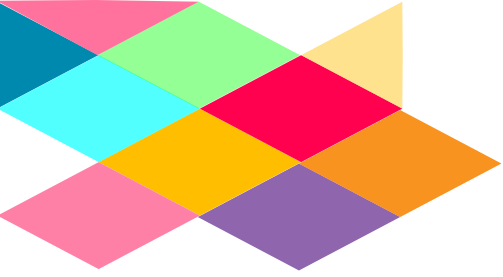




# ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2021

ORANGE COUNTY LIBRARY DISTRICT  
(A COMPONENT UNIT OF ORANGE COUNTY, FLORIDA)



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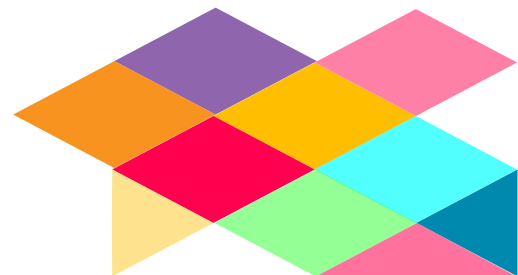
# ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2021

ORANGE COUNTY LIBRARY DISTRICT  
(A COMPONENT UNIT OF ORANGE COUNTY, FLORIDA)

PREPARED BY: FINANCE DEPARTMENT

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**ORANGE COUNTY LIBRARY DISTRICT  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
YEAR ENDED SEPTEMBER 30, 2021**

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## **INTRODUCTORY SECTION**





101 East Central Boulevard  
Orlando, Florida 32801-2471  
phone: 407.835.7323  
website: [www.ocls.info](http://www.ocls.info)

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*Steve Powell,  
Interim Library Director, CEO and COO*

February 2, 2022

To the Library Board of Trustees and Residents of the Orange County Library District:

The Annual Comprehensive Financial Report (ACFR) of the Orange County Library District (District) for the fiscal year ended September 30, 2021 is hereby submitted.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management of the District. To the best of our knowledge and belief, the information presented herein is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The ACFR is presented in four sections:

- **Introductory** – Includes this transmittal letter, the District's organizational chart, a list of principal officials, and the prior year's Certificate of Achievement for Excellence in Financial Reporting.
- **Financial** – Includes the report of independent auditor, management's discussion and analysis, the basic financial statements, required supplementary information, and other supplementary information.
- **Statistical** – Contains selected financial and demographic information, generally presented on a multi-year basis.
- **Compliance** – Contains schedules and reports required by state and federal regulations.

State statute, augmented by the Rules of the Florida Auditor General, requires that the District's financial statements be published within one year of fiscal year end, presented in conformance with generally accepted accounting principles (GAAP) as applicable to governmental entities, and audited in accordance with generally accepted auditing standards by licensed independent certified public accountants. This report serves to fulfill these requirements.

Management of the District is responsible for establishing and maintaining an internal control framework that is designed to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. As a recipient of federal and state financial assistance, the District is also responsible for establishing adequate internal controls to ensure compliance with applicable laws and regulations related to those programs. The District's internal control system is designed to

provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits require estimates and judgments by management. We believe the District's internal controls adequately safeguard assets, provide reasonable assurance of properly recorded financial transactions, and provide reasonable assurance that applicable laws and regulations relating to federal and state financial assistance are being followed.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of independent auditor.

### **District Profile**

The District was established by a special state legislative act, Chapter 80-555, Laws of Florida, approved by referendum on September 9, 1980 as an independent special taxing district, to provide library services for Orange County, Florida (exclusive of the Cities of Winter Park and Maitland). The original act, as amended, was recodified into Chapter 99-486, Laws of Florida.

The District's Governing Board is comprised of the Board of County Commissioners of Orange County, Florida and one member appointed by the City Council of the City of Orlando, Florida. The powers of the Governing Board are primarily limited to levying taxes, issuing long-term debt, appointing members of the Board of Trustees, and exercising powers of eminent domain. The five-member Library Board of Trustees is responsible for managing, administering, and operating all library facilities and services of the District. Library services are provided to approximately 1,405,000 residents through a 290,000 square foot Main Library building and 14 branch facilities, which range in size from 5,600 to 15,700 square feet.

The District adopts annual budgets for all governmental funds on a modified accrual basis. Budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. Budget-to-actual comparisons are provided in this report for each governmental fund.

### **Economic Condition**

Information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

***Local economy.*** The local economy is primarily driven by the tourism and travel industry. Major employers include Walt Disney World Resort, AdventHealth System, Orange County Public Schools, Universal Studios, Orlando Health, University of Central Florida, The School District of Osceola County, Orange County Government, Seminole County Public Schools, and Lake County Schools. The two largest property taxpayers of the District are the Walt Disney World Company and Universal Studios.

***Long-term financial planning.*** Orange County is a high growth area and as more residents move into the boundaries of the Library's District, there are increasing needs for additional branch libraries. Management of the District is accumulating financial resources to acquire appropriate sites and construct new branch facilities. Each year, funds are transferred from the District's General Fund to the Capital Projects Fund specifically for future branch development. During the



fiscal year ended September 30, 2021, \$9,100,000 was transferred for this purpose and the subsequent year's budget allocated \$4,000,000 for this purpose. As of September 30, 2021, the District had accumulated \$23,120,942 in the Capital Projects Fund for future branch development.

**Relevant financial policies.** It is common to read news stories about State and local governments having underfunded defined benefit pension and other postemployment benefit (OPEB) plans. Through conservative investment assumptions (6.75% for pension and 6.5% for OPEB) and annually contributing the contribution required by actuaries, the District has appropriately funded plans. Each of the two plans have funded ratios in excess of 100%. Funding these plans appropriately also saves the taxpayers money as the earnings on the investments reduces the contributions that the District must make.

**Major initiatives.** During the fiscal year ended September 30, 2021, the District remodeled four (4) branches renovating the restrooms and standardizing the carpet and paint style and colors in the collection areas. For FY 2021-2022, the District plans to remodel two (2) more branches and replace the roof at the North Orange Branch. The District will also award the architect and construction manager contracts for the Horizon West branch as well as negotiate the Lake Nona Branch lease with the City of Orlando.

#### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Orange County Library District for its comprehensive annual financial report for the fiscal year ended September 30, 2020. This was the eighteenth consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

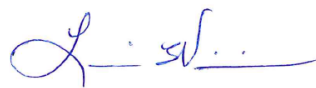
A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the District's Finance Department staff. We would also like to extend our appreciation to the Library Board of Trustees for their considerable contributions and support. Finally, we would like to thank the accounting firm of Cherry Bekaert LLP for helping to bring this report together.

Sincerely,

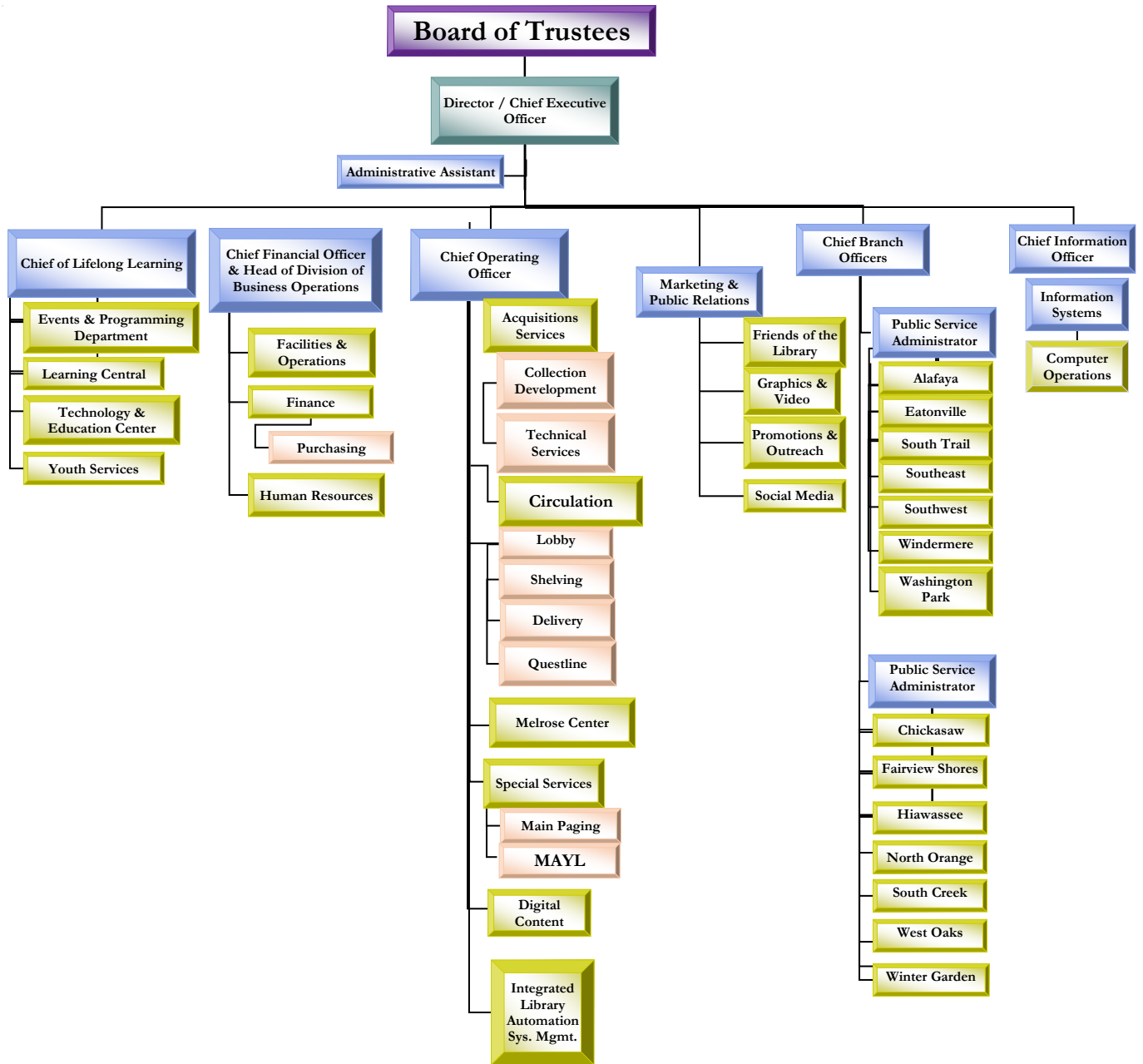


Kristopher S, Shoemaker, CMA, CGFO  
Chief Financial Officer



Lovevia Williams, CPA  
Finance Manager

# ORANGE COUNTY LIBRARY DISTRICT ORGANIZATIONAL CHART



**ORANGE COUNTY LIBRARY DISTRICT**  
**List of Principal Officials**  
**FY 2020-2021**

**Library Board of Trustees**

Crockett Bohannon	President
Nicole Benjamin	Vice President
Richard Maladecki	Trustee
Danielle Levien	Trustee
Lizannette Tam	Trustee

**Director/Chief Executive Officer**

Mary Anne Hodel

**Chief Financial Officer**

Kristopher Shoemaker, CMA, CGFO

**Finance Manager**

Lovevia Williams, CPA



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Orange County Library District  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2020

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

## Report of Independent Auditor

To the Members of the Orange County Library Board of Trustees  
Orange County Library District  
Orlando, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Orange County Library District (the "District"), a component unit of Orange County, Florida, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of the internal service fund, presented in the District's basic financial statements, and each of the fiduciary funds of the District, presented as other supplementary information in the accompanying combining financial statements, as of and for the year ended September 30, 2021, and the related notes to the financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of September 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly in all material respects, the respective financial position of the internal service fund and each fiduciary fund of the District as of September 30, 2021 and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

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

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements and on the fiduciary funds presented as other supplementary information. The introductory and statistical sections and capital projects fund, capital projects sinking fund and permanent fund budgetary comparison information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Cheryl Behrman CPA". The signature is written in a cursive style.

Orlando, Florida  
February 2, 2022

# Management's Discussion and Analysis

The following discussion and analysis of the Orange County Library District's (the "District") financial statements provides an overview of the District's financial activities for the fiscal year ended September 30, 2021. This analysis is designed to assist the reader of the financial statements in focusing on the significant financial issues and activities and to identify any significant changes in financial position. The information presented here should be considered in conjunction with the financial statements taken as a whole.

## **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements, which are comprised of the following three components.

- ❑ Government-wide financial statements
- ❑ Fund financial statements
- ❑ Notes to the financial statements

### ***Government-wide financial statements***

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances taken as a whole, in a manner similar to a business.

The *statement of governmental net position* presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Assets, deferred outflows of resources, liabilities, and deferred inflows of resources are reported in this statement based on the accrual method of accounting, which is used by most businesses.

The *statement of governmental activities* presents information showing how the District's net position changed during the year. This statement includes all of the District's revenues and expenses, regardless of when the cash is received or paid.

The government-wide financial statements are located on pages 14-15 of this report.

### ***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. Like other local governments, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the District's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for the same library activities reported in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows in and out of the individual funds and the balances left at year-end that are available for spending. These funds are reported based on the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted to cash. Governmental fund statements provide a short-term view of the District's financial operations.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it may be useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. Both the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison.

The District's governmental funds consist of the General Fund, Capital Projects Fund, Capital Projects Sinking Fund, and Permanent Fund, all of which are reported as major funds. Information is presented separately in the governmental balance sheet and statement of revenues, expenditures, and changes in fund balances for each of these funds. The governmental fund financial statements can be found on pages 16 - 18 of this report.

The District adopted an annual budget for each of its governmental funds. Budgetary comparison schedules are located on page 49 for the General Fund and on pages 59 - 61 for the other funds.

**Proprietary funds.** The District maintains one type of proprietary fund. An *internal service fund* is an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses its Internal Service Fund to account for its self-insured health coverage provided to employees and retirees. Because these services benefit governmental functions, they have been included within governmental activities in the government-wide financial statements. The basic Internal Service Fund financial statements can be found on pages 19 - 21.

**Fiduciary funds.** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the District. The District is the fiduciary for the Defined Benefit, Defined Contribution, and Money Purchase Pension Plans as well as the Other Post employment Benefit Plan. The combined activities for these plans are reported in the Statement of Fiduciary Net Position – Pension and Other Post employment Benefit Trust Funds, and Statement of Changes in Fiduciary Net Position – Pension and Other Post employment Benefit Trust Funds on pages 22 - 23 of this report. Combining financial statements for the plans can be found on pages 57 - 58. The financial activities for these plans are excluded from the District's government-wide financial statements because the District cannot use the assets to finance its operations.

#### ***Notes to the financial statements***

The *notes to the financial statements* provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24 - 48 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which can be found on pages 49 - 56 of this report.

### **Government-wide Financial Analysis**

The following summarizes the District's net position at September 30, 2021 and 2020.

	<b>2021</b>	<b>2020</b>
Current and other assets	\$83,439,665	\$53,145,941
Capital assets	32,478,947	32,866,257
<b>Total assets</b>	<b>115,918,612</b>	<b>86,012,198</b>
Deferred outflows of resources	164,857	597,933
<b>Total assets and deferred outflows of resources</b>	<b>116,083,469</b>	<b>86,610,131</b>
Current liabilities	3,063,307	4,133,985
Long term liabilities	1,457,892	1,221,023
<b>Total liabilities</b>	<b>4,521,199</b>	<b>5,355,008</b>
Deferred inflows of resources	14,198,772	6,154,355
<b>Total liabilities and deferred inflows of resources</b>	<b>18,719,971</b>	<b>11,509,363</b>
Net position:		
Investment in capital assets	32,478,947	32,866,257
Restricted	26,058,685	11,429,317
Unrestricted	38,825,866	30,805,194
<b>Total net position</b>	<b>\$97,363,498</b>	<b>\$75,100,768</b>

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. During the year ended September 30, 2021, the District increased its net position through operating results by \$22,262,730 and assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$97,363,498 as of the end of the fiscal year.

The largest portion of the District's net position is its investment in capital assets (land, buildings, improvements, furniture and equipment, computer equipment, library books, and construction in progress). The District uses capital assets to provide library services. Consequently, these assets are not available for future spending. The District does not have any debt associated with its capital assets.

A second category of net position is referred to as restricted since the resources are related to net OPEB and/or net pension assets or are otherwise subject to external restrictions on how they can be used. This category consists of funds donated to the District, which can only be used for specified purposes.

The last category, unrestricted, may be used to meet the District's ongoing obligations to citizens and creditors.

The following summarizes the District's governmental activities for the years ended September 30, 2021 and 2020.

	<b>2021</b>	<b>2020</b>
<b>Program Revenues</b>		
Charges for services	\$746,202	\$820,986
Operating grants and contributions	1,302,423	1,182,531
<b>General Revenues</b>		
Property taxes	52,539,629	48,227,320
Investment income	327,460	780,606
Miscellaneous	242,626	153,710
<b>Total revenues</b>	<b>55,158,340</b>	<b>51,165,153</b>
<b>Expenses</b>		
Salaries and benefits	17,503,948	22,003,497
Operating	8,240,745	9,168,322
Depreciation	3,674,840	3,782,117
Materials	3,476,077	3,301,894
<b>Total expenses</b>	<b>32,895,610</b>	<b>38,255,830</b>
<b>Changes in net position</b>	<b>22,262,730</b>	<b>12,909,323</b>
<b>Net position-beginning of year</b>	<b>75,100,768</b>	<b>62,191,445</b>
<b>Net position - end of year</b>	<b>\$97,363,498</b>	<b>\$75,100,768</b>

- Charges for services reflect a decline due to decreased services attributed to the COVID 19 pandemic.
- Operating grants and contributions increased due to various grants and a large estate contribution received in September 2021.
- While the tax rate did not change, property taxes increased \$4,312,309 due to higher property values and new construction.
- Investment income was down \$453,146 due to low interest rates and the market environment.



