

POPLAR BLUFF MUNICIPAL LIBRARY DISTRICT
Poplar Bluff, Missouri

December 31, 2024

ANNUAL FINANCIAL REPORT

BEUSSINK, HEY, ROE & STRODER, L.L.C.

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Poplar Bluff Municipal Library District of the City of Poplar Bluff
Poplar Bluff, Missouri

Report on the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, the general fund, and the Library Foundation Fund of the Poplar Bluff Municipal Library District of the City of Poplar Bluff, Missouri, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the general fund, and the Library Foundation Fund of the Poplar Bluff Municipal Library District of the City of Poplar Bluff, Missouri, as of December 31, 2024, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Poplar Bluff Municipal Library District of the City of Poplar Bluff, Missouri and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of a Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Poplar Bluff Municipal Library

District of the City of Poplar Bluff, Missouri's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Poplar Bluff Municipal Library District of the City of Poplar Bluff, Missouri's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Poplar Bluff Municipal Library District of the City of Poplar Bluff, Missouri's basic financial statements. The budgetary comparison information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2025, on our consideration of the Poplar Bluff Municipal Library District of the City of Poplar Bluff, Missouri'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 Poplar Bluff Municipal Library District of the City of Poplar Bluff, Missouri'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 Poplar Bluff Municipal Library District of the City of Poplar Bluff's internal control over financial reporting and compliance.

BEUSSINK, HEY, ROE & STRODER, L.L.C.

Beussink, Hey, Roe & Stroder, L.L.C.

Cape Girardeau, Missouri
March 15, 2025

BEUSSINK, HEY, ROE & STRODER, L.L.C.

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INDEPENDENT AUDITORS' REPORT 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 Board of Trustees
Poplar Bluff Municipal Library District of the City of Poplar Bluff
Poplar Bluff, Missouri

We have audited, 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, the financial statements of the governmental activities, the general fund, and the Library Foundation Fund of the Poplar Bluff Municipal Library District of the City of Poplar Bluff, Missouri, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Poplar Bluff Municipal Library District of the City of Poplar Bluff, Missouri's basic financial statements, and have issued our report thereon dated March 15, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Poplar Bluff Municipal Library District of the City of Poplar Bluff, Missouri'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 Poplar Bluff Municipal Library District of the City of Poplar Bluff, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of the Poplar Bluff Municipal Library District of the City of Poplar Bluff, Missouri'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Poplar Bluff Municipal Library District of the City of Poplar Bluff, Missouri'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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BEUSSINK, HEY, ROE & STRODER, L.L.C.

Beussink, Hey, Roe & Stroder, L.L.C.

Cape Girardeau, Missouri

March 15, 2025

SUPPLEMENTARY INFORMATION

Poplar Bluff Municipal Library District
Management's Discussion and Analysis
2024
(Unaudited)

The Poplar Bluff Municipal Library District's management offers readers of the financial statements this narrative overview and analysis of the financial activities of the Library for the fiscal year ended December 31, 2024. Please read this Management Discussion and Analysis (MD&A) in conjunction with the Library's Financial Statements, which follow.

Financial Highlights

- The Library, a political subdivision governed by the Library Board of Trustees, began operations on January 1, 2013. It is independent of the City of Poplar Bluff and is responsible for all financial operations related to the library, including liability and property insurance, building and grounds maintenance, payroll, health benefits, worker's compensation, bonding, banking, accounts receivable, and accounts payable.
- The Library is funded solely by a ¼ cent sales tax in the city limits of Poplar Bluff approved by the voters on June 5, 2012.
- The Library's property tax rate was set to zero and no property tax has been collected beginning with the 2012 fiscal year.
- The library receives donations throughout the year. These and other sources of revenue include grants, memorials, and honorariums, sales of used book donations, monetary support for programming, passport fees, state aid, and arts and entertainment monies received from the state of Missouri. Library book sales and donations paid for many children's and adult programming events including materials for storytime and take-home crafting kits.
- The mission statement was adopted September 2016 by the Board of Trustees.

Poplar Bluff Municipal Library District with its community partners provides and promotes equal access to reading, information, cultural, and intellectual resources.

The mission is used to determine promotion of community events, programming development and execution, hiring, and budgeting. Using it as a tool has been effective as reflected in the library's statistical reporting.

- The Board of Trustees adopted a Vision Statement on June 3, 2019:

Promoting Libraries to Make Our Communities Stronger

This vision reflects the library's support of Missouri libraries by involving staff in professional organizations, its use of the Mid-America Library Alliance courier services, and resource sharing through OCLC and membership in the Missouri Evergreen Consortium. In turn, support of these library initiatives provides services to all Missouri citizens and those beyond Missouri borders. This sharing realizes savings to taxpayers in cost avoidance and pooling library purchasing power.

- On August 7, 2023, the Board of Trustees voted unanimously to accept the bid proposal in the amount of \$169,072 from Cardinal Elevator to modernize the elevator at the Main Branch Library located at 318 North Main Street. The elevator upgrade began on February 28, 2024, and was completed on April 3, 2024. Final payment was made to Cardinal Elevator for the full bid amount on April 26, 2024. The elevator project came to completion on April 3, 2024, upon receipt of the final inspection report completed by National Elevator Inspection Services, a third-party vendor. On July 1, 2024, the Board voted in favor of entering into a service agreement with Cardinal Elevator at the monthly rate of \$225, which covers limited elevator maintenance and upkeep.
- On January 26, 2024, additional front-facing picture book bins were installed at both the Main Branch Library and Ridgel Branch Library located at 3398 Kanell Blvd. The new shelving increases accessibility, browsability, and discoverability of the library's picture book collection. Children's picture books are the highest circulating physical collection at the library and front-facing picture book bins have boosted circulation of this collection by 40% after the initial phase of the project in 2022. Final payment for the picture books bins was made on February 1, 2024, to Brodart Co. in the amount of \$9,493.
- On July 10, 2023, The Board of Trustees voted unanimously to accept the bid proposal in the amount of \$124,500 from Buffington Brothers Heating & Cooling, Inc. to replace the eight end-of-life HVAC units at the Main Branch Library. The HVAC replacement took place in March and April of 2024. Final payment was made to Buffington for the full bid amount on May 3, 2024. In August, Buffington completed repairs on the HVAC unit located at the Ridgel Branch Library at a total cost of \$584 with payment being made on August 21, 2024. On October 31, 2024, payment was made in the amount of \$710 to Buffington for the fall 2024 service agreement to cover maintenance of the HVAC units at the Main Branch Library. The Ridgel Branch Library was covered by an annual service agreement paid on February 13, 2024, in the amount of \$280.
- On May 6, 2024, the Board of Trustees voted to enter into a partnership with the City of Poplar Bluff, Poplar Bluff Parks and Recreation, and the Poplar Bluff Housing Authority to purchase and install Canvas outdoor benches constructed with recycled wind turbine blades. The project includes purchasing ten benches at a shared cost of \$32,999. Two of the ten benches will be placed on the Elm Street lot owned by the Library. The remaining benches will be placed at Hillcrest Apartments adjacent to the Library's Elm Street lot, in downtown Poplar Bluff, and in parks across the city. The Library's cost for two benches was \$8,250 paid to the City of Poplar Bluff on July 22, 2024. The Library and the Poplar Bluff Housing Authority are in discussions regarding final bench placement and further development of their respective adjoining lots bordered by Elm and 2nd Streets.
- On March 4, 2024, the Board of Trustees voted unanimously to accept the proposal from MOREnet to upgrade the Library's computer network infrastructure with a fully managed Fortinet system at both library branches. This upgrade included \$34,698 in grant funds from the Missouri State Library paid directly to MOREnet that provided two firewalls, five switches, and ten indoor wireless access points with an accompanying five-year managed support agreement. In addition, the Library purchased three additional outdoor wireless access points with an accompanying five-year service agreement at a total cost of \$3,398 paid to MOREnet on July 10, 2024. Install was completed on May 16 and May 17, 2024. Through this network, MOREnet provides both campuses with a 250Mbps Broadband internet connection that offers unlimited Wi-Fi campus-wide from 6 am to 10 pm seven days a week.

- On August 5, 2024, the Board of Trustees voted unanimously to accept the bid proposal in the amount of \$25,011 from Robertson Asphalt to make repairs and reseal and restripe the parking lot at the Main Branch Library. Work was completed the week of October 22, 2024. Final payment was made to Robertson Asphalt for the full bid amount on October 31, 2024. The parking lot at the Ridgel Branch Library was also resealed and restriped in 2024. CM Affordable Lines LLC completed the Ridgel parking lot project on November 8 and 9, 2024. Final payment for the Ridgel parking lot maintenance was made on November 7, 2024, in the amount of \$3,310.
- On July 1, 2024, the Poplar Bluff City Council passed an ordinance to transfer a tract of real estate owned by the City of Poplar Bluff to the Library. This act transferred half of Lot #10 in the Effie Ruths Subdivision that runs along 2nd Street to the Library. Scott Robbins, library legal counsel, worked with Heritage Title to prepare and record the deed for this lot. Transfer was completed August 6, 2024, with payment for deed transfer in the amount of \$283 made to Heritage Title Company. The deed was filed and recorded at the Butler County Recorder of Deeds office on August 15, 2024.
- On October 7, 2024, the Library opened two new meeting rooms due to the growing usage of and demand for library meeting spaces. Each new meeting room can host up to six people and includes a public computer with a 55" monitor, Wi-Fi, whiteboard, device charging, and is equipped with a camera and sound to accommodate online meetings. The total cost to cover painting and drywall repair, furnishings, and technology to open the two new meeting rooms was \$6,685. In 2024, meeting rooms were booked 607 times, this is a 75% increase over meeting room usage in 2023.
- On September 9, 2024, the Board of Trustees voted unanimously to accept the proposal in the amount of \$9,129 from Scheffer's Office Solutions for a new table for the Wolpers Family Board Room. The new board room table was custom built by Indiana Furniture to maximize the seating capacity of the existing board room and offers flush-mounted 110 electrical outlets with outlet covers. After planning electricity and wire management for the new board room table, a modification to the original design for the new table was necessary resulting in a price adjustment. The project was completed on December 31, 2024, when the table was installed and final payment in the amount of \$10,907 was made to Scheffer's.
- On April 1, 2024, the Board of Trustees voted unanimously to accept the proposal in the amount of \$11,250 from Communico LLC for a new software platform to offer the ability to book meeting rooms from the library website, improve and streamline marketing library events, and to create a new library app for mobile devices. In September 2024, the Library launched the room booking system and events management portion of this software platform. It is anticipated that the new app will launch in late spring or early summer of 2025. Final payment for the full proposal amount was made to Communico on May 2, 2024.
- Property and liability insurance costs increased 8.37% in 2024. The library paid \$65,148 for insurance coverage on both library locations in December 2024 for the FY2025 coverage year. Property, liability, and epidemiological coverage is provided by MOPERM with cybersecurity and worker's compensation coverage provided by Travelers Insurance.
- The library paid \$164,433 to the City of Poplar Bluff for the library's portion of the Eight Points Tax Increment Financing (TIF) for the period January 1, 2024, through December 31, 2024. This is \$11,502 more than was paid in 2023. This increase is in direct correlation to the 4.32% increase in sales tax revenues seen in 2024. The TIF obligation continues through 2036 or the completion of City bond payments.

- Fiscal Year 2024 ended with an unassigned cash balance of \$249,860 with total bank balances of \$1,174,402 and total CD investments of \$660,528. The library's General Revenue bank balance at year's end was \$616,879. This was up from \$550,240 in 2023. This increase is attributable to the surplus in revenues over expenses for the 2024 fiscal year. The library's Reserve bank balance at year's end was \$501,444 up from \$481,923 in 2023 attributable to earned interest in the amount of \$19,521. The total bank and CD balances provide enough funds to operate for more than one year at the library's current spending levels and meet the Finance Policy reserve amount of 75 percent of the previous year's operating budget.
- The total interest earned on all accounts in 2024 was \$75,410. This is \$13,033 more interest than in 2023. Currently, the interest rate on the library's General Revenue account is 3.59% and 3.58% for the Reserve account.
- The Library had a total of \$660,528 invested in five CDs on December 31, 2024, two with First Missouri State Bank, two with Southern Bank, and one with Sterling Bank. The CD amounts and interest rates are as follows:
 - First Missouri State Bank - \$131,638 (5%) matures August 7, 2025
 - First Missouri State Bank - \$133,279 (5%) matures April 5, 2025
 - Sterling Bank - \$132,560 (3.94%) matures May 7, 2025
 - Southern Bank - \$129,613 (4.56%) matures March 6, 2025
 - Southern Bank - \$133,438 (4.43%) matures September 1, 2025

Overview of the Financial Statements

This annual report includes this management's discussion and analysis report, the independent auditor's report and the basic financial statements of the Library. The financial statements include notes explaining in more detail information in the financial statements.

