

Popular Annual Financial Report

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

THE FINANCE DEPARTMENT is pleased to present Worthington Public Library's Popular Annual Financial Report for the year ended December 31, 2021. The Popular Annual Financial Report is an unaudited report that summarizes the library's general government financial and operating activities and provides a way for them to be easily understood by the reader. The summarized information includes 2021 calendar year resources, expenditures and current projects/building updates.

The Library has also published an Annual Comprehensive Financial Report for the year ending 2021. The Annual Comprehensive Financial Report is an audited report and is prepared on a Generally Accepted Accounting Principles (GAAP) basis, which requires greater disclosure than the Popular Annual Financial Report. Copies of the Popular Annual Financial Report and Annual Comprehensive Financial Report are available on the library's website, worthingtonlibraries.org/about/reports-plans, or may be requested from the Finance Department by calling (614) 807-2600.

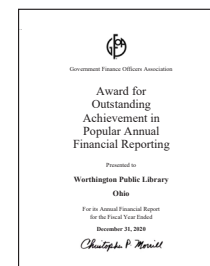
2021 was not a typical year. The Library still faced many challenges as it began to move back to a sense of normal and began reinstating services following the pandemic. In this new environment, the Library continued to serve our patrons through distribution of free COVID-19 test kits, offering of outdoor storytimes and continued curbside pickup at all three locations while expanding our digital offerings. We used available resources and staffing to introduce more services to the people in our community.

As a result of the investment market, the Library saw a slight decrease in overall revenue compared to the prior year. Most of this decrease was related to reductions in investment income which was offset by a significant increase in intergovernmental revenue from the State of Ohio through the PLF (Public Library Fund). The state saw a significant increase in tax revenue from both sales tax and personal income tax in calendar year 2021, which flowed to Ohio's library systems through the PLF.

Overall expenditures were significantly under budget and decreased slightly over the prior year as modest increases in general fund spending for the purchase of additional books and materials were offset by reductions in capital projects spending reducing overall spending compared to the prior year.

The Library has a strong financial base due to support provided by the community. We continue to plan and forecast for the future to be proactive and prepared for what lies ahead. The financial outlook for the State of Ohio at the end of 2021 is far better than anticipated and we are hopeful for what the future holds as we move forward.

- SAM KRALY
Chief Fiscal Officer



Our first report has earned recognition from the Government Finance Officers Association as an outstanding achievement.



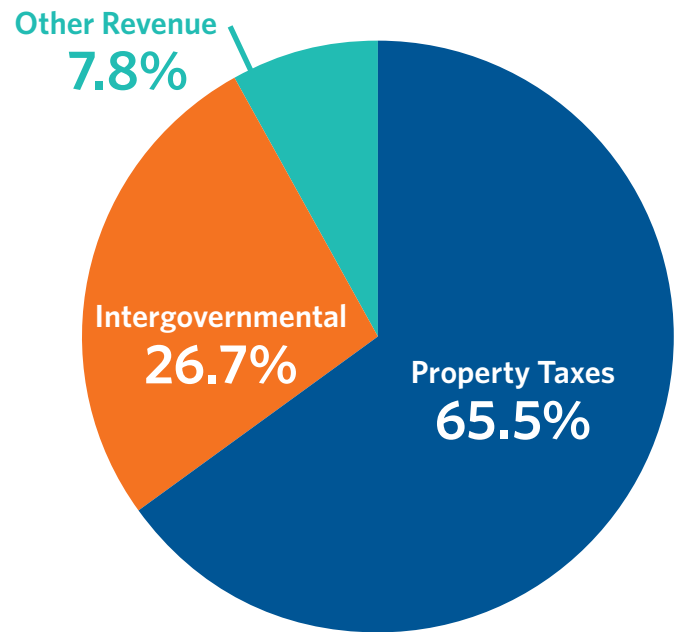
Library Revenues and Resources

Property taxes are the main source of revenue for the Library, making up 65.5% of our total revenue. The voters passed a permanent 2.6 mill property tax levy in 2005 and a 2.2 mill permanent replacement levy in 2013. The Library has tried to extend these resources as long as possible, through conservative budgeting, while providing the best services possible to patrons.

