>
Supplies				
General administrative supplies . . . . .	214,928	155,928	112,510	43,418
Property maintenance/repairs, supplies and parts . . . . .	32,967	26,967	18,921	8,046
Motor vehicle, fuel, supplies and parts . . . . .	2,783	2,783	1,061	1,722
Supplies purchased for resale . . . . .	47,555	29,355	8,346	21,009
<b>Total supplies . . . . .</b>	<b>298,233</b>	<b>215,033</b>	<b>140,838</b>	<b>74,195</b>
Purchased and contracted services				
Travel and meeting expenses . . . . .	58,082	46,282	38,032	8,250
Communication, publication and printing . . . . .	58,689	55,624	42,612	13,012
Property maintenance, repair and security . . . . .	937,215	844,465	695,830	148,635
Insurance . . . . .	37,000	33,715	33,465	250
Rents and lease . . . . .	119,797	59,797	50,935	8,862
Utilities . . . . .	246,245	235,745	186,725	49,020
Professional services . . . . .	420,903	263,903	184,953	78,950
Library material control . . . . .	59,186	59,186	56,342	2,844
Other contracts and professional services . . . . .	3,454	3,454	1,939	1,515
<b>Total purchased and contracted services . . . . .</b>	<b>1,940,571</b>	<b>1,602,171</b>	<b>1,290,833</b>	<b>311,338</b>
Library materials and information				
Books . . . . .	461,835	441,835	429,835	12,000
Periodicals/software/internet services . . . . .	326,526	299,826	263,070	36,756
Audiovisual materials . . . . .	555,265	535,065	464,675	70,390
Other library materials . . . . .	26,337	23,337	5,971	17,366
<b>Total library materials and information . . . . .</b>	<b>1,369,963</b>	<b>1,300,063</b>	<b>1,163,551</b>	<b>136,512</b>

---Continued



**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL FUND - (CONTINUED)**  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Capital outlay				
Building improvements . . . . .	\$ 167,262	\$ 67,262	\$ 22,804	\$ 44,458
Furniture and equipment. . . . .	132,198	76,099	56,183	19,916
Total capital outlay. . . . .	<u>299,460</u>	<u>143,361</u>	<u>78,987</u>	<u>64,374</u>
Other expenses				
Dues and memberships . . . . .	16,800	16,800	13,759	3,041
Taxes and assessments . . . . .	7,237	6,337	2,147	4,190
County auditor and treasurer fees. . . . .	65,000	65,000	61,392	3,608
Refunds and reimbursements . . . . .	2,939	2,939	1,002	1,937
Total other expenses. . . . .	<u>91,976</u>	<u>91,076</u>	<u>78,300</u>	<u>12,776</u>
Total expenditures . . . . .	<u>8,725,483</u>	<u>8,025,483</u>	<u>7,261,750</u>	<u>763,733</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(412,806)</u>	<u>154,069</u>	<u>919,802</u>	<u>765,733</u>
<b>Other financing uses:</b>				
Transfers (out). . . . .	(1,769,587)	(1,769,587)	-	1,769,587
Total other financing uses . . . . .	<u>(1,769,587)</u>	<u>(1,769,587)</u>	<u>-</u>	<u>1,769,587</u>
Net change in fund balance . . . . .	(2,182,393)	(1,615,518)	919,802	2,535,320
<b>Fund balance at beginning of year . . . . .</b>	5,243,332	5,243,332	5,243,332	-
<b>Prior year encumbrances appropriated. . . . .</b>	<u>484,133</u>	<u>484,133</u>	<u>484,133</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,545,072</u>	<u>\$ 4,111,947</u>	<u>\$ 6,647,267</u>	<u>\$ 2,535,320</u>

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2020*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 5,393	\$ 481,064	\$ 486,457
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 38	\$ -	\$ 38
<b>Fund balances:</b>			
Restricted . . . . .	5,355	-	5,355
Assigned . . . . .	-	481,064	481,064
Total fund balances . . . . .	5,355	481,064	486,419
Total liabilities and fund balances . . . . .	\$ 5,393	\$ 481,064	\$ 486,457

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>			
Intergovernmental. . . . .	\$ 30,500	\$ -	\$ 30,500
Contributions, gifts and donations . . . . .	5,952	-	5,952
Total revenues. . . . .	36,452	-	36,452
 <b>Expenditures:</b>			
Current:			
Library services			
Public services and programs . . . . .	20,899	-	20,899
Capital outlay . . . . .	16,889	-	16,889
Total expenditures. . . . .	37,788	-	37,788
 Net change in fund balances . . . . .	(1,336)	-	(1,336)
 <b>Fund balances at beginning of year. . . . .</b>	<b>6,691</b>	<b>481,064</b>	<b>487,755</b>
<b>Fund balances at end of year . . . . .</b>	<b>\$ 5,355</b>	<b>\$ 481,064</b>	<b>\$ 486,419</b>