- Salaries and benefits decreased by \$4,499,549 during the year ended September 30, 2021. Approximately \$1.71 million of this decrease is due to not filling approximately 40 vacancies throughout the year due to a change in operating hours as a result of the pandemic. About \$435,000 of the decrease is related to the reduced compensated absences as a result of employee separations during the year. Approximately \$800,000 is related to OPEB and \$1.54 million is related to Defined Benefit balances. Of the \$800,000 decrease in the OPEB Liability, around \$669,000 is related to higher than anticipated earnings on the plan investments. Of the \$1.54 million decrease in Defined Benefit Fund Liability, approximately \$1.42 million is related to the stronger than anticipated financial performance of our investment portfolio during the fiscal year.
- The \$927,577 reduction in operating expenditures is due to the curtailment of expenses, changes in operating hours and energy conservation activities in response to the pandemic.
- Based on current trends, the Library increased spending on electronic resources, including ebooks by \$174,183 from FY 2020.

### **Fund Financial Analysis**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The District's governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is used to account for all revenues and expenditures applicable to the general operations of the District, which are not required to be accounted for in another fund. Unassigned fund balance increased from \$13,312,423 to \$18,154,274. This is due to FY 2019-20 revenues exceeding expenses and being placed in unrestricted reserves. There was an increase of property taxes of \$4,312,309, as noted in the government-wide discussion above. Salaries and benefits decreased by \$1,719,509, which was due to vacancies in positions. Operating expenditures decreased by \$927,577 as previously discussed.

The \$9,085,317 increase in the Capital Projects Fund was due to a \$9,100,000 transfer from the General Fund for future branch development. The entire fund balance of \$23,120,942 is assigned for capital projects focused on future branch development, specifically the Horizon West and Lake Nona branches.

The Capital Projects Sinking Fund was established to accumulate resources for future building improvements such as capital maintenance and major technology purchases. Fund balance increased by \$1,950,960 during the year due to anticipated need to replace the roof at the Main Library in the next few years. The entire fund balance of \$3,013,866 is assigned for future building improvement projects. The target balance of this fund is \$5,000,000.

Fund balance in the Permanent Fund increased by \$263,033 resulting from investment earnings for a Fund balance of \$1,572,687. Of the ending fund balance, \$1,000,000 is non-spendable and the remaining \$572,687 is restricted for upgrades to the Melrose Center.

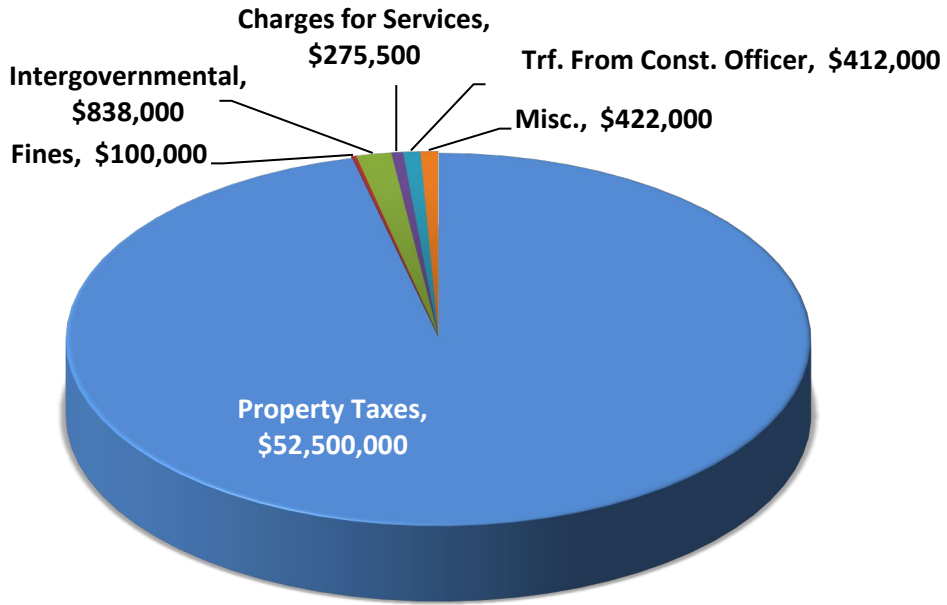
**General Fund Budgetary Highlights**

The District adopted a budget for its General Fund (see page 49) prior to the start of its fiscal year and did not amend it. Accordingly, the original and final budgets are the same.

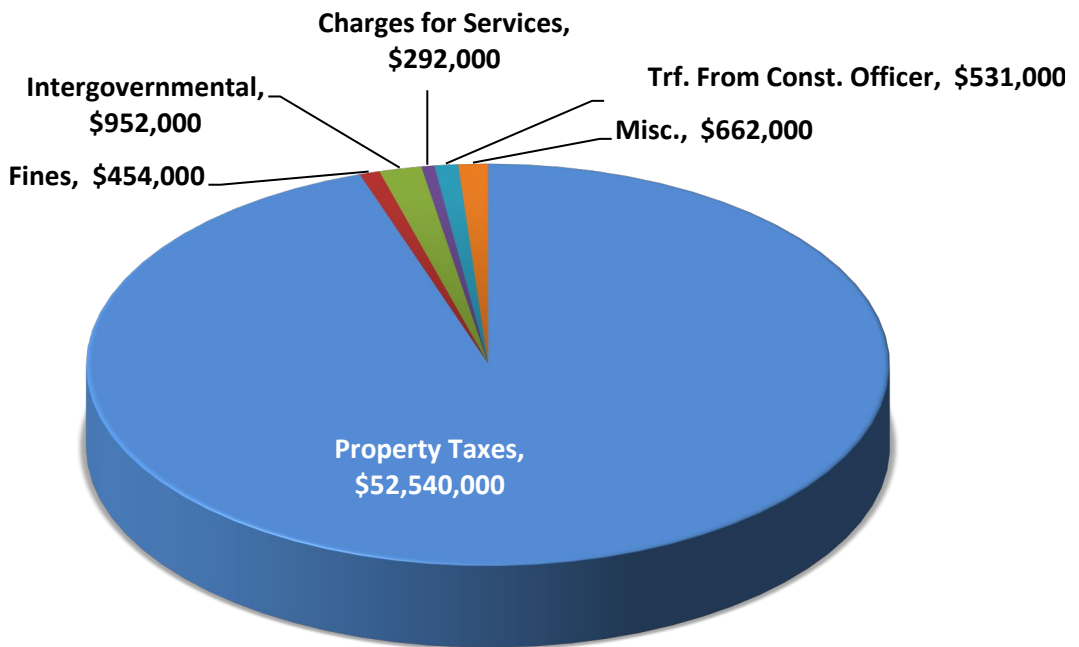
The following charts show the budget versus actual for revenues and expenditures.

# GENERAL FUND

## Budgeted Revenues and Transfers - \$54,547,500

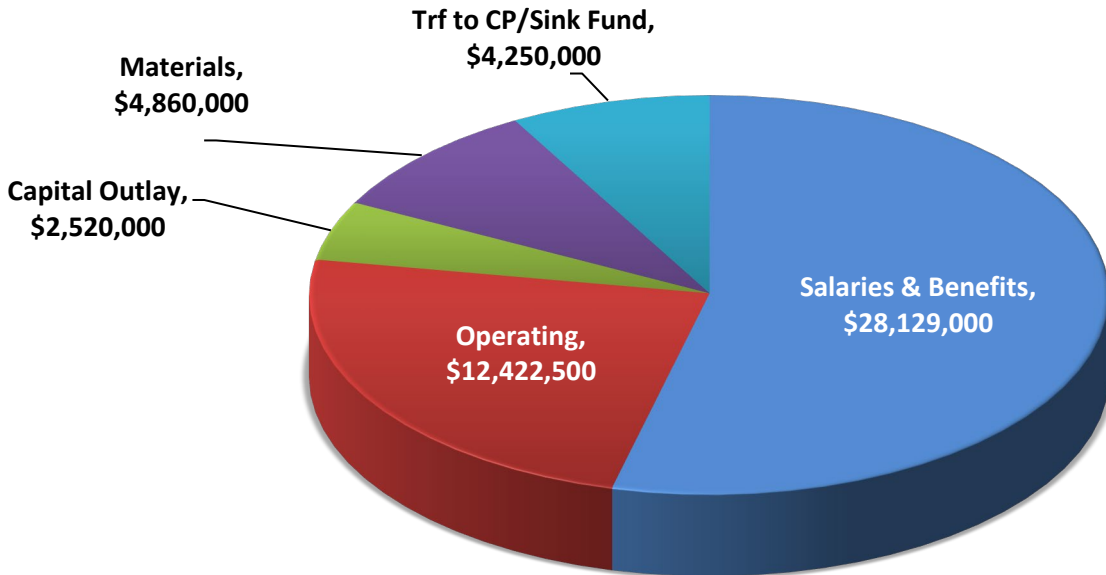


## Actual Revenues and Transfers - \$55,431,000

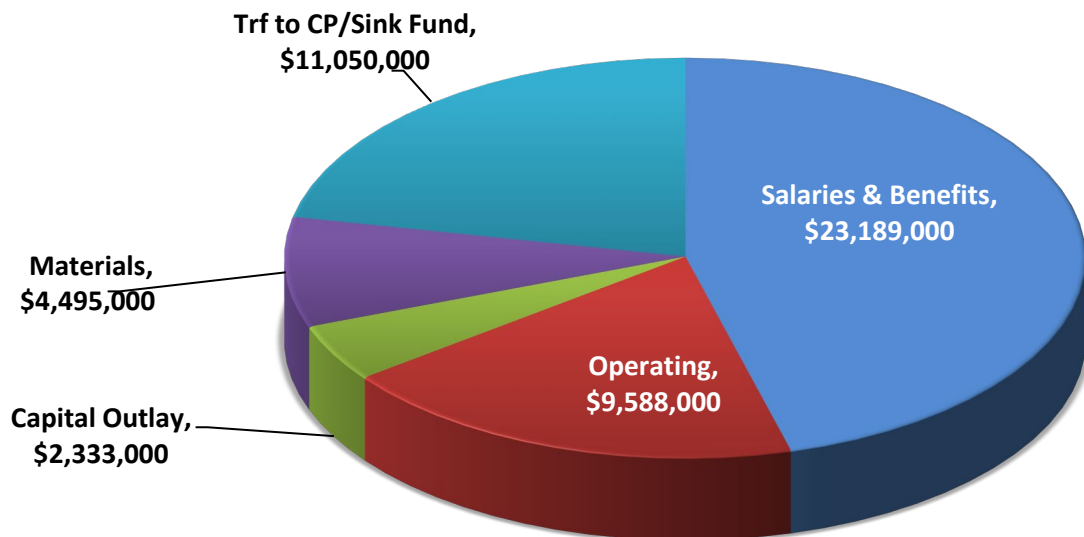


# GENERAL FUND

## Budgeted Expenditures and Transfers - \$52,181,500



## Actual Expenditures and Transfers - \$50,655,000



The following summarizes significant variations between the amounts budgeted and the actual amounts for the General Fund.

**Property Taxes** – The District budgets 95% of the taxes levied but, due to discounts offered for early payment, receives a slightly higher percentage.

**Intergovernmental Revenues** – Actual county, state and federal grant revenues received during the year were \$113,936 more than budget due to additional funding received from the State and Federal agencies.

**Fines** – Fines revenues were \$353,995 higher than budget because we budgeted conservatively due to the unknown effect that Covid-19 would have on our operations (the budget was established in April of 2020 at the height of the Covid-19 pandemic ).

**Investment Income** – Investment income came in \$173,609 lower than budgeted because we anticipated the same rate of return in FY 2020-21 as we received in FY 2019-20, which did not occur.

**Miscellaneous** - Included in miscellaneous revenue, the District recognized \$50,589 from the Supervisor of Elections for using our facilities for polling locations, and \$34,111 from Sun Trust for the Commercial Card program rebate. There were also various rebates and reimbursements that were received that were not budgeted that is included in the \$132,936 amount.

**Salaries and Benefits** – The salaries and benefits were under budget by \$4,939,624 because of not filling approximately 40 vacancies throughout the year. The positions were authorized and funded, however we altered operating hours and days which allowed the District to need less staff during the pandemic.

**Operating** - The District expended \$9,588,166, of the \$12,422,500 operating budget. Other contractual services were underspent by \$612,457 and supplies were underspent by \$350,275 due to a reduction in spending caused by the effects of the pandemic. The hardware and software supplies were underspent by \$440,275 due to the lower replacement cost of computers and spending curtailment due to the pandemic. Rentals and leases were underspent by \$233,267 as we did not re-open the Herndon Branch location at the end of its lease.

**Capital Outlay** - Of the total \$7,380,000 budget, this category was underspent by \$552,312, primarily due to underspending on equipment and furniture and hardware/software based on lower pricing and underspending on materials due to change in usage/demand from physical to electronic material from our patrons.

### **Capital Assets**

The District's capital assets, net of accumulated depreciation, consist of the following at September 30, 2021 and 2020.

	<b><u>2021</u></b>	<b><u>2020</u></b>
Land	\$3,349,802	\$3,349,802
Buildings	9,072,391	9,817,259
Improvements	15,083,608	14,675,687
Furniture and equipment	1,025,410	1,165,100
Library books and audiovisual materials	2,239,903	2,456,649
Computer equipment	924,677	982,834
Construction in Progress	783,156	418,926
<b>Total Capital Assets</b>	<b><u>\$32,478,947</u></b>	<b><u>\$32,866,257</u></b>

Significant capital asset purchases included the following:

- The Albertson Room at the Main Library was Renovated at a total cost of \$302,996.
- Various restrooms were renovated at the Alafaya, North Orange and West Oaks locations for a total amount of \$597,461.
- The North Orange branch was refreshed totaling \$222,423, and the West Oaks branch was also refurbished at a cost of \$138,200.

Additional information on the District's capital assets can be found on page 35 of this report.

### **Long Term Liabilities**

The District's long-term liabilities consist of the following at September 30, 2021 and 2020.

	<b><u>2021</u></b>	<b><u>2020</u></b>
Accrued compensated absences	\$3,058,629	\$2,855,215

Additional information on the District's long term debt can be found on page 36 of this report.

### **Financial/Economic Outlook**

In January 2022, the Library re-opened the meeting rooms, resumed having in-person events as well as re-opening 5 locations on Sundays after a nearly 2 year hiatus due to the pandemic. This will result in increased wages and benefit expenses when compared to FY 2020-21. On the revenues side, the property values in Orange County, Florida have risen significantly and will provide more Ad Valorem taxes for operations and future capital outlay.

### **Requests for Financial Information**

This report is designed to provide a general overview of the District's finances and to show accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be directed to:

Lovevia Williams, CPA, Finance Manager  
Orange County Library District  
101 East Central Blvd.  
Orlando, Florida 32801



## **BASIC FINANCIAL STATEMENTS**

# ORANGE COUNTY LIBRARY DISTRICT

## Statement of Governmental Net Position

September 30, 2021

### Assets and Deferred Outflows of Resources

Cash and cash equivalents	\$ 6,972,609
Investments	50,487,787
Due from other governmental agencies	661,011
Due from OPEB Trust Fund	562,763
Other receivables	97,656
Inventory	149,944
Prepaid items	179,414
Net pension asset	15,381,634
Net OPEB asset	8,946,847
Nondepreciable capital assets	4,132,958
Depreciable capital assets (net of accumulated depreciation)	<u>28,345,989</u>
<b>Total assets</b>	115,918,612
Deferred outflows of resources related to pension and OPEB	<u>164,857</u>
<b>Total assets and deferred outflows of resources</b>	<u>116,083,469</u>

### Liabilities and Deferred Inflows of Resources

Accrued salaries payable	243,181
Other accrued liabilities	21,861
Accounts payable	894,906
Claims payable	284,345
Retainage payable	18,277
Long-term liabilities:	
Due within one year	1,600,737
Due beyond one year	<u>1,457,892</u>
<b>Total liabilities</b>	4,521,199
Deferred inflows of resources related to pension and OPEB	<u>14,198,772</u>
<b>Total liabilities and deferred inflows of resources</b>	<u>18,719,971</u>

### Net Position

Investment in capital assets	32,478,947
Restricted for:	
Net pension and OPEB asset	24,328,481
Nonexpendable endowments and Melrose Center	1,730,204
Unrestricted	<u>38,825,866</u>
<b>Total net position</b>	<u>\$ 97,363,498</u>

# ORANGE COUNTY LIBRARY DISTRICT

## Statement of Governmental Activities

Year Ended September 30, 2021

### Program expenses:

Salaries and benefits	\$ 17,503,948
Operating	8,240,745
Depreciation	3,674,840
Electronic materials	<u>3,476,077</u>

### Total program expenses

32,895,610

### Program revenues:

Charges for services	746,202
Operating grants and contributions	<u>1,302,423</u>

### Total program revenues

2,048,625

### Net program (expenses)

(30,846,985)

