

# Annual Comprehensive Financial Report

For the year ended December 31, 2021



Dear Staff,  
You Are The Best!  
Thank you for  
your service during  
the pandemic  
and always.



Opening Doors, Opening Minds

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# Introductory Section

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**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS PUBLIC LIBRARY**

**CLEVELAND HEIGHTS, OHIO**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

**Issued by:  
Nancy S. Levin, Director  
&  
Deborah Herrmann, Finance Manager**

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**Cleveland Heights-University Heights Public Library**  
*Annual Comprehensive Financial Report*  
*For the Year Ended December 31, 2021*  
*Table of Contents*

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<b><i>I. Introductory Section</i></b>	<b>Page</b>
Table of Contents .....	i
Transmittal Letter.....	iv
List of Principal Officials.....	xix
Organization Chart.....	xx
GFOA Certificate of Achievement .....	xxi
Map of Library’s Service Area .....	xxii
<b><i>II. Financial Section</i></b>	
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	5
Basic Financial Statements:	
Government Wide Financial Statements:	
Statement of Net Position .....	14
Statement of Activities.....	15
Fund Financial Statements:	
Balance Sheet - Governmental Funds .....	16
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities .....	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	19
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual: General Fund.....	20
Notes to the Basic Financial Statements.....	21
Required Supplementary Information:	
Schedule of the Library’s Proportionate Share of the Net Pension Liability - Ohio Public Employees Retirement System – Traditional Plan – Last Eight Years .....	56

**Cleveland Heights-University Heights Public Library**

*Annual Comprehensive Financial Report*

*For the Year Ended December 31, 2021*

*Table of Contents*

---

Schedule of the Library’s Proportionate Share of the Net Pension Asset - Ohio Public Employees Retirement System – Combined Plan – Last Four Years .....	58
Schedule of the Library’s Proportionate Share of the Net OPEB Liability (Asset) - Ohio Public Employees Retirement System – Last Five Years .....	60
Schedule of the Library’s Contributions - Ohio Public Employees Retirement System – Last Nine Years.....	62
Notes to the Required Supplementary Information .....	64
Combining and Individual Fund Statements and Schedules:	
Combining Statements - Nonmajor Governmental Funds:	
Fund Descriptions .....	66
Combining Balance Sheet - Nonmajor Governmental Funds.....	67
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	68
Combining Balance Sheet - Nonmajor Special Revenue Funds .....	69
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds .....	70
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual:	
Major Funds:	
General Fund.....	72
Building and Repairs Fund .....	74
Nonmajor Funds:	
Staff Development Fund .....	75
LSTA Grant Fund .....	76
Local Grants Fund.....	77
CARES Act Fund.....	78
Washington Boulevard Fund .....	79
Peace Park Playground.....	80

***III. Statistical Section***

Statistical Section Table of Contents.....	S1
Net Position by Component – Last Ten Years .....	S2
Changes in Net Position – Last Ten Years .....	S4



**Cleveland Heights-University Heights Public Library**

*Annual Comprehensive Financial Report*

*For the Year Ended December 31, 2021*

*Table of Contents*

---

Fund Balances, Governmental Funds – Last Ten Years.....	S6
Changes in Fund Balances, Governmental Funds – Last Ten Years.....	S8
Assessed and Estimated Actual Value of Taxable Property – Last Ten Years .....	S10
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years.....	S12
Real Property and Public Utility Tax Levies and Collections – Last Ten Years.....	S16
Personal Property Tax Levies and Collections – Last Ten Years.....	S18
Principal Real Property Taxpayers – 2021 and 2012 .....	S20
Ratios of Outstanding Debt to Total Personal Income and Debt Per Capita – Last Ten Years .....	S21
Computation of Direct and Overlapping Debt Attributable to Governmental Activities.....	S22
Principal Employers – 2021 and 2012.....	S23
Demographic and Economic Statistics – Last Ten Years.....	S24
Full-Time Equivalent Library Employees by Function/Program – Last Ten Years.....	S26
Capital Assets Statistics by Function/Program – Last Ten Years .....	S28
Operating Indicators by Function/Program – Last Ten Years.....	S30



June 8, 2022

To the Board of Library Trustees,  
Citizens of Cleveland Heights–University Heights City School District

## **PUBLIC REPORTING RESPONSIBILITY**

We hereby submit to you the Cleveland Heights-University Heights Public Library’s Annual Comprehensive Financial Report for the year ended December 31, 2021. This is the 31st year that the Library has gone the extra mile to share comprehensive financial data in this format with the taxpayers, enabling them to gain a true understanding of the Library’s financial status.

Ohio law requires that public offices reporting pursuant to Generally Accepted Accounting Principles (GAAP) shall file their reports with the Auditor of the State and publish notice of the availability of the financial statements within 150 days of the close of each year. The General Purpose External Financial Statements from this report were filed to fulfill that requirement for the year ended December 31, 2021.

Library administration assumes full responsibility for the completeness and reliability of the information presented in this report, based upon a comprehensive framework of internal control that is established for this purpose. Because the cost of internal controls 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.

## **CONTENTS**

Ohio’s Auditor of State, Keith Faber, has issued an unmodified (“clean”) opinion on the Library’s financial statements for the year ended December 31, 2021. The independent auditor’s report is located at the front of the financial section of this report. “Management’s Discussion and Analysis” immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements.

## **REPORTING ENTITY**

The Cleveland Heights–University Heights Public Library is organized under Ohio state law as a school district public library. A seven-member board of trustees governs the Library. One member is appointed each year by the local board of education for a seven-year term. The taxing authority for the school district public library is the Cleveland Heights-University Heights Board of Education; however, the Library operates under a separate budget with funds derived primarily from the Ohio Public Library Fund (PLF) and four property tax levies totaling 10-mills.

Under the provisions of Statement No. 14 of the Governmental Accounting Standards Board (GASB), “The Financial Reporting Entity,” and GASB Statement 61, “The Financial Reporting Entity: Omnibus, the Library is considered to be a related organization of the Cleveland Heights-University Heights City School District.”

The director is responsible for the administration of the Library, and the fiscal officer oversees the Library’s financial affairs. Deborah Herrmann is in her seventh year as the Library’s fiscal officer. Nancy Levin entered her fourteenth year as director in October.

## **PROFILE OF GOVERNMENT**

In November 1916, a Board of Trustees was appointed to form a public library for the Village of Cleveland Heights; however, due to the events of World War I, the Library was not officially organized until 1920. At that time, Helen Keeler was appointed librarian and the Cleveland Heights Public Library opened in the basement of the Coventry Elementary School, merging with the school library. In 1926, the Library moved into its own permanent building at 1925 Coventry Road.

The Cleveland Heights–University Heights Public Library is presently comprised of six buildings: The 107,856-square-foot Lee Road Branch (our main library) was built in 1932, and renovated in 1968 and 2006. The Noble Neighborhood Branch, built in 1937 and renovated in 2011, is 9,723 square feet. The University Heights Branch was built in 1952 and renovated in 2017, increasing it to 17,593 square feet. The original 1926 library building, which became the Coventry Village Branch in 1968, is 5,105 square feet. The Heights Knowledge and Innovation Center (HKIC), which is the west building on Lee Road and former YMCA, is included in the Lee Road square footage. The Washington Boulevard property, the Coventry PEACE Campus, formerly the Coventry Elementary School building, is approximately 60,000 square feet and is rented to non-profit organizations.

The 90-year-old Coventry Village Branch was waterproofed below the ground level in 2021 in preparation for basement and HVAC renovations in 2022. Preparing for a major addition to the Noble Neighborhood Branch, the Library purchased the 1.27-acre Noble Presbyterian Church property from the Presbyterian Session for \$316,484 in April 2021. We started planning with the assistance of Bostwick Design Partnership in May. It was determined that the church building would have to come down to make room for the addition, and demolition was scheduled for 2022.

A five-million-dollar renovation and additions project at the University Heights Branch was completed in 2017. This project was entirely self-funded, with no issuance of debt.

The Library continues to possess the Washington Boulevard property now a part of the Coventry Village Branch Library parcel. This land includes the former Coventry Elementary School, the Coventry PEACE Park, and a parking lot. In May, the Library contracted with Jim McKnight and Andrew Sargeant to create a plan for replacement of the playground and upgrades to the park, which was approved by the Library Board in November. Fundraising for the park will be necessary to cover some of the costs.

The 50-year-old former school building is not currently used for Library operations, as it has been leased to nonprofit tenants with the expectation that their services would enhance the community and that the Library would break even financially per the terms included in their lease. Financial reports are submitted monthly to the Library Board documenting the Washington Boulevard Property Special Revenue Fund.

At the end of 2021, the outside steps of the former school building were replaced and an HVAC refurbishment project began. The building was only 60 percent occupied, with the exit of a large tenant during the pandemic. As the deadline for filing financial statements needed for lease renewal with the Library arrived, it became clear the tenants had not provided sufficient documentation of financial health required by the lease, so it was not renewed. The current tenants remain in holdover status as of the end of the year, continuing to pay utilities of \$10,000 a month and rent of \$625 a month. Plans were made to hire a property management firm to operate and lease the building, with a new business plan for long-term sustainability as the Library's goal.

The Cleveland Heights–University Heights Public Library was the first library system to join the Cleveland Public Library's automated circulation system and online catalog in 1981, called the CLEVNET consortium. The consortium serves more than 45 libraries in 12 counties in Northern Ohio. CLEVNET will celebrate its 40<sup>th</sup> anniversary next year.

State funding, in the form of the Public Library Fund (PLF), represents approximately 25 percent of the Library's revenue. The total amount of State funding to Heights Libraries in 2021 was \$3,061,945, which was an increase of 12.7 percent, or \$346,765, from the previous year; overall State funding has decreased significantly since its peak in 2007 at \$3,136,266.

Why is this important? State funding supports the Ohio Public Information Network, which provides high speed internet access to all 251 of Ohio's public libraries. In Ohio, the PLF currently receives 1.77 percent of the State's General Revenue Fund. Public libraries are receiving \$87 million LESS than what they received in 2001.

## **ECONOMIC CONDITIONS AND OUTLOOK**

Although its boundaries coincide with those of the Cleveland Heights–University Heights City School District, primarily the cities of Cleveland Heights and University Heights with a five-street area located within South Euclid, the Library's role is enlarged by its proximity to the major metropolitan area of Cleveland. The population of Cuyahoga County is highly mobile, and most residents use several libraries to meet their recreational and informational needs. Thus, the Library serves residents beyond the boundaries of our service area, which has an impact on our available resources. Participation in CLEVNET expands the Library's role through the mutual sharing of materials and resources both within Cuyahoga County and in 11 other counties throughout northern Ohio.

Local property taxes account for approximately 66 percent of our revenue. The Board of Library Trustees and Library administration believe close monitoring of funds is essential to extend the life of our levies. This is essential as our school community and cities face increasing economic pressure.

## **LEVY SUPPORT**

The Library is supported by four continuing operating levies. They were passed in November 1992, March 2000, March 2008, and November 2014.

In November 2001, the voters of Cleveland Heights and University Heights additionally approved a \$9.5 million bond issue. This money supported the renovation of the Lee Road Branch and the former Heights YMCA (purchased in 2000), and the construction of a pedestrian walkway over the street between the two buildings. This renovation was completed, and the facility re-opened, in September 2006.

State law limits the property tax levies to the revenue generated by real property appraisal values at the time of each levy's passage. As a result, property tax revenues cannot increase significantly during the term of each levy.

## COMMUNITY DEMOGRAPHICS

	Cleveland Heights	University Heights
<b>Population</b>		
Total Population	45,312	13,914
Race and ethnicity	48.7% white, 39.7% Black, 5.7% Pacific Islander, 2.8% Hispanic or Latino, Two or more races present 3.1%	70.9% white, 23.3% Black, Asian 2.1%, Hispanic or Latino 1.8%, Two or more races present 3.2%
Gender	Female 55.6%	Female 50.0%
Age	Under 5 yrs. 5.5%, Under 18 20.4%, Over 65 yrs 19.4%	Under 5 yrs. 7.6%, Under 18 yrs 22.5%, Over 65% yrs 11.3%

	Cleveland Heights	University Heights
Language spoken at home other than English	10.80%	7.80%
Persons per households	2.28	2.50
Median household income	\$59,086	\$80,817
Educational attainment	62.3% Bachelor's degree or higher, age 25+ years	57.9% Bachelor's degree or higher, age 25 + years
Percent population under poverty line	18%	11.90%
Population in workforce above age 16	63%	69.90%
<b>Housing</b>		
Owner occupied	56.40%	63.10%
Median rent	\$1,005	\$1,004
Living in same house one year ago	83.30%	82.40%
Date most houses built	1925	1942
<b>Land</b>		
Land area in sq. miles	8.11	1.82
Percent park land	4.70%	0.60%
Acres of park land	242	7
Percent tree canopy	37.80%	25.8%
Percent change in tree canopy 2011-2017	-13%	-10.80%
<b>Internet access</b>		
Fixed broadband subscription	86.80%	91.40%
Computer at home	93.60%	94.80%

Sources:

1. Our communities: The Data book by the Cuyahoga County Planning Commission, 2021
2. Quick Facts United States Census, April 2022

Library service area includes 5 streets in South Euclid, not included in this table.

## **COVID-19 IMPACT**

The COVID-19 pandemic exacerbated the community needs of our most challenged citizens despite safety nets and government financial support programs. The full adverse impact may not be fully understood for years.

Cleveland.com reported, in the last week of December 2021, that Ohio ranked second for the daily average of hospitalizations and seventh nationwide for the daily average number of cases. It was ranked fourth for daily average number of deaths over the last seven days of the year. Ohio exceeded 2 million cases as of December 30th as the numbers continued to climb. According to County Executive Armond Budish, Cuyahoga County led the State in daily cases, having overtaken Franklin County. Nearly 11,000 people in the County were hospitalized with COVID-19 and around 2,800 people died.

## **BORROWING PATTERNS**

The second year of the COVID-19 pandemic continued to impact circulation of Library materials in 2021. As of December 31, there were 44,563 Library cardholders registered at Cleveland Heights-University Heights Public Library who could also use their cards at any CLEVNET library. Circulation set an all-time high at over 2 million items in 2019. Circulation in 2020 was 1,201,194 and 1,393,277 in 2021.

Digital media accounts for 265,374 of 2021 circulation down slightly from the previous year continuing a high digital download trend that was fueled by people staying home during the pandemic.

Many of our residents check out items from neighboring libraries as well as from our own system. These other systems include Shaker Heights, Cleveland, Euclid, and Cuyahoga County public libraries.

According to the Northern Ohio Data and Information Service (NODIS) data, in 2012 we had more than 90,000 transacting visits from people who live outside our service area during the study period.

Within our service area, people who live near a library generally use that branch *as well as* the Lee Road Branch. But defying that generalization, most Noble Neighborhood residents who borrow from our system use the Noble Neighborhood Branch exclusively (89.4 percent).

## **OHIO PUBLIC LIBRARY ENVIRONMENT**

- By law, no new public library systems can be established in Ohio.
- The Public Library Fund (PLF) distributes money to its 88 counties (not the Library systems) to fund library services.
- County budget commissions use agreements reached by the libraries to determine how the money gets distributed to the library systems within each county.
- State funding allows public libraries to collaborate by supporting interlibrary loan of materials, shared staffing models, group purchasing, etc. Public libraries view their collections as a statewide asset.
- The PLF also distributes money to the Ohio Public Library Information Network, providing high speed internet services to all public libraries in the state.
- State funding of public libraries is currently lower than 2001 levels.

## **LONG-TERM FINANCIAL PLANNING**

The Library maintains a five-year financial projection at all times, and it is regularly shared with the Library Board of Trustees. It is updated as material changes to income and expenditures are determined, and it covers both operational and capital needs to maintain and enhance current services and facilities.

## RELEVANT FINANCIAL POLICIES

The Board of Library Trustees approved a long-term investment policy in May 2014 as part of their bylaws. The purpose of this policy is to establish priorities and guidelines regarding the investment management of the Library's operating funds. These priorities and guidelines are based upon Chapter 135 of the Ohio Revised Code (ORC) and prudent money management practices. The policy also follows Section 135.14 of the ORC in establishing what qualifies as an eligible investment. Safety of principal is the most important objective of the Library's investment policy. The policy also focuses on issues regarding liquidity and yield.

The Library also approved a Cash Reserve Policy in 2019. Based on a best practice recommendation from the Government Finance Officers Association, the Cleveland Heights-University Heights Library Board will adopt budgets with a General Fund year-end unrestricted cash balance no lower than 16.6 percent of annual revenue. This unrestricted cash balance is necessary to fund operations when revenue from the State or county is delayed or decreased, to weather difficult economic times, and when exigent expenditures occur.

## STRATEGIC PLANNING

We continued the path set for us in the 2019-2021 Strategic plan.

### Strategic goals for 2019-2021

- Foster diversity, equity, and inclusion
- Seek opportunities to promote an environment of safety and security for the community
- Be proactive in facilitating communication and be a bridge builder for community concern
- Be a bedrock for workforce development

## 2021 PUBLIC SERVICES ANNUAL REPORT

### Numbers

Circulation:	1,393,277
Physical circulation:	1,127,903
Downloadable circulation:	265,374
Library cardholders:	44,563

*Circulation staff created 3,551 new library cards, including 910 online/e-media accounts.*

Visitors:	402,185
COVID test kits distributed:	7,150
Children's Snack Distribution:	611 at Lee (Sept – Dec) 139 at Noble
Lee Rd Study Room Reservations:	3,404
UH Study Room Reservations:	538

Greater Cleveland Food Bank Mobile Pantry: 596 cars/1,318 people served

## **Borrowing Updates**

Heights Libraries is now 100 percent fine free, as overdue fines were eliminated from hotspots and videogames.

The Library introduced Samsung tablets and Memory Kits to our collection.

Adult outreach staff delivered 907 items to Judson Park and Council Gardens apartments.

Homebound delivery staff sent out 1,451 items.

## **New And Innovative Services**

The Local History Room opened in October. The new room, located on Lee Road's second floor, contains the Library's local history reference book collection, City Directories, Heights High yearbooks and alumni directories, Sun Press and Cleveland Press microfilm, and local history lectures and city council meetings on DVD. A new ScanPro 22—Microfilm reader and KIC Bookeye 4v2 book scanner are also available for public use.

Our Local History page on the Ohio Memory Project increased its traffic and there are now 950 users of the page. Local History Librarian Jessica Robinson finished digitizing the historic Heights High *Black and Gold* student newspaper series. Many of our 50 local history YouTube videos garnered more than 1,000 views.

Youth Services staff at all Heights branches worked together to provide online programs as we transitioned from in-person services to curbside and back to in-person. These included Zoom storytimes, Facebook Live storytimes, and take-and-make activity packs. During the spring, we offered outdoor storytimes at Fairfax Elementary, Walter Stinson Park, the Coventry PEACE Park, and on the lawn of the HKIC building.

The Children's Garden at Lee Road was registered as a certified habitat with the National Wildlife Federation as a pollinator garden.

Youth Services opened up the Teen Quiet Study Room in November at Lee Road for teens to reserve. The updated room now has sound dampening panels, a cell phone charging station, and bean bag chairs.

The Automatic Materials Handler (AMH) was installed in the Lee Road Circulation Dept., which completely changed their workflow. The staff spent several months working with the new sorter, fine-tuning, troubleshooting, and adjusting workflow. The AMH can handle 2,500 items a day.

In November, the Matchmakers introduced the online service "Match Me Up," in which they customized reading requests. In seven weeks of service, they filled 30 requests and received 10 customer compliments.

The Continuing Education Department introduced nine new classes:

- Mac Basics Parts 1 & 2, Robocalls and Scams, Digital Wellbeing, 3D Printer Technology Workshop, 3D Modeling and Printing, Online Graphic Design Alternatives, Intro to Video Game Programming, Programming on Mars, Circuits and Electronics Workshop

Continuing Education also purchased two 3D printers to be used for both adult and youth STEAM programming.