Required Financial Statements

The Library's financial statements are summarized for the years 2023 and 2024. Currently, the Library is unique in Missouri and is the only library funded solely by sales tax. Other Missouri libraries collect sales tax but continue to collect property tax as well. Historical data goes back to 2013. This analysis includes a summarized fund-type information based upon a current financial resource basis, government-wide, and the fund financial statements. The government-wide financial statements provide both limited long-term and short-term information about the Library's overall financial status. The fund financial statements focus on the current operational activity of the Library, reporting the Library's operations in more detail than the government-wide statements. Both perspectives (government-wide and fund) allow the user to address relevant questions, broaden the basis of future comparisons, and enhance the Library's accountability.

Government-Wide Statements

The government-wide statements report information about the Library as a whole. The Statement of Net Position presents information on the Library's assets and liabilities. The Statement of Activities report shows the Library's net position change during the most recent fiscal year. These statements include all assets and liabilities using the modified cash basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net position of the Library and the changes in them—a means of measuring the Library’s financial position. Over time, increases or decreases in the Library’s net position are one indicator of whether the Library is doing better or worse financially. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, changes in the taxing district, geography of the city limits, and new or changed government legislation.

In the Statement of Net Position and the Statement of Activities, we look at the Library’s overall activity.

Governmental activities – most of the Library’s basic services are reported here, including sales tax.

	Governmental Activities	
	<u>2024</u>	<u>2023</u>
Revenues:		
Program revenues:		
Charges for services	\$ 34,278	\$ 26,401
Operating grants and contributions	128,905	57,086
Capital grants and contributions	-	-
General revenues:		
Sales and use taxes	1,674,686	1,605,303
Interest	75,405	62,377
Miscellaneous	-	2,480
Total revenues	<u>1,913,274</u>	<u>1,753,647</u>
Expenses:		
General government	1,484,421	1,432,049
Interest	-	-
Total expenses	<u>1,484,421</u>	<u>1,432,049</u>
Change in net position	428,853	321,598
Net position, beginning	3,105,635	2,774,037
Prior Period Adjustment	-	10,000
Net position, ending	<u>\$ 3,534,488</u>	<u>\$ 3,105,635</u>

Fund Financial Statements

Traditional users of government financial statements will find the fund financial statement presentation more familiar. The focus is now on the Library’s funds. The fund financial statements provide more information about the Library’s funds and current year details of operations and the Library as a whole.

The Library’s fund statement encompasses the activity of the general fund. The general revenue fund is the primary and only operating fund of the Library. It accounts for financial resources used for general types of operations. This statement offers a short-term view of the current year.

Financial Analysis of the Library as a Whole

Below is an analysis of the comparative statement of net position for the year 2024.

	Governmental Activities	
	<u>2024</u>	<u>2023</u>
Current and other assets	\$ 1,866,268	\$ 1,593,723
Capital assets	1,673,549	1,512,216
Total assets	<u>3,539,817</u>	<u>3,105,939</u>
Other liabilities	5,329	304
Total liabilities	<u>5,329</u>	<u>304</u>
Net position:		
Net investment in capital assets	1,673,549	1,512,216
Unrestricted	1,860,939	1,593,419
Total net position	<u>\$ 3,534,488</u>	<u>\$ 3,105,635</u>

The Library's main source of revenue is a ¼ cent sales tax collected within the city limits of Poplar Bluff, Missouri. This accounts for 90.2 percent of the Library's total revenue. Other income sources included grants, gifts, donations, donated and withdrawn book sales, passport revenue, state aid, interest, fines and fees.

Salaries and wages for 2024 totaled \$729,517 representing 54.61 percent of total operating expenditures and a decrease of 5.64 percent from 2023. This decrease is attributable to the vacancies of key positions throughout 2024. These vacancies can also be seen in the decrease in labor hours in 2024. Labor hours in 2024 decreased by 2,609 hours or 8.27% from 2023

Public computer and Wi-Fi usage increased by 54.7 percent in 2024 with the library serving 47,994 PC and Wi-Fi sessions to visitors. Broadband 250mbps Wi-Fi is available campus-wide at both library locations from 6 a.m. to 10 p.m. seven days per week. Overall circulation of materials increased 10% over 2023; however, remains 6 percent below 2019 levels when borrowing was at an all-time high. Circulation of children's items increased 4.8% in 2024 and accounts for 27.9% of all checkouts. Borrowing of digital items increased by 35.38% in 2024 and accounts for 37.6% of all checkouts. The library logged 78,602 visitors in 2024, or roughly 235 visitors per day; however, this number does not accurately reflect all visitors throughout the year. In late November, the Library's IT department discovered that the RFID gate counter partially stopped operating in mid-October and therefore visitor counts have been underreported for the remainder of 2024.

Capital Asset Activity

Expenditures for 2024 were \$206,886. This included costs for the replacement of the eight end-of-life HVAC units at the 318 North Main Street library, modernization of the 27-year-old elevator at the Main Branch, updated technology and furniture in the library's meeting room spaces, resurfacing of the parking lots at both library locations, and the installation of additional face out children's picture book shelving.

Budget Highlights

In 2023, the library adopted its general budget for FY 2024 at the December Board meeting. This budget was presented to the Board of Trustees in November to provide ample time for their discussion with library management. The budget is developed by the library's full-time staff for presentation to the Board. The Director meets individually and collectively with staff—Assistant Director, Outreach and Programming Manager, Collections Management Librarian, and Facilities Manager. Each staff member presents their budget. The budget is developed into a balanced budget meeting the library's mission statement and incorporating the staff's individual and library goals. Included in the budget is a ten percent reserve not including carryovers from the previous fiscal year. The budget is approved by the Board in a roll call vote.

