

**MARYVILLE PUBLIC LIBRARY  
FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

## MARYVILLE PUBLIC LIBRARY

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Maryville Public Library  
Maryville, MO 64468

### **Unmodified and Disclaimer of Opinions**

We have audited the accompanying financial statements of Maryville Public Library, as of and for the year ended September 30, 2024, and the related notes to the financial statements. We were not engaged to audit the financial statements of the discretely presented component unit. These financial statements collectively comprise the Library's basic financial statements as listed in the table of contents.

#### *Disclaimer of Opinion on Discretely Presented Component Unit*

We do not express an opinion on the financial statements of the discretely presented component unit of the Maryville Public Library. Because of the significance of the matter described in the "Basis for Disclaimer of Opinion on the discretely presented component unit" paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the Second Century Library Endowment Fund Corporation.

#### *Unmodified Opinion on Governmental Activities*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the Maryville Public Library as of September 30, 2024, and the changes in financial position and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Disclaimer of Opinion on Discretely Presented Component Unit**

The financial statements of Second Century Library Endowment Fund Corporation (Foundation) have not been audited, and we were not engaged to audit the Foundation's financial statements as part of our audit of the Library's basic financial statements. The Foundation's financial activities are included in the Library's financial statements as a discretely presented component unit.

## **Basis for Unmodified Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Maryville Public Library, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified audit opinion.

## **Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditors' Responsibilities for the Audit of the Financial Statements**

### *Auditors' Responsibilities for the Audit of the Discretely Presented Component Unit*

Our responsibility is to conduct an audit of the Maryville Public Library's financial statements in accordance with generally accepted auditing standards and to issue an auditor's report. However, because of the matter described in the "Basis for Disclaimer of Opinion on the discretely presented component unit" section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the discretely presented component unit.

We are required to be independent of the Maryville Public Library and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit.

### *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 opinion. 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 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for a reasonable period of time.

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

#### **Required Supplementary Information**

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

*Harden, Cummins, Moss & Miller, L.L.C.*

Maryville, Missouri  
June 9, 2025

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## Maryville Public Library Financial Reports for FY 2024 ending September 30, 2024

# Management Discussion and Analysis

### OVERVIEW OF ANNUAL FINANCIAL STATEMENTS

Maryville Public Library currently maintains the following five (5) individual governmental funds\*, all of which are included in the Maryville Public Library's financial statements and overseen by the Maryville Public Library Executive Board of Trustees:

1. Library Operating Fund consisting of two interest-bearing accounts held at Nodaway Valley Bank in Maryville. One serves to receive real and personal property tax deposits in accordance with the library's current levy of .274 per \$100 Assessed Valuation. The other is an interest checking account out of which the library's main operating expenditures are paid, including payroll, utilities, book purchases, and other expenses. User fees, state income, and other miscellaneous fees are collected in this account.
2. Memorials/Restricted Gifts Fund serves to hold deposits made in memory of individuals, or monetary gifts given for specific purposes.
3. Friends of the Maryville Public Library Fund holds deposits from Friends membership dues and any other fundraising activities undertaken by members of the Friends of the Maryville Public Library. Friends funds are used to both support the library's operating funds directly in the form of an annual check, and occasionally to directly pay for expenses related to Friends-sponsored library activities such as children's giveaway books at special events and non-resident fees for Nodaway County residents who are food stamp eligible. Along with Foundation Funds, Friends funds are overseen by the Maryville Public Library Executive Board of Trustees.\*
4. Capital Projects Fund holds library reserves in excess of 30% of the previous year's regular expenses. This fund is restricted to large capital improvements beyond those provided through the annual building maintenance and capital outlay line items.
5. Price and Hawkins Endowments consists of one Certificate of Deposit with a balance of \$5,605.90 as of September 11, 2024; and one checking account (Price/Hawkins Expendable Funds) with a balance of \$239.72 as of September 30, 2024. Both of these accounts are held at Bank Midwest in Maryville.

*\*NOTE: In addition to the four governmental funds listed above, the library also benefits from the Second Century Library Fund Foundation, a Type 1 501 (c)(3) Supportive Organization. In 2024, the library received a check for \$21,303 from this Foundation, which is included in the general revenue of the Library Operating Fund. In September of 2021, the Friends/Foundation Board merged with the Maryville Public Library Executive Board of Trustees. The FFMP Board of Directors shall be interlocked and the same as the Maryville Public Library (MPL) Executive Board of Trustees, a public body. The Second Century Library Fund Foundation is not audited on its own and but a summary of activities within this foundation fund is included as a separate item in these annual financial statements.*

For the purpose of allowing trustees, administration, and other stakeholders to track both the overall financial health of the organization as well as activities within individual revenue and expense items in the library's line-item annual budget, these financial statements are presented in the following three formats:

1. **Balance Sheet:** Shows current assets and liabilities. (Current assets are cash and assets expected to be converted to cash within one year. Current liabilities are liabilities obligated to be paid within one year.)

2. **Statement of Revenue, Expenditures, and Changes in Fund Balances** show categories of Revenues and Expenditures collected and spent by the organization within the fiscal year being reported.<sup>1</sup>

3. **Statement of Net Position:** Similar to the Balance Sheet, but also includes noncurrent assets and noncurrent liabilities in addition to current assets and liabilities. Noncurrent assets can include property, equipment, and long-term investments.

Both the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Investments in capital assets and an increase in restricted donations exceeded some growth in staff-related accrued liabilities, leading to an estimated net growth of \$122,966 (10.8%) over the previous year

<sup>1</sup> *There is a difference between the Statement of Revenues, Expenses, and Changes in Fund Balances presented in these annual financial statements and the more detailed Monthly Statement of Revenues, Expenses, and Changes in Fund Balance presented at public monthly meetings of the government board in that the former encompasses all four governmental funds, while the latter is limited to the Library Operating Fund and usually accompanied by separate reports detailing restricted funds activities.*



## **SUMMARY OF SIGNIFICANT FINANCIAL ACTIVITY IN 2024**

### **Library Operating Fund**

From the previous year, the library's 2023 levy rate remained the same at .2740 per \$100 of valuation.

An October 10, 2023 transfer in the amount of \$104,695 was made from surplus unrestricted funds to a new Capital Projects Account. After 35 years of employment one full-time employee retired in December 2023, resulting in a drop in payroll expenses. \$54,612 was spent in Capital Outlay to replace a sidewalk and all exterior handrails, as well as masonry work on the chimney and roof parapet. The balance of the project of \$7,375 is included in accounts payable and was paid in October, 2024.