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**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2020*

	<b>Library Census Equity Mini- Grant Fund</b>	<b>LSTA CARES Act Mini- Grant Fund</b>	<b>Youth Literacy Grant Fund</b>
<b>Assets:</b>			
Equity in pooled cash and investments. . . .	\$ 1,194	\$ 38	\$ 4,000
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 38	\$ -	\$ -
<b>Fund balances:</b>			
Restricted for:			
Public services and programs . . . . .	1,156	38	4,000
Total liabilities and fund balances . . . . .	\$ 1,194	\$ 38	\$ 4,000

<b>ALA Resilient Communities Fund</b>	<b>Total Nonmajor Special Revenue Funds</b>
<u>\$ 161</u>	<u>\$ 5,393</u>
<u>\$ -</u>	<u>\$ 38</u>
<u>161</u>	<u>5,355</u>
<u>\$ 161</u>	<u>\$ 5,393</u>

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<b>Imagination Library Fund</b>	<b>Library Census Equity Mini- Grant Fund</b>	<b>LSTA CARES Act Mini- Grant Fund</b>
<b>Revenues:</b>			
Intergovernmental . . . . .	\$ -	\$ 2,000	\$ 3,000
Contributions, gifts and donations . . . . .	1,952		
<b>Total revenues . . . . .</b>	<b>1,952</b>	<b>2,000</b>	<b>3,000</b>
<b>Expenditures:</b>			
Current:			
Library services:			
Public services and programs. . . . .	8,643	844	1,073
Capital outlay . . . . .	-	-	1,889
<b>Total expenditures . . . . .</b>	<b>8,643</b>	<b>844</b>	<b>2,962</b>
Net change in fund balances . . . . .	(6,691)	1,156	38
<b>Fund balances at beginning of year. . . . .</b>	<b>6,691</b>	<b>-</b>	<b>-</b>
<b>Fund balances at end of year . . . . .</b>	<b>\$ -</b>	<b>\$ 1,156</b>	<b>\$ 38</b>

<b>Coronavirus Relief Grant Fund</b>	<b>Youth Literacy Grant Fund</b>	<b>ALA Resilient Communities Fund</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 25,000	\$ -	\$ 500	\$ 30,500
	4,000	-	5,952
<u>25,000</u>	<u>4,000</u>	<u>500</u>	<u>36,452</u>
10,000	-	339	20,899
15,000	-	-	16,889
<u>25,000</u>	<u>-</u>	<u>339</u>	<u>37,788</u>
-	4,000	161	(1,336)
-	-	-	6,691
<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ 161</u>	<u>\$ 5,355</u>



**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**IMAGINATION LIBRARY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Contributions, gifts and donations . . . . .	\$ 1,952	\$ 1,952	\$ 1,952	\$ -
Total revenues . . . . .	<u>1,952</u>	<u>1,952</u>	<u>1,952</u>	<u>-</u>
<b>Expenditures:</b>				
Library materials and information				
Books . . . . .	8,643	8,643	8,643	-
Total expenditures . . . . .	<u>8,643</u>	<u>8,643</u>	<u>8,643</u>	<u>-</u>
Net change in fund balance . . . . .	(6,691)	(6,691)	(6,691)	-
<b>Fund balance at beginning of year . . . . .</b>	<u>6,691</u>	<u>6,691</u>	<u>6,691</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LIBRARY CENSUS EQUITY MINI-GRANT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 2,000	\$ 2,000	\$ 2,000	\$ -
<b>Expenditures:</b>				
Supplies				
Program supplies . . . . .	504	504	504	-
Purchased and contracted services				
Professional services . . . . .	500	-	-	-
Library materials and information				
Periodicals/software/internet services. . . . .	996	1,496	302	1,194
Total expenditures . . . . .	<u>2,000</u>	<u>2,000</u>	<u>806</u>	<u>1,194</u>
Net change in fund balance . . . . .	-	-	1,194	1,194
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,194</u>	<u>\$ 1,194</u>

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LSTA CARES ACT MINI-GRANT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ -	\$ 3,000	\$ 3,000	\$ -
<b>Expenditures:</b>				
Library materials and information				
Periodicals/software/internet services. . . . .	-	1,073	1,073	-
Capital outlay				
Furniture and equipment. . . . .	-	1,927	1,889	38
Total expenditures . . . . .	-	3,000	2,962	38
Net change in fund balance . . . . .	-	-	38	38
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38</u>	<u>\$ 38</u>