### General revenues:

Property taxes	52,539,629
Investment income	327,460
Miscellaneous	<u>242,626</u>

### Total general revenues

53,109,715

### Change in net position

22,262,730

### Net position - beginning

75,100,768

### Net position - ending

\$ 97,363,498

**ORANGE COUNTY LIBRARY DISTRICT**

**Balance Sheet**

**Governmental Funds**

**September 30, 2021**

	<u>General</u>	<u>Capital Projects</u>	<u>Capital Projects Sinking</u>	<u>Permanent</u>	<u>Total Governmental Funds</u>
<b>Assets</b>					
Cash and cash equivalents	\$ 3,902,110	\$ 908,998	\$ 118,701	\$ 113	\$ 4,929,922
Investments	19,650,823	22,211,944	2,895,165	1,572,574	46,330,506
Due from other governmental agencies	661,011	-	-	-	661,011
Other receivables	83,425	-	-	-	83,425
Inventory	149,944	-	-	-	149,944
Prepaid items	179,414	-	-	-	179,414
<b>Total assets</b>	<u>\$ 24,626,727</u>	<u>\$ 23,120,942</u>	<u>\$ 3,013,866</u>	<u>\$ 1,572,687</u>	<u>\$ 52,334,222</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accrued salaries payable	\$ 243,181	\$ -	\$ -	\$ -	\$ 243,181
Other accrued liabilities	20,386	-	-	-	20,386
Accounts payable	894,906	-	-	-	894,906
Retainage payable	18,277	-	-	-	18,277
<b>Total liabilities</b>	<u>1,176,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,176,750</u>
<b>Fund Balances:</b>					
Nonspendable:					
Inventory	149,944	-	-	-	149,944
Prepaid items	179,414	-	-	-	179,414
Annetta O'B Walker Trust Fund	4,000	-	-	-	4,000
A.P. Phillips Jr. Memorial Fund	100,000	-	-	-	100,000
Perce C. and Mary M. Gullet Memorial Fund	19,805	-	-	-	19,805
Willis H. Warner Memorial Fund	33,712	-	-	-	33,712
Kendrick B. Melrose Donation	-	-	-	1,000,000	1,000,000
Restricted For:					
Melrose Center	-	-	-	572,687	572,687
Committed To:					
Strategic Plan	4,000,000	-	-	-	4,000,000
Edmund L. Murray Estate Fund	724,689	-	-	-	724,689
Arthur Sondheim Estate Fund	39,941	-	-	-	39,941
Vivian Esch Estate Fund	44,198	-	-	-	44,198
Assigned To:					
Capital Projects	-	23,120,942	3,013,866	-	26,134,808
Unassigned:	18,154,274	-	-	-	18,154,274
<b>Total fund balances</b>	<u>23,449,977</u>	<u>23,120,942</u>	<u>3,013,866</u>	<u>1,572,687</u>	<u>51,157,472</u>
<b>Total liabilities and fund balances</b>	<u>\$ 24,626,727</u>	<u>\$ 23,120,942</u>	<u>\$ 3,013,866</u>	<u>\$ 1,572,687</u>	<u>\$ 52,334,222</u>
Total fund balances					\$ 51,157,472
Capital assets reported in government-wide financial statements					32,478,947
Net pension asset reported in the government-wide financial statements					15,381,634
Net OPEB asset reported in the government-wide financial statements					8,946,847
Long-term liabilities reported in government-wide financial statements					(3,058,629)
Assets and liabilities of internal service fund included in government-wide financial statements					6,491,142
Deferred outflows of resources related to pensions and OPEB reported in government-wide financial statements					164,857
Deferred inflows of resources related to pensions and OPEB reported in government-wide financial statements					<u>(14,198,772)</u>
Net position of governmental activities					<u>\$ 97,363,498</u>

**ORANGE COUNTY LIBRARY DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**Year Ended September 30, 2021**

	<u>General</u>	<u>Capital Projects</u>	<u>Capital Projects Sinking</u>	<u>Permanent</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>					
Taxes:					
Property	\$ 52,539,629	\$ -	\$ -	\$ -	\$ 52,539,629
Intergovernmental revenues:					
State aid to libraries	654,014	-	-	-	654,014
Federal grants	154,884	-	-	-	154,884
Other state grants	55,586	-	-	-	55,586
County grants	87,452	-	-	-	87,452
Charges for services:					
Fines	453,995	-	-	-	453,995
Copiers and printers	162,623	-	-	-	162,623
Other fees	129,584	-	-	-	129,584
Miscellaneous revenue:					
Investment income	51,391	12,076	960	263,033	327,460
Contributions	330,187	-	-	-	330,187
Other	279,936	-	-	-	279,936
<b>Total revenues</b>	<u>54,899,281</u>	<u>12,076</u>	<u>960</u>	<u>263,033</u>	<u>55,175,350</u>
<b>Expenditures:</b>					
Current:					
Salaries and benefits	23,189,376	-	-	-	23,189,376
Operating	9,056,711	-	-	-	9,056,711
Capital outlay	6,827,688	26,759	-	-	6,854,447
<b>Total expenditures</b>	<u>39,073,775</u>	<u>26,759</u>	<u>-</u>	<u>-</u>	<u>39,100,534</u>
<b>Revenues over (under) expenditures</b>	15,825,506	(14,683)	960	263,033	16,074,816
<b>Other financing sources (uses):</b>					
Transfers in (out)	<u>(11,050,000)</u>	<u>9,100,000</u>	<u>1,950,000</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	4,775,506	9,085,317	1,950,960	263,033	16,074,816
<b>Fund balances at beginning of year</b>	<u>18,674,471</u>	<u>14,035,625</u>	<u>1,062,906</u>	<u>1,309,654</u>	<u>35,082,656</u>
<b>Fund balances at end of year</b>	<u>\$ 23,449,977</u>	<u>\$ 23,120,942</u>	<u>\$ 3,013,866</u>	<u>\$ 1,572,687</u>	<u>\$ 51,157,472</u>

**ORANGE COUNTY LIBRARY DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances of Governmental Funds to the**  
**Statement of Governmental Activities**  
**Year Ended September 30, 2021**

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

Net change in fund balances - total governmental funds	\$ 16,074,816
--	---------------

Governmental funds report all capital outlays as expenditures. However, in the statement of governmental activities the cost of capital outlay, other than electronic library books and other materials, is allocated over estimated useful lives and reported as depreciation expense. This is the amount of capital outlay not reported as electronic materials expense on the statement of governmental activities.	3,378,370
--	-----------

In the statement of activities, a gain or loss on the disposition of capital assets is reported, whereas in the governmental funds, the proceeds received from disposition of capital assets increases financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of capital assets disposed of.	(90,840)
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Depreciation of capital assets, not reported in governmental funds.	(3,674,840)
---	-------------

Some items affecting expenses reported in the statement of governmental activities do not require the use of current financial resources and, therefore, are not reported in governmental funds, as follows:	
Increase in net pension asset	8,975,574
Increase in accrued compensated absences	(203,414)
Increase in net OPEB asset	5,390,761

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	
Decrease in deferred outflows of resources	(433,076)
Increase in deferred inflows of resources	(8,044,417)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The change in net position of internal service funds is reported with governmental activities.	889,796
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Change in net position of governmental activities	<u>\$ 22,262,730</u>
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**ORANGE COUNTY LIBRARY DISTRICT**  
**Statement of Net Position-**  
**Internal Service Fund**  
**September 30, 2021**

**Assets**

Current Assets:

Cash and cash equivalents	\$ 2,042,687
Investments	4,157,281
Due from OPEB Trust Fund	562,763
Accounts receivable	<u>14,231</u>

**Total current assets** 6,776,962

**Liabilities**

Current Liabilities:

Claims payable	284,345
Accrued expenses	<u>1,475</u>

**Total current liabilities** 285,820

**Unrestricted net position** \$ 6,491,142

**ORANGE COUNTY LIBRARY DISTRICT**  
**Statement of Revenues, Expenses, and Changes in Net Position-**  
**Internal Service Fund**  
**Year Ended September 30, 2021**

<b>Operating Revenues</b>	
Charges for services	\$ 2,914,855
	<u>2,914,855</u>
<b>Operating Expenses</b>	
Claims expenses	1,774,126
Stop loss insurance	198,469
Contractual services	53,516
	<u>2,026,111</u>
<b>Total operating expenses</b>	
	<u>2,026,111</u>
Operating income	888,744
<b>Nonoperating Revenues</b>	
Investment earnings	1,052
	<u>1,052</u>
<b>Total net operating revenues</b>	
	<u>1,052</u>
Change in net position	889,796
<b>Net position - beginning of year</b>	<u>5,601,346</u>
<b>Net position - end of year</b>	<u><u>\$ 6,491,142</u></u>

**ORANGE COUNTY LIBRARY DISTRICT**  
**Statement of Cash Flows-**  
**Internal Service Fund**  
**Year Ended September 30, 2021**

<b>Cash flows from operating activities</b>	
Receipts from charges for services	\$ 2,923,134
Cash payments for claims and expenses	<u>(2,244,516)</u>
<b>Net cash provided by operating activities</b>	<u>678,618</u>
 <b>Cash flows from investing activities</b>	
Purchase of investments	(220,191)
Sale of investments	150,692
Income from investments	<u>9,085</u>
<b>Net cash used by investing activities</b>	<u>(60,414)</u>
 <b>Net increase in cash and cash equivalents</b>	 618,204
 <b>Cash and cash equivalents, October 1, 2020</b>	 <u>1,424,483</u>
 <b>Cash and cash equivalents, September 30, 2021</b>	 <u><u>\$ 2,042,687</u></u>
 <b>Reconciliation of operating income to cash flows from operating activities</b>	
Operating income	\$ 888,744
Adjustments to reconcile operating income to net cash used by operating activities:	
Increase in accounts receivable	(14,231)
Increase in due from OPEB Trust Fund	(57,872)
Decrease in claims payable and accrued expenses	<u>(138,023)</u>
 <b>Net cash provided by operating activities</b>	 <u><u>\$ 678,618</u></u>

**ORANGE COUNTY LIBRARY DISTRICT**  
**Statement of Fiduciary Net Position-**  
**Pension and Other Postemployment Benefit Trust Funds**  
**September 30, 2021**

**Assets**

Cash and cash equivalents	\$ 782,220
Notes receivable from plan participants	113,332
Investments:	
Commingled account:	
Fixed income	14,437,048
Mutual funds:	
Domestic equities	67,157,979
International equities	26,435,616
Stable value	2,876,463
Fixed income	11,306,661
Real estate	<u>3,388,947</u>
Total investments	<u>125,602,714</u>
<b>Total assets</b>	<u><u>126,498,266</u></u>

**Liabilities**

Accounts payable	57,520
Due to Internal Service Fund	<u>562,763</u>
<b>Total liabilities</b>	<u><u>620,283</u></u>

**Net Position**

Restricted for:	
Pensions	104,909,016
Other postemployment benefits	<u>20,968,967</u>
<b>Total net position</b>	<u><u>\$ 125,877,983</u></u>

**ORANGE COUNTY LIBRARY DISTRICT**  
**Statement of Changes in Fiduciary Net Position-**  
**Pension and Other Postemployment Benefit Trust Funds**  
**Year Ended September 30, 2021**

**Additions:**

Employer contributions:	
General Fund	\$ 3,190,408
Employee contributions:	
Rollovers	67,314
Investment income	23,631,457
Investment expenses	(76,131)
Miscellaneous revenue	54
	26,813,102
<b>Total additions</b>	<b>26,813,102</b>

**Deductions:**

Benefits paid to participants	4,176,323
Administrative expenses	40,357
	4,216,680
<b>Total deductions</b>	<b>4,216,680</b>

<b>Increase in net position</b>	22,596,422
<b>Net position - beginning of year</b>	103,281,561
<b>Net position - end of year</b>	\$ 125,877,983

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 1 - Summary of significant accounting policies**

***Reporting entity***

The Orange County Library District (the "District") was established by a special state legislative act, Chapter 80-555, Laws of Florida, approved by referendum on September 9, 1980 as an independent special taxing district, to provide library services for Orange County, Florida (exclusive of the Cities of Winter Park and Maitland). The original act, as amended, was recodified into Chapter 99-486, Laws of Florida.

The District's Governing Board is comprised of the Board of County Commissioners of Orange County, Florida (the "County") and one member appointed by the City Council of the City of Orlando, Florida. A five member Board of Trustees (the "Board") is appointed by the Governing Board to manage, administer and operate all library facilities and services of the District. The District is a component unit of the County because the District's Governing Board is substantially the same as that of the County and the District is fiscally dependent on the County for issuance of bonded debt.

***Government-wide and fund financial statements***

The government-wide financial statements (i.e., the statement of governmental net position and the statement of governmental activities) report information on all of the nonfiduciary activities of the District. With the exception of interfund services provided and used, the effect of interfund activity has been removed from these statements.

The statement of governmental activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers who purchase, use, or directly benefit from goods or services provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and pension and other postemployment benefit trust funds, even though the trust funds are excluded from the government-wide financial statements. All of the District's individual governmental funds are reported as major and are presented as separate columns in the fund financial statements.

***Measurement focus, basis of accounting, and financial statement presentation***

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting under governmental accounting standards, as are the internal service and pension and other postemployment benefit trust fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 1 - Summary of significant accounting policies (continued)**

For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property taxes and investment earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The Internal Service Fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from claims activities, whereas non-operating items consist of investing activities.

*Governmental Funds* - The District reports the following governmental funds, all of which are major funds:

General Fund is used to account for all revenues and expenditures applicable to the general operations of the District, except those required to be accounted for in another fund.

Capital Projects Fund is used to account for resources designated to construct or acquire capital assets and major improvements.

Capital Projects Sinking Fund is used to accumulate resources for the future construction or acquisition of capital assets and major improvements.

Permanent Fund is used to account for resources that are legally restricted to the extent that only earnings, and not principal, are used for purposes that support the District's programs.

*Proprietary Funds* - The District reports the Internal Service Fund to account for health self insurance activities.

*Fiduciary Funds* - The District reports pension and other postemployment benefit trust funds to account for the activities of the Defined Benefit, Defined Contribution, and Money Purchase Pension Plans and the Other Postemployment Benefit Plan.

***Budgetary requirements***

Expenditures are controlled by appropriations in accordance with budgetary requirements set forth in the Florida Statutes. The budgeted revenues and expenditures in the accompanying financial statements reflect any amendments approved by the Board of Trustees.

Budgets for the governmental fund types were adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets are not adopted for the internal service, pension, and other postemployment benefit trust funds. Expenditures cannot exceed appropriations by fund level. Appropriations lapse at the close of the fiscal year to the extent that they have not been expended.

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 1 - Summary of significant accounting policies (continued)**

***Cash and cash equivalents***

Cash and cash equivalents include cash on hand, demand deposits, and money market accounts. Investments in external pools, including Florida Prime and Florida Safe, are considered investments.

***Investments***

Investments are stated at fair value, net asset value (NAV) or amortized cost, which approximate fair value. Investment income includes all realized and unrealized gains and losses. Interest and dividend income is recognized on the accrual basis.

***Inventory and prepaid items***

Inventory is stated at cost on the basis of the "first-in", "first-out" method of accounting. The effect of this method is to flow costs through operations in the order in which the items were purchased. Inventory and prepaid costs are recorded as expenditure at the time individual items are consumed (consumption method).

***Capital assets***

Capital assets consist of facilities and equipment used in the District's operations and is recorded as expenditures in the General Fund, Capital Projects Fund, Capital Projects Sinking Fund, or Permanent Fund at the time goods are received and a liability is incurred. Capital assets are defined by the District as assets with an initial, individual cost of at least \$1,000 and an estimated useful life in excess of two years or more. Except library books, which are capitalized using a composite method, these assets are capitalized at historical cost in the government-wide financial statements and are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Improvements	15
Furniture and equipment	10
Library books & audiovisual materials	4
Computer equipment	4

The District capitalizes library books and similar audiovisual materials. Annually, purchased additions are capitalized at cost. Fully depreciated materials are reported as deletions from capital assets in the year after they become fully depreciated.

Accumulated depreciation is recorded from the date each asset was placed in service. The District's sole function is to provide library service. As a result, depreciation expense on capital assets is deemed to be a direct expense and is not subject to allocation. Donated assets are recorded as capital assets at acquisition value upon the date of donation.



**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 1 - Summary of significant accounting policies (continued)**

***Compensated absences***

It is the policy of the District to permit employees to accumulate earned but unused leave benefits, a limited amount of which will be paid to employees upon separation from service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the government-wide financial statements. For governmental funds, there is no legal requirement to accumulate expendable available financial resources to liquidate the obligation; thus expenditures are recognized in the governmental funds when payments are made to employees.

***Long-term liabilities***

In accordance with accounting principles generally accepted in the United States of America, long-term liabilities are not recognized in the Governmental Fund financial statements. They are instead reported as liabilities in the government-wide financial statements.

***Deferred outflows and inflows of resources***

For purposes of measuring changes in the net pension and net other postemployment benefit (OPEB) liabilities (assets) for the District's Defined Benefit Pension Plan and Other Postemployment Benefit Plan, differences between expected and actual experience that are not charged to expense in the current period are recorded as deferred outflows and inflows of resources in the Statement of Governmental Net Position.

***Net Position***

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Investment in capital assets consists of capital assets, net of accumulated depreciation. Net position is reported as restricted when a net pension or net OPEB asset is reported or when there are otherwise limitations imposed on their use either through external restrictions imposed by creditors or grantors. The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

***Fund Balance Reporting***

Fund balance for the District is reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts of the fund can be spent.

There are two major types of fund balances, which are spendable and nonspendable. Nonspendable fund balances cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal of an endowment or trust funds.

Spendable fund balances are expended based on a hierarchy of spending constraints, as follows:

- **Restricted** – Fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- **Committed** – Fund balances that contain self-imposed constraints of the government from its highest level of decision-making authority. Committed fund balances are reported pursuant to resolutions approved by the District's Board of Trustees and can only be modified or rescinded through resolutions approved by the District's Board of Trustees.

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 1 - Summary of significant accounting policies (continued)**

- **Assigned** – Fund balances that contain self-imposed constraints of the government to be used for a particular purpose. Assignments may be made by the District's Board of Trustees, the Executive Director, or the Chief Financial Officer. No formal policy exists for assigning fund balances.
- **Unassigned** – Fund balance of the general fund that is not constrained for any particular purpose.

For purposes of the Statement of Governmental Net Position, nonspendable endowments are presented as restricted. In addition, the general fund is the only fund that reports a positive unassigned fund balance. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, for governmental funds other than the general fund, if the expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The District does not have a formal policy related to the order of spending, but when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District's Board of Trustees has provided otherwise in its commitment or assigned actions.

***Tax status***

The District was granted 501(c) (3) status by the Internal Revenue Service and is not subject to Federal Income Taxes.

***Use of estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the financial statement date and the reported amounts of revenues and expenses or expenditures during the reporting period. Actual results could differ from those estimates.