Increased patron use of a pay-per-use e-audiobook resource resulted in the Library spending beyond its 2024 budget for electronic resources. But revenue was higher than projected and utility costs were lower than anticipated after a planned peak hour billing change by Evergy did not materialize. Overall, regular revenues exceeded actual operating budget expenditures by \$37,626 in FY2024.

The Library holds one PayPal account to accept patron online payments. On September 18, 2023 the Library's PayPal account balance of \$676.99 was deposited to the Operating Fund-Interest Checking Account. In October, \$23.79 was transferred to Friends Checking for membership dues, and \$174.61 was transferred to the Memorials Fund for a memorial contribution. New FY2024 deposits from PayPal were transferred to the Library's Interest Checking account on April 2 and September 26, 2024 totaling \$576.42. They included nonresident fees and other patron fees, as well as \$120 in Capital Campaign donations that were then transferred to a restricted fund. Total PayPal transaction fees for the year amounted to \$27.66

In early 2024, the Library opened a Square account to allow credit/debit card point of sale transactions at the front desk. Transactions are recorded in QuickBooks on a monthly basis. In 2024, the Library deposited a net of \$2,390.05 in patron fees and \$1,226.46 in capital campaign donations through the front desk Square terminal after \$100.65 in Square transaction fees were deducted.

The table below shows how the fiscal year's net balances compared with the library's original FY 2024 budget goals.

October 1, 2023 Budget Estimate	FY2024 Actual
Personnel Expenditures 53%	49%
Books and digital content 10%	14.8% <i>(Does not include restricted funds spent on patron resources.)</i>
Unrestricted reserves balance Sept. 30 estimate: 30% Annual goal: 30%--40%	49-55%

In order to raise money for building preservation and renovation in the coming years, the Library began a Capital Fundraising Campaign in late 2024 through its 501(c)(3) Second Century Library Endowment Fund Corporation. In FY2025, library management recommends continuing to spend around 17% of regular revenue on building maintenance and improvements while enhancing capital improvement capacity with grants and private fundraising.

Attachment 1: Fiscal Year 2025 Budget Adopted shows FY2024 actual revenue and expenses in the library's main operating fund compared with those in the three preceding years.

### **Net pension asset (liability):**

After several years of decreasing required contribution rates due to a credit balance, LAGERS contribution rates are rising again. This is connected with the retirement of one long-time employee in December 2023, causing assets associated with that member account to be transferred to a LAGERS benefit reserve fund, and a drop in payroll of around \$16,000 that requires a higher rate to balance monthly contributions. The rate increase is also partly affected by LAGERS lower investment returns that create upward pressure on all employer contribution rates.

	LAGERS Actuarial unfunded liability balance*	Library required contribution rate
2021	16,208 credit balance	14.3%
2022	24,638 credit balance	9.7%
2023	29,177 credit balance	9.5%
2024	4,932 liability*	9.6%
2025		10.6%

\*Reflects February 28, 2024 LAGERS Actuarial Valuation.

**Memorials/Restricted Gifts Account:**

With a beginning October 2023 balance of \$16,845.11, this account received \$39,526.61 in deposits during FY2024. \$35,045 of those deposits were the result of a capital fundraising campaign to raise money for specific building improvements, with \$26.10 deducted for point of sale transaction fees. The other \$4,482.61 in deposits represent program sponsorships and memorial gifts. \$9,331.14 was expended from this account for memorial books and restricted sponsorships, and including the remaining \$3,300 for non-resident library kids card fees paid by leftover ARPA grant funds. As of September 30, 2024, the Memorial/Restricted Gifts Fund balance was \$47,014.48

**Friends Checking Account:**

After an October 1, beginning balance of \$8,326.49, \$23.79 from an online Friends member dues payment was transferred from the Library's Interest Checking Account to Friends to correct that FY2023 Friends payment being deposited from PayPal to Interest Checking. During the rest of FY2024, \$8,864 in membership dues and donations were deposited. Expenditures included \$4,000 in direct library operating fund support, \$817 to cover non-resident library card fees for food-stamp eligible adults, \$1,057.87 for children's giveaway books, and \$248.00 for mailing-related expenses. As of September 30, 2024, the Friends of the Library checking account balance stood at \$11,091.41.

**Capital Projects Fund:**

On October 10, 2023, the library transferred \$104,695 from unrestricted reserves to a new bank account in accordance with a new library policy to consider setting aside unrestricted reserves in excess of 30% of the previous year's regular operating expenditures, for the purpose of saving for emergency building expenditures and capital improvements beyond what's appropriated in the library's annual budget. Over the course of FY2024, the account drew \$4,110.66 in interest, resulting in a September 30, 2024 end balance of \$108,805.66.

**Second Century Library Fund Foundation:**

The portfolio value of the library's foundation fund investments rose from \$473,404.99 on October 1, 2023 to \$543,764.89 on Sept. 30, 2024. Cash transactions included one expense check in the amount of \$21,303 to support the library's operating budget, one deposit in the amount of \$493.33 from the Michael Graham Trust, one deposit of \$5,000 for the new capital fundraising campaign that was transferred out to a library restricted fund at year's end, and a total of \$3,862.58 deducted for financial management fees.

Attachment 1

FY2025 Budget Adopted August 13, 2024

		<b>2021 Actual</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Adopted</b>
REVENUE						
1	Advalorem Taxes	440,927	451,100	466,390	480,089	478,100
2	MO State Aid	5,986	5,986	7,516	7,562	7,581
3	Non-Resident Fee	6,420	14,736	13,807	12,553	6,500
4	Book replacement fees	1,377	1,700	1,135	1,464	1,000
5	Copies, Bags, Rentals	2,249	2,262	3,401	3,346	2,000
6	Sale/Donated Books	3,534	2,470	3,852	5,816	4,000
7	Miscellaneous ILL fee, fax fees	453	386	657	236	200
8	Foundation	21,500	23,150	19,975	21,303	24,089
9	Interest on Investments	578	540	552	1,658	1,200
10	<b>Total Revenues</b>	<b>483,024</b>	<b>502,330</b>	<b>517,285</b>	<b>534,047</b>	<b>524,670</b>
11	<i>[Spending out of RESERVES]</i>	0	0	5,239	0	1,024
EXPENSE						

	<i>Personnel Services</i>					
12	Payroll Expenses	172,008	189,600	200,834	193,412	192,500
13	FICA (around 7.7% of payroll)	13,154	14,598	16,595	15,297	14,823
14	Group Insurance/Employee	29,583	32,980	38,078	38,646	40,000
15	Retirement/LAGERS	24,568	20,074 (14.3% of eligible wages)	14,534	15,816 (9.5% of eligible wages)	13,379 (9.6 % of eligible wages)
16	Longevity	1,200	1,271	1,458	1,334	824
17	Tuition Reimbursement benefit	1,545	0	0	0	0
18	<b>Total Personnel Services</b>	<b>242,058</b>	<b>258,523</b>	<b>271,499</b> (52.4 % of general revenues)	<b>264,505</b>	<b>261,526</b>
	<i>Commodities</i>					