Starting in August, the Lee Road branch became a designated pick-up location for clients of PCs for People. PCs for People is a 501(c)(3) nonprofit organization that recycles business electronics and provides refurbished technology to low-income households at a reduced cost or no cost at all.



The PCs for People Technology Drive ran from October 1-14 and was met with overwhelming support from the community.

**Programming**

Summer Reading Systemwide Registration

Children: 1,069  
 Teen: 203  
 Adult: 219

To kick off Summer Reading, UH Youth Librarian Hannah Van Jura planned a kick-off program featuring Whizbang! Circus performers. More than 200 people came to Walter Stinson Community Park to delight in a variety of performances from clowns, jugglers, acrobats, and others.

Winter Reading Systemwide Registration: 119

Coventry Branch

	<b>Programs/Events</b>	<b>Attendance/Participation</b>
Children	95 programs	1,407
Children	9 outreach visits	368
Teen	20 programs	220
Adult	221 programs	1,876
All ages	10 events	825

HKIC

	<b>Programs/Events</b>	<b>Attendance/Participation</b>
All ages	Computer lab sessions	9,682
All ages	160 Computer Classes	3,279
All ages	Individual tutorials	236
All ages	Outreach	81

Lee Road Branch

	<b>Programs/Events</b>	<b>Attendance/Participation</b>
Children	200 programs	5,597
Children	41 outreach visits	2,503
Teen	95 programs	1,464
Adult	58 programs	1,306

Noble Branch

	<b>Programs/Events</b>	<b>Attendance/Participation</b>
Children	87 programs	841
Children	25 outreach visits	846
Teen	80 programs	162
Adult	46 programs	418

## University Heights Branch

	<b>Programs/Events</b>	<b>Attendance/Participation</b>
Children	101 programs	1,622
Teen	3 programs	9
Adult	29 programs	347
Adult	Virtual yoga views	3,997

## **STAFFING**

In early February 2021, we began filling job vacancies created over the course of the 2020 pandemic crisis that led the Library to shut down, reduce services, and cut back staffing. We advertised 26 times and filled 46 vacancies over the course of the year. We hired 27 new employees compared to four in 2020 and promoted 15 employees. We screened and interviewed approximately 150 applicants.

As part of our Diversity, Equity and Inclusion focus, we expanded our advertising sources beyond Indeed.com and NEO-RLS (Northeast Ohio Regional Library System).

### **Turnover**

Turnover in 2021 was 24.43 percent compared to 17.69 percent in 2020, reflecting a national phenomenon called the “Great Resignation.” Average headcount per day was 131 compared to 147 in 2020. The headcount difference can be attributed to jobs that we eliminated, normal turnover, and vacancies. With service hours changing and COVID risks, we conservatively approached filling all of our vacancies. Managers also expressed concern with overcrowding of staff work rooms and work assignments due to ongoing CDC recommendations of masking and social distancing.

### **Compensation Increases**

In January 2021, staff received a 3 percent wage, or lump-sum, increase. The percentage increase was defined as a 1.5 percent increase for the year of 2020, combined with a 1.5 percent increase for 2021. Normally, staff receive annual merit increases in the month of July. Employees did not receive a pay increase in 2020 as most staff were reduced to half-time and received unemployment insurance through an unemployment program “Shared Work Ohio” that paid half of the employee’s salary.

In spring 2021, the Library hired a compensation consultant to conduct a salary survey and a review of our salary table. We saw starting wages rise in our communities, and wanted to remain competitive. The analysis was completed in October 2021, and as a result we made significant changes to our pay ranges. Specifically, the starting pay for jobs in Grades 50 to 90 were increased by anywhere from 11 to 33 percent. The starting pay for jobs in the higher job grades, 10 to 40, were increased by a smaller percentage of 4.6 to 5.2 percent. Individual employee wages were subsequently adjusted to fit within the new pay ranges. The amount of one’s pay increase was based on a combination of factors that included compression, salary position in range, and length of service. The raises were effective in November 2021.

An additional change was made for the Library page position. We removed the open range salary table and merit-pay system to create a five-step wage system that leads to a \$15.00/hour wage after four years of service.

The compensation project resulted in the most significant changes in our pay ranges in the past 30 years, and cost approximately \$385,000 to adjust salaries to the new pay ranges. The consumer price index climbed 7 percent in 2021, the largest 12-month gain since June 1982, according to Labor Department data. Also, nationally there was a push for a \$15.00 minimum wage.

## **NEW POLICIES**

### **Temporary Policies enacted due to COVID, schools and daycares being closed**

In response to COVID and the expiration of the mandated federal Paid Pandemic Leave Policies, the Library created their own temporary policies to support our working families. Schools remained virtual through the first quarter of 2021, so we created a 12-week leave policy that provided a first and/or second 12-week leave option to those with school-age or pre-school-aged children. The temporary leave expired on June 1, 2021.

In addition, we created a temporary policy where employees with school-aged children could reduce their schedule during the week by eight or four hours. Employees were required to use either sick or vacation pay to cover the reduction. This policy also expired on June 1, 2021.

### **New Paid Holiday added to Library's holiday policy**

In June 2021, the federal government signed into law the recognition of Juneteenth Independence Day as a paid federal holiday. The Juneteenth Independence Day holiday is a day that has been historically celebrated in some states by African Americans to mark the end of slavery. The Library and Board quickly adopted the additional federal paid holiday to be included in our Holiday Policy. We also expanded the eligibility of the Juneteenth holiday to include part-time staff. All staff were given the opportunity take the holiday as a floating holiday that was to be used by Labor Day. In 2022, the Juneteenth holiday will not be floating—rather, it will be a paid on the day the Library is closed in observance of the holiday.

### **Paid Holidays for all staff**

The Library and the Board also expanded the coverage of its other nine paid holidays to include all part-time staff. The policy change was made effective on January 1, 2022.

### **Performance Objectives**

In 2021, 134 employees completed a learning goal objective and 126 completed a job specific goal.

### **Workers Compensation Claims**

The Library had no lost time or medical only claims in 2021.

### **Staff Training and Development**

#### *New Employee System Orientation*

Orientation includes a two-day introduction to Heights Libraries. In 2021, twenty-six employees attended new employee orientation and the following supplemental trainings.

- Racial Equity Institute's Groundwater Training
- Librarian's Guide to Homelessness
- NorthStar Digital Literacy Assessment
- Dementia and Alzheimer's Training
- De-Escalation Training
- Customer Service Training
- The Library's Digital Collections

### *Other Trainings*

- 3 employees attended Racial Equity Institute's Phase I Workshop
- 28 employees attended annual In Charge Training
- 82 employees attended annual Safety & Security Training, which focused on workplace violence
- 12 employees attended ERC's Inclusivity @ Work presented by Damaris Patterson Price, of Working River Leadership Consulting
- 1 employee attended ERC's Supervisor Training Series
- 3 employees attended OLC's Annual Convention in Columbus
- 1 employee attended Computers in Library Conference (virtual)
- 3 employees attended ALA's Annual Conference (virtual)

### **Library Leadership Ohio**

The Noble Branch's Steve Sanders and Amia Wheatley were selected to participate in the Library Leadership Ohio (LLO). LLO is a collaboration of the State Library of Ohio and OhioNET. The program is funded in part through a federal Institute of Museum and Library Services (IMLS) LSTA grant awarded by the State Library of Ohio. Steve and Amia follow in the footsteps of previous LLO Heights alumni, UH Branch Manager Sara Phillips, Director Nancy Levin, and Continuing Education Manager Heather Howler.

### **Services for All Virtual Conference**

Ann MacNamara and John Piche presented the session 1619 Project Discussion: What, Why and How at the Ohio Library Council's Service for All conference on June 9. Steve Sanders and Ben Gulyas presented at the annual OLC Convention & Expo. Steve's program was titled "Refugee Services in Cleveland Heights" and Ben's was "Understanding Deaf Language, Culture and Community." Deputy Director Kim DeNero-Ackroyd was the convention co-chair.

The Library Marketing and Communications Conference is a national conference specific to libraries and those that do their marketing and communications. Communication Team members Sheryl Banks and Isabelle Rew presented a post-conference online session on "Keeping Social Media Social" for conference participants.

### **Staff Development Day**

Staff Development Day returned on Friday, September 24, after being cancelled in 2020 during to the COVID-19 pandemic. Although it experienced challenges due to the pandemic, the planning committee created a great day for staff – one that was safe, educational, and fun. Members of this year's committee include: Chair, Heather Howler (Continuing Education), Hillary Brown (Noble branch), Kareemah Hairston (Youth Services), Robert Isom (Continuing Education), Gale Reese (Adult Services), Isabelle Rew (Communications), Nia Turner (Continuing Education) and A'Lanna Wells (University Heights branch).

109 employees attended this year's Staff Development Day. The day offered 24 breakout sessions and included the presentation of the annual staff awards and longevity pins via Zoom. 69 out of 75 survey responses rated the day as either *Excellent* or *Good*.

## **FACILITY UPDATES**

### **Lee Road Branch**

To better improve security, the Library began phasing out three old and defective motion sensors and adding five new motion sensors. A new, high-definition camera was installed outside the Local History room, along with shatter resistant film to the glass walls of the Local History room and the HKIC managers office. Additionally, touchless door controllers were added at all branch locations except University Heights, which already had automatic doors. Circulation staff had sound dampening panels installed for the automated materials handler (AMH).

### **University Heights branch**

Finley Landscaping added a magnolia tree and other landscaping to the bench facing the parking lot to create a more welcoming space. Meeting rooms, study rooms, hallways, and the teen room were given fresh coats of paint.

### **Noble Road Branch**

A storage room was converted into an office for the Bhutanese Community of Greater Cleveland. The Children's Garden was revitalized with new sensory plants and pollinators. The Library purchased the Noble Road Presbyterian Church and property to expand the branch. Planning for the renovation and expansion began with Bostwick Design Partnership leading visioning meetings with staff and customers to determine needs and desires for the addition.

### **Coventry Village Branch**

Building renovation plans with Albert M. Higley Company and Robert P. Madison International, Inc were finalized. Design plans include a lower level meeting room, makerspace, staff workroom, and first floor public restroom. Lower level asbestos abatement and demolition in preparation for the renovation was completed. In the courtyard, plumbing was installed to divert storm drain runoff to the nearby main sewer line to prevent flooding. The raised garden bed was rebuilt in the Collaborative Garden.

## **IT PROJECTS**

- Completion of Local History Room: installation of equipment, supervision and correction of wiring contractor's data line install.
- Rewiring of data closets for Lee Road branch second floor and HKIC: Installed new data racks, and assisted CLEVNET in installs of new network switches and shift of patch points.
- Purchase and install of new EMC storage system: New EMC network storage device was purchased and installed to service VMware virtualization environment.
- Shifting of Media lab at HKIC: Teen media lab equipment was shifted from the YSD area to the HKIC and integrated with existing Media lab equipment. All media lab equipment was re-established in new space and configured for use.
- Restoration of normal computer usage from previous COVID configuration, and adjustment many times through the year for changes in hours: Hours for multiple systems had to be adjusted throughout the year, and public computers needed to be restored to pre-COVID operational status.
- Replacement of 50 computers: Some staff computers, and computers for HKIC and Noble Teen areas had to be imaged. As it turned out, some of that was not needed, as many computers were removed from the HKIC, but will be re-used in Lee Road adult area. We have a replacement schedule for all computers built into our technology budget.

- Security Cameras: Security camera computers were set up at the HKIC desk and HKIC office for staff to be able to monitor the area.
- Replaced People Counters at Lee and UH: The old V-count people counter system was failing us, so research was done on a replacement. Traf-sys was chosen as a new system, and devices were purchased and installed. New system seems to be operating as expected.

## **MAJOR 2021 COMMUNITY PARTNERS**

Alzheimer's Association  
 Bellefaire JCB  
 Benjamin Rose Institute  
 Bhutanese Community of Greater Cleveland  
 Children's Hunger Alliance  
 City Fresh  
 City of University Heights  
 Cleveland Hearing and Speech  
 Cleveland Heights Green Team  
 Cleveland Heights Historical Society  
 Cleveland Heights Landmarks Commission  
 Cleveland Heights Senior Center  
 CH-UH School District  
 Cleveland Restoration Society  
 Coventry PEACE Campus  
 Coventry SID  
 Cuyahoga Community College  
 Dementia Friendly Cleveland Heights  
 Diversity Center of Cleveland  
 Family Connections  
 Friends of Coventry PEACE Park  
 FRIENDS of Heights Libraries  
 Greater Cleveland Food Bank  
 Lake Erie Ink  
 League of Women Voters  
 Legal Aid Society of Cleveland  
 Mac's Backs  
 Maximum Accessible Housing of OH  
 Noble Neighbors  
 Ohio State Extension  
 Reaching Heights Community Care Team  
 Youth Opportunities Unlimited

## **2021 GRANTS AND PARTNERSHIP WORK**

Youth Services staff in all of our branches worked closely with CH-UH Schools this year:

- Provided programming twice a week during the summer camp, in addition to the weekly tech programming from the Continuing Education staff
- Visited Boulevard Elementary to provide literacy activities in support of the district's 21<sup>st</sup> Century Grant
- Joined the Kindergarten Readiness Task Force.
- Participated in Fairfax Elementary's RISE event.
- Noble Elementary welcomed library staff at a number of events during the year.
- With help from the Circulation Department, new 3 for Me library cards were created for the 325 students at Canterbury Elementary.

### **University Heights Branch Partnerships**

The University Heights Branch participated in the City's sock drive in December. The sock drive collected more than 2,000 pairs of socks from donation bins around the community. UH hosted two League of Women Voters Candidate Forums in September.

The University Heights branch participated in the first ever University Heights 4<sup>th</sup> of July Parade. The parade was moved from Memorial Day to the 4<sup>th</sup> of July due to COVID concerns. Nearly 60 pounds of candy were passed out.

### **Coventry Branch Partnerships**

The PEACE Park proved to be an invaluable asset to the Library this year, at a time when people yearned for community gathering. Families returned to storytime in the same numbers as pre-pandemic attendance, due to the ingenuity of the Coventry Youth Services staff and their outdoor storytimes, made possible with tents, tarps, and supply wagon; members of the Tai Chi group continued to meet four days a week under the PEACE Arch, attracting new participants each morning; the Hoop and Hang pick-up basketball program continued along with garden programs; and Coventry staff raised, tagged, and released 53 monarch butterflies into the park over the course of the spring and summer; the Lee Road knitters moved their meetings there, and Adult Services staff brought together standing-room-only live poetry sessions and recycling programs.

The Library also hosted numerous community events in the PEACE Park, including City Fresh, the CH Green Team Eco Fair, birthday parties and volunteer clean up days, a Juneteenth celebration, Coventry Kids Day, the Coventry PEACE Park Design Jam, and summer break and back-to-school events.

### **Noble Branch Partnerships**

Noble continued to have representatives at Noble Neighbors meetings. The pandemic made staying in touch with the Greater Cleveland Bhutanese Community (GCBC) a challenge, but the branch provided the GCBC offices after the Library purchased the Noble Presbyterian Church where they had been previously housed. This was accomplished by cleaning out a storage room. The Library also met with Church staff a number of times to make sure parts of the building were salvaged and a number of pews were saved before demolition, for use in the newly renovated building being planned to open in 2023.

## **OTHER INFORMATION**

### **Independent Audit**

Included in this report is an unmodified audit opinion rendered on the Library's financial statements as of and for the year ended December 31, 2021, by our independent auditor, Auditor of State Keith Faber.

Library management plans to continue to subject financial statements to an annual independent audit as part of the preparation of an Annual Comprehensive Financial Report. An annual audit also serves to maintain and strengthen the Library's accounting and budgetary controls.

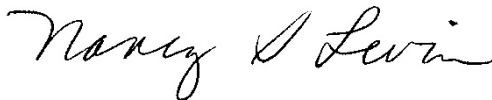
### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Cleveland Heights-University Heights Public Library for its Annual Comprehensive Financial Report for the year ended December 31, 2020.

### **Acknowledgements**

We wish to express our appreciation to the members of the Board of Library Trustees for their continued interest and support in planning and conducting the financial operations of the Library in a responsible and progressive manner.

**Respectfully submitted,**



**Nancy S. Levin**  
**Director**



**Deborah Herrmann**  
**Finance Manager**



# CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS PUBLIC LIBRARY

## LIST OF PRINCIPAL OFFICIALS as of December 31, 2021

### BOARD OF LIBRARY TRUSTEES

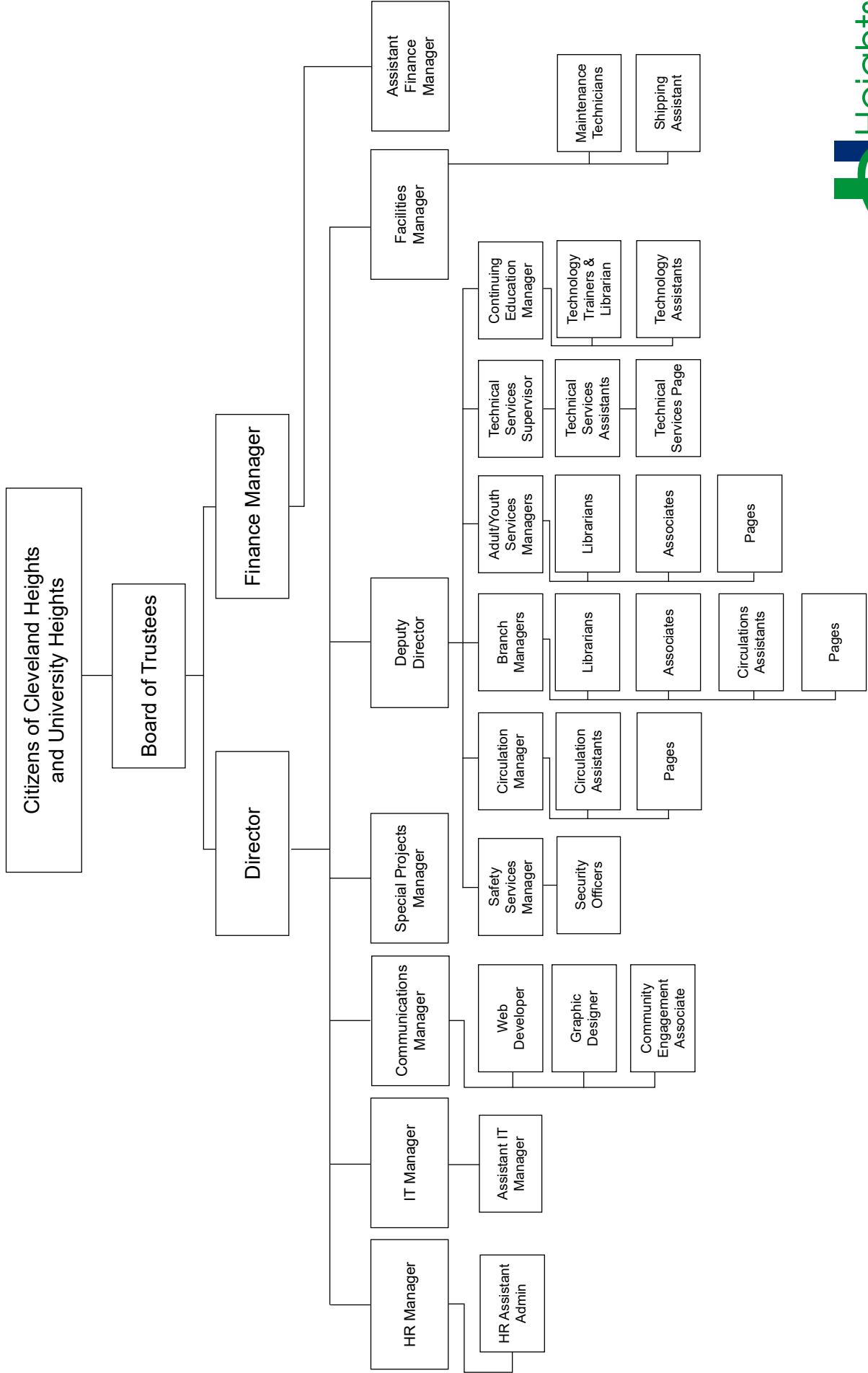
Dana Fluellen .....	President
Max Gerboc .....	Secretary
Annette Iwamoto .....	Member
Tyler McTigue.....	Member
Patti Carlyle.....	Member
Gabe Crenshaw.....	Member
Vikas Turakhia.....	Member

