

Scioto County Public Library
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Combined Total
Cash Receipts				
Property and Other Local Taxes	\$1,034,267	\$0	\$0	\$1,034,267
Public Library	3,223,811	0	0	3,223,811
Intergovernmental	121,973	0	0	121,973
Payments in Lieu of Taxes	538	0	0	538
Patron Fines and Fees	27,092	0	0	27,092
Contributions, Gifts and Donations	16,941	0	0	16,941
Earnings on Investments	260,311	546	0	260,857
Miscellaneous	5,656	0	0	5,656
<i>Total Cash Receipts</i>	4,690,589	546	0	4,691,135
Cash Disbursements				
Current:				
Library Services:				
Public Services and Programs	1,734,480	0	0	1,734,480
Collection Development and Processing	355,152	0	0	355,152
Support Services:				
Facilities Operation and Maintenance	713,923	0	0	713,923
Business Administration	1,571,856	0	0	1,571,856
Capital Outlay	402,001	24,890	299,032	725,923
<i>Total Cash Disbursements</i>	4,777,412	24,890	299,032	5,101,334
<i>Excess of Receipts Over (Under) Disbursements</i>	(86,823)	(24,344)	(299,032)	(410,199)
Other Financing Receipts (Disbursements)				
Proceeds from Sale of Assets	9,687	0	0	9,687
Transfers In	0	0	263,106	263,106
Transfers Out	(263,106)	0	0	(263,106)
<i>Total Other Financing Receipts (Disbursements)</i>	(253,419)	0	263,106	9,687
<i>Net Change in Fund Cash Balances</i>	(340,242)	(24,344)	(35,926)	(400,512)
<i>Fund Balances, January 1</i>	6,266,981	24,344	147,883	6,439,208
<i>Fund Balances, December 31</i>	\$5,926,739	\$0	\$111,957	\$6,038,696

See the accompanying notes to the basic financial statements.

Scioto County Public Library
Notes to the Financial Statements
For the Year Ended December 31, 2025

Note 1 – Reporting Entity

The Scioto County Public Library (the Library), Scioto County, formerly the Portsmouth Public Library, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A seven member Board governs the Library; three members are appointed by the Common Pleas Court Judges and four members are appointed by the Scioto County Commissioners. The Library also determines and operates under its own budget. The control and management of the Library is governed by Sections 3375.22 to 3375.27 of the Ohio Revised Code. The Library provides the community with various educational and literary resources.

Jointly Governed Organizations and Public Entities Risk Pool

The Library is involved with the Southeast Regional Library System (SERLS) and the Ohio Valley Library Consortium (OVLC), both of which are defined as jointly governed organizations. Additional information concerning SERLS and the OVLC are presented in Note 11.

The Library participates in a public entity risk pool. Note 7 to the financial statements provides additional information for this entity.

The Library's management believes this financial statement presents all activities for which the Library is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

Special Revenue Funds – These funds 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. The Library had the following significant special revenue fund:

Zella H. Besco Fund – This fund receives interest from a governmental savings account. These funds are restricted for use for library services in the South Webster Branch.

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

Building and Repair Fund – This fund accounts for and reports resources committed by the Board specifically for major capital and technology improvements to Library buildings. Historically, the sources of revenue have been transfers from the general fund.

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For the Year Ended December 31, 2025

Basis of Accounting

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

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

Budgetary Process

The Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end. Budgetary expenditures may not exceed appropriations at the fund, function, and object level of control.

A summary of 2025 budgetary activity appears in Note 3.

Deposits and Investments

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

Investment in STAR Ohio is measured 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.

Capital Assets

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

Accumulated Leave

Library employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

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

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

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 13.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2025 was as follows:

2025 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$4,808,206	\$4,700,276	(\$107,930)
Special Revenue	300	546	246
Capital Projects	292,500	263,106	(29,394)
Total	\$5,101,006	\$4,963,928	(\$137,078)

2025 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$5,555,173	\$5,071,222	\$483,951
Special Revenue	24,890	24,890	0
Capital Projects	440,383	410,989	29,394
Total	\$6,020,446	\$5,507,101	\$513,345

Note 4 – Deposits and Investments

To improve cash management, cash received by the Library is pooled. Monies for all fund are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. The Library also has a segregated account, which includes a payroll clearing account. A summary of the Library’s deposit and investment accounts as of December 31, 2025 are as follows:

