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# Baldwin Public Library

(a component unit of the City of Birmingham, Michigan)

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**Financial Report**  
**with Supplementary Information**  
**June 30, 2025**

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## Independent Auditor's Report

To the Board of Directors  
Baldwin Public Library

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Birmingham, Michigan (the "City") as of and for the year ended June 30, 2025, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 21, 2025, which contained an unmodified opinion on the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to November 21, 2025.

### ***In Relation to Opinion on Accompanying Financial Statements***

The accompanying financial statements of Baldwin Public Library (the "Library") are presented for the purpose of additional analysis and are 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, the Library adopted new accounting provisions of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*, as of July 1, 2024. Our opinion is not modified with respect to this matter.

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as identified in the table of contents, 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, which 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.

A handwritten signature in black ink that reads "Plante & Moran, PLLC".

November 21, 2025

As management of Baldwin Public Library (the "Library"), we offer readers this narrative overview and analysis of the financial activities for the year ended June 30, 2025.

**Using This Annual Report**

This annual report consists of financial statements presenting both a fund-based view and a government-wide view of the Library.

The General Fund column presents a short-term view; it tells us how the taxpayers' resources were spent during the year and how much is available for future spending. The government-wide columns provide information about the activities of the Library as a whole and present a longer-term view of the Library's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year and whether the taxpayers have funded the full cost of providing library services.

The General Fund modified accrual basis financial statements provide detailed information about the Library's current financial resources. This information is important because it demonstrates compliance with various state laws and shows the stewardship of the Library's annual property tax and other revenue.

The Library's full accrual basis financial statements present information about the Library's total economic resources, including long-lived assets and long-term obligations. This information is important because it recognizes the long-term ramifications of decisions made by the Library on an ongoing basis.

**Statement of Net Position/Statement of Activities**

The following tables show, in a condensed format, the current year's net position and changes in net position compared to the prior year:

**The Library's Net Position**

	2025	2024
<b>Assets</b>		
Current and other assets:		
Cash and investments	\$ 1,609,067	\$ 855,827
Receivables	77,502	71,811
Net OPEB asset	315,974	-
Capital assets	7,696,759	8,231,153
Total assets	9,699,302	9,158,791
<b>Deferred Outflows of Resources - Pension and OPEB</b>	43,619	91,257
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	115,768	464,219
Accrued liabilities and other	87,797	64,145
Noncurrent liabilities:		
Due within one year:		
Compensated absences	190,969	115,789
Current portion of lease liability	15,922	78,181
Due in more than one year:		
Compensated absences	134,973	-
Net pension liability	459,044	645,601
Net OPEB liability	-	76,859
Lease liability	22,832	38,755
Total liabilities	1,027,305	1,483,549
<b>Deferred Inflows of Resources - Pension and OPEB</b>	122,820	60,388
<b>Net Position</b>		
Net investment in capital assets	7,613,590	8,114,217
Restricted	315,974	-
Unrestricted (deficit)	663,232	(408,106)
Total net position	\$ 8,592,796	\$ 7,706,111

# Baldwin Public Library

## Management's Discussion and Analysis (Continued)

### The Library's Changes in Net Position

	2025	2024
<b>Revenue</b>		
Property taxes	\$ 4,477,352	\$ 4,172,284
Community contracts	1,101,925	1,055,753
Investment gains	133,465	142,596
Other revenue:		
Other grants and contributions	74,779	296,515
Fines and fees	98,163	91,361
Total revenue	<u>5,885,684</u>	<u>5,758,509</u>
<b>Expenses</b>		
Personnel services	2,699,524	2,997,987
City-provided services	104,890	104,890
Depreciation and amortization	930,521	749,620
Other operating expenses	1,083,719	1,038,768
Debt service	1,892	3,694
Total expenses	<u>4,820,546</u>	<u>4,894,959</u>
<b>Change in Net Position</b>	1,065,138	863,550
<b>Net Position - Beginning of year, as previously reported</b>	7,706,111	6,842,561
<b>Cumulative Effect of Change in Accounting</b>	<u>(178,453)</u>	<u>-</u>
<b>Net Position - Beginning of year</b>	<u>7,527,658</u>	<u>6,842,561</u>
<b>Net Position - End of year</b>	<u><u>\$ 8,592,796</u></u>	<u><u>\$ 7,706,111</u></u>

The Library's net position increased by approximately 11.51 percent from a year ago, from \$7,706,111 to \$8,592,796.

Unrestricted net position, the part of net position that can be used to finance day-to-day operations of the Library, increased by \$1,071,338. This is mainly due to the change in the OPEB liability during the current year moving from a net OPEB liability to a net OPEB asset.

The Library's total revenue increased by \$127,175. The increase can be mainly attributed to increases in the City of Birmingham, Michigan's tax revenue year over year. Expenses decreased by \$74,413, mainly due to the decrease in personnel expenses.

### **General Fund Perspective**

The Library presents the General Fund, which is reported on the modified accrual basis, to tell us how the taxpayers' resources were spent during the year and how much is available for future spending. An analysis of the General Fund budget to actual results is included on page 24.

### **Budgetary Highlights**

Actual revenue for the year ended June 30, 2025 was greater than the amended budget by \$185,834. The difference is primarily attributable to investment gains being larger than budgeted. Actual expenditures were less than the amended budget by \$242,686, mainly due to actual expenses incurred for capital outlay costs being less than budgeted.