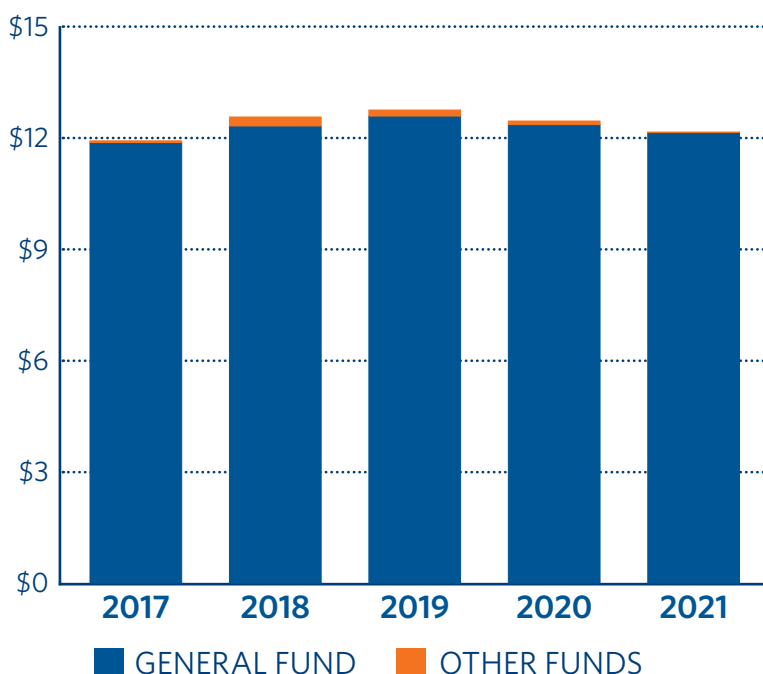
Intergovernmental revenue is primarily composed of Public Library Fund (PLF) revenue and homestead and rollback tax revenue. PLF revenues are generated based off a legislative-approved percentage of the State of Ohio's General Revenue Fund. As per the state's budget for the 2020-2021 biennium effective July 2021, the PLF appropriation is currently based on 1.7% of the state's General Revenue Fund. Each county receives a portion of this allocation, which is further allocated to the library systems located in the county. Intergovernmental revenues made up 26.7% of total revenues at Worthington Libraries. In 2021, PLF revenues did increase compared to the prior year. This was largely a result of the state's continued recovery from COVID-19 and greater than expected GRF (General Revenue Fund) revenues largely due to sales tax revenues and personal income tax collections exceeding expectations.

Other sources of library revenue are composed of fines and fees, investment income, services provided to other entities, gifts and donations and refunds and reimbursements.

TOTAL REVENUES 2021 All Governmental Funds: \$12.1 million



TOTAL GOVERNMENTAL REVENUES 2017-2021 (in millions)



Total revenues for the general fund have remained relatively consistent over the last five years. In 2021, total revenue decreased slightly compared to the prior year. The decrease was partially offset by the increase in Public Library Fund (PLF) revenues in 2021 due to greater than expected sales tax revenues and personal income tax collections. In spite of higher than expected PLF (Public Library Fund) revenues from the state, total revenues still decreased overall related to the significant reduction in investment income and slight decrease in property tax revenues.

Library Services and Expenditures

LIBRARY SERVICES:

Public Services and Programs

Public service staff, including circulation, adult/youth services, library managers as well as termination benefits and Friends Foundation of Worthington Libraries expenditures.

Collection Development and Processing

Materials selectors and technical services staff are included in this category as well as the purchase of all books and the processing costs associated with those purchases.

SUPPORT SERVICES:

Facilities Operation and Maintenance

Facilities management staff are included in this category as well as utilities, groundskeeping, property insurance and materials and supplies necessary to maintain three physical library locations.

Information Services Support

Technology and IT staff are included in this category as well as technology related professional services, rent/leased software and minor technology furniture and equipment.

Business Administration

Library administration, finance, board of trustees, and community relations staff are included in this category as well as liability insurance, tax collection fees and professional services.

Capital Outlay

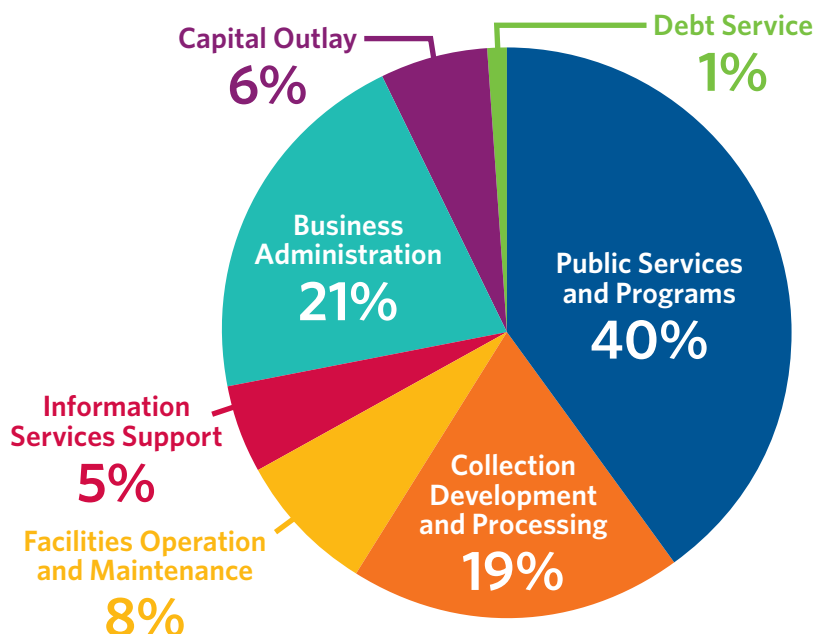
Construction, major repairs and renovations to library facilities and equipment.

