

# **Kansas City Public Library**

## Annual Financial Report

June 30, 2013



# Kansas City Public Library

June 30, 2013

## Contents

<b>Independent Auditor's Report on Financial Statements and Supplementary Information.....</b>	<b>1</b>
--	----------

<b>Management's Discussion and Analysis .....</b>	<b>4</b>
---	----------

### Basic Financial Statements

Statement of Net Position .....	14
Statement of Activities .....	15
Statement of Activities – Kansas City Public Library Foundation.....	16
Balance Sheet – Governmental Funds.....	17
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds.....	18
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (GAAP Basis) – General Fund .....	20
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (GAAP Basis) – Gifts/Grants Fund .....	21
Statement of Net Position – Proprietary Funds .....	22
Statement of Activities – Proprietary Funds.....	23
Statement of Cash Flows – Proprietary Funds .....	24
Notes to Basic Financial Statements .....	25

### Supplementary Information

Combining Balance Sheet – Nonmajor Governmental Funds.....	44
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds .....	45
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (GAAP Basis) – Nonmajor Governmental Funds .....	46

<b>Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards.....</b>	48
Schedule of Findings and Responses .....	50

#### **Statistical Data Section (Unaudited)**

Net Position by Component – Last Ten Fiscal Years.....	51
Changes in Net Position – Last Ten Fiscal Years .....	52
Fund Balances of Governmental Funds – Last Ten Fiscal Years.....	54
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years .....	55
General Governmental Expenditures by Function – Last Ten Fiscal Years.....	56
General Governmental Revenues by Source – Last Ten Fiscal Years .....	57
Property Tax Levies and Collections – Last Ten Fiscal Years.....	58
Assessed and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years.....	59
Property Tax Rates – Direct and Overlapping Governments – Last Ten Fiscal Years .....	60
Principal Property Taxpayers – Current Year and Ten Years Ago .....	61
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita – Last Ten Fiscal Years.....	62
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Fund Expenditures – Last Ten Fiscal Years .....	63
Property Value, Construction and Bank Deposits – Last Ten Fiscal Years .....	64
Demographic and Economic Statistics – Last Ten Fiscal Years .....	65
Principal Employers – Current Year and Ten Years Ago .....	66
Full-Time and Part-Time Employees – Last Ten Fiscal Years .....	67
Capital Asset Statistics by Function – Last Ten Fiscal Years .....	68
Miscellaneous Statistical Data – Last Ten Fiscal Years .....	69
Circulation Summary by Location – Last Ten Fiscal Years.....	70
Schedule of Service Locations .....	71

## **Independent Auditor's Report on Financial Statements and Supplementary Information**

Board of Trustees  
Kansas City Public Library  
Kansas City, Missouri

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Kansas City Public Library (the Library), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements listed in the table of contents.

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

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

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

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

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

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Kansas City Public Library as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparisons for the general and major special revenue funds, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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.

***Supplementary Information***

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

***Other Information***

Our audit was conducted for the purpose of forming opinions on the basic financial statements as a whole. The statistical tables listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Board of Trustees  
Kansas City Public Library  
Page 3

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2013, on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*BKD, LLP*

Kansas City, Missouri  
August 28, 2013

# Kansas City Public Library

## Management's Discussion and Analysis

### June 30, 2013

As management of the Kansas City Public Library (the "Library"), we offer readers of the Library's financial statements with this narrative overview and analysis of the financial activities of the Kansas City Public Library for the fiscal year ended June 30, 2013. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Library's financial statements which follow this narrative.

#### ***Financial Highlights***

- The assets of the Kansas City Public Library exceeded its liabilities at the close of the fiscal year by \$57,094,132 (*net position*).
- As of the close of the current fiscal year, the Kansas City Public Library's governmental funds reported combined ending fund balances of \$17,916,339, an increase of \$778,239 in comparison with the prior year. The increase was primarily a result of property tax collections being more than projected and an overall savings from budgeted expenditures.
- Approximately 56.6% of the total fund balance, or \$10,147,228 is unassigned and available for spending at the Library's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, the General Fund unassigned fund balance of \$10,147,228 was 58.2% percent of total general fund expenditures for the fiscal year.
- The Kansas City Public Library's total liabilities decreased by \$436,389 during the current fiscal year primarily as a result of annual payments made on leasehold revenue bonds.

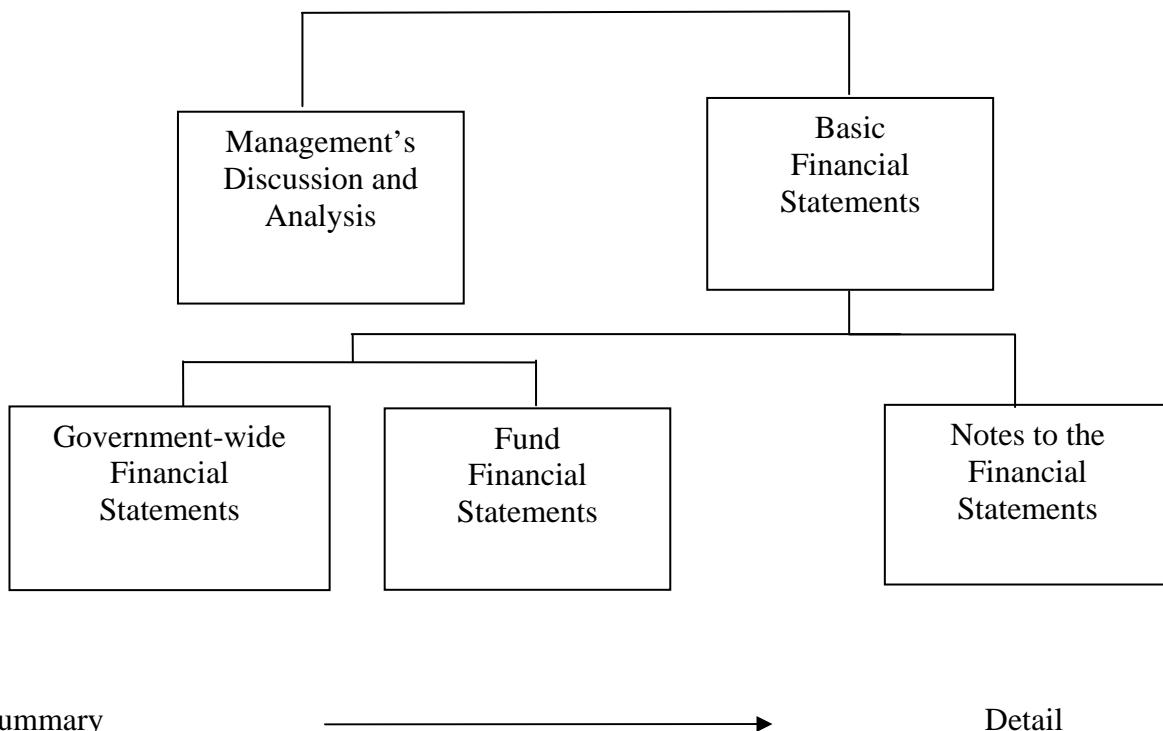
#### ***Overview of the Financial Statements***

This discussion and analysis is intended to serve as an introduction to the Kansas City Public Library's basic financial statements. The Library's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements (*see Exhibit 1*). The basic financial statements present two different views of the Library through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Kansas City Public Library.

**Kansas City Public Library**  
**Management's Discussion and Analysis**  
**June 30, 2013**

***Required Components of Annual Financial Report***

**Exhibit 1**



**Basic Financial Statements**

The first two statements in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Library's financial status.

The next statements are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Library's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **Notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **Supplementary Information** is provided to show details about the Library's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

# Kansas City Public Library

## Management's Discussion and Analysis

### June 30, 2013

#### **Government-wide Financial Statements**

The government-wide financial statements are designed to provide the reader with a broad overview of the Library's finances, similar in format to a financial statement of a private-sector business. The government-wide financial statements provide short- and long-term information about the Library's financial status as a whole.

1. The statement of net position represents information on all the Library's assets and liabilities, with the difference between the two reported as net position. Measuring net position is one way to gauge the Library's financial condition.
2. The statement of activities presents information showing how the Library's net position changed during the year. This statement includes all of the Library's revenues and expenses, regardless of when the cash is received or paid.

The government-wide financial statements are Exhibits 2 and 3 of this report.

#### **Fund Financial Statements**

The fund financial statements provide a more detailed look at the Library's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Kansas City Public Library, like other governmental entities in Missouri, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the Library's budget ordinance. All of the funds of the Kansas City Public Library can be divided into two categories: governmental funds and proprietary funds.

1. **Governmental Funds** – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Library's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*, which provides a short-term spending focus. As a result, the governmental fund financial statements provide a detailed short-term view that helps the reader determine if there are more or fewer financial resources available to finance the Library's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

An annual budget is prepared in accordance with Missouri state statutes for estimated revenues within the General Fund, itemized by source, and for proposed expenditures for each department and branch, itemized by object and activity. Annual budgets are also adopted for total revenues and expenditures (excluding itemizations by object and activity) of the individual Special Revenue Funds. All budgets are prepared on the modified accrual basis of accounting. The budgetary statements are provided for the general and major special revenue funds.

**Kansas City Public Library**  
**Management's Discussion and Analysis**  
**June 30, 2013**

Funds demonstrate how well the Library succeeded in providing the services planned when the budget was adopted. The budgetary comparison statements use the budgetary basis of accounting and are presented using the same format, language and classifications as the legal budget document. The statement presents four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations and changes in fund balance; and 4) the variance between the final budget and the actual resources and charges.

2. **Proprietary Funds** – The Kansas City Public Library maintains one proprietary fund, an enterprise fund, which is used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The Library uses its enterprise fund to account for the operation of the Library's parking garage, which is used by both Library patrons and other customers.

***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

***Other Information***

In addition to the basic financial statements and accompanying notes, this report includes certain supplementary information concerning the Kansas City Public Library's other budgeted funds.

**Kansas City Public Library**  
**Management's Discussion and Analysis**  
**June 30, 2013**

**Kansas City Public Library's Net Position**  
**Exhibit 2**

	<b>Governmental Activities</b>		
	<b>2013</b>	<b>2012</b>	<b>Increase (Decrease)</b>
Other assets	\$ 20,969,692	\$ 21,292,305	\$ (322,613)
Capital assets	<u>53,342,671</u>	<u>54,828,752</u>	<u>(1,486,081)</u>
 Total assets	 <u>74,312,363</u>	 <u>76,121,057</u>	 <u>(1,808,694)</u>
 Long-term liabilities	 8,503,579	 8,967,764	 (464,185)
Deferred revenue	10,619,585	10,830,906	(211,321)
Other liabilities	<u>2,864,662</u>	<u>2,625,545</u>	<u>239,117</u>
 Total liabilities	 <u>21,987,826</u>	 <u>22,424,215</u>	 <u>(436,389)</u>
 Net position			
Net investment in capital assets	35,427,070	36,362,704	(935,634)
Restricted	5,220,846	4,952,645	268,201
Unrestricted	<u>11,676,621</u>	<u>12,381,493</u>	<u>(704,872)</u>
 Total net position	 <u>\$ 52,324,537</u>	 <u>\$ 53,696,842</u>	 <u>\$ (1,372,305)</u>
	<b>Business-type Activities</b>		
	<b>2013</b>	<b>2012</b>	<b>Increase (Decrease)</b>
Other assets	\$ 344,085	\$ 235,719	\$ 108,366
Capital assets	<u>4,425,510</u>	<u>4,494,231</u>	<u>(68,721)</u>
 Total assets	 <u>4,769,595</u>	 <u>4,729,950</u>	 <u>39,645</u>
 Net position			
Net investment in capital assets	4,425,510	4,494,231	(68,721)
Unrestricted	<u>344,085</u>	<u>235,719</u>	<u>108,366</u>
 Total net position	 <u>\$ 4,769,595</u>	 <u>\$ 4,729,950</u>	 <u>\$ 39,645</u>

**Kansas City Public Library**  
**Management's Discussion and Analysis**  
**June 30, 2013**

As noted earlier, the net position may serve over time as one useful indicator of a government's financial condition. The assets of the Kansas City Public Library exceeded liabilities by \$57,094,132 as of June 30, 2013. The Library's net position decreased by \$1,332,660 for the fiscal year ended June 30, 2013. The largest portion of the net position (69.8%) reflects the Library's net investment in capital assets. The Kansas City Public Library uses these capital assets to provide services to customers; consequently, these assets are not available for future spending. The remaining portion of the Kansas City Public Library's net position is comprised of restricted net position of \$5,220,846 (which consists of the Gifts and Grants, Endowment, Capital Development and Debt Service Funds) and unrestricted net position of \$12,020,706.