### **Capital Assets and Debt Administration**

During 2025, the Library accumulated additions to capital assets in the amounts of \$247,505 for books and periodicals and \$150,056 for new equipment, building improvements, and construction in progress.

***Economic Factors and Next Year's Budgets and Rates***

The Library's 2025-2026 budget is consistent with the actual results for 2024-2025.

***Requests for Further Information***

This financial report is intended to provide our citizens, taxpayers, patrons, and investors with a general overview of the Library's finances and to show the Library's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Library directly at (248) 647-1700.

# Baldwin Public Library

## Statement of Net Position/Governmental Fund Balance Sheet

June 30, 2025

	Balance Sheet - Modified Accrual	Adjustments (Note 2)	Statement of Net Position - Full Accrual	Component Unit - Baldwin Public Library Trust
<b>Assets</b>				
Cash and investments	\$ 1,609,067	\$ -	\$ 1,609,067	\$ 2,160,982
Receivables - Due from other governmental units	77,502	-	77,502	-
Net OPEB asset	-	315,974	315,974	-
Capital assets - Net (Note 4)	-	7,696,759	7,696,759	-
Total assets	1,686,569	8,012,733	9,699,302	2,160,982
<b>Deferred Outflows of Resources</b>				
Deferred pension costs (Note 8)	-	30,882	30,882	-
Deferred OPEB costs (Note 9)	-	12,737	12,737	-
Total deferred outflows of resources	-	43,619	43,619	-
Total assets and deferred outflows of resources	<b>\$ 1,686,569</b>	8,056,352	9,742,921	2,160,982
<b>Liabilities</b>				
Accounts payable	\$ 115,768	-	115,768	-
Accrued liabilities and other	87,797	-	87,797	-
Noncurrent liabilities:				
Due within one year:				
Compensated absences	-	190,969	190,969	-
Current portion of lease liability (Note 5)	-	15,922	15,922	-
Due in more than one year:				
Compensated absences	-	134,973	134,973	-
Net pension liability (Note 8)	-	459,044	459,044	-
Lease liability (Note 5)	-	22,832	22,832	-
Total liabilities	203,565	823,740	1,027,305	-
<b>Deferred Inflows of Resources</b>				
Deferred pension cost reductions (Note 8)	-	58,902	58,902	-
Deferred OPEB cost reductions (Note 9)	-	63,918	63,918	-
Total deferred inflows of resources	-	122,820	122,820	-
<b>Equity</b>				
Fund balance - Unassigned	1,483,004	(1,483,004)	-	-
Total liabilities, deferred inflows of resources, and fund balance - unassigned	<b>\$ 1,686,569</b>			
Net position:				
Net investment in capital assets		7,613,590	7,613,590	-
Restricted:				
Donations		-	-	1,578,890
Retiree health care		315,974	315,974	-
Unrestricted		663,232	663,232	582,092
Total net position		<b>\$ 8,592,796</b>	<b>\$ 8,592,796</b>	<b>\$ 2,160,982</b>

## Baldwin Public Library

### Statement of Activities/Statement of Revenue, Expenditures, and Changes in Fund Balance

Year Ended June 30, 2025

	Statement of Revenue, Expenditures, and Changes in Fund Balance - Modified Accrual	Adjustments (Note 2)	Statement of Activities - Full Accrual	Component Unit - Baldwin Public Library Trust
<b>Revenue</b>				
Property taxes	\$ 4,477,352	\$ -	\$ 4,477,352	\$ -
Penal fines	56,607	-	56,607	-
Intergovernmental - Federal and state grants	74,779	-	74,779	-
Community contracts	1,101,925	-	1,101,925	-
Fines and fees	41,556	-	41,556	-
Investment income	133,465	-	133,465	174,958
Contributions	-	-	-	69,422
<b>Total revenue</b>	<b>5,885,684</b>	<b>-</b>	<b>5,885,684</b>	<b>244,380</b>
<b>Expenditures</b>				
Personnel services	3,137,146	(437,622)	2,699,524	-
Supplies	100,584	-	100,584	44,546
City-provided services	104,890	-	104,890	-
Utilities	124,582	-	124,582	-
Contracted services	245,212	-	245,212	4,200
Technology and maintenance	60,461	-	60,461	-
Collections	699,644	(247,505)	452,139	33,794
Miscellaneous	81,982	-	81,982	62,890
Capital outlay	167,380	(148,621)	18,759	-
Depreciation and amortization	-	930,521	930,521	-
Debt service:				
Principal	78,181	(78,181)	-	-
Interest on long-term debt	1,892	-	1,892	-
<b>Total expenditures</b>	<b>4,801,954</b>	<b>18,592</b>	<b>4,820,546</b>	<b>145,430</b>
<b>Net Change in Fund Balance/Net Position</b>	<b>1,083,730</b>	<b>(18,592)</b>	<b>1,065,138</b>	<b>98,950</b>
<b>Fund Balance/Net Position - Beginning of year, as previously reported</b>	<b>399,274</b>	<b>7,306,837</b>	<b>7,706,111</b>	<b>2,062,032</b>
<b>Cumulative Effect of Change in Accounting (Note 1)</b>	<b>-</b>	<b>(178,453)</b>	<b>(178,453)</b>	<b>-</b>
<b>Fund Balance/Net Position - Beginning of year, as adjusted</b>	<b>399,274</b>	<b>7,128,384</b>	<b>7,527,658</b>	<b>2,062,032</b>
<b>Fund Balance/Net Position - End of year</b>	<b>\$ 1,483,004</b>	<b>\$ 7,109,792</b>	<b>\$ 8,592,796</b>	<b>\$ 2,160,982</b>

June 30, 2025

**Note 1 - Significant Accounting Policies**

The following is a summary of the significant accounting policies used by Baldwin Public Library (the "Library").