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**CORONAVIRUS RELIEF GRANT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ -	\$ 25,000	\$ 25,000	\$ -
<b>Expenditures:</b>				
Supplies				
Program supplies . . . . .	-	10,000	10,000	-
Capital outlay				
Furniture and equipment. . . . .	-	15,000	15,000	-
Total expenditures . . . . .	-	25,000	25,000	-
Net change in fund balance . . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**YOUTH LITERACY GRANT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Contributions, gifts and donations . . . . .	\$ -	\$ 4,000	\$ 4,000	\$ -
<b>Expenditures:</b>				
Supplies				
Program supplies . . . . .	-	600	-	600
Library materials and information				
Books . . . . .	-	2,905	-	2,905
Periodicals/software/internet services. . . . .	-	495	-	495
Total library materials and information. . . . .	<u>-</u>	<u>3,400</u>	<u>-</u>	<u>3,400</u>
Total expenditures . . . . .	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>
Net change in fund balance . . . . .	-	-	4,000	4,000
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ALA RESILIENT COMMUNITIES FUND  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ 500	\$ 500	\$ -
<b>Expenditures:</b>				
Supplies				
Program supplies . . . . .	-	500	339	161
Net change in fund balance . . . . .	-	-	161	161
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 161</u>	<u>\$ 161</u>

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FLEXIBLE SPENDING ACCOUNT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ 9,000	\$ 9,000	\$ 5,850	\$ (3,150)
<b>Expenditures:</b>				
Salaries and benefits				
Other employee benefits . . . . .	9,000	9,000	5,571	3,429
Net change in fund balance . . . . .	-	-	279	279
<b>Fund balance at beginning of year . . . . .</b>	<u>3,554</u>	<u>3,554</u>	<u>3,554</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,554</u>	<u>\$ 3,554</u>	<u>\$ 3,833</u>	<u>\$ 279</u>

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**BUILDING AND REPAIR FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2020*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Capital outlay				
Other capital outlay . . . . .	\$ 481,064	\$ 481,064	\$ -	\$ 481,064
Net change in fund balance . . . . .	(481,064)	(481,064)	-	481,064
<b>Fund balance at beginning of year . . . . .</b>	<u>481,064</u>	<u>481,064</u>	<u>481,064</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 481,064</u></u>	<u><u>\$ 481,064</u></u>



# **STATISTICAL SECTION**

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*STATISTICAL SECTION*

This part of the Westerville School District 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.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the Library's financial performance and well-being have changed over time.	<b>84</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the Library's most significant local revenue sources, the income tax and property tax.	<b>92</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the Library's current levels of outstanding debt and the Library's ability to issue additional debt in the future.	<b>99</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the Library's financial activities take place.	<b>101</b>
<b>Operating Information</b> 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.	<b>103</b>



**TABLE 1**

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*NET POSITION BY COMPONENT  
LAST FIVE YEARS  
(ACCRUAL BASIS OF ACCOUNTING)*

	<b>Year Ended</b>			
	<b>2016</b>	<b>2017 (A)</b>	<b>2018 (A)</b>	<b>2019</b>
<b>Governmental activities</b>				
Net investment in capital assets . . . . .	\$ 3,602,307	\$ 3,572,486	\$ 3,574,813	\$ 3,688,762
Restricted . . . . .	7,651	1,308	4,676	6,691
Unrestricted . . . . .	3,086,353	840,629	1,031,584	934,340
Total governmental activities net position .	<u>\$ 6,696,311</u>	<u>\$ 4,414,423</u>	<u>\$ 4,611,073</u>	<u>\$ 4,629,793</u>

Source: Westerville School District Library financial statements.

Note: 2017 was the first year the Library presented its basic financial statements in accordance with GAAP. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(A) Net position was restated for the implementation of GASB Statement No. 84.

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**2020**

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\$ 3,434,083

5,355

1,621,148

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\$ 5,060,586

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TABLE 2

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*CHANGES IN NET POSITION  
LAST FOUR YEARS  
(ACCRUAL BASIS OF ACCOUNTING)*