### ADMINISTRATIVE STAFF

Nancy S. Levin.....	Director
Kimberlee DeNero-Ackroyd .....	Deputy Director
Deborah Herrmann .....	Finance Manager
Charles Collins .....	Adult Services Manager
Maggie Kinney .....	Branch Manager, Coventry Village Library
Sam Lapidès .....	Youth Services Manager
Laurie Marotta.....	Human Resources Manager
Sheryl Banks.....	Communications Manager
Timothy Pasbrig .....	Buildings Manager
Heather Howiler .....	Continuing Education Manager
Matt Hoffman .....	IT Manager
Constance Dickerson.....	Branch Manager, Noble Neighborhood Library
Sara Phillips.....	Branch Manager, University Heights Library
Kevin Echols .....	Security Supervisor

# 2021 ORGANIZATION CHART

## Cleveland Heights - University Heights Public Library





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Cleveland Heights - University Heights Public Library  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2020

*Christopher P. Morill*

Executive Director/CEO

# Heights Libraries

Cleveland Heights-University Heights

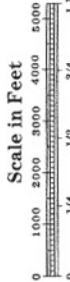
## Cleveland Heights-University Heights Public Library

**Main Library**  
 2345 Lee Road  
 Cleveland Heights, OH 44118  
 216-932-3600

**Coventry Village Library**  
 1925 Coventry Road  
 Cleveland Heights, OH 44118  
 216-321-3400; TTY 321-0739

**Noble Neighborhood Library**  
 2800 Noble Road  
 Cleveland Heights, OH 44121  
 216-291-5665

**University Heights Library**  
 13866 Cedar Road  
 University Heights, OH 44118  
 216-321-4700



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# Financial Section

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# OHIO AUDITOR OF STATE KEITH FABER



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

## INDEPENDENT AUDITOR'S REPORT

Cleveland Heights-University Heights Public Library  
Cuyahoga County  
2345 Lee Road  
Cleveland Heights, Ohio 44118

To the Board of Trustees:

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cleveland Heights-University Heights Public Library, Cuyahoga County, Ohio (Library), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Cleveland Heights-University Heights Public Library, Cuyahoga County, Ohio as of December 31, 2021, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

#### **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.

#### **Emphasis of Matter**

As discussed in Note 19 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Library. We did not modify our opinion regarding this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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 *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.



**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 post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 information**

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

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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.

**Other Information**

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we also issue our report dated June 8, 2022, 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

June 8, 2022

## **Cleveland Heights-University Heights Public Library**

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2021*

*Unaudited*

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The management's discussion and analysis of the Cleveland Heights-University Heights Public Library's (the Library) financial performance provides an overall review of the Library's financial activities for the year ended December 31, 2021. The intent of this management's discussion and analysis is to look at the Library's financial performance as a whole. Readers should also review the transmittal letter, 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 2021 are as follows:

- Total net position increased from 2020, primarily due to increases in cash and cash equivalents as the Library's general revenue sources remained fairly consistent and management continued to carefully monitor expenditures.
- Capital assets had additions to construction in progress, land improvements, building improvements equipment and furniture. The Library continues to make improvements to ensure that the residents using the Library will have current technology and updated facilities.
- Long-term liabilities decreased in 2021 as a result of decreases in capital leases payable and the net pension liability. Capital leases payable decreased due to annual lease payments. The net pension liability decreased due to various factors and changes effecting the pension retirement system.

### **Using This Annual Financial Report**

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the Cleveland Heights-University Heights Public Library as a financial whole or as an entire operating entity. The statements provide a detailed look at the Library's specific financial activities.

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

### **Reporting the Cleveland Heights-University Heights Public Library as a Whole**

#### *Statement of Net Position and the Statement of Activities*

While this document contains information about the funds used by the Library to provide services to our citizens, the view of the Library as a whole considers all financial transactions and asks the question, "How did we do financially during 2021?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

## Cleveland Heights-University Heights Public Library

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2021*

*Unaudited*

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

The Statement of Net Position and the Statement of Activities are divided into the following categories:

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

### **Reporting the Cleveland Heights-University Heights Public Library's Most Significant Funds**

#### *Fund Financial Statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Cleveland Heights-University Heights Public Library uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Library's funds can be classified as governmental funds. Fund financial statements provide detailed information about the Library's major funds. The Library has established funds that account for the multitude of services and facilities provided to our residents. However, these fund financial statements focus on the Library's most significant funds. In the case of the Cleveland Heights-University Heights Public Library, the major funds are the general fund and the building and repairs capital projects fund.

**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. All Library activities are reported in the governmental funds focusing on how money flows into and out of those funds and the balances left at year end available for spending in future periods. Our funds are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Library's general operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. Because the focus of 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, readers may better understand the long-term impact of the Library'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.

**Cleveland Heights-University Heights Public Library**

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2021*

*Unaudited*

**The Cleveland Heights-University Heights Public Library as a Whole**

Recall that the Statement of Net Position pictures the Library as a whole. Table 1 provides a summary of the Library's net position for 2021 compared to 2020.

**Table 1**  
*Net Position*

	Governmental Activities		
	2021	2020	Change
<b>Assets</b>			
Current and Other Assets	\$32,207,037	\$29,667,728	\$2,539,309
Noncurrent Assets:			
Net Pension Asset	152,501	119,166	33,335
Net OPEB Asset	426,831	0	426,831
Capital Assets, Net	26,199,575	26,210,087	(10,512)
<i>Total Assets</i>	<u>58,985,944</u>	<u>55,996,981</u>	<u>2,988,963</u>
<b>Deferred Outflows of Resources</b>			
Pension	572,945	831,516	(258,571)
OPEB	220,555	702,402	(481,847)
<i>Total Deferred Outflows of Resources</i>	<u>793,500</u>	<u>1,533,918</u>	<u>(740,418)</u>
<b>Liabilities</b>			
Current Liabilities	330,094	125,759	(204,335)
Long-Term Liabilities			
Due Within One Year	265,212	290,907	25,695
Due in More Than One Year			
Net Pension Liability	3,350,861	5,685,596	2,334,735
Net OPEB Liability	0	4,171,266	4,171,266
Other Amounts	92,775	107,807	15,032
<i>Total Liabilities</i>	<u>4,038,942</u>	<u>10,381,335</u>	<u>6,342,393</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	7,601,960	7,593,430	(8,530)
Pension	2,345,980	1,254,271	(1,091,709)
OPEB	1,832,855	603,316	(1,229,539)
<i>Total Deferred Inflows of Resources</i>	<u>11,780,795</u>	<u>9,451,017</u>	<u>(2,329,778)</u>
<b>Net Position</b>			
Investment in Capital Assets	26,107,915	26,100,791	7,124
Restricted for:			
Capital Projects	10,977	10,977	0
Staff Development			
Nonexpendable	418,502	418,502	0
Expendable	104,045	104,375	(330)
Other Purposes	4,000	4,000	0
Unrestricted	17,314,268	11,059,902	6,254,366
<i>Total Net Position</i>	<u>\$43,959,707</u>	<u>\$37,698,547</u>	<u>\$6,261,160</u>

## Cleveland Heights-University Heights Public Library

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2021*

*Unaudited*

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The net pension liability (NPL) is the largest single liability reported by the Library at December 31, 2021. 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, 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.

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

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the Cleveland Heights-University Heights Public Library, assets exceeded liabilities at year-end 2021. The increase in current and other assets is primarily due to an increase in cash and cash equivalents as the Library continues to find revenue sources and keep expenditures in check. The decrease in capital assets from 2020 is attributable to current year depreciation outpacing asset additions to construction in progress, land improvements, building improvements and the purchase of furniture, fixtures and equipment. By comparing assets and liabilities, one can see the overall position of the Library is good. Total liabilities decreased due to incorporating accrual adjustments directly related to the net pension and OPEB liabilities, with the net OPEB liability becoming an asset in 2021.

Although the Cleveland Heights-University Heights Public Library’s investment in its capital assets is reported net of related debt, which is strictly capital leases, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Additionally, the Cleveland Heights-University Heights Public Library works very hard to stabilize current liabilities and reduce long-term liabilities.

**Cleveland Heights-University Heights Public Library**

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2021*

*Unaudited*

Table 2 shows the changes in net position for the years ended December 31, 2021 and 2020.

**Table 2**  
*Change in Net Position*

	Governmental Activities		
	2021	2020	Change
<b>Revenues</b>			
<i>Program Revenues</i>			
Charges for Services	\$80,293	\$178,792	(\$98,499)
Operating Grants and Contributions	0	103,500	(103,500)
Capital Contributions	0	10,977	(10,977)
<i>Total Program Revenues</i>	<u>80,293</u>	<u>293,269</u>	<u>(212,976)</u>
<i>General Revenues</i>			
Property Taxes	8,000,986	7,884,962	116,024
Grants and Entitlements not Restricted to Specific Purposes	3,937,423	3,516,793	420,630
Investment Earnings	(53,488)	426,090	(479,578)
Unrestricted Contributions	17,308	20,023	(2,715)
Miscellaneous	158,444	247,918	(89,474)
<i>Total General Revenues</i>	<u>12,060,673</u>	<u>12,095,786</u>	<u>(35,113)</u>
<i>Total Revenues</i>	<u>12,140,966</u>	<u>12,389,055</u>	<u>(248,089)</u>
<b>Program Expenses</b>			
General Government:			
Public Service	4,984,264	7,530,403	2,546,139
Administration	895,542	2,125,255	1,229,713
Interest and Fiscal Charges	0	1,060	1,060
<i>Total Program Expenses</i>	<u>5,879,806</u>	<u>9,656,718</u>	<u>3,776,912</u>
<i>Change in Net Position</i>	6,261,160	2,732,337	3,528,823
Net Position Beginning of Year	<u>37,698,547</u>	<u>34,966,210</u>	<u>2,732,337</u>
Net Position End of Year	<u>\$43,959,707</u>	<u>\$37,698,547</u>	<u>\$6,261,160</u>

For 2021, OPERS recognized a change in benefit terms for their OPEB plan. These changes contributed to OPEB expense decreasing from \$466,895 in 2020 to a negative OPEB expense of \$2,876,994 for 2021.

The majority of revenue supporting all governmental activities is general revenue. The most significant portions of general revenues are local property taxes and grants and entitlements not restricted. The remaining amount of revenue received was in the form of program revenues, which consisted of charges for services provided by the Library.

The Library also carefully invests its funds in a variety of investment types with the primary focus being safety of principal, but with an attention to investment opportunities to increase yield. The Director and Finance Manager pay close attention to daily interest rates and have made the Library's money "work for us".

## Cleveland Heights-University Heights Public Library

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2021*

*Unaudited*

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### Analysis of Overall Financial Positions and Results of Operations

In Table 3 below, the total cost of services column contains all costs related to the programs and the net cost of services column shows how much of the total amount is not covered by program revenues. The net costs are program costs that must be covered by unrestricted State aid (Library and Local Government Support Fund) or local property taxes.

**Table 3**  
*Governmental Activities*

<u>Programs</u>	<u>Total Cost of Services 2021</u>	<u>Total Cost of Services 2020</u>	<u>Net Cost of Services 2021</u>	<u>Net Cost of Services 2020</u>
General Government:				
Public Service	\$4,984,264	\$7,530,403	\$4,920,569	\$7,255,699
Administration	895,542	2,125,255	878,944	2,106,690
Interest and Fiscal Charges	0	1,060	0	1,060
Total Expenses	<u>\$5,879,806</u>	<u>\$9,656,718</u>	<u>\$5,799,513</u>	<u>\$9,363,449</u>

The difference in the total cost and net cost of services represents patron fines and fees, rentals, intergovernmental and donations. The dependence upon general tax revenues for governmental activities is apparent.

### Governmental Activities

Several revenue sources fund our governmental activities with the Library property tax being the largest contributor. General revenues from grants and entitlements, such as local government funds, and patron fines and fees are also major sources of revenue.

The area of Cleveland Heights is not immune to the economic situation affecting the Country. The Library System's geographic boundaries encompass several inner-ring suburbs of the City of Cleveland. These communities are primarily residential in nature. The proximity and the easy access of the cities to major cultural, educational and medical facilities in northeast Ohio typically contributes to climbing property values, a key indicator of a community's economic health and stability, where the primary "industry" is housing. Typically, the vitality of the area has also been demonstrated by new construction over the past few years, with development and redevelopment of retail and commercial corridors found throughout each community.

Although the Library relies heavily upon local property taxes to support its operations, we continue to actively solicit and receive additional grant and entitlement funds to help offset operating and program costs.

The majority of the Library's program expenses are for public services. The decrease in public service expenses was due mainly to a drop in materials and supplies expense as well as to a significant decrease in salaries and benefits resulting from a reduction in staff during COVID-19. Administration accounts for the majority of the remaining total expenses. The remaining program expense, amounting to less than one percent, represents interest and fiscal charges.



## **Cleveland Heights-University Heights Public Library**

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2021*

*Unaudited*

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### **The Library's Funds**

Information about the Library's governmental funds begins with the balance sheet. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenue of \$12,050,387 and expenditures of \$9,829,737. The Library's major funds are the general fund and building and repairs capital projects fund. The general fund balance had a decrease in 2021 due to subsidies in the form of transfers out needed to provide funding for the building and repairs fund. The building and repairs capital projects fund saw an increase in fund balance due to transfers in being received during 2021.

### **General Fund Budgetary Highlights**

The Library's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund. During the course of 2021, the Library amended its general fund budget. For the general fund, original and final budgeted revenues were \$11,403,481 and \$12,136,875, respectively. Actual revenues were \$58,557 lower than final budgeted resources due mainly to decreases in property taxes and intergovernmental revenues as anticipated revenues ended slightly less than budgeted. Original and final budgeted expenditures in the general fund were \$7,716,079 and \$10,601,218, respectively. Actual expenditures were \$1,594,545 lower than final budgeted expenditures due to careful monitoring of expenditures that resulted in decreases to all expenditure line items.

### **Capital Assets and Debt**

#### ***Capital Assets***

The Library is committed to a long-term goal of rebuilding and renovating facilities. For 2021, capital asset additions consisted of construction in progress, land and building improvements and the purchase of equipment and furniture. The current year additions were offset by the current year deletions and depreciation. See Note 9 for additional information on capital assets.

#### **Long-Term Obligations**

As of December 31, 2021, the Cleveland Heights-University Heights Public Library had outstanding balances in compensated absences and capital leases as well as reporting the net pension liability. Compensated absences payable decreased due to lower leave balances being carried at year end. Capital leases payable decreased due to annual lease payments. The net pension liability and net OPEB liability decreased due to various factors effecting the pension retirement system. The net OPEB liability changed in 2021 to become the net OPEB asset. See Note 15 for additional information on the Library's debt.

## **Cleveland Heights-University Heights Public Library**

*Management's Discussion and Analysis*

*For the Year Ended December 31, 2021*

*Unaudited*

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### **Current Financial Related Activities**

The Cleveland Heights-University Heights Public Library has continued to maintain the highest standard of service to the patrons of our communities. The Cleveland Heights-University Heights Public Library is financially strong. The Library's revenues continued to outpace expenditures which is part of our strong, fiscally responsible financial plan to live within our means. The Board of Library Trustees and administration closely monitor its revenues and expenditures in accordance with its financial forecast.

The Cleveland Heights-University Heights Public Library relies on its property taxpayers to support its operations, and the fiscal capacity and community support for the Library is quite strong. The Cleveland Heights-University Heights Public Library voters have passed additional operating levies in the years 1992, 2001, 2008 and 2014, which help the general operations and permanent improvements of the Library. In addition, the community overwhelmingly passed a bond issue in 2001 to support the renovation of the main library and cultural arts center. The Cleveland Heights-University Heights Public Library continues to communicate to the community that they rely upon their support for the majority of its operations and will continue to work diligently to plan expenses, staying carefully within the Library's budget and financial forecast. The community realizes the income generated by local levies remains constant, thereby forcing the Library to come back to the voters from time to time for additional support.

The Board of Trustees and Director work extremely hard at containing health care costs by ensuring the pricing it receives is competitive and promotes employee wellness programs. While the cost increases for medical insurance are unavoidable in today's environment, the Library is working diligently to maintain a high level of coverage for its employees at the lowest cost possible.

### **Contacting the Library's Finance Department**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the Library's finances and demonstrates the Library's accountability for all money it receives, spends, and invests. Please direct any questions about this report or financial information inquiries to the Finance Manager, Cleveland Heights-University Heights Public Library, 2345 Lee Road, Cleveland Heights, Ohio 44118-3493, or telephone 216-932-3600. We also offer information regarding our Library on our web site, [www.heightslibrary.org](http://www.heightslibrary.org).