The current year budget is amended twice (if needed): May and October. This allows library management to track spending and to modify the budget as necessary to cover any unusual expenses such as extraordinary repairs, equipment replacement and/or personnel costs as well as monitor the revenue stream in relation to budget expenditures. Additionally, the revisions reflect staff goal amendments and spending priorities due to changing social environments and patrons' demands.

Financial Reports are presented at each board meeting. A Fiscal 2024 budget comparison for the current month and year to date is presented to the Board of Trustees at the monthly Board meeting. This report includes the percentage spent of each budget line showing benchmarks in relation to library goals and the percentage of the year passed. The director reviews a monthly cash flow and a weekly budget vs. actuals reports. This allows monitoring of sales tax revenue receipts and cash flow with demands on cash balance spending. The director and the Board of Trustees in the monthly board meeting discuss and analyze the year-to-date spending and revenue flow. These are not shown on the financial statements section of this report.

The Library operates on a zero-balance budget. At the end of the fiscal year, each budget category reverts back to the new balance for the new fiscal year. The library staff works diligently to keep the overall budget in line with the projected budget. The library operates with a ten percent holdback until December 2024. Based upon the increase in sales tax revenues for 2024, the ten percent holdback was released in December. The library ended the year with an unassigned cash balance of \$249,860 with total bank balances of \$1,174,402 and total CD investments of \$660,528. The total amount required to meet 75% of the prior year's operating expenditures as outlined in the library's General Finance Policy is \$1,001,972. The library's bank balances and CD investments exceed this amount thus meeting this requirement.

Economic Factors and Next Year's Budget

The Library considered many factors when setting the fiscal year 2024 budget. One of the factors is the local economy and anticipated tax revenue from the municipality of Poplar Bluff sales tax district. The sales tax is the Library's main source of revenue. The Library's operating expense increases and future capital expansion plans depend upon both growth in tax revenue and reserve fund growth. Sales tax revenue was up by 4.32 percent in 2024. This is higher than the average annual increase in sales tax revenues of roughly 2%. In the past, the sales tax revenue increase year to year averaged around 2.1 percent since 2013. The 2024 budget was built based upon a conservative 2 percent tax revenue growth.

Sales tax revenues in 2024 continued to outperform pre-COVID growth trajectories allowing the library to further invest in both physical and digital collections, replace end-of-life technology, provide greater professional development opportunities to staff, and undergo large-scale facility maintenance projects at both the Main and Ridgel Branches. In November, the budget was adjusted to reflect actuals in both revenues and expenses. This left an assigned fund balance for the year of \$249,860. The library plans to employ an outside consulting firm to assist in developing a strategic plan sometime in mid to late 2025. Part of the library's strategic plan will include the need for additional revenue streams and protection of its reserves as uncertainty about the strength of future sales tax revenues continues to mount amid slowing economic growth and historically high inflation rates.

Passport revenue totaled \$19,382 in 2024, an increase of 140.9 percent from 2023. This represents revenues received from passport photos and for processing 374 passport applications in 2024. All public desk staff are trained to process applications after six months of employment. Staff are trained and are certified through testing by the U.S. Department of State. This ensures the services are available all hours the library is open. Each passport application generates \$35 in fees covering postage and labor. The rate is set by the Department of State. Passport photos generate \$15 in revenue each.

The library's continued relationship with Missouri Evergreen's 78 member libraries provides cost savings and avoidance with library resource sharing and cooperative purchasing of products. This sharing maximizes library dollars for Poplar Bluff Municipal Library and its partners across Missouri providing value to Missouri citizens. Interlibrary loans numbered 17,050 items borrowed or lent in 2024 compared to 17,932 in 2023. This is a 5 percent decrease over 2023 with the greatest decrease, 8 percent, seen in items loaned. Interlibrary loan items borrowed only increased by 2% over 2023; however, overall library borrowing increased by 16,359 borrows or 10% in 2024. This suggests that efforts to curate collections of interest to local users have been successful and readers are locating items of interest from the local collection without the need to courier in as many items from the Missouri Evergreen shared collections. Items borrowed by Poplar Bluff patrons allowed for a purchasing cost avoidance in excess of \$243,200. Missouri Evergreen's growth allows the library to use the courier service for lending which is a cost savings. Of the four days of courier service received, three days are provided by the Missouri State Library through LSTA funding. The library ranked 13th among 163 Missouri libraries in digital borrowing exceeding per capita usage by library systems twice its size. Currently, with its membership in Missouri Evergreen and digital collections, Poplar Bluff's library patrons have access to the largest library collection in Missouri. St. Louis, St. Louis County, or Kansas City do not have larger collections than Missouri Evergreen. As a result, staff assistance is vital for helping our patrons

make the most of these valuable resources and efficient use of the collections with properly trained staff to manage Interlibrary Loan and Courier services.

Efforts to maintain and increase efficiency where possible will continue to be a high priority. As stewards of taxpayer dollars, staff are committed to protecting the investment in our staff and facilities for the betterment of our community. The use of technology without sacrificing personal service continues to be a high priority.

Contacting the Library Management

The financial report is designed to provide the citizens of the City of Poplar Bluff with a general overview of the Library's finances and to demonstrate the Library's accountability of the money it receives. If you have questions about this report or need additional financial information, do not hesitate to contact the Director, Shannon Midyett, Cindy White, Board Treasurer, or Kathy Sanders, Board President. The address is 318 North Main Street, Poplar Bluff, MO 63901.

BASIC FINANCIAL STATEMENTS

POPLAR BLUFF MUNICIPAL
LIBRARY DISTRICT
Poplar Bluff, Missouri

GOVERNMENTAL FUND BALANCE SHEET
AND STATEMENT OF NET POSITION - MODIFIED CASH BASIS

December 31, 2024

<u>ASSETS</u>	Governmental		Statement
	Funds	Adjustments	of Net Position
<u>CURRENT ASSETS:</u>			
Cash and Cash Equivalents	\$ 1,866,268	\$ -	\$ 1,866,268
Total Current Assets	<u>\$ 1,866,268</u>	<u>\$ -</u>	<u>\$ 1,866,268</u>
<u>CAPITAL ASSETS:</u>			
Land and Construction in Progress	\$ -	\$ 312,953	\$ 312,953
Artwork, Net	-	18,667	18,667
Buildings and Improvements, Net	-	1,160,942	1,160,942
Furniture, Fixtures, and Equipment, Net	-	180,987	180,987
Total Capital Assets, Net	<u>\$ -</u>	<u>\$ 1,673,549</u>	<u>\$ 1,673,549</u>
TOTAL ASSETS	<u>\$ 1,866,268</u>	<u>\$ 1,673,549</u>	<u>\$ 3,539,817</u>
 <u>LIABILITIES</u>			
<u>CURRENT LIABILITIES:</u>			
Accrued Payroll Withholdings	\$ 5,329	\$ -	\$ 5,329
Total Current Liabilities	<u>\$ 5,329</u>	<u>\$ -</u>	<u>\$ 5,329</u>
TOTAL LIABILITIES	<u>\$ 5,329</u>	<u>\$ -</u>	<u>\$ 5,329</u>
 <u>FUND BALANCE / NET POSITION</u>			
Fund Balance:			
Assigned	\$ 31,339	\$ (31,339)	\$ -
Unassigned	1,829,600	(1,829,600)	-
TOTAL FUND BALANCE	<u>\$ 1,860,939</u>	<u>\$ (1,860,939)</u>	<u>\$ -</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,866,268</u>		
Net Position:			
Net Investment in Capital Assets		\$ 1,673,549	\$ 1,673,549
Unrestricted		-	1,860,939
TOTAL NET POSITION		<u>\$ 1,673,549</u>	<u>\$ 3,534,488</u>

See Accompanying Notes to Basic Financial Statements.

POPLAR BLUFF MUNICIPAL
LIBRARY DISTRICT
Poplar Bluff, Missouri

GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE AND STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended December 31, 2024

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<u>EXPENDITURES:</u>			
Personnel	\$ 729,517	\$ -	\$ 729,517
Operating Expenses	480,334	-	480,334
Library Materials	198,157	-	198,157
Capital Outlay	206,886	(200,950)	5,936
Depreciation	-	70,477	70,477
TOTAL EXPENDITURES	<u>\$ 1,614,894</u>	<u>\$ (130,473)</u>	<u>\$ 1,484,421</u>
<u>PROGRAM REVENUES:</u>			
Charges for Services:			
Patron Services	\$ 14,896	\$ -	\$ 14,896
Passport Revenue	19,382	-	19,382
Total Charges for Services	<u>\$ 34,278</u>	<u>\$ -</u>	<u>\$ 34,278</u>
Operating Grants and Contributions:			
Grant Income	\$ 44,163	\$ -	\$ 44,163
Capital Contributions	-	30,860	30,860
Gifts and Contributions	53,882	-	53,882
Total Operating Grants and Contributions	<u>\$ 98,045</u>	<u>\$ 30,860</u>	<u>\$ 128,905</u>
NET PROGRAM EXPENSES			<u>\$ (1,321,238)</u>
<u>GENERAL REVENUES:</u>			
Quarter-Cent Sales Tax	\$ 1,674,686	\$ -	\$ 1,674,686
Interest Income	75,405	-	75,405
TOTAL GENERAL REVENUES	<u>\$ 1,750,091</u>	<u>\$ -</u>	<u>\$ 1,750,091</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 267,520</u>	<u>\$ (267,520)</u>	<u>\$ -</u>
CHANGE IN NET POSITION	\$ -	\$ 428,853	\$ 428,853
FUND BALANCE / NET POSITION, January 1, 2024	<u>1,593,419</u>	<u>1,512,216</u>	<u>3,105,635</u>
FUND BALANCE / NET POSITION, December 31, 2024	<u>\$ 1,860,939</u>	<u>\$ 1,673,549</u>	<u>\$ 3,534,488</u>

See Accompanying Notes to Basic Financial Statements.

POPLAR BLUFF MUNICIPAL
LIBRARY DISTRICT
Poplar Bluff, Missouri

BALANCE SHEET
GOVERNMENTAL FUNDS - MODIFIED CASH BASIS

December 31, 2024

ASSETS

	<u>General Fund</u>	<u>Library Foundation Fund</u>	<u>Total Governmental Funds</u>
<u>CURRENT ASSETS:</u>			
Cash	\$ 1,834,929	\$ 31,339	\$ 1,866,268
Total Current Assets	<u>\$ 1,834,929</u>	<u>\$ 31,339</u>	<u>\$ 1,866,268</u>
 TOTAL ASSETS	 <u>\$ 1,834,929</u>	 <u>\$ 31,339</u>	 <u>\$ 1,866,268</u>

LIABILITIES

<u>CURRENT LIABILITIES:</u>			
Accrued Payroll and Benefits	\$ 5,329	\$ -	\$ 5,329
Total Current Liabilities	<u>\$ 5,329</u>	<u>-</u>	<u>5,329</u>
 TOTAL LIABILITIES	 <u>\$ 5,329</u>	 <u>\$ -</u>	 <u>\$ 5,329</u>

FUND BALANCE / NET POSITION

Fund Balance:			
Nonspendable	\$ -	\$ -	\$ -
Restricted	-	-	-
Assigned	-	31,339	31,339
Unassigned	<u>1,829,600</u>	<u>-</u>	<u>1,829,600</u>
TOTAL FUND BALANCE	<u>\$ 1,829,600</u>	<u>\$ 31,339</u>	<u>\$ 1,860,939</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 1,834,929</u>	 <u>\$ 31,339</u>	 <u>\$ 1,866,268</u>

See Accompanying Notes to Basic Financial Statements.