***Reporting Entity***

Baldwin Public Library is governed by a six-member board elected by the citizens of Birmingham, Michigan. It is also reported as a component unit of the City of Birmingham, Michigan (the "City").

These statements include the activity of the Baldwin Public Library Trust (the "Trust"). The Trust is a legally separate, tax-exempt entity that primarily acts as a fundraising organization to supplement the resources that are available to Baldwin Public Library in support of its programs. The Trust does not issue separate financial statements.

***Accounting and Reporting Principles***

The Library follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board (GASB).

***Report Presentation***

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. 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 primary government and its component unit. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The statements also present schedules reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

***Basis of Accounting***

The Library's General Fund is budgeted and accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Library considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. Service contract revenue meets the availability criterion and is accrued as of year end.

Expenditures generally are recorded when a liability is incurred under accrual accounting. However, expenditures relating to compensated absences are recorded only when payment is due.

***Specific Balances and Transactions******Bank Deposits and Investments***

The Library considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Investments are recorded at fair value as of June 30, 2025 based on quoted market prices.

***Capital Assets***

Capital assets are defined by the Library as assets with an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The Library building is owned by the City of Birmingham, Michigan and is not reported in these statements; the debt related to the building is also reported in the City's financial statements.

**Note 1 - Significant Accounting Policies (Continued)**

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

	Depreciable Life - Years
Buildings and improvements	15
Equipment	5-10
Furniture and fixtures	10
Lease assets	3
Subscription assets	3

**Compensated Absences (Vacation and Sick Leave)**

It is the Library’s policy to permit employees to accumulate earned but unused sick and vacation pay benefits. The compensated absence liabilities are reported in the government-wide financial statements. A leave liability is recognized due to the leave attributable to services already rendered, leave that accumulates, and leave that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. All vacation pay is accrued when incurred in the Library’s statement of net position. At June 30, 2024, the compensated absence liability was \$294,242, as restated (see *Accounting Changes and Error Corrections* within Note 1). During the year ended June 30, 2025, there were additions and deletions to the liability totaling \$136,721 and \$105,021, respectively. The total liability at June 30, 2025 was \$325,942, of which \$190,969 is due within one year.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

The Library reports the following deferred outflows of resources and deferred inflows of resources:

	Inflows	Outflows
Deferred pension costs (or cost reductions)	✓	✓
Deferred OPEB costs (or cost reductions)	✓	✓

**Net Position Flow Assumption**

Sometimes the Library will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, excluding the Baldwin Public Library Trust, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Library’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**Note 1 - Significant Accounting Policies (Continued)**

**Fund Balance Flow Assumptions**

Sometimes the Library will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Library's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Library itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Library's highest level of decision-making authority. The board of directors is the highest level of decision-making authority for the Library that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Library has, by resolution, authorized the finance director to assign fund balance. The board of directors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally exist only temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**Property Tax Revenue**

Properties are assessed as of December 31. The related property taxes are billed and become a lien on July 1 of the following year. These taxes are due on August 31, with the final collection on February 28 before they are added to the county tax rolls. The Library's property tax revenue for the fiscal year ended June 30, 2025 is based on the 2024 tax levy, which was billed on July 1, 2024.

The 2024 taxable value of the City totaled \$3,459,917,340; the Library's millage rate was 1.3062 mills, which resulted in property tax revenue of approximately \$4.5 million. The amount recognized as revenue reflects reductions for the Board of Review, Michigan Tax Tribunal, and delinquencies, as well as recoveries of prior year delinquencies.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenue and expenses during the period. Actual results could differ from those estimates.

**Note 1 - Significant Accounting Policies (Continued)****Leases**

The Library is a lessee for noncancelable leases of equipment. The Library recognizes a lease liability and an intangible right-of-use lease asset (lease asset) in the applicable governmental activities column in the government-wide financial statements. The Library recognizes lease assets and liabilities with an initial value of \$5,000 or more.

At the commencement of a lease, the Library initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Library determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Library uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Library generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Library is reasonably certain to exercise.

The Library monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**Subscriptions**

The Library obtains the right to use vendors' information technology software through various long-term contracts. The Library recognizes a subscription liability and an intangible right-of-use subscription asset (the "subscription asset") in the applicable column in the government-wide financial statements. The Library recognizes subscription assets and liabilities with an initial value of \$5,000 or more.

At the commencement of a subscription, the Library initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus initial implementation costs. Subsequently, the subscription asset is depreciated on a straight-line basis over its useful life.