Scioto County Public Library
Notes to the Financial Statements
For the Year Ended December 31, 2025

	2025
<i>Cash Management Pool:</i>	
Demand deposits	\$359,454
<i>Total deposits</i>	359,454
STAR Ohio	5,679,242
<i>Total investments</i>	5,679,242
<i>Total deposits and investments held in the Pool</i>	\$6,038,696

Deposits

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

Investments

Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

Note 5 – Grants in Aid and Taxes

Grants in Aid

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

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the taxing authority of the subdivision to whose jurisdiction the Library is subject adopts rates. The State Department of Taxation, Division of Tax Equalization, adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statement includes these credits and/or deduction amounts the State pays as intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20. The Library’s current 1.0 mil levy was renewed for a 5-year period during the November 5, 2024 election.

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

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

Note 6 – Interfund Transfers

Transfers represent the allocation of unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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The general fund transfers to the Capital Projects fund were made to provide additional resources for capital improvements.

Note 7 – Risk Management

Workers’ Compensation

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

Risk Pool Membership

The Library belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the “Plan”), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments (“Members”). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated, and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and remained the same through October 31, 2022. Effective November 1, 2022, the property loss corridor was eliminated. OPRM had 847 members as of December 31, 2024.

The Pool’s audited financial statements conform with accounting principles generally accepted in the United States of America, with the exception of a qualified opinion related to recording premiums and membership fees earned in full as of December 31, 2024. Those premiums and fees should be earned pro-rata over the individual coverage and membership periods of each policy. The financial statements reported the following assets, liabilities and equity at December 31, 2024 (the latest information available).

Assets	\$24,456,615
Liabilities	<u>(16,692,162)</u>
Members’ Equity	<u><u>\$7,764,453</u></u>

You can read the complete audited financial statements for OPRM at the Plan’s website, www.ohioplan.org.

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries, and the Library contributed an amount equaling 14% of participants’ gross salaries. The Library has paid all contributions required through December 31, 2025.

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For the Year Ended December 31, 2025

Note 9 – Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2025, the portion of employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the legacy combined plan. For 2025, the portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 10 – Contingent Liabilities

The Library is not currently party to litigation.

Note 11 – Jointly Governed Organizations

The Southeast Regional Library System (SERLS) is a cooperative regional library system created and governed accordingly to the provisions of Section 3375.70 through 3375.3, Ohio Revised Code. SERLS is comprised of autonomous public libraries in the Ohio counties of Athens, Belmont, Delaware, Fairfield, Franklin, Gallia, Guernsey, Hocking, Jackson, Jefferson, Lawrence, Licking, Meigs, Monroe, Morgan, Muskingum, Noble, Perry, Pickaway, Pike, Ross, Scioto, Vinton, and Washington, as well as school libraries, public, academic, and special libraries. SERLS’ Board of Trustees consists of fifteen members: twelve public library representatives, one academic representative, one school representative, and one special representative. Scioto County Public Library’s control over budgeting and financing of SERLS is limited to its voting authority and its representation on the SERLS’ Board of Trustees.

The Ohio Valley Library Consortium (OVLC) is a cooperative agreement between the Oak Hill Public Library, Sylvester Memorial Wellston Public Library, Jackson City Library, Herbert Wescoat Memorial Library, Scioto County Public Library, Logan-Hocking County District Library, Meigs County District Library, and Briggs Lawrence County Public Library. The Board of Trustees is composed of one member from each Library, normally the Library Director or his/her assignee. Each Library pays a share of subscription and support fees for the database to The Library Corporation and each Library maintains their own individually. The purpose of the OVLC is for resource sharing with participating members.

Note 12 – Related Party Transactions

The Library pays an annual fee to the Southeast Regional Library System (SERLS), a jointly governed organization of which the Library is a member. SERLS provides training programs. In 2025, the Library paid \$790 to SERLS for annual dues and fees.

Note 13 – Fund Balances

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

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Outstanding Encumbrances	\$30,704	\$0	\$111,957	\$142,661
Total	<u>\$30,704</u>	<u>\$0</u>	<u>\$111,957</u>	<u>\$142,661</u>

The fund balance of special revenue funds is either restricted or committed. The fund balance of the capital projects fund is restricted, committed, or assigned. These restricted, committed, and assigned amounts in the special revenue and capital projects funds would include the outstanding encumbrances, as applicable. In the general fund, outstanding encumbrances are considered assigned.