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 2 - Deposits and investments**

At September 30, 2021, the District had the following deposits and investments:

	<b>Fair Value</b>
General Governmental Deposits, Cash Equivalents and Investments:	
Deposits (demand accounts)	\$ 3,307,434
Internal Pooled Cash Equivalents (money market accounts)	1,622,375
	4,929,809
Internal Pooled Investments (US Treasuries, FL Prime and FL Safe)	44,757,932
	49,687,741
Permanent Fund Deposits and Investments:	
Deposits (demand accounts)	113
Mutual Funds - Equity Securities	1,076,387
Mutual Funds - Fixed Income	496,187
	1,572,687
Internal Service Fund Deposits, Cash Equivalents and Investments:	
Deposits (demand account)	1,891,995
Internal Pooled Cash Equivalents (money market accounts)	150,692
	2,042,687
Internal Pooled Investments (US Treasuries, FL Prime and FL Safe)	4,157,281
	6,199,968
Defined Contribution Pension Plan Investments:	
Mutual Funds - Equity Securities	23,619,902
Mutual Funds - Fixed Income	6,219,422
Mutual Funds - Stable Value	2,271,227
Mutual Funds - Real Estate	94,498
	32,205,049
Money Purchase Pension Plan Investments:	
Mutual Funds - Equity Securities	9,322,784
Mutual Funds - Fixed Income	1,321,707
Mutual Funds - Stable Value	605,236
Mutual Funds - Real Estate	38,678
	11,288,405
Defined Benefit Pension Plan Deposits, Cash Equivalents and Investments:	
Deposits (demand account)	4,019
Cash Equivalents (money market accounts)	691,345
Commingled Account - Fixed Income	14,437,048
Mutual Funds - Equity Securities	42,937,567
Mutual Funds - Real Estate	3,255,771
	61,325,750
OPEB Retirement Health Benefit Plan Deposits and Investments:	
Deposits (demand account)	86,856
Mutual Funds - Equity Securities	17,713,342
Mutual Funds - Fixed Income	3,765,532
	21,565,730
Total Deposits, Cash Equivalents and Investments	\$ 183,845,330

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 2 - Deposits and investments (continued)**

**Fair Value Measurement of Investments**

The District categorizes its fair value measurements using level 1, quoted prices in active markets for identical assets, or level 2, a model that incorporates observable data of quoted market prices for similar assets.

At September 30, 2021, the District's fair value categorizations of investment fair value measurements were as follows:

	Fair Value 9/30/2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Individual securities:			
US Treasuries	\$ 3,025,314	\$ -	\$ 3,025,314
Mutual funds:			
Domestic equities	67,919,162	67,919,162	-
International equities	26,750,820	26,750,820	-
Stable value	2,876,463	2,876,463	-
Fixed income	11,802,848	11,802,848	-
Real estate	3,388,947	3,388,947	-
	<u>115,763,554</u>	<u>\$ 112,738,240</u>	<u>\$ 3,025,314</u>
Investments reported at amortized cost:			
Florida Prime	22,970,802		
Florida Safe	22,919,097		
	<u>45,889,899</u>		
Investments measured at net asset value:			
Reams Columbus Core Plus Bond Fund (commingled account)	14,437,048		
Total investments	<u>\$ 176,090,501</u>		

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 2 - Deposits and investments (continued)**

The District's investment in Florida PRIME, an external investment pool, is measured at amortized cost. Florida PRIME is a qualifying investment pool, essentially operating as a money market fund. There are currently no limitations as to the frequency of redemptions; however, Florida PRIME has the ability to impose restrictions on withdrawals should a material event occur.

The District also uses Florida SAFE, an external investment pool, which is available to local governments, to invest general governmental revenues. Florida Safe's general investment strategy includes safety of capital, liquidity of funds, transparency and investment income, in that order. This investment is redeemable upon notice. The investment in Florida SAFE is measured at amortized cost.

District investments measured at net asset value are as follows:

*Reams Columbus Core Plus Bond Fund, LLC* – The District's Defined Benefit Pension Plan uses this commingled fund to invest in fixed income securities. The fund is valued on the last business day of each month. This investment is redeemable of the first business day of each month, requiring three business days' notice.

**Investment Policies and Risks**

**General Governmental and Internal Service Fund Investments**

The District pools its general governmental and Internal Service Fund surplus funds for investment purposes and these investments are managed in accordance with an Investment Policy Statement (Statement). The Statement authorizes investments in Florida intergovernmental investment pools, such as Florida PRIME and Florida SAFE, Securities and Exchange Commission registered money market funds, interest bearing time deposits, and direct obligations of the U.S. Treasury. Although the District's Statement does not address credit and interest rate risk, the limited nature of the authorized investments effectively minimizes any exposure. The District's pooled general governmental and Internal Service Fund cash equivalents and investments include the following at September 30, 2021:

Fund/Investment	Type	Credit Quality	Weighted Average Maturity (years)	General/ Cap Projs/Cap Sink Funds	Internal Service Fund
Federated Government Obligations Fund	Money Market	AAAm	29 days	\$ 1,000,234	\$ 92,905
Federated Treasury Obligations Fund	Money Market	AAAm	31 days	622,141	57,787
Florida SAFE		AAAm	54 days	20,971,214	1,947,883
Florida PRIME		AAAm	49 days	21,018,524	1,952,278
US Treasuries		N/A	6 months	2,768,194	257,120
Total Pooled Investments				46,380,307	4,307,973
Bank Deposits				3,307,434	1,891,995
Total Bank Deposits and Investments				\$ 49,687,741	\$ 6,199,968

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 2 - Deposits and investments (continued)**

***Permanent Fund Investments***

Investments in the Permanent Fund are managed in accordance with a Special Funds Investment Policy Statement (Statement). The Statement sets the following asset allocation guidelines: 60% for domestic and foreign equity securities and 40% for fixed income and cash securities. The Statement authorizes investments in domestic and foreign equities, mutual funds, stable value accounts, corporate bonds, real estate investments trusts, exchange traded funds, commingled funds, and cash equivalents. The Permanent Fund investments, other than equity security mutual funds, were as follows at September 30, 2021:

Fund/Investment	Type	Credit Quality	Weighted Average Maturity (years)	Fair Value
Vanguard High Yield Corporate Fund	Fixed Income	BB	4.20	\$ 270,972
Vanguard Total Bond Market Index Fund	Fixed Income	AA	8.80	225,215
				<u>\$ 496,187</u>

***Defined Contribution Pension Plan Investments***

Participants in this Plan, including all District employees, self-direct investments from a variety of mutual funds offered through the MissionSquare Retirement. Accordingly, the District has not adopted an investment policy for this Plan. Defined Contribution Pension Plan investments, other than equity security mutual funds and real estate mutual funds, were as follows at September 30, 2021:

Fund/Investment	Type	Credit Quality	Weighted Average Maturity (years)	Fair Value
PIMCO High Yield Fund	Fixed Income	Not Rated	5.67	\$ 43,868
Core Bond Index Fund	Fixed Income	AA	8.26	145,689
Western Asset Core Plus Bond Fund	Fixed Income	BBB	13.21	140,354
Inflation Focused	Fixed Income	AA	8.23	145,060
Total International Bond Index Fund	Fixed Income	BBB	9.70	59,925
Various - Multi-Allocation Mutual Funds	Fixed Income	N/A	N/A	5,684,526
Total Fixed				<u>\$ 6,219,422</u>
Plus Fund	Stable Value	Aa3	4.61	\$ 1,329,973
Various - Multi-allocation Mutual Funds	Stable Value	N/A	N/A	941,254
Total Stable Value				<u>\$ 2,271,227</u>

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 2 - Deposits and investments (continued)**

***Money Purchase Pension Plan Investments***

Participants in this Plan self-direct investments from a variety of mutual funds offered through the MissionSquare Retirement. Accordingly, the District has not adopted an investment policy for this Plan. Money Purchase Pension Plan investments, other than equity security mutual funds and real estate mutual funds, were as follows at September 30, 2021:

Fund/Investment	Type	Credit Quality	Weighted Average Maturity (years)	Fair Value
PIMCO High Yield Fund	Fixed Income	Not Rated	5.67	\$ 14,841
Core Bond Index Fund	Fixed Income	AA	8.26	87,812
Western Asset Core Plus Bond Fund	Fixed Income	BBB	13.21	68,227
Inflation Focused	Fixed Income	AA	8.23	41,906
Total International Bond Index Fund	Fixed Income	BBB	9.70	17,792
Various - Multi-Allocation Mutual Funds	Fixed Income	N/A	N/A	1,091,129
<b>Total Fixed</b>				<b>\$ 1,321,707</b>
Plus Fund	Stable Value	Aa3	4.61	\$ 161,692
Various - Multi-Allocation Mutual Funds	Stable Value	N/A	N/A	443,544
				<b>\$ 605,236</b>

***Defined Benefit Pension Plan Investments***

Investments in the Plan are managed in accordance with an Investment Policy Statement (Statement). This Statement sets the following guidelines: 40% for domestic equity securities, 25% for foreign equity securities and 35% for fixed income and cash securities. The Statement authorizes investments in domestic equities, mutual funds, stable value accounts, money market funds, corporate bonds, real estate investment trusts, exchange traded funds, commingled funds, and cash equivalent accounts.

**ORANGE COUNTY LIBRARY DISTRICT**

**Notes to Financial Statements  
Year Ended September 30, 2021**

**Note 2 - Deposits and investments (continued)**

The Statement states that the average credit quality of the fixed income portfolio shall be AA- or higher and the average rating of the mortgage portion of the portfolio must hold a credit rating of at least AA. As a means of limiting its exposure to interest rate risk, the Statement states that the average duration of the fixed income portfolio shall be less than 150% of the duration of the Barclays Capital aggregate Bond Index. Defined Benefit Pension Plan investments, other than equity security mutual funds and real estate mutual funds, were as follows at September 30, 2021:

<u>Fund/Investment</u>	<u>Type</u>	<u>Average Credit Quality</u>	<u>Weighted Average Maturity (years)</u>	<u>Fair Value</u>
Fidelity Institutional Government Portfolio	Money Market	AAA	0.10	<u>\$ 691,345</u>
Reams Columbus Core Plus Bond Fund	Fixed Income	AAA-AA	5.00	<u>\$ 14,437,048</u>

***OPEB Retirement Health Benefit Plan Investments***

Investments in the Plan are managed in accordance with an Investment Policy Statement ("Statement"). The Statement sets the following guidelines: 70% for domestic and foreign equity securities and 30% for fixed income and cash securities. The Statement authorizes investments in domestic and foreign equities, mutual funds, stable value accounts, corporate bonds, real estate investments trusts, exchange traded funds, comingled funds, and cash equivalents. The Plan is completely funded by the District. The OPEB Retirement Health Benefit Plan investment, other than equity security mutual funds, was as follows at September 30, 2021:

<u>Fund/Investment</u>	<u>Type</u>	<u>Credit Quality</u>	<u>Weighted Average Maturity (years)</u>	<u>Fair Value</u>
Low Duration Bond Fund	Fixed Income	A	3.05	<u>\$ 3,765,532</u>

Due to the nature of the District's investments, there is no exposure to custodial credit risk, concentration of credit risk or foreign currency risk.



**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 3 - Capital assets**

Capital asset activity for the year ended September 30, 2021, was as follows:

	<b>Balances</b>			<b>Balances</b>
	<b>Oct. 1, 2020</b>	<b>Increases</b>	<b>Decreases</b>	<b>Sept. 30, 2021</b>
<b>Governmental activities:</b>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 3,349,802	\$ -	\$ -	\$ 3,349,802
Construction in progress	418,926	1,696,087	(1,331,857)	783,156
Total capital assets not being depreciated	<u>3,768,728</u>	<u>1,696,087</u>	<u>(1,331,857)</u>	<u>4,132,958</u>
<i>Capital assets being depreciated:</i>				
Buildings	\$ 29,794,734	-	-	\$ 29,794,734
Building improvements	25,247,349	1,428,389	(59,659)	26,616,079
Furniture and equipment	3,318,971	147,915	(256,001)	3,210,885
Library books and audiovisual materials	7,217,118	1,045,316	(1,837,874)	6,424,560
Computer equipment	3,811,752	392,520	(270,692)	3,933,580
Total capital assets being depreciated	<u>69,389,924</u>	<u>3,014,140</u>	<u>(2,424,226)</u>	<u>69,979,838</u>
Less accumulated depreciation for:				
Buildings	\$ 19,977,475	744,868	-	\$ 20,722,343
Building improvements	10,571,662	1,007,873	(47,064)	11,532,471
Furniture and equipment	2,153,871	224,390	(192,786)	2,185,475
Library books and audiovisual materials	4,760,469	1,262,062	(1,837,874)	4,184,657
Computer equipment	2,828,918	435,647	(255,662)	3,008,903
Total accumulated depreciation	<u>40,292,395</u>	<u>3,674,840</u>	<u>(2,333,386)</u>	<u>41,633,849</u>
Total capital assets being depreciated, net	<u>29,097,529</u>	<u>(660,700)</u>	<u>(90,840)</u>	<u>28,345,989</u>
Governmental activities capital assets, net	<u>\$ 32,866,257</u>	<u>\$ 1,035,387</u>	<u>\$ (1,422,697)</u>	<u>\$ 32,478,947</u>

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 4 - Long-term liabilities:**

A summary of changes in long-term liabilities is as follows:

	<u>Balance October 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2021</u>	<u>Due Within One Year</u>
Accrued compensated absences	\$ 2,855,215	\$ 2,181,418	\$ 1,978,004	\$ 3,058,629	\$ 1,600,737
	<u>\$ 2,855,215</u>	<u>\$ 2,181,418</u>	<u>\$ 1,978,004</u>	<u>\$ 3,058,629</u>	<u>\$ 1,600,737</u>

The General Fund liquidates accrued compensated absences.

The District has not issued debt in the last ten years and wasn't authorized to issue long-term debt (i.e., bonds) in FY 20-21.

**Note 5 - Commitments**

***Leasing arrangements***

The District leases various facilities for branch libraries which are accounted for as operating leases and expire over the next eight years. These leases include various renewal options. The District also contracts annually to lease books and other materials, as well as equipment for operations, as needed.

The following is a schedule by year of minimum future rentals on noncancellable operating lease agreements as of September 30, 2021:

Year Ending September 30,	
2022	\$ 1,102,359
2023	1,147,359
2024	1,193,674
2025	871,984
2026	748,284
2027-2029	<u>1,588,681</u>
Total minimum future rentals	<u>\$ 6,652,341</u>

Total lease expenditures for the year ended September 30, 2021 were \$1,315,747, of which \$1,071,631 was for facilities and \$244,116 was for leased books, materials and equipment.

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 6 - Interfund Balances and Transfers**

The composition of interfund balances as of September 30, 2021 is as follows:

<b>Due From:</b>	<b>Due To Internal Service Fund</b>
OPEB Trust Fund	\$562,763

The \$562,763 balance represents the health insurance claims activities of retirees ages 55-64.

The table below details interfund transfers during the year ended September 30, 2021.

<b>Transfers Out</b>	<b>Transfer In Capital Projects Fund</b>	<b>Transfer In Capital Projects Sinking Fund</b>
General Fund	\$9,100,000	\$1,950,000

\$9,100,000 was transferred from the General Fund to the Capital Projects Fund to fund future branch expansion projects. \$1,950,000 was transferred from the General Fund to the Capital Projects Sinking Fund to fund future facilities repairs/replacements.

**Note 7 - Pension plans**

***Defined Benefit Pension Plan***

Plan description - The District administers a single employer, defined benefit pension plan (Defined Benefit Pension Plan for Employees of the Orange County Library District) (the Plan) covering full-time employees hired on or prior to December 31, 2006. Eligibility for vesting begins on date of hire, whereas benefit accrual begins after one year of service. Plan provisions and contribution requirements are established and outlined in the Plan document, which may be amended by the District's Board of Trustees. The Board of Trustees appoints three employees to administer the Plan in accordance with the Plan document. Separate, stand-alone financial statements for the Plan are not prepared.

At January 1, 2021, the date of the latest actuarial valuation, Plan participation consisted of:

Retirees and beneficiaries receiving benefits	140
Terminated employees entitled to benefits but not yet receiving them	61
Active employees	<u>75</u>
Total Plan Participants	<u><u>276</u></u>

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 7 - Pension plans (continued)**

Benefits - The Plan provides retirement benefits calculated as 2% of the member's final 5 year average salary out of the last ten years of employment times the member's years of service. Members with 10 years of service are eligible to retire at age 55 with a reduced benefit (5% reduction for each year earlier than age 65). Benefit terms provide for a 2% annual cost of living adjustment subsequent to the member's retirement date.

Contributions - The District is obligated by the Plan document to make periodic contributions, which are recognized in the period that they are due and the employer has made a final commitment to provide the contributions. The required contributions are actuarially determined and include normal costs. Employer contribution rates are determined using the entry age normal cost method.

The actuarial determined contribution under the entry age normal method is calculated as \$435,097. However, the District contributed \$629,000, which was the budgeted amount for the year ended September 30, 2021. Employees do not make contributions to the plan. The Schedule of Employer Contributions, presented as required supplementary information following the notes to the financial statements, presents multi-year information about the contributions made by the District for the last ten years.

Actuarial assumptions – The total pension liability was determined using the following actuarial assumptions which were also used in the most recent actuarial report prepared as of January 1, 2021:

Investment rate of return	6.75%
Projected salary increases	4.5%
Inflation rate	2.0%
Cost of living adjustments	2.0% per annum
Mortality table	PubG-2010, Below-Median, Amounts-Weighted Mortality Tables (by gender), with generational improvement scale MP2018

Investments - Plan investments are managed in accordance with an Investment Policy Statement ("Statement"), which was approved and can be amended by the District's Board of Trustees. The Statement, which authorizes investments in domestic and international equities, fixed income securities, and real estate investment trusts, provides the following allocation guidelines. The long term expected real rate of return, provided on an arithmetic basis, is also indicated for each investment allocation outlined in the Statement as follows:

	Allocation Guideline	Long Term Expected Rate of Return
Domestic equities	40%	9%
International equities	25%	6%
Fixed income	35%	2%
Real estate investments trusts	N/A	9%

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 7 - Pension plans (continued)**

Specific investments exceeding 5% of the Plan's net position consisted of the following; Reams Columbus Core Plus Bond Fund, Vanguard Russell 3000 Index Mutual Fund, Vanguard Small Cap Index Mutual Fund, Vanguard Total International Stock Index Mutual Fund, Vanguard International Growth Mutual Fund, Vanguard Emerging Markets Stock Index Mutual Fund and Vanguard Real Estate Index Mutual Fund.

