



OHIO AUDITOR OF STATE
KEITH FABER



MARY L COOK PUBLIC LIBRARY
WARREN COUNTY

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INDEPENDENT AUDITOR'S REPORT

Mary L Cook Public Library
Warren County
381 Old Stage Rd.
Waynesville, Ohio 45068

To the Governing Body:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Mary L Cook Public Library, Warren County, Ohio (the Library), which comprises the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Library, as of December 31, 2022 and 2021, or the changes in financial position thereof for the years then ended.

Basis for Opinions

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

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2023, on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Library's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio
December 14, 2023

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MARY L. COOK PUBLIC LIBRARY, WARREN COUNTY

Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis)

For the Year Ended December 31, 2022

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>(Memorandum)</u>
Cash Receipts				
Property and Other Local Taxes	\$405,388	\$0	\$0	\$405,388
Public Library	972,372	0	0	972,372
Intergovernmental	0	4,539	0	4,539
Patron Fines and Fees	4,769	0	0	4,769
Contributions, Gifts and Donations	263	0	0	263
Earnings on Investments	8,851	0	16,410	25,261
Miscellaneous	7,016	0	0	7,016
<i>Total Cash Receipts</i>	<u>1,398,659</u>	<u>4,539</u>	<u>16,410</u>	<u>1,419,608</u>
Cash Disbursements				
Current:				
Library Services:				
Public Services and Programs	736,187	0	0	736,187
Collection Development and Processing	126,517	4,539	0	131,056
Support Services:				
Facilities Operation and Maintenance	91,073	0	4,007	95,080
Information Services	42,043	0	3,090	45,133
Business Administration	53,323	0	0	53,323
Capital Outlay	4,096	0	58,191	62,287
<i>Total Cash Disbursements</i>	<u>1,053,239</u>	<u>4,539</u>	<u>65,288</u>	<u>1,123,066</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>345,420</u>	<u>0</u>	<u>(48,878)</u>	<u>296,542</u>
<i>Net Change in Fund Cash Balances</i>	<u>345,420</u>	<u>0</u>	<u>(48,878)</u>	<u>296,542</u>
<i>Fund Cash Balances, January 1</i>	<u>\$959,436</u>	<u>\$0</u>	<u>\$2,254,549</u>	<u>\$3,213,985</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$1,304,856</u></u>	<u><u>\$0</u></u>	<u><u>\$2,205,671</u></u>	<u><u>\$3,510,527</u></u>

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Mary L Cook Public Library
Warren County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Library

Note 1 - Reporting Entity

The Mary L Cook Public Library (the Library), Warren 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. Ohio 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.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

Special Revenue Fund The library received the Broadband Ohio ECF grant . This State grant was provided to help provide reliable internet (hot spots) to the public . The library was awarded \$4538.90 to apply to Verizon Hot Spot invoices.

Building and Repair Funds These funds account for and are set aside by the Board of Library Trustees specifically for major capital and technology improvements. Various 2022 building repair/updates: replaced windows (old section children's area), roof repairs (teens and storage room), new landscaping, LED lights (children & teens), Outdoor security cameras, new water heater.

Technology Funds These funds account for resources restricted to technology upgrades.

Basis of Accounting

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

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

Mary L Cook Public Library
Warren County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Budgetary Process

The Board must annually approve appropriation measures and subsequent amendments. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Trustees during the year.

A summary of 2022 budgetary activity appears in Note 3.

Deposits and Investments

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

Capital Assets

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

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

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

Nonspendable The Library classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

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

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

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by the Library Board or a Library official delegated that authority by resolution, or by State Statute.

Mary L Cook Public Library
Warren County
Notes to the Financial Statements
For the Year Ended December 31, 2022

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

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

Note 3 - Budgetary Activity

Budgetary activity for the year ending December 31, 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,274,116	\$1,398,657	\$124,541
Special Revenue	4,539	4,539	0
Capital Projects		16,410	16,410
Total	\$1,278,655	\$1,419,606	\$140,951

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,442,313	\$1,053,239	\$389,074
Special Revenue	4,539	4,539	0
Capital Projects	415,396	65,289	350,107
Total	\$1,862,248	\$1,123,067	\$739,181

Mary L Cook Public Library
Warren County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 4 – Deposits and Investments

The Library maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	2022
Demand deposits	\$39,933
Certificates of deposit	2,839,000
Other time deposits (savings and NOW accounts)	
Total deposits	2,878,933
Money Market	631,420
STAR Ohio	
Money Market Sweep	174
Common stock (at cost, fair value was at December 31, 2017)	
Total investments	631,594
Total deposits and investments	\$3,510,527

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; [or] collateralized by securities specifically pledged by the financial institution to the Library; (*LCNB Pledges 102%*); or; collateralized through the Ohio Pooled Collateral System (OPCS).