19	Circulation Materials (includes electronic resources for patron use)	71,271	59,767	67,415 (With A&E income, adds up to 14.8% of regular revenue)	61,924	57,714  (11% of general revenue. More book exp.in Items 44 and 46)
20	General Supplies (Book processing supplies, programming supplies, janitorial supplies, office furniture, etc.)	13,383	10,373	13,856	10,633	17,500
21	<b>Total Commodities</b>	<b>84,654</b>	<b>70,140</b>	<b>81,271</b>	<b>72,587</b>	<b>75,214</b>
	<i>Contractual Services</i>					
22	Utilities	9,855	11,539	13,831	11,153	14,000
23	Co. Tax Collection Fee... (estimate: 4.5% of tax income)	19,286	19,257	19,779	20,478	21,515
24	Independent Audit	9,000	5,000	5,500	5,500	6,000
25	Building Maintenance	31,917	29,083	23,322	12,299  Moved chimney	26,437

					work to Line 53: Capital Outlay. Moved basement electrical work to Line 48	
26	Other Contractual Services  (i.e., network support, ILS, copier/printer support)	14,999	14,139	13,784	10,883  (Snow removal and landscapin g costs are now in line item 25)	15,000
27	Bookkeeping	2,450	880	2,825	3,070	3,200
28	ILL Postage	16	0	0	32	20
29	Postage and Delivery	849	513	1,330	556	2,500
30	Printing and Advertising	1,432	4,669	4,552	6,192	7,000
31	Telephone	3,082	3,329	3,757	3,550	4,800
32	Internet Provider	1,199	1,200	1,104	1,204	1,300
33	Programming  (Contract based costs)	0	0	(under other contractual services)	530	550
34	Travel/Registration	168	532	1,356	0	500

35	<b>Total Contractual Services</b>	<b>94,253</b>	<b>90,141</b>	<b>91,140</b>	<b>74,917</b>	<b>102,822</b>
	<i>Other Charges</i>					
36	Other Charges	723	1,514	1,360	2,132 (Square, PayPal fees, misc.)	2,550
37	Membership dues	185	185	215	237	230
38	Insurance (Building & Workman's Comp)	18,003	20,170	22,347	24,990 (increase partly offset by drop in payroll expenses)	26,000
39	Software licenses/Permits	865	316	1,677	3,150 (Includes QB Online, Google Workspace, SurveyMonkey, Canva)	5,000
40	MO Sales Tax	269	864	129	638	650
41	<b>Total Other Charges</b>	<b>20,045</b>	<b>23,049</b>	<b>25,728</b>	<b>31,147</b>	<b>34,430</b>



42	<b>Total Expense</b>	<b>431,025</b>	<b>441,853</b>	<b>469,638</b>	<b>470,320</b>	<b>473,922</b>
	<i>Other Income (Expense)</i>					
43	Donations (Unrestricted)	1,252	4,626	2,026	1,199	800
44	MO State Aid Expenditures			Not separated in 2023	(7,583)  (Building, Books, e- resources)	(7,581)
45	Athletes & Entertainers Tax income	2,407	3,169	9,193	9,239	9,000
46	A&E Tax Expenditures	(2,409)	(3,168)	(9,194)	(9,214)  (Books, e- resources)	(9,000)
47	Grant income	12,971  (includes 2,500 in extra state funds)	0  (ARPA grant deposited in Restricted Funds)	54,500	6,750	15,000
48	Grant expenditures	(8,903)	(306)	(491)	0 (in Capital Outlay)	(15,000)

49	Capital Outlay	0	0	(108,920)	(54,612)	(49,921)
50	Total Other Income (Expense)	<b>5,318</b>	<b>4,321</b>	<b>(52,886)</b>	<b>(54,265)</b>	<b>(56,702)</b>
51	Transfer to Restricted [Friends Funds]	5,000	12,642	4,000	4,000 (Friends Support)	5,000
52	Debt Service/Liability	(45,000)	0	0	0	0
53	<u>Excess of revenues over expenses: See Item 12</u>	7,332	77,440	(5,239)	40,626 (revenue – expenses) (64,267) including fund transfer below	(1,024)
54	<b>Transfer to Capital Projects Fund</b>				<b>(104,695)</b> <b>Actual amount transfere d 10/11/2023</b>	<b>0</b>

57	Fund Balance, unreserved, October 1, 2020 as adjusted	196,171
58	Fund balance, unreserved, September 30, 2021	203,490
59	Fund balance, unreserved, September 30, 2022	328,245
60	Fund balance, unreserved, Oct. 1, 2022 as adjusted	250,825
61	Fund balance, unreserved, October 1, 2023 as adjusted	323,006
	Fund balance after transfer of \$104,893 to Capital Projects Fund	218,113
62	<i>Estimated unrestricted fund balance September 30, 2024 (based on August 9, 2024 estimate) Does not include Capital Projects Fund.</i>	219,476
63	<b><i>Estimated unrestricted fund balance, September 30, 2025</i></b>	<b>217,138</b>

#### FY 2025 Budget Notes:

REVENUE Maryville's net Assessed Valuation dropped 4.6% from the previous year. With Consumer Price Index numbers reporting an increase of around 3.5% for the region. A previous drop in the Library's collected tax rate allows for an adjustment to provide the same ad valorem tax revenue as last year. Missouri State Aid (item 2) and Athlete's and Entertainer's Tax revenue (item 46) are currently expected to be around the same amount as the year prior.

Foundation Support of \$24,089 is based on 4.5% of July 31 portfolio balance: \$535,330.04.

#### EXPENSES

**Items 12-18: Personnel Expenditures:** Total cost of all personnel expenditures is set at just over 50% of expected income to meet minimum standards. These items are intended to reflect the inclusion of two part-time program assistants, and an estimated 8% increase in health insurance costs.

**Item 19: Circulation materials:** This item provides for a minimum of 11% of regular income spent on books, e-resources and other materials for library cardholders. Supplemental spending in Item 48 (A&E Expenditures), and the library's memorial fund can bring public materials spending toward the exemplary goal of 15%.

**Item 25 Building Maintenance:** Reflects estimated cost of routine building and landscaping maintenance, snow removal, and some janitorial services.

**Item 36 Other Charges:** Reflects up to \$750 in increased transaction fees from more online fundraising, and front desk debit card transactions.

**Items 2 and 47 Missouri State Aid and Athlete's & Entertainer's Tax:** Currently, FY2025 Missouri State Aid is expected to remain at the same amount as FY2024. This budget assumes income from the Missouri Athlete's & Entertainer's tax will remain the same.