**Kansas City Public Library's Changes in Net Position**  
**Exhibit 3**

	<b>Governmental Activities</b>		
	<b>2013</b>	<b>2012</b>	<b>Increase (Decrease)</b>
<b>Revenues</b>			
Program revenues			
Charges for services	\$ 782,677	\$ 753,466	\$ 29,211
Operating grants and contributions	1,488,113	1,968,066	(479,953)
Capital grants and contributions	1,000	23,333	(22,333)
General revenues			
Property taxes	16,315,300	15,845,799	469,501
Interest and dividend income	51,685	31,294	20,391
Net change in fair value of investments	(52,173)	2,087	(54,260)
Other	31,972	29,944	2,028
Total revenues	<u>18,618,574</u>	<u>18,653,989</u>	<u>(35,415)</u>
Program expenses			
Salaries and fringe benefits	10,597,355	10,496,058	101,297
Library materials	2,380,819	2,826,621	(445,802)
General operating	2,345,915	2,844,126	(498,211)
Building operations and maintenance	4,330,771	3,774,760	556,011
Other expenses	<u>336,019</u>	<u>343,974</u>	<u>(7,955)</u>
Total expenses	<u>19,990,879</u>	<u>20,285,539</u>	<u>(294,660)</u>
<b>Change in Net Position</b>			
Net Position, July 1	<u>53,696,842</u>	<u>55,328,392</u>	<u>(1,631,550)</u>
Net Position, June 30	<u>\$ 52,324,537</u>	<u>\$ 53,696,842</u>	<u>\$ (1,372,305)</u>

**Kansas City Public Library**  
**Management's Discussion and Analysis**  
**June 30, 2013**

	<b>Business-type Activities</b>			<b>Increase (Decrease)</b>
	<b>2013</b>	<b>2012</b>		
<b>Revenues</b>				
Program revenues				
Charges for services	\$ 455,952	\$ 400,598	\$ 55,354	
Non-operating				
Transfers	(50,000)	(50,000)		-
Total revenues	<u>405,952</u>	<u>350,598</u>	<u>55,354</u>	
Program expenses				
General operating	<u>366,307</u>	<u>351,339</u>	<u>14,968</u>	
Total expenses	<u>366,307</u>	<u>351,339</u>	<u>14,968</u>	
<b>Change in Net Position</b>	<b>39,645</b>	<b>(741)</b>	<b>40,386</b>	
<b>Net Position, July 1</b>	<b><u>4,729,950</u></b>	<b><u>4,730,691</u></b>	<b><u>(741)</u></b>	
<b>Net Position, June 30</b>	<b><u>\$ 4,769,595</u></b>	<b><u>\$ 4,729,950</u></b>	<b><u>\$ 39,645</u></b>	

### **Governmental Activities**

Governmental activities decreased the Library's net position by \$1,372,305. The key element of this net decrease was depreciation of capital assets.

### **Business-type Activities**

Business-type activities reflected an increase to the Kansas City Public Library's net position of only \$39,645. The key element of this net increase was depreciation of capital assets, which was offset by an increase in operating income.

### **Financial Analysis of the Library's Funds**

As noted earlier, the Kansas City Public Library uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **Governmental Funds**

The focus of the Kansas City Public Library's governmental funds is to provide information on near-term inflows, outflows and balances of usable resources. Such information is useful in assessing the Kansas City Public Library's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

# Kansas City Public Library

## Management's Discussion and Analysis

### June 30, 2013

The General Fund is the primary operating fund of the Kansas City Public Library. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$10,147,228 while total fund balance reached \$12,569,106. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 58.2 percent of total General Fund expenditures, while total fund balance represents 72.1 percent of that same amount.

At June 30, 2013, the governmental funds of Kansas City Public Library reported a combined fund balance of \$17,916,339. The category of General Fund had a minimal increase due to property tax collections being more than projected and an overall savings from budgeted expenditures. The category of Other Governmental Funds had an increase primarily due to the receipt of grant funding.

#### ***General Fund Budgetary Highlights***

During the fiscal year, the Library revised the General Fund operating budget. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as grants; and 3) increases in appropriations that become necessary to maintain services.

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

- **Property Tax** – Property tax revenue was more than projected, primarily due to receipt of back taxes settled through protest.
- **Capital Outlay** - Capital expenditures were less than projected.

Overall, the General Fund's actual expenditures were \$17,427,083 – 97.5 percent of the total budgeted expenditures of \$17,881,919.

#### ***Capital Assets***

The Kansas City Public Library's investment in capital assets for its governmental and business-type activities as of June 30, 2013, totals \$57,768,181 (net of accumulated depreciation). These assets include buildings, land, furniture and equipment and the library collection.

Major capital asset transactions during the year include the following:

- Library materials' addition of \$1,960,907 and reduction of \$5,327,430.
- Civil War on the Western Border Website development totaling \$123,831.
- Carpet and Tile replacement at three branches totaling \$71,300.

**Kansas City Public Library**  
**Management's Discussion and Analysis**  
**June 30, 2013**

**Kansas City Public Library's Capital Assets**  
**Exhibit 4**

	Governmental Activities		Increase (Decrease)
	2013	2012	
Land	\$ 3,529,876	\$ 3,529,876	\$ -
Buildings	42,214,922	43,605,297	(1,390,375)
Vehicles	46,414	56,728	(10,314)
Furniture, fixtures and equipment	1,436,083	1,699,628	(263,545)
Library collection	5,984,045	5,937,223	46,822
Construction in progress	131,331	-	131,331
	<b>\$ 53,342,671</b>	<b>\$ 54,828,752</b>	<b>\$ (1,486,081)</b>
<hr/>			
Business-type Activities			
	2013		Increase (Decrease)
	2012	2012	
Land	\$ 2,520,000	\$ 2,520,000	\$ -
Buildings	1,885,864	1,945,733	(59,869)
Furniture, fixtures and equipment	19,646	28,498	(8,852)
	<b>\$ 4,425,510</b>	<b>\$ 4,494,231</b>	<b>\$ (68,721)</b>

Additional information on the Library's capital assets can be found in Note 4 of the basic financial statements.

***Long-term Liabilities***

As of June 30, 2013, the Kansas City Public Library had total long-term liabilities of \$8,503,579. Of this, \$7,185,000 is for outstanding leasehold revenue bonds, and \$1,067,913 is for the employees' compensated absences and benefits. The remainder is the Library's contribution to the employees' retirement fund.

Additional information regarding the Kansas City Public Library's long-term liabilities can be found in Note 7 of this report.

**Kansas City Public Library**  
**Management's Discussion and Analysis**  
**June 30, 2013**

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

### ***Governmental Activities***

A General Fund Operating Budget of \$19,111,422 for fiscal year 2013-2014 will be proposed, which is \$1,229,503 or 6.9% more than the previous year. The increase is primarily attributable to an increase in requested funding through the federal E-rate Program for a computer network upgrade. Property tax revenue projections increased slightly due to a slight increase in assessed valuation for the district and the Library continues to hold approximately 20 vacant positions open to maintain a balanced budget. The Library continues to benefit from temporary grant revenue streams, which support programming activities for the next year.

### ***Business-type Activities***

The proposed operating budget for the Library Parking Garage for fiscal year 2013–2014 will be \$420,000, which is \$51,000 or 13.8% more than the previous year. Slightly higher revenues are expected and additional capital expenditures are planned. The Library Parking Garage was acquired in May 2008.

### ***Requests for Information***

This report is designed to provide an overview of the Library's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Chief Financial Officer, Kansas City Public Library, 14 West 10th Street, Kansas City, Missouri 64105.

## **Basic Financial Statements**

**Kansas City Public Library**  
**Statement of Net Position**  
**June 30, 2013**

	Primary Government			Component Unit	
	Governmental Activities	Business-type Activities	Total	KCPL Foundation	
<b>Assets</b>					
Deposits and investments	\$ 13,454,510	\$ 340,347	\$ 13,794,857	\$ 231,482	-
Receivables (net of allowance for doubtful accounts)					
Property taxes	1,043,711	-	1,043,711	-	
Contributions	800,000	-	800,000	-	
Due from other governments	69,586	-	69,586	-	
Due from KCPL Foundation	67,256	-	67,256	-	
Interest	32,032	-	32,032	-	
Other	82,314	3,738	86,052	-	
Restricted deposits and investments	5,166,299	-	5,166,299	-	
Bond issuance costs - net	253,984	-	253,984	-	
Capital assets					
Land and artwork, non-depreciable	3,808,047	2,520,000	6,328,047	-	
Other capital assets, net of depreciation	49,534,624	1,905,510	51,440,134	-	
	<u>53,342,671</u>	<u>4,425,510</u>	<u>57,768,181</u>	-	
<b>Total Assets</b>	<u><u>\$ 74,312,363</u></u>	<u><u>\$ 4,769,595</u></u>	<u><u>\$ 79,081,958</u></u>	<u><u>\$ 231,482</u></u>	
<b>Liabilities</b>					
Accounts payable	\$ 508,643	\$ -	\$ 508,643	\$ -	-
Due to primary government	-	-	-	-	67,256
Accrued salaries and payroll taxes	362,836	-	362,836	-	
Accrued interest payable	30,041	-	30,041	-	
Deferred rental revenue	10,619,585	-	10,619,585	-	
Compensated absences and benefits payable					
Due within one year	1,103,299	-	1,103,299	-	
Due in more than one year	1,067,913	-	1,067,913	-	
Retirement system contribution					
Due within one year	494,843	-	494,843	-	
Due in more than one year	250,666	-	250,666	-	
Bonds payable					
Due within one year	365,000	-	365,000	-	
Due in more than one year	7,185,000	-	7,185,000	-	
	<u>21,987,826</u>	<u>-</u>	<u>21,987,826</u>	<u>67,256</u>	
<b>Net Position</b>					
Net investment in capital assets	35,427,070	4,425,510	39,852,580	-	
Restricted					
Permanently restricted	2,665,036	-	2,665,036	-	
Debt service	644,143	-	644,143	-	
Capital improvements	401,051	-	401,051	-	
Programming requirements	1,510,616	-	1,510,616	-	
Unrestricted	11,676,621	344,085	12,020,706	164,226	
	<u>52,324,537</u>	<u>4,769,595</u>	<u>57,094,132</u>	<u>164,226</u>	
<b>Total Liabilities and Net Position</b>	<u><u>\$ 74,312,363</u></u>	<u><u>\$ 4,769,595</u></u>	<u><u>\$ 79,081,958</u></u>	<u><u>\$ 231,482</u></u>	

**Kansas City Public Library**  
**Statement of Activities**  
**For the Year Ended June 30, 2013**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Business-type Activities	Total
					Governmental Activities	Business-type Activities		
<b>Primary Government</b>								
Governmental activities								
Program services	\$ 19,674,034	\$ 782,677	\$ 1,488,113	\$ 1,000	\$ (17,402,244)	\$ -	\$ (17,402,244)	
Interest expense	366,845	-	-	-	(366,845)	-	-	(366,845)
Total governmental activities	<u>20,040,879</u>	<u>782,677</u>	<u>1,488,113</u>	<u>1,000</u>	<u>(17,769,089)</u>	<u>-</u>	<u>-</u>	<u>(17,769,089)</u>
Business-type activities								
Parking garage	366,307	455,952				89,645	89,645	
Total business-type activities	<u>366,307</u>	<u>455,952</u>				<u>89,645</u>	<u>89,645</u>	
Total primary government	<u>\$ 20,407,186</u>	<u>\$ 1,238,629</u>	<u>\$ 1,488,113</u>	<u>\$ 1,000</u>	<u>(17,769,089)</u>	<u>89,645</u>	<u>(17,679,444)</u>	
<b>General Revenues</b>								
Property taxes, levied for general purpose					16,315,300	-	16,315,300	
Unrestricted investment earnings (loss)					(488)	-	(488)	
Other					31,972	-	31,972	
Total general revenues					<u>16,346,784</u>	<u>-</u>	<u>16,346,784</u>	
<b>Other Income/Expenses</b>								
Interfund transfers					50,000	(50,000)	-	
<b>Change in Net Position</b>					(1,372,305)	39,645	(1,332,660)	
<b>Net Position, Beginning of Year</b>					<u>53,696,842</u>	<u>4,729,950</u>	<u>58,426,792</u>	
<b>Net Position, End of Year</b>					<u>\$ 52,324,537</u>	<u>\$ 4,769,595</u>	<u>\$ 57,094,132</u>	

**Kansas City Public Library**  
**Statement of Activities**  
**Kansas City Public Library Foundation**  
**(A Component Unit of Kansas City Public Library)**  
**For the Year Ended June 30, 2013**

<b>Income</b>	
Contributions	\$ 44,239
Interest income	<u>9,357</u>
	<u><u>53,596</u></u>
<b>Expenses</b>	
Project expenditures	39,128
Administrative fees	<u>4,146</u>
Total expenses	<u><u>43,274</u></u>
<b>Increase in Net Assets</b>	10,322
<b>Net Assets, Beginning of Year</b>	<u><u>153,904</u></u>
<b>Net Assets, End of Year</b>	<u><u>\$ 164,226</u></u>

**Kansas City Public Library**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2013**

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Endowment Fund	Gifts/Grants Fund		
<b>Assets</b>					
Deposits and investments	\$ 13,136,339	\$ 126,344	\$ 191,827	\$ -	\$ 13,454,510
Receivables (net of allowance for doubtful accounts)					
Property taxes	1,043,711	-	-	-	1,043,711
Due from other governments	69,586	-	-	-	69,586
Due from KCPL Foundation	67,256	-	-	-	67,256
Interest	24,425	-	-	-	24,425
Other	27,724	-	54,590	-	82,314
Restricted deposits and investments	-	2,665,036	1,456,026	1,045,237	5,166,299
Total assets	<u>\$ 14,369,041</u>	<u>\$ 2,791,380</u>	<u>\$ 1,702,443</u>	<u>\$ 1,045,237</u>	<u>\$ 19,908,101</u>
<b>Liabilities</b>					
Accounts payable	\$ 316,816	\$ -	\$ 191,827	\$ -	\$ 508,643
Accrued salaries and payroll taxes	362,836	-	-	-	362,836
Pension contribution payable	494,843	-	-	-	494,843
Deferred revenue	625,440	-	-	-	625,440
Total liabilities	<u>1,799,935</u>	<u>-</u>	<u>191,827</u>	<u>-</u>	<u>1,991,762</u>
<b>Fund Balances</b>					
Nonspendable					
Endowment fund principal	-	2,665,036	-	-	2,665,036
Restricted					
Debt service	-	-	-	644,143	644,143
Capital improvements	-	-	-	401,051	401,051
Programming requirements	-	-	1,510,616	-	1,510,616
Committed					
Retirement system contribution	250,666	-	-	-	250,666
Assigned					
Compensated absences	2,171,212	-	-	-	2,171,212
Debt service	-	-	-	43	43
Endowment fund	-	126,344	-	-	126,344
Unassigned					
General fund	<u>10,147,228</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,147,228</u>
Total fund balances	<u>12,569,106</u>	<u>2,791,380</u>	<u>1,510,616</u>	<u>1,045,237</u>	<u>17,916,339</u>
Total liabilities and fund balances	<u>\$ 14,369,041</u>	<u>\$ 2,791,380</u>	<u>\$ 1,702,443</u>	<u>\$ 1,045,237</u>	<u>\$ 19,908,101</u>
Fund balances of governmental funds					\$ 17,916,339
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, therefore, are not reported in the funds					53,342,671
Receivables for contributions not expected to be available as current financial resources and not recorded in the funds					800,000
Receivable for interest not expected to be available as current financial resources and not recorded in the funds					7,607
Bond issuance costs, net of related amortization, are not recorded as an asset in the governmental funds					253,984
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as expenditures when due					(30,041)
Long-term and unmatured liabilities for items such as compensated absences, required future retirement system contributions, bonds payable and deferred rental revenue are not current obligations and, therefore, not recorded in the governmental funds statements					(20,591,463)
Liabilities for earned but deferred revenues in fund statements					625,440
Net position of governmental activities					<u>\$ 52,324,537</u>

**Kansas City Public Library**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2013**

	<b>Major Funds</b>			<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
	<b>General Fund</b>	<b>Endowment Fund</b>	<b>Gifts/Grants Fund</b>		
<b>Revenues</b>					
Property taxes	\$ 16,451,358	\$ -	\$ -	\$ -	\$ 16,451,358
Grants	13,083	-	694,344	-	707,427
State and federal funds	323,123	-	-	95,640	418,763
Charges for services	782,677	-	-	-	782,677
Investment income (loss)	(11,695)	11,307	-	(100)	(488)
Contributions	45,450	389	1,183,055	1,000	1,229,894
Other	30,942	-	1,030	-	31,972
<b>Total revenues</b>	<b>17,634,938</b>	<b>11,696</b>	<b>1,878,429</b>	<b>96,540</b>	<b>19,621,603</b>
<b>Expenditures</b>					
Current					
Program services					
Salaries and fringe benefits	10,307,066	-	289,138	-	10,596,204
Library materials	2,273,540	-	107,279	-	2,380,819
General operating	2,086,946	-	258,969	-	2,345,915
Building operations and maintenance	2,532,140	-	19,771	-	2,551,911
Capital outlay	227,391	-	65,387	-	292,778
Debt service					
Principal retirement	-	-	-	355,000	355,000
Interest	-	-	-	367,437	367,437
Bond issue costs	-	-	-	3,300	3,300
<b>Total expenditures</b>	<b>17,427,083</b>	<b>-</b>	<b>740,544</b>	<b>725,737</b>	<b>18,893,364</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>207,855</b>	<b>11,696</b>	<b>1,137,885</b>	<b>(629,197)</b>	<b>728,239</b>
<b>Other Financing Sources (Uses)</b>					
Transfers from other funds	930,919	-	9,532	630,098	1,570,549
Transfers to other funds	(630,098)	(10,863)	(879,588)	-	(1,520,549)
Total other financing sources and uses	300,821	(10,863)	(870,056)	630,098	50,000
Net change in fund balance	508,676	833	267,829	901	778,239
<b>Fund Balance, Beginning of Year</b>	<b>12,060,430</b>	<b>2,790,547</b>	<b>1,242,787</b>	<b>1,044,336</b>	<b>17,138,100</b>
<b>Fund Balance, End of Year</b>	<b>\$ 12,569,106</b>	<b>\$ 2,791,380</b>	<b>\$ 1,510,616</b>	<b>\$ 1,045,237</b>	<b>\$ 17,916,339</b>

See Notes to Basic Financial Statements

**Kansas City Public Library**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds (Continued)**  
**For the Year Ended June 30, 2013**

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

Net changes in fund balances – total governmental funds	\$ 778,239
Governmental funds report capital outlays as expenditures, however, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense:	
Capital outlay and library material costs in excess of capitalization threshold	2,413,454
Depreciation	(3,895,380)
Loss on capital disposal	(4,156)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:	
Change in deferred revenue	(136,058)
Amortization of deferred rent	121,941
Contributions receivable	(988,187)
Interest subsidy on bond	(725)
The issuance of bonds provides current financial resources to governmental funds, while the repayment of the principal and long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:	
Repayment of principal on debt	355,000
Interest and amortization of discount	(1,545)
Bond issue costs	3,300
Amortization of bond issue costs	(17,037)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Change in unmatured compensated absences payable	5,558
Change in long-term retirement system contribution payable	<u>(6,709)</u>
Change in net position of governmental activities	<u>\$ (1,372,305)</u>

**Kansas City Public Library**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (GAAP Basis)**  
**General Fund**  
**For the Year Ended June 30, 2013**

	<b>General Fund</b>			Variance With Final Budget Over (Under)
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amounts</b>	
<b>Revenues</b>				
Property taxes	\$ 16,127,167	\$ 15,978,343	\$ 16,451,358	\$ 473,015
Grants	25,000	25,000	13,083	(11,917)
State and federal funds	330,000	330,000	323,123	(6,877)
Charges for services	835,120	835,120	782,677	(52,443)
Investment income	85,000	85,000	(11,695)	(96,695)
Contributions	50,000	50,000	45,450	(4,550)
Other	18,000	18,000	30,942	12,942
Total revenues	<u>17,470,287</u>	<u>17,321,463</u>	<u>17,634,938</u>	<u>313,475</u>
<b>Expenditures</b>				
Current				
Program services				
Salaries and fringe benefits	10,628,709	10,568,709	10,307,066	(261,643)
Library materials	2,256,703	2,256,703	2,273,540	16,837
General operating	2,692,251	2,682,251	2,086,946	(595,305)
Building operations and maintenance	1,984,256	1,974,256	2,532,140	557,884
Capital outlay	450,000	400,000	227,391	(172,609)
Total expenditures	<u>18,011,919</u>	<u>17,881,919</u>	<u>17,427,083</u>	<u>(454,836)</u>
<b>Revenues Over (Under) Expenditures</b>	<u>(541,632)</u>	<u>(560,456)</u>	<u>207,855</u>	<u>768,311</u>
<b>Other Financing Sources (Uses)</b>				
Transfers from other funds	1,173,073	1,173,073	930,919	(242,154)
Transfers to other funds	(607,906)	(607,906)	(630,098)	(22,192)
Total other financing sources and uses	<u>565,167</u>	<u>565,167</u>	<u>300,821</u>	<u>(264,346)</u>
Excess of revenues and other financing sources over expenditures and other financing uses - GAAP basis	<u>\$ 23,535</u>	<u>\$ 4,711</u>	<u>\$ 508,676</u>	<u>\$ 503,965</u>

**Kansas City Public Library**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (GAAP Basis)**  
**Gifts/Grants Fund**  
**For the Year Ended June 30, 2013**

	<b>Gifts/Grants Fund</b>				Variance With Original Budget
	Original Budget	Final Budget	Actual Amounts	Final Budget Over (Under)	
<b>Revenues and Expenditures</b>					
Total revenues	\$ 2,234,000	\$ 2,234,000	\$ 1,878,429	\$ (355,571)	
Total expenditures	<u>1,400,000</u>	<u>1,400,000</u>	<u>740,544</u>	<u>(659,456)</u>	
Excess of revenues over expenditures	<u>834,000</u>	<u>834,000</u>	<u>1,137,885</u>	<u>303,885</u>	
<b>Other Financing Sources (Uses)</b>					
Transfers from other funds	-	-	9,532	9,532	
Transfers to other funds	<u>(1,123,073)</u>	<u>(1,123,073)</u>	<u>(879,588)</u>	<u>243,485</u>	
Total other financing sources and uses	<u>(1,123,073)</u>	<u>(1,123,073)</u>	<u>(870,056)</u>	<u>243,485</u>	
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<u>\$ (289,073)</u>	<u>\$ (289,073)</u>	<u>\$ 267,829</u>	<u>\$ 547,370</u>	

**Kansas City Public Library**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2013**

	<b>Enterprise Fund - Parking Garage</b>
<b>Assets</b>	
Current assets	
Cash and cash equivalents	\$ 340,347
Other	<u>3,738</u>
Total current assets	344,085
Capital assets	
Land, non-depreciable	2,520,000
Capital assets, net of depreciation	<u>1,905,510</u>
Total assets	4,769,595
<b>Net Position</b>	
Net investment in capital assets	4,425,510
Unrestricted	<u>344,085</u>
Total net position	\$ 4,769,595

**Kansas City Public Library**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2013**

	<b>Enterprise Fund - Parking Garage</b>
<b>Operating Revenues</b>	
Charges for services	\$ 455,952
	<hr/>
Total operating revenues	455,952
<b>Operating Expenses</b>	
Operations and maintenance	290,086
Depreciation	68,721
Equipment expense	<hr/> 7,500
	<hr/>
Total operating expenses	366,307
<b>Operating Income</b>	89,645
<b>Nonoperating Revenues</b>	
Transfers to other funds	<hr/> (50,000)
<b>Change in Net Position</b>	39,645
<b>Total Net Position, Beginning of Year</b>	<hr/> 4,729,950
<b>Total Net Position, End of Year</b>	\$ 4,769,595

**Kansas City Public Library**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2013**

	<b>Enterprise Fund - Parking Garage</b>
<b>Operating Activities</b>	
Cash received from customers	\$ 482,323
Cash paid for goods and services	<u>(297,586)</u>
Net cash provided by operating activities	<u>184,737</u>
<b>Noncapital Financing Activities</b>	
Contributions to general fund	<u>(50,000)</u>
Net cash used in noncapital financing activities	<u>(50,000)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>134,737</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>205,610</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 340,347</b>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>	
Operating income	<u>\$ 89,645</u>
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities</b>	
Depreciation	68,721
Changes in assets and liabilities	
Decrease in accounts receivable and other assets	<u>26,371</u>
Total adjustments	<u>95,092</u>
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 184,737</b>

# Kansas City Public Library

## Notes to Basic Financial Statements

### June 30, 2013

#### Note 1: Organization and Summary of Significant Accounting Policies

##### ***Reporting Entity***

Pursuant to enacted legislation and approval of voters, the Kansas City Public Library (the Library) was established as a separate and distinct political subdivision of the State of Missouri as of November 29, 1988. Prior to that time, the Library was accounted for as a fund of The School District of Kansas City, Missouri (the District). In accordance with the state statute creating the separate library district, the Library is governed by a nine-member Board of Trustees, initially appointed by the Board of Directors of the District. Successor trustees are appointed by the mayors of the cities served by the Library. At the time of separation, the Library was entitled to levy property taxes to fund operations at the same rate in effect prior to November 29, 1988. In 1996, the voters of the Kansas City Public Library District approved an increase in the Library's levy to the current rate.

##### Blended Component Unit

*Kansas City Library Building Corporation* is governed by a three-member self-perpetuating Board of Directors initially named in the Articles of Incorporation, and otherwise, appointed by the Board of Trustees of the Library. Although it is legally separate from the Library, Kansas City Library Building Corporation is reported as if it were part of the primary government because its sole function is providing for the acquisition, construction, improvement, extension, repair, remodeling, renovation and financing of public library sites, buildings, structures, facilities, furnishings and equipment for the benefit or use of the Library. The activities of Kansas City Library Building Corporation are included in the accompanying financial statements as part of the non-major governmental funds. Kansas City Library Building Corporation does not have separately issued financial statements.

##### Discretely Presented Component Unit

The *Kansas City Public Library Foundation, Inc.* (the Foundation) is a legally separate, tax-exempt component unit of the Library. The Foundation's primary function is to raise and hold funds for the Greater Kansas City Community Foundation in its support of the Library and its programs.

Although the Library does not control the timing or amount of receipts from the Foundation, the majority of the Foundation's resources and related income are designated by donors for the benefit of the Library. Because these designated resources held by the Foundation can only be used by, or for the benefit of, the Library, the Foundation is considered a component unit of the Library and is discretely presented in the Library's financial statements.

During the year ended June 30, 2013, the Foundation provided support to the Library in the amount of \$39,128.

The Foundation is a private nonprofit organization that reports under the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's statements in the Library's financial reporting entity for these differences.

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

***Basis of Presentation***

The Library's financial statements include both government-wide (reporting the Library and discretely presented component units as a whole) and the Library's fund financial statements (reporting the Library's major funds).

***Government-wide Financial Statements***

The statement of net position and the statement of activities display information about the Library, the primary government, as a whole, including the discretely presented component unit. These statements distinguish between the *governmental* and *business-type activities*. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The government-wide statement of activities presents a comparison between expenses and program revenues for each program of the governmental activities. Expenses are specifically associated with a service, program or department and are, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the Library.

The Library's net position is reported in three parts—net investment in capital assets; restricted net position; and unrestricted net position. The Library first utilizes restricted resources to finance restricted activities.

The government-wide focus is more on the sustainability of the Library as an entity and the change in the Library's net position resulting from the current year's activities.

***Fund Financial Statements***

Fund financial statements report detailed information about the Library. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

The major governmental funds of the Library are described below:

**General Fund**

The General Fund is the primary operating fund of the Library. It accounts for all financial resources of the general government, except those required to be accounted for in a different fund.

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

**Endowment Fund**

The Endowment Fund is a permanent fund that accounts for assets held by the Library as a legal trustee in situations requiring that the principal be preserved intact and only the income from these assets be expended on behalf of the Library as designated by the Board of Trustees or the donor.

**Gifts/Grants Fund**

The Gifts/Grants Fund is a special revenue fund that accounts for the funds received from grants or donors with restrictions on the expenditure for specified purposes, excluding capital development.

***Proprietary Fund Financial Statements***

**Parking Garage Fund**

The Parking Garage Fund is used to account for the principal operations of the parking garage. Operating expenses include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

***Measurement Focus and Basis of Accounting***

**Government-wide Financial Statements**

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 at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Library gives (or receives) value without directly receiving (or giving) equal value in exchange, can include certain grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. This approach differs from the manner in which governmental fund financial statements are prepared. Therefore, the governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund financial statements.

**Governmental Fund Financial Statements**

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

**Revenue Recognition**

In applying the susceptible to accrual concept under the modified accrual basis, certain revenue sources are deemed both measurable and available (collectible within two months of year-end and available to pay obligations of the current period). This includes investment earnings and certain operating grants. Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made, or when received in advance, deferred until expenditures are made.

**Expenditure Recognition**

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**Proprietary Fund Financial Statements**

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resource measurement focus concerns determining costs as a means of maintaining the capital investment and management control. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's ongoing operations. The principal operation of the Library's proprietary fund is the operation of the Library's parking garage which results in charges for services to both Library patrons and other customers. Operating expenses include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the Library has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

**Budgets**

An annual budget is prepared in accordance with Missouri state statutes for estimated revenues within the General Fund, itemized by source, and for proposed expenditures for each department and branch, itemized by object and activity. Annual budgets are also adopted for total revenues and expenditures (excluding itemizations of details) of the individual Special Revenue Funds. All budgets are prepared on the modified accrual basis of accounting. The budgetary statements and schedules presented in this report are based on GAAP, which is considered to be the budgetary basis of accounting.

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

On or before the 31<sup>st</sup> day of August of each year, the Board of Trustees adopts a final budget for the year and fixes the ad valorem property tax rates to produce the revenue required to meet the amounts contained in the budget.

The annual budget is officially adopted by a majority vote of the Board of Trustees in summary format for the General Fund and in total for the Special Revenue Funds. The Library Director has the authority to amend the budget summary by interline budget transfers of \$10,000 or less for the year. Programmatic modifications of any amount may be made by the Library Director as long as they have no impact on the budget summary. Budgetary amendments in excess of \$10,000 require formal approval of the Board of Trustees.

State statutes provide that proposed expenditures from any individual fund shall not exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.

***Deposits, Investments and Investment Income***

State statutes authorize the Library to invest in open-time deposits; certificates of deposit; bonds of the state of Missouri, of the United States or of any wholly owned corporation of the United States; or in other short-term obligations of the United States.

In accordance with state statutes and Library policy, the Library invests its idle cash in repurchase agreements collateralized by U.S. Treasury securities or federal agency discount notes with maturities of generally less than three months. Securities underlying a repurchase agreement must have a market value of at least 100% of the cost of the repurchase agreement. Securities underlying repurchase agreements are held as collateral at the Federal Reserve Bank.

Collateral is required by state statutes for demand deposits. The fair value of the collateral must equal 100% of deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are governed by state statute and include U.S. government and government agency bonds and securities; general obligation bonds of any of the 50 states; general obligation bonds of any Missouri county, certain cities and special districts; and revenue bonds of certain Missouri agencies. Obligations pledged to secure deposits are delivered to the bank's account at the Federal Reserve Bank.

At June 30, 2013, the balance sheet category "Deposits and Investments" consisted of demand deposits, certificates of deposit, federal agency securities, money market funds and repurchase agreements. Such balances are stated at fair value, which approximates cost.

Investment income consists of interest and dividend income and the net change for the year in the fair value of investments carried at fair value.

***Property Taxes***

Property taxes are levied by the County Assessor based on the assessed valuation of taxable property as of the preceding January 1. Taxes are due and payable by November 1 following the levy date and become delinquent after December 31, after which the Library may attach a lien to all property on which taxes are unpaid. The County Collector is responsible for the collection and distribution of property taxes. For this service, the county retains 1.6% of collections. The tax levy assessed for 2012 was \$.5000 per \$100 of assessed valuation and supports general Library operations.

# Kansas City Public Library

## Notes to Basic Financial Statements

### June 30, 2013

Property taxes receivable has been reported net of an allowance for uncollectible taxes totaling \$1,043,711 for levies in 2008 through 2012. All uncollected taxes related to 2007 and prior have been written off.

#### ***Capital Assets***

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. Capital assets are not included in the governmental fund financial statements, but are included in the governmental activities in the statement of net position. Capital assets are defined as items such as land, buildings and equipment as well as infrastructure assets as a result of implementing GASB 34. The management of the Library has determined, however, that it has no infrastructure assets.

The Library's policy is to capitalize items that individually cost more than \$5,000, except for computer equipment and library materials, which are typically purchased in groups and are capitalized on that basis.

The Library collection assets (books, media, etc.) acquired for general governmental purposes are reported as library material expenditures in the fund that finances the asset acquisition and are capitalized in the government-wide statements at cost (or estimated historical cost). The Library follows the policy of recording Library collection retirements at the average cost per category of all remaining items prior to recording the current year additions and retirements.

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

Asset Type	Estimated Useful Life In Years
Buildings and improvements	37
Equipment, furniture, fixtures and vehicles	7
Library collection	7
Computer equipment	5

#### ***Bond Issuance Costs***

Bond issuance costs represent costs incurred in connection with the issuance of long-term debt. Such costs are being amortized over the term of the respective debt using the straight-line method.

#### ***Deferred Revenue***

The Library reports deferred revenue on its governmental funds balance sheet. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Library before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the Library has a legal claim to the resources, the liability for deferred revenue is removed from the governmental funds balance sheet and revenue is recognized.

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

***Insurance***

The Library is insured by private carriers for property damage, personal injury and public official liability. The Library has a blanket fidelity policy for all employees.

Judgments and claims in excess of policy limits are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. There have been no judgments or claims in excess of policy limits for the past three fiscal years. Additionally, there were no significant reductions in coverage from prior years.

The Library provides medical, dental, life, long-term disability and workers' compensation insurance coverage for employees through private insurance carriers.

***Equity Classifications***

As noted previously, in the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of deferred rent and any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

***Fund Balance – Governmental Funds***

The fund balances for the Library's governmental funds are displayed in five components:

**Nonspendable** – amounts that are not in a spendable form or are required to be maintained intact.

**Restricted** – amounts that can be spent only for the specific purposes stipulated by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

**Committed** – amounts that can be used only for the specific purposes determined by approval of the Board of Trustees. Commitments may be changed or lifted only by the Library taking the same formal action that imposed the constraint originally.

# Kansas City Public Library

## Notes to Basic Financial Statements

### June 30, 2013

**Assigned** – amounts intended to be used by the Library for specific purposes as determined by management. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

**Unassigned** – the residual classification for the general fund and includes all amounts not contained in the other classifications.

The Library considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Library applies committed amounts first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

#### **Compensated Absences**

All full-time, nonprofessional Library employees earn annual vacation leave at the rate of three weeks for one to five years of service and four weeks for more than five years of service. All full-time, professional personnel earn annual vacation leave of four weeks. Employees are subject to maximum vacation carryover of 320 hours. Earned benefits are payable upon termination or retirement.

Full-time Library employees accumulate sick leave at the rate of one day per month, floating holidays at the rate of four days per year and personal business days at the rate of 2.5 days per year. Employees vest in accumulated sick leave at a rate of 3% per year, while floating holidays and personal business days accumulate to a combined maximum of 6.5 days. Beginning July 1, 2012, all new employees are subject to maximum sick leave carryover of 900 hours. To the extent vested, sick leave benefits, unused floating holidays and personal business days are payable upon termination. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 16, all employer-related costs of vacation and sick leave are accrued and recorded when earned. The estimated liability for compensated absences has been assigned by management to be liquidated with expendable available financial resources and is shown as an assigned fund balance in the General Fund. The long-term liability for compensated absences has been recorded in the government-wide financial statements.

#### **Grants**

Reimbursement-type grants are recorded as intergovernmental receivables and revenue when the related expenditures are incurred.

#### **Inter-fund Activity**

During the course of normal operations, the Library transfers funds to provide services and construct assets. The accompanying financial statements generally reflect such activity as transfers. For the purpose of the statement of activities, any inter-fund activity between Governmental Funds has been eliminated.

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

***Statement of Cash Flows***

For purposes of the statement of cash flows for proprietary funds, cash and cash equivalents are defined as cash on hand, cash in demand accounts and repurchase agreements with maturities of three months or less when purchased.

***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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Note 2: Deposits and Investments**

At June 30, 2013, the carrying values of deposits and investments, which approximate cost, are summarized as follows:

Deposits and investments	
Deposits	\$ (95,230)
Certificates of deposit	1,984,000
Repurchase agreement	11,460,000
Money market funds	644,186
Federal agency securities	<u>4,968,200</u>
 Total	 <u>\$ 18,961,156</u>

The carrying value of deposits and investments are included in the financial statements as follows:

Primary government	
Deposits and investments	\$ 13,794,857
Restricted deposits and investments	<u>5,166,299</u>
 Total	 <u>\$ 18,961,156</u>

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

**Credit Risk**

The credit risk for investments is the possibility that the issuer/counterparty to an investment will be unable to fulfill its obligations. Presented below is the actual rating by Moody's Investor Service as of year-end for each investment type:

<b>Investment Type</b>	<b>Fair Value</b>	<b>Rating as of June 30, 2013</b>
Repurchase agreement	\$ 11,460,000	(Unrated)
Money market funds	644,186	Aaa
Federal agency securities	<u>4,968,200</u>	Aaa
 Total	 <u>\$ 17,072,386</u>	

**Custodial Credit Risk**

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Library will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Library will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The Library's policy is to collateralize the demand deposits and repurchase agreements with securities held by the financial institution's agent and in the Library's name. Because security investments were held by the financial institution and in the Library's name, none of the Library's deposits or investments was exposed to custodial credit risk as of June 30, 2013.

**Interest Rate Risk**

The Library's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Library has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2013, the Library had the following investments and original maturities:

<b>Investment Type</b>	<b>Total Fair Value</b>	<b>Investment Maturities (in Years)</b>	
		<b>Less Than 1</b>	<b>1 - 5</b>
Repurchase agreement	\$ 11,460,000	\$ 11,460,000	\$ -
Money market funds	644,186	644,186	-
Federal agency securities	<u>4,968,200</u>	-	<u>4,968,200</u>
 Total	 <u>\$ 17,072,386</u>	 <u>\$ 12,104,186</u>	 <u>\$ 4,968,200</u>

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

***Concentration of Credit Risk***

As of June 30, 2013, investments, subject to credit risk categorization, in any one issuer that represent 5% or more of total Library's investments, are as follows:

<b>Issuer</b>	<b>Investment Type</b>	<b>Total Fair Value</b>
Federal Home Loan Bank	U.S. Agency Obligations	\$ 2,002,760
Federal National Mortgage Association	U.S. Agency Obligations	2,965,440
UMB Bank, n.a.	Repurchase Agreement	11,460,000
Other	Money Market Funds	<u>644,186</u>
 Total		 <u>\$ 17,072,386</u>

***Investment Income (Loss)***

Investment income (loss) for year ended June 30, 2013 consisted of:

Interest and dividend income	\$ 51,685
Net decrease in fair value of investments	<u>(52,173)</u>
	 <u>\$ (488)</u>

**Note 3: Contributions Receivable**

Contributions receivable reported on the government-wide statement of net position at June 30, 2013 consisted of unconditional promises to give that are due in less than one year.

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

**Note 4: Capital Assets**

A summary of changes in capital assets is as follows:

	<b>Beginning Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Ending Balances</b>
<b>Governmental Activities</b>					
Capital assets not being depreciated					
Land	\$ 3,529,876	\$ -	\$ -	\$ -	\$ 3,529,876
Artwork	146,840	-	-	-	146,840
Construction in progress	-	131,331	-	-	131,331
Total capital assets, not being depreciated	3,676,716	131,331	-	-	3,808,047
Capital assets, being depreciated					
Buildings	52,380,044	-	-	-	52,380,044
Equipment, furniture and fixtures	8,753,154	321,216	36,233	-	9,038,137
Library collection	18,946,540	1,960,907	5,327,430	-	15,580,017
Vehicles	72,199	-	-	-	72,199
Total capital assets, being depreciated	80,151,937	2,282,123	5,363,663	-	77,070,397
Less accumulated depreciation for					
Buildings	8,774,747	1,390,375	-	-	10,165,122
Equipment, furniture and fixtures	7,200,366	580,606	32,078	-	7,748,894
Library collection	13,009,317	1,914,085	5,327,430	-	9,595,972
Vehicles	15,471	10,314	-	-	25,785
Total accumulated depreciation	28,999,901	3,895,380	5,359,508	-	27,535,773
Total capital assets being depreciated, net	51,152,036	(1,613,257)	4,155	-	49,534,624
Governmental activities capital assets, net	<u>\$ 54,828,752</u>	<u>\$ (1,481,926)</u>	<u>\$ 4,155</u>	<u>\$ -</u>	<u>\$ 53,342,671</u>
<b>Business-type Activities</b>					
Capital assets not being depreciated					
Land	\$ 2,520,000	\$ -	\$ -	\$ -	\$ 2,520,000
Capital assets, being depreciated					
Buildings	2,215,142	-	-	-	2,215,142
Equipment, furniture and fixtures	75,419	-	-	-	75,419
Total capital assets, being depreciated	2,290,561	-	-	-	2,290,561
Less accumulated depreciation for					
Buildings	269,409	59,869	-	-	329,278
Equipment, furniture and fixtures	46,921	8,852	-	-	55,773
Total accumulated depreciation	316,330	68,721	-	-	385,051
Total capital assets being depreciated, net	1,974,231	(68,721)	-	-	1,905,510
Business-type activities capital assets, net	<u>\$ 4,494,231</u>	<u>\$ (68,721)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,425,510</u>

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

**Note 5: Employee Retirement Plan**

***General***

The Library participates in the Public School Retirement System of the School District of Kansas City, Missouri (the Retirement System), a cost-sharing, multiple-employer public employee retirement system. The Retirement System is a defined benefit pension plan covering substantially all full-time employees of the District and the Library. All full-time permanent employees become members of the Retirement System as a condition of their employment. Library employees represent approximately 2.4% of the total members of the Retirement System. The Public School Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: Public School Retirement System, 324 East 11th Street, Suite 100, Kansas City, Missouri 64106, or by calling (816) 472-5800.