## Basic Financial Statements

# Cleveland Heights-University Heights Public Library

## Statement of Net Position

December 31, 2021

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$21,097,241
Accounts Receivable	453
Accrued Interest	19,814
Intergovernmental Receivable	1,841,042
Prepaid Items	64,615
Property Taxes Receivable	9,183,872
Net Pension Asset (See Note 12)	152,501
Net OPEB Asset (See Note 13)	426,831
Nondepreciable Capital Assets	1,169,507
Depreciable Capital Assets, Net	25,030,068
<i>Total Assets</i>	<u>58,985,944</u>
<b>Deferred Outflows of Resources</b>	
Pension	572,945
OPEB	220,555
<i>Total Deferred Outflows of Resources</i>	<u>793,500</u>
<b>Liabilities</b>	
Accounts Payable	123,670
Contracts Payable	29,972
Accrued Wages	75,880
Intergovernmental Payable	100,572
Long-Term Liabilities:	
Due Within One Year	265,212
Due In More Than One Year	
Net Pension Liability (See Note 12)	3,350,861
Other Amounts	92,775
<i>Total Liabilities</i>	<u>4,038,942</u>
<b>Deferred Inflows of Resources</b>	
Property Taxes	7,601,960
Pension	2,345,980
OPEB	1,832,855
<i>Total Deferred Inflows of Resources</i>	<u>11,780,795</u>
<b>Net Position</b>	
Net Investment in Capital Assets	26,107,915
Restricted for:	
Capital Projects	10,977
Staff Development	
Nonexpendable	418,502
Expendable	104,045
Other Purposes	4,000
Unrestricted	17,314,268
<i>Total Net Position</i>	<u><u>\$43,959,707</u></u>

See accompanying notes to the basic financial statements



**Cleveland Heights-University Heights Public Library**

*Balance Sheet  
Governmental Funds  
December 31, 2021*

	General	Building and Repairs	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$13,382,465	\$7,086,185	\$625,117	\$21,093,767
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	3,474	0	0	3,474
Receivables:				
Property Taxes	9,183,872	0	0	9,183,872
Accounts	453	0	0	453
Intergovernmental	1,841,042	0	0	1,841,042
Accrued Interest	19,814	0	0	19,814
Prepaid Items	64,615	0	0	64,615
<i>Total Assets</i>	<u>\$24,495,735</u>	<u>\$7,086,185</u>	<u>\$625,117</u>	<u>\$32,207,037</u>
<b>Liabilities</b>				
Accounts Payable	\$105,898	\$17,772	\$0	\$123,670
Contracts Payable	15,972	14,000	0	29,972
Accrued Wages	75,880	0	0	75,880
Intergovernmental Payable	100,572	0	0	100,572
<i>Total Liabilities</i>	<u>298,322</u>	<u>31,772</u>	<u>0</u>	<u>330,094</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	7,601,960	0	0	7,601,960
Unavailable Revenue	3,158,039	0	0	3,158,039
<i>Total Deferred Inflows of Resources</i>	<u>10,759,999</u>	<u>0</u>	<u>0</u>	<u>10,759,999</u>
<b>Fund Balances</b>				
Nonspendable	68,089	0	418,502	486,591
Restricted	0	0	115,548	115,548
Committed	185,094	1,981,731	91,067	2,257,892
Assigned	6,248,213	5,072,682	0	11,320,895
Unassigned	6,936,018	0	0	6,936,018
<i>Total Fund Balances</i>	<u>13,437,414</u>	<u>7,054,413</u>	<u>625,117</u>	<u>21,116,944</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$24,495,735</u>	<u>\$7,086,185</u>	<u>\$625,117</u>	<u>\$32,207,037</u>

See accompanying notes to the basic financial statements

**Cleveland Heights-University Heights Public Library**

*Reconciliation of Total Governmental Fund Balances to*

*Net Position of Governmental Activities*

*December 31, 2021*

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<b>Total Governmental Fund Balances</b>		<b>\$21,116,944</b>
 <i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		26,199,575
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:		
Delinquent Property Taxes	1,581,912	
Intergovernmental	<u>1,576,127</u>	
Total		3,158,039
The net pension asset, net pension liability and net OPEB liability are not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Net Pension Asset	152,501	
Deferred Outflows - Pension	572,945	
Net Pension Liability	(3,350,861)	
Deferred Inflows - Pension	(2,345,980)	
Net OPEB Asset	426,831	
Deferred Outflows - OPEB	220,555	
Deferred Inflows - OPEB	<u>(1,832,855)</u>	
Total		(6,156,864)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated Absences	(266,327)	
Capital Leases	<u>(91,660)</u>	
Total		<u>(357,987)</u>
<i>Net Position of Governmental Activities</i>		<u><u>\$43,959,707</u></u>

See accompanying notes to the basic financial statements

**Cleveland Heights-University Heights Public Library**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2021*

	General	Building and Repairs	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property Taxes	\$7,942,155	\$0	\$0	\$7,942,155
Patron Fines and Fees	38,630	0	0	38,630
Intergovernmental	3,905,675	0	0	3,905,675
Interest	(64,660)	2,040	9,132	(53,488)
Donations	17,308	0	0	17,308
Rentals	33,750	0	7,913	41,663
Miscellaneous	42,764	0	115,680	158,444
<i>Total Revenues</i>	<u>11,915,622</u>	<u>2,040</u>	<u>132,725</u>	<u>12,050,387</u>
<b>Expenditures</b>				
Current:				
General Government:				
Public Service	6,587,659	6,000	89,621	6,683,280
Administration	1,972,901	0	9,462	1,982,363
Capital Outlay	185,444	945,799	0	1,131,243
Debt Service:				
Principal Retirement	32,851	0	0	32,851
<i>Total Expenditures</i>	<u>8,778,855</u>	<u>951,799</u>	<u>99,083</u>	<u>9,829,737</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,136,767</u>	<u>(949,759)</u>	<u>33,642</u>	<u>2,220,650</u>
<b>Other Financing Sources (Uses)</b>				
Inception of Capital Lease	15,215	0	0	15,215
Transfers In	0	4,000,000	0	4,000,000
Transfers Out	(4,000,000)	0	0	(4,000,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(3,984,785)</u>	<u>4,000,000</u>	<u>0</u>	<u>15,215</u>
<i>Net Change in Fund Balances</i>	(848,018)	3,050,241	33,642	2,235,865
<i>Fund Balances Beginning of Year</i>	<u>14,285,432</u>	<u>4,004,172</u>	<u>591,475</u>	<u>18,881,079</u>
<i>Fund Balances End of Year</i>	<u>\$13,437,414</u>	<u>\$7,054,413</u>	<u>\$625,117</u>	<u>\$21,116,944</u>

See accompanying notes to the basic financial statements



**Cleveland Heights-University Heights Public Library**  
*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, 2021*

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**Net Change in Fund Balances - Total Governmental Funds** \$2,235,865

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

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

Capital Outlay	1,000,355
Depreciation	<u>(999,417)</u>

Total	938
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Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (11,450)

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

Property Taxes	58,831
Intergovernmental	<u>31,748</u>

Total	90,579
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Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows:

Pension	551,880
OPEB	<u>9,717</u>

Total	561,597
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Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liabilities are reported as pension/OPEB expense in the statement of activities:

Pension	465,910
OPEB	<u>2,876,994</u>

Total	3,342,904
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Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 32,851

Some expenses, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. 23,091

Other financing sources in the governmental funds, such as the inception of a capital lease, increase long-term liabilities in the statement of net position. (15,215)

*Change in Net Position of Governmental Activities* \$6,261,160

See accompanying notes to the basic financial statements

**Cleveland Heights-University Heights Public Library**

*Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund*

*For the Year Ended December 31, 2021*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property Taxes	\$7,498,731	\$7,981,904	\$7,942,155	(\$39,749)
Patron Fines and Fees	36,095	38,421	38,230	(191)
Intergovernmental	3,656,591	3,892,200	3,872,817	(19,383)
Interest	123,855	131,836	131,179	(657)
Donations	15,858	15,501	17,308	1,807
Rentals	31,866	33,919	33,750	(169)
Miscellaneous	40,485	43,094	42,879	(215)
<i>Total Revenues</i>	<u>11,403,481</u>	<u>12,136,875</u>	<u>12,078,318</u>	<u>(58,557)</u>
<b>Expenditures</b>				
Current:				
General Government:				
Public Service	5,789,964	7,927,409	6,886,445	1,040,964
Administration	1,631,582	2,266,944	1,924,178	342,766
Capital Outlay	294,533	406,865	196,050	210,815
<i>Total Expenditures</i>	<u>7,716,079</u>	<u>10,601,218</u>	<u>9,006,673</u>	<u>1,594,545</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	3,687,402	1,535,657	3,071,645	1,535,988
<b>Other Financing Sources (Uses)</b>				
Transfers Out	<u>(2,821,739)</u>	<u>(3,927,100)</u>	<u>(4,000,000)</u>	<u>(72,900)</u>
<i>Net Change in Fund Balance</i>	865,663	(2,391,443)	(928,355)	1,463,088
<i>Fund Balance Beginning of Year</i>	13,481,911	13,481,911	13,481,911	0
Prior Year Encumbrances Appropriated	<u>281,183</u>	<u>281,183</u>	<u>281,183</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$14,628,757</u>	<u>\$11,371,651</u>	<u>\$12,834,739</u>	<u>\$1,463,088</u>

See accompanying notes to the basic financial statements

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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### **Note 1 – Description of the Library and Reporting Entity**

The Cleveland Heights-University Heights Public Library (the Library) was organized as a school district public library in 1920 under the laws of the State of Ohio. The Library has its own Board of Trustees consisting of seven members, who are appointed by the Cleveland Heights-University Heights Board of Education. Appointments are for seven-year terms and members serve without compensation. Under Ohio statutes, the Library is a body politic and corporate capable of suing and being sued, contracting, acquiring, holding, possessing, and disposing of real property, and of exercising such other powers and privileges conferred upon it by law. The Library also determines and operates under its own budget. Control and management of the Library is governed by sections 3375.33 to 3375.41 of the Ohio Revised Code with the administration of the day-to-day operations of the Library being the responsibility of the Director and financial accountability being solely that of the Finance Manager.

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

Under the provisions of Statement No. 14 of the Governmental Accounting Standards Board (GASB), “The Financial Reporting Entity,” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, The Financial Reporting Entity: Omnibus,” the Library is considered to be a related organization of the Cleveland Heights-University Heights City School District.

Component units are legally separate organizations for which the Library is financially accountable. The Library is financially accountable for an organization if the Library appoints a voting majority of the organization's governing board and (1) the Library is able to significantly influence the programs or services performed or provided by the organization; or (2) the Library is legally entitled to or can otherwise access the organization's resources; the Library is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Library is obligated for the debt of the organization. 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 primary government. The Library has no component units.

The Friends of the Cleveland Heights-University Heights Public Library, Inc. is a not-for-profit organization with a self-appointing board. The Library is not financially accountable for the organization, nor does the Library approve the budget or the issuance of debt of the organization. Further, this organization is not accumulating large resources for the benefit of the Library. Therefore, this organization has been excluded from the reporting entity of the Library.

The Fund for the Future of Heights Libraries is a not-for-profit organization with a self-appointing board. The Library is not financially accountable for the organization, nor does the Library approve the budget or the issuance of debt of the organization. Further, this organization is not currently accumulating large resources for the benefit of the Library. Therefore, this organization has been excluded from the reporting entity of the Library.

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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### **Note 2 - Summary of Significant Accounting Policies**

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

#### ***Basis of Presentation***

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

***Government-wide Financial Statements*** The statement of net position and the statement of activities display information about the Library as a whole. These statements usually distinguish between those activities of the Library that are governmental and those that are considered business-type. However, the Library has only governmental activities; therefore no business-type activities are presented.

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 are 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 program is self-financing or draws from the general revenues of the Library.

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

#### ***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 Library's funds are all classified as governmental.

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

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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

**Building and Repairs Fund** To account for and report assigned monies set aside by the Board of Library Trustees specifically for major capital and technology improvements that include the renovation and construction of the Library's branches.

The other governmental funds of the Library account for other resources whose use is restricted or committed to a particular purpose.

### **Measurement Focus**

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

### **Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements 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 outflows/inflows of resources and in the presentation of expenses versus expenditures.

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

Nonexchange transactions, in which the Library receives value without directly giving equal value in return, include property taxes, Library and Local Government Support Fund payments, grants, entitlements and donations. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Revenue from Library and Local Government Support Fund payments, grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Library must provide local

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Library on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: federal and state grants and subsidies and state-levied locally shared taxes.

***Deferred Outflows/Inflows of Resources*** In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Library, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Notes 12 and 13.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the Library, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the Library unavailable revenue includes delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 17. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position. (See Notes 12 and 13)

***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.

### ***Pensions/Other Postemployment Benefits (OPEB)***

For purposes of measuring the net pension/OPEB asset/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 systems report investments at fair value.

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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### ***Cash and Cash Equivalents***

To improve cash management, cash received by the Library is deposited into one bank account. Monies for all funds are maintained in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through the Library's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents."

During 2021, investments were limited to STAR Ohio, first American government obligations funds, commercial paper, US Savings Bonds, US Treasury Notes, federal home loan mortgage corporation notes, federal national mortgage association notes, federal farm credit bank bonds, federal home loan bank bonds, municipal bonds, and negotiable certificates of deposit.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost. The Library's commercial paper is measured at amortized cost as it is a highly liquid debt instrument with a remaining maturity at the time of purchase of less than one year. The Library measures its investments in the first American government obligations funds at the net asset value (NAV) per share provided by First American Funds.

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 their 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 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$100 million or more. STAR Ohio reserves the right to limit the transactions to \$250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2021 amounted to (\$64,660), which includes (\$30,723) assigned from other funds.

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

### ***Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2021, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and reflecting the expenditure/expense in the year in which the services are consumed.

### ***Restricted Assets***

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

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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***Capital Assets***

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The Library was able to estimate the historical cost for the initial reporting of assets by backtrending (i.e., estimating the current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

Donated capital assets are recorded at their acquisition values as of the date received. The Library maintains a capitalization threshold of five hundred dollars with the exception of land as land was listed regardless of cost. 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's life are not.

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Land Improvements	5-40 Years
Buildings and Improvements	5-99 Years
Equipment	3-20 Years
Furniture	5-20 Years
Vehicles	10 years

***Compensated Absences***

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes amounts accumulated by those employees who are currently eligible to receive termination benefits and those the Library has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the Library's termination policy. The Library records a liability for accumulated unused sick leave for all employees payable at 25 percent of their ending accumulated sick leave balance, capped at 210 days for full time employees and 105 days for part time employees.



## Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2021

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### ***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, 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.

### ***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 category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

**Committed:** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution, as both are equally binding) of the Library Board of Trustees. Those committed amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action (ordinance or resolution, as both are equally binding) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board of Trustees, separate from the authorization to raise the 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 Library Board or a Library official delegated that authority by Library resolution or by State statute. State statute authorizes the Director 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 used only to report a deficit balance.

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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

### ***Net Position***

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for unclaimed monies and Library services and technology.

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

### ***Internal Activity***

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

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

### ***Estimates***

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

### ***Budgetary Process***

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

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

The certificate of estimated resources establishes a limit on the amount the Board of Trustees may appropriate. The appropriations resolution is the Board of Trustees' authorization to spend resources and sets 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 by the Board of Trustees at the fund and function level for all funds. Any budgetary modifications at this level may only be made by resolution of the Board of Trustees. The Finance Manager has been given authority to allocate Board appropriations to the object level within each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Manager. The amounts reported as the original and final budgeted amounts on the budgetary statement reflects the amounts in the original and final amended certificate in effect at the time original and final appropriations were passed.

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

### Note 3 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Library is bound to observe constraints imposed upon the use of the resources in the governmental funds.

The constraints placed on fund balance for the major governmental fund and all other governmental funds are presented below:

Fund Balances	General	Building and Repairs	Other Governmental Funds	Total
<u>Nonspendable:</u>				
Prepays	\$64,615	\$0	\$0	\$64,615
Unclaimed Monies	3,474	0	0	3,474
Staff Development Endowment	0	0	418,502	418,502
<i>Total Nonspendable</i>	<u>68,089</u>	<u>0</u>	<u>418,502</u>	<u>486,591</u>
<u>Restricted for:</u>				
Staff Development	0	0	104,045	104,045
Library Programs	0	0	526	526
Capital Improvements	0	0	10,977	10,977
<i>Total Restricted</i>	<u>0</u>	<u>0</u>	<u>115,548</u>	<u>115,548</u>
<u>Committed to:</u>				
Building Improvements and Repair	131,140	1,981,731	0	2,112,871
Washington Boulevard Operations	0	0	91,067	91,067
Purchased Services	5,250	0	0	5,250
Memorial Books and Society for Deaf	48,704	0	0	48,704
<i>Total Committed</i>	<u>\$185,094</u>	<u>\$1,981,731</u>	<u>\$91,067</u>	<u>\$2,257,892</u>

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

Fund Balances	General	Building and Repairs	Other Governmental Funds	Total
<u>Assigned to:</u>				
Building Improvements and Repair	\$5,995,965	5,072,682	\$0	\$11,068,647
<u>Purchases on Order:</u>				
Public Service	183,868	0	0	183,868
Administration	43,608	0	0	43,608
Capital Outlay	24,772	0	0	24,772
<i>Total Assigned</i>	6,248,213	5,072,682	0	11,320,895
Unassigned	6,936,018	0	0	6,936,018
<b>Total Fund Balances</b>	<b>\$13,437,414</b>	<b>\$7,054,413</b>	<b>\$625,117</b>	<b>\$21,116,944</b>

**Note 4 - Budgetary Basis of Accounting**

While the Library is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual 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 (generally accepted accounting principles) are:

- 1) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
- 2) Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
- 3) Encumbrances are treated as expenditures (budget) rather than restricted, committed or assigned fund balance (GAAP).
- 4) Investments are reported at cost (budget) rather than fair value (GAAP).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statement for the general fund.

Net Change in Fund Balance	
GAAP Basis	(\$848,018)
Net Adjustment for Revenue Accruals	(68,172)
Net Adjustment for Expenditure Accruals	280,577
Beginning Fair Value Adjustment for Investments	258,458
Ending Fair Value Adjustment for Investments	(42,805)
Encumbrances	(508,395)
Budget Basis	(\$928,355)

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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### **Note 5 - Deposits and Investments**

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

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement exceeds the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit of by savings or deposit accounts, including but not limited to, passbook accounts;

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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5. Bonds and other obligations of the State of Ohio, or political subdivisions of Ohio, provided that, with respect to bonds or other obligations of political subdivisions, (a) the bonds or other obligations are payable from general revenues of the political subdivision and backed by the full faith and credit of the political subdivision, (b) the bonds or other obligations are rated at the time of the purchase in the three highest classifications established by at least one nationally recognized standard rating service and purchased through a registered securities broker or dealer, (c) the aggregate value of the bonds or other obligations does not exceed twenty percent of interim monies available for investment at the time of purchase, and (d) the Library is not the sole purchaser of the bonds or other obligations at original issuance;
6. No-load money market mutual funds consisting exclusively of obligations described in divisions (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio) and any other investment alternative offered to political subdivisions by the Treasurer of State;
8. Up to forty percent of interim monies available for investment in either commercial paper notes or bankers acceptances. Investments in commercial paper notes is limited to notes issued by an entity that is defined in section 1705.01(D) of the Ohio Revised Code and that has assets exceeding five hundred million dollars, and (a) the notes are rated at the time of purchase in the highest classification established by at least two nationally recognized rating services, (b) the aggregate value of the notes does not exceed ten percent of the aggregate value of the outstanding commercial paper of the issuing corporation, (c) the notes mature no later than two hundred seventy days after purchase, and (d) the investment in commercial paper notes of a single issuer shall not exceed in the aggregate five percent of interim monies available for investment at the time of purchase. Investment in bankers acceptances is limited to acceptances of banks that are insured by the FDIC and that mature not later than one hundred eighty days after purchase; and
9. Under limited circumstances, debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

### Investments

Investments are reported at fair value. As of December 31, 2021, the Library had the following investments:

Measurement/Investment	Amount	Maturity	Rating	Investments
Net Asset Value Per Share				
STAR Ohio	\$8,502,124	Average 51.3 Days	AAAm	N/A
First American Government Obligations Fund	<u>40,231</u>	Less than one year	AAAm	N/A
Total Net asset Value Per Share	<u>8,542,355</u>			
Amortized Cost				
Commercial Paper	<u>499,955</u>	Less than one year	N/A	2.41%
Fair Value - Level One Inputs				
EE United States Savings Bonds	355,882	Less than five years	N/A	1.71
HH United States Savings Bonds	64,000	Less than three years	N/A	0.31
United States Treasury Notes	<u>1,002,302</u>	Less than five year	N/A	4.83
Total Fair Value - Level One Inputs	<u>1,422,184</u>			
Fair Value - Level Two Inputs				
Federal Home Loan Mortgage Corporation Notes	247,910	Less than two years	AAAm	1.19
Federal Home Loan Mortgage Corporation Notes	148,244	Less than four years	AAAm	0.71
Federal National Mortgage Association Notes	408,824	Less than three years	AAAm	1.97
Federal National Mortgage Association Notes	636,058	Less than four years	AAAm	3.06
Federal National Mortgage Association Notes	244,563	Less than four years	AAAm	1.18
Federal National Mortgage Association Notes	489,125	Less than four years	AAAm	2.36
Federal Farm Credit Bank Bonds	1,855,519	Less than four years	AAAm	8.94
Federal Home Loan Bank Bonds	875,734	Less than five year	AAAm	4.22
Municipal Bonds	299,943	Less than one year	AAAm	1.44
Negotiable Certificates of Deposit	1,833,840	Less than one years	N/A	8.83
Negotiable Certificates of Deposit	1,729,607	Less than two years	N/A	8.33
Negotiable Certificates of Deposit	1,280,730	Less than three years	N/A	6.17
Negotiable Certificates of Deposit	<u>252,045</u>	Less than four years	N/A	1.21
Total Fair Value - Level Two Inputs	<u>10,302,142</u>			
Total Investments	<u>\$20,766,636</u>			

The Library categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the Library's recurring fair value measurements as of December 31, 2021. STAR Ohio and first American government obligations funds are measured at net asset value per share. Commercial paper is measured at amortized cost. The United States Savings Bonds and United States Treasury Note are measured at fair value and are valued using quoted market prices (Level 1 inputs). The Library's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

## Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2021

**Interest Rate Risk** arises because potential purchases of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Library does not have an investment policy beyond the requirements of State statute. Ohio Law addresses interest rate risk by requiring that the Library's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding the need to sell securities on the open market prior to maturity.