Key estimates and judgments related to subscriptions include how the Library determines the discount rate it uses to discount the expected subscription payments to present value and the subscription term.

- The Library uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the Library generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The subscription term includes the noncancelable period of the subscription.

**Note 1 - Significant Accounting Policies (Continued)**

The Library monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

***Upcoming Accounting Pronouncements***

In April 2024, the Governmental Accounting Standards Board issued Statement No. 103, *Financial Reporting Model Improvements*, which establishes new accounting and financial reporting requirements or modifies existing requirements related to the following: management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenue, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The provisions of this statement are effective for the Library's financial statements for the year ending June 30, 2026.

In September 2024, the Governmental Accounting Standards Board issued Statement No. 104, *Disclosure of Certain Capital Assets*, which requires certain types of capital assets, such as lease assets, intangible right-of-use assets, subscription assets, and other intangible assets, to be disclosed separately by major class of underlying asset in the capital assets note. The statement also requires additional disclosures for capital assets held for sale. The provisions of this statement are effective for the Library's financial statements for the year ending June 30, 2026.

***Accounting Changes and Error Corrections***

***Adoption of New Accounting Pronouncement***

During the current year, the Library adopted GASB Statement No. 101, *Compensated Absences*. As a result, the liability for compensated absences in the statement of net position/governmental fund balance sheet has been calculated to comply with this new pronouncement. The financial statements for the year ended June 30, 2024 have been restated in order to adopt GASB Statement No. 101. The effects of this adoption of a new accounting pronouncement are shown in the table at the end of this section.

***Adjustments to and Restatements of Beginning Balances***

During fiscal year 2024, the changes noted above resulted in adjustments to and restatements of beginning net position and fund net position as follows:

	<u>June 30, 2024</u>		<u>June 30, 2024</u>
	As Previously Reported	Adoption of New Accounting Pronouncement	As Restated
Baldwin Public Library	\$ 7,706,111	\$ (178,453)	\$ 7,527,658

June 30, 2025

**Note 2 - Reconciliation of Individual Fund Columns of the Statement of Net Position/Statement of Activities**

As discussed in Note 1, the General Fund is presented on the modified accrual basis of accounting, and the Library as a whole (which consists only of its General Fund) is also presented on the full accrual basis. The following is a reconciliation of fund balance on the modified accrual basis of accounting to net position presented on the full accrual basis:

<b>Fund Balance Reported in Governmental Fund</b>	\$ 1,483,004
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds	7,696,759
Subscription and lease liabilities are not due and payable in the current period and are not reported in the funds	(38,754)
Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities or deferred outflows and inflows:	
Employee compensated absences	(325,942)
Pension benefits	(487,064)
Retiree health care benefits	264,793
	<u>8,592,796</u>
<b>Net Position of Governmental Activities</b>	<u>\$ 8,592,796</u>

The following is a reconciliation of the changes in fund balance on the modified accrual basis to the change in net position on the full accrual basis:

<b>Net Change in Fund Balance Reported in Governmental Fund</b>	\$ 1,083,730
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capital outlay	397,561
Depreciation and amortization expense	(930,521)
Net book value of assets disposed of	(1,434)
	<u>(534,394)</u>
Total	(534,394)
Certain retiree health care cost reductions do not require the use of current financial resources and, therefore, are not reported as cost reductions in the governmental funds	370,572
Certain pension costs do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	98,748
Increase in accumulated employee sick and vacation pay is recorded when earned in the statement of activities	(31,699)
Repayment of debt principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)	78,181
	<u>78,181</u>
<b>Change in Net Position of Governmental Activities</b>	<u>\$ 1,065,138</u>

June 30, 2025

**Note 3 - Deposits and Investments**

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications that matures no more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Library has designated one bank for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government, bank accounts, commercial paper, municipal bonds, and certificates of deposit. The Library's investment policies are in accordance with statutory authority.

The Library's investments in the amount of \$1,399,555 are commingled in a pooled account administered by the City of Birmingham, Michigan; therefore, separate custodial credit risk is not applicable, and the types of individual investments held by the Library inside the pool are not determinable. As of June 30, 2025, the Library Trust, a component unit of the Library, had bank deposits of \$436,166, of which \$186,166 is considered uninsured and uncollateralized.

***Fair Value Measurements***

The Library categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Library's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The Library has the following recurring fair value measurements as of June 30, 2025:

- Mutual funds (debt and equity securities) of \$1,729,649 are valued using quoted market prices (Level 1 inputs). The credit quality ratings of debt securities are not known based on information available to the Library as of June 30, 2025.
- U.S. Treasury securities of \$1,399,555 are valued using a matrix pricing model (Level 2 inputs). This amount represents the Library's proportionate share of the U.S. Treasury securities held by the City of Birmingham, Michigan.