Operation of the Retirement System is governed by Missouri state law. The Retirement System is not subject to the provisions of the *Employee Retirement Income Security Act of 1974*. The Retirement System has two plans in which its members participate: Plan A for members hired before 1961 and Plan B for members hired after 1961. All current Library employees are members of Plan B. Certain significant provisions of Plan B are described below.

***Pension Benefits***

Members who attain a total of at least 75 credits are entitled to the annual service retirement allowance, equal to 2% (1 $\frac{3}{4}$ % if before June 30, 1999) of the average final compensation multiplied by years of creditable service, subject to a maximum of 60% of average final compensation. One credit is equal to each year of creditable service and each year of age with both years of creditable service and years of age prorated for fractional years. A year of creditable service is defined as a minimum of 25 hours per week for nine calendar months.

Early retirement is permitted and members may retire under the age of 50 with 30 years of service; however, benefits are actuarially reduced by each month of retirement before age 60. If members terminate before rendering five years of service or take a lump-sum distribution, they forfeit the right to receive the portion of their accumulated plan benefits attributable to the employer's contribution. Members may elect to receive the value of their accumulated contributions plus interest as a lump-sum distribution upon retirement or termination or they may elect to receive their accumulated plan benefits in various optional forms of annuities payable monthly from retirement.

Missouri state legislation, effective October 1981, provided for an increase in monthly benefits to retirees age 75 or older who have been retired for at least five years. Annually, the Board of Trustees of the Retirement System shall determine if the investment return, as determined by the actuary, is sufficient to permit a benefit increase.

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

***Death and Disability Benefits***

If an active member dies after becoming eligible for retirement, the designated beneficiary may elect to receive a certain portion of the member's service retirement allowance. Active members with five or more years of service who become totally disabled receive a disability retirement allowance equal to the service retirement allowance they have normally accumulated at the time they become disabled, but not less than the minimum disability retirement allowance. The minimum disability retirement allowance shall be the lesser of:

- (1) 25% of the member's average final compensation; or
- (2) The member's service retirement benefits.

***Contributions Required and Contributions Made***

As of January 1, 1999, members in Plan B are required to contribute 7.5% of earnable annual compensation. Prior to that time, the required contribution rate was 5.99% for members of Plan B. The Library is required to contribute at a rate specified by Missouri statute as enacted by the Missouri Legislature with the approval of the Governor. Missouri statute currently provides that the maximum employer contribution rate is 7.5%. The Library's contribution for the calendar year ended December 31, 2011 was paid by the Library in December 2012 at a rate of 7.5% of members' payroll. The contribution for the year ended December 31, 2012 is due and payable by the Library in December 2013 and will be calculated at a rate of 7.5% of members' payroll.

The unfunded contribution for the six months ended June 30, 2013 has been recorded in the government-wide statements.

The Library's contributions to the Retirement System for the years ended June 30, 2013, 2012 and 2011 were \$494,843, \$489,090 and \$486,332, respectively, equal to the required contributions for each year.

**Note 6: Deferred Compensation Plan**

The Library offers its employees four deferred compensation plans created in accordance with Internal Revenue Code Sections 457 and 403(b). These plans, available to all Library employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The Library makes no contributions to the plans and reserves the right to amend, cancel or augment the plans. Employee contributions for all plans were \$115,850 for the year ended June 30, 2013. All amounts of compensation deferred under the plan, including income attributed to such amounts, are placed in a trust which is not the property of the Library. Therefore, assets and liabilities related to the deferred compensation plan are not included in the basic financial statements.

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

**Note 7: Long-Term Obligations**

The following is a summary of long-term obligation transactions for the year ended June 30, 2013:

	Balance June 30, 2012	Additions	Reductions	Balance June 30, 2013	Amounts Due Within One Year
<b>Long-term debt</b>					
Revenue bonds payable					
Series 2009A	\$ 2,700,000	\$ -	\$ 355,000	\$ 2,345,000	\$ 365,000
Series 2009B	5,205,000	-	-	5,205,000	-
Total long-term debt	<u>7,905,000</u>	<u>-</u>	<u>355,000</u>	<u>7,550,000</u>	<u>365,000</u>
<b>Other long-term liabilities</b>					
Compensated absences *	2,176,770	835,585	841,143	2,171,212	1,103,299
Retirement system contribution payable *	733,047	495,146	482,684	745,509	494,843
Total other long-term liabilities	<u>2,909,817</u>	<u>1,330,731</u>	<u>1,323,827</u>	<u>2,916,721</u>	<u>1,598,142</u>
Total long-term obligations	<u><u>\$ 10,814,817</u></u>	<u><u>\$ 1,330,731</u></u>	<u><u>\$ 1,678,827</u></u>	<u><u>\$ 10,466,721</u></u>	<u><u>\$ 1,963,142</u></u>

\*Compensated absences and retirement system liabilities are traditionally liquidated in the General Fund.

**Leasehold Revenue Bonds Payable - Series 2009A**

The Series A leasehold revenue bonds payable consist of Kansas City Library Building Corporation Leasehold Revenue Bonds, Series 2009A in the original amount of \$3,395,000 dated August 1, 2009, which bear interest at 2% to 4%. The Bonds are payable in semi-annual installments through June 1, 2029. The Library was required to make a one-time deposit of \$254,301 in 2009 to the debt service fund held by the trustee at the time of issuance. The Bond Reserve Fund will not exceed at least 10% of the stated principal amount of the Bonds, the maximum annual principal and interest requirements of the Bonds, or 125% of the average annual principal and interest requirements on the Bonds. Any amounts in the Bond Reserve Fund in excess of the Bond Reserve Requirement will be transferred to the Bond Fund. The Series 2009A Bonds still outstanding may be redeemed at the Library's option on or after June 1, 2013. The redemption price is 100% of the principal amount plus accrued interest to the redemption date. The Bonds are secured by a pledge and assignment under the Indenture of all Rental Payments and other payments, revenues and receipts derived by the Corporation under the Lease, and all right, title and interest of the Corporation in, to and under the Base Lease, the Lease and the Project. Payments of bond principal are also secured by an insurance policy issued by a commercial insurer.

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

**Taxable Leasehold Revenue Bonds Payable - Series 2009B**

The Series B taxable leasehold revenue bonds payable consist of Kansas City Library Building Corporation Taxable Leasehold Revenue Bonds, Series 2009B in the original amount of \$5,205,000 dated August 1, 2009, which bear interest at 5% to 6%. The Bonds are payable in semi-annual installments through June 1, 2029. The Library was required to make a one-time deposit of \$389,879 in 2009 to the debt service fund held by the trustee at the time of issuance. The Bond Reserve Fund will not exceed at least 10% of the stated principal amount of the Bonds, the maximum annual principal and interest requirements of the Bonds, or 125% of the average annual principal and interest requirements on the Bonds. Any amounts in the Bond Reserve Fund in excess of the Bond Reserve Requirement will be transferred to the Bond Fund. The Series 2009B Bonds still outstanding may be redeemed at the Library's option on or after June 1, 2013. The redemption price is 100% of the principal amount plus accrued interest to the redemption date. The Bonds are secured by a pledge and assignment under the Indenture of all Rental Payments and other payments, revenues and receipts derived by the Corporation under the Lease, and all right, title and interest of the Corporation in, to and under the Base Lease, the Lease and the Project. Payments of bond principal are also secured by an insurance policy issued by a commercial insurer.

The debt service requirements as of June 30, 2013, are as follows:

<b>Year Ending June 30,</b>	<b>Total to be Paid</b>	<b>Principal</b>	<b>Interest*</b>
2014	\$ 725,494	\$ 365,000	\$ 360,494
2015	726,369	375,000	351,369
2016	726,056	385,000	341,056
2017	724,506	395,000	329,506
2018	722,163	405,000	317,163
2019-2023	3,570,625	2,260,000	1,310,625
2024-2028	3,414,587	2,745,000	669,587
2029	<u>657,200</u>	<u>620,000</u>	<u>37,200</u>
	<u><u>\$ 11,267,000</u></u>	<u><u>\$ 7,550,000</u></u>	<u><u>\$ 3,717,000</u></u>

\*The Series 2009B taxable leasehold revenue bonds were issued as Build America Bonds (BABs) and, as such, will be eligible to receive a credit (BAB Subsidy) equal to 35% of the interest payment on such bonds. The benefit of such credit will be passed on to the Library at each interest payment date, thus effectively reducing the Library's cost of financing. As a result of the automatic spending cuts imposed under the Budget Control Act of 2011, the Library's BAB Subsidies, beginning March 1, 2013, were reduced by 8.7%. The BAB Subsidy is not reflected in the interest payments detailed above.

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

**Note 8: Lease Commitments**

The Library currently has annually renewable lease commitments for its Sugar Creek branch location and certain office equipment.

Plaza Facility

In March 1999, the Library entered into a lease and development agreement with Plaza Colonnade, LLC for the construction of a library in exchange for the development rights and a 99-year leasehold estate for the remainder of the site located at 4801 Main, Kansas City, Missouri. The previous Library facility at this site has been demolished. An amendment in 2004 terminated the developer's obligation to finish the Plaza library facility in exchange for a \$2,500,000 payment to the Library. The value of the building along with the payment received in consideration to enter the lease agreement was recognized as deferred rental revenue on the balance sheets at the time of occupancy.

The developer has built a multi-floor project on the leased site, which is rented by the developer to other tenants. The Library paid the common area maintenance costs of \$85,000 per year from January 2005 to December 2007 for the new building as required by the latest amendment. Such costs are scheduled to increase 3% each year for the remaining term of the lease from 2008 to 2100, as set forth in the amendment. At the end of the developer's leasehold estate, the land and all improvements will revert to the Library.

In 2004, the lease and development agreement was amended, which terminated the developer's obligation to furnish certain tenant finish improvements to the Plaza Library facility in exchange for a cash payment of \$2,500,000, which was recognized as a contribution in the fund financial statement in 2005. This payment, along with the value of the cost of construction attributable to the Library's share of the building, which approximated \$9,115,000, was recorded as a contributed capital asset on the government-wide statements. The total value contributed was recorded as deferred rental revenue to recognize the total value of the assets contributed to the Library as an incentive to enter into the original ground lease with the developer. The capital asset for the Library facility is being depreciated over its expected useful life on a straight-line basis in accordance with the Library's depreciation policies. In addition, the deferred rent is being recognized on a straight-line basis over the 99-year term of the ground lease. The Library recognized \$121,941 of deferred rental revenue for the year ended June 30, 2013, in the government-wide statement of activities.

The value of any donations from third parties, with respect to any of the above mentioned facilities, whether in cash or in-kind, as well as any related assets or obligations, were recorded on the Library's books of account when the underlying events occurred that resulted in a benefit to the Library.

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

Under current leases, the minimum annual rental payments and the common area maintenance costs will be as follows:

<b>Fiscal Year Ending June 30,</b>	<b>Amount</b>	<b>Fiscal Year Ending June 30,</b>	<b>Amount</b>
2014	\$ 139,375	2049-2053	\$ 1,538,985
2015	125,666	2054-2058	1,784,107
2016	110,922	2059-2063	2,068,271
2017	112,571	2064-2068	2,397,699
2018	115,948	2069-2073	2,779,592
2019-2023	634,049	2074-2078	3,222,309
2024-2028	735,032	2079-2083	3,735,533
2029-2033	852,104	2084-2088	4,330,501
2034-2038	987,818	2089-2093	5,020,237
2039-2043	1,145,150	2094-2098	5,819,833
2044-2048	1,327,543	2099-2101	<u>3,243,826</u>
Total		<u>\$ 42,227,071</u>	

Total rent expense for the year ended June 30, 2013 was \$149,467.

**Note 9: Commitments and Contingencies**

The Library receives federal and state financial assistance in the form of grants. Entitlement to these resources generally is contingent upon compliance with terms and conditions of the grant agreements and applicable federal and/or state regulations, including the expenditures of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by grantors. Any disallowance as a result of these audits becomes a liability of the Library. Based on prior experience, the Library expects such disallowances, if any, will be immaterial.