**Credit Risk** Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Library has no investment policy that addresses credit risk.

**Concentration of Credit Risk** The Library places no limit on the amount it may invest in any one issuer.

**Custodial Credit Risk** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library has an investment policy dealing with investment custodial credit risk beyond the requirement in State statute that requires securities shall be delivered into the custody of the fiscal officer or governing board or an agent designated by the fiscal officer or governing board.

### Note 6 - Property Taxes

Property taxes include amounts levied against all real and public utility property located in the Cleveland Heights-University Heights City School District. Property tax revenue received during 2021 for real and public utility property taxes represents collections of 2020 taxes.

2021 real property taxes were levied after October 1, 2021, on the assessed value as of January 1, 2021, the lien date. Assessed values are established by State law at 35 percent of appraised fair value. 2021 real property taxes are collected in and intended to finance 2022.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2021 public utility property taxes which became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 with real property taxes.

The full tax rate for all Library operations for the year ended December 31, 2021 was \$10.00 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2021 property tax receipts were based are as follows:

Category	Assessed Values
Real Estate	
Residential/Agricultural	\$920,177,670
Other Real Estate	157,503,300
Tangible Personal Property	
Public Utility	27,230,400
Total	<u><u>\$1,104,911,370</u></u>



**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

The County Treasurer collects property tax on behalf of all taxing districts within the county, including the Library. The County Fiscal Officer periodically remits to the Library its portion of the taxes collected. Property taxes receivable represents real and public utility taxes which are measurable as of December 31, 2021, and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2021 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

**Note 7 - Receivables**

Receivables at December 31, 2021 consisted of taxes, accounts and intergovernmental. The intergovernmental receivables at December 31, 2021 were \$1,433,381 of Library and Local Government Support Fund revenues received through the State of Ohio, \$405,436 for homestead, rollback and \$2,225 for a premium refund from the Ohio Bureau of Workers’ Compensation. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. All receivables except property taxes are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

**Note 8 –Leases**

***Capital Leases***

In 2019, the Library entered into a lease agreement for the acquisition of copiers. In 2021, the Library entered into a lease agreement for the acquisition of a Pittney Bowes Postage Machine. The Library’s lease obligations meet the criteria of a capital lease and have been recorded on the government-wide statements. The original amounts capitalized for the capital leases and the book value as of December 31, 2021 follows:

Assets:	
Equipment	\$164,255
Less: Accumulated Depreciation	<u>(92,467)</u>
Net Book Value	<u>\$71,788</u>

The following is a schedule of the future long-term minimum lease payments required on the capital leases and present value of the minimum lease payments as of December 31, 2021. All lease payments are made from the general fund.

<u>Year Ending December 31,</u>	<u>Amount</u>
2022	\$32,851
2023	32,851
2024	22,915
2025	<u>3,043</u>
Total Minimum Lease Payments	91,660
Less: Amount Representing Interest	<u>0</u>
Present Value of Minimum Lease	<u>\$91,660</u>

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

### ***Operating Leases***

The Library, as a lessor, has negotiated a lease with Coventry Peace Inc., a nonprofit organization, the tenant of the Library's Washington Boulevard property. The original term of the lease agreement is from October 1, 2020 through December 31, 2021, with options to renew the lease for a 9 year option term, and nine subsequent 10 year option terms, for up to a combined total of 99 years. As of December 31, 2021 the Library Board of Trustees, after a review of information provided by the tenants, decided not to renew the lease with the tenant organization. The Library has hired a firm to perform a study of the building to determine a new lease structure that will cover utilities and capital repair set-asides. In the spring of 2022 the Library also advertised for a Property Manager that will handle the day to day operations of the building, alleviating both the tenants and the Library from these duties. Until the new leases are determined the current tenants are in a holdover status and continue to pay the Library \$10,000 a month for utilities and rent of \$625. The following schedule provides an analysis of the leased property at December 31, 2021:

#### Washington Boulevard Property

	2021 Value
Buildings	\$5,584,323
Less: Accumulated Depreciation	(390,903)
Leased property, net of depreciation	\$5,193,420

### **Note 9 - Capital Assets**

Capital asset activity for the year ended December 31, 2021, was as follows:

	Balance 12/31/20	Additions	Reductions	Balance 12/31/21
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	\$934,657	\$167,100	\$0	\$1,101,757
Construction in progress	96,451	339,087	(367,788)	67,750
Total capital assets not being depreciated	1,031,108	506,187	(367,788)	1,169,507
Capital assets, being depreciated				
Land Improvements	711,821	15,569	0	727,390
Buildings and Improvements	30,255,981	658,264	(11,450)	30,902,795
Equipment	2,168,802	124,469	(784)	2,292,487
Furniture	1,607,888	63,654	0	1,671,542
Vehicles	39,752	0	0	39,752
Total capital assets being depreciated	34,784,244	861,956	(12,234)	35,633,966
Accumulated depreciation				
Land Improvements	(340,992)	(27,763)	0	(368,755)
Buildings and Improvements	(6,899,593)	(764,802)	0	(7,664,395)
Equipment	(1,516,993)	(135,285)	784	(1,651,494)
Furniture	(838,743)	(67,989)	0	(906,732)
Vehicles	(8,944)	(3,578)	0	(12,522)
Total accumulated depreciation	(9,605,265)	(999,417) *	784	(10,603,898)
Total Capital assets being depreciated, net	25,178,979	(137,461)	(11,450)	25,030,068
Governmental activities capital assets, net	\$26,210,087	\$368,726	(\$379,238)	\$26,199,575

## Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2021

\* Depreciation expense was charged to governmental activities as follows:

General Government:	
Public Service	\$980,458
Administration	18,959
	<hr/>
Total	\$999,417
	<hr/>

### Note 10 - Contingencies

#### Grants

The Library receives financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and is 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 the overall financial position of the Library at December 31, 2021.

### Note 11 - Risk Management

The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2021, the Library contracted with Love Insurance for various types of insurance coverage as follows:

Type of Coverage	Coverage
Commercial Property	\$57,903,592
Library Materials	6,995,914
Inland Marine:	
Electronic Equipment	790,554
Electronic Media and Extra Expense (per)	30,000
General Liability:	
Per Incident	2,000,000
Aggregate	4,000,000
Commercial Crime and Computer Fraud (per)	100,000
Public Employee Dishonesty and	
Funds Transfer Fraud (per)	100,000
Forgery and Alteration	10,000
Vehicle	200,000
Errors and Omissions:	
Per Incident	2,000,000
Aggregate	4,000,000
Library Officials	2,000,000

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

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

## Cleveland Heights-University Heights Public Library

Notes to the Basic Financial Statements

For the Year Ended December 31, 2021

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### Note 12 – Defined Benefit Pension Plans

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

#### *Net Pension Liability (Asset) /Net OPEB Liability*

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

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a *net pension/OPEB asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 13 for the required OPEB disclosures.

#### *Plan Description – Ohio Public Employees Retirement System (OPERS)*

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

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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):

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<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 percent.

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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.

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

	<u>State and Local</u>
<b>2021 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee *	10.0 %
 <b>2021 Actual Contribution Rates</b>	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	<u>0.0</u>
Total Employer	<u>14.0 %</u>
 Employee	 <u>10.0 %</u>

\* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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

For 2021, the Library's contractually required contribution was \$508,481 for the traditional plan, \$43,399 for the combined plan and \$24,292 for the member-directed plan. Of these amounts, \$86,184 is reported as an intergovernmental payable for the traditional plan, \$7,358 for the combined plan, and \$4,114 for the member-directed plan.

***Pension Liabilities (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

The net pension liability (asset) for OPERS was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability (asset) was based on the Library's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the Library's defined benefit pension plans:

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:			
Current Measurement Date	0.0226290%	0.0528300%	
Prior Measurement Date	<u>0.0287650%</u>	<u>0.0571480%</u>	
Change in Proportionate Share	<u>-0.0061360%</u>	<u>-0.0043180%</u>	
Proportionate Share of the:			
Net Pension Liability	\$3,350,861	\$0	\$3,350,861
Net Pension Asset	0	152,501	152,501
Pension Expense	(470,614)	4,704	(465,910)

2021 pension expense for the member-directed defined contribution plan was \$24,292. The aggregate pension expense for all pension plans was (\$441,618) for 2021.

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

At December 31, 2021, the Library reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Changes of assumptions	\$0	\$9,524	\$9,524
Changes in proportion and differences between Library contributions and proportionate share of contributions	0	11,541	11,541
Library contributions subsequent to the measurement date	<u>508,481</u>	<u>43,399</u>	<u>551,880</u>
Total Deferred Outflows of Resources	<u>\$508,481</u>	<u>\$64,464</u>	<u>\$572,945</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$140,170	\$28,771	\$168,941
Net difference between projected and actual earnings on pension plan investments	1,306,068	22,680	1,328,748
Changes in proportion and differences between Library contributions and proportionate share of contributions	<u>845,407</u>	<u>2,884</u>	<u>848,291</u>
Total Deferred Inflows of Resources	<u>\$2,291,645</u>	<u>\$54,335</u>	<u>\$2,345,980</u>

\$551,880 reported as deferred outflows of resources related to pension resulting from Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>Total</u>
Year Ending December 31:			
2022	(\$1,112,286)	(\$9,608)	(\$1,121,894)
2023	(468,832)	(5,621)	(474,453)
2024	(532,398)	(10,854)	(543,252)
2025	(178,129)	(4,345)	(182,474)
2026	0	(1,112)	(1,112)
Thereafter	<u>0</u>	<u>(1,730)</u>	<u>(1,730)</u>
Total	<u>(\$2,291,645)</u>	<u>(\$33,270)</u>	<u>(\$2,324,915)</u>



## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

### ***Actuarial Assumptions - OPERS***

Actuarial valuations of an ongoing plan involve estimates of the value 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, 2020, 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, 2020, are presented below.

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	0.5 percent, simple through 2021, then 2.15 percent, simple	0.5 percent, simple through 2021, then 2.15 percent, simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

In October 2020, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 1.4 percent simple through 2020 then 2.15 simple to 0.5 percent simple through 2021 the 2.15 percent 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.

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

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, 2020, these best estimates are summarized in the following table:

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00 %	1.32 %
Domestic Equities	21.00	5.64
Real Estate	10.00	5.39
Private Equity	12.00	10.42
International Equities	23.00	7.36
Other investments	9.00	4.75
Total	100.00 %	5.43 %

**Discount Rate** The discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments 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 Library's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2 percent, as well as what the Library's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
<b>Library's proportionate share of the net pension liability (asset)</b>			
OPERS Traditional Plan	\$6,391,787	\$3,350,861	\$822,338
OPERS Combined Plan	(106,188)	(152,501)	(187,018)

**Changes between the Measurement Date and the Reporting Date** During 2021, the OPERS Board lowered the investment rate of return from 7.2 percent to 6.9 along with certain other changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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### **Note 13 – Defined Benefit OPEB Plans**

See Note 12 for a description of the net OPEB asset.

#### ***Plan Description – Ohio Public Employees Retirement System (OPERS)***

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 (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

The health care 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 separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

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 with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue

## Cleveland Heights-University Heights Public Library

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. 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 Annual Comprehensive 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 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. 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 2021 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Library's contractually required contribution was \$9,717 for 2021. Of this amount, \$1,645 is reported as an intergovernmental payable.

### ***OPEB (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, 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 (asset) 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:

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

	<u>OPERS</u>
Proportion of the Net OPEB Liability:	
Current Measurement Date	0.0239580%
Prior Measurement Date	<u>0.0301990%</u>
Change in Proportionate Share	<u><u>-0.0062410%</u></u>
Proportionate Share of the Net	
OPEB (Asset)	(\$426,831)
OPEB Expense	(\$2,876,994)

At December 31, 2021, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>
<b>Deferred Outflows of Resources</b>	
Changes of assumptions	\$209,835
Changes in proportion and differences between Library contributions and proportionate share of contributions	1,003
Library contributions subsequent to the measurement date	<u>9,717</u>
Total Deferred Outflows of Resources	<u><u>\$220,555</u></u>
<b>Deferred Inflows of Resources</b>	
Differences between expected and actual experience	\$385,213
Changes of assumptions	691,594
Net difference between projected and actual earnings on OPEB plan investments	227,336
Changes in proportion and differences between Library contributions and proportionate share of contributions	<u>528,712</u>
Total Deferred Inflows of Resources	<u><u>\$1,832,855</u></u>

\$9,717 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 (asset) in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

	<u>OPERS</u>
Year Ending December 31:	
2022	(\$894,739)
2023	(601,700)
2024	(98,791)
2025	<u>(26,787)</u>
Total	<u><u>(\$1,622,017)</u></u>

***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, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	6.00 percent
Prior Measurement date	3.16 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate:	
Current measurement date	2.00 percent
Prior Measurement date	2.75 percent
Health Care Cost Trend Rate:	
Current measurement date	8.5 percent, initial 3.50 percent, ultimate in 2035
Prior Measurement date	10.5 percent, initial 3.50 percent, ultimate in 2030
Actuarial Cost Method	Individual Entry Age Normal

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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 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:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.07 %
Domestic Equities	25.00	5.64
Real Estate Investment Trust	7.00	6.48
International Equities	25.00	7.36
Other investments	9.00	4.02
Total	100.00 %	4.43 %

**Discount Rate** A single discount rate of 6.0 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. 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 percent and a municipal bond rate of 2.00 percent (Fidelity Index's "20-Year Municipal GO AA Index"). 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 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

***Sensitivity of the Library's Proportionate Share of the Net OPEB (Asset) to Changes in the Discount Rate***

The following table presents the Library's proportionate share of the net OPEB (asset) calculated using the single discount rate of 3.16 percent, as well as what the Library's proportionate share of the net OPEB (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (2.16 percent) or one-percentage-point higher (4.16 percent) than the current rate:

	1% Decrease (2.16%)	Current Discount Rate (3.16%)	1% Increase (4.16%)
Library's proportionate share of the net OPEB (asset)	(\$106,134)	(\$426,831)	(\$690,379)

***Sensitivity of the Library's Proportionate Share of the Net OPEB (Asset) 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 (asset). The following table presents the net OPEB (asset) calculated using the assumed trend rates, and the expected net OPEB (asset) if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Library's proportionate share of the net OPEB (asset)	(\$437,234)	(\$426,831)	(\$415,192)

***Changes between the Measurement Date and the Reporting Date*** During 2021, the OPERS Board made various changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

**Note 14 - Interfund Transfers and Balances**

A transfer of \$4,000,000 was made from the general fund to the building and repairs capital projects fund to assist with building and repair projects.



**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

**Note 15 - Long-Term Obligations**

A schedule of changes in long-term obligations of the Library during 2021 follows:

	Principal Outstanding 12/31/2020	Additions	Deletions	Principal Outstanding 12/31/2021	Amounts Due In One Year
<b><i>Governmental Activities</i></b>					
Net Pension Liability - OPERS	\$5,685,596	\$0	\$2,334,735	\$3,350,861	\$0
Net OPEB Liability - OPERS	4,171,266	0	4,171,266	0	0
Compensated Absences	289,418	331,277	354,368	266,327	232,361
Capital Lease Obligations	109,296	15,215	32,851	91,660	32,851
<i>Total Governmental Activities</i>	<u>\$10,255,576</u>	<u>\$346,492</u>	<u>\$6,893,220</u>	<u>\$3,708,848</u>	<u>\$265,212</u>

Compensated absences and capital leases will be paid from the general fund. The Library pays obligations related to employee compensation from the fund benefitting from their service. There are no repayment schedules for the net pension/OPEB liabilities. However, employer pension/OPEB contributions are made from the general fund. See Notes 12 and 13 for additional information related to the net pension/OPEB liabilities.

**Note 16 – Other Employee Benefits**

***Compensated Absences***

All full time, 30 hour and part time employees earn vacation by payroll period at different rates which are affected by length of service. As of 2021, vacation allowance is now capped at the following:

<u>Exempt</u>	<u>Years of Service</u>	<u>Maximum Balance</u>	<u>Maximum Carryover</u>
Full Time	0-3	152 hours	120 hours
	4-9	168 hours	140 hours
	10+	200 hours	160 hours
<u>Non-Exempt</u>	Full Time	0-3	80 hours
		4-9	120 hours
		10+	160 hours
Part Time 25+ Hours	0-3	50 hours	50 hours
	4-9	70 hours	70 hours
	10+	90 hours	90 hours
Part Time	0-3	40 hours*	40 hours
	4-9	60 hours*	60 hours
	10+	80 hours*	80 hours

\*Part-time staff, working 20 hours per week earn ETO.

Upon retirement or death, employees are paid 25 percent of their accumulated hours of sick leave. Accrued vacation leave is paid upon retirement, termination or death of the employee.

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2021*

Sick leave for full time and 30 hour employees is also earned by payroll period and can be accumulated up to 105 days, plus the current year. Part time staff can also earn sick leave which accumulates to a comparable amount.

**Insurance**

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

**Note 17 – Significant Commitments**

**Encumbrances**

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

General Fund	\$508,395
Building and Repairs Fund	2,013,503
Other Governmental Funds	<u>32,931</u>
Total	<u><u>\$2,554,829</u></u>

**Contractual Commitments**

As of December 31, 2021, the Library had the following contractual construction commitments outstanding:

<u>Vendor Name</u>	<u>Contract Amount</u>	<u>Amount Paid to Date</u>	<u>Remaining Contract</u>
Albert M Higley Co.	<u>\$1,734,023</u>	<u>\$67,750</u>	<u>\$1,666,273</u>

\$1,666,273 of the remaining commitment amounts were encumbered at year-end.

**Note 18 – Change in Accounting Principle**

For 2021, the Library implemented the Governmental Accounting Standards Board’s (GASB) Statement No. 98, *The Annual Comprehensive Financial Report*. GASB 98 establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The Library is also implementing *Implementation Guide No. 2019-1*. These changes were incorporated in the Library’s 2021 financial statements; however, there was no effect on beginning net position/fund balance.

**Cleveland Heights-University Heights Public Library**

*Notes to the Basic Financial Statements*

*For the Year Ended December 31, 2021*

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**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. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Library. The Library's investment portfolio 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.

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## Required Supplementary Information

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

	2021	2020	2019	2018
Library's Proportion of the Net Pension Liability	0.0226290%	0.0287650%	0.0287760%	0.0282200%
Library's Proportionate Share of the Net Pension Liability	\$3,350,861	\$5,685,596	\$7,881,163	\$4,427,171
Library's Covered Payroll	\$3,187,621	\$4,046,786	\$3,886,707	\$3,729,277
Library's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	105.12%	140.50%	202.77%	118.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%	84.66%

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

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

See accompanying notes to the required supplementary information.

2017	2016	2015	2014
0.0290030%	0.0280330%	0.0278070%	0.0278070%
\$6,586,088	\$4,855,667	\$3,353,851	\$3,278,100
\$3,749,517	\$3,489,621	\$3,409,125	\$3,513,257
175.65%	139.15%	98.38%	93.31%
77.25%	81.08%	86.45%	86.36%

**Cleveland Heights-University Heights Public Library**  
*Required Supplementary Information*  
*Schedule of the Library's Proportionate Share of the*  
*Net Pension Asset*  
*Ohio Public Employees Retirement System - Combined Plan*  
*Last Four Years (1)*

	2021	2020	2019	2018
Library's Proportion of the Net Pension Asset	0.0528300%	0.0571480%	0.0588550%	0.0538720%
Library's Proportionate Share of the Net Pension Asset	\$152,501	\$119,166	\$65,814	\$73,336
Library's Covered Payroll	\$232,821	\$254,400	\$251,714	\$220,631
Library's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	-65.50%	-46.84%	-26.15%	-33.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	157.67%	145.28%	126.64%	137.28%

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

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

See accompanying notes to the required supplementary information.