Debt Service

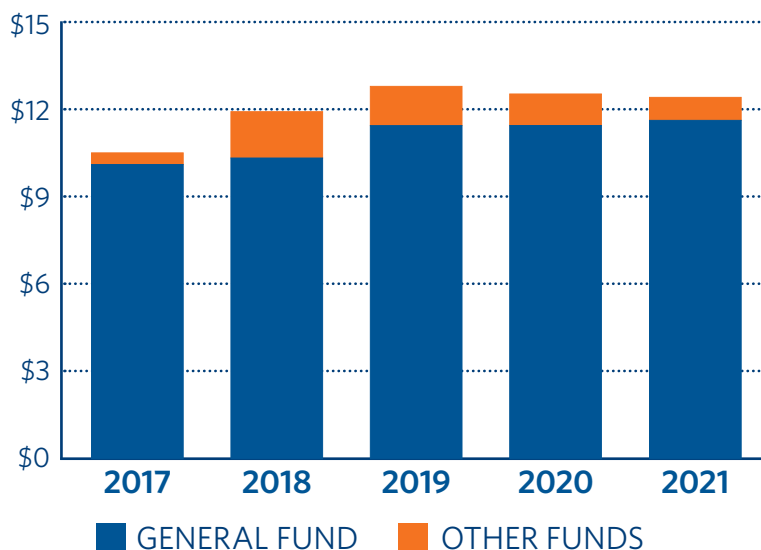
Principal and interest on debt.

TOTAL EXPENDITURES 2021

\$12.4 million



TOTAL GOVERNMENTAL EXPENDITURES 2017-2021 (in millions)



General fund expenditures were \$11.6 million for 2021, an increase of \$200,000 (1.7%) from the prior year. The increase in general fund spending was largely related to the purchase of additional books and materials compared to the prior year. Although general fund expenditures did increase from prior year, overall expenditures decreased as we spent less on capital projects in 2021 compared to the prior year.

Library Facilities Update



OLD WORTHINGTON LIBRARY

Old Worthington Library is located in the heart of downtown Worthington. This location houses our largest collection of materials and is the largest by square footage. During 2021, this location was used as a major hub for the distribution of COVID-19 testing kits. Capital updates to the building included the installation of a building automation system and others related to our Energy Conservation, Lighting and Building Automation Project. These projects will help conserve energy through updated fixtures and the addition of an enhanced automated control system.



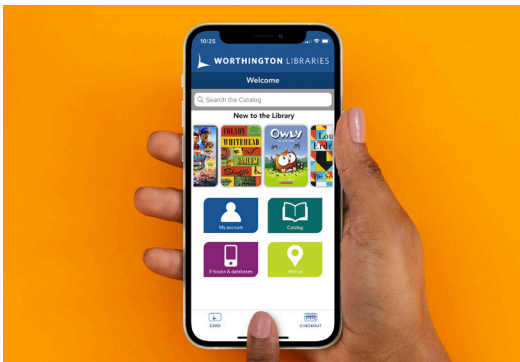
NORTHWEST LIBRARY

Northwest Library is located on Hard Road close to the major intersection of 270 and Sawmill Road. This location serves both Worthington and Columbus Metropolitan Library patrons as it sits on the border between our two library jurisdictions. During 2021, this location was used as a major hub for the distribution of COVID-19 testing kits. Northwest Library conducted outdoor storytimes which provided a safe environment for patrons to gather and enjoy a program they desperately missed during our closure in 2020. The drive-up window continued to see record usage during 2021. We also updated the building as part of the Energy Conservation, Lighting and Building Automation System project.



WORTHINGTON PARK LIBRARY

Worthington Park Library is located in the Worthington Park Shopping Centre, and primarily serves the northeast part of the library's service district. During 2021, this location was used as a major hub for the distribution of COVID-19 testing kits. As the population continues to grow in this segment of our district, patrons took advantage of the additional space this location has to offer as both circulation and registered borrowers increased compared to the prior year.



DIGITAL LIBRARY

We consider our digital presence, worthingtonlibraries.org, to be our fourth location. We redesigned our mobile app at the end of 2021. The app has a new look and additional features for ease of use and increased functionality and is available on the App Store and Google Play. We also updated our email notifications. This is one of the biggest touchpoints we have with patrons and the updates, in addition to being worded in a friendlier tone, also give us the opportunity to promote library programs and other initiatives. It is really exciting to be able to improve and enhance this experience. We continued to offer many virtual programs during the ongoing pandemic, including virtual storytimes and online book discussion groups. We partnered with Ohio Citizens for Deaf Cultures to produce a series of virtual ASL storytimes, which provided digital programming to deaf and hard of hearing children throughout Ohio.