	<b>Year Ended</b>			
	<b>2017</b>	<b>2018 (A)</b>	<b>2019</b>	<b>2020</b>
<b>Expenses</b>				
Library services:				
Public services and programs . . . . .	\$ 5,712,504	\$ 5,794,368	\$ 6,057,377	\$ 5,758,452
Collection development and processing . . . . .	244,102	321,425	256,155	163,849
Support services:				
Facilities operation and maintenance . . . . .	861,953	875,696	975,725	866,268
Information services . . . . .	55,125	67,270	61,434	61,226
Business administration. . . . .	1,014,259	981,434	1,054,833	943,094
Interest and fiscal charges. . . . .	6,733	3,297	1,558	7,380
Total expenses . . . . .	<u>7,894,676</u>	<u>8,043,490</u>	<u>8,407,082</u>	<u>7,800,269</u>
<b>Program Revenues</b>				
Charges for services and sales				
Library services:				
Public services and programs . . . . .	240,026	200,379	157,720	141,086
Information services. . . . .	889	1,580	1,052	227
Operating grants and contributions				
Library services:				
Public services and programs . . . . .	89,033	90,760	65,481	51,528
Collection development and processing . . . . .	2,734	2,644	-	-
Capital grants and contributions				
Library services:				
Public services and programs . . . . .	-	15,000	7,242	-
Total program revenues . . . . .	<u>332,682</u>	<u>310,363</u>	<u>231,495</u>	<u>192,841</u>
Net (expense)/revenue. . . . .	<u>(7,561,994)</u>	<u>(7,733,127)</u>	<u>(8,175,587)</u>	<u>(7,607,428)</u>
<b>General Revenues:</b>				
Property taxes . . . . .	4,096,002	4,167,936	4,273,150	4,260,260
Intergovernmental . . . . .	3,239,407	3,529,740	3,637,496	3,587,836
Unrestricted gifts and donations . . . . .	8,136	3,166	18,562	1,304
Investment earnings . . . . .	49,413	95,038	153,761	93,604
Miscellaneous . . . . .	89,211	133,897	111,338	95,217
Total general revenues . . . . .	<u>7,482,169</u>	<u>7,929,777</u>	<u>8,194,307</u>	<u>8,038,221</u>
<b>Change in net position. . . . .</b>	<u>\$ (79,825)</u>	<u>\$ 196,650</u>	<u>\$ 18,720</u>	<u>\$ 430,793</u>

Source: Westerville School District Library financial statements.

Note: 2017 was the first year the Library presented its basic financial statements in accordance with GAAP. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(A) Restated for the implementation of GASB Statement No. 84.

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TABLE 3

WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST FIVE YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Year Ended			
	2016	2017	2018 (A)	2019
General Fund				
Nonspendable . . . . .	\$ 344,330	\$ 319,447	\$ 263,961	\$ 271,368
Assigned . . . . .	254,270	460,655	491,893	2,067,662
Unassigned . . . . .	1,552,815	1,870,502	2,583,345	3,749,417
Total general fund . . . . .	<u>\$ 2,151,415</u>	<u>\$ 2,650,604</u>	<u>\$ 3,339,199</u>	<u>\$ 6,088,447</u>
All Other Governmental Funds				
Restricted . . . . .	7,651	1,308	4,676	6,691
Assigned . . . . .	2,111,343	2,461,343	2,420,133	481,064
Total all other governmental funds . . . . .	<u>\$ 2,118,994</u>	<u>\$ 2,462,651</u>	<u>\$ 2,424,809</u>	<u>\$ 487,755</u>

Source: Westerville School District Library financial statements.

Note: 2017 was the first year the Library has presented its basic financial statements in accordance with GAAP. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(A) General Fund was restated for the implementation of GASB Statement No. 84.



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**2020**

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\$ 258,030  
1,739,818  
5,368,771  

---

\$ 7,366,619

5,355  
481,064  

---

\$ 486,419

TABLE 4

WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO

GOVERNMENTAL FUND REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION  
LAST FOUR YEARS

	Year Ended			
	2017	2018 (A)	2019	2020
<b>Revenues:</b>				
Property taxes . . . . .	\$ 4,132,232	\$ 4,155,072	\$ 4,262,983	\$ 4,279,552
Intergovernmental . . . . .	3,337,765	3,474,012	3,597,741	3,601,769
Patron fines and fees . . . . .	167,003	112,247	78,054	29,708
Services provided to other entities . . . . .	73,912	89,712	80,718	111,605
Contributions, gifts and donations . . . . .	90,444	103,185	85,779	22,332
Earnings on investments. . . . .	41,417	99,144	152,297	95,939
Miscellaneous . . . . .	89,380	189,958	121,903	95,217
Total revenues . . . . .	<u>7,932,153</u>	<u>8,223,330</u>	<u>8,379,475</u>	<u>8,236,122</u>
<b>Expenditures</b>				
Current:				
Library services:				
Public services and programs. . . . .	4,808,619	5,002,882	5,029,256	4,976,214
Collection development and processing . . . . .	241,502	316,461	254,073	158,217
Support services:				
Facilities operation and maintenance . . . . .	849,503	900,653	959,257	826,582
Information services. . . . .	46,958	47,357	43,892	42,238
Business administration. . . . .	847,721	867,386	851,756	829,509
Capital outlay . . . . .	237,002	388,078	399,632	210,584
Debt service:				
Principal retirement . . . . .	95,542	49,228	27,857	36,347
Interest and fiscal charges . . . . .	6,733	3,297	1,558	7,380
Total expenditures . . . . .	<u>7,133,580</u>	<u>7,575,342</u>	<u>7,567,281</u>	<u>7,087,071</u>
Excess of revenues over expenditures . . . . .	<u>798,573</u>	<u>647,988</u>	<u>812,194</u>	<u>1,149,051</u>
<b>Other financing sources (uses)</b>				
Capital lease transaction. . . . .	44,273	-	-	127,785
Transfers in . . . . .	350,000	-	1,769,587	-
Transfers (out). . . . .	(350,000)	-	(1,769,587)	-
Total other financing sources (uses) . . . . .	<u>44,273</u>	<u>-</u>	<u>-</u>	<u>127,785</u>
Net change in fund balances . . . . .	<u>\$ 842,846</u>	<u>\$ 647,988</u>	<u>\$ 812,194</u>	<u>\$ 1,276,836</u>
Capital expenditures . . . . .	171,231	282,342	359,564	61,308
Debt service as a percentage of noncapital expenditures . . . . .	1.47%	0.72%	0.41%	0.62%