For the fiscal year ended September 30, 2021, the annual money-weighted rate of return on Plan investments was 22.83%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Discount rate - The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine this discount rate assumed that the District would continue to fund the actuarially determined contribution. Based on this assumption and the investment long term expected rate of return for each asset class, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments. Therefore, the long term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Changes in net pension asset - The net pension asset at September 30, 2021 is based on a January 1, 2021 actuarial valuation rolled forward using actuarial methods to the September 30, 2021 measurement date. The components of changes during fiscal 2021 are as follows:

**Changes in Net Pension Asset**

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Asset (a) - (b)</b>
Balances at 10/1/2020	\$45,232,525	\$51,638,585	(\$6,406,060)
Changes for the year:			
Service Cost	424,009	-	424,009
Interest	2,999,934	-	2,999,934
Differences between expected and actual experience	(269,474)	-	(269,474)
Contributions - employer	-	629,000	(629,000)
Net investment income	-	11,520,251	(11,520,251)
Benefits payments, including refunds of employee contributions	(2,466,398)	(2,466,398)	-
Administrative expense	-	(19,208)	19,208
Net changes	<u>688,071</u>	<u>9,663,645</u>	<u>(8,975,574)</u>
Balances at 9/30/2021	<u>\$45,920,596</u>	<u>\$61,302,230</u>	<u>(\$15,381,634)</u>

The plan fiduciary net position as a percentage of the total pension liability is 133.50%.

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 7 - Pension plans (continued)**

The following presents the net pension asset, using the discount rate of 6.75%, as well as what it would be if it were calculated using a discount rate that is 1% lower (5.75%) and 1% higher (7.75%) than the current rate:

	1% Decrease - <b>5.75%</b>	Current Rate- <b>6.75%</b>	1% Increase- <b>7.75%</b>
Net pension asset	(\$9,762,190)	(\$15,381,634)	(\$20,121,685)

Pension expense and deferred outflows and deferred inflows of resources related pensions - For the year ended September 30, 2021, the District recognized pension expense of (\$3,814,651). At September 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ 311,820
Changes in assumptions	-	1,056,061
Net difference between projected & actual earnings on pension plan investments	-	6,244,415
	\$ -	\$ 7,612,296

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

Year ended September 30:

2022	\$ (2,684,891)
2023	(1,490,884)
2024	(1,817,265)
2025	(1,619,256)

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 7 - Pension plans (continued)**

***Defined Contribution Pension Plan***

Plan description - The District administers a single employer, defined contribution pension plan (Defined Contribution Plan and Trust for Employees of Orange County Library District (as amended and restated effective January 1, 2002 with subsequent amendments thereto)) (the Defined Contribution Plan) in lieu of participation in Social Security. Plan provisions and contribution requirements are established and outlined in the Defined Contribution Plan document, which may be amended by the District's Board of Trustees. Separate, stand-alone financial statements for the Defined Contribution Plan are not prepared.

All employees are eligible to participate in the Defined Contribution Plan from date of hire. At September 30, 2021, there were 645 participants and the fair value of the Defined Contribution Plan investments was \$32,205,049.

Contributions - The District is obligated by the Defined Contribution Plan document to make contributions equal to seven and one-half percent (7.5%) of the Annual Compensation of each member. For the year ended September 30, 2021, the District contributed \$1,304,374 to the Defined Contribution Plan. Such contributions from the District are recognized as revenue by the Defined Contribution Plan when due and the employer has made a final commitment to provide the contributions. The amounts credited to the accounts of employees shall be 100% vested at all times.

Payment of benefits – Benefits paid to participants are recorded when due and payable in accordance with the terms of the Defined Contribution Plan document.

Administrative costs – Administrative costs are financed through investment earnings.

***Money Purchase Pension Plan***

Plan description – The District administers a single employer defined contribution plan (Money Purchase Plan and Trust for Employees of the Orange County Library District) (the Money Purchase Plan) for full time employees hired on or after January 1, 2007. In addition to new hires, existing participants in the District's Defined Benefit Pension Plan were given a one time opportunity to freeze their benefits in that plan and begin participating in the Money Purchase Plan. Sixty-six participants in the Defined Benefit Pension Plan made this election in May 2007.

Plan provisions and contribution requirements are established and outlined in the Money Purchase Plan document, which may be amended by the District's Board of Trustees. Separate, stand-alone financial statements for the Money Purchase Plan are not prepared.

Employees are eligible to participate in the Money Purchase Plan from date of hire. At September 30, 2021, there were 265 participants and the fair value of the Money Purchase Plan investments was \$11,288,405.

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 7 - Pension plans (continued)**

Contributions – The District is obligated by the Money Purchase Plan document to make contributions equal to nine percent (9%) of Annual Compensation of each member. For the year ended September 30, 2021, the District contributed \$914,631 to the Money Purchase Plan. Such contributions from the District are recognized as revenue by the Money Purchase Plan when due and when the employer has made a final commitment to provide contributions. Participants become fully vested in the District's contributions after one year from date of hire.

Payment of benefits- Benefits paid to participants are recorded when due and payable in accordance with the terms of the Money Purchase Plan document.

Administrative costs- Administrative costs are financed through investment earnings.

**Note 8 - Other Postemployment Benefit Plan**

Plan Description – The District administers a single-employer defined benefit other postemployment benefit plan (OPEB Plan) and can amend the benefit provisions. In accordance with its Employee Handbook and Collective Bargaining Agreements (CBA) previously in effect, the District provides health care insurance coverage and a limited life insurance benefit to those employees who retire under the terms of the District's Defined Benefit Pension Plan on or after attaining age 55 with at least 10 years of service.

In accordance with State Law, all retiring employees must be provided access to the District's group health insurance coverage. For non CBA retirees hired prior to January 1, 2007, the District pays the entire cost of this coverage. Non CBA retirees hired after this date, who have attained age 60 and 15 years of full-time service, will receive a monthly benefit based on their years of full-time service. The funds will be deposited annually into a Health Reimbursement Account for each eligible retiree. For CBA retirees hired prior to December 9, 2004 and retired prior to October 9, 2008, the District pays a fixed reimbursement with the balance of the cost of the District's group coverage being paid by the retiree. CBA retirees who retired on or after October 9, 2008 but before decertification of the Collective Bargaining Unit in 2015, receive a service-based dollar discount towards premiums paid for coverage. Spouses/Dependents of retirees may be covered at the retirees' option, but retirees are responsible for the full cost of the coverage.

Retirees are eligible to participate in the District's dental plan. The premiums of non CBA retirees, under the age of 65 and who have their medical coverage, are paid in full by the District. All other retirees are required to pay the entire stated premium. All retirees are responsible for the cost of spousal/dependent coverage.

\$1,000 of life insurance is provided to all retirees.

In March 2007, the District established a qualifying trust and began funding its OPEB Plan obligation. Separate stand-alone financial statements for the trust are not prepared.



**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 8 - Other Postemployment Benefit Plan (continued)**

As of January 1, 2021, the date of the latest actuarial valuation, plan participation consisted of:

Retirees and beneficiaries receiving benefits	116
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	250
Total Plan Participants	366

Funding Policy - The District has the authority to establish and amend the funding policy for its OPEB Plan. For the year ended September 30, 2021, the District contributed \$342,403, which was based on actuarially determined amount per the January 1, 2020 OPEB Actuarial Report. It is the District's intent to base future contributions on the actuarially determined amounts in subsequent annual actuarial reports.

Contributions - Employer contributions to the OPEB Plan are recognized as revenue when due and the employer has made a final commitment to provide the contributions. The required contributions are actuarially determined and include normal costs. Employer contribution rates are determined using the Entry Age Normal Cost Method.

Employees do not make contributions to the plan. The Schedule of Contributions, presented as required supplementary information following the notes to the financial statements, presents multi-year information about the contributions made by the District for the last four years.

If CBA retirees elect to participate in the District's group health insurance coverage, they are responsible for paying the difference between the cost of this coverage and the fixed reimbursement, which varies depending on the retirement date. All retirees are responsible for contributing the entire cost of any spouse/dependent coverage.

Payment of Benefits and Refunds - Benefits and refunds paid to participants are recorded when due and payable in accordance with terms of the OPEB Plan.

**ORANGE COUNTY LIBRARY DISTRICT**

**Notes to Financial Statements**

**Year Ended September 30, 2021**

**Note 8 - Other Postemployment Benefit Plan (continued)**

Actuarial methods and assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Valuation Date	January 1, 2021
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level dollar
Amortization period	Closed 5 year period
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate of return	6.5% Compounded annually
Inflation rate	2.25% general price inflation annual rate
Projected annual salaries increases	4.5%, including inflation
Mortality tables	Pub-2010 Headcount Weighted General Below Median Employee Tables for active members and the Pub-2010 Headcount Weighted General Below Median Healthy Retiree Tables for non-disabled inactive members, with mortality improvement projected to all future years from the year 2010 using the MP-2018 Mortality Improvement Projection Scale. Rates have been adjusted to be set back one year for males.

**ORANGE COUNTY LIBRARY DISTRICT**

**Notes to Financial Statements  
Year Ended September 30, 2021**

**Note 8 - Other Postemployment Benefit Plan (continued)**

Healthcare cost trend rate                      Monthly medical and prescription benefits are assumed to increase each year according to the rates in the following table

**Annual Increase Rates**

<u>Year</u>	<u>Medical/Rx</u>	<u>Gross Premium Contribution</u>
2022	6.00%	6.00%
2023	5.75%	5.75%
2024	5.60%	5.60%
2025	5.44%	5.44%
2026	5.29%	5.29%
2027	5.13%	5.13%
2028	4.98%	4.98%
2029	4.82%	4.82%
Thereafter	4.82% - 3.99%	4.82% - 3.99%

Investments - Plan investments are managed in accordance with an Investment Policy Statement (Statement), which was approved and can be amended by the District's Board of Trustees. The Statement, which authorizes investments in domestic and international equities, fixed income securities, and real estate investment trusts, provides the following allocation guidelines. The long-term expected real rate of return, provided on an arithmetic basis, is also indicated for each investment allocation outlined in the Statement as follows:

	<u>Allocation Guideline</u>	<u>Long Term Expected Rate of Return</u>
Domestic and International equities	70%	Domestic 9%, International 6%
Fixed income	30%	2%
Real estate investments trusts	N/A	9%

Specific investments exceeding 5% of the Plan's net position consist of the following: MissionSquare Low Duration Bond Fund, MissionSquare Broad Market Index Fund, MissionSquare Mid/Small Cap Index Fund, and MissionSquare Overseas Equity Index Fund.

For fiscal year ended September 30, 2021, the annual money-weighted rate of return on the Plan investments, net of investment expenses, was 26.0%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Discount Rate - The discount rate used to measure the total OPEB asset was 6.5%. The projection of cash flows used to determine this discount rate assumed that the District would continue to fund the actuarially determined contribution. Based on this assumption and investment long-term expected

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 8 - Other Postemployment Benefit Plan (continued)**

rate of return for each asset class, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine total OPEB liability.

Changes in Net OPEB Asset - The Net OPEB Asset at September 30, 2021 is based on a January 1, 2021 actuarial valuation rolled forward using actuarial methods to the September 30, 2021 measurement date. The components of changes during fiscal 2021 are as follows:

**Changes in Net OPEB Asset**

	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Asset (a) - (b)</b>
Balances at 10/1/2020	\$13,516,301	\$17,072,387	(\$3,556,086)
Changes for the year:			
Service Cost	311,672	-	311,672
Interest on the Total OPEB Liability	870,097	-	870,097
Differences between expected and actual experience	(433,918)	-	(433,918)
Changes in assumptions	(1,358,311)	-	(1,358,311)
Contributions - employer	-	342,403	(342,403)
Net investment income	-	4,437,898	(4,437,898)
Benefits payments	(883,721)	(883,721)	-
Net changes	(1,494,181)	3,896,580	(5,390,761)
Balances at 9/30/2021	\$12,022,120	\$20,968,967	(\$8,946,847)

The \$1,358,311 decrease in '*Changes in assumptions*' is the result of revised per capita and premium assumptions, in the January 1, 2021 actuarial report.

The plan fiduciary net position as a percentage of the total OPEB liability is 174.41%.

The following presents the Net OPEB Asset, using the discount rate of 6.5%, as well as what it would be if it were calculated using a discount rate that is 1% lower (5.5%) and 1% higher (7.5%) than the current rate:

	<b>1% Decrease - 5.5%</b>	<b>Current Rate - 6.5%</b>	<b>1% Increase - 7.5%</b>
Net OPEB Asset	(\$7,414,342)	(\$8,946,847)	(\$10,236,104)

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 8 - Other Postemployment Benefit Plan (continued)**

The following presents the Net OPEB Asset using the same health care trend rates used in the most recent actuarial valuation, as well as what the Net OPEB Asset would be if it were calculated using a sequence of health care trend rates that are 1% lower and 1% higher.

1% Trend Decrease	Trend Rate Assumption	1% Trend Increase
<b>5.00%</b> decreasing to <b>2.99%</b>	<b>6.00%</b> decreasing to <b>3.99%</b>	<b>7.00%</b> decreasing to <b>4.99%</b>
(\$10,349,231)	(\$8,946,847)	(\$7,233,594)

OPEB expense and deferred outflows and deferred inflows of resources related pensions - For the year ended September 30, 2021, the District recognized OPEB expense of (\$1,102,788) At September 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Net Deferred Outflows of Resources</b>	<b>Net Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 123,094	\$ 815,250
Changes in assumptions	41,763	3,187,726
Net difference between projected & actual earnings on OPEB plan investments	-	2,583,500
	\$ 164,857	\$ 6,586,476

Amounts reported as deferred outflows of resources (deferred inflows of resources) related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30:

2022	\$ (1,192,445)
2023	(1,074,204)
2024	(1,239,189)
2025	(1,199,656)
2026	(561,899)
Thereafter	(1,154,226)

Updated procedures were applied to the Plan's January 1, 2021 actuarial valuation to roll forward the total OPEB asset to September 30, 2021 for purposes of the GASB 74 calculation.

**ORANGE COUNTY LIBRARY DISTRICT**  
**Notes to Financial Statements**  
**Year Ended September 30, 2021**

**Note 9 - Risk Management**

The District became self-insured for employee health insurance, effective January 1, 2007. As permitted by GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, the District accounts for its self-insured assets, liabilities, net position and activities in an internal service fund.

The District's health internal service fund covered claims up to \$220,000 per individual. The District purchased excess stop loss coverage on an individual basis where individual claims exceeded the \$220,000 limit.

The \$284,345 liability includes \$115,192 of actuarially determined claims incurred but not reported, with the remaining amount representing actual claims that have been submitted and shared service fee invoices. Changes to the claims liability since the year ended September 30, 2019 are as follows:

<u>Fiscal Year Ended</u>	<u>Balance October 1</u>	<u>Additions</u>	<u>Claim Payments</u>	<u>Balance September 30</u>
9/30/2020	\$ 145,061	\$ 2,029,011	\$ (1,750,229)	\$ 423,843
9/30/2021	\$ 423,843	\$ 1,774,126	\$ (1,913,624)	\$ 284,345

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. In fiscal year 2021, the District contracted with various companies for insurance coverage. The companies provided coverage for workers compensation, property, liability, flood, public officials, fiduciary (pension), employment practices, and cyber liability. Settlements have not exceeded insurance coverage for each of the past three years.

**Note 10 - Property Taxes**

Under Florida law, the assessment of all properties and the collections of all property taxes are provided by Orange County's Property Appraiser and Tax Collector, who are elected officials. Ad valorem property taxes levied in September 2021 are for the purpose of financing the budget of the 2022 fiscal year. Property tax revenues recognized for the 2021 fiscal year were levied in September 2020.

The State legislative act, which established the District, permits the District to levy taxes up to 1 mill of assessed valuation for operating. The District's Governing Board establishes the tax levy for the District, which included a Millage rate levied of .3748 mills for operating for the fiscal year ended September 30, 2021.

Key dates in the property tax cycle for revenues recognized in fiscal year 2021 include the following:

Assessment and valuation date	January 1, 2020
Property taxes levied	September 22, 2020
Beginning of fiscal year for which taxes have been levied	October 1, 2020
Tax bills rendered	November 1, 2020
Property taxes payable:	
Maximum discount (latest date)	November 30, 2020
Delinquent	April 1, 2021
Tax certificates sold on unpaid taxes	June 1, 2021

**REQUIRED SUPPLEMENTARY INFORMATION**

**ORANGE COUNTY LIBRARY DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - General Fund (Budgetary Basis)**  
**Year Ended September 30, 2021**

	<u>Original and Final Budgeted Amounts</u>	<u>Budgetary Basis Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>Revenues:</b>			
Taxes:			
Property	\$ 52,500,000	\$ 52,539,629	\$ 39,629
Intergovernmental revenues:			
State aid to libraries	630,000	654,014	24,014
Federal grants	30,000	154,884	124,884
Other state grants	28,000	55,586	27,586
County grants	150,000	87,452	(62,548)
Charges for services:			
Fines	100,000	453,995	353,995
Copiers and printers	150,000	162,623	12,623
Other fees	125,500	129,584	4,084
Miscellaneous revenue:			
Investment income	225,000	51,391	(173,609)
Contributions	50,000	330,187	280,187
Other	147,000	279,936	132,936
<b>Total revenues</b>	<u>54,135,500</u>	<u>54,899,281</u>	<u>763,781</u>
<b>Expenditures:</b>			
Current:			
Salaries and benefits	28,129,000	23,189,376	4,939,624
Operating	12,422,500	9,588,166	2,834,334
Capital outlay	7,380,000	6,827,688	552,312
<b>Total expenditures</b>	<u>47,931,500</u>	<u>39,605,230</u>	<u>8,326,270</u>
<b>Revenues over expenditures</b>	<u>6,204,000</u>	<u>15,294,051</u>	<u>9,090,051</u>
<b>Other financing sources (uses):</b>			
Transfers out	(4,250,000)	(11,050,000)	(6,800,000)
Transfers from constitutional officers	412,000	531,455	119,455
<b>Total other financing sources (uses)</b>	<u>(3,838,000)</u>	<u>(10,518,545)</u>	<u>(6,680,545)</u>
<b>Net change in fund balance</b>	<u>\$ 2,366,000</u>	4,775,506	<u>\$ 2,409,506</u>
<b>Fund balance at beginning of year</b>		<u>18,674,471</u>	
<b>Fund balance at end of year</b>		<u>\$ 23,449,977</u>	

**Note:** The above schedule presentation differs from the governmental fund financial statements in that the above transfers from constitutional officers are netted against operating expenditures in the governmental fund financial statements.