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**Cleveland Heights-University Heights Public Library**  
*Required Supplementary Information*  
*Schedule of the Library's Proportionate Share of the*  
*Net OPEB Liability (Asset)*  
*Ohio Public Employees Retirement System*  
*Last Five Years (1)*

	2021	2020	2019
Library's Proportion of the Net OPEB Liability (Asset)	0.0239580%	0.0301990%	0.0302770%
Library's Proportionate Share of the Net OPEB Liability (Asset)	(\$426,831)	\$4,171,266	\$3,947,405
Library's Covered Payroll	\$3,623,717	\$4,561,961	\$4,391,646
Library's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-11.78%	91.44%	89.88%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%

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

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

See accompanying notes to the required supplementary information.

2018	2017
0.0293600%	0.0305400%
\$3,188,280	\$3,084,644
\$4,158,408	\$4,220,567
76.67%	73.09%
54.14%	54.04%

**Cleveland Heights-University Heights Public Library**  
*Required Supplementary Information*  
*Schedule of the Library's Contributions*  
*Ohio Public Employees Retirement System*  
*Last Nine Years (1)*

	2021	2020	2019
<b>Net Pension Liability - Traditional Plan</b>			
Contractually Required Contribution	\$508,481	\$446,267	\$566,550
Contributions in Relation to the Contractually Required Contribution	<u>(508,481)</u>	<u>(446,267)</u>	<u>(566,550)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Library Covered Payroll	\$3,632,007	\$3,187,621	\$4,046,786
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
<b>Net Pension Liability - Combined Plan</b>			
Contractually Required Contribution	\$43,399	\$32,595	\$35,616
Contributions in Relation to the Contractually Required Contribution	<u>(43,399)</u>	<u>(32,595)</u>	<u>(35,616)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Library Covered Payroll	\$309,993	\$232,821	\$254,400
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
<b>Net OPEB Liability - OPEB Plan (2)</b>			
Contractually Required Contribution	\$9,717	\$8,131	\$10,431
Contributions in Relation to the Contractually Required Contribution	<u>(9,717)</u>	<u>(8,131)</u>	<u>(10,431)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Library Covered Payroll (3)	\$4,184,925	\$3,623,717	\$4,561,961
OPEB Contributions as a Percentage of Covered Payroll	<u>0.23%</u>	<u>0.22%</u>	<u>0.23%</u>

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

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

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

See accompanying notes to the required supplementary information.

2018	2017	2016	2015	2014	2013
\$544,139	\$484,806	\$449,942	\$418,755	\$409,095	\$456,723
<u>(544,139)</u>	<u>(484,806)</u>	<u>(449,942)</u>	<u>(418,755)</u>	<u>(409,095)</u>	<u>(456,723)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$3,886,707	\$3,729,277	\$3,749,517	\$3,489,621	\$3,409,125	\$3,513,257
<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$35,240	\$28,682	\$31,407	\$29,427	\$25,565	\$27,778
<u>(35,240)</u>	<u>(28,682)</u>	<u>(31,407)</u>	<u>(29,427)</u>	<u>(25,565)</u>	<u>(27,778)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$251,714	\$220,631	\$261,725	\$245,225	\$213,042	\$213,677
<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$10,129	\$47,839	\$88,598			
<u>(10,129)</u>	<u>(47,839)</u>	<u>(88,598)</u>			
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>			
\$4,391,646	\$4,158,408	\$4,220,567			
<u>0.23%</u>	<u>1.15%</u>	<u>2.10%</u>			

**Cleveland Heights University Heights Library**

*Notes to the Required Supplementary Information*

*For the year ended December 31, 2021*

**Changes in Assumptions – OPERS Pension– Traditional Plan**

Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	2019	2018 and 2017	2016 and prior
Wage Inflation	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related COLA or Ad Hoc COLA for Post-January 7, 2013 Retirees are as follows:

COLA or Ad Hoc COLA, Post-January 7, 2013 Retirees:

2021	0.5 percent, simple through 2021 then 2.15 percent, simple
2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.0 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.0 percent, simple through 2018 then 2.80 percent, simple

Amounts reported beginning in 2017 use 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.

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

## Cleveland Heights University Heights Library

*Notes to the Required Supplementary Information*

*For the year ended December 31, 2021*

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### Changes in Assumptions – OPERS Pension – Combined Plan

For 2021 and 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013 retirees as the Traditional Plan. For 2019, the investment rate of return changed from 7.5 percent to 7.2 percent.

### Changes in Assumptions – OPERS OPEB

Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2021	8.5 percent, initial 3.5 percent, ultimate in 2035
2020	10.5 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

### Changes in Benefit Terms – OPERS OPEB

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-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 non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

## ***Combining and Individual Fund Statements and Schedules***

### ***Fund Descriptions - Nonmajor Governmental Funds***

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#### ***Nonmajor Special Revenue Funds***

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

***Staff Development Fund*** – The staff development nonmajor governmental fund accounts for and reports revenue received as interest from principal left to the Library as part of the estate of Larry Bauer. A resolution passed by the Library Trustees maintains the principal balance and is included as nonspendable, while the interest is restricted specifically for staff development programs.

***LSTA Grant Fund*** – To account for and report revenue received from the State that is restricted for improving Library services and technology.

***Local Grants Fund*** – To account for and report donations that are restricted for the local grant programs.

***CARES Act Fund*** – To account for and report restricted federal monies used to assist local governments with the coronavirus pandemic.

***Washington Boulevard Fund*** – To account for and report rental revenues that are committed to the operation of the Library's building asset located on Washington Boulevard.

#### ***Nonmajor Capital Projects Fund***

***Peace Park Playground Fund*** – To account for and report donations that are restricted for the replacement of playground equipment at Peace Park Campus.



**Cleveland Heights-University Heights Public Library**

*Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2021*

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	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$614,140	\$10,977	\$625,117
<b>Fund Balances</b>			
Nonspendable	418,502	0	418,502
Restricted	104,571	10,977	115,548
Committed	91,067	0	91,067
<i>Total Fund Balances</i>	614,140	10,977	625,117
<i>Total Liabilities and Fund Balances</i>	\$614,140	\$10,977	\$625,117

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**Cleveland Heights-University Heights Public Library**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2021*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Interest	\$9,132	\$0	\$9,132
Rentals	7,913	0	7,913
Miscellaneous	115,680	0	115,680
<i>Total Revenues</i>	<u>132,725</u>	<u>0</u>	<u>132,725</u>
<b>Expenditures</b>			
Current:			
General Government:			
Public Service	89,621	0	89,621
Administration	9,462	0	9,462
<i>Total Expenditures</i>	<u>99,083</u>	<u>0</u>	<u>99,083</u>
<i>Net Change in Fund Balances</i>	33,642	0	33,642
<i>Fund Balances Beginning of Year</i>	<u>580,498</u>	<u>10,977</u>	<u>591,475</u>
<i>Fund Balances End of Year</i>	<u><u>\$614,140</u></u>	<u><u>\$10,977</u></u>	<u><u>\$625,117</u></u>

**Cleveland Heights-University Heights Public Library**

*Combining Balance Sheet*

*Nonmajor Special Revenue Funds*

*December 31, 2021*

	Staff Development	Local Grants	Washington Boulevard	Total Nonmajor Special Revenue Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$522,547	\$526	\$91,067	\$614,140
<b>Fund Balances</b>				
Nonspendable	418,502	0	0	418,502
Restricted	104,045	526	0	104,571
Committed	0	0	91,067	91,067
<i>Total Fund Balances</i>	<u>522,547</u>	<u>526</u>	<u>91,067</u>	<u>614,140</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$522,547</u></u>	<u><u>\$526</u></u>	<u><u>\$91,067</u></u>	<u><u>\$614,140</u></u>

**Cleveland Heights-University Heights Public Library**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2021*

	Staff Development	Local Grants	Washington Boulevard	Total Nonmajor Special Revenue Funds
<b>Revenues</b>				
Interest	\$9,132	\$0	\$0	\$9,132
Rentals	0	0	7,913	7,913
Miscellaneous	0	0	115,680	115,680
<i>Total Revenues</i>	<u>9,132</u>	<u>0</u>	<u>123,593</u>	<u>132,725</u>
<b>Expenditures</b>				
Current:				
General Government:				
Public Service	0	0	89,621	89,621
Administration	9,462	0	0	9,462
<i>Total Expenditures</i>	<u>9,462</u>	<u>0</u>	<u>89,621</u>	<u>99,083</u>
<i>Net Change in Fund Balances</i>	(330)	0	33,972	33,642
<i>Fund Balances Beginning of Year</i>	<u>522,877</u>	<u>526</u>	<u>57,095</u>	<u>580,498</u>
<i>Fund Balances End of Year</i>	<u><u>\$522,547</u></u>	<u><u>\$526</u></u>	<u><u>\$91,067</u></u>	<u><u>\$614,140</u></u>

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

**Cleveland Heights-University Heights Public Library**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2021*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$7,498,731	\$7,981,904	\$7,942,155	(\$39,749)
Patron Fines and Fees	36,095	38,421	38,230	(191)
Intergovernmental	3,656,591	3,892,200	3,872,817	(19,383)
Interest	123,855	131,836	131,179	(657)
Donations	15,858	15,501	17,308	1,807
Rentals	31,866	33,919	33,750	(169)
Miscellaneous	40,485	43,094	42,879	(215)
<i>Total Revenues</i>	<u>11,403,481</u>	<u>12,136,875</u>	<u>12,078,318</u>	<u>(58,557)</u>
<b>Expenditures</b>				
Current:				
General Government:				
Public Service				
Salaries and Benefits	3,337,272	4,644,582	4,030,655	613,927
Purchased Services	1,198,527	1,598,319	1,432,765	165,554
Materials and Supplies	1,219,205	1,635,853	1,387,753	248,100
Other	34,960	48,655	35,272	13,383
Total Public Service	<u>5,789,964</u>	<u>7,927,409</u>	<u>6,886,445</u>	<u>1,040,964</u>
Administration				
Salaries and Benefits	1,297,828	1,806,226	1,567,476	238,750
Purchased Services	274,492	379,943	297,294	82,649
Materials and Supplies	56,190	76,499	59,408	17,091
Other	3,072	4,276	0	4,276
Total Administration	<u>1,631,582</u>	<u>2,266,944</u>	<u>1,924,178</u>	<u>342,766</u>
Capital Outlay				
Land Improvements	94,055	130,900	19,168	111,732
Building Improvements	95,104	129,725	115,020	14,705
Furniture and Equipment	69,447	96,240	61,862	34,378
Other	35,927	50,000	0	50,000
Total Capital Outlay	<u>294,533</u>	<u>406,865</u>	<u>196,050</u>	<u>210,815</u>
<i>Total Expenditures</i>	<u>7,716,079</u>	<u>10,601,218</u>	<u>9,006,673</u>	<u>1,594,545</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>\$3,687,402</u>	<u>\$1,535,657</u>	<u>\$3,071,645</u>	<u>\$1,535,988</u>

(continued)

**Cleveland Heights-University Heights Public Library**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Other Financing Sources (Uses)</b>				
Transfers Out	<u>(\$2,821,739)</u>	<u>(\$3,927,100)</u>	<u>(\$4,000,000)</u>	<u>(\$72,900)</u>
<i>Net Change in Fund Balance</i>	865,663	(2,391,443)	(928,355)	1,463,088
<i>Fund Balance Beginning of Year</i>	13,481,911	13,481,911	13,481,911	0
Prior Year Encumbrances Appropriated	<u>281,183</u>	<u>281,183</u>	<u>281,183</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$14,628,757</u></u>	<u><u>\$11,371,651</u></u>	<u><u>\$12,834,739</u></u>	<u><u>\$1,463,088</u></u>

**Cleveland Heights-University Heights Public Library**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Building and Repairs Fund*  
*For the Year Ended December 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$23,000	\$23,000	\$2,040	(\$20,960)
<b>Expenditures</b>				
Capital Outlay				
Land Improvements	335,016	2,054,987	316,484	1,738,503
Buildings and Improvements	789,974	3,175,796	2,452,507	723,289
Furniture and Equipment	90,148	552,966	85,161	467,805
Other	84,026	515,415	79,378	436,037
<i>Total Expenditures</i>	<u>1,299,164</u>	<u>6,299,164</u>	<u>2,933,530</u>	<u>3,365,634</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,276,164)	(6,276,164)	(2,931,490)	3,344,674
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	4,000,000	4,000,000	0
<i>Net Change in Fund Balance</i>	(1,276,164)	(2,276,164)	1,068,510	3,344,674
<i>Fund Balance Beginning of Year</i>	3,678,908	3,678,908	3,678,908	0
Prior Year Encumbrances Appropriated	<u>325,264</u>	<u>325,264</u>	<u>325,264</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$2,728,008</u>	<u>\$1,728,008</u>	<u>\$5,072,682</u>	<u>\$3,344,674</u>



**Cleveland Heights-University Heights Public Library**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Staff Development Fund*  
*For the Year Ended December 31, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$4,500	\$500	\$120	(\$380)
<b>Expenditures</b>				
Current:				
Administration				
Purchased Services	15,202	10,202	10,201	1
Materials and Supplies	2,798	2,798	307	2,491
<i>Total Expenditures</i>	<u>18,000</u>	<u>13,000</u>	<u>10,508</u>	<u>2,492</u>
<i>Net Change in Fund Balance</i>	(13,500)	(12,500)	(10,388)	2,112
<i>Fund Balance Beginning of Year</i>	<u>459,007</u>	<u>459,007</u>	<u>459,007</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$445,507</u></u>	<u><u>\$446,507</u></u>	<u><u>\$448,619</u></u>	<u><u>\$2,112</u></u>

**Cleveland Heights-University Heights Public Library**

*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
LSTA Grant Fund  
For the Year Ended December 31, 2021*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$25,000	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
General Government:				
Public Service				
Other	20,000	0	0	0
<i>Net Change in Fund Balance</i>	5,000	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$5,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Cleveland Heights-University Heights Public Library**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Local Grants Fund  
For the Year Ended December 31, 2021*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Donations	\$20,000	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
General Government:				
Public Service				
Purchased Services	<u>20,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>526</u>	<u>526</u>	<u>526</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$526</u></u>	<u><u>\$526</u></u>	<u><u>\$526</u></u>	<u><u>\$0</u></u>

**Cleveland Heights-University Heights Public Library**

*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
CARES Act Fund  
For the Year Ended December 31, 2021*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay				
Furniture and Equipment	0	10,945	10,945	0
<i>Net Change in Fund Balance</i>	0	(10,945)	(10,945)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	10,945	10,945	10,945	0
<i>Fund Balance End of Year</i>	<u>\$10,945</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Cleveland Heights-University Heights Public Library**

*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Washington Boulevard Fund  
For the Year Ended December 31, 2021*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Rentals	\$11,187	\$11,187	\$7,913	(\$3,274)
Miscellaneous	120,000	120,000	115,680	(4,320)
<i>Total Revenues</i>	131,187	131,187	123,593	(7,594)
<b>Expenditures</b>				
Current:				
General Government:				
Public Service				
Purchased Services	130,830	150,830	122,353	28,477
<i>Net Change in Fund Balance</i>	357	(19,643)	1,240	20,883
<i>Fund Balance Beginning of Year</i>	47,112	47,112	47,112	0
Prior Year Encumbrances Appropriated	10,830	10,830	10,830	0
<i>Fund Balance End of Year</i>	\$58,299	\$38,299	\$59,182	\$20,883

**Cleveland Heights-University Heights Public Library**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Peace Park Playground Fund*  
*For the Year Ended December 31, 2021*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	10,977	10,977	10,977	0
<i>Fund Balance End of Year</i>	\$10,977	\$10,977	\$10,977	\$0

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# Statistical Section

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## Statistical Section

This part of the Cleveland Heights-University Heights Public Library, Ohio's Annual Comprehensive 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.

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<b>Contents</b>	<b>Pages(s)</b>
<b><i>Financial Trends</i></b> .....	<b><i>S2 – S9</i></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><i>Revenue Capacity</i></b> .....	<b><i>S10 – S20</i></b>
These schedules contain information to help the reader assess the Library's most significant local revenue, the property tax.	
<b><i>Debt Capacity</i></b> .....	<b><i>S21 – S22</i></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><i>Economic and Demographic Information</i></b> .....	<b><i>S23 – S25</i></b>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the Library's financial activities take place.	
<b><i>Operating Information</i></b> .....	<b><i>S26 – S31</i></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><i>Sources:</i></b> Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.	

**Cleveland Heights-University Heights Public Library**

*Net Position By Component*

*Last Ten Years*

*(Accrual Basis of Accounting)*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Governmental Activities					
Net Investment in					
Capital Assets	\$26,107,915	\$26,100,791	\$25,741,443	\$26,162,515	\$20,462,276
Restricted for:					
Capital Projects	10,977	10,977	0	0	0
Staff Development					
Nonexpendable	418,502	418,502	418,502	418,502	418,502
Expendable	104,045	104,375	107,105	141,526	143,016
Other Purposes	4,000	4,000	1,953	2,045	2,915
Unrestricted	<u>17,314,268</u>	<u>11,059,902</u>	<u>8,697,207</u>	<u>8,199,104</u>	<u>6,670,870</u>
<i>Total Governmental Activities</i>					
<i>Net Position</i>	<u>\$43,959,707</u>	<u>\$37,698,547</u>	<u>\$34,966,210</u>	<u>\$34,923,692</u>	<u>\$27,697,579</u>

Note - In 2015, the Library implemented GASB 68 which affected Unrestricted Net Position for 2014.

Note - In 2018, the Library implemented GASB 75 which affected Unrestricted Net Position for 2017.

2016	2015	2014	2013	2012
\$16,928,082	\$16,644,656	\$16,322,853	\$16,675,019	\$16,419,092
0	0	0	0	0
418,502	418,502	418,502	418,502	418,502
137,739	128,352	143,936	107,581	89,643
2,940	2,108	8,724	0	0
12,271,062	10,955,632	7,888,267	9,487,795	8,891,875
<u>\$29,758,325</u>	<u>\$28,149,250</u>	<u>\$24,782,282</u>	<u>\$26,688,897</u>	<u>\$25,819,112</u>

**Cleveland Heights-University Heights Public Library**

*Changes in Net Position*

*Last Ten Years*

*(Accrual Basis of Accounting)*

	2021	2020	2019	2018	2017
<b>Program Revenues</b>					
Governmental Activities:					
Charges for Services:					
General Government:					
Public Service	\$63,695	\$160,227	\$284,867	\$204,415	\$119,225
Administration	16,598	18,565	39,403	31,935	40,275
Subtotal - Charges for Services	<u>80,293</u>	<u>178,792</u>	<u>324,270</u>	<u>236,350</u>	<u>159,500</u>
Operating Grants and Contributions:					
General Government:					
Public Service	0	103,500	7,684	5,685	0
Administration	0	0	0	0	0
Subtotal - Operating Grants and Contributions	<u>0</u>	<u>103,500</u>	<u>7,684</u>	<u>5,685</u>	<u>0</u>
Capital Contributions:					
General Government					
Public Service	0	10,977	0	5,580,887	0
<i>Total Primary Government Program Revenues</i>	<u>80,293</u>	<u>293,269</u>	<u>331,954</u>	<u>5,822,922</u>	<u>159,500</u>
<b>Expenses</b>					
Governmental Activities:					
General Government:					
Public Service	4,984,264	7,530,403	9,455,590	8,212,301	8,069,559
Administration	895,542	2,125,255	2,494,637	2,197,833	2,390,597
Interest and Fiscal Charges	0	1,060	3,734	6,864	9,475
<i>Total Governmental Activities Expenses</i>	<u>5,879,806</u>	<u>9,656,718</u>	<u>11,953,961</u>	<u>10,416,998</u>	<u>10,469,631</u>
<b>Net Expense</b>					
Governmental Activities	<u>(5,799,513)</u>	<u>(9,363,449)</u>	<u>(11,622,007)</u>	<u>(4,594,076)</u>	<u>(10,310,131)</u>
<b>General Revenues</b>					
Governmental Activities					
Taxes:					
Property Taxes Levied For:					
General Purposes	8,000,986	7,884,962	7,456,988	7,936,135	7,680,582
Grants and Entitlements not Restricted to Specific Programs	3,937,423	3,516,793	3,592,869	3,497,649	3,307,074
Investment Earnings	(53,488)	426,090	459,883	257,435	157,363
Unrestricted Contributions	17,308	20,023	52,432	53,115	50,222
Miscellaneous	158,444	247,918	102,353	75,855	90,949
<i>Total Governmental Activities</i>	<u>12,060,673</u>	<u>12,095,786</u>	<u>11,664,525</u>	<u>11,820,189</u>	<u>11,286,190</u>
<b>Change in Net Position</b>					
Governmental Activities	<u>\$6,261,160</u>	<u>\$2,732,337</u>	<u>\$42,518</u>	<u>\$7,226,113</u>	<u>\$976,059</u>

(1) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.