Source: Westerville School District Library financial statements.

Note: 2017 was the first year the Library presented its basic financial statements in accordance with GAAP. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(A) Restated for the implementation of GASB Statement No. 84.

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**TABLE 5**

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS*

<b>Year</b>	<b>Real Property</b>		<b>Public Utility Property</b>	
	<b>Estimated Actual Value (a)</b>	<b>Assessed Value</b>	<b>Estimated Actual Value (b)</b>	<b>Assessed Value</b>
2011	\$ 6,917,149,400	\$ 2,421,002,290	\$ 128,209,257	\$ 44,873,240
2012	6,462,339,229	2,261,818,730	104,746,743	36,661,360
2013	6,467,761,429	2,263,716,500	104,928,029	36,724,810
2014	6,481,877,514	2,268,657,130	104,276,057	36,496,620
2015	6,521,468,800	2,282,514,080	107,047,571	37,466,650
2016	6,525,847,200	2,284,046,520	110,884,486	38,809,570
2017	6,555,457,314	2,294,410,060	137,731,714	48,206,100
2018	7,329,595,229	2,565,358,330	167,039,343	58,463,770
2019	7,418,450,914	2,596,457,820	149,414,714	52,295,150
2020	7,536,312,657	2,637,709,430	157,917,286	55,271,050

Source: Franklin County Auditor

Notes:

- (a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.
- (b) Assumes public utilities are assessed at true value which is 35%.
- (c) Tax rates are per \$1,000 of assessed value.

<b>Total</b>		<b>Total Direct Tax Rate (c)</b>	<b>Assessed Value as a Percentage of Actual Value</b>
<b>Estimated Actual Value</b>	<b>Assessed Value</b>		
\$ 7,045,358,657	\$ 2,465,875,530	0.80	35.00%
6,567,085,972	2,298,480,090	2.00	35.00%
6,572,689,458	2,300,441,310	2.00	35.00%
6,586,153,571	2,305,153,750	2.00	35.00%
6,628,516,371	2,319,980,730	2.00	35.00%
6,636,731,686	2,322,856,090	2.00	35.00%
6,693,189,028	2,342,616,160	2.00	35.00%
7,496,634,572	2,623,822,100	2.00	35.00%
7,567,865,628	2,648,752,970	2.00	35.00%
7,694,229,943	2,692,980,480	2.00	35.00%

**TABLE 6**

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS*

<b>Collection Year</b>	<b>Current Tax Levy</b>	<b>Current Tax Collections (a)</b>	<b>Percent of Current Tax Collections to Current Levy</b>	<b>Delinquent Tax Collections (b)</b>	<b>Total Collections</b>	<b>Percent of Total Tax Collections to Current Tax Levy</b>
2011	\$ 1,277,292	\$ 1,211,067	94.82%	\$ 30,526	\$ 1,241,594	97.21%
2012	2,973,564	2,827,895	95.10%	93,320	2,921,214	98.24%
2013	2,962,765	2,814,533	95.00%	96,910	2,911,443	98.27%
2014	2,952,692	2,797,387	94.74%	78,848	2,876,235	97.41%
2015	2,919,521	2,788,937	95.53%	69,860	2,858,797	97.92%
2016	2,889,419	2,813,522	97.37%	70,401	2,883,923	99.81%
2017	2,915,005	2,873,197	98.57%	66,381	2,939,578	100.84%
2018	2,984,653	2,903,927	97.30%	47,031	2,950,958	98.87%
2019	2,997,084	2,943,841	98.22%	69,785	3,013,626	100.55%
2020	3,054,876	2,960,366	96.91%	62,593	3,022,959	98.96%

Source: Franklin County Auditor

Notes:

- (a) Includes Homestead/Rollback exemptions assessed locally, but distributed through the State and reported as intergovernmental revenue.
- (b) The Franklin County Auditor's Office confirmed the Percent of Total Tax Collections to Current Tax Levy column includes percentages in excess of 100% due to timing issues with the collection of property taxes. The Franklin County Auditor's Office is unable to track delinquent taxes collected by year levied. Therefore, the Library has elected to show delinquent taxes by collection year. This presentation will be updated as new information becomes available.