**ORANGE COUNTY LIBRARY DISTRICT**  
**Defined Benefit Pension Plan**  
**Schedule of Employer Contributions**

<b>Year Ended September 30,</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Contribution</b>	<b>Contribution Excess (Deficiency)</b>	<b>Covered Payroll</b>	<b>Actual Contribution as a % of Covered Payroll</b>
2012	\$ 1,141,821	\$ 1,106,367	\$ (35,454)	\$ 5,634,242	19.6%
2013	\$ 880,688	\$ 945,971	\$ 65,283	\$ 5,401,961	17.5%
2014	\$ 627,395	\$ 690,719	\$ 63,324	\$ 5,226,257	13.2%
2015	\$ 614,847	\$ 614,847	\$ -	\$ 5,169,894	11.9%
2016	\$ 806,723	\$ 806,723	\$ -	\$ 4,807,950	16.8%
2017	\$ 809,614	\$ 809,614	\$ -	\$ 4,775,367	17.0%
2018	\$ 570,718	\$ 570,718	\$ -	\$ 4,314,180	13.2%
2019	\$ 970,762	\$ 970,762	\$ -	\$ 4,134,169	23.5%
2020	\$ 624,944	\$ 850,002	\$ 225,058	\$ 3,880,611	21.9%
2021	\$ 435,097	\$ 629,000	\$ 193,903	\$ 4,125,334	15.2%

**ORANGE COUNTY LIBRARY DISTRICT**  
**Defined Benefit Pension Plan**  
**Schedule of Changes in Net Pension Liability (Asset)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total pension liability</b>				
Service cost	\$ 424,009	\$ 459,840	\$ 482,196	\$ 539,196
Interest	2,999,934	3,277,367	3,124,416	3,095,052
Differences between expected and actual experience	(269,474)	(605,583)	923,811	(1,056,864)
Changes in assumptions	-	(4,827,703)	-	-
Benefit payments, including refunds of employee contributions	(2,466,398)	(2,292,852)	(2,193,025)	(1,981,145)
<b>Net change in total pension liability</b>	688,071	(3,988,931)	2,337,398	596,239
<b>Total pension liability - beginning</b>	45,232,525	49,221,456	46,884,058	46,287,819
<b>Total pension liability - ending (A)</b>	<u>\$ 45,920,596</u>	<u>\$ 45,232,525</u>	<u>\$ 49,221,456</u>	<u>\$ 46,884,058</u>
<b>Plan fiduciary net position</b>				
Employer contributions	\$ 629,000	\$ 850,002	\$ 970,762	\$ 570,718
Net investment income	11,520,251	4,239,562	1,182,684	3,160,375
Benefit payments, including refunds of employee contributions	(2,466,398)	(2,292,852)	(2,193,025)	(1,981,145)
Administrative expense	(19,208)	(17,503)	(17,449)	(17,574)
<b>Net change in plan fiduciary net position</b>	9,663,645	2,779,209	(57,028)	1,732,374
<b>Plan fiduciary net position - beginning</b>	51,638,585	48,859,376	48,916,404	47,184,030
<b>Plan fiduciary net position - ending (B)</b>	<u>\$ 61,302,230</u>	<u>\$ 51,638,585</u>	<u>\$ 48,859,376</u>	<u>\$ 48,916,404</u>
<b>Plan net pension liability (asset) - ending (A-B)</b>	\$ (15,381,634)	\$ (6,406,060)	\$ 362,080	\$ (2,032,346)
<b>Plan fiduciary net position as a percentage of total pension liability (asset)</b>	133.5%	114.2%	99.3%	104.3%
<b>Covered payroll</b>	\$ 4,125,334	\$ 3,880,611	\$ 4,134,169	\$ 4,314,180
<b>Net pension liability (asset) as a percentage of covered payroll</b>	(372.9%)	(165.1%)	8.8%	(47.1%)

Note: Information is not available for years preceding fiscal 2014.

**ORANGE COUNTY LIBRARY DISTRICT**  
**Defined Benefit Pension Plan**  
**Schedule of Changes in Net Pension Liability (Asset) - Continued**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>				
Service cost	\$ 547,066	\$ 584,935	\$ 608,203	\$ 643,083
Interest	3,002,367	2,848,788	2,749,937	2,674,586
Differences between expected and actual experience	(271,908)	(481,840)	(239,752)	(619,604)
Changes in assumptions	-	2,648,331	-	-
Benefit payments, including refunds of employee contributions	(1,814,685)	(1,745,038)	(1,622,931)	(1,551,781)
<b>Net change in total pension liability</b>	<u>1,462,840</u>	<u>3,855,176</u>	<u>1,495,457</u>	<u>1,146,284</u>
<b>Total pension liability - beginning</b>	<u>44,824,979</u>	<u>40,969,803</u>	<u>39,474,346</u>	<u>38,328,062</u>
<b>Total pension liability - ending (A)</b>	<u>\$ 46,287,819</u>	<u>\$ 44,824,979</u>	<u>\$ 40,969,803</u>	<u>\$ 39,474,346</u>
<b>Plan fiduciary net position</b>				
Employer contributions	\$ 809,614	\$ 806,723	\$ 614,847	\$ 690,719
Net investment income	4,965,286	3,772,044	(720,586)	3,381,106
Benefit payments, including refunds of employee contributions	(1,814,685)	(1,745,038)	(1,622,931)	(1,551,781)
Administrative expense	(16,718)	(16,045)	(15,918)	(15,511)
<b>Net change in plan fiduciary net position</b>	<u>3,943,497</u>	<u>2,817,684</u>	<u>(1,744,588)</u>	<u>2,504,533</u>
<b>Plan fiduciary net position - beginning</b>	<u>43,240,533</u>	<u>40,422,849</u>	<u>42,167,437</u>	<u>39,662,904</u>
<b>Plan fiduciary net position - ending (B)</b>	<u>\$ 47,184,030</u>	<u>\$ 43,240,533</u>	<u>\$ 40,422,849</u>	<u>\$ 42,167,437</u>
<b>Plan net pension liability (asset) - ending (A-B)</b>	\$ (896,211)	\$ 1,584,446	\$ 546,954	\$ (2,693,091)
<b>Plan fiduciary net position as a percentage of total pension liability (asset)</b>	101.9%	96.5%	98.7%	106.8%
<b>Covered payroll</b>	\$ 4,775,367	\$ 4,807,950	\$ 5,169,894	\$ 5,226,257
<b>Net pension liability (asset) as a percentage of covered payroll</b>	(18.8%)	33.0%	10.6%	(51.5%)

**ORANGE COUNTY LIBRARY DISTRICT  
Defined Benefit Pension Plan**

**Actuarial Methods and Assumptions  
Last fiscal year**

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Valuation date	January 1, 2021
Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll, closed period
Amortization period	10 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	6.75%
Projected salary increases	4.5%
Inflation rate	2.0%
Cost of living adjustments	2.0% per annum
Mortality table	PubG-2010, Below-Median, Amounts-Weighted Mortality Tables, (by gender), with generational improvement scale MP2018

**Schedule of Investment Returns  
Last eight fiscal years**

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Annual money-weighted rate of return, net of investment expenses

2014	8.7%
2015	-1.6%
2016	9.5%
2017	11.7%
2018	6.9%
2019	2.5%
2020	8.8%
2021	22.8%

Note: Information is not available for years preceding fiscal 2014.

**ORANGE COUNTY LIBRARY DISTRICT**  
**Other Postemployment Benefit Plan**  
**Schedule of Employer Contributions**

<b>Year Ended September 30,</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Contribution</b>	<b>Covered Employee Payroll</b>	<b>Actual Contribution as a % of Covered Employee Payroll</b>
2017	\$ 690,843	\$ 690,843	\$ 11,939,326	5.8%
2018	\$ 539,459	\$ 539,459	\$ 11,789,254	4.6%
2019	\$ 373,448	\$ 700,000	\$ 12,866,962	5.4%
2020	\$ 723,271	\$ 723,271	\$ 13,352,808	5.4%
2021	\$ 342,403	\$ 342,403	\$ 12,879,530	2.7%

Note: Information is not available for years preceding fiscal 2017.

**ORANGE COUNTY LIBRARY DISTRICT**  
**Other Postemployment Benefit Plan**  
**Schedule of Changes in Net OPEB Asset**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB liability</b>					
Service cost	\$ 311,672	\$ 416,326	\$ 352,302	\$ 351,322	\$ 368,597
Interest on the total OPEB liability	870,097	1,026,949	961,109	907,225	879,525
Changes in benefit terms	-	-	642,850	-	-
Difference between expected and actual experience	(433,918)	(519,356)	(48,127)	240,326	879,525
Changes in assumptions	(1,358,311)	(2,369,485)	(253,545)	81,538	879,525
Benefit payments	(883,721)	(842,046)	(569,322)	(935,514)	(673,847)
<b>Net change in total OPEB liability</b>	<u>(1,494,181)</u>	<u>(2,287,612)</u>	<u>1,085,267</u>	<u>644,897</u>	<u>574,275</u>
<b>Total OPEB liability - beginning</b>	<u>13,516,301</u>	<u>15,803,913</u>	<u>14,718,646</u>	<u>14,073,749</u>	<u>13,499,474</u>
<b>Total OPEB liability - ending (A)</b>	<u><u>\$ 12,022,120</u></u>	<u><u>\$ 13,516,301</u></u>	<u><u>\$ 15,803,913</u></u>	<u><u>\$ 14,718,646</u></u>	<u><u>\$ 14,073,749</u></u>
<b>Plan Fiduciary net position</b>					
Employer contributions	\$ 342,403	\$ 723,271	\$ 700,000	\$ 539,459	\$ 690,843
Net investment income	4,437,898	1,231,205	195,514	1,521,630	1,813,966
Benefit payments	(883,721)	(842,046)	(569,322)	(935,514)	(673,847)
Administrative expense	-	-	-	(8,054)	(10,047)
<b>Net change in plan fiduciary net position</b>	<u>3,896,580</u>	<u>1,112,430</u>	<u>326,192</u>	<u>1,117,521</u>	<u>1,820,915</u>
<b>Plan fiduciary net position - beginning</b>	<u>17,072,387</u>	<u>15,959,957</u>	<u>15,633,765</u>	<u>14,516,244</u>	<u>12,695,329</u>
<b>Plan fiduciary net position - ending (B)</b>	<u><u>\$ 20,968,967</u></u>	<u><u>\$ 17,072,387</u></u>	<u><u>\$ 15,959,957</u></u>	<u><u>\$ 15,633,765</u></u>	<u><u>\$ 14,516,244</u></u>
<b>Net OPEB asset - ending (A) - (B)</b>	\$ (8,946,847)	\$ (3,556,086)	\$ (156,044)	\$ (915,119)	\$ (442,495)
<b>Plan fiduciary net position as a percentage of total OPEB liability</b>	174.4%	126.3%	101.0%	106.2%	103.1%
<b>Covered employee payroll</b>	\$ 12,879,530	\$ 13,352,808	\$ 12,866,962	\$ 11,789,254	\$ 11,939,326
<b>Net OPEB asset as a percentage of covered employee payroll</b>	(69.5%)	(26.6%)	(1.2%)	(7.8%)	(3.7%)

Note: Information is not available for years preceding fiscal 2017.

**ORANGE COUNTY LIBRARY DISTRICT  
Other Postemployment Benefit Plan**

**Actuarial Methods and Assumptions  
Last fiscal year**

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Valuation date	January 1, 2021
Actuarial cost method	Entry age normal cost method
Amortization method	Level dollar, closed period
Amortization period	5 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	6.5%
Projected salary increases	4.5%
Inflation rate	2.25%
Healthcare cost trend rate	6.00% for 2022 decreasing to an ultimate rate of 3.99% by 2040 and thereafter.

**Note:** Changes in assumptions are the result of revised per capita cost and premium assumptions in the January 1, 2021 valuation report.

**Schedule of Investment Returns  
Last ten fiscal years**

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Annual money-weighted rate of return, net of investment expenses

2012	19.5%
2013	17.7%
2014	9.3%
2015	-1.8%
2016	10.1%
2017	14.3%
2018	10.4%
2019	1.4%
2020	7.8%
2021	26.0%

## **OTHER SUPPLEMENTARY INFORMATION**



**ORANGE COUNTY LIBRARY DISTRICT**  
**Combining Statement of Fiduciary Net Position-**  
**Pension and Other Postemployment Benefit Trust Funds**  
**September 30, 2021**

	<b>Defined Benefit</b>	<b>Defined Contribution</b>	<b>Money Purchase</b>	<b>OPEB</b>	<b>Total</b>
<b>Assets</b>					
Cash and cash equivalents	\$ 695,364	\$ -	\$ -	\$ 86,856	\$ 782,220
Notes receivable from plan participants	-	-	113,332	-	113,332
Investments:					
Commingled account:					
Fixed income	14,437,048	-	-	-	14,437,048
Mutual funds:					
Domestic equities	28,237,698	18,074,302	6,688,830	14,157,149	67,157,979
International equities	14,699,869	5,545,600	2,633,954	3,556,193	26,435,616
Stable value	-	2,271,227	605,236	-	2,876,463
Fixed income	-	6,219,422	1,321,707	3,765,532	11,306,661
Real estate	<u>3,255,771</u>	<u>94,498</u>	<u>38,678</u>	<u>-</u>	<u>3,388,947</u>
Total Investments	<u>60,630,386</u>	<u>32,205,049</u>	<u>11,288,405</u>	<u>21,478,874</u>	<u>125,602,714</u>
<b>Total assets</b>	<b><u>\$ 61,325,750</u></b>	<b><u>\$ 32,205,049</u></b>	<b><u>\$ 11,401,737</u></b>	<b><u>\$ 21,565,730</u></b>	<b><u>\$ 126,498,266</u></b>
<b>Liabilities</b>					
Accounts payable	23,520	-	-	34,000	57,520
Due to Internal Service Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>562,763</u>	<u>562,763</u>
<b>Total liabilities</b>	<b><u>\$ 23,520</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 596,763</u></b>	<b><u>\$ 620,283</u></b>
Net position restricted for pension and other postemployment benefits	<u>\$ 61,302,230</u>	<u>\$ 32,205,049</u>	<u>\$ 11,401,737</u>	<u>\$ 20,968,967</u>	<u>\$ 125,877,983</u>

**ORANGE COUNTY LIBRARY DISTRICT**  
**Combining Statement of Changes in Fiduciary Net Position-**  
**Pension and Other Postemployment Benefit Trust Funds**  
**Year Ended September 30, 2021**

	<u>Defined Benefit</u>	<u>Defined Contribution</u>	<u>Money Purchase</u>	<u>OPEB</u>	<u>Total</u>
<b>Additions:</b>					
Employer contributions:					
General Fund	\$ 629,000	\$ 1,304,374	\$ 914,631	\$ 342,403	\$ 3,190,408
Employee contributions:					
Rollovers	-	-	67,314	-	67,314
Investment income	11,596,329	5,476,350	2,120,880	4,437,898	23,631,457
Investment expenses	(76,131)				(76,131)
Miscellaneous revenue	54	-	-	-	54
<b>Total additions</b>	<u>12,149,252</u>	<u>6,780,724</u>	<u>3,102,825</u>	<u>4,780,301</u>	<u>26,813,102</u>
<b>Deductions:</b>					
Benefits paid to participants	2,466,398	665,617	174,232	870,076	4,176,323
Administrative expenses	19,209	4,673	2,830	13,645	40,357
<b>Total deductions</b>	<u>2,485,607</u>	<u>670,290</u>	<u>177,062</u>	<u>883,721</u>	<u>4,216,680</u>
<b>Change in net position</b>	9,663,645	6,110,434	2,925,763	3,896,580	22,596,422
<b>Net position - beginning of year</b>	<u>51,638,585</u>	<u>26,094,615</u>	<u>8,475,974</u>	<u>17,072,387</u>	<u>103,281,561</u>
<b>Net position - end of year</b>	<u>\$ 61,302,230</u>	<u>\$ 32,205,049</u>	<u>\$ 11,401,737</u>	<u>\$ 20,968,967</u>	<u>\$ 125,877,983</u>

**ORANGE COUNTY LIBRARY DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual - Capital Projects Fund**  
**Year Ended September 30, 2021**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues:</b>			
Miscellaneous revenue:			
Investment income	\$ 50,000	\$ 12,076	\$ (37,924)
<b>Total revenues</b>	<u>50,000</u>	<u>12,076</u>	<u>(37,924)</u>
<b>Expenditures:</b>			
Capital outlay	<u>375,000</u>	<u>26,759</u>	<u>348,241</u>
<b>Total expenditures</b>	<u>375,000</u>	<u>26,759</u>	<u>348,241</u>
<b>Revenues over (under) expenditures</b>	<u>(325,000)</u>	<u>(14,683)</u>	<u>310,317</u>
<b>Other Financing Sources:</b>			
Transfers in	<u>4,000,000</u>	<u>9,100,000</u>	<u>5,100,000</u>
<b>Net change in fund balance</b>	<u>\$ 3,675,000</u>	<u>9,085,317</u>	<u>\$ 5,410,317</u>
<b>Fund balance at beginning of year</b>		<u>14,035,625</u>	
<b>Fund balance at end of year</b>		<u>\$ 23,120,942</u>	

**ORANGE COUNTY LIBRARY DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual - Capital Projects Sinking Fund**  
**Year Ended September 30, 2021**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues:</b>			
Miscellaneous revenue:			
Investment Income	\$ 4,000	\$ 960	\$ (3,040)
<b>Total revenues</b>	<u>4,000</u>	<u>960</u>	<u>(3,040)</u>
<b>Revenues over expenditures</b>	<u>4,000</u>	<u>960</u>	<u>(3,040)</u>
<b>Other Financing Sources:</b>			
Transfers in	<u>250,000</u>	<u>1,950,000</u>	<u>1,700,000</u>
<b>Net change in fund balance</b>	<u>\$ 254,000</u>	<u>1,950,960</u>	<u>\$ 1,696,960</u>
<b>Fund balance at beginning of year</b>		<u>1,062,906</u>	
<b>Fund balance at end of year</b>		<u>\$ 3,013,866</u>	

**ORANGE COUNTY LIBRARY DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual - Permanent Fund**  
**Year Ended September 30, 2021**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>Revenues:</b>			
Miscellaneous revenue:			
Investment income	\$ 25,000	\$ 263,033	\$ 238,033
<b>Total revenues</b>	<b>25,000</b>	<b>263,033</b>	<b>238,033</b>
<b>Expenditures:</b>			
Capital outlay	25,000	-	25,000
<b>Total expenditures</b>	<b>25,000</b>	<b>-</b>	<b>25,000</b>
<b>Revenues over (under) expenditures</b>	<b>-</b>	<b>263,033</b>	<b>263,033</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>263,033</b>	<b>\$ 263,033</b>
<b>Fund balance at beginning of year</b>		<b>1,309,654</b>	
<b>Fund balance at end of year</b>		<b>\$ 1,572,687</b>	

## **STATISTICAL SECTION**

# ORANGE COUNTY LIBRARY DISTRICT

## STATISTICAL SECTION

The Statistical Section of the Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and the required supplementary information says about the District's overall financial health.