**June 30, 2025**

**Note 4 - Capital Assets**

Capital asset activity of the Library's governmental activities was as follows:

**Governmental Activities**

	Balance July 1, 2024	Additions	Disposals and Adjustments	Balance June 30, 2025
Capital assets not being depreciated:				
Construction in progress	\$ 3,893,447	\$ -	\$ (3,867,337)	\$ 26,110
Fine arts - Not subject to depreciation because they are inexhaustible	109,018	-	-	109,018
Subtotal	4,002,465	-	(3,867,337)	135,128
Capital assets being depreciated:				
Buildings and improvements	5,662,188	-	3,938,163	9,600,351
Furniture and fixtures	575,393	-	14,002	589,395
Equipment	924,723	150,056	(264,122)	810,657
Books, periodicals, etc.	3,461,418	247,505	(376,528)	3,332,395
Lease assets - Equipment	62,730	-	-	62,730
Subscription assets	153,028	-	-	153,028
Subtotal	10,839,480	397,561	3,311,515	14,548,556
Less accumulated depreciation and amortization:				
Buildings and improvements	2,620,896	488,207	(8,532)	3,100,571
Equipment	728,220	55,146	(144,801)	638,565
Furniture and fixtures	441,853	37,981	(24,526)	455,308
Books, periodicals, etc.	2,707,959	294,555	(376,529)	2,625,985
Lease assets - Equipment	9,845	15,673	-	25,518
Subscription assets	102,019	38,959	-	140,978
Subtotal	6,610,792	930,521	(554,388)	6,986,925
Net capital assets being depreciated	4,228,688	(532,960)	3,865,903	7,561,631
Net capital assets	<u>\$ 8,231,153</u>	<u>\$ (532,960)</u>	<u>\$ (1,434)</u>	<u>\$ 7,696,759</u>

Capital assets, including library books, are recorded at cost. Depreciation and amortization expense was \$930,521 for the year ended June 30, 2025.

**Note 5 - Lease and Subscription Liabilities**

The Library leases equipment and also has subscription-based arrangements. The lease and subscription liabilities activity for the year ended June 30, 2025 can be summarized as follows:

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Leases	3.55% - 3.71%	\$711	\$ 54,111	\$ -	\$ (15,357)	\$ 38,754	\$ 15,922
Subscription liabilities	3.54%	\$36,826 - \$63,010	62,825	-	(62,825)	-	-
Total governmental activities long-term debt			\$ 116,936	\$ -	\$ (78,182)	\$ 38,754	\$ 15,922

**Debt Service Requirements to Maturity**

Annual debt service requirements to maturity for the above leases liabilities are as follows:

Years Ending June 30	Other Debt	
	Principal	Interest
2026	\$ 15,922	\$ 1,140
2027	16,511	552
2028	6,321	77
Total	\$ 38,754	\$ 1,769

**Note 6 - Budget Information**

The annual budget is prepared by the library director and adopted by the library board. Unexpended appropriations lapse at year end; encumbrances are not included as expenditures. The budget has been prepared in accordance with accounting principles generally accepted in the United States of America.

The budget has been adopted on an activity basis; expenditures at this level in excess of amounts budgeted are a violation of Michigan law. A comparison of actual results of operations to the budget adopted by the library board is included in the required supplementary information.

**Note 7 - Risk Management**

The Library is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Library participates with the City in the Michigan Municipal League program for claims relating to workers' compensation, general liability, and property loss and participates in the City's self-insurance program for employee health, dental claims, and unemployment.

The Michigan Municipal League risk pool program operates as a common risk-sharing management program for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

Through the City, the Library estimates the liability for general liability and employee health and dental claims that have been incurred through the end of the fiscal year, including claims that have been reported, as well as those that have not yet been reported. Changes in the estimated liability for the City for the past two fiscal years are presented in the City's June 30, 2025 annual financial report.

**Note 8 - Pension Plan*****Plan Description***

The Library participates in the City of Birmingham Employees' Retirement System (the "System"). The System is a single-employer defined benefit pension plan administered by the City of Birmingham Employees' Retirement System Pension Board. The System was established on April 3, 1944 under Chapter XIX of the city charter and may be amended from time to time by ordinance approved by the City Commission, subject to collective bargaining, as required by state law. The System does not issue a separate financial report.

***Benefits Provided***

The System provides retirement, disability, and death benefits to plan members and their beneficiaries in accordance with the City's pension ordinance. Retirement benefits are calculated as 2.5 percent of the employee's final average compensation based on the highest 3 consecutive years out of the last 10 years times the employee's years of service. The vesting period is 7 years. Employees are eligible for nonduty disability benefits after 10 years of service and for duty-related disability benefits upon expiration of workers' compensation benefits. The nonduty disability retirement is computed as regular retirement with a maximum benefit, which, when added to workers' compensation, cannot exceed 70 percent of final average compensation. The minimum benefit is 20 percent of final average compensation. Death benefits are provided to members. For duty death before retirement, for those members who are covered by Social Security, the benefit includes a refund of accumulated contributions plus the same amount that was paid by workers' compensation to the widow or dependent widower, unmarried children under 18, and dependent children and parents. For members not covered by Social Security, the benefit includes a refund of accumulated contributions plus one-third of final compensation to the widow or dependent widower, plus one-fourth of final compensation to dependent or unmarried children under 18, plus one-sixth of final compensation to dependent parents. Workers' compensation payments are offset. Pensions to widows and parents are paid for life or until remarriage. For nonduty death before retirement, eligibility includes 20 years of service or age 55 with 10 or more years of service. The nonduty death retirement is computed as regular retirement actuarially reduced in accordance with a 100 percent joint and survivor election.