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**TABLE 7**

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$1,000 OF ASSESSED VALUATION)  
LAST TEN YEARS*

<b>Collection Year</b>	<b>Westerville School District Library</b>	<b>Westerville City School District</b>	<b>Franklin County</b>	<b>Delaware County</b>	<b>City of Westerville</b>	<b>City of Columbus</b>	<b>Blendon Township</b>
2011	\$ 0.80	\$ 72.95	\$ 18.07	\$ 6.65	\$ 20.30	\$ 3.14	\$ 29.10
2012	2.00	73.20	18.07	6.65	20.30	3.14	29.10
2013	2.00	80.10	18.47	6.65	20.30	3.14	30.65
2014	2.00	80.05	18.47	7.51	20.30	3.14	30.65
2015	2.00	80.60	18.47	7.51	20.30	3.14	32.51
2016	2.00	80.50	18.47	6.75	20.30	3.14	32.51
2017	2.00	80.35	18.47	7.48	23.10	3.14	37.11
2018	2.00	79.20	18.92	7.09	23.06	3.14	37.20
2019	2.00	78.95	18.92	7.90	23.00	3.14	37.15
2020	2.00	80.06	19.12	7.90	23.02	3.14	38.40

Source: Franklin County and Delaware County Auditors

Notes:

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in Table 5, generated the property tax revenue for that year.

Ohio Revised Code Sections 5705.02 and 5705.07 requires any millage exceeding the "unvoted" or "inside" millage can only be done by a vote of the people.



<u>Genoa Township</u>	<u>Plain Township</u>	<u>Sharon Township</u>	<u>Minerva Park Corp.</u>	<u>Westerville Corp. (Genoa)</u>
\$ 11.30	\$ 15.35	\$ 23.50	\$ 16.05	\$ 20.30
11.30	15.35	23.50	16.05	20.30
11.30	15.35	23.50	16.05	20.30
11.30	15.35	23.50	15.85	20.30
11.70	15.35	23.50	15.70	20.30
13.30	15.25	23.50	15.10	20.30
13.30	15.25	23.50	15.10	23.10
13.30	15.25	27.50	15.10	23.06
13.30	15.25	27.50	15.10	23.00
14.98	15.25	27.50	15.10	23.02

TABLE 8

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*REAL AND PUBLIC UTILITY PROPERTY PRINCIPAL TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO*

<b>December 31, 2020</b>		
<b>Name of Taxpayer</b>	<b>Assessed Valuation</b>	<b>Percent of Total</b>
Ohio Power Company	\$ 33,083,370	1.23%
Chestnut Hill Apartments Ltd	12,841,960	0.48%
St Anns Hospital of Columbus Inc	10,497,750	0.39%
Turtle Station OH Partners LLC	10,291,350	0.38%
Morse Transit Acquisitions LLC	10,246,430	0.38%
Banc One Management Corp	10,236,810	0.38%
Traditions at Westerville	9,947,010	0.37%
CRI Easton Square LLC	9,759,380	0.36%
NREA VB V LLC	8,170,940	0.30%
NRI Brooksedge LLC	8,059,890	0.30%
Total	<u>\$ 123,134,890</u>	<u>4.57%</u>
Total Assessed Valuation	<u>\$ 2,692,980,480</u>	

<b>December 31, 2011</b>		
<b>Name of Taxpayer</b>	<b>Assessed Valuation</b>	<b>Percent of Total</b>
Columbus Southern Power Co.	\$ 23,083,270	0.94%
NRI Booksedge LLC	9,812,350	0.40%
Chestnut Hill Apartments	9,453,020	0.38%
Banc One Management Corp.	8,155,010	0.33%
Remington Station	7,901,280	0.32%
Eastrich No 167 Corp.	7,700,010	0.31%
Ohio-American Water	7,657,940	0.31%
St. Ann's Hospital	7,005,740	0.28%
Wells REIT II - 800	5,799,990	0.24%
CRI Easton Square LLC	5,515,020	0.22%
Total	<u>\$ 92,083,630</u>	<u>3.73%</u>
Total Assessed Valuation	<u>\$ 2,465,875,530</u>	