<b><u>Contents</u></b>	<b><u>Pages</u></b>
<b>Financial Trends</b>	<b>63 - 66</b>
These schedules contain trend information to help the reader understand how the District's financial performance and position have changed over time.	
<b>Revenue Capacity</b>	<b>67 - 70</b>
These schedules contain information to help the reader assess the factors affecting the District's ability to generate property taxes.	
<b>Debt Capacity</b>	<b>71 - 75</b>
These schedules present information to help the reader assess the affordability of the District's current levels of debt and the District's ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	<b>76 - 77</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
<b>Operating Information</b>	<b>78 - 80</b>
These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

# ORANGE COUNTY LIBRARY DISTRICT

## NET POSITION GOVERNMENTAL ACTIVITIES LAST TEN FISCAL YEARS

(accrual basis of accounting)

FISCAL YEAR	NET INVESTMENT IN CAPITAL ASSETS	RESTRICTED (3)	UNRESTRICTED	TOTAL
2021	\$ 32,478,947	\$ 26,058,685 (5)	\$ 38,825,866	\$ 97,363,498
2020	32,866,257	11,429,317 (4)	30,805,194	75,100,768
2019	32,296,499	1,527,343	28,367,603	62,191,445
2018	33,449,511	3,788,614	18,935,150	56,173,275
2017	32,861,690	1,753,058	16,822,368	51,437,116
2016	33,213,078	886,358 (2)	16,684,484	50,783,920
2015	29,407,021	407,707	17,853,751	47,668,479
2014	26,859,536	439,319	18,769,164	46,068,019
2013	25,962,992	852,297	20,801,812	47,617,101
2012	26,552,839	1,457,517 (1)	22,073,543	50,083,899

(1) Includes \$1,000,000 Melrose Family Foundation donation received in FY 2012.

(2) Includes \$500,000 Kendrick B. Melrose donation received in FY 2016.

(3) Includes net pension asset and net OPEB asset

(4) The net OPEB asset increased due to a change in assumptions in the 2020 Actuarial Report. This includes the incorporation of a new mortality table and removal of the load for excise tax.

(5) The net pension and OPEB assets increased due to higher net investment income earned during the year.



## ORANGE COUNTY LIBRARY DISTRICT

### CHANGES IN NET POSITION GOVERNMENTAL ACTIVITIES LAST TEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Program Expenses</b>										
Salaries and benefits	\$ 17,503,948	\$ 22,003,497	\$ 24,910,999	\$ 22,787,890	\$ 22,900,705	\$ 21,474,152	\$ 20,414,549	\$ 18,883,855	\$ 18,140,914	\$ 17,859,087
Operating	8,240,745	9,168,322	10,098,378	9,075,273	9,087,009	9,354,014	8,454,658	7,855,277	8,645,249	7,904,571
Depreciation	3,674,840	3,782,117	3,914,812	4,076,370	4,303,673	4,382,963	2,096,541	1,942,267	1,816,789	1,847,548
Materials	3,476,077	3,301,894	2,948,660	3,130,625	2,866,042	2,898,914	4,863,762	4,472,687	4,533,827	4,653,884
<b>Total Expenses</b>	<b>\$ 32,895,610</b>	<b>\$ 38,255,830</b>	<b>\$ 41,872,849</b>	<b>\$ 39,070,158</b>	<b>\$ 39,157,429</b>	<b>\$ 38,110,043</b>	<b>\$ 35,829,510</b>	<b>\$ 33,154,086</b>	<b>\$ 33,136,779</b>	<b>\$ 32,265,090</b>
<b>Program Revenues</b>										
Charges for services	\$ 746,202	\$ 820,986	\$ 1,163,129	\$ 1,279,929	\$ 1,289,113	\$ 1,377,878	\$ 1,511,583	\$ 1,559,911	\$ 1,554,924	\$ 1,740,844
Operating grants & contrib.	1,302,423	1,182,531	1,518,081	1,268,671	1,237,111	1,151,860	1,501,688	1,226,815	1,289,380	1,343,216
Capital grants & contrib.	-	-	-	-	-	500,000	446,227	53,773	-	1,000,000
<b>Total Program Revenues</b>	<b>\$ 2,048,625</b>	<b>\$ 2,003,517</b>	<b>\$ 2,681,210</b>	<b>\$ 2,548,600</b>	<b>\$ 2,526,224</b>	<b>\$ 3,029,738</b>	<b>\$ 3,459,498</b>	<b>\$ 2,840,499</b>	<b>\$ 2,844,304</b>	<b>\$ 4,084,060</b>
<b>Total Net (Exp.)</b>	<b>\$ (30,846,985)</b>	<b>\$ (36,252,313)</b>	<b>\$ (39,191,639)</b>	<b>\$ (36,521,558)</b>	<b>\$ (36,631,205)</b>	<b>\$ (35,080,305)</b>	<b>\$ (32,370,012)</b>	<b>\$ (30,313,587)</b>	<b>\$ (30,292,475)</b>	<b>\$ (28,181,030)</b>
<b>General Revenues</b>										
Property Taxes	\$ 52,539,629	\$ 48,227,320	\$ 44,157,999	\$ 40,292,698	\$ 36,747,153	\$ 33,714,713	\$ 30,552,756	\$ 28,374,814	\$ 27,375,629	\$ 27,515,072
Investment income	327,460	780,606	896,826	449,103	270,264	172,626	95,449	65,964	49,125	30,448
Operating Lease	-	-	-	-	-	-	-	-	146,045	107,458
Miscellaneous	242,626	153,710	154,984	272,751	266,984	302,935	642,595	323,727	254,878	263,479
<b>Total General Revenues</b>	<b>\$ 53,109,715</b>	<b>\$ 49,161,636</b>	<b>\$ 45,209,809</b>	<b>\$ 41,014,552</b>	<b>\$ 37,284,401</b>	<b>\$ 34,190,274</b>	<b>\$ 31,290,800</b>	<b>\$ 28,764,505</b>	<b>\$ 27,825,677</b>	<b>\$ 27,916,457</b>
<b>Change in Net Position</b>	<b>\$ 22,262,730</b>	<b>\$ 12,909,323</b>	<b>\$ 6,018,170</b>	<b>\$ 4,492,994</b>	<b>\$ 653,196</b>	<b>\$ (890,031)</b>	<b>\$ (1,079,212)</b>	<b>\$ (1,549,082)</b>	<b>\$ (2,466,798)</b>	<b>\$ (264,573)</b>

# ORANGE COUNTY LIBRARY DISTRICT

## FUND BALANCES GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>General Fund:</b>										
Nonspendable:										
Inventory	\$ 149,944	\$ 171,956	\$ 123,866	\$ 155,055	\$ 176,092	\$ 162,025	\$ 152,942	\$ 194,661	\$ 258,245	\$ 296,003
Prepaid Items	179,414	223,747	179,387	258,713	119,952	174,017	199,582	153,653	163,175	141,907
Annetta O' B Walker Trust Fund	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
A.P. Phillips Jr. Memorial Fund	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Perce C. & Mary M. Gullet Mem. Fund	19,805	19,805	19,805	19,805	19,805	19,805	19,805	19,805	19,805	19,805
Willis H. Warner Memorial Fund	33,712	33,712	33,712	33,712	33,712	33,712	33,712	33,712	33,712	33,712
Restricted For:										
Kendrick Melrose Family Foundation	-	-	-	-	-	-	-	-	411,029	1,000,000
Committed To:										
Strategic Plan	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Edmund L. Murray Estate Fund	724,689	724,689	724,689	724,689	724,689	724,689	724,689	724,689	724,689	724,689
Arthur Sondheim Estate Fund	39,941	39,941	39,941	39,941	39,941	39,941	39,941	39,941	39,941	39,941
Vivian Esch Estate Fund	44,198	44,198	44,198	44,198	44,198	44,198	44,198	44,198	44,198	44,198
Assigned To:										
Subsequent Year's Budget	-	-	-	323,000	1,000,877	2,080,087	1,644,978	2,860,984	4,125,670	4,330,982
Unassigned:	18,154,274	13,312,423	9,305,827	6,981,043	4,242,799	2,234,086	3,675,686	2,695,807	3,454,600	4,308,266
<b>Total General Fund</b>	<b><u>\$23,449,977</u></b>	<b><u>\$18,674,471</u></b>	<b><u>\$ 14,575,425</u></b>	<b><u>\$12,684,156</u></b>	<b><u>\$ 10,506,065</u></b>	<b><u>\$ 9,616,560</u></b>	<b><u>\$ 10,639,533</u></b>	<b><u>\$10,871,450</u></b>	<b><u>\$13,379,064</u></b>	<b><u>\$15,043,503</u></b>
<b>All Other Governmental Funds</b>										
Nonspendable:										
Melrose Donation	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 500,000	\$ 500,000	\$ 500,000	-	-	-	-
Restricted for:										
Melrose Center	572,687	309,654	213,782	183,632	133,020	59,693	-	-	-	-
Assigned To:										
Capital Projects	(1) 26,134,808	15,098,531	10,673,716	5,917,620	4,334,823	3,303,238	2,387,733	5,922,381	6,479,030	6,466,464
<b>Total All Other Governmental Funds</b>	<b><u>\$27,707,495</u></b>	<b><u>\$16,408,185</u></b>	<b><u>\$ 11,887,498</u></b>	<b><u>\$ 6,601,252</u></b>	<b><u>\$ 4,967,843</u></b>	<b><u>\$ 3,862,931</u></b>	<b><u>\$ 2,387,733</u></b>	<b><u>\$ 5,922,381</u></b>	<b><u>\$ 6,479,030</u></b>	<b><u>\$ 6,466,464</u></b>

(1) Additional funding was provided to the Capital Projects Fund to fully fund the Horizon West Branch and provide initial capital to start funding the Lake Nona Branch.

**ORANGE COUNTY LIBRARY DISTRICT**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(modified accrual basis of accounting)

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Revenues</b>										
Property Taxes	\$52,539,629	\$48,227,320	\$44,157,999	\$40,292,698	\$36,747,153	\$33,714,713	\$30,552,756	\$28,374,814	\$27,375,629	\$27,515,072
Intergovernmental	951,936	1,058,560	890,125	1,048,075	1,052,618	1,224,878	1,560,875	1,120,090	993,051	1,149,985
Fines	453,995	487,223	669,617	756,003	786,065	886,427	1,048,826	1,119,034	1,150,472	1,357,960
Charges for Services	292,207	333,763	493,512	523,926	503,048	491,451	462,757	440,877	404,452	382,884
Investment Income	327,460	780,606	896,826	449,103	270,264	172,626	95,449	65,964	49,125	30,448
Miscellaneous	610,123	279,671	790,742	500,191	646,804	739,518	829,635	484,225	697,252	1,564,168
<b>Total Revenues</b>	<b>55,175,350</b>	<b>51,167,143</b>	<b>47,898,821</b>	<b>43,569,996</b>	<b>40,005,952</b>	<b>37,229,613</b>	<b>34,550,298</b>	<b>31,605,004</b>	<b>30,669,981</b>	<b>32,000,517</b>
<b>Expenditures</b>										
Salaries & Benefits	\$23,189,376	\$24,908,885	\$24,281,867	\$22,706,126	\$22,052,113	\$20,620,002	\$19,663,201	\$18,817,390	\$18,123,357	\$17,867,066
Operating	9,056,711	9,916,837	10,526,038	9,209,974	9,136,182	9,044,726	9,102,757	8,535,706	8,366,153	8,133,042
Books & Other Materials	4,494,634	4,367,937	4,193,777	4,447,476	4,573,355	4,736,787	4,863,762	4,472,687	4,533,827	4,653,884
Capital Outlay	2,359,813	3,353,751	1,719,624	3,394,920	2,249,885	2,375,873	1,467,012	2,247,100	1,298,517	433,969
Capital Projects Outlay	-	-	-	-	-	-	3,220,131	596,384	-	-
<b>Total Expenditures</b>	<b>39,100,534</b>	<b>42,547,410</b>	<b>40,721,306</b>	<b>39,758,496</b>	<b>38,011,535</b>	<b>36,777,388</b>	<b>38,316,863</b>	<b>34,669,267</b>	<b>32,321,854</b>	<b>31,087,961</b>
Excess of revenues over(under)expenditures	16,074,816	8,619,733	7,177,515	3,811,500	1,994,417	452,225	(3,766,565)	(3,064,263)	(1,651,873)	912,556
<b>Net Change in Fund Balances</b>										
<b>Balances</b>	<b>\$ 16,074,816</b>	<b>\$ 8,619,733</b>	<b>\$ 7,177,515</b>	<b>\$ 3,811,500</b>	<b>\$ 1,994,417</b>	<b>\$ 452,225</b>	<b>\$ (3,766,565)</b>	<b>\$ (3,064,263)</b>	<b>\$ (1,651,873)</b>	<b>\$ 912,556</b>
Government-wide Capital Outlay (1)	\$ 3,378,370	\$ 4,419,794	\$ 2,964,741	\$ 4,711,771	\$ 3,957,198	\$ 4,213,746	\$ 4,687,143	\$ 2,843,484	\$ 1,298,517	\$ 433,969
Non Capital Expenditures	\$35,722,164	\$38,127,616	\$37,756,565	\$35,046,725	\$34,054,337	\$32,563,642	\$33,629,720	\$31,825,783	\$31,023,337	\$30,653,992

(1) Effective October 1, 2015, the District began capitalizing library books and audiovisual materials.

## ORANGE COUNTY LIBRARY DISTRICT

### TAXABLE ASSESSED VALUE AND ESTIMATED FAIR VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year	Real Property		Personal Property		Centrally Assessed Property(1)		Totals		Ratio of	Total Direct Tax Rate
	Taxable Assessed Value	Estimated Fair Value	Taxable Assessed Value	Estimated Fair Value	Taxable Assessed Value	Estimated Fair Value	Taxable Assessed Value	Estimated Fair Value	Total Taxable Assessed Value to Total Est. Fair Value	
2021	\$139,233,137,624	\$197,498,083,946	\$11,833,216,757	\$16,199,573,391	\$ 49,749,362	\$ 50,932,744	\$ 151,116,103,743	\$213,748,590,081	70.70%	0.3748
2020	123,338,615,836	180,148,078,257	11,035,076,899	15,299,256,874	24,960,733	28,182,016	134,398,653,468	195,475,517,147	68.75	0.3748
2019	112,086,988,934	162,751,903,933	10,321,278,945	14,276,238,923	24,808,221	27,356,370	122,433,076,100	177,055,499,226	69.15	0.3748
2018	102,398,480,167	147,532,347,134	9,514,415,422	13,437,571,192	23,653,199	26,159,067	111,936,548,788	160,996,077,393	69.53	0.3748
2017	93,430,521,091	135,656,513,905	8,784,592,166	12,670,499,394	16,919,656	18,627,949	102,232,032,913	148,345,641,248	68.91	0.3748
2016	84,780,485,956	124,700,853,055	8,939,890,427	12,886,669,851	23,317,377	24,749,513	93,743,693,760	137,612,272,419	68.12	0.3748
2015	75,841,561,597	105,529,994,182	8,279,549,811	12,250,845,165	21,765,161	23,119,905	84,142,876,569	117,803,959,252	71.43	0.3748
2014	70,747,635,067	95,744,666,369	7,941,397,415	11,917,111,545	21,561,331	22,959,315	78,710,593,813	107,684,737,229	73.09	0.3748
2013	68,084,636,506	92,132,990,490	7,711,741,964	11,624,305,924	19,920,941	21,182,712	75,816,299,411	103,778,479,126	73.06	0.3748
2012	68,251,144,114	92,183,305,123	7,674,028,456	11,436,287,666	20,447,140	22,333,097	75,945,619,710	103,641,925,886	73.28	0.3748

(1) Centrally Assessed Property Consists of Property Assessed By The State of Florida

Information is reported based on the fiscal year in which associated tax revenue is recognized - e.g., the 2020 tax roll data is reported here for Fiscal Year 2021, as that is the period of collection and revenue recognition.