Investments

The investment program shall preserve capital and protect investment principle within the defined parameters. The investment program shall maintain sufficient liquidity to meet reasonable anticipated fiscal operating requirements on an on-going basis throughout the fiscal cycle. The program shall strive to attain the best total return or yield on deposited and invested funds of the Library as is reasonable and prudently achievable within the defined parameters. All attempts shall be made to minimize the risks inherent to investment through diversification so as to eliminate the risk of loss resulting from an over-concentration of funds in a specific maturity, issuer, industry, geographical area, or class of securities. All attempts shall be made to minimize the costs of financial transactions related to implementing investment strategies.

Note 5 – Grants in Aid and Taxes

Grants in Aid

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

Mary L Cook Public Library
Warren County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the taxing authority of the subdivision to whose jurisdiction the Library is subject adopts rates. The State Department of Taxation, Division of Tax Equalization, adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Other Governments' Grants In Aid. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the taxing district.

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

The library board approved 50% property tax rollback for 2022.

Note 6 - Risk Management

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).

Commercial Insurance

The Library has obtained commercial insurance for the following risks:

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

Note 7 - Defined Benefit Pension Plans

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS – Local</i>	<i>2022</i>	<i>10%</i>	<i>14%</i>

Ohio Public Employees Retirement System

The Library has 21 employees participating in OPERS. Library's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10%, of their gross salaries and the Library contributed an amount equaling 14%, of participants' gross salaries. The Library has paid all contributions required through December 31, 2022.

Mary L Cook Public Library
Warren County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 8 - Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. OPERS contributes 2 percent of the employer contribution to fund these benefits.

MARY L. COOK PUBLIC LIBRARY, WARREN COUNTY

Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis)

For the Year Ended December 31, 2021

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>(Memorandum)</u>
Cash Receipts				
Property and Other Local Taxes	\$809,675	\$0	\$0	\$809,675
Public Library	897,832	0	0	897,832
Patron Fines and Fees	2,801	0	0	2,801
Contributions, Gifts and Donations	1,200	0	0	1,200
Earnings on Investments	7,043	0	14,016	21,059
Miscellaneous	5,955	0	0	5,955
<i>Total Cash Receipts</i>	<u>1,724,506</u>	<u>0</u>	<u>14,016</u>	<u>1,738,522</u>
Cash Disbursements				
Current:				
Library Services:				
Public Services and Programs	694,889	0	0	694,889
Collection Development and Processing	125,689	0	0	125,689
Support Services:				
Facilities Operation and Maintenance	82,527	160	0	82,687
Information Services	36,461	0	595	37,056
Business Administration	62,158	0	0	62,158
Capital Outlay	11,172	2,863	244,840	258,875
<i>Total Cash Disbursements</i>	<u>1,012,896</u>	<u>3,023</u>	<u>245,435</u>	<u>1,261,354</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>711,610</u>	<u>(3,023)</u>	<u>(231,419)</u>	<u>477,168</u>
Other Financing Receipts (Disbursements)				
Transfers In	0	0	400,000	400,000
Transfers Out	(400,000)	0	0	(400,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(400,000)</u>	<u>0</u>	<u>400,000</u>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	<u>311,610</u>	<u>(3,023)</u>	<u>168,581</u>	<u>477,168</u>
<i>Fund Cash Balances, January 1</i>	<u>\$647,826</u>	<u>\$3,023</u>	<u>\$2,085,968</u>	<u>\$2,736,817</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$959,436</u></u>	<u><u>\$0</u></u>	<u><u>\$2,254,549</u></u>	<u><u>\$3,213,985</u></u>

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Mary L Cook Public Library
Warren County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 1 - Reporting Entity

The Mary L Cook Public Library (the Library), Warren 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. Ohio 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. In 2021 the building project was completed.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

Special Revenue Fund The coronavirus relief fund was enacted in 2020. This grant was provided to help businesses with coronavirus related expenses. The fund had a carryover balance from 2020 of \$3023. These funds were all expensed in first quarter of 2021.