**Item 49: Capital Outlay:** This budget supports up to \$49,921 for work on the library's windows, the 2025 priority in *MPL's 2023-25 Guide for Maintenance of Building & Grounds*. Added to Item 27: Building Maintenance and Item 24: Utilities, the amount slightly surpasses the local budget average of 15%-17% spent on building and grounds upkeep.

**Item 63: Estimated Unrestricted Fund Balance, September 30, 2025:** Given current estimates of actual revenue and expenditures for Fiscal Year 2024, this budget intends to allow for a September 30, 2025 unrestricted balance of 217,138. This is more than minimum threshold of 30% of the previous year's regular expenditures (\$144,573 or 481,909 x .3)

#### **ADDITIONAL NOTES:**

*This budget document reflects Maryville Public Library's main operating budget and does not include separate funds such as the library's Memorial/Restricted Gifts Fund, nor details of the Friends of the Library checking account or the Second Century Library Fund Foundation.*

For more information on those funds, contact the director at [director@maryvillepubliclibrary.org](mailto:director@maryvillepubliclibrary.org) .

## **FINANCIAL STATEMENTS**

**Maryville Public Library  
Statement of Net Position  
September 30, 2024**

<b>Assets</b>	
Cash and cash equivalents	\$ 383,267
Taxes receivable, net	11,804
Prepaid Insurance	18,556
Property, plant and equipment	715,758
Restricted assets-cash and certificates of deposit	57,120
Net pension asset	58,827
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Total Assets	1,245,332
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<b>Deferred Outflows of Resources</b>	
Deferred outflows	52,443
	<hr/>
<b>Liabilities</b>	
Accounts payable	7,374
Accrued expenses	29,731
	<hr/>
Total Liabilities	37,105
	<hr/>
<b>Deferred inflows of Resources</b>	
Deferred inflows	7,906
	<hr/>
<b>Net Position</b>	
Invested in capital assets	715,758
Restricted	
Nonexpendable	4,500
Expendable	52,620
Unrestricted	
Designated	108,806
Undesignated	371,080
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Total Net Position	\$ 1,252,764
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The accompanying notes are an integral part of these financial statements.

**Maryville Public Library**  
**Statement of Activities**  
**For the Year Ended September 30, 2024**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net Revenue and Change in Net Assets</u>
		<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:				
General Government	\$ (448,198)	\$ 29,219	\$ 70,697	\$ (348,282)
Depreciation	<u>(31,595)</u>	<u>-</u>	<u>-</u>	<u>(31,595)</u>
Total Governmental Activities	\$ <u><u>(479,793)</u></u>	\$ <u><u>29,219</u></u>	\$ <u><u>70,697</u></u>	<u>(379,877)</u>
General Revenues:				
Property taxes				480,145
Intergovernmental				16,820
Unrestricted investment earnings				<u>5,878</u>
Total general revenues				<u>502,843</u>
Change in net position				122,966
Net assets, beginning of year				<u>1,129,798</u>
Net assets, end of year				\$ <u><u>1,252,764</u></u>

The accompanying notes are an integral part of these financial statements.

**Maryville Public Library**  
**Balance Sheet - Governmental Fund**  
**September 30, 2024**

<b>Assets</b>	
Cash and cash equivalents	\$ 383,267
Taxes receivable, net	11,804
Prepaid insurance	18,556
Restricted assets:	
Cash and certificates of deposit	57,120
Total Assets	<u>\$ 470,747</u>

<b>Liabilities</b>	
Accounts payable	\$ 7,374
Accrued expenses	29,730
Total Liabilities	<u>37,104</u>

<b>Fund Balances</b>	
Nonspendable	23,056
Spendable	
Restricted	52,620
Unrestricted	
Assigned	108,806
Unassigned	249,161
Total Fund Balance	<u>433,643</u>
Total Liabilities and Fund Balances	<u>\$ 470,747</u>

**Reconciliation of Total Governmental Fund Balances to**  
**Net Position of Governmental Activities**  
**September 30, 2024**

Total Governmental Fund Balances	\$ 433,643
Amounts reported in governmental activities in the statement of net assets are different because:	
Capital assets used in the governmental activities are not financial resources and therefore are not reported in the funds.	715,758
Certain items are not a financial resource and, therefore are not reported in the governmental funds. These consist of :	
Net deferred (inflows) outflows, pension related	44,536
Net pension asset	58,827
Net Position of Governmental Activities	<u>\$ 1,252,764</u>

The accompanying notes are an integral part of these financial statements.



**Maryville Public Library**  
**Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund**  
**For The Year Ended September 30, 2024**

**Revenues:**

Property taxes	\$ 480,145
Intergovernmental	16,820
Fines	1,464
Gifts	70,697
Copier	2,310
Other	25,445
Interest	5,878
	<hr/>
Total revenues	602,759
	<hr/>

**Expenditures:**

Current:

Salaries	201,901
Payroll taxes	14,922
Health insurance	38,647
Pension expense	15,816
General insurance	18,437
Professional fees	5,500
Other charges	67,398
Books, materials and binding	64,430
Equipment maintenance	55
Supplies	11,251
Building maintenance	12,244
Utilities	14,702
Capital Outlay	
Equipment and furnishings	61,987
	<hr/>

Total expenditures	527,290
	<hr/>

Excess (deficiency) of revenues over (under) expenditures	75,469
	<hr/>

Fund balances, beginning of year	358,174
	<hr/>

Fund balances, end of year	\$ 433,643
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

**Maryville Public Library**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures and Changes in Fund Balances of the Governmental Fund**  
**to the Statement of Activities**  
**For the Year Ended September 30, 2024**

Net Change in Governmental Fund Balances	\$	75,469
--	----	--------

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

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

30,392
--------

Governmental funds report pension contributions as expenditures.

However, in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount the cost of pension contributions paid exceeded the pension benefits earned.

17,384
--------

Change in net position of governmental activities	\$	123,245
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The accompanying notes are an integral part of these financial statements.