Source: Franklin County Auditor

**TABLE 9**

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*COMPUTATION OF DIRECT AND OVERLAPPING  
GOVERNMENTAL ACTIVITIES DEBT  
DECEMBER 31, 2020*

<u>Jurisdiction</u>	<u>Governmental Activities Debt</u>	<u>Percentage Overlapping</u>	<u>Applicable to the Library</u>
Direct:			
Westerville School District Library	<u>\$ 107,228</u>	100.00%	<u>\$ 107,228</u>
Overlapping Debt:			
Westerville City School District	132,200,000	100.00%	132,200,000
Delaware County	40,682,200	12.01%	4,885,932
Franklin County	178,725,000	5.49%	9,812,003
City of Columbus	1,717,620,000	3.59%	61,662,558
City of Westerville	16,255,000	97.29%	15,814,490
Genoa Township	5,510,000	60.05%	3,308,755
New Albany Plain Local Park District Miscellaneous	2,545,000	0.81%	20,615
Solid Waste Authority of Central Ohio Miscellaneous	<u>60,620,000</u>	6.27%	<u>3,800,874</u>
Total Overlapping Debt	<u>2,154,157,200</u>		<u>231,505,227</u>
Total Direct and Overlapping Debt	<u>\$ 2,154,264,428</u>		<u>\$ 231,612,455</u>

Source: Ohio Municipal Advisory Council

Note: The percentage of debt outstanding applicable to the Library was determined by dividing each jurisdiction's assessed valuation within the Library by the jurisdiction's total assessed valuation

**TABLE 10**

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*RATIOS OF OUTSTANDING DEBT BY TYPE -  
GOVERNMENTAL ACTIVITIES  
LAST FIVE YEARS*

<b>Year</b>	<b>Capital Leases (a)</b>	<b>Total Personal Income (b)</b>	<b>Percentage of Personal Income</b>	<b>Population (b)</b>	<b>Per Capita</b>
2016	\$ 144,144	\$ 3,603,904,590	0.0040%	94,390	\$ 1.53
2017	92,875	3,682,886,363	0.0025%	96,001	0.97
2018	43,647	3,737,636,357	0.0012%	96,383	0.45
2019	15,790	3,843,267,135	0.0004%	98,331	0.16
2020	107,228	3,936,094,785	0.0027%	98,805	1.09

Sources:

(a) See the notes to the financial statements regarding the City's debt information.

(b) See Table 11 Demographic and Economic Statistics - Last Ten Years for personal income and population.

Note: 2017 is the first year the Library has presented its basic financial statements in accordance with GAAP.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**TABLE 11**

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS*

<b>Year</b>	<b>Population (a)</b>	<b>Total Personal Income (b)</b>	<b>Per Capita Personal Income (c)</b>	<b>Unemployment Rates (d)</b>		
				<b>Franklin County</b>	<b>Ohio</b>	<b>United States</b>
2011	92,789	\$3,238,243,311	\$ 34,899	7.6%	8.1%	8.3%
2012	92,959	3,336,019,633	35,887	5.3%	6.6%	7.6%
2013	93,378	3,468,339,054	37,143	5.3%	3.6%	7.6%
2014	93,600	3,449,815,200	36,857	4.8%	4.8%	5.6%
2015	93,829	3,512,113,299	37,431	4.1%	4.7%	5.0%
2016	94,390	3,603,904,590	38,181	4.0%	4.9%	4.9%
2017	96,001	3,682,886,363	38,363	4.0%	5.0%	4.4%
2018	96,383	3,737,636,357	38,779	4.0%	4.8%	3.7%
2019	98,331	3,843,267,135	39,085	3.2%	3.8%	3.4%
2020	98,805	3,936,094,785	39,837	6.5%	5.3%	3.8%

Sources:

- (a) Population published by the Mid-Ohio Regional Planning Commission
- (b) Per capita income multiplied by population (in thousands)
- (c) U.S. Census Bureau
- (d) State of Ohio's Comprehensive Annual Financial Report, the Bureau of Labor Statistics and Ohio Labor Market Information

**TABLE 12**

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*PRINCIPAL INCOME TAXPAYERS - WITHHOLDING ACCOUNTS  
CURRENT YEAR AND NINE YEARS AGO*

<b>Range of Withholding Amount</b>	<b>2020</b>		<b>2011</b>	
	<b>Number of Withholding Accounts</b>	<b>Percentage of Total Withholding Revenue</b>	<b>Number of Withholding Accounts</b>	<b>Percentage of Total Withholding Revenue</b>
\$500,001 and higher	13	43.4%	8	31.8%
\$300,001 - 500,000	4	3.7%	8	10.6%
\$100,001 - 300,000	32	13.8%	30	16.4%
\$55,001 - 100,000	45	7.9%	23	6.3%
Total	94	68.8%	69	65.1%
All Others	3,583	31.2%	2,958	34.9%
Total Withholding Accounts		<u>100.0%</u>		<u>100.0%</u>