Building and Repair Funds These funds account for and are set aside by the Board of Library Trustees specifically for major capital and technology improvements. Final building project payouts. Some major 2021 building repair/updates: Asphalt parking lot, concrete work, tree removal, gutters and gutter guards, downspouts, flooring activity room, ceiling activity room, phone & security system.

Technology Funds These funds account for resources restricted to technology upgrades. Purchased large printer along with a few various pieces of equipment.

Basis of Accounting

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

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

Mary L Cook Public Library
Warren County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Budgetary Process

The Board must annually approve appropriation measures and subsequent amendments. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Trustees during the year.

A summary of 2021 budgetary activity appears in Note 3.

Deposits and Investments

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

Capital Assets

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

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

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

Nonspendable The Library classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

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

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

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by the Library Board or a Library official delegated that authority by resolution, or by State Statute.

Mary L Cook Public Library
Warren County
Notes to the Financial Statements
For the Year Ended December 31, 2021

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

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

Note 3 - Budgetary Activity

Budgetary activity for the year ending December 31, 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,470,169	\$1,724,507	\$254,338
Special Revenue	0	0	0
Capital Projects		414,016	414,016
Private Purpose Trust			0
Total	\$1,470,169	\$2,138,522	\$668,354

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,701,016	\$1,412,897	\$288,119
Special Revenue	3,023	3,023	0
Debt Service			0
Capital Projects	460,648	245,434	215,214
Permanent			0
Private Purpose Trust			0
Total	\$2,164,687	\$1,661,354	\$503,333

Note 4 – Deposits and Investments

The Library maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

Mary L Cook Public Library
Warren County
Notes to the Financial Statements
For the Year Ended December 31, 2021

	2021
Demand deposits	\$28,386
Certificates of deposit	2,499,233
Other time deposits (savings and NOW accounts)	
Total deposits	2,527,619
Money Market	686,353
STAR Ohio	
Money Market Sweep	13
Common stock (at cost, fair value was at December 31, 2017)	
Total investments	686,366
Total deposits and investments	\$3,213,985

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; [or] collateralized by securities specifically pledged by the financial institution to the Library; (*LCNB Pledges 102%*); or; collateralized through the Ohio Pooled Collateral System (OPCS).

Investments

The investment program shall preserve capital and protect investment principle within the defined parameters. The investment program shall maintain sufficient liquidity to meet reasonable anticipated fiscal operating requirements on an on-going basis throughout the fiscal cycle. The program shall strive to attain the best total return or yield on deposited and invested funds of the Library as is reasonable and prudently achievable within the defined parameters. All attempts shall be made to minimize the risks inherent to investment through diversification so as to eliminate the risk of loss resulting from an over-concentration of funds in a specific maturity, issuer, industry, geographical area, or class of securities. All attempts shall be made to minimize the costs of financial transactions related to implementing investment strategies.

Note 5 – Grants in Aid and Taxes

Grants in Aid

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

Mary L Cook Public Library
Warren County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the taxing authority of the subdivision to whose jurisdiction the Library is subject adopts rates. The State Department of Taxation, Division of Tax Equalization, adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Other Governments' Grants In Aid. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the taxing district.

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

Note 6 - Risk Management

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).

Commercial Insurance

The Library has obtained commercial insurance for the following risks:

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

Note 7 - Defined Benefit Pension Plans

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS – Local</i>	<i>2021</i>	<i>10%</i>	<i>14%</i>

Ohio Public Employees Retirement System

The Library has 20 employees participating in OPERS. Library's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10%, of their gross salaries and the Library contributed an amount equaling 14%, of participants' gross salaries. The Library has paid all contributions required through December 31, 2021.

Mary L Cook Public Library
Warren County
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 8 - Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. OPERS contributes 2 percent of the employer contribution to fund these benefits.



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

Mary L Cook Public Library
Warren County
381 Old Stage Rd.
Waynesville, Ohio 45065

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 (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental fund type combined total as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements of the Mary L Cook Public Library, Warren County (the Library) and have issued our report thereon dated December 14, 2023, wherein we noted the Library followed financial reporting provisions Ohio Rev Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



Keith Faber
Auditor of State
Columbus, Ohio
December 14, 2023

OHIO AUDITOR OF STATE KEITH FABER



MARY L. COOK PUBLIC LIBRARY

WARREN 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 12/28/2023

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