



St. Louis County Library  
**Comprehensive Annual  
Financial Report**  
as of December 31, 2019



St. Louis County **Library**

1640 S. Lindbergh Blvd. | St. Louis, MO 63131 | 314-994-3300

# ST. LOUIS COUNTY LIBRARY DISTRICT

## TABLE OF CONTENTS

---

	<b>Page</b>
<b>I. INTRODUCTORY SECTION</b>	
Letter of Transmittal	i.
Members of the Board	viii.
Organizational Chart	ix.
<b>II. FINANCIAL SECTION</b>	
<b>INDEPENDENT AUDITORS' REPORT</b>	1
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED</b>	3
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-Wide Financial Statements	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements	
Balance Sheet - Governmental Funds	12
Reconciliation of the Governmental Funds Balance Sheet With the Statement of Net Position	13
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	14
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances with the Statement of Activities	15
Statement of Fiduciary Net Position – Pension Trust Fund	16
Statement of Changes in Fiduciary Net Position – Pension Trust Fund	17
Notes to Financial Statements	18
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Budgetary Comparison Information – General Fund – Budgetary Basis – Unaudited	43

# ST. LOUIS COUNTY LIBRARY DISTRICT

## TABLE OF CONTENTS

---

Schedule of District Contributions to Pension Plan – Unaudited	44
Schedule of Changes in the District’s Net Pension Liability and Related Ratios – Unaudited	45
Schedule of Changes in Other Post-Employment Benefit Liability – Unaudited	46
Notes to Required Supplementary Information	47
<b>III. STATISTICAL SECTION</b>	
Summary of Statistical Information	49
Net Position by Component	50
Changes in Net position	51
Fund Balances – Governmental Funds	52
Governmental Funds Revenues	53
Governmental Funds Expenditures and Debt Service Ratio	54
Other Financing Sources and Net Change in Fund Balances – Governmental funds	55
Tax Revenue by Source	56
Assessed Value and Estimated Actual Value of Taxable Property	57
Property Tax Rates Direct and Overlapping	58
Principal Property Taxpayers	59
Property Tax Levies and Collections	60
Legal Debt Margin Information	61
Outstanding Debt by Type – Governmental Activities	62
Direct and Overlapping Governmental Debt	63
Demographic and Economic Statistics	64
Principal Employers	65
Full-Time Equivalent and Other Operating Indicators by Function	66
Operating Indicators by Branch	67-68

# Introduction



St. Louis County **Library**



**Kristen L. Sorth**  
Director

April 16, 2020

To the St. Louis County Library District Board of Trustees,

The Comprehensive Annual Financial Report (CAFR) of the St. Louis County Library District (the District) for the fiscal year ended December 31, 2019 is hereby submitted. This report was prepared in conformity with Generally Accepted Accounting Principles (GAAP) established in the United States of America. As required by Missouri State Statute 105.145, this CAFR will be sent to the office of the Missouri State Auditor by June 30, 2020.

This report was prepared by the Finance Department of the District and the responsibility for the accuracy and completeness of the financial statements, supporting schedules, and statistical information rests with Library management. The independent certified public accounting firm of Kerber, Eck, and Braeckel LLP (KEB) has audited the District's financial statements. Included in the report, KEB has rendered an unmodified opinion declaring the financial statements present fairly, in all material respects, the financial position of the St. Louis County Library District.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A.

## **PROFILE OF THE LIBRARY**

St. Louis County Library District was established as a political subdivision of the State of Missouri with taxing authority by an election held in April of 1946. The Library District is governed by a Board of Trustees, consisting of five members appointed by the County Council based on a recommendation of the County Executive. The Board of trustees is responsible for selecting and appointing a Library Director. The Director is the chief executive officer of the Library and is responsible for the execution of the orders and policies adopted by the Board. Information concerning the establishment and governance of the Library District can be found in Chapter 182 of the Missouri State Statutes.

The first library building opened in 1947 and was quickly followed by two branch locations in the heavily populated portion of North County. The 1960's saw an additional four branches, including a new Headquarters building and the first of many building expansions. This building boom resulted in the construction of branches throughout the 524 square miles of the County. A tax levy passed in 1973 allowed the library to add 12 branches to the system, bringing the total number of branch locations to 20. The District currently also includes seven bookmobiles that serve schools, retirement centers, nursing homes, and preschools. The Library employs nearly 700 employees and has an annual budget of over \$55 million.