***Contributions***

The member contribution rate is established by contract and/or resolution, as approved by the City Commission. Contributions by the City and the Library are based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City and the Library are required to contribute the difference between the actuarially determined rate and the contribution rate of plan members. For the year ended June 30, 2025, the average active member contribution rate was 3.0 percent of annual pay. The Library is allocated a portion of the City's actuarially determined contribution based on the Library's actuarially determined allocation of the unfunded liability and the Library's portion of the normal costs, which is based on the number of active employees. Contributions to the plan from Baldwin Public Library were \$96,482 for the year ended June 30, 2025.

***Net Pension Liability***

At June 30, 2025, the Library reported a liability of \$459,044 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024, which used update procedures to roll forward the estimated liability to June 30, 2025. The Library's proportion of the net pension liability was based on the Library's actuarially required contribution for the year ended June 30, 2025 relative to all other contributing employers. At June 30, 2025, the Library's proportion was 2.67 percent, which is a 0.29 percent decrease from its proportion measured as of June 30, 2024.

**Note 8 - Pension Plan (Continued)**

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

For the year ended June 30, 2025, the Library recognized pension expense of \$53,737.

At June 30, 2025, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 12,250	\$ (11,129)
Changes in assumptions	18,632	-
Net difference between projected and actual earnings on pension plan investments	-	(47,773)
Total	\$ 30,882	\$ (58,902)

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

Years Ending June 30	Amount
2026	\$ 59,696
2027	(73,448)
2028	(49,114)
2029	34,846
Total	\$ (28,020)

***Actuarial Assumptions***

The total pension liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	3.25%
Investment rate of return	6.75%
Mortality rates	Pub-2010 General Employee Mortality Table

The actuarial assumptions used in the June 30, 2024 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2017, updated for the June 30, 2024 valuation.

***Discount Rate***

The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that library contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make 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 payments to determine the total pension liability.

**Note 8 - Pension Plan (Continued)**

**Investment Rate of Return**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense 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 adding expected inflation. Best estimates of arithmetic real rates of return as of the June 30, 2025 measurement date for each major asset class included in the pension plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return*
Domestic equity	57.25 %	4.95 %
Fixed income	27.25	1.90
Alternative investments	10.00	6.45
Cash	5.50	0.90

\*Real rate of return reduced by investment manager inflation rate assumption of 2.3 percent

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the Library, calculated using the discount rate of 6.75 percent, as well as what the Library's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (5.75%)	Current Discount Rate (6.75%)	1 Percentage Point Increase (7.75%)
Net pension liability	\$ 813,236	\$ 459,044	\$ 159,072

**Plan Fiduciary Net Position**

Detailed information about the plan's fiduciary net position is available in the City of Birmingham, Michigan's Annual Comprehensive Financial Report. The plan's fiduciary net position has been determined on the same basis used by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

**Note 9 - Other Postemployment Benefit Plan**

**Plan Description**

The Library participates in the City of Birmingham Retirement Health Care Fund (the "RHCF"), a single-employer defined benefit health care plan that is administered by the City of Birmingham Employees' Retirement System Pension Board. This plan covers most full-time employees of the City and the Library. The RHCF provides medical and prescription benefits to eligible retirees and their dependents.

**Note 9 - Other Postemployment Benefit Plan (Continued)**

**Benefits Provided**

The City of Birmingham Retirement Health Care Fund provides medical and prescription benefits to eligible retirees and their dependents. Benefits are provided through a self-insurance program, which is administered by a third-party administrator. The plan is currently closed to new members.

**Contributions**

The member contribution rate is established by contract and/or resolution, as approved by the City Commission. Contributions by the City and the Library are based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members. For the year ended June 30, 2025, the average active member contribution rate was 2 percent of covered payroll. The Library is allocated a portion of the City's actuarially determined contribution based on the Library's actuarially determined allocation of the unfunded liability and the Library's portion of the normal costs, which is based on a percentage of covered payroll. Contributions to the plan from the Library were \$27,820 for the year ended June 30, 2025.

In addition, retired plan members or their beneficiaries hired prior to July 1, 2002 for the Library contribute the following amounts (some retirees' contributions will differ from the amounts below depending on the terms of the contract when they retired):

Status	Monthly Premiums
Single - Below age 65	\$ 40
Single - Age 65 and over	20
Couple - Below age 65	80
Couple - Age 65 and over	40

**Net OPEB Asset**

At June 30, 2025, the Library reported an asset of \$315,974 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of June 30, 2024, which used update procedures to roll forward the estimated liability to June 30, 2025. The Library's proportion of the net OPEB asset was based on the Library's actuarially required contribution for the year ended June 30, 2025 relative to all other contributing employers. At June 30, 2025, the Library's proportion was 1.94 percent, which was a 0.73 percent change from its proportion measured as of June 30, 2024.

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2025, the Library recognized OPEB cost reductions of \$313,535.