(2) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in 2018.

2016	2015	2014	2013	2012
\$133,444	\$122,313	\$80,535	\$125,135	\$106,441
34,192	30,557	53,156	2,554	29,911
<u>167,636</u>	<u>152,870</u>	<u>133,691</u>	<u>127,689</u>	<u>136,352</u>
0	0	9,000	18,091	26,908
<u>0</u>	<u>0</u>	<u>0</u>	<u>369</u>	<u>0</u>
0	0	9,000	18,460	26,908
0	0	0	0	0
<u>167,636</u>	<u>152,870</u>	<u>142,691</u>	<u>146,149</u>	<u>163,260</u>
7,544,227	6,991,889	6,471,499	6,603,614	6,032,580
2,250,759	1,620,757	2,028,001	1,609,684	1,571,627
13,468	16,392	12,400	13,490	14,589
<u>9,808,454</u>	<u>8,629,038</u>	<u>8,511,900</u>	<u>8,226,788</u>	<u>7,618,796</u>
<u>(9,640,818)</u>	<u>(8,476,168)</u>	<u>(8,369,209)</u>	<u>(8,080,639)</u>	<u>(7,455,536)</u>
7,908,118	8,191,307	5,570,878	5,698,149	5,528,009
3,351,830	3,526,072	3,144,750	3,131,633	3,149,291
111,228	40,732	61,291	32,243	24,330
105,530	33,567	517,995	0	0
<u>32,726</u>	<u>51,458</u>	<u>65,426</u>	<u>88,399</u>	<u>47,928</u>
<u>11,509,432</u>	<u>11,843,136</u>	<u>9,360,340</u>	<u>8,950,424</u>	<u>8,749,558</u>
<u>\$1,868,614</u>	<u>\$3,366,968</u>	<u>\$991,131</u>	<u>\$869,785</u>	<u>\$1,294,022</u>

**Cleveland Heights-University Heights Public Library**

*Fund Balances, Governmental Funds*

*Last Ten Years*

*(Modified Accrual Basis of Accounting)*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>General Fund</b>					
Nonspendable	\$68,089	\$51,023	\$73,357	\$77,639	\$69,937
Committed	185,094	94,437	77,228	105,709	37,497
Assigned	6,248,213	203,565	404,181	523,274	203,612
Unassigned	<u>6,936,018</u>	<u>13,936,407</u>	<u>9,358,578</u>	<u>10,835,205</u>	<u>9,364,549</u>
Total General Fund	<u>13,437,414</u>	<u>14,285,432</u>	<u>9,913,344</u>	<u>11,541,827</u>	<u>9,675,595</u>
<b>All Other Governmental Funds</b>					
Nonspendable	418,502	418,502	418,502	418,502	418,502
Restricted	115,548	115,878	107,131	141,536	143,870
Committed	2,072,798	382,359	902,346	71,502	337,721
Assigned	5,072,682	3,678,908	4,196,970	1,240,541	636,776
Unassigned (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(9,822)</u>	<u>0</u>
Total All Other Governmental Funds	<u>7,679,530</u>	<u>4,595,647</u>	<u>5,624,949</u>	<u>1,862,259</u>	<u>1,536,869</u>
<b>Total Governmental Funds</b>	<u>\$21,116,944</u>	<u>\$18,881,079</u>	<u>\$15,538,293</u>	<u>\$13,404,086</u>	<u>\$11,212,464</u>

Note: The effects of the restatement for interest revenue are reflected in the 2014 amounts.

2016	2015	2014	2013	2012
\$37,924	\$34,657	\$33,661	\$35,997	\$50,609
60,112	23,229	12,514	13,545	16,904
586,918	499,202	88,352	332,612	89,041
7,167,126	7,839,302	7,571,065	6,385,108	5,925,424
7,852,080	8,396,390	7,705,592	6,767,262	6,081,978
418,502	418,502	418,502	418,502	418,502
139,086	129,699	123,158	103,544	89,643
3,657,138	105,061	228,913	35,000	493,763
1,059,195	2,651,590	690,154	544,838	290,389
0	0	0	0	0
5,273,921	3,304,852	1,460,727	1,101,884	1,292,297
\$13,126,001	\$11,701,242	\$9,166,319	\$7,869,146	\$7,374,275

**Cleveland Heights-University Heights Public Library**

*Changes in Fund Balances, Governmental Funds*

*Last Ten Years*

*(Modified Accrual Basis of Accounting)*

	2021	2020	2019	2018	2017
<b>Revenues</b>					
Property Taxes	\$7,942,155	\$7,891,359	\$7,616,600	\$7,779,714	\$7,632,973
Patron Fines and Fees	38,630	27,149	110,846	89,882	103,063
Intergovernmental	3,905,675	3,638,319	3,552,719	3,450,389	3,338,574
Interest	(53,488)	426,090	459,883	257,435	157,363
Donations	17,308	31,500	55,118	56,115	50,222
Rentals	41,663	151,643	213,424	146,468	56,437
Miscellaneous	158,444	247,918	102,353	75,855	90,949
<i>Total Revenues</i>	<u>12,050,387</u>	<u>12,413,978</u>	<u>12,110,943</u>	<u>11,855,858</u>	<u>11,429,581</u>
<b>Expenditures</b>					
Current:					
General Government:					
Public Service	6,683,280	5,954,847	7,446,454	7,030,886	6,411,745
Administration	1,982,363	1,806,273	2,059,316	2,008,689	2,366,945
Capital Outlay	1,131,243	1,230,277	532,990	545,117	4,484,885
Debt Service:					
Principal Retirement	32,851	78,157	82,721	72,061	69,009
Interest and Fiscal Charges	0	1,638	4,295	7,483	10,534
<i>Total Expenditures</i>	<u>9,829,737</u>	<u>9,071,192</u>	<u>10,125,776</u>	<u>9,664,236</u>	<u>13,343,118</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,220,650</u>	<u>3,342,786</u>	<u>1,985,167</u>	<u>2,191,622</u>	<u>(1,913,537)</u>
<b>Other Financing Sources (Uses)</b>					
Inception of Capital Lease	15,215	0	149,040	0	0
Transfers In	4,000,000	0	4,007,162	650,000	600,000
Transfers Out	(4,000,000)	0	(4,007,162)	(650,000)	(600,000)
<i>Total Other Financing Sources (Uses)</i>	<u>15,215</u>	<u>0</u>	<u>149,040</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>\$2,235,865</u>	<u>\$3,342,786</u>	<u>\$2,134,207</u>	<u>\$2,191,622</u>	<u>(\$1,913,537)</u>
Debt Service as a Percentage of Noncapital Expenditures	0.4%	1.0%	0.9%	0.9%	0.9%



2016	2015	2014	2013	2012
\$7,764,622	\$7,835,201	\$5,590,586	\$5,535,659	\$5,550,237
112,055	104,755	80,535	78,225	98,859
3,344,537	3,410,401	3,123,787	3,166,062	3,125,516
111,228	40,732	61,291	32,243	24,330
105,530	33,567	526,995	18,460	20,293
55,581	48,115	53,156	49,464	37,493
32,726	51,458	65,426	88,399	47,928
<u>11,526,279</u>	<u>11,524,229</u>	<u>9,501,776</u>	<u>8,968,512</u>	<u>8,904,656</u>
6,592,494	6,324,940	5,707,937	5,837,385	5,630,208
2,048,078	1,612,857	2,020,620	1,592,004	1,565,815
1,381,405	976,117	507,946	958,362	421,536
66,086	61,806	60,238	72,400	76,940
13,457	13,586	12,400	13,490	14,589
<u>10,101,520</u>	<u>8,989,306</u>	<u>8,309,141</u>	<u>8,473,641</u>	<u>7,709,088</u>
<u>1,424,759</u>	<u>2,534,923</u>	<u>1,192,635</u>	<u>494,871</u>	<u>1,195,568</u>
0	0	133,279	0	0
3,532,500	2,600,000	550,000	560,000	658,500
(3,532,500)	(2,600,000)	(550,000)	(560,000)	(658,500)
<u>0</u>	<u>0</u>	<u>133,279</u>	<u>0</u>	<u>0</u>
<u>\$1,424,759</u>	<u>\$2,534,923</u>	<u>\$1,325,914</u>	<u>\$494,871</u>	<u>\$1,195,568</u>
0.9%	0.9%	0.9%	1.1%	1.2%

**Cleveland Heights-University Heights Public Library**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value			Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value
2021	\$920,177,670	\$157,503,300	\$3,079,088,486	\$27,230,400	\$30,943,636
2020	925,678,150	156,747,420	3,092,644,486	23,613,970	26,834,057
2019	927,173,650	165,123,440	3,120,848,829	21,381,610	24,297,284
2018	869,499,470	155,658,970	2,929,024,114	20,548,510	23,350,580
2017	877,006,480	160,657,950	2,964,755,514	18,981,440	21,569,818
2016	879,068,060	157,675,130	2,962,123,400	17,942,510	20,389,216
2015	886,426,760	171,565,400	3,022,834,743	17,518,250	19,907,102
2014	896,858,400	171,379,150	3,052,107,286	16,523,940	18,777,205
2013	900,875,670	167,529,470	3,052,586,114	15,110,130	17,170,602
2012	948,255,120	172,363,120	3,201,766,400	13,770,650	15,648,466

Source: Cuyahoga County, Ohio; Fiscal Officer

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. House Bill 66 combined telecommunications and telephone company property into one classification - telephone company property - and, starting in tax year 2007, reclassified it as general business property rather than public utility property. Telephone company property will be phased out over five years beginning in 2007.

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

Assessed Value	Total		Weighted Average Tax Rate (per \$1,000 of Assessed Value)
	Estimated Actual Value	Ratio	
\$1,104,911,370	\$3,110,032,122	35.53 %	\$7.9497
1,106,039,540	3,119,478,543	35.46	7.9415
1,113,678,700	3,145,146,113	35.41	7.9274
1,045,706,950	2,952,374,694	35.42	8.4224
1,056,645,870	2,986,325,332	35.38	8.3500
1,054,685,700	2,982,512,616	35.36	8.3351
1,075,510,410	3,042,741,845	35.35	8.2636
1,084,761,490	3,070,884,490	35.32	6.0140
1,083,515,270	3,069,756,717	35.30	5.9130
1,134,388,890	3,217,414,866	35.26	5.2635

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

	2021	2020	2019	2018	2017
<b>Voted Millage - by levy</b>					
1992 Current Expense					
Residential/Agricultural Real	\$2.4867	\$2.4668	\$2.4624	\$2.6274	\$2.5984
Commercial/Industrial and Public Utility Real	3.1816	3.1284	3.1185	3.2682	3.1219
General Business and Public Utility Personal	4.0000	4.0000	4.0000	4.0000	4.0000
2000 Current Expense					
Residential/Agricultural Real	1.4519	1.4403	1.4378	1.5341	1.5172
Commercial/Industrial and Public Utility Real	1.6986	1.6702	1.6649	1.7449	1.6667
General Business and Public Utility Personal	1.9000	1.9000	1.9000	1.9000	1.9000
2008 Current Expense					
Residential/Agricultural Real	1.7983	1.7839	1.7807	1.9000	1.9000
Commercial/Industrial and Public Utility Real	1.8497	1.8187	1.8129	1.9000	1.9000
General Business and Public Utility Personal	1.9000	1.9000	1.9000	1.9000	1.9000
2014 Current Expense					
Residential/Agricultural Real	2.0822	2.0656	2.0619	2.2000	2.2000
Commercial/Industrial and Public Utility Real	2.1417	2.1059	2.0992	2.2000	2.2000
General Business and Public Utility Personal	2.2000	2.2000	2.2000	2.2000	2.2000
<b>Total Millage</b>					
Residential/Agricultural Real	\$7.8191	\$7.7566	\$7.7428	\$8.2614	\$8.2156
Commercial/Industrial and Public Utility Real	8.8716	8.7232	8.6955	9.1131	8.8887
General Business and Public Utility Personal	10.0000	10.0000	10.0000	10.0000	10.0000
Total Weighted Average Rate	\$7.9497	\$7.9415	\$7.9274	\$8.4224	\$8.3500

**Overlapping Rates by Taxing District**

Cleveland Heights City					
Residential/Agricultural Real	\$12.4200	\$12.4200	\$12.4200	\$12.4200	\$13.9200
Commercial/Industrial and Public Utility Real	12.4200	12.4200	12.4200	12.4200	13.9200
General Business and Public Utility Personal	12.4200	12.4200	12.4200	12.4200	13.9200
University Heights City					
Residential/Agricultural Real	13.2000	13.2000	13.2000	13.2000	13.2000
Commercial/Industrial and Public Utility Real	13.2000	13.2000	13.2000	13.2000	13.2000
General Business and Public Utility Personal	13.2000	13.2000	13.2000	13.2000	13.2000

2016	2015	2014	2013	2012
\$2.5904	\$2.5904	\$2.5700	\$2.5401	\$2.5299
3.1179	3.1179	2.9100	2.8819	2.8874
4.0000	4.0000	4.0000	4.0000	4.0000
1.5125	1.5125	1.5000	1.4831	1.4772
1.6646	1.6646	1.5600	1.5386	1.5415
1.9000	1.9000	1.9000	1.9000	1.9000
1.9000	1.9000	1.9000	1.9000	1.9000
1.9000	1.9000	1.9000	1.8964	1.9000
1.9000	1.9000	1.9000	1.9000	1.9000
2.2000	2.2000	2.2000	0.0000	0.0000
2.2000	2.2000	2.2000	0.0000	0.0000
2.2000	2.2000	2.2000	0.0000	0.0000
\$8.2030	\$8.2030	\$8.1700	\$5.9232	\$5.9071
8.8825	8.8825	8.5700	6.3169	6.3289
10.0000	10.0000	10.0000	7.8000	7.8000
\$8.3351	\$8.2636	\$6.0140	\$5.9130	\$5.2635
\$13.9200	\$13.9200	\$13.9200	\$12.9000	\$13.0000
13.9200	13.9200	13.9200	12.9000	13.0000
13.9200	13.9200	13.9200	12.9000	13.0000
13.2000	13.2000	13.2000	13.2000	13.2000
13.2000	13.2000	13.2000	13.2000	13.2000
13.2000	13.2000	13.2000	13.2000	13.2000

(continued)

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

	2021	2020	2019	2018	2017
<b>South Euclid City</b>					
Residential/Agricultural Real	\$18.0996	\$18.0575	\$18.0411	\$18.8500	\$18.8500
Commercial/Industrial and Public Utility Real	18.7458	18.8264	18.8260	18.7744	18.7921
General Business and Public Utility Personal	18.8500	18.8500	18.8500	18.8500	18.8500
<b>Cleveland Heights/University Heights City School District</b>					
Residential/Agricultural Real	86.6039	81.3260	81.7993	88.4874	87.4552
Commercial/Industrial and Public Utility Real	107.2917	101.0339	101.3449	107.6137	104.2416
General Business and Public Utility Personal	158.3000	153.6000	154.2000	156.0900	155.5900
<b>Cuyahoga County</b>					
Residential/Agricultural Real	14.0063	12.8012	12.7973	13.9140	13.8802
Commercial/Industrial and Public Utility Real	14.3037	13.2303	13.0770	14.0061	14.0124
General Business and Public Utility Personal	14.8500	14.0500	14.0500	14.0500	14.0500
<b>Special Taxing Districts (1)</b>					
Residential/Agricultural Real	7.1002	7.0862	6.6879	7.2882	9.2408
Commercial/Industrial and Public Utility Real	7.3398	7.3244	6.8413	7.3435	9.3438
General Business and Public Utility Personal	7.7800	7.7800	7.3800	7.3800	9.3800

Source: Cuyahoga County Fiscal Officer

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

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

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

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

(1) Metro Parks, Port Authority, Community College

2016	2015	2014	2013	2012
\$16.3500	\$16.3500	\$16.0500	\$16.1215	\$13.1000
16.2817	16.2817	15.9600	16.3500	13.1000
16.3500	16.3500	16.0500	16.3500	13.1000
81.3081	81.3081	80.9500	92.7788	74.3049
98.1577	98.1577	93.5400	80.3810	87.0446
149.5900	149.5900	149.5900	149.5900	143.7000
13.8698	13.8698	14.0500	13.9495	13.2200
14.0500	14.0500	14.0200	14.0500	12.9968
14.0500	14.0500	14.0500	14.0500	13.2200
9.2368	9.2368	9.3600	5.9639	5.0635
9.3676	9.3676	9.3400	5.8843	4.9621
9.3800	9.3800	9.3800	5.9800	5.0800

**Cleveland Heights-University Heights Public Library**  
*Real Property and Public Utility Tax Levies And Collections*  
*Last Ten Years*

Year	Total Tax Levy(1)	Current Tax Collections(1)	Percent of Current Tax Collections To Current Tax Levy	Delinquent Tax Collection (3)	Total Tax Collections(2)(4)
2021	\$8,857,207	\$8,343,155	94.20%	\$409,873	\$8,753,028
2020	8,784,226	8,296,348	94.45	404,700	8,701,048
2019	8,837,983	7,949,742	89.95	484,334	8,434,076
2018	8,841,741	8,189,405	92.62	424,292	8,613,697
2017	8,770,186	8,076,484	92.09	392,739	8,469,223
2016	8,823,676	8,262,552	93.64	349,735	8,612,287
2015	8,831,597	8,258,723	93.51	429,656	8,688,379
2014	6,530,159	6,016,335	92.13	336,860	6,353,195
2013	7,383,904	6,025,104	81.60	296,178	6,321,282
2012	7,370,086	6,095,982	82.71	314,701	6,410,683

Source: Cuyahoga County, Ohio; Fiscal Officer

(1) Information for Real and Public Utility Property Only

(2) State Reimbursements of Rollback and Homestead Exemptions are included

(3) The County does not identify delinquent collections by the year for which the tax was levied.

(4) Penalties and interest are included, since by Ohio Law, they become part of the tax obligation as assessment occurs.

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



Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Total Tax Levy
98.82%	\$1,581,912	17.86 %
99.05	1,529,478	17.41
95.43	1,529,478	17.31
97.42	1,689,090	19.10
96.57	1,532,669	17.48
97.60	1,485,060	16.83
98.38	1,341,564	15.19
97.29	985,458	15.09
85.61	971,103	13.15
86.98	808,031	10.96

**Cleveland Heights-University Heights Public Library**

*Personal Property Tax Levies And Collections*

*Last Ten Years*

Year	Total Tax Levy	Current Tax Collections (4)	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections (2)(3)	Total Tax Collections
2021	\$0	\$0	0.00 %	\$0	\$0
2020	0	0	0.00	0	0
2019	0	0	0.00	0	0
2018	0	0	0.00	0	0
2017	0	0	0.00	0	0
2016	0	0	0.00	0	0
2015	0	0	0.00	0	0
2014	0	0	0.00	0	0
2013	34,234	0	0.00	182	182
2012	35,122	0	0.00	512	512

Source: Cuyahoga County, Ohio; County Fiscal Officer

- (1) Includes penalties and interest, since by Ohio Law, they become part of tax obligation as assessment occurs.
- (2) The County does not identify delinquent collections by the year for which the tax was levied.
- (3) The negative delinquent tax collections are the result of refunds on delinquencies exceeding the collections in a given year.
- (4) Penalties and interest are included, since by Ohio law, they become part of the tax obligation as the assessment occurs.

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

Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes (1)	Percentage of Delinquent Taxes to Total Tax Levy
N/A %	\$0	N/A %
N/A	0	N/A
N/A	0	N/A
N/A	34,063	N/A
N/A	34,063	N/A
N/A	34,063	N/A
N/A	34,063	N/A
N/A	34,063	N/A
N/A	34,063	N/A
0.53	34,063	99.50
1.46	34,645	98.64

**Cleveland Heights-University Heights Public Library**

*Principal Real Property Taxpayers*

2021 and 2012

<i>2021</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Co.	\$15,122,550	1.40 %
CS Center LLC & CS Center TIC 1 LLC	9,135,610	0.85
East Ohio Gas Co.	8,983,770	0.83
Integrity Realty Group	6,541,540	0.61
American Transmission	5,504,900	0.51
Oakwood Commons LCC	5,452,280	0.51
Huntington House	5,198,980	0.48
Montlack Realty	4,855,970	0.45
City of Cleveland Heights	4,796,020	0.45
DKC Center Center North LLC	4,410,000	0.41
<b>Total</b>	<b>\$70,001,620</b>	<b>6.50 %</b>
<b>Total Assessed Valuation</b>	<b>\$1,077,680,970</b>	

<i>2012</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Kaiser Foundation	\$11,348,150	1.01 %
Severance SPE Lease Company	9,711,730	0.87
Cleveland Electric Illuminating	9,320,520	0.83
Coral Cedar Center, LLC	5,977,490	0.53
Inland Western	5,443,380	0.49
Severance SPE FEECO, LLC	4,466,180	0.40
Target	3,500,780	0.31
The May Department	3,408,020	0.30
ARC Cleveland Heights LLC	2,724,580	0.24
Kensington Limited Partnership	2,573,270	0.23
<b>Total</b>	<b>\$58,474,100</b>	<b>5.22 %</b>
<b>Total Assessed Valuation</b>	<b>\$1,120,618,240</b>	

Source: Cuyahoga County Fiscal Officer

**Cleveland Heights-University Heights Public Library**

*Ratios of Outstanding Debt to  
Total Personal Income and Debt Per Capita  
Last Ten Years*

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<u>Fiscal Year</u>	<u>Capital Leases</u>	<u>Total Personal Income (1)</u>	<u>Percentage Of Personal Income</u>	<u>Population (1)</u>	<u>Per Capita</u>
2021	\$91,660	\$2,269,481,094	0.00 %	59,226	\$2
2020	109,296	2,022,880,969	0.01	56,789	2
2019	187,453	1,916,517,840	0.01	59,660	3
2018	121,134	1,860,019,820	0.01	59,660	2
2017	193,195	1,902,378,420	0.01	59,660	3
2016	262,204	1,823,865,860	0.01	59,660	4
2015	328,290	1,822,702,490	0.02	59,660	6
2014	390,096	1,810,919,640	0.02	59,660	7
2013	317,055	1,769,694,580	0.02	59,660	5
2012	389,455	1,395,626,380	0.03	59,660	7

(1) Personal Income and Population amounts derived from S24.

**Cleveland Heights-University Heights Public Library**

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2021*

Jurisdiction	Governmental Activities Debt	Percentage Applicable to Library(1)	Amount Applicable to the Library
<b>Direct</b>			
Capital Leases	\$91,660	100.00 %	\$91,660
<b>Overlapping</b>			
Cuyahoga County			
General Obligation Bonds	265,599,988	4.19	11,128,639
Revenue Bonds	452,186,168	4.19	18,946,600
Certificates of Participation	197,622,397	4.19	8,280,378
Loans Payable	1,434,868	4.19	60,121
Capital Leases	260,966,852	4.19	10,934,511
Greater Cleveland Regional Transit Authority			
General Obligation Bonds	114,218,677	4.19	4,785,763
City of Cleveland Heights			
General Obligation Bonds	15,029,000	95.00	14,277,550
Special Assessment Bonds	1,663,000	95.00	1,579,850
OPWC Loans	1,712,102	95.00	1,626,497
OWDA Loans	152,540	95.00	144,913
Notes	1,505,556	95.00	1,430,278
Loans Payable	59,144	95.00	56,187
Capital Leases	2,006,743	95.00	1,906,406
City of University Heights			
General Obligation Bonds	1,305,000	100.00	1,305,000
OPWC Loans	339,610	100.00	339,610
City of South Euclid			
General Obligation Bonds	12,904,305	6.51	840,070
Special Obligation Bonds	1,110,000	6.51	72,261
OPWC Loans	1,544,965	6.51	100,577
OWDA Loans	642,950	6.51	41,856
OAQDA Loans	297,720	6.51	19,382
Capital Leases	5,935,862	6.51	386,425
Cleveland Heights-University Heights City School District			
General Obligation Bonds	145,001,315	100.00	145,001,315
Certificates of Participation	17,551,947	100.00	17,551,947
Capital Lease	83,948	100.00	83,948
<i>Total Overlapping Debt</i>	<u>1,500,874,657</u>		<u>240,900,084</u>
<i>Total Direct and Overlapping Debt</i>	<u>\$1,500,966,317</u>		<u>\$240,991,744</u>

Source: Fiscal Office, Cuyahoga County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2016 collection year. The Cleveland Heights-University Heights Public Library is a school district library and its boundaries follow those of the Cleveland Heights-University Heights City School District. These boundaries cover all of the community of University Heights; all but a small portion of Cleveland Heights (that which is within the boundaries of the East Cleveland City School District); and includes a small portion of the City of South Euclid. Despite this fact, the statistics given here, which represent those of the two cities of Cleveland Heights and University Heights, are considered representative of the service area covered by the Cleveland Heights-University Heights Public Library.

## Cleveland Heights-University Heights Public Library

*Principal Employers*

*2021 and 2012*

<b>2021</b>		
Employer	Nature of Activity	Employees
John Carroll University	Higher Education	2,017
Cleveland Heights-University Heights City School District	Public Education	1,001
Bellefaire Jewish Children's Center	Social Services	718
City of Cleveland Heights	Local Government	715
Minute Men Select Inc.	Retail Store	585
Metro Health System	Medical	566
CAS Health Investors Inc	Nursing Home	397
Hebrew Academy of Cleveland	Public Education	396
Dave's Supermarket	Grocery Store	354
Cuyahoga County Fiscal Office	Local Government	319
<b>Total</b>		<b>7,068</b>
Total Employment within the Library District		N/A

<b>2012</b>		
Employer	Nature of Activity	Employees
John Carroll University	Higher Education	2,301
Cleveland Heights-University Heights City School District	Public Education	1,470
City of Cleveland Heights	Local Government	789
Target	Retail Store	436
Bellefaire Jewish Children's Center	Social Services	429
Whole Foods Market Group, Incorporated	Grocery	314
Kaiser Foundation	Healthcare	313
Macy's	Retail Store	300
CAS Health Investors	Healthcare	234
Home Depot	Retail Store	223
<b>Total</b>		<b>6,809</b>
Total Employment within the Library District		N/A

Source: Survey conducted by the two Cities. (1)

- (1) The Cleveland Heights-University Heights Public Library is a school district library and its boundaries follow those of the Cleveland Heights-University Heights City School District. These boundaries cover all of the community of University Heights; all but a small portion of Cleveland Heights (that which is within the boundaries of the East Cleveland City School District); and includes a small portion of the City of South Euclid. Despite this fact, the statistics given here, which represent combined totals for the two cities of Cleveland Heights and University Heights, are considered representative of the service area covered by the Cleveland Heights-University Heights Public Library.

NA Information not available.

## Cleveland Heights-University Heights Public Library

*Demographic and Economic Statistics*

*Last Ten Years*

Year	Population (1)	Total Personal Income (1)	Median Family Income (1)	Per Capita Income (1)	Unemployment Rate (2)	
					Cuyahoga County	State of Ohio
2021	59,226	\$2,269,481,094	\$61,946	\$38,319	4.1%	4.5%
2020	56,789	2,022,880,969	67,512	35,621	8.3	5.5
2019	59,660	1,916,517,840	53,155	32,124	3.6	4.1
2018	59,660	1,860,019,820	57,652	31,177	5.0	4.8
2017	59,660	1,902,378,420	53,901	31,887	4.8	4.7
2016	59,660	1,823,865,860	56,664	30,571	5.3	4.9
2015	59,660	1,822,702,490	53,000	30,552	4.0	4.6
2014	59,660	1,810,919,640	58,968	30,354	6.5	4.8
2013	59,660	1,769,694,580	53,194	29,663	7.2	7.1
2012	59,660	1,395,626,380	62,240	23,393	6.6	6.7

Sources:

- (1) Estimates 2009-2018, U.S. Census Bureau. The Cleveland Heights-University Heights Public Library is a school district library and its boundaries follow those of the Cleveland Heights-University Heights City School District. These boundaries cover all of the community of University Heights; all but a small portion of Cleveland Heights (that which is within the boundaries of the East Cleveland City School District); and includes a small portion of the City of South Euclid. Despite this fact, the statistics given here, which represent combined totals for the two cities of Cleveland Heights and University Heights, are considered representative of the service area covered by the Cleveland Heights-University Heights Public Library.
- (2) County and State Records
- (3) Records of Cities of Cleveland Heights and University Heights.
- (4) Cuyahoga County, Ohio; County Fiscal Officer  
Represents total real property assessed value for the Cities of Cleveland Heights and University Heights.



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City Square Miles (3)	Estimated Actual Property Value (4)
10.11	\$3,110,032,122
10.11	3,119,478,543
10.11	3,145,146,113
10.11	2,952,374,694
10.11	2,986,325,332
10.11	2,982,512,616
10.11	3,042,741,845
10.11	3,070,884,490
10.11	3,069,756,717
10.11	3,217,414,866

**Cleveland Heights-University Heights Public Library**  
*Full-Time Equivalent Library Employees by Function/Program*  
*Last Ten Years*

Function/Program	2021	2020	2019	2018	2017
<b>Public Service</b>					
Adult Services	13.500	13.500	13.700	13.700	13.200
Youth Services	11.400	11.400	11.500	11.000	11.000
Circulation Services	10.000	10.000	10.000	10.900	10.900
Technical Services	3.000	3.000	3.000	3.000	3.000
Information Technology	2.000	2.000	2.000	2.000	2.000
Training	7.000	7.000	7.000	7.000	7.000
Building Services	8.500	7.500	10.500	10.500	11.500
Coventry Village Library	7.500	7.000	8.500	7.500	7.500
Noble Neighborhood Library	9.200	8.700	10.000	9.000	9.250
University Heights Library	9.300	9.000	10.300	9.300	9.300
Marketing and Communications	4.000	4.000	3.000	4.000	3.500
Administrative Support	1.500	2.500	2.625	2.630	1.625
Sub Reference Hours	1.850	0.000	1.850	1.850	1.550
Main Library Pages	4.500	2.500	9.600	10.000	10.000
<b>Administration</b>					
Main Library	6.000	6.000	6.000	6.000	6.000
Branch Library	3.000	3.000	3.000	3.000	3.000
Totals:	<u>102.250</u>	<u>97.100</u>	<u>112.575</u>	<u>111.380</u>	<u>110.325</u>

**Method:** Using all positions (open or filled) divided by a 40-hour work week at December 31.

Source: Library Finance Department

2016	2015	2014	2013	2012
12.700	12.200	11.950	12.000	11.950
11.000	11.000	11.000	10.500	10.500
11.200	12.200	12.400	13.200	12.200
3.000	2.500	4.500	4.750	4.750
2.000	2.000	2.000	2.000	2.000
6.800	6.300	5.800	5.300	4.800
11.500	11.500	9.500	9.500	9.000
7.200	6.900	6.900	5.900	6.150
9.050	9.050	9.050	7.980	7.975
8.000	8.000	8.000	6.650	6.650
4.000	4.000	4.000	4.000	4.000
1.500	1.500	1.000	1.000	1.000
1.550	1.550	1.550	1.550	1.550
10.500	10.100	10.100	11.400	11.100
6.000	5.000	5.000	5.000	5.000
3.000	3.000	3.000	3.000	3.000
<u>109.000</u>	<u>106.800</u>	<u>105.750</u>	<u>103.730</u>	<u>101.625</u>

**Cleveland Heights-University Heights Public Library**

*Capital Assets Statistics by Function/Program*

*Last Ten Years*

Function/Program	2021	2020	2019	2018	2017
<b>Public Service</b>					
Number of Buildings	7	6	6	6	5
Public Meeting Rooms	10	10	10	10	10
Vehicles for Delivery	1	1	1	1	1
Bookmobile	0	0	0	0	1
<b>Square Footage</b>					
1920 Coventry Village Library	5,105	5,105	5,105	5,105	5,105
1937 Noble Neighborhood Library	11,160	11,160	11,160	11,160	11,160
1952 University Heights Library	17,593	17,593	17,593	17,593	17,593
1932 Lee Road (Main) Library	107,856	107,856	107,856	107,856	107,856
2013 Lee Road (HKIC) Library	4,000	4,000	4,000	4,000	4,000
2018 Washington Boulevard Property	55,336	55,336	55,336	55,336	0
2780 Kirkwood Road	19,915	0	0	0	0
Public Use Copy Machines	0	8	8	8	8
Public Use Fax Machines	0	6	6	6	6
Public Use PCs	145	160	160	160	160
ATMs	0	0	0	0	0
Cafes	0	0	0	0	0
Art Galleries	1	1	1	1	1
Technology Classrooms	1	1	1	1	1
<b>Administration</b>					
Square Footage (at Lee Road)	2,144	2,144	2,144	2,144	2,144
Administrative Copy Machine	2	1	1	1	1
Staff Use PCs	116	100	100	100	100

Source: Library Finance Department

2016	2015	2014	2013	2012
5	5	5	5	4
10	10	10	10	13
1	1	1	1	1
1	0	0	0	0
5,105	5,105	5,105	5,105	5,105
11,160	11,160	11,160	11,160	11,160
11,160	11,160	11,160	11,160	11,160
107,856	107,856	107,856	107,856	107,856
4,000	4,000	4,000	4,000	0
0	0	0	0	0
0	0	0	0	0
8	8	8	7	7
6	6	6	5	4
160	160	160	137	133
0	0	0	0	1
0	0	0	0	1
1	1	1	1	1
1	1	1	1	1
2,144	2,144	2,144	2,144	2,144
1	1	1	1	1
100	96	96	95	94

**Cleveland Heights-University Heights Public Library**  
*Operating Indicators by Function/Program*  
*Last Ten Years*

Function/Program	2021	2020	2019	2018	2017
<b>Public Service</b>					
Circulation By Building					
Coventry Village Library	116,537	95,084	161,820	148,725	125,739
Lee Road Library	970,094	859,585	1,465,262	1,360,449	1,177,780
Noble Neighborhood Library	99,431	86,885	183,061	175,414	153,165
University Heights Library	207,215	160,299	262,690	218,748	74,774
Total Circulation, All Buildings	1,393,277	1,201,853	2,072,833	1,903,336	1,531,458
Circulation By Age Level					
Total Adult Circulation	917,185	870,874	1,425,705	1,392,052	1,146,237
Total Juvenile Circulation	476,092	330,979	647,128	511,284	385,221
Circulation By Type of Materials					
Books and Magazines	824,657	558,167	1,132,313	1,009,659	801,824
Videocassettes and DVDs	227,326	287,487	597,384	595,220	471,013
Recordings (Discs, Tapes, CDs)	72,657	84,130	139,306	144,678	145,306
Computer Software	31	24	129	152	173
E-media	265,374	269,193	198,084	148,123	109,721
Other Items	3,232	2,852	5,617	5,504	3,421
Library Collections Systemwide					
Books	243,842	240,213	255,948	256,826	251,876
E-books	1,094,724	246,139	249,698	286,038	191,805
Videocassettes and DVDs	90,571	37,331	37,940	39,029	35,810
Recordings (Discs, Tapes, CDs)	656,881	120,040	30,069	30,892	31,378
Computer Software	5	11	10	9	8
Magazine Subscriptions	335	357	700	700	709
Databases Provided	86	78	81	67	81
Electronic Resources					
Number of PCs Available for Public	145	153	175	173	169
Number of Weekly Users of Electronic Resources	1,051	853	4,330	4,545	3,823
Annual Number of Users of Electronic Resources	54,652	44,373	225,142	236,340	198,796
Public Service Transactions Systemwide					
Average Weekly Building Attendance	7,734	4,378	13,745	14,169	13,457
Annual Building Attendance	402,168	227,656	714,736	736,764	699,764
Average Weekly Reference Transactions	7,037	4,749	11,418	11,279	11,489
Annual Reference Transactions	365,924	246,948	593,736	586,508	597,428
Total Annual Library Programs	1,361	1,023	6,309	5,943	1,716
Total Annual Library Programs Attendance	23,171	19,934	74,279	69,710	43,659
<b>Administration</b>					
Purchase orders Issued	849	763	1,120	1,096	1,126
Accounts Payable Checks/Vouchers Issued	2,052	1,663	1,949	1,911	1,797
Payroll Checks/Direct Deposits Processed/Issued	3,577	3,784	4,040	3,973	3,828
W-2s and 1099s Issued	165	172	194	201	203
Board Resolutions	73	63	67	56	71

Source: Library Finance Department

2016	2015	2014	2013	2012
119,742	116,683	117,100	123,945	125,497
1,081,500	1,223,439	1,270,117	1,283,982	1,307,227
154,646	164,954	179,990	182,587	187,101
125,998	193,089	212,365	204,906	200,115
1,481,886	1,698,165	1,779,572	1,795,420	1,819,940
1,023,477	1,264,591	1,237,050	1,293,901	1,306,911
458,319	433,574	542,522	448,082	473,437
728,584	844,290	915,445	916,864	928,942
490,824	532,565	592,621	613,227	638,680
153,159	178,269	194,638	206,841	207,286
244	522	622	485	319
106,205	98,690	71,478	53,345	39,532
2,870	3,829	4,768	4,658	5,181
232,113	263,418	266,906	266,791	269,434
373,194	215,490	124,395	115,779	79,089
34,467	36,502	39,537	42,453	38,432
31,270	31,568	68,825	60,769	55,613
12	16	17	19	13
327	577	362	362	729
70	88	92	413	413
125	144	137	137	133
4,882	5,345	5,593	5,542	5,517
253,860	277,940	290,836	288,184	286,884
16,675	19,138	20,134	20,585	21,714
867,110	995,176	1,046,968	1,070,404	1,129,152
9,530	10,552	11,271	10,626	7,505
495,560	548,704	586,092	552,552	390,260
5,711	5,104	3,378	3,149	5,904
67,662	70,776	70,025	33,773	66,342
1,180	1,081	1,303	1,307	1,324
1,753	1,710	1,765	1,899	188
4,254	6,622	3,987	3,939	3,699
196	204	184	208	195
75	86	72	64	61

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