**Maryville Public Library**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual - Governmental Fund**  
**For The Year Ended September 30, 2024**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues:</b>				
Property taxes	\$ 478,000	\$ 478,000	\$ 480,145	\$ 2,145
Intergovernmental	16,515	16,515	16,820	305
Fines	1,000	1,000	1,464	464
Gifts	21,000	22,115	70,697	48,582
Interest	550	1,200	5,878	4,678
Grants	6,000	9,875	-	(9,875)
Copier	1,500	1,880	2,310	430
Other	11,000	12,200	25,445	13,245
<b>Total Revenues:</b>	<b>535,565</b>	<b>542,785</b>	<b>602,759</b>	<b>59,974</b>
<b>Expenditures:</b>				
Current:				
Salaries	203,259	204,121	201,901	2,220
Payroll taxes	15,532	15,554	14,922	632
Health insurance	41,885	38,700	38,647	53
Employee retirement	14,693	14,700	15,816	(1,116)
General insurance	24,000	24,740	18,437	6,303
Professional fees	6,500	5,500	5,500	-
Other charges	75,338	68,010	67,398	612
Books, materials and binding	51,957	52,157	64,430	(12,273)
Travel and conferences	1,500	500	-	500
Equipment maintenance	-	-	55	(55)
Supplies	17,220	16,020	11,251	4,769
Building maintenance	46,871	24,033	12,244	11,789
Utilities	23,800	22,800	14,702	8,098
Capital Outlay:				
Equipment and furnishings	12,000	62,737	61,987	750
<b>Total expenditures</b>	<b>534,555</b>	<b>549,572</b>	<b>527,290</b>	<b>22,282</b>
Excess (deficiency) of revenues over (under) expenditures	1,010	(6,787)	75,469	82,256
Transfer out	4,000	4,000	-	(4,000)
Fund balances, beginning of year	358,174	358,174	358,174	-
<b>Fund balances, end of year</b>	<b>\$ 363,184</b>	<b>\$ 355,387</b>	<b>\$ 433,643</b>	<b>\$ 78,256</b>

The accompanying notes are an integral part of these financial statements.

**Second Century Library Endowment Fund Corporation**  
**Statement of Financial Position**  
**Unaudited**  
**September 30, 2024**

**Assets**

Cash and cash equivalents	\$	25,609
Certificates of Deposit		20,000
Investments		498,158
		<hr/>
Total Assets	\$	543,767
		<hr/> <hr/>

**Net assets**

Net assets without donor restrictions	\$	543,767
		<hr/>
Total Net assets	\$	543,767
		<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

**Second Century Library Endowment Fund Corporation**  
**Statement of Activities**  
**Unaudited**  
**For The Year Ended September 30, 2024**

**Revenue**

Contributions	\$ 5,493
Investment earnings	18,299
Realized gain (loss) on investments	2,824
Unrealized gain (loss) on investments	73,624

Total revenue	100,240
---------------	---------

**Expenses**

Program	
Library support	26,303
General and Administrative	
Investment fees	3,863

Total expenses	30,166
----------------	--------

Change in net assets	70,074
----------------------	--------

Net assets without donor restrictions, beginning of year	473,693
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Net assets without donor restrictions, end of year	\$ 543,767
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The accompanying notes are an integral part of these financial statements.

**Second Century Library Endowment Fund Corporation**  
**Statement of Cash Flows**  
**Unaudited**  
**For The Year Ended September 30, 2024**

**Cash flows from operating activities**

Change in net assets	\$ 70,074
Adjustments to reconcile change in net assets cash provided by (used by) operating activities:	
Unrealized (gain) loss on investments	(73,624)
(Gain) loss on sale of investments	(2,824)
	<hr/>
Total Adjustments	(76,448)
	<hr/>
Net cash provided by (used in) operating activities	(6,374)
	<hr/>

**Cash flows from investing activities**

Proceeds from the redemption of certificates of deposit	20,000
Purchases of investments	(83,151)
Proceeds from the sale of investments	75,252
	<hr/>
Net cash provided by (used in) investing activities	12,101
	<hr/>
Net increase (decrease) in cash and cash equivalents	5,727
Cash and cash equivalents at beginning of year	19,882
	<hr/>
Cash and cash equivalents at end of year	\$ 25,609
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

**Maryville Public Library  
Notes to Financial Statements  
September 30, 2024**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Maryville Public Library (the Library), a political subdivision, was formed in 1904 as a tax-exempt organization for the purpose of providing library services to residents of Maryville, Missouri. As required by accounting principles generally accepted in the United States of America, the financial statements herein present the financial position, results of operations and changes in fund balances of the Maryville Public Library and its discretely presented component unit, for which the Library is considered to be financially accountable.

The Second Century Library Endowment Fund Corporation (Foundation) is a legally separate, tax-exempt component unit of the Library. The Foundation was organized as a fund-raising organization for the benefit of the Maryville Public Library. As a nonprofit organization, the Foundation reports under the Financial Accounting Standards Board (FASB) standards. As such, certain revenue recognition criteria and presentation differs from GASB revenue recognition and presentation. No modifications have been made to the Foundation's separately presented financial statements for these differences.

The Foundation's significant disclosures are summarized in Note 7.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Library.

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

**C. 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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**Maryville Public Library**  
**Notes to Financial Statements**  
**September 30, 2024**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

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. For this purpose, the government considers revenues to be available if they are collected within thirty-one days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Grants, entitlements and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when the Library receives cash.

*Fund Accounting*

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

*Governmental Funds*

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

The following is the Library's Governmental Fund Type:

**The General Fund** is the principal operating fund of the Library and accounts for all financial transactions not accounted for in other funds. The general operating expenditures, fixed charges and capital improvement costs that are not paid for through other funds are financed through revenues received by the General Fund.

**D. Cash and Cash Equivalents**

The Library considers cash and cash equivalents to consist of checking, savings accounts, money market accounts and certificates of deposit with an initial maturity of three months or less.



**Maryville Public Library  
Notes to Financial Statements  
September 30, 2024**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Restricted Assets**

Restricted assets are cash and cash equivalents and investments whose use is limited by donor or grantor requirements.

**F. Taxes Receivable**

Taxes receivable are stated at the amount expected to be collected. Personal property taxes outstanding for more than two years are estimated to be uncollectible and included as an allowance for uncollectible taxes. After five years, the outstanding balances are written off. Real estate taxes receivable are always considered to be collectible. Taxes receivable of \$13,799, are shown net of the allowance for uncollectible taxes of \$1,995, at September 30, 2024.

**G. Property, plant and equipment**

Capital assets generally result from expenditures in the governmental funds. These assets are reported in the government-wide statement of net position, but are not reported as an asset in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Improvements costing \$5,000 or more are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are expensed.

**H. Compensated Absences**

Paid time off (PTO) benefits are granted to employees based on position, length of service and hours worked. Full time employees that work 38 hours or more a week earn PTO at the rate of six hours and fifteen minutes per bi-weekly pay period for a total of 20.31 days per year for employees with 1 to 5 years of employment. This benefit increases for length of service up to seven hours and eight minutes per pay period accumulating 23.18 days per year for employees with 6 to 9 years of employment and up to eight hours per pay period accumulating for 26 days per year for employees over 10 years of employment. PTO may be accrued up to 480 hours for full-time employees. Part time employees are eligible to earn PTO after three full continuous years of employment, but are not allowed to carry over time. Accrued PTO, included in accrued expenses at September 30, 2024, was approximately \$22,000.