POPLAR BLUFF MUNICIPAL
LIBRARY DISTRICT
Poplar Bluff, Missouri

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS - MODIFIED CASH BASIS

For the Year Ended December 31, 2024

	General Fund	Library Foundation Fund	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
<u>REVENUES:</u>			
Quarter-Cent Sales Tax	\$ 1,674,686	\$ -	\$ 1,674,686
Patron Services	14,896	-	14,896
Passport Revenue	19,382	-	19,382
Interest Income	75,405	-	75,405
Grants	44,163	-	44,163
Gifts and Contributions	33,162	20,720	53,882
TOTAL REVENUES	<u>\$ 1,861,694</u>	<u>\$ 20,720</u>	<u>\$ 1,882,414</u>
<u>EXPENDITURES:</u>			
Salaries & Wages	\$ 729,517	\$ -	\$ 729,517
Library Materials	118,507	-	118,507
Support Services	39,136	-	39,136
Patron Access	10,659	-	10,659
Main Branch Library	87,824	-	87,824
Technology	61,756	-	61,756
Marketing & Programming	15,025	-	15,025
Professional Services	23,901	-	23,901
Travel/Training	10,130	-	10,130
General Administrative	239,453	-	239,453
Capital Improvements	206,886	-	206,886
Gift Expenses	40,739	-	40,739
Grant Expenses	28,252	-	28,252
Miscellaneous	-	3,109	3,109
TOTAL EXPENDITURES	<u>\$ 1,611,785</u>	<u>\$ 3,109</u>	<u>\$ 1,614,894</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 249,909</u>	<u>\$ 17,611</u>	<u>\$ 267,520</u>
FUND BALANCE, January 1, 2024	<u>\$ 1,579,691</u>	<u>\$ 13,728</u>	<u>\$ 1,593,419</u>
FUND BALANCE, December 31, 2024	<u>\$ 1,829,600</u>	<u>\$ 31,339</u>	<u>\$ 1,860,939</u>

See Accompanying Notes to Basic Financial Statements.

POPLAR BLUFF MUNICIPAL LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Poplar Bluff Municipal Library District (Library) was incorporated in 1916 under the provisions of the State of Missouri and is operated under a board of trustees and librarian form of management. It is a political subdivision as defined by Missouri Statute RSMo 182.480. The Council of the City of Poplar Bluff (City) appoints the governing members of the Library's board, but the City's accountability does not extend beyond this. The City of Poplar Bluff does not include the Library as a component unit with the City's financial reporting.

As discussed further in Note 1, these financial statements are presented on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Generally accepted accounting principles (GAAP) include all relevant Government Accounting Standards Board (GASB) pronouncements.

A. The Reporting Entity:

The reporting entity consists of the primary government and its component unit, the Poplar Bluff Library Foundation. Component units are legally separate entities that are included in the Library's reporting entity because of the significance of their operating or financial relationship with the Library.

The Poplar Bluff Municipal Library Foundation is a nonprofit organization classified by the Internal Revenue Service as tax-exempt under Section 501(c)(3). The Foundation is committed to providing services beyond the confines of the library walls and provide new opportunities for library services in Poplar Bluff. A separate financial report of the Poplar Bluff Municipal Library Foundation is included as a special revenue fund in this report. Requests for additional information should be directed to the Director, Poplar Bluff Municipal Library Foundation, 318 North Main Street, Poplar Bluff, Missouri 63901.

B. Component Units:

The Library's financial statements include the accounts of all the Library operations, and the operations of the Poplar Bluff Municipal Library Foundation, a separate nonprofit organization whose purpose is committed to providing services beyond the confines of the library walls and provide new opportunities for library services in Poplar Bluff. As noted above, the criteria for including organizations within the Library's reporting entity is oversight responsibility.

C. Basis of Presentation:

Government-Wide Financial Statements

The Statement of Net Position – Modified Cash Basis and Statement of Activities – Modified Cash Basis display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements include the financial activities of the primary government. The effect of interfund activity has been eliminated for these statements. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The Statement of Net Position – Modified Cash Basis presents the financial condition of the governmental activities of the Library at year-end. The Statement of Activities – Modified Cash Basis presents a comparison between direct expenses and patron services for each function of the Library’s governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Amounts reported as patron services include charges paid by patrons for fees, or goods and services offered by the Library. Grants and contributions are restricted to meeting the operational or capital requirements of a particular program. Gifts are received from donors including the sale of donated books for the purposes of memorials and general use of the library for materials, programming, and capital expenditures. Revenues not classified as patron services, grants and contributions, or gifts are presented as general revenues and include all sales taxes. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Library.

Fund Financial Statements

The fund financial statements provide information about the Library’s funds. A balance sheet and statement of revenues, expenditures, and changes in fund balance are presented. The emphasis of fund financial statements is on major governmental funds each displayed in a separate column.

The accounts of the Library are organized on the basis of legally established funds, each of which is considered to be a separate accounting entity. The operation of each fund is accounted for by providing a separate set of self-balancing accounts, which include its assets, liabilities, fund equity, revenues, and expenditures. Library resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Governmental Funds are those through which all functions of the Library are financed. The Library’s expendable financial resources are accounted for through Governmental Funds. The measurement focus is upon determination of changes in the financial position rather than upon net income determination. Governmental Funds focus on the sources, uses and balances of current financial resources. The Library uses the following governmental fund type, which is a major fund.

General Fund - The General Fund is the primary operating fund of the Library and accounts for all financial resources, except those required to be accounted for in another fund. This includes gifts and patron services.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Library uses the following special revenue fund type, which is non major.

Library Foundation Fund – The Library Foundation Fund is used to account for operations of the Foundation. This includes donations.

D. Measurement Focus and Basis of Accounting:

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The Library’s policy is to prepare its financial statements on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. This basis of accounting recognizes assets, liabilities, net position/fund equity, revenues, expenditures/expenses when they result from cash transactions except that the purchase of investments and capital assets are recorded as assets and payroll withholdings and long-term debt are reported as liabilities.

As a result of the use of this modified cash basis of accounting, certain assets (such as accounts receivable), certain revenues (such as revenue for billed or provided services but not yet collected), certain liabilities (such as accounts payable) and certain expenses (such as expenses for goods or services received but not yet paid) are not recorded in these financial statements.

If the Library utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

E. Assets, Liabilities, and Equity:

Cash and Cash Equivalents

For the purpose of financial reporting, “cash and cash equivalents” include all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less.

Investments

The Library is governed by the deposit and investment limitations of state law. State law authorizes the following types of investments: United States Treasury and Agency Securities, Repurchase Agreements, Collateralized Certificates of Deposit, Banker’s Acceptances and Commercial Paper.

Capital Assets

Capital assets in service are stated at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Capital assets are reported in the government-wide financial statements. Capital assets are defined with an individual cost of \$1,500 or more and an estimated useful life in excess of one year.

The costs of normal maintenance and repairs that do not enhance functionality or materially extend the life of an asset are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	10-15 Years
Furniture, fixtures, and equipment	3-20 Years
Works of Art	20 Years

In the fund financial statements, capital assets acquired for use in governmental fund operations are accounted for as capital outlay expenditures upon acquisition.

Long-Term Debt

All long-term debt arising from cash basis transactions to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. Long-term debt arising from cash basis transactions of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as the treatment in the government-wide statements.

Equity Classification

Fund Financial Statements - The Library uses the following classifications of fund balance to describe the relative strength of spending constraints placed on the purposes for which resources can be used:

1. Non-spendable fund balance - amounts that are not in a spendable form (such as prepaids) or are required to be maintained intact;
2. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bond holders, and higher levels of government), through constitutional provisions, or by enabling legislation;
3. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;

4. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
5. Unassigned fund balance - amounts that are available for any purpose; positive amounts reported only in the general fund.

Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Library or through external restrictions imposed by creditors, grantors, laws, regulations, or other governments. All other net positions are reported as unrestricted.

Use of Restricted Resources

When an expenditure or expense is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the policy of the Library to generally consider restricted amounts have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the Library that committed amounts would be reduced first, followed by assigned amounts, then unassigned amounts.

2. **SALES TAXES**

Sales tax as set forth in RSMo 182.802 is collected by the Missouri Department of Revenue and is deposited directly into the Library's General Revenue Account on the seventh day of each month or the first working day either proceeding or following the seventh day. The sales tax is ¼ cent and collected from businesses within the Poplar Bluff city limits except for the community development district of Eight Points. The Library receives ¼ cent sales tax from the Eight Points Development District and then is billed by the City of Poplar Bluff for ½ of sales tax collected by the Missouri Department of Revenue on behalf of the Library. This amount is paid to the City of Poplar Bluff quarterly for the City's repayment of loans for infrastructure and development in the District. For the fiscal year ended 2024, the Library paid to the City of Poplar Bluff \$164,443 for the TIF. Currently, the scheduled completion of repayment is August 5, 2035.

3. **CASH AND INVESTMENTS**

The Library has adopted a formal investment policy.

Custodial Credit Risk

Deposits in financial institutions, reported as components of cash and cash equivalents and certificates of deposit, had a bank balance of \$1,883,223 and a carrying value of \$1,834,929 at December 31, 2024. These deposits were fully insured by depository insurance or secured with collateral held by the Library's agents in its name.

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024 was as follows:

	Balance January 1, 2024	Addition	Deductions	Balance December 31, 2024
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land and Construction in Progress	\$ 462,019	\$ 144,506	\$ (293,572)	\$ 312,953
Total Capital Assets Not Being Depreciated	<u>\$ 462,019</u>	<u>\$ 144,506</u>	<u>\$ (293,572)</u>	<u>\$ 312,953</u>
Capital Assets Being Depreciated:				
Building and Improvements	\$ 977,233	\$ 318,583	\$ -	\$ 1,295,816
Furniture, Fixtures, and Equipment	239,200	62,293	(9,493)	292,000
Artworks	20,000	-	-	20,000
Total Capital Assets Being Depreciated	<u>\$ 1,236,433</u>	<u>\$ 380,876</u>	<u>\$ (9,493)</u>	<u>\$ 1,607,816</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ (95,339)	\$ (39,535)	\$ -	\$ (134,874)
Furniture, Fixtures, and Equipment	(90,564)	(29,942)	9,493	(111,013)
Artworks	(333)	(1,000)	-	(1,333)
Total Accumulated Depreciation	<u>\$ (186,236)</u>	<u>\$ (70,477)</u>	<u>\$ 9,493</u>	<u>\$ (247,220)</u>
Total Net Capital Assets Being Depreciated	<u>\$ 1,050,197</u>	<u>\$ 310,399</u>	<u>\$ -</u>	<u>\$ 1,360,596</u>
Total Net Capital Assets	<u>\$ 1,512,216</u>	<u>\$ 454,905</u>	<u>\$ (293,572)</u>	<u>\$ 1,673,549</u>

5. EMPLOYEE'S RETIREMENT PLAN

A. Summary of Significant Accounting Principals

Pensions

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Missouri Local Government Employees Retirement System (LAGERS) and additions to/deductions from LAGERS fiduciary net position have been determined on the same basis as they are reported by LAGERS. For this purpose, benefit payments (including refund of employee contributions) are recognized when due and paid in accordance with the benefit terms.

B. General Information about the Pension Plan

Plan Description

The Poplar Bluff Municipal Library District’s defined benefit pension plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. The Poplar Bluff Municipal Library District participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits Provided

LAGERS provides retirement, death, and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 and receive a reduced allowance.

	<u>2024 Valuation</u>
Benefit Multiplier:	1.50% for Life
Final Average Salary:	5 Years
Member Contribution:	4%

Benefit terms provide for annual post retirement adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Employees Covered By Benefit Terms

At June 30, 2024, the following employees were covered by the benefit terms:

Retirees and beneficiaries	2
Inactive, nonretired members	1
Active employees	<u>11</u>
	<u>14</u>

Contributions

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer contribute 4.0% of their gross pay to the pension plan. Employer contribution rates are 6.3% of annual covered payroll. The Library contributed \$30,867 for the year ending December 31, 2024.

6. MISSOURI EVERGREEN LIBRARY CONSORTIUM

The Library is a member of the Missouri Evergreen Library Consortium. It is an association of municipal library districts, county libraries, and regional libraries. The purpose of the Consortium is to develop and maintain a shared integrated library system for library public catalog, cataloging, and resource sharing. The members in 2020 were:

Poplar Bluff Municipal Library, Albany Carnegie Public Library, Bollinger County Public Library, Cameron Public Library, Carrollton Public Library, Carthage Public Library, Caruthersville Public Library, Cass County Library, Crawford County Library, De Soto County Public Library, Doniphan-Ripley County Library, Douglas County Library, Dulany Memorial Library, Festus Public Library, Grundy County Jewett Norris Library, Howard County Public Library, Jefferson County Library, Lebanon-Laclede County Library, Little-Dixie Regional Libraries, Livingston County Library, Marion County Public Library, Marshall Public Library, Mountain View Public Library, North Kansas City Public Library, Polk County Public Library, Pulaski County Public Library, Riverside Regional Library, Ste Genevieve County Public Library, Salem Public Library, Scenic Regional Library, Schuyler County Library District, Sikeston Public Library, Stone County Library, Texas County Library, Trails Regional Library, Washington Public Library, Webb City Public Library, Webster County Library, Willow Spring Public Library, Wright County Library, Camden County Library District, Ray County Library, Seymour Community Library, Heartland Regional Library, Barry-Lawrence Regional Library, Montgomery City Public Library, Oregon County Library, Keller Public Library, Putnam County Library, Brookfield Public Library, Neosho-Newton County Library, Bowling Green Public Library, Henry County Library, James Memorial Public Library, Ralls County Library District, Reynolds County Library District, Rolla Public Library, Cedar County Library, Barton County Library, Mississippi County Library, St. Joseph Public Library, Cape Girardeau Public Library, Nevado Public Library, Morgan County Library, West Plains Public Library, Adair County Library, Sarcoux Public Library, Brentwood Public Library, Ferguson Municipal Public Library, Kirkwood Public Library, Maplewood Public Library, Richmond Heights Memorial Library, Rock Hill Public Library, University City Public Library, Valley Park Community Library, and Webster Groves Public Library.

Missouri Evergreen was hosted by MOBIUS until August 31, 2019. After that date it is hosted by Equinox. Missouri Evergreen Consortium bid out hosting services, as required, every three years by the Missouri State Library. AMIGOS via bid provides financial services to Missouri Evergreen. Website hosting is managed by MORENet for free. The Library pays a yearly licensing fee for the Missouri Evergreen ILS. In 2019, the Library purchased a shared

subscription to MARCIVE, Syndetics, and Novelist for enhanced library catalog content and shared authority control services for all Missouri Evergreen libraries.

The Library can withdraw from the Consortium at any time and would pay a one-time fee to extract the Library's data (resource and patron). All hardware for the use of this system on the Library's site is owned and operated by the Library.

7. RISK MANAGEMENT

The Library is exposed to risks of loss through claims on property owned, damage to property owned, official and employee liability, workers' compensation claims, and risk of loss of employee or individual injury. The Library handles these risks of loss through the purchase of commercial insurance policies. There was no significant reduction in insurance coverage during the year.

8. RELATED PARTY TRANSACTIONS

The Library has no transactions with related parties.

9. COMMITMENTS AND CONTINGENCIES

Full time employees earn personal leave which are considered expenditures in the year paid. Accumulated leave is not payable upon termination or retirement. Full time employees may not accumulate more than sixty days of leave.

10. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 15, 2025, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

POPLAR BLUFF MUNICIPAL
LIBRARY DISTRICT
Poplar Bluff, Missouri

BUDGETARY COMPARISON - GENERAL FUND

For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES:</u>				
Quarter-Cent Sales Tax	\$ 1,450,000	\$ 1,550,000	\$ 1,674,686	\$ 124,686
Patron Services	15,000	16,000	14,896	(1,104)
Passport Revenue	5,000	17,000	19,382	2,382
Interest Income	30,000	70,000	75,405	5,405
Grants	-	-	44,163	44,163
Gifts and Contributions	-	-	33,162	33,162
TOTAL REVENUES	<u>\$ 1,500,000</u>	<u>\$ 1,653,000</u>	<u>\$ 1,861,694</u>	<u>\$ 208,694</u>
<u>EXPENDITURES:</u>				
Salaries & Wages	\$ 835,000	\$ 785,000	\$ 729,517	\$ 55,483
Library Materials	106,325	128,725	118,507	10,218
Support Services	25,750	39,500	39,136	364
Patron Access	-	-	10,659	(10,659)
Main Branch Library	101,500	92,500	87,824	4,676
Technology	87,500	87,500	61,756	25,744
Marketing & Programming	16,200	16,200	15,025	1,175
Professional Services	42,500	27,500	23,901	3,599
Travel/Training	11,250	11,250	10,130	1,120
General Administrative	235,000	249,000	239,453	9,547
Capital Improvements	-	200,000	206,886	(6,886)
Gift Expenses	-	-	40,739	(40,739)
Grant Expenses	-	-	28,252	(28,252)
TOTAL EXPENDITURES	<u>\$ 1,461,025</u>	<u>\$ 1,637,175</u>	<u>\$ 1,611,785</u>	<u>\$ 25,390</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 38,975</u>	<u>\$ 15,825</u>	<u>\$ 249,909</u>	<u>\$ 234,084</u>
FUND BALANCE, January 1, 2024			<u>\$ 1,579,691</u>	
FUND BALANCE, December 31, 2024			<u>\$ 1,829,600</u>	

See Accompanying Notes to Basic Financial Statements.

POPLAR BLUFF MUNICIPAL LIBRARY DISTRICT
Poplar Bluff, Missouri

NOTES TO BUDGETARY COMPARISON SCHEDULE

December 31, 2024

1. BUDGETARY INFORMATION:

The Library Director and the Budget and Personnel Committee prepare the budget in November and submit an annual budget to the Board of Trustees in December. The Board adopts the budget for the year beginning January 1 and may amend it during the year. Any increase in appropriations during the fiscal year must be approved by the District. The original budget was approved on December 4, 2023. The budget was amended on November 4, 2024. Any remaining unencumbered appropriations lapse at the fiscal year end.

2. BASIS OF ACCOUNTING:

The budget is prepared on the cash basis of accounting, which is an accounting basis other than accounting principles generally accepted in the United States of America.