Source: City of Westerville Income Tax Department

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

**TABLE 13**

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*FULL-TIME EQUIVALENT LIBRARY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
LAST SIX YEARS*

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Library Services:						
Public services and programs	54.0	53.6	54.0	53.6	54.4	51.2
Collection development and processing	7.5	8.5	8.5	8.5	8.5	7.5
Support Services:						
Facilities operations and maintenance	4.0	4.5	5.0	5.0	4.0	5.0
Information services	4.5	3.0	3.5	3.5	3.0	3.0
Business administration	10.0	8.6	8.6	9.5	9.6	9.5
Total Number of Employees	<u>80.0</u>	<u>78.2</u>	<u>79.6</u>	<u>80.1</u>	<u>79.5</u>	<u>76.2</u>

Source: Westerville School District Library Records

Note: This schedule is intended to show information for 10 years. Data prior to 2015 is not available. Additional years will be displayed as the information becomes available.

TABLE 14

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS*

<b>Function/Program</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Library Services:					
Public services and programs					
Number of materials circulated	1,965,438	2,269,798	2,117,367	2,102,171	2,045,537
Number of registered borrowers	98,350	99,962	111,154	118,720	120,823
Collection development and processing					
Number of materials owned	294,863	305,564	313,533	306,036	390,578
Support Services:					
Facilities operations and maintenance					
Square footage of facility maintained	102,300	102,300	102,300	102,300	102,300
Information Services Support					
Number of computers	212	102	120	120	120
Number of website visits	2,022,765	1,911,511	2,043,472	1,875,984	1,858,157

Source: Westerville School District Library Records



<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
1,912,130	1,707,835	1,841,878	2,221,097	2,241,508
130,579	140,583	120,115	124,000	80,344
409,221	390,773	446,685	449,406	464,703
102,300	102,300	102,300	102,300	102,300
120	150	130	130	130
1,764,944	2,270,920	2,479,569	1,246,022	1,100,000

TABLE 15

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

*CAPITAL ASSET STATISTICS BY FUNCTION  
LAST FIVE YEARS*

<b>Function</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Library services:					
Public services and programs					
Land	\$ 70,603	\$ 70,603	\$ 70,603	\$ 70,603	\$ 70,603
Land improvements	10,998	5,168	2,584	-	-
Buildings and improvements	2,982,532	2,819,235	2,697,373	2,717,006	2,578,625
Fixtures and equipment	643,876	573,108	636,889	705,743	582,423
Vehicles	27,318	22,234	17,150	12,066	6,982
Collection development and processing					
Fixtures and equipment	808	540	269	6,638	5,034
Support services:					
Facilities operations and maintenance					
Buildings and improvements	-	-	-	4,978	4,716
Fixtures and equipment	3,854	86,136	108,158	134,592	153,117
Information services support					
Fixtures and equipment	3,827	25,093	63,388	49,104	34,343
Business administration					
Fixtures and equipment	2,635	1,063	-	-	-
<b>Total Governmental Activities</b>	<b>\$ 3,746,451</b>	<b>\$ 3,603,180</b>	<b>\$ 3,596,414</b>	<b>\$ 3,700,730</b>	<b>\$ 3,435,843</b>

Source: Westerville School District Library Records

Note: 2017 is the first year the Library has presented its basic financial statements in accordance with GAAP. This schedule is intended to show information for 10 years. Additional years will be displayed as information becomes available.

**WESTERVILLE SCHOOL DISTRICT LIBRARY**  
FRANKLIN COUNTY, OHIO

**REGULAR AUDIT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2020**

**WESTERVILLE SCHOOL DISTRICT LIBRARY  
FRANKLIN COUNTY, OHIO**

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**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed in Accordance with  
*Government Auditing Standards***

Westerville School District Library  
Franklin County  
126 South State Street  
Westerville, Ohio 43081

To the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, its major fund, and the aggregate remaining fund information of the Westerville School District Library, Franklin County, Ohio, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Westerville School District Library's basic financial statements, and have issued our report thereon dated June 7, 2021, wherein we noted as described in Note 19 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods.

***Internal Control over Financial Reporting***

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

Westerville School District Library

Franklin County

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Westerville School District 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*.

***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 Westerville School District 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 Westerville School District Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc." The signature is written in black ink and is positioned above the printed name of the firm.

Julian & Grube, Inc.

June 7, 2021

# OHIO AUDITOR OF STATE KEITH FABER



**WESTERVILLE SCHOOL DISTRICT LIBRARY**

**FRANKLIN COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 7/1/2021**

88 East Broad 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](http://www.ohioauditor.gov)