**I. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, 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 refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Maryville Public Library  
Notes to Financial Statements  
September 30, 2024**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**J. Net position**

The government-wide financial statements utilize a net asset presentation. Net position are classified in the following components:

**Investment in capital assets, net of related debt** - This component of net position consists of fixed assets, net of accumulated depreciation, and reduced by the outstanding balances of any notes or other borrowings that are attributable to the acquisition, construction or improvement of these assets.

**Restricted net position** - This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

The following net asset balances have been restricted by donors for specific uses by the Library. The restricted nonexpendable net positions are to be held in perpetuity, with earnings available for use. The restricted expendable net positions are available for expenditure as specified by the donor. The restricted expendable and nonexpendable net positions are as follows:

Restricted, expendable net position	\$ 52,620
Restricted, nonexpendable net position	<u>4,500</u>
Total restricted net position	<u>\$ 57,120</u>

When an expense is incurred for purposes for which both restricted and unrestricted assets are available, the District's policy is to apply restricted assets first.

**Unrestricted net position** - This component of net position consists of net position that do not meet the definition of "restricted" or "investment in capital assets, net of related debt."

**Maryville Public Library  
Notes to Financial Statements  
September 30, 2024**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**K. Fund Balances**

The fund balance of the governmental fund financial statements is comprised of two categories, nonspendable and spendable. The nonspendable fund balance is amounts that cannot be spent because they are not in spendable form or are legally required to be maintained intact. The spendable fund balance is further classified as restricted, committed or assigned by the Board of Directors or unassigned based upon the extent by which the Library must observe constraints on the use of resources. The nonspendable and spendable fund balances are as follows:

Nonspendable	
Prepaid expenses	\$ 18,556
Price fund principal	<u>4,500</u>
Total nonspendable	23,056
Spendable	
Restricted by donor and grantor requirements	52,620
Unrestricted	
Assigned	108,806
Unassigned	<u>249,161</u>
Total fund balance	<u><u>\$433,643</u></u>

It is management's policy to first apply assigned resources when an expenditure is incurred for which both assigned and unassigned fund balances are available.

**L. Budgetary Data**

The reported budgetary data represents the approved budget as adopted by the Board of Directors. The Board of Directors follows these outlined procedures in establishing the budgetary data reflected in the financial statements:

- 1) In August or September, the Library Director submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following October 1.
- 2) Prior to October 1, the budget is approved by the Board of Directors.
- 3) The budgeted expenditures cannot legally be exceeded unless the amounts are subsequently amended by the Board of Directors. The Library is a political subdivision of the State of Missouri and, therefore, is subject to the regulations of the Revised Statutes of Missouri.
- 4) Appropriations lapse at the end of each fiscal year.

**M. Use of Estimates in Preparing Financial Statements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**Maryville Public Library  
Notes to Financial Statements  
September 30, 2024**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**N. Date of Management's Review**

Management has evaluated subsequent events through June 9, 2025, the date on which the financial statements were available to be issued.

**NOTE 2: CASH AND CERTIFICATES OF DEPOSIT**

Although the Library does not have an investment policy, it follows Missouri State Statutes, which authorize the Library, with certain restrictions, to deposit funds in open accounts, time deposits and certificates of deposit. Statutes also require that collateral pledged have a fair market value equal to 100% of the funds on deposit, less insured amounts. Collateral securities must be held by the Library or a disinterested third party and must be of the kind prescribed by State Statutes and approved by the State.

At September 30, 2024, the carrying amount of deposits, including certificates of deposit, was \$440,248, and the bank balance was \$476,484.

The cash and certificates of deposits balances were as follows:

Restricted cash	\$ 52,620
Restricted certificates of deposit	<u>4,500</u>
Total restricted cash and certificates of deposit	57,120
Unrestricted cash on hand	140
Unrestricted cash on deposit	<u>383,127</u>
Cash and certificates of deposits	<u>\$440,387</u>

Custodial credit risk is the risk that in the event of the failure of the counterparty, the Library will not be able to recover the value of its deposits. As of September 30, 2024, the Library's deposits were fully collateralized.

**NOTE 3: ASSESSED VALUATION AND TAX LEVY**

The Library's property tax is levied each November on the assessed value as of the prior January 1 for all property located in the City of Maryville. Assessed valuations are established by the county assessor for property located in the City of Maryville, Missouri, as of January 1, 2024 on which the 2024 levy was based. Property taxes are due on or before December 31.

**Maryville Public Library  
Notes to Financial Statements  
September 30, 2024**

**NOTE 4: PLANT, PROPERTY AND EQUIPMENT**

A summary of changes in plant, property and equipment at September 30, 2024, is as follows:

	Balance, October 1, 2023	Additions	Dispositions	Balance, September 30, 2024
Equipment and furnishings	\$ 74,178	\$ -	\$ -	\$ 74,178
Building	1,191,204	61,987	-	1,253,191
Other	<u>2,250</u>	<u>-</u>	<u>(2,250)</u>	<u>-</u>
Total	1,267,632	61,987	(2,250)	1,327,369
Less accumulated depreciation	<u>(582,266)</u>	<u>(31,595)</u>	<u>2,250</u>	<u>(611,611)</u>
Total	<u>\$ 685,366</u>	<u>\$ 30,392</u>	<u>\$ -</u>	<u>\$ 715,758</u>

Depreciation expense of the library, which is reported in the government-wide financial statements, totaled \$31,595.

**NOTE 5: EMPLOYEES RETIREMENT SYSTEM**

**General Information about the Pension Plan**

**Plan description.** The Maryville Public Library defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The Maryville Public Library 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](http://www.molagers.org).

**Maryville Public Library**  
**Notes to Financial Statements**  
**September 30, 2024**

**NOTE 5: EMPLOYEES RETIREMENT SYSTEM (continued)**

**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%
Final Average Salary:	5 Years
Member Contributions:	0%

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 or beneficiaries currently receiving benefits	2
Inactive employees entitled to but not yet receiving benefits	0
Active employees	<u>3</u>
	<u>5</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 do not contribute to the pension plan. Employer contribution rates are 10.6% of annual covered payroll.

**Net Pension Liability.** The employer's net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 29, 2024.

**Maryville Public Library**  
**Notes to Financial Statements**  
**September 30, 2024**

**NOTE 5: EMPLOYEES RETIREMENT SYSTEM (continued)**

**Actuarial assumptions.** The total pension liability in the February 29, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage inflation, 2.25% price inflation
Salary Increase	2.75% to 6.75% including wage inflation
Investment rate of return	7.00%, net of investment expenses

The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups.

Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above-described tables.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equity	39.00%	5.37%
Fixed Income	23.00%	1.47%
Real Assets	33.00%	3.45%
Strategic Assets	7.00%	3.46%
Alpha	5.00%	2.37%
Cash/Leverage	-7.00%	-0.26%

**Maryville Public Library**  
**Notes to Financial Statements**  
**September 30, 2024**

**NOTE 5: EMPLOYEES RETIREMENT SYSTEM (continued)**

**Discount rate.** The discount rate used to measure the total pension liability (asset) is 7.00%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability (asset).

**Changes in the Net Pension Liability (Asset)**

	Increase (Decrease)		
	Total Pension Liability (Asset)	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) – (b)
Balance at June 30, 2024	<u>\$550,963</u>	<u>\$613,856</u>	<u>\$ (62,893)</u>
Changes for the year:			
Service cost	13,099	-	13,099
Interest	38,090	-	38,090
Difference between expected and actual experience	28,880	-	28,880
Change of Assumptions	-	-	-
Contributions – employer	-	15,110	(15,110)
Contributions – employee	-	-	-
Net investment income	-	42,451	(42,451)
Benefit payments, including refunds	(26,975)	(26,975)	-
Administrative expense	-	(669)	669
Other changes (Net transfer)	-	19,111	(19,111)
Net changes	<u>53,094</u>	<u>49,028</u>	<u>4,066</u>
Balance at June 30, 2024	<u>\$604,057</u>	<u>\$662,884</u>	<u>\$ (58,827)</u>

***Sensitivity of the net pension liability (asset) to changes in the discount rate.***

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.00%, as well as what the employer's Net Pension Liability (Asset) would be using a discount rate that is 1 percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

1% Decrease	Current Single Discount Rate Assumption	1% Increase
6.00%	7.00%	8.00%
<u>\$14,592</u>	<u>\$(58,827)</u>	<u>\$(120,380)</u>



**Maryville Public Library**  
**Notes to Financial Statements**  
**September 30, 2024**

**NOTE 5: EMPLOYEES RETIREMENT SYSTEM (continued)**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** For the year ended September 30, 2024, the employer recognized pension expense of \$3,168. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows of Resources	Total
Differences in experience	\$ 36,951	\$ -	\$ 36,951
Differences in assumptions	-	(7,906)	(7,906)
Excess (deficit) investment returns	12,636	-	12,636
Contributions subsequent to the Measurement date*	<u>2,856</u>	<u>-</u>	<u>2,856</u>
Total	<u>\$ 52,443</u>	<u>\$ (7,906)</u>	<u>\$ 44,537</u>

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

Year ended:	
2025	\$ 4,482
2026	17,731
2027	10,643
2028	6,542
2029	5,035
Thereafter	<u>104</u>
Total	<u>\$ 44,537</u>

**Payable to the Pension Plan**

Maryville Public Library had no outstanding payable to the pension plan required for the year ended September 30, 2024.

**NOTE 6: RISK MANAGEMENT POOL**

The Library is a member of the Missouri Intergovernmental Risk Management Association (MIRMA), a not-for-profit association formed by political subdivisions of the State of Missouri organized to operate as a group self-insurer. The purpose of the self-insurance pool is to seek the prevention or lessening of casualty and property losses to member political subdivisions and injuries to persons or employees which might result in claims being made against such subdivisions. MIRMA provides property, liability, and workers' compensation coverage to its participating members. The Maryville Public Library has no direct control over budgeting, financing, the governing body or management selection.

**Maryville Public Library  
Notes to Financial Statements  
September 30, 2024**

**NOTE 6: RISK MANAGEMENT POOL (continued)**

MIRMA is fully funded by its member participants. Funds are used to pay losses within specific risk retention limits shared equally by all members, purchase excess insurance which provides a transfer of catastrophic risk to private insurance carriers, purchase services such as claims administration and data processing, and pay administrative expenses. Coverage obtained by the Maryville Public Library through the Association includes property, crime, general liability, workers' compensation, and public officials' professional liability. Per occurrence coverage limits provided by the Association (the Association's self-insured retention limits combined with excess insurance contract limits) vary by type of insurance coverage. Losses from individual claims in excess of these limits remain the responsibility of the respective entities.

Additionally, the Articles of the Association provide for supplemental assessments in the event the annual assessment is not sufficient to meet obligations. No supplemental assessments were required by the Association during fiscal year ending June 30, 2024.

Total assessments to the Library for the year ended September 30, 2024, were \$24,740.

**NOTE 7: SECOND CENTURY LIBRARY ENDOWMENT FUND CORPORATION  
ACCOUNTING POLICIES AND DISCLOSURES**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Accounting**

The financial statements of the Second Century Library Endowment Fund Corporation (the Foundation) have been prepared on the accrual basis of accounting.

**B. Basis of Presentation**

The financial statements of the Foundation have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United State of America and, accordingly, reflect all significant receivables, payables and other liabilities.

The Foundation reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions or with donor restrictions.

Net assets without donor restrictions are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. The Foundation's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**Maryville Public Library  
Notes to Financial Statements  
September 30, 2024**

**NOTE 7: SECOND CENTURY LIBRARY ENDOWMENT FUND CORPORATION  
ACCOUNTING POLICIES AND DISCLOSURES (continued)**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Foundation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**D. Contributed Support**

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Contributed support is reported as without donor restrictions or as with donor restrictions depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activity as net assets released from restrictions.

Long-lived assets acquired with gifts of cash restricted for those acquisitions are reported as without donor restrictions or as with donor restrictions depending on whether there is an explicit, donor-imposed time requirement as to how long the assets must be maintained. Long-lived assets are reported as with donor restrictions only if the Foundation must maintain the assets in perpetuity or if the donor explicitly restricted the proceeds from any future disposition of the assets to reinvestment in long-lived assets.

**E. Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**F. Income Taxes**

The Foundation is exempt from federal and state income taxes under Internal Revenue Service Code Section 501(c) (3) as a public charity.

**Maryville Public Library**  
**Notes to Financial Statements**  
**September 30, 2024**

**NOTE 9: SECOND CENTURY LIBRARY ENDOWMENT FUND CORPORATION INVESTMENTS**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The Organization reports its investments in accordance with generally accepted accounting principles for not-for-profit organizations, which establish accounting standards for investments in certain equity securities and for all debt securities. The guidance prescribes that investments be reported in the statement of financial position at fair value with any realized or unrealized gains or losses reported in the statement of activities. Investment income is recognized as revenue in the period it is earned and gains and losses are recognized as changes in net assets in the accounting period in which they occur.