**June 30, 2025**

**Note 9 - Other Postemployment Benefit Plan (Continued)**

At June 30, 2025, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (44,802)
Changes in assumptions	12,737	-
Net difference between projected and actual earnings on OPEB plan investments	-	(19,116)
Total	\$ 12,737	\$ (63,918)

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

Years Ending June 30	Amount
2026	\$ (17,982)
2027	(18,939)
2028	(12,554)
2029	(1,706)
Total	\$ (51,181)

**Actuarial Assumptions**

The total OPEB liability in the June 30, 2025 actuarial valuation was determined using assumed salary increases (including inflation) of 2.5 percent; an investment rate of return (net of investment expenses) of 6.75 percent; a health care cost trend rate of 8.25 percent for the first year, then gradually decreasing to 4.5 percent in year 14; and the mortality rates were based on the Pub-2010 General Employee Mortality Tables, amount weighted, and projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010. These assumptions were applied to all periods included in the measurement.

Rates of retirement were used to measure the probability of eligible members retiring during the next year. Rates of separation and rates of disability among active members were also measured. These assumptions generally are based on past experience, often modified for projected changes in conditions.

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2017.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that library contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Note 9 - Other Postemployment Benefit Plan (Continued)**

**Investment Rate of Return**

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense 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 adding expected inflation. Best estimates of arithmetic real rates of return as of the June 30, 2025 measurement date for each major asset class included in the OPEB plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following tables:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return*
Domestic equity	50.00 %	4.95 %
Fixed income	35.00	1.90
Alternative investments	10.00	6.45
Cash	5.00	0.90

\*Real rate of return reduced by investment manager inflation rate assumption of 2.3 percent

**Sensitivity of the Net OPEB Asset to Changes in the Discount Rate**

The following presents the net OPEB asset of the Library, calculated using the discount rate of 6.75 percent, as well as what the Library's net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (5.75%)	Current Discount Rate (6.75%)	1 Percentage Point Increase (7.75%)
Net OPEB asset	\$ (227,758)	\$ (315,974)	\$ (389,595)

**Sensitivity of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate**

The following presents the net OPEB asset of the Library, calculated using the health care cost trend rate of 8.25 percent, as well as what the Library's net OPEB asset would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease	Current Health Care Cost Trend Rate	1 Percentage Point Increase
Net OPEB asset	\$ (398,942)	\$ (315,974)	\$ (216,790)

**OPEB Plan Fiduciary Net Position**

Detailed information about the plan's fiduciary net position is available in the City of Birmingham, Michigan's Annual Comprehensive Financial Report. For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the plan's fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

**June 30, 2025**

**Note 9 - Other Postemployment Benefit Plan (Continued)**

*Assumption Changes*

The June 30, 2024 measurement date used a health care trend rate of 7.5 percent for the first year, then gradually decreasing to 3.5 percent in year 12. The June 30, 2025 measurement date used a health care trend rate of 8.25 percent for the first year, then gradually decreasing to 4.5 percent in year 14.

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## Required Supplementary Information

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**Baldwin Public Library****Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund****Year Ended June 30, 2025**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenue</b>				
Property taxes	\$ 4,482,490	\$ 4,482,490	\$ 4,477,352	\$ (5,138)
Penal fines	50,000	50,000	56,607	6,607
Intergovernmental - Federal and state grants	45,000	45,000	74,779	29,779
Community contracts	1,084,860	1,084,860	1,101,925	17,065
Fines and fees	32,500	32,500	41,556	9,056
Investment income	5,000	5,000	133,465	128,465
Total revenue	<u>5,699,850</u>	<u>5,699,850</u>	<u>5,885,684</u>	<u>185,834</u>
<b>Expenditures</b>				
Personnel services	3,165,800	3,195,800	3,137,146	58,654
Supplies	111,000	111,000	100,584	10,416
City-provided services	104,890	104,890	104,890	-
Utilities	134,980	134,980	124,582	10,398
Contracted services	241,870	241,870	245,212	(3,342)
Technology and maintenance	158,000	158,000	140,534	17,466
Collections	727,000	727,000	699,644	27,356
Miscellaneous	109,100	109,100	81,982	27,118
Capital outlay	232,000	262,000	167,380	94,620
Total expenditures	<u>4,984,640</u>	<u>5,044,640</u>	<u>4,801,954</u>	<u>242,686</u>
<b>Net Change in Fund Balance</b>	<u>715,210</u>	<u>655,210</u>	<u>1,083,730</u>	<u>428,520</u>
<b>Fund Balance - Beginning of year</b>	<u>294,564</u>	<u>155,228</u>	<u>399,274</u>	<u>244,046</u>
<b>Fund Balance - End of year</b>	<u><u>\$ 1,009,774</u></u>	<u><u>\$ 810,438</u></u>	<u><u>\$ 1,483,004</u></u>	<u><u>\$ 672,566</u></u>

## Baldwin Public Library

### Required Supplementary Information Schedule of Baldwin Public Library Contributions City of Birmingham Employees' Retirement System