Source: Orange County Property Appraiser

## ORANGE COUNTY LIBRARY DISTRICT

### PROPERTY TAX RATES PER \$1,000 OF ASSESSED VALUATION ALL DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN FISCAL YEARS

FISCAL YEAR ENDING SEPTEMBER 30 (1)	LIBRARY DISTRICT (2)	ORANGE COUNTY	SCHOOL BOARD	TOTAL DIRECT AND OVERLAPPING TAX RATES (3)
2021	0.3748	4.4347	6.8570	11.6665
2020	0.3748	4.4347	6.8570	11.6665
2019	0.3748	4.4347	7.1090	11.9185
2018	0.3748	4.4347	7.2990	12.1085
2017	0.3748	4.4347	7.4700	12.2795
2016	0.3748	4.4347	7.8110	12.6205
2015	0.3748	4.4347	8.2180	13.0275
2014	0.3748	4.4347	8.4740	13.2835
2013	0.3748	4.4347	8.4780	13.2875
2012	0.3748	4.4347	8.4780	13.2875

(1) Information is reported based on the fiscal year in which associated tax revenue is recognized- e.g., the 2020 tax roll data is reported here for Fiscal Year 2021, as that is the period of collection and revenue recognition.

(2) This is the Library District's total direct rate. There is only one component in this rate.

(3) The tax rates for other agencies that do not levy a tax on the entire Library District are omitted here.

Source: Orange County Tax Collector

**ORANGE COUNTY LIBRARY DISTRICT**

**PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	TYPE OF BUSINESS	FISCAL YEAR 2021 <sup>(1)</sup>		FISCAL YEAR 2012 <sup>(1)</sup>	
		ASSESSED VALUE	PERCENTAGE OF TOTAL ASSESSED VALUE	ASSESSED VALUE	PERCENTAGE OF TOTAL ASSESSED VALUE
Walt Disney Company	Tourism	\$ 12,000,000,000	7.94%	\$ 6,470,000,000	8.52%
Universal Studios	Tourism	3,300,000,000	2.18	1,430,000,000	1.88
Hilton Resorts/Waldorf Astoria	Hotels	2,100,000,000	1.39	861,000,000	1.13
Marriott Resorts/Ritz Carlton	Hotels	2,000,000,000	1.32	1,050,000,000	1.38
Orange Lake Country Club	Timeshare	1,400,000,000	0.93	619,000,000	0.82
Duke Energy	Utilities	1,000,000,000	0.66	545,700,000	0.72
Westgate Resorts	Hotels	813,500,000	0.54	460,100,000	0.61
Hyatt Resorts	Hotels	790,100,000	0.52		
Wyndham Resorts	Hotels	696,000,000	0.46	469,800,000	0.62
Vistana Resorts	Timeshare	690,800,000	0.46	424,900,000	0.56
RH Resorts/Rosen Hotels	Hotel			452,500,000	0.60
Total Top Ten Principal Taxpayers		\$ 24,790,400,000	16.40%	\$ 12,783,000,000	16.84%
Taxable Assessed Value of all other taxpayers		\$ 126,325,703,743	83.60%	\$ 63,162,619,710	83.16%
Total Taxable Assessed Value of all taxpayers		\$ 151,116,103,743	100.00%	\$ 75,945,619,710	100.00%

(1) Information is reported based on the fiscal year in which associated tax revenue is recognized- e.g., the 2020 tax roll data is reported here for Fiscal Year 2021, as that is the period of collection and revenue recognition.

Information For Principal Taxpayers of the District is not available. Instead, principal taxpayers for Orange County, which includes the District, is presented.

Information for Principal Taxpayers for 2021 is not available so 2020 Principal Taxpayers is used as an estimate.

Source: Orange County Property Appraiser

**ORANGE COUNTY LIBRARY DISTRICT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

<b>FISCAL YEAR (1)</b>	<b>LEVY</b>	<b>COLLECTED WITHIN THE LEVY YEAR</b>		<b>COLLECTIONS SUBSEQUENT YEARS</b>	<b>TOTAL COLLECTIONS TO DATE</b>	
		<b>AMOUNT</b>	<b>PERCENTAGE OF THE LEVY</b>		<b>AMOUNT</b>	<b>PERCENTAGE OF THE LEVY</b>
2021	\$54,888,121	\$52,149,328	95.01%	\$227,126	\$52,376,454	95.42%
2020	50,517,071	48,139,779	95.29	87,492	48,227,271	95.47
2019	46,073,893	44,156,509	95.84	17,579	44,174,088	95.88
2018	42,025,923	40,274,855	95.83	1,916	40,276,771	95.84
2017	38,393,129	36,745,386	95.71	58,384	36,803,770	95.86
2016	35,390,723	33,745,862	95.35	68,995	33,814,857	95.55
2015	31,619,914	30,384,231	96.09	70,441	30,454,672	96.31
2014	29,514,918	28,304,731	95.90	92,638	28,397,369	96.21
2013	28,433,670	27,277,420	95.93	140,894	27,418,314	96.43
2012	28,477,769	27,339,854	96.00	122,428	27,462,282	96.43

(1) Information is reported based on the fiscal year in which associated tax revenue is recognized- e.g., the 2020 tax roll data is reported here for Fiscal Year 2021, as that is the period of collection and revenue recognition.

Source: Orange County Tax Collector

# **ORANGE COUNTY LIBRARY DISTRICT**

## **RATIO OF OUTSTANDING DEBT**

### **LAST TEN FISCAL YEARS**

The District did not have debt in the last ten fiscal years.



# **ORANGE COUNTY LIBRARY DISTRICT**

## **RATIO OF NET GENERAL OBLIGATION BONDED DEBT LAST TEN FISCAL YEARS**

The District did not have any general obligation bonded debt in the last ten fiscal years.

**ORANGE COUNTY LIBRARY DISTRICT**  
**COMPUTATION OF DIRECT AND OVERLAPPING**  
**GENERAL DEBT**

**SEPTEMBER 30, 2021**

<u>JURISDICTION</u>	<u>GROSS DEBT OUTSTANDING</u>	<u>PERCENTAGE APPLICABLE TO ORANGE COUNTY LIBRARY DISTRICT(3)</u>	<u>AMOUNT APPLICABLE TO ORANGE COUNTY LIBRARY DISTRICT</u>	<u>DEBT PER CAPITA (4)</u>
Direct:				
Orange County Library District (1)				
Overlapping:				
Reedy Creek Improvement District (2)	\$719,095,000	95.0%	<u>\$683,140,250</u>	<u>\$486.09</u>
Total Direct and Overlapping Debt			<u><u>\$683,140,250</u></u>	<u><u>\$486.09</u></u>

- (1) Bank Line of Credit was paid off in FY 2010  
General Obligation Bonds were paid off in FY 2006
- (2) Bond issues of 2013A, 2013B, 2015A, 2016A, 2017A, 2020A (Reedy Creek)
- (3) The percentage of overlapping debt applicable is estimated using taxable assessed property values, by determining the amount of the overlapping government's taxable assessed value that is within the District's boundaries and dividing by the total taxable assessed value of the overlapping government.
- (4) Based on 2021 District population estimate of 1,405,373

# **ORANGE COUNTY LIBRARY DISTRICT**

## **LEGAL DEBT MARGIN**

Neither the Orange County Library District nor the Florida Statutes provide for a limit on the amount of ad valorem taxes Orange County Library District may levy for voted bonds.

# **ORANGE COUNTY LIBRARY DISTRICT**

## **PLEGGED REVENUE COVERAGE**

## **NON-GENERAL OBLIGATION DEBT**

## **LAST TEN FISCAL YEARS**

The District did not have non-general obligation debt in the last ten fiscal years.

# ORANGE COUNTY LIBRARY DISTRICT

## DEMOGRAPHIC AND ECONOMIC INFORMATION LAST TEN FISCAL YEARS

FISCAL YEAR		POPULATION(1)		PERSONAL INCOME	PER CAPITA PERSONAL INCOME		UNEMPLOYMENT RATE
2021	(1)	1,405,373	(2)	69,363,482,000	\$ 49,356	(5)	4.5%
2020		1,360,252	(3)	69,363,482,000	50,993	(4)	9.8
2019		1,330,868		64,447,389,000	48,425		2.7
2018		1,297,459		61,642,216,000	47,510		2.6
2017		1,267,162		57,386,378,000	45,287		3.1
2016		1,233,481		54,565,646,000	44,237		4.4
2015		1,206,422		50,998,452,000	42,272		4.7
2014		1,182,511		47,623,300,000	40,273		5.6
2013		1,158,689		45,003,579,000	38,840		6.2
2012		1,132,302		44,498,053,000	39,299		8.4

(1) Population for 2021 is an estimate by the Bureau of Economics and Business Research. Excludes the City of Winter Park and Maitland which is not served by the District.

(2) Personal Income for 2021 not available so 2020 personal income used as an estimate. Includes all of Orange County.

(3) Information for Fiscal Year 2020 has been updated from that previously reported.

(4) Higher unemployment rates due to the effects of the COVID19 pandemic on businesses.

(5) Lower unemployment rates as more people are getting back to the work force after the pandemic.

Source: Population from University of Florida, Bureau of Economics and Business Research  
 Personal Income from Bureau of Economic Analysis  
 Unemployment Rates from State of Florida's Labor Market Statistics and Bureau of Labor Statistics

## ORANGE COUNTY LIBRARY DISTRICT

### PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

EMPLOYER	2021		2012	
	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
Walt Disney World Resort	75,000	10.36%	62,000	10.61%
AdventHealth System	36,000	4.97	16,771	2.87
Orange County Public Schools	25,625	3.54	17,904	3.06
Universal Studios Florida	24,500	3.38	16,000	2.74
Orlando Health	20,400	2.82	13,666	2.34
University of Central Florida	12,555	1.73	10,346	1.77
The School District of Osceola County	8,423	1.16		
Orange County Government	7,971	1.10	7,654	1.31
Seminole County Public Schools	7,646	1.06		
Lake County Schools	5,838	0.81		
UPS			12,680	2.17
Lockheed Martin			9,000	1.54
SeaWorld Parks & Entertainment			7,000	1.20
Total	<u>223,958</u>	30.93	<u>173,021</u>	29.61
Total Employment in Orange County	<u>724,089</u>		<u>584,475</u>	

Source: Top 10 Employers from Orlando Business Journal Book of Lists dated 2020/2021  
 2021/2022 not published as of January 2022  
 Total Employment in Orange County from State of Florida Labor Market Statistics  
 and Bureau of Labor Statistics

# ORANGE COUNTY LIBRARY DISTRICT

## DISTRICT EMPLOYEES LAST TEN FISCAL YEARS

<b>FISCAL YEAR</b>	<b>FULL TIME EQUIVALENTS</b>
2021	308
2020	325
2019	336
2018	335
2017	328
2016	328
2015	321
2014	298
2013	288
2012	275

Source: Orange County Library District

## ORANGE COUNTY LIBRARY DISTRICT

### OPERATING INDICATORS LAST TEN FISCAL YEARS

FISCAL YEAR		CIRCULATION	WEBSITE / CATALOG VISITS		CLASS AND PROGRAM ATTENDANCE		COMPUTER SESSIONS
2021	(4)	7,582,572	3,148,278		395,713	(4)	168,708
2020	(5)	8,812,904	3,583,662	(5)	352,358	(5)	236,951
2019		10,369,336	4,095,285		596,269		998,483
2018		10,127,116	(3)	3,929,820	462,956		976,489
2017		11,993,719		4,045,818	560,713		974,512
2016		12,912,258	(2)	4,272,999	413,571		1,098,833
2015		12,787,970		5,029,455	369,805		1,154,547
2014		13,026,964	(1)	4,754,155	299,715		1,166,073
2013		14,485,390		5,275,322	355,987		1,137,049
2012		15,169,395		5,364,297	275,378		1,073,050

- (1) New website statistics software created the decline from 2013 to 2014.
- (2) A decrease in internal visits (traffic originating from within the Library's network) accounts for the decrease in total web visits between 2015 and 2016.
- (3) New website statistics software (WebPAC) created the decline from 2017 to 2018.
- (4) Declined due to decreased services during COVID19 pandemic.
- (5) Information has been updated from that previously reported.

Source: Orange County Library District



**ORANGE COUNTY LIBRARY DISTRICT**  
**SERVICE LOCATION INFORMATION**  
**LAST TEN FISCAL YEARS**

Location	Status	Square Footage									
		2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Main</b>	Own	290,000	290,000	290,000	290,000	290,000	290,000	290,000	290,000	290,000	290,000
<b>Alafaya Branch</b>	Own	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
<b>Chickasaw Branch</b>	Own	15,660	15,660	15,660	15,660	15,660	15,660	15,660	-	-	-
<b>Eatonville Branch</b>	Lease	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600
<b>Fairview Shores Branch</b>	Lease (1)	8,796	8,796	8,796	12,740	12,740	12,740	12,740	12,740	12,740	12,740
<b>Herndon Branch</b>	Lease (2)	-	-	13,160	13,160	13,160	13,160	13,160	13,160	13,160	13,160
<b>Hiawasse Branch</b>	Lease	13,455	13,455	13,455	13,455	13,455	13,455	13,455	13,455	13,455	13,455
<b>North Orange Branch</b>	Own	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
<b>South Creek Branch</b>	Own	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
<b>South Trail Branch</b>	Lease	12,750	12,750	12,750	12,750	12,750	12,750	12,750	12,750	12,750	12,750
<b>Southeast Branch</b>	Lease	13,310	13,310	13,310	13,310	13,310	13,310	13,310	13,310	13,310	13,310
<b>Southwest Branch</b>	Lease	15,553	15,553	15,553	15,553	15,553	15,553	15,553	15,553	15,553	15,553
<b>Washington Park Branch</b>	Lease	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600
<b>West Oaks Branch</b>	Own	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
<b>Windermere Branch</b>	Lease	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400
<b>Winter Garden Branch</b>	Own	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
<b>TOTAL</b>		<u>448,124</u>	<u>448,124</u>	<u>461,284</u>	<u>465,228</u>	<u>465,228</u>	<u>465,228</u>	<u>465,228</u>	<u>449,568</u>	<u>449,568</u>	<u>449,568</u>

(1) In June 2019, the Edgewater Branch relocated and became the Fairview Shores Branch.

(2) In 2020, the Herndon branch lease was not renewed and terminated. The branch is closed.

## **COMPLIANCE SECTION**

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

To the Members of the Orange County Library Board of Trustees  
Orange County Library District  
Orlando, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Orange County Library District (the "District"), a component unit of Orange County, Florida, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise District's basic financial statements, and have issued our report thereon dated February 2, 2022. We also have audited the financial statements of the internal service fund, presented in the District's basic financial statements, and each of the fiduciary funds of the District, presented as supplementary information in the accompanying combining financial statements, as of and for the year ended September 30, 2021, and the related notes to the financial statements.

### **Internal Control over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

**Purpose of this Report**

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

A handwritten signature in black ink that reads "Cheryl Behrman" followed by a stylized flourish.

Orlando, Florida  
February 2, 2022

## Independent Auditor's Management Letter

To the Members of the Orange County Library Board of Trustees  
Orange County Library District  
Orlando, Florida

### Report of the Financial Statements

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Orange County Library District (the "District"), a component unit of Orange County, Florida as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 2, 2022. We also have audited the financial statements of the internal service fund, presented in the District's basic financial statements, and each of the fiduciary funds of the District, presented as supplementary information in the accompanying combining financial statements, as of and for the year ended September 30, 2021.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

### Other Reporting Requirements

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on Compliance with Local Government Investment Policies regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 2, 2022, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. No findings or recommendations were made in the preceding annual financial audit report.

### Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The District was established by special state legislative act, Chapter 80-555, Laws of Florida, approved by referendum on September 9, 1980, as an independent special district. The original act, as amended, was recodified into Chapter 99-486, Laws of Florida. There are no component units of the District.

### Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify of the specific conditions met. In connection with our audit of the financial statements of the District, the results of our tests did not indicate the District met any of the specified conditions of a financial emergency contained in Section 215.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

### Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6., Rules of the Auditor General, the District provided the following information (unaudited):

- a. The total number of district employees compensated in the last pay period of the District's fiscal year as 367.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year as 1.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$23,929,130.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$105,676.
- e. Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as listed below:

<b>Project</b>	<b>Expenditures</b>
Alafaya Restroom	\$ 230,053
West Oaks Refresh	254,761
West Oaks Restroom	211,779
Hiawassee Refresh	204,762
Hiawassee Restroom	247,217
Total	<u>\$ 1,148,572</u>

- f. No budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported, since the District did not amend a final adopted budget under Section 189.016(6), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the District provided the following information (unaudited):

- a. The mileage rate or rates imposed by the district as 0.3748.
- b. The total amount of ad valorem taxes collected by or on behalf of the district as \$52,539,629.
- c. No outstanding bonds issued by the District.

**Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

**Purpose of this Letter**

The purpose of this management letter is to communicate certain matters prescribed by Chapter 10.550, Rules of the Auditor General. Accordingly, this management letter is not suitable for any other purpose.



Orlando, Florida  
February 2, 2022

**Independent Accountant’s Report on Compliance  
with Local Government Investment Policies**

To the Members of the Orange County Library Board of Trustees  
Orange County Library District  
Orlando, Florida

We have examined the Orange County Library District’s (the “District”) compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2021. Management of the District is responsible for the District’s compliance with the specified requirements. Our responsibility is to express an opinion on the District’s compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the District’s compliance with the specified requirements.

In our opinion, the District complied, in all material respects, with the local investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2021.

The purpose of this report is to comply with the audit requirements of Section 218.415, Florida Statutes, and Rules of the Auditor General.



Orlando, Florida  
February 2, 2022