**Fair value measurements**

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Foundation uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Foundation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are used only when Level 1 or Level 2 inputs are not available.

The following presents the Foundation's fair value hierarchy for the investments measured at fair value on a recurring basis:

September 30, 2024		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)
Exchange traded funds	\$ 129,681	\$ 129,681
Mutual funds		
Equity funds	204,099	204,099
Fixed income funds	<u>164,378</u>	<u>164,378</u>
Total investments	<u>\$498,158</u>	<u>\$498,158</u>

Level 1: The fair value of investments is based on quoted net asset values of the shares held by the Foundation at year-end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Foundation management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**Maryville Public Library  
Notes to Financial Statements  
September 30, 2024**

**NOTE 10: SUBSEQUENT EVENTS**

**9**

Subsequent to year-end the Second Century Library Endowment Fund Corporation was awarded a Grant of \$50,000, contingent on the Foundation raising an additional \$200,000 of contributions within the next 13 months.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Maryville Public Library**  
**Required Supplementary Information**  
**Schedule of Changes in Net Pension Liability and Related Ratios Multiyear**  
**September 30, 2024**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Service Cost	\$13,099	\$13,431	\$12,860	\$ 12,691	\$ 11,907	\$ 8,714	\$ 7,448	\$ 7,203	\$ 6,935	\$ 6,784
2. Interest on Total Pension Liability	38,090	35,636	33,2214	33,277	30,856	28,625	27,690	25,897	24,092	23,084
3. Changes of Benefit Terms	0	0	0	0	0	0	0	0	0	0
4. Difference between expected and actual experience of the Total Pension Liability	28,880	8,441								
5. Changes of Assumptions	0	0	5,642	7,698	6,716	8,110	(6,984)	7,081	(3,781)	(754)
6. Benefit payments, including refunds of employee contributions	(26,975)	(17,753)	(17,070)	(16,547)	(16,401)	(16,088)	(15,686)	(15,459)	(15,338)	(15,245)
7. Net change in total pension liability	53,094	39,755	34,646	15,673	33,078	29,361	12,468	24,722	24,833	13,869
8. Total pension liability – beginning	550,963	511,208	476,562	460,889	427,811	398,450	385,982	361,260	336,427	322,558
9. Total pension liability – ending	604,057	550,963	511,208	476,562	460,889	427,811	398,450	385,982	361,260	336,427
1. Contributions – employer	15,110	15,406	20,853	69,403	69,063	65,555	14,046	11,611	10,528	9,469
2. Contributions – employee	0	0	0	0	0	0	0	0	0	0
3. Net investment income	42,451	20,762	378	116,709	4,780	19,312	31,185	27,487	(554)	4,641
4. Benefit payments, including refunds of employee contributions	(26,975)	(17,753)	(17,070)	(16,547)	(16,401)	(16,088)	(15,686)	(15,459)	(15,338)	(15,245)
5. Pension Plan Administrative Expense	(669)	(609)	(442)	(411)	(538)	(483)	(342)	(253)	(252)	(280)
6. Other (Net Transfer)	19,111	1,984	681	(3,063)	1,455	1,299	902	2,226	3,264	(6,451)
7. Net change in plan fiduciary net position	49,028	19,790	4,400	166,091	58,359	69,595	30,105	25,612	(2,352)	(7,866)
8. Plan fiduciary net position – beginning	613,856	594,066	589,666	423,575	365,216	295,621	265,516	239,904	242,256	250,122
9. Plan fiduciary net position – ending	662,884	613,856	594,066	589,666	423,575	365,216	295,621	265,516	239,904	242,256
<b>C. Net pension liability/(asset)</b>	<b>\$(58,827)</b>	<b>\$(62,893)</b>	<b>\$(82,858)</b>	<b>\$(113,104)</b>	<b>\$ 37,314</b>	<b>\$ 62,595</b>	<b>\$102,829</b>	<b>\$120,466</b>	<b>\$121,356</b>	<b>\$ 94,171</b>
<b>D. Plan fiduciary net position as a percentage of the total pension liability</b>	109.74%	111.42%	116.21%	123.73%	91.90%	85.37%	74.19%	68.79%	66.41%	72.01%
<b>E. Covered-employee payroll</b>	\$121,045	\$141,431	\$135,526	\$131,035	\$125,594	\$117,325	\$78,344	\$78,863	\$73,650	\$71,785
<b>F. Net pension liability as a percentage of covered employee payroll</b>	(48.60)%	(44.47)%	(61.14)%	(89.32)%	29.71%	53.35%	131.25%	152.75%	164.77%	131.18%

**Maryville Public Library  
Required Supplementary Information  
Schedule of Contributions  
Last 10 Fiscal Years**

<b>Fiscal Year</b>	<b>Actuarially Determined Contribution</b>	<b>Contribution In Relation</b>	<b>Contribution Deficiency</b>	<b>Covered Employee Payroll</b>	<b>Contribution As Percentage</b>
2015	14,836.74	9,698.18	5,138.56	72,374.44	13.40
2016	15,908.46	10,805.66	5,102.80	75,039.66	14.40
2017	16,773.20	11,903.46	4,869.74	77,295.50	15.40
2018	22,884.62	15,835.92	7,048.70	96,559.88	16.40
2019	30,236.11	21,299.94	8,936.17	122,413.63	17.40
2020	32,691.06	23,869.65	8,821.41	129,726.17	18.40
2021	24,547.21	24,547.21	0.00	133,408.86	18.40
2022	19,724.84	19,724.92	(0.08)	137,936.11	14.30
2023	15,141.20	15,141.18	0.02	156,094.78	9.70
2024	13,701.83	13,701.88	(0.05)	144,230.31	9.50



**Maryville Public Library  
Required Supplementary Information  
Notes to the Schedule of Contributions**

**Valuation Date:** February 29, 2024

**Notes:** The roll-forward of total pension liability from February 28, 2024 to June 30, 2024 reflects expected service cost and interest reduced by actual benefit payments.

**Methods and Assumptions Used to Determine Contribution Rates:**

<b>Actuarial Cost Method</b>	Entry Age Normal and Modified Terminal Funding
<b>Amortization Method</b>	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.
<b>Remaining Amortization Period</b>	Multiple bases from 8 to 15 years
<b>Asset Valuation Method</b>	5-Year smoothed market; 20% corridor
<b>Inflation</b>	2.75% wage inflation; 2.25% price inflation
<b>Salary Increases</b>	2.75% to 6.75% including wage inflation
<b>Investment Rate of Return</b>	7.00%, net of investment expenses
<b>Retirement Age</b>	Experience-based table of rates that are specific to the type of eligibility condition.
<b>Mortality</b>	The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above-described tables.
<b>Other Information:</b>	None