**Last Ten Fiscal Years  
Years Ended June 30**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 75,643	\$ 83,639	\$ 72,565	\$ 95,968	\$ 93,852	\$ 76,555	\$ 67,177	\$ 66,646	\$ 68,489	\$ 68,692
Contributions in relation to the contractually required contribution	96,482	108,384	92,935	128,014	93,852	76,555	67,177	66,646	68,489	68,692
<b>Contribution Excess</b>	<b>\$ (20,839)</b>	<b>\$ (24,745)</b>	<b>\$ (20,370)</b>	<b>\$ (32,046)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Library's Covered Payroll</b>	<b>\$ 61,928</b>	<b>\$ 60,109</b>	<b>\$ 64,547</b>	<b>\$ 96,661</b>	<b>\$ 146,462</b>	<b>\$ 196,838</b>	<b>\$ 226,821</b>	<b>\$ 252,059</b>	<b>\$ 272,466</b>	<b>\$ 275,730</b>
<b>Contributions as a Percentage of Covered Payroll</b>	<b>155.80 %</b>	<b>180.31 %</b>	<b>143.98 %</b>	<b>132.44 %</b>	<b>64.08 %</b>	<b>38.89 %</b>	<b>29.62 %</b>	<b>26.44 %</b>	<b>25.14 %</b>	<b>24.91 %</b>

## Baldwin Public Library

### Required Supplementary Information

#### Schedule of Baldwin Public Library's Proportionate Share of the Net Pension Liability City of Birmingham Employees' Retirement System

	<b>Last Ten Fiscal Years</b>									
	<b>Plan Years Ended June 30</b>									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Library's proportion of the net pension liability	2.67000 %	2.96000 %	2.83000 %	3.46000 %	3.47000 %	3.30000 %	3.50000 %	3.60000 %	3.70000 %	3.60000 %
Library's proportionate share of the net pension liability	\$ 459,044	\$ 645,601	\$ 755,790	\$ 876,470	\$ 147,024	\$ 860,475	\$ 669,361	\$ 583,356	\$ 566,046	\$ 585,812
Library's covered payroll	\$ 61,928	\$ 60,109	\$ 64,547	\$ 96,661	\$ 146,462	\$ 196,838	\$ 226,821	\$ 252,059	\$ 272,466	\$ 275,730
Library's proportionate share of the net pension liability as a percentage of its covered payroll	741.25 %	1,074.05 %	1,170.91 %	906.75 %	100.38 %	437.15 %	295.11 %	231.44 %	207.75 %	212.46 %
Plan fiduciary net position as a percentage of total pension liability	86.24 %	82.66 %	78.76 %	79.07 %	96.48 %	78.21 %	84.14 %	86.38 %	86.80 %	85.70 %

## Baldwin Public Library

### Required Supplementary Information Schedule of Baldwin Public Library Contributions City of Birmingham Retirement Health Care Fund

**Last Ten Fiscal Years  
Years Ended June 30**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 26,970	\$ 37,462	\$ 34,608	\$ 45,100	\$ 93,600	\$ 97,594	\$ 99,794	\$ 101,440	\$ 120,602	\$ 139,299
Contributions in relation to the statutorily required contribution	27,820	38,014	45,912	48,636	93,600	97,594	99,794	101,440	134,430	139,299
<b>Contribution Excess</b>	<b>\$ (850)</b>	<b>\$ (552)</b>	<b>\$ (11,304)</b>	<b>\$ (3,536)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (13,828)</b>	<b>\$ -</b>
<b>Library's Covered Payroll</b>	<b>\$ 61,928</b>	<b>\$ 60,109</b>	<b>\$ 64,547</b>	<b>\$ 96,661</b>	<b>\$ 146,462</b>	<b>\$ 196,838</b>	<b>\$ 226,821</b>	<b>\$ 252,059</b>	<b>\$ 272,466</b>	<b>\$ 275,730</b>
<b>Contributions as a Percentage of Covered Payroll</b>	<b>44.92 %</b>	<b>63.24 %</b>	<b>71.13 %</b>	<b>50.32 %</b>	<b>63.91 %</b>	<b>49.58 %</b>	<b>44.00 %</b>	<b>40.24 %</b>	<b>49.34 %</b>	<b>50.52 %</b>

**Baldwin Public Library**

Required Supplementary Information  
 Schedule of Baldwin Public Library's Proportionate Share of the Net OPEB Liability  
 City of Birmingham Retirement Health Care Fund

	<b>Last Nine Plan Years</b>								
	<b>Plan Years Ended June 30</b>								
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Library's proportion of the net OPEB liability	1.94000 %	2.67000 %	2.70000 %	2.76000 %	3.24000 %	3.40000 %	3.00000 %	3.40000 %	3.70000 %
Library's proportionate share of the net OPEB (asset) liability	\$ (315,974)	\$ 76,859	\$ 198,205	\$ 289,503	\$ 76,915	\$ 437,567	\$ 459,500	\$ 902,496	\$ 997,996
Library's covered payroll	\$ 61,928	\$ 60,109	\$ 64,547	\$ 96,661	\$ 146,462	\$ 196,838	\$ 226,821	\$ 252,059	\$ 272,466
Library's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	(510.23)%	127.87 %	307.07 %	299.50 %	54.00 %	222.19 %	202.58 %	358.05 %	366.28 %
Plan fiduciary net position as a percentage of total OPEB liability	141.70 %	94.66 %	86.17 %	79.93 %	95.41 %	74.55 %	70.80 %	57.28 %	54.70 %

***Budgetary Information***

Baldwin Public Library has concluded to budget the debt service costs related to leases and the software subscription liability item within the technology and maintenance line item within the budgetary comparison schedule for the General Fund instead of the debt service line item.

During the year, Baldwin Public Library incurred expenditures that were in excess of the amounts budgeted as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Contracted services	\$ 241,870	\$ 245,212	\$ (3,342)