The Library is a party to certain claims as a result of various matters and complaints arising in the ordinary course of Library activities. The Library's management believes the potential claims against the Library, if any, resulting from such matters would not have a material effect on the financial position of the Library.

**Kansas City Public Library**  
**Notes to Basic Financial Statements**  
**June 30, 2013**

**Note 10: Inter-fund Transfers**

Inter-fund transfers made in the year ended June 30, 2013 were as follows:

<b>Transfers From</b>	<b>Transfers To</b>				<b>Total</b>
	<b>General Fund</b>	<b>Gifts/ Grants Fund</b>	<b>Other Governmental Funds</b>		
General	\$ -	\$ -	\$ 630,098	\$ 630,098	
Endowment	1,331	9,532	-	-	10,863
Gifts/Grants	879,588	-	-	-	879,588
Proprietary	50,000	-	-	-	50,000
<b>Total</b>	<b>\$ 930,919</b>	<b>\$ 9,532</b>	<b>\$ 630,098</b>	<b>\$ 1,570,549</b>	

Transfers from/to other funds consisted of the following:

General Fund to Debt Service Fund for bond reserve and debt service payments	\$ 630,098
Endowment Fund to General Fund for operating activities	1,331
Endowment Fund to Gifts/Grants Fund for operating activities	9,532
Gifts/Grants Fund to General Fund for operating activities	879,588
Proprietary Funds to General Fund for operating activities	50,000
	<b>\$ 1,570,549</b>

**Note 11: Donor Endowments**

During the year ended June 30, 2013, the Endowment Fund experienced \$11,696 of contributions and net appreciation on assets. The amount of net appreciation available for expenditure was \$126,344 at June 30, 2013, and is included in assigned to the endowment fund on the statement of net position. The Library's governing body has interpreted the State of Missouri Prudent Management of Institutional Funds Act as requiring preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. It is the policy of management not to allocate interest earnings on endowments for expenditures until the endowment reaches a balance of \$1,000.

## **Supplementary Information**

**Kansas City Public Library**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2013**

	Debt Service	Special Revenue	Total
	Fund -	Fund -	Nonmajor
	Central	Capital	Governmental
	Library	Development	Funds
<b>Assets</b>			
Restricted deposits and investments	\$ 644,186	\$ 401,051	\$ 1,045,237
Total assets	<b>\$ 644,186</b>	<b>\$ 401,051</b>	<b>\$ 1,045,237</b>
<b>Liabilities and Fund Balances</b>			
Fund balances			
Restricted	\$ 644,143	\$ 401,051	\$ 1,045,194
Assigned	43	-	43
Total liabilities and fund balances	<b>\$ 644,186</b>	<b>\$ 401,051</b>	<b>\$ 1,045,237</b>

**Kansas City Public Library**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2013**

	Debt Service Fund - Central Library	Special Revenue Fund - Capital Development	Total Nonmajor Governmental Funds
<b>Revenues</b>			
State and federal funds	\$ 95,640	\$ -	\$ 95,640
Investment loss	(100)	-	(100)
Contributions	-	1,000	1,000
<b>Total revenues</b>	<b>95,540</b>	<b>1,000</b>	<b>96,540</b>
<b>Expenditures</b>			
Library services			
Debt service			
Principal retirement	355,000	-	355,000
Interest	367,437	-	367,437
Bond issue costs	3,300	-	3,300
<b>Total expenditures</b>	<b>725,737</b>	<b>-</b>	<b>725,737</b>
Excess (deficiency) of revenues over expenditures	(630,197)	1,000	(629,197)
Other financing sources			
Transfers in			
<b>Total other financing sources</b>	<b>630,098</b>	<b>-</b>	<b>630,098</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(99)	1,000	901
<b>Fund Balance, Beginning of Year</b>	<b>644,285</b>	<b>400,051</b>	<b>1,044,336</b>
<b>Fund Balance, End of Year</b>	<b>\$ 644,186</b>	<b>\$ 401,051</b>	<b>\$ 1,045,237</b>

**Kansas City Public Library**  
**Statement of Revenues, Expenditures and Changes in Fund Balance – Budget  
and Actual (GAAP Basis)**  
**Nonmajor Governmental Funds – Debt Service Fund**  
**For the Year Ended June 30, 2013**

	<b>Debt Service Fund</b>		<b>Variance - Over (Under)</b>
	<b>Budget</b>	<b>Actual</b>	
Total revenues	\$ 117,988	\$ 95,540	\$ (22,448)
Total expenditures	<u>725,894</u>	<u>725,737</u>	<u>(157)</u>
 Total deficiency of revenues under expenditures	 <u>(607,906)</u>	 <u>(630,197)</u>	 <u>(22,291)</u>
 Other financing sources			
Transfers from other funds	<u>607,906</u>	<u>630,098</u>	<u>22,192</u>
 Total other financing sources	 <u>607,906</u>	 <u>630,098</u>	 <u>22,192</u>
 Deficiency of revenues and other financing sources under expenditures and other financing uses - GAAP basis	 <u>\$ -</u>	 <u>\$ (99)</u>	 <u>\$ (99)</u>

## Kansas City Public Library

### Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (GAAP Basis)

#### Nonmajor Governmental Funds – Capital Development Fund

For the Year Ended June 30, 2013

	<b>Capital Development Fund</b>		<b>Variance -</b> <b>Over</b> <b>(Under)</b>
	<b>Budget</b>	<b>Actual</b>	
Total revenues	\$ -	\$ 1,000	\$ 1,000
Total expenditures	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>
 Total excess (deficiency) of revenues over (under) expenditures	 <u>(200,000)</u>	 1,000	 201,000
 Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	 <u>\$ (200,000)</u>	 \$ 1,000	 \$ 201,000

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

Board of Trustees  
Kansas City Public Library  
Kansas City, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Kansas City Public Library (the Library), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements, and have issued our report thereon dated August 28, 2013.

**Internal Control Over Financial Reporting**

Management of the Library is responsible for establishing and maintaining effective internal control over financial reporting (internal control). In planning and performing our audit, we considered the Library's internal control to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control. Accordingly, we do not express an opinion on the effectiveness of the Library's internal control.

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

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

## **Compliance**

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

## **Other Matters**

We noted certain matters that we reported to the Library's management in a separate letter dated August 28, 2013.

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

*BKD, LLP*

Kansas City, Missouri  
August 28, 2013

**Kansas City Public Library**  
**Schedule of Findings and Responses**  
**Year Ended June 30, 2013**

<b>Reference Number</b>	<b>Finding</b>
	No matters are reportable.

## **Statistical Data Section (Unaudited)**

**Kansas City Public Library**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
Net investment in capital assets	\$ 20,770,393	\$ 19,637,890	\$ 17,929,187	\$ 17,169,043	\$ 19,319,941	\$ 19,227,574	\$ 39,115,596	\$ 37,450,607	\$ 36,362,704	\$ 35,427,070
Restricted	4,032,069	3,743,773	5,208,345	5,358,328	3,429,299	5,359,395	4,927,590	4,642,414	4,952,645	5,220,846
Unrestricted	8,623,081	9,712,513	10,450,898	9,817,468	9,820,896	12,680,994	12,243,936	13,235,371	12,381,493	11,676,621
Total governmental activities net position	\$ 33,425,543	\$ 33,094,176	\$ 33,588,430	\$ 32,344,839	\$ 32,570,136	\$ 37,267,963	\$ 56,287,122	\$ 55,328,392	\$ 53,696,842	\$ 52,324,537
Business-type activities										
Net investment in capital assets	\$ 575,790	\$ 422,664	\$ 128,674	\$ 121,916	\$ 4,827,928	\$ 4,676,740	\$ 4,607,900	\$ 4,567,437	\$ 4,494,231	\$ 4,425,510
Unrestricted	742,800	1,026,542	930,248	910,561	715,945	141,408	161,297	163,254	235,719	344,085
Total business-type activities net position	\$ 1,318,590	\$ 1,449,206	\$ 1,058,922	\$ 1,032,477	\$ 5,543,873	\$ 4,818,148	\$ 4,769,197	\$ 4,730,691	\$ 4,729,950	\$ 4,769,595
Primary government										
Net investment in capital assets	\$ 21,346,183	\$ 20,060,554	\$ 18,057,861	\$ 17,290,959	\$ 24,147,869	\$ 23,904,314	\$ 43,723,496	\$ 42,018,044	\$ 40,856,935	\$ 39,852,580
Restricted	2,554,343	3,443,695	5,208,345	5,358,328	3,428,846	4,507,235	4,676,125	4,642,414	4,952,645	5,220,846
Unrestricted	10,843,607	11,039,133	11,381,146	10,728,029	10,537,294	13,674,562	12,656,698	13,398,625	12,617,212	12,020,706
Total primary government net position	\$ 34,744,133	\$ 34,543,382	\$ 34,647,352	\$ 33,377,316	\$ 38,114,009	\$ 42,086,111	\$ 61,056,319	\$ 60,059,083	\$ 58,426,792	\$ 57,094,132

**Kansas City Public Library**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Expenses</b>										
Governmental activities	\$ 16,174,272	\$ 16,748,191	\$ 18,032,102	\$ 18,568,773	\$ 20,058,576	\$ 20,662,837	\$ 21,390,749	\$ 19,843,177	\$ 20,335,539	\$ 20,040,879
Business-type activities	115,136	213,086	161,422	1,437,009	1,752,109	393,328	370,032	346,354	351,339	366,307
Total primary government expenses	16,289,408	16,961,277	18,193,524	20,005,782	21,810,685	21,056,165	21,760,781	20,189,531	20,686,878	20,407,186
<b>Program revenues</b>										
Governmental activities										
Charges for services	581,419	688,522	827,528	533,466	562,141	1,033,451	851,637	789,466	753,466	782,677
Operating grants and contributions	1,270,981	923,248	432,230	980,308	3,134,166	4,427,476	2,276,952	1,012,627	1,968,066	1,488,113
Capital grants and contributions	567,021	10,000	1,500,000	600,000	1,167,238	2,713,247	21,348,968	103,332	23,333	1,000
Total governmental activities program revenues	2,419,421	1,621,770	2,759,758	2,113,774	4,863,545	8,174,174	24,477,557	1,905,425	2,744,865	2,271,790
Business-type activities										
Charges for services	311,847	339,772	360,040	1,060,980	1,419,938	426,314	401,081	342,848	400,598	455,952
Total business-type activities program revenues	311,847	339,772	360,040	1,060,980	1,419,938	426,314	401,081	342,848	400,598	455,952
Total primary government program revenue	2,731,268	1,961,542	3,119,798	3,174,754	6,283,483	8,600,488	24,878,638	2,248,273	3,145,463	2,727,742
<b>Net revenues (expenses)</b>										
Governmental activities	(13,754,851)	(15,126,421)	(15,272,344)	(16,454,999)	(15,195,031)	(12,488,663)	3,086,808	(17,937,752)	(17,590,674)	(17,769,089)
Business-type activities	196,711	126,686	198,618	(376,029)	(332,171)	32,986	31,049	(3,506)	49,259	89,645
Total net revenues (expenses)	(13,558,140)	(14,999,735)	(15,073,726)	(16,831,028)	(15,527,202)	(12,455,677)	3,117,857	(17,941,258)	(17,541,415)	(17,679,444)

*(Continued)*

**Kansas City Public Library**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General revenues and other changes in net position										
Governmental activities										
Property taxes	\$ 13,830,284	\$ 14,108,363	\$ 14,926,934	\$ 14,660,656	\$ 15,069,278	\$ 15,979,261	\$ 15,689,670	\$ 16,860,021	\$ 15,845,799	\$ 16,315,300
Investment income (loss)	144,545	443,277	501,894	845,406	834,188	419,362	103,224	66,023	33,381	(52,173)
Transfers	-	-	-	(289,584)	24,556	758,711	80,000	35,000	50,000	50,000
Capital contributions	-	-	-	-	(480,000)	-	-	-	-	-
Other general revenues	121,165	243,414	93,930	(5,070)	(27,694)	29,156	59,457	17,978	29,944	31,972
Total governmental activities	<u>14,095,994</u>	<u>14,795,054</u>	<u>15,522,758</u>	<u>15,211,408</u>	<u>15,420,328</u>	<u>17,186,490</u>	<u>15,932,351</u>	<u>16,979,022</u>	<u>15,959,124</u>	<u>16,345,099</u>
Business-type activities										
Investment income	-	-	-	60,000	48,497	-	-	-	-	-
Transfers	-	-	-	289,584	(24,556)	(758,711)	(80,000)	(35,000)	(50,000)	(50,000)
Capital contributions	-	-	-	-	4,819,626	-	-	-	-	-
Other general revenues	-	3,930	620	-	-	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>3,930</u>	<u>620</u>	<u>349,584</u>	<u>4,843,567</u>	<u>(758,711)</u>	<u>(80,000)</u>	<u>(35,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>
Total primary government	<u>14,095,994</u>	<u>14,798,984</u>	<u>15,523,378</u>	<u>15,560,992</u>	<u>20,263,895</u>	<u>16,427,779</u>	<u>15,852,351</u>	<u>16,944,022</u>	<u>15,909,124</u>	<u>16,295,099</u>
Changes in net position										
Governmental activities	341,143	(331,367)	250,414	(1,243,591)	225,297	4,697,827	19,019,159	(958,730)	(1,631,550)	(1,423,990)
Business-type activities	196,711	130,616	199,238	(26,445)	4,511,396	(725,725)	(48,951)	(38,506)	(741)	39,645
Total primary government	<u>\$ 537,854</u>	<u>\$ (200,751)</u>	<u>\$ 449,652</u>	<u>\$ (1,270,036)</u>	<u>\$ 4,736,693</u>	<u>\$ 3,972,102</u>	<u>\$ 18,970,208</u>	<u>\$ (997,236)</u>	<u>\$ (1,632,291)</u>	<u>\$ (1,384,345)</u>

**Kansas City Public Library**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>General fund</b>										
Committed	\$ 192,796	\$ 191,615	\$ 196,582	\$ 232,759	\$ 242,331	\$ 254,465	\$ 247,100	\$ 237,948	\$ 243,957	\$ 250,666
Assigned	-	1,472,010	1,530,378	1,551,800	2,572,262	3,552,875	2,168,702	2,162,541	2,176,770	2,171,212
Unassigned	<u>9,070,545</u>	<u>9,097,345</u>	<u>9,337,110</u>	<u>8,855,602</u>	<u>7,325,007</u>	<u>6,764,506</u>	<u>8,003,894</u>	<u>9,719,401</u>	<u>9,639,703</u>	<u>10,147,228</u>
Total general fund	<u><u>\$ 9,263,341</u></u>	<u><u>\$ 10,760,970</u></u>	<u><u>\$ 11,064,070</u></u>	<u><u>\$ 10,640,161</u></u>	<u><u>\$ 10,139,600</u></u>	<u><u>\$ 10,571,846</u></u>	<u><u>\$ 10,419,696</u></u>	<u><u>\$ 12,119,890</u></u>	<u><u>\$ 12,060,430</u></u>	<u><u>\$ 12,569,106</u></u>
<b>All other governmental funds</b>										
Nonspendable										
Endowment fund principal	\$ 2,554,343	\$ 2,657,728	\$ 2,709,833	\$ 2,684,252	\$ 2,661,665	\$ 2,664,067	\$ 2,664,565	\$ 2,665,064	\$ 2,665,522	\$ 2,665,036
Restricted										
Debt service	-	-	-	-	-	-	-	654,250	644,243	644,285
Capital improvements	913,210	300,078	2,182,716	2,135,872	102,964	1,059,849	383,251	481,718	400,051	401,051
Programming requirements	564,516	785,967	527,686	516,006	664,680	1,635,479	1,191,394	851,389	1,242,787	1,510,616
Assigned										
Endowment fund	-	63,917	59,990	108,168	102,511	207,689	131,786	150,096	125,025	126,344
Debt service fund	-	-	-	-	-	-	-	34,130	-	43
Total all other governmental funds	<u><u>\$ 4,032,069</u></u>	<u><u>\$ 3,807,690</u></u>	<u><u>\$ 5,480,225</u></u>	<u><u>\$ 5,444,298</u></u>	<u><u>\$ 3,531,820</u></u>	<u><u>\$ 5,567,084</u></u>	<u><u>\$ 5,059,376</u></u>	<u><u>\$ 4,792,510</u></u>	<u><u>\$ 5,077,670</u></u>	<u><u>\$ 5,347,233</u></u>

**Kansas City Public Library**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues</b>										
Property taxes	\$ 13,978,736	\$ 14,548,431	\$ 14,880,118	\$ 14,565,707	\$ 14,974,378	\$ 16,002,058	\$ 15,679,320	\$ 16,881,422	\$ 15,849,058	\$ 16,451,358
Grants	156,864	309,839	15,000	296,443	907,108	1,878,064	1,148,160	299,881	1,042,913	707,427
State and federal funds	1,212,126	508,668	248,493	326,357	368,911	917,658	441,848	402,729	380,811	418,763
Charges for services	581,419	629,858	709,910	416,139	444,814	916,124	851,637	789,466	753,466	782,677
Investment income (loss)	144,545	443,277	365,113	845,406	834,188	419,362	103,224	66,023	33,381	(488)
Contributions	469,012	2,828,059	7,723	957,509	2,145,147	1,831,754	644,250	919,952	1,252,631	1,229,894
Other	121,165	30,096	88,686	26	6,206	29,156	59,457	17,978	29,944	31,972
Total revenues	<u>16,663,867</u>	<u>19,298,228</u>	<u>16,315,043</u>	<u>17,407,587</u>	<u>19,680,752</u>	<u>21,994,176</u>	<u>18,927,896</u>	<u>19,377,451</u>	<u>19,342,204</u>	<u>19,621,603</u>
<b>Expenditures</b>										
Program services										
Salaries and fringe benefits	8,281,067	8,027,358	8,179,138	8,701,672	9,510,709	10,572,527	10,201,223	9,996,844	10,475,820	10,596,204
Library materials	2,635,610	2,231,042	2,175,674	1,917,914	2,382,365	2,246,021	2,179,503	2,361,038	2,826,621	2,380,819
General operating	2,067,827	2,234,009	2,132,517	3,455,837	3,115,184	3,081,974	2,911,552	2,588,162	2,844,126	2,345,915
Building operating	2,277,158	2,604,946	2,993,942	2,879,493	2,634,860	2,428,756	2,467,021	2,043,680	1,928,965	2,551,911
Debt service	-	-	-	-	-	-	739,404	610,743	673,592	725,737
Capital outlay	2,242,517	2,927,623	144,726	643,455	3,995,239	1,873,745	9,726,311	378,656	417,380	292,778
Total expenditures	<u>17,504,179</u>	<u>18,024,978</u>	<u>15,625,997</u>	<u>17,598,371</u>	<u>21,638,357</u>	<u>20,203,023</u>	<u>28,225,014</u>	<u>17,979,123</u>	<u>19,166,504</u>	<u>18,893,364</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(840,312)</u>	<u>1,273,250</u>	<u>689,046</u>	<u>(190,784)</u>	<u>(1,957,605)</u>	<u>1,791,153</u>	<u>(9,297,118)</u>	<u>1,398,328</u>	<u>175,700</u>	<u>728,239</u>
<b>Other financial sources (uses)</b>										
Transfers in	16,305	124,854	1,427	160,143	377,040	1,294,575	9,853,198	1,463,856	1,836,181	1,570,549
Transfers out	(16,305)	(124,854)	(387,373)	(429,195)	(352,484)	(618,208)	(9,773,198)	(1,428,856)	(1,786,181)	(1,520,549)
Issuance of debt	-	-	-	-	-	-	8,557,260	-	-	-
Capital contributions	-	-	-	-	(480,000)	-	-	-	-	-
	-	-	(385,946)	(269,052)	(455,444)	676,367	8,637,260	35,000	50,000	50,000
	<u>\$ (840,312)</u>	<u>\$ 1,273,250</u>	<u>\$ 303,100</u>	<u>\$ (459,836)</u>	<u>\$ (2,413,049)</u>	<u>\$ 2,467,520</u>	<u>\$ (659,858)</u>	<u>\$ 1,433,328</u>	<u>\$ 225,700</u>	<u>\$ 778,239</u>

**Kansas City Public Library**  
**General Governmental Expenditures by Function**  
**Last Ten Fiscal Years**

Fiscal Year	Program Services	Capital Outlay	Other	Debt Service	Totals
2003 – 2004	\$ 15,261,662	\$ 2,242,517	\$ -	\$ -	\$ 17,504,179
2004 – 2005	14,945,482	2,927,623	151,873	-	18,024,978
2005 – 2006	15,481,271	144,726	-	-	15,625,997
2006 – 2007	16,954,916	643,455	-	-	17,598,371
2007 – 2008	17,643,118	3,995,239	-	-	21,638,357
2008 – 2009	18,329,278	1,873,745	-	-	20,203,023
2009 – 2010	17,759,299	9,726,311	-	739,404	28,225,014
2010 – 2011	16,989,724	378,656	-	610,743	17,979,123
2011 – 2012	18,075,532	417,380	-	673,592	19,166,504
2012 – 2013	17,874,849	292,778	-	725,737	18,893,364

Includes only governmental funds.

**Kansas City Public Library**  
**General Governmental Revenues by Source**  
**Last Ten Fiscal Years**

Fiscal Year	Property Taxes	Grants	State and Federal Funds	Charges for Services	Interest	Contributions	Other	Total
2003 – 2004	\$ 13,978,736	\$ 156,864	\$ 1,212,126	\$ 581,419	\$ 144,545	\$ 469,012	\$ 121,165	\$ 16,663,867
2004 – 2005	14,548,431	309,839	508,668	629,858	443,277	2,828,059	30,096	19,298,228
2005 – 2006	14,880,118	15,000	248,493	709,910	365,113	7,723	88,686	16,315,043
2006 – 2007	14,565,707	296,443	326,357	416,139	845,406	957,509	26	17,407,587
2007 – 2008	14,974,378	907,108	368,911	444,814	834,188	2,145,147	6,206	19,680,752
2008 – 2009	16,002,058	1,878,064	917,658	916,124	419,362	1,831,754	29,156	21,994,176
2009 – 2010	15,679,320	1,148,160	441,848	851,637	103,224	644,250	59,457	18,927,896
2010 – 2011	16,881,422	299,881	402,729	789,466	66,023	919,952	17,978	19,377,451
2011 – 2012	15,849,058	1,042,913	380,811	753,466	33,381	1,252,631	29,944	19,342,204
2012 – 2013	16,451,358	707,427	418,763	782,677	(488)	1,229,894	31,972	19,621,603

Includes only governmental funds.

**Kansas City Public Library**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year	Current Tax Levy (1)	Current Tax Collections	% of Current Tax Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collection to Current Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Current Tax Levy
2003 – 2004	\$ 14,076,336	\$ 12,716,247	90.3%	\$ 1,262,489	\$ 13,978,736	99.3%	\$ 1,120,163	8.0%
2004 – 2005	14,137,790	12,880,394	91.1%	1,668,037	14,548,431	102.9%	635,041	4.5%
2005 – 2006	14,594,900	13,554,494	92.9%	1,118,038	14,672,532	100.5%	889,443	6.1%
2006 – 2007	14,077,245	13,430,114	95.4%	1,135,593	14,565,707	103.5%	899,714	6.4%
2007 – 2008	14,871,879	13,492,540	90.7%	747,896	14,240,436	95.8%	989,814	6.7%
2008 – 2009	15,373,810	14,289,601	92.9%	922,413	15,212,014	98.9%	1,022,659	6.7%
2009 – 2010	15,414,201	14,837,105	96.3%	1,108,028	15,945,133	103.4%	1,089,421	7.1%
2010 – 2011	15,350,531	14,782,342	96.3%	1,463,330	16,245,672	105.8%	1,082,349	7.1%
2011 – 2012	15,306,588	14,336,360	93.7%	1,071,578	15,407,938	100.7%	1,085,233	7.1%
2012 – 2013	15,020,972	14,657,869	97.6%	1,430,004	16,087,873	107.1%	1,043,711	6.9%

(1) Amount includes real estate, personal property and replacement merchant and manufacturing.

**Kansas City Public Library**  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
*(In Thousands)*

<b>Fiscal Year</b>	<b>Real Estate</b>		<b>Personal Property</b>		<b>Total</b>		<b>Ratio of Total Assessed to Total Estimated Value</b>
	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	
2003 – 2004	\$ 2,022,203	\$ 10,111,015	\$ 731,741	\$ 2,197,420	\$ 2,753,944	\$ 12,308,435	22.4%
2004 – 2005	2,041,091	10,536,343	705,468	2,116,425	2,746,559	12,652,768	21.7%
2005 – 2006	2,283,163	10,102,205	696,339	2,078,624	2,979,502	12,180,829	24.5%
2006 – 2007	2,299,908	10,185,059	694,613	2,073,472	2,994,521	12,258,531	24.4%
2007 – 2008	2,547,492	11,133,985	762,518	2,276,173	3,310,010	13,410,158	24.7%
2008 – 2009	2,506,966	11,000,607	747,439	2,231,162	3,254,405	13,231,769	24.6%
2009 – 2010	2,357,194	10,343,406	713,008	2,128,382	3,070,202	12,471,788	24.6%
2010 – 2011	2,363,636	10,371,671	699,784	2,088,907	3,063,420	12,460,578	24.6%
2011 – 2012	2,344,838	10,289,187	716,480	2,138,745	3,061,318	12,427,932	24.6%
2012 – 2013	2,338,720	10,262,339	665,475	1,986,492	3,004,194	12,248,831	24.5%

**Kansas City Public Library**  
**Property Tax Rates<sup>(1)</sup> – Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

	<b>2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>	<b>2008-2009</b>	<b>2009-2010</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>
Kansas City Public Library	0.4863 %	0.4897 %	0.4690 %	0.4701 %	0.4493 %	0.4731 %	0.4991 %	0.4999 %	0.5000 %	0.5000 %
City of Kansas City	1.3159	1.3196	1.5055	1.5055	1.4632	1.4493	1.4678	1.5294	1.5509	1.5875
City of Independence	0.7500	0.6931	0.6627	0.6629	0.6503	0.6565	0.7028	0.7228	0.7236	0.7281
City of Sugar Creek	1.0685	1.0685	1.0685	1.0685	1.0685	1.1001	1.1300	1.1300	1.1300	1.1300
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Jackson County	0.5700	0.5700	0.5375	0.4701	0.4493	0.5430	0.5430	0.5430	0.5298	0.5298
Metropolitan Community Colleges	0.2232	0.2233	0.2171	0.2172	0.2132	0.2143	0.2266	0.2329	0.2335	0.2349
Kansas City Missouri School District	4.9500	4.9500	4.9500	4.9500	4.9500	4.9500	4.9500	4.9500	4.9500	4.9500
Mental Health Fund	0.1278	0.1278	0.1232	0.4701	0.4493	0.1218	0.1218	0.1218	0.1218	0.1218
Developmentally Disabled	0.0800	0.0800	0.0766	0.0766	0.0766	0.0748	0.0748	0.0748	0.0748	0.0748
Total	<b>9.6017 %</b>	<b>9.5520 %</b>	<b>9.6401 %</b>	<b>9.9210 %</b>	<b>9.7997 %</b>	<b>9.6129 %</b>	<b>9.7459 %</b>	<b>9.8346 %</b>	<b>9.8444 %</b>	<b>9.8869 %</b>

(1) Tax rate per \$100 of assessed valuation.

**Kansas City Public Library**  
**Principal Property Taxpayers**  
**Current Year and Ten Years Ago**

Taxpayer	2013		2003	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value (1)	Taxable Assessed Value	Percent of Total City Taxable Assessed Value (2)
K. C. Power & Light	\$ 121,574,617	4.05 %	\$ 89,266,469	3.41 %
Hallmark	61,763,628	2.06	62,040,023	2.37
AT&T & SWB	53,896,801	1.79	-	-
J.C. Nichols & Highwoods Realty	26,845,301	0.89	-	-
Town Pavilion Holdings LLC	22,247,150	0.74	-	-
Bayer Corp Science	20,774,811	0.69	-	-
Southern Union Company	18,281,165	0.61	22,546,692	0.86
Kansas City Terminal Railroad	14,466,651	0.48	-	-
Twentieth Century Realty Inc.	14,164,528	0.47	-	-
Union Pacific Railroad	13,176,059	0.44	-	-
IBM Credit Corp	-	-	30,451,899	1.16
SBC	-	-	28,021,240	1.07
Highwoods Realty Limited PTP	-	-	27,070,455	1.04
AT&T	-	-	18,831,740	0.72
EHMD LLC	-	-	18,311,930	0.70
DST Systems Inc.	-	-	10,625,467	0.41
G S T Steel Company	-	-	10,389,636	0.40
	<u>\$ 367,190,711</u>	<u>12.22 %</u>	<u>\$ 317,555,551</u>	<u>12.14 %</u>

(1) Total assessed value for 2012-2013 was \$3,004,194,305

(2) Total assessed value for 2002-2003 was \$2,614,989,953

**Kansas City Public Library**  
**Ratio of Net General Bonded Debt to Assessed**  
**Value and Net Bonded Debt Per Capita**  
**Last Ten Fiscal Years**

Fiscal Year	Estimated Population	Assessed Value	Gross Bonded Debt	Debt Service Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Ratio of Net Bonded Debt Per Capita
2003 – 2004	239,525	\$ 2,753,944,542	\$ -	\$ -	\$ -	-	-
2004 – 2005	239,525	2,746,558,916	-	-	-	-	-
2005 – 2006	221,211	2,979,502,645	-	-	-	-	-
2006 – 2007	213,209	2,994,521,413	-	-	-	-	-
2007 – 2008	213,209	3,310,010,957	-	-	-	-	-
2008 – 2009	215,507	3,254,405,266	-	-	-	-	-
2009 – 2010	208,498	3,070,202,051	8,430,000	-	8,430,000	0.27%	40.43
2010 – 2011	194,122	3,063,419,408	8,200,000	-	8,200,000	0.27%	42.24
2011 – 2012	194,122	3,061,317,649	7,905,000	-	7,905,000	0.26%	40.72
2012 – 2013	190,873	3,004,194,305	7,550,000	-	7,550,000	0.25%	39.56

**Kansas City Public Library**  
**Ratio of Annual Debt Service Expenditures for**  
**General Bonded Debt to Total General Fund Expenditures**  
**Last Ten Fiscal Years**

Fiscal Year	Principal Payments	Interest Payments	Total Debt Service	Total General Expenditures	Ratio of Total Debt Service to Total General Fund Expenditures
2003 – 2004	\$ -	\$ -	\$ -	\$ 17,504,179	-
2004 – 2005	-	-	-	18,024,978	-
2005 – 2006	-	-	-	15,625,997	-
2006 – 2007	-	-	-	17,598,371	-
2007 – 2008	-	-	-	21,638,357	-
2008 – 2009	-	-	-	20,203,023	-
2009 – 2010	170,000	294,664	464,664	28,225,014	1.65%
2010 – 2011	230,000	379,243	609,243	17,979,123	3.39%
2011 – 2012	295,000	373,492	668,492	19,166,504	3.49%
2012 – 2013	355,000	367,437	722,437	18,893,364	3.82%

**Kansas City Public Library**  
**Property Value, Construction and Bank Deposits**  
**Last Ten Fiscal Years**

Fiscal Year	Estimated Actual Property Value (1)	Construction (2)	Bank Deposits (2)
2003 – 2004	\$ 12,308,435,000	\$ 239,200,000	\$ 18,398,563,000
2004 – 2005	12,652,768,000	269,757,840	19,989,268,000
2005 – 2006	12,180,829,000	187,927,450	19,854,265,000
2006 – 2007	12,258,531,479	146,916,629	21,276,790,000
2007 – 2008	13,410,158,134	286,766,243	23,096,388,000
2008 – 2009	13,231,769,451	291,445,419	27,053,921,000
2009 – 2010	12,471,787,733	599,374,877	27,841,849,000
2010 – 2011	12,460,577,977	680,852,566	33,547,929,000
2011 – 2012	12,427,931,794	614,244,121	36,911,731,000
2012 – 2013	12,248,830,845	380,756,843	16,847,493,000

- (1) See table “Assessed and Estimated Actual Value of Taxable Property.”
- (2) Includes information for all of Jackson County although other public library districts exist in Jackson County; therefore, a portion of these values do not relate to the Library. A breakdown of the above information by individual library districts within Jackson County is not available. Bank deposits include commercial banks and savings and loan associations.

**Kansas City Public Library**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	Population (1)	Personal Income (1) (in thousands)	Per Capita Personal Income	Unemployment Rate (2)
2004	239,525	\$ 4,481,273	\$ 18,709 (3)	8.90%
2005	239,525	4,796,728	20,026 (4)	7.50%
2006	221,211 (5)	4,716,219	21,320 (5)	6.30%
2007	213,209 (6)	5,155,394	24,180 (6)	5.00%
2008	213,209 (6)	5,155,394	24,180 (6)	5.70%
2009	215,507 (7)	4,628,875	21,479 (7)	7.60%
2010	208,498 (8)	5,118,417	24,549 (8)	10.00%
2011	194,122 (9a)	4,752,883	24,484 (9b)	10.60%
2012	194,122 (9a)	4,548,861	23,433 (10)	7.50%
2013	190,873 (11)	4,564,919	23,916 (11)	7.40%

- (1) Mid-America Regional Council provided actual data for 2004. Other years are estimates based on average trend.
- (2) Source: U.S. Department of Labor, Bureau of Labor Statistics.
- (3) Source: Mid-America Regional Council, Jackson County Annual Average.
- (4) Source: Census Bureau – American Community Survey.
- (5) Source: 2005 American Community Survey – Kansas City Public School District
- (6) Source: 2006 American Community Survey – Kansas City Public School District
- (7) Source: 2007 American Community Survey – Kansas City Public School District
- (8) Source: 2008 American Community Survey – Kansas City Public School District
- (9a) Source: 2010 Census
- (9b) Source: 2005-2009 American Community Survey – Kansas City Public School District
- (10) Source: 2006-2010 American Community Survey – Kansas City Public School District
- (11) Source: 2009-2011 American Community Survey – Kansas City Public School District

**Kansas City Public Library**  
**Principal Employers**  
**Current Year and Ten Years Ago**

<b>Employer</b>	<b>2013</b>		<b>2003</b>	
	<b>Number of Employees</b> <b>(1)</b>	<b>Percent of Total Employment</b> <b>(2)</b>	<b>Number of Employees</b> <b>(3)</b>	<b>Percent of Total Employment</b> <b>(4)</b>
Federal Government	27,500	5.0%	18,471	3.4%
HCA Midwest Health System	9,367	1.7%		
Cerner Corp	8,300	1.5%		
Sprint Corp	7,600	1.4%	20,623	3.8%
Saint Luke's Health System	7,080	1.3%		
State of Missouri			6,723	1.2%
DST Systems, Inc.			6,109	1.1%
Ford Motor Co.			5,837	1.1%

(1) Source: Kansas City Business Journal - Top Area Private & Public Employers

(2) Source: Bureau of Labor Statistics - Total Nonfarm Employees for Kansas City, MO in June 2013 was 554,900

(3) Source: Kansas City Business Journal 2003-2004 Book of List

(4) Source: Bureau of Labor Statistics - Total Nonfarm Employees for Kansas City, MO in June 2003 was 548,900

**Kansas City Public Library**  
**Full-Time and Part-Time Employees**  
**Last Ten Fiscal Years**

<b>Function</b>	<b>Full-Time and Part-Time Employees as of June 30</b>									
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
General government	200.54	198.54	195.60	195.49	198.82	201.93	191.89	181.08	184.57	185.20
Business-activity (1)	3.00	3.00	4.00	5.75	6.91	5.91	-	-	-	-
Total	<u>203.54</u>	<u>201.54</u>	<u>199.60</u>	<u>201.24</u>	<u>205.73</u>	<u>207.84</u>	<u>191.89</u>	<u>181.08</u>	<u>184.57</u>	<u>185.20</u>

(1) - Estimated for years prior to 2006

**Kansas City Public Library**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Government										
Branches	10	10	10	10	10	10	10	10	10	10
Vehicles	5	5	5	5	5	5	5	9	9	8
Maintenance lift		1	1	1	1	1	1	1	1	1
Collection (Volumes/items owned)	1,614,917	1,625,914	1,005,118	1,153,303	1,154,669	1,166,602	1,158,593	1,147,278	1,106,762	1,036,044

**Kansas City Public Library**  
**Miscellaneous Statistical Data**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Full-Time Equivalents</b>	<b>Number of Volumes Owned</b>	<b>Number of Materials Circulated</b>	<b>Number of Registered Borrowers</b>
2003 – 2004	203.54	1,614,917	2,346,438	213,342
2004 – 2005	201.54	1,625,914	2,278,709	179,564
2005 – 2006	199.60	1,005,118	2,407,423	219,159
2006 – 2007	201.24	1,153,303	2,326,922	253,205
2007 – 2008	205.73	1,154,669	2,387,741	221,762
2008 – 2009	207.84	1,166,602	2,456,546	257,863
2009 – 2010	191.89	1,158,593	2,462,894	290,222
2010 – 2011	181.08	1,147,278	2,348,408	318,308
2011 – 2012	184.57	1,106,762	2,242,450	270,570
2012 – 2013	185.20	1,036,044	1,880,743	275,468

**Kansas City Public Library**  
**Circulation Summary by Location**  
**Last Ten Fiscal Years**

Fiscal Year	Central Library	L.H. Bluford Branch	North-East Branch	Plaza Branch	Southeast Branch	Sugar Creek Branch	Trails West Branch	Waldo Branch	Westport Branch	I.H. Ruiz Branch	Total
2003 – 2004	501,143	99,977	167,173	360,621	118,588	51,358	360,778	333,714	259,633	93,453	2,346,438
2004 – 2005	701,603	83,814	132,528	341,903	105,362	48,968	292,188	297,688	201,717	72,938	2,278,709
2005 – 2006	702,669	84,585	144,247	557,642	101,931	40,080	273,741	275,768	160,200	66,560	2,407,423
2006 – 2007	716,826	71,531	119,578	589,398	96,754	31,868	242,686	258,729	141,166	58,386	2,326,922
2007 – 2008	751,080	78,745	107,284	617,782	95,285	25,425	245,375	275,357	139,630	51,778	2,387,741
2008 – 2009	744,460	81,958	111,909	674,134	94,316	32,303	239,840	288,832	137,536	51,258	2,456,546
2009 – 2010	767,744	59,131	126,693	670,154	92,596	32,910	247,801	285,304	131,212	49,349	2,462,894
2010 – 2011	752,642	68,117	118,706	607,339	87,022	34,306	235,693	274,699	122,498	47,386	2,348,408
2011 – 2012	724,309	69,126	123,546	560,192	83,496	32,285	214,070	269,088	123,736	42,602	2,242,450
2012 – 2013	640,522	59,245	93,641	477,748	58,262	25,570	176,705	236,957	81,452	30,641	1,880,743

**Kansas City Public Library**  
**Schedule of Service Locations**  
**June 30, 2013**

<b>Library Name and Address</b>	<b>Square Feet</b>	<b>Meeting Room Capacity</b>	<b>Number of Hours of Operation/Wk.</b>	<b>Owned/ Leased</b>
Central Library 14 W. 10th Street Kansas City, Missouri 64105	142,544	2,388	63	Owned
Plaza Branch 4801 Main Kansas City, Missouri 64112	51,522	728	73	Owned
L. H. Bluford Branch 3050 Prospect Kansas City, Missouri 64128	15,000	100	58	Owned
North-East Branch 6000 Wilson Road Kansas City, Missouri 64123	15,000	100	63	Owned
Southeast Branch 6242 Swope Parkway Kansas City, Missouri 64130	15,000	100	54	Owned
Trails West Branch 11401 E. 23rd Independence, Missouri 64052	15,000	100	63	Owned
Waldo Branch 201 E. 75th Street Kansas City, Missouri 64114	15,000	100	64	Owned
Westport Branch 118 Westport Road Kansas City, Missouri 64111	7,325	100	46	Owned
Sugar Creek Branch 102 S. Sterling Sugar Creek, Missouri 64054	2,800	-	36	Leased
Irene H. Ruiz Branch 2017 W. Pennway Kansas City, Missouri 64108	4,000	50	54	Owned