St. Louis County Library is supported primarily by the property taxes of District residents. The most recent tax levy approved by the residents of the District in November 2012 allowed the Library to begin a capital improvement plan. The plan included constructing six new branches and a new administrative facility, renovating and adding square footage to four branches, and renovating nine branch locations. As of this date, the District has completed the renovation or construction of 18 branches and is working on the design of the administrative building. The Headquarters location will be the last building constructed in the capital improvement plan with completion expected in 2022. The 20<sup>th</sup> location, not included in the capital improvement plan, is the Eureka Hills branch. The Library District will be using surplus dollars from the Maintenance and Operating fund to construct a new branch in Eureka, and construction is planned to be completed in 2021.

With the Strategic Plan as our guide, the 2020 Library Budget addresses plans for three areas of focus:

**Promote Literacy and Support Lifelong Learning:**

We serve the community’s literacy needs from babies to adults. We are the best resource for supporting lifelong learning and individual growth.

**Foster a Sense of Community and Social Connectedness:**

We understand the needs of our communities and look for opportunities to support understanding and enrich the lives of our patrons.

**Maximize access and impact:**

We strive to increase the reach and accessibility of the library’s resources and services.

The District’s plans, outlined in the 2020 Budget for collections, programs, services and facilities, support these goals. The Library will provide increasingly diverse collections, an increased emphasis on services to adults who are justice-involved, and innovative programming for children, teens and adults including a multi-day teen book festival, ACT prep classes, and a summer reading club by mail service. The Library will also be heavily involved in activities encouraging participation in the 2020 Census, as libraries will play an important role with the shift to online census participation. The District plans to expand several successful pilots, with the support of the St. Louis County Library Foundation, including additional locations for Wi-Fi Hot Spot lending, mobile vision clinics, tutoring, and emergency diaper distribution.

Highlights for the Library District in 2019 included: 16.3 million items circulated, 5.2 million patrons visiting the Library, and 5.5 million website visits. In addition, the District offered 37,486 programs in 2019 which were attended by a total of 636,309 patrons.

## **ECONOMIC CONDITIONS AND OUTLOOK**

The Library District receives approximately 96% of its funding from property taxes. Assessed valuations of property are the main drivers used in determining the increase/decrease in annual revenue. From 2018 to 2019, assessed valuations of residential and commercial property increased 13.6% and 10.5% respectively. Increases of this magnitude will likely generate an increase in the number of taxpayers protesting their assessed valuation. As these protests are litigated, there is a potential negative impact to current and future revenue if the valuation increase is deemed excessive. While this process of protest occurs annually, with the increase from 2018 – 2019 being the most significant increase in the last ten years, the impact potentially could be worse than in prior years.

Additional risks to assessed valuations include the possibility of a nationwide recession. As of this date, the chances of a recession have increased due to the COVID-19 pandemic. If the impact of COVID-19 lasts months, a recession becomes more likely. Depending on the length of a recession, the demand for housing could become significantly lower and property values would eventually decline. Declining property values would result in a decline in assessed valuations and the District's future revenues would be negatively impacted. A recession could also affect collections of property tax revenue. Historically, the Library District has collected approximately 97% of the calculated property tax revenue in any given year. A 1% reduction in collections would negatively affect the Library's revenue by more than \$500,000. The District also receives distributions from the Missouri State Library and various grants from the State of Missouri, which could potentially decrease, or stop completely, in a recessionary environment.

A further risk to the District's current and future revenues is property tax abatements. Property tax abatements, such as Tax Increment Financing (TIF), are used to help revitalize and develop areas of the County that appear to be dilapidated. Tax abatements are used to attract developers who can use the tax revenue from the estimated increase in the property valuation to help fund their development. The Library District would still receive the tax revenue on the base valuation of the property, but would forgo the tax revenue for a period of years on the increased value of the property. Those tax dollars would go to the company developing the land to fund construction. Tax abatements are on the rise in St. Louis County and at the end of 2019, the amount of tax revenue the District is losing each year due to abatements is approximately \$840,000.

## **LONG - TERM FINANCIAL PLANNING**

The Library District's fund balance policy, passed by the Library Board of Trustees in 2011, requires a range for the unassigned fund balance between 15% and 20% of operating expenditures with a target of 17.5%. This range is in line with recommendations of the Government Finance Officers Association (GFOA). The policy also directs that when this balance exceeds 20% of operating expenditures, the excess be assigned for capital improvements. The unassigned fund balance is projected to be \$9.3 million at the end of 2020 with the assigned balance for capital improvements fund to be approximately \$35.4 million. Over the next few years, the assigned for capital improvements fund balance will be used to help fund the construction of the Eureka Hill Branch and the Headquarters Branch.

The Finance Department completes a long-range forecast annually for the maintenance and operating fund and the capital projects fund. Both are reviewed with key members of the administrative team. The long-range forecast for the maintenance and operating fund is based on many assumptions including, but not limited to, growth in salary expense and medical expense, a general inflationary growth of other expenses, and growth in property tax revenue. The capital projects forecast is a cash basis forecast to track the use of funds received from the Library's issuance of Certificates of Participation for the Your Library Renewed capital campaign.

## **RELEVANT FINANCIAL POLICIES**

The Library District Board of Trustees adopted an investment policy in January 2013. The Treasurer of the Board is the custodian of all funds belonging to the Library District per Missouri Revised Statute 182.073.1 and the operation of the investment program is delegated to the Investment Officer, which is currently the Assistant Director of Administration. The investment policy follows the policy of the state of Missouri and permits any investment permissible under Missouri Revised Statutes 30.950.3. Return on investment is of secondary importance to safety and liquidity.

The Library District strictly adheres to three purchasing policies previously approved by the Library Board of Trustees in May and August 2017. Policy I gives guidance over the normal procurement process and grants authority to the Director of the Library to authorize the purchase of goods or services under \$20,000. Any purchases over \$20,000 have to be approved by the Library Board of Trustees. Policy II governs purchases of professional services and adheres to the same materiality limits as Policy I, but gives specific guidelines for the selection of professional services. Policy III is similar to Policy I, but governs Board oversight of all disbursements by reviewing the monthly check register.

The Library District Board of Trustees adheres to a strict code of ethics policy that is annually approved in the By-Laws of the Board of Trustees. The policy complies with section 182.050 of the Missouri Revised State Statutes and provides the terms for disclosure of any conflicts of interest as well as annual disclosure reporting to the Missouri Ethics Commission.

## **ANNUAL BUDGET PROCESS**

The Library District presents an annual budget to the Library Board of Trustees for review at the November Board meeting. The budget is prepared in accordance with Missouri Revised Statute 67.010, which governs the annual budgeting procedure for political subdivisions of the State of Missouri, including the Library District. The annual budget is presented each December at the Board meeting as an action item to be approved by the Library Board. The Finance Department of the Library prepares the budget with internal approval by the Budget Committee. The Budget Committee consists of members of the administrative team with final authority given to the Director of the Library District.

As allowed by Missouri Revised Statute 67.010, a budget revision is prepared and presented to the Library Board for approval at each September Board meeting. The budget revision is a forecast for the remainder of the budget year, prepared by the Finance Department, and is approved by the Budget Committee.



## A FEW OF THE LIBRARY'S MAJOR INITIATIVES

### **Born to Read**

The *Born to Read* program began in 2015 as a way to encourage parents to read to their children starting at birth. During the postnatal hospital stay or at the baby's first check-up, families receive an St. Louis County Library tote bag. Inside the bag is a book, information about infant development, a St. Louis Cardinals beanie, a voucher for St. Louis Cardinals tickets, and a library card for the infant. Families are also given an invitation to celebrate the child's first birthday party at the Library. At this special celebration children are gifted another book. After settling at home with their new baby, parents can come to the Library to receive their free Cardinals tickets and activate their infant's library card. The program has grown throughout the years, and the Library currently partners with all area birthing hospitals, Delta Dental, and the St. Louis Cardinals to provide parents and their new babies with a head start toward literacy. The *Born to Read* program has reached 68,759 families in the St. Louis area.

### **1000 Books Before Kindergarten**

St. Louis County Library participates in *1000 Books Before Kindergarten*, a program that encourages reading to newborns, infants and toddlers. With this program, children receive incentives as they pursue the goal of reading 1,000 books before entering kindergarten. The *1000 Books Before Kindergarten* programming began in August 2016, since then 12,257 children have registered for the program, and 1,031 children have completed the challenge.

### **Wi-Fi Hotspots**

Starting in December 2017, St. Louis County Library partnered with St. Louis Public Library to offer the *Mobile Hotspot Lending Program*. Through the hotspot lending program, the library districts are addressing the digital divide and providing essential infrastructure for the area. In St. Louis County, 11% of households do not have internet, and in St. Louis City, this percentage is doubled. St. Louis County Library started with 30 hotspots and have added 120 since then. The Wi-Fi hotspots allow people to connect to the internet anytime and anywhere. These devices are valuable to many in the community, especially those who cannot afford internet services or have unreliable service. On the first day, the hotspots were available for checkout, all of the devices were checked out by mid-afternoon, and the waitlist quickly grew to over 400 people.

### **Author Series**

St. Louis County Library hosts one of the largest, free author series in the country. Each year the series brings over 90 bestselling writers, advocates, athletes, politicians, and even Hollywood celebrities to the Library. Some of the most notable speakers to visit include Rick Riordan, Mo Willems, Madeleine Albright, Dan Brown, Cheryl Strayed, Roxane Gay, Al Gore, Laura Bush, and Gabrielle Union. In the past five years alone, almost 100,000 people have attended the series, many of them first time visitors to the library.

## **Operation Food Search**

St. Louis County Library began a partnership with Operation Food Search (OFS) in 1999 to offer *Food For Fines*, an annual food drive held at all Library branches during National Library Week. During the drive, patrons donate cans of food and, in return, fines are erased from their library accounts. A total of 287,670 pounds of food have been collected in eleven years of the drive. In 2014, the partnership between the Library and OFS expanded to offer the *Summer Lunch Program*. This program aids families who rely on free or reduced lunch service during the school year, which in St. Louis County is around 45%. The goal is to provide children with a nutritious lunch and to prevent the “summer slide” by introducing children and their families to library resources. The program began at three SLCL locations and has since grown to nine locations. In 2016, the St. Louis County Library Foundation added *Pizza Fridays* to the program and children enjoyed a free pizza party every Friday. Over 80,000 meals have been served since the start of the program.

## **Career Online High School**

The Career Online High School program began October 2017 and is an opportunity for adults 25 years of age and older to earn an accredited high school diploma (not a GED); prepare for career advancement by earning a career certificate in one of eight high-growth, high-demand fields; and gain employment search skills and support tools such as resume development, cover letter writing, and interviewing tips.

In the United States, educational opportunities of every kind, including vocational and on-the-job experiences are supported by a high school diploma, which provides evidence of foundational literacy. Adults with higher levels of education are more likely to participate in the workforce than adults with less than a college degree. Due to this lack of earning potential, 21.4% of individuals 25 years and over who live in St. Louis County are living in poverty. The library believes that educating these adults is critical to mitigating poverty in the region. Since 2018, the Library has graduated 58 adults through the program and attained a graduation rate of 71%.

## **AWARDS**

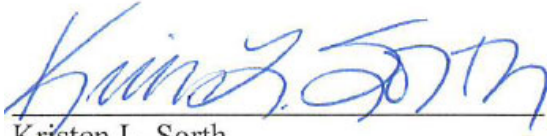
The Library District was the recipient of several awards in 2019, they are as follows:

- Top Workplace in the St. Louis Region for the sixth year in a row
- Ernest A. DiMattia Jr. award given by the American Library Association for Innovation and Service to Community and Profession was presented to Library Director, Kristen L. Sorth
- Certificate of Appreciation from the MoSGA (Missouri State Genealogical Society) was presented to Sharion Duncan for her years of service in the Library’s History and Genealogy department
- Outstanding Librarian award given by the Missouri Library Association for the improvement and advancement of library and information services was presented to Lewis & Clark Branch Manager Gina Sheridan
- Special Ambassador award given by the Special School District (SSD) for community members who demonstrate an extraordinary commitment to the students and staff of the SSD was presented to Emily McIlvoy, the coordinator of the Library’s Teen Services

The Library District will be submitting this CAFR to the GFOA to determine its eligibility for the Certificate of Achievement for Excellence in Financial Reporting for fiscal year ending 2019. This is the first year for the preparation of a CAFR from the Library District and Library Administration believes this CAFR conforms to the standards as required by the GFOA for presentation of the award.

Library District Administration wishes to express our appreciation to the Library District Board of Trustees for their continued support in planning and conducting the financial operations of the Library District. The District would also like to express our thanks to the audit team from Kerber, Eck, and Braeckel LLP for their help in the preparation of this report.

Respectfully submitted,



Kristen L. Sorth  
Library Director



Kristopher J. Mooney  
Assistant Director, Administration

Fiscal Year End December 31, 2019

**ST. LOUIS COUNTY LIBRARY BOARD OF TRUSTEES**

Dr. Lynn Beckwith, Jr., Ed.D. – President

Johnny Wang – Vice President

Ted Sanditz – Treasurer

Laura Horwitz – Secretary

Joan Berry – Member

**SENIOR ADMINISTRATIVE STAFF**

Kristen L. Sorth – Director

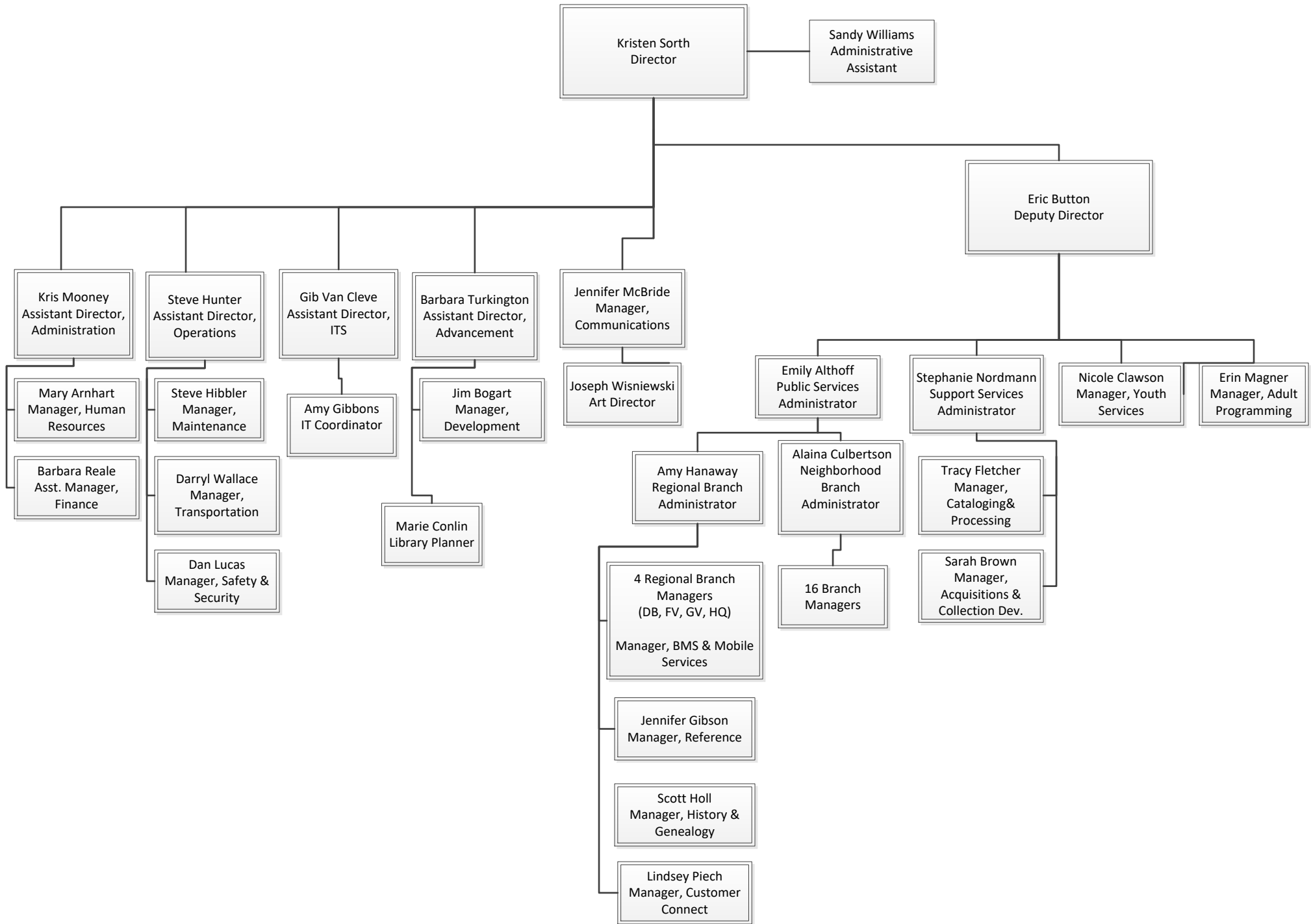
Eric Button – Deputy Director

Kristopher J. Mooney – Assistant Director, Administration

Gib Van Cleve – Assistant Director, ITS

Steve Hunter – Assistant Director, Operations

Barbara Turkington – Assistant Director, Advancement



# Financial



St. Louis County **Library**



## Independent Auditors' Report

Board of Trustees  
St. Louis County Library District

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of St. Louis County Library District as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as 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.

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

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

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of St. Louis County Library District as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Louis County Library District's basic financial statements. The introductory section and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

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

*Kerber, Eck & Braedel LLP*

St. Louis, Missouri  
April 16, 2020



# ST. LOUIS COUNTY LIBRARY DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

---

The discussion and analysis of the St. Louis County Library District's (the "District") financial performance provides an overall review of the District's financial activities for the year ended December 31, 2019. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements to enhance their understanding of the District's financial performance.

### FINANCIAL HIGHLIGHTS – 2019

Key financial highlights for 2019 are as follows:

- The District's net position of \$135.4M increased by \$6.4M or 4.9 percent from 2018.
- Unrestricted net position increased \$4.5M or 5.5 percent from 2018.
- Total assets increased by \$1.2M or 0.4 percent from 2018.
- Total deferred outflows decreased by \$4.1M or 90.9 percent from 2018.
- Total deferred inflows increased by \$2.3M or 87.7 percent from 2018.
- Total liabilities decreased by \$11.6M or 8.0 percent from 2018.

### Overview of the Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the District as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at the District's specific financial conditions.

### Government – Wide Financial Statements

The government-wide Statement of Net position and Statement of Activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those assets. These two statements report the District's net position and the changes in those assets. This change in net position is important because it tells the reader whether, for the District as a whole, the financial position of the District has improved or diminished. However, in evaluating the overall position of the District, non-financial information such as changes in the District's tax base and the condition of District capital assets will also need to be evaluated.

The District's financial statements also include the activity of the St. Louis County Library Foundation, a separate not-for-profit corporation. The Foundation is accounted for as a discretely presented component unit. Accordingly, balances and transactions of the Foundation are presented in a separate column in the government-wide financial statements.

### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The funds of the District are divided into two categories: governmental funds and fiduciary funds.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

---

### Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and change in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains two governmental funds. The General Fund is the primary operating fund of the District and reports all of the financial resources of the District except those required to be accounted for in another fund. The Capital Projects Fund is used to account for resources to be used for the acquisition and construction of major capital assets.

The District adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

### Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District's own programs.

A separately issued report of the Pension Plan may be obtained by writing the St. Louis County Library District Employees' Pension Plan, 1640 South Lindbergh, St. Louis, Missouri 63131.

### Notes to the 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 also presents certain *required supplementary information* including a budgetary comparison schedule and information concerning the District's progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

---

### St. Louis County Library District as a Whole

The Statement of Net Position presents the District as a whole. Table 1 provides a summary of the District's net position for 2019 compared to 2018.

**TABLE 1**  
**NET POSITION**  
**December 31,**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Current and other assets	\$ 115,776,160	\$ 125,187,799
Capital assets, net	<u>155,559,081</u>	<u>144,940,900</u>
Total assets	271,335,241	270,128,699
DEFERRED OUTFLOWS OF RESOURCES	411,540	4,538,652
<b>LIABILITIES</b>		
Current liabilities	3,761,780	7,190,904
Long-term liabilities	<u>129,938,320</u>	<u>138,124,787</u>
Total liabilities	133,700,100	145,315,691
DEFERRED INFLOWS OF RESOURCES	<u>2,673,518</u>	<u>329,989</u>
<b>NET POSITION</b>		
Net investment in capital assets	48,055,034	46,229,503
Restricted	20,000	3,116
Unrestricted	<u>87,298,129</u>	<u>82,789,052</u>
Total net position	<u>\$ 135,373,163</u>	<u>\$ 129,021,671</u>

The District shows an increase of 5.5% in unrestricted net position at December 31, 2019 to total \$87,298,129.

Assets increased by \$1.2M from 2018. An increase in Land, Buildings and Construction in progress of \$10.6M due to the ongoing construction plans was offset by a decrease in cash of \$9.4M as funds were used for the construction.

Deferred outflows decreased by \$4.1M and deferred inflows increased by \$2.3M in 2019, due to net investment gains in excess of actuarial expectations in the District's pension plan.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

---

Liabilities decreased by \$11.6M largely due to the \$6.2M decrease in the District's net pension liability, as a result of significant market gains in 2019. Construction payables are also down from prior year as the Your Library Renewed capital campaign is being completed.

Table 2 shows the changes in net position for the year 2019 compared to 2018.

**TABLE 2**  
**CHANGES IN NET POSITION**  
**Year ended December 31,**

	<u>2019</u>	<u>2018</u>
<b>REVENUES</b>		
Program revenues		
Charges for services	\$ 577,941	\$ 612,487
Operating grants and contributions	539,288	503,557
General revenues		
Property taxes	53,800,846	51,498,780
Other taxes	590,433	359,571
Unrestricted investment earnings	1,994,189	2,291,714
Miscellaneous	292,683	300,311
Total revenues	<u>57,795,380</u>	<u>55,566,420</u>
<b>EXPENSES</b>		
Culture and recreation	47,656,200	46,945,629
Interest	<u>3,787,688</u>	<u>3,858,180</u>
Total expenses	<u>51,443,888</u>	<u>50,803,809</u>
Change in net position	6,351,492	4,762,611
Net position, beginning of year	<u>129,021,671</u>	<u>124,259,060</u>
Net position, end of year	<u>\$ 135,373,163</u>	<u>\$ 129,021,671</u>

# ST. LOUIS COUNTY LIBRARY DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

---

The District's net position increased by \$6.4M in 2019 compared to an increase of \$4.8M in 2018. Total revenues increased by \$2.2M or 4.0% from 2018 and expenses increased \$0.6M or 1.3%. Key elements of the increase in net position are as follows:

- Property tax revenue increased by \$2.3M due to increases in assessed valuations.
- Culture and recreation expenses increased by \$0.7M over the last fiscal year primarily due to an increase in deferred pension expenses of \$6.5M largely related to investment gains which was offset by a decrease in net pension liability of \$6.2M.

### **Fund Financial Analysis**

At the end of the current fiscal year, The St. Louis County Library District's governmental funds reported combined ending fund balances of \$103.5M, a decrease of \$4.3M over the prior year. Fund balance decreased for the year largely due to the use of cash in the Capital Projects Fund for the continuing of the Library District's construction plans. Of the 2019 ending balances in the General Fund, \$32.6M, or 36.7%, is assigned for facilities acquisition and construction, and \$43.5M, or 49%, is assigned for 2020 operations. The St. Louis County Library District has an unassigned fund balance of \$9.2M, or 10.4% of the total fund balance.

#### General Fund

The General Fund is the chief operating fund of the St. Louis County Library District. At the end of fiscal year 2019, the General Fund had a balance of \$88.7M, of which \$9.2M was unassigned, and \$43.5M was assigned for 2020 operations. The General Fund increased over prior year by \$6.7M largely due to an increase in cash and investments due to the prior year surplus.

#### Capital Projects Fund

In 2013, the St. Louis County Library District opened a Capital Projects Fund which was funded by the issuance of Certificates of Participation in April 2013. Additionally, the District issued Certificates of Participation in September 2016. The balance of the Capital Projects Fund at the end of 2019 was \$14.8M, all of which was restricted for facility acquisition and construction. The funds being used are part of a three-phase plan to improve, or build new, all of St. Louis County Library District buildings.

### **Budgetary Highlights**

The District adopts an annual Maintenance and Operations budget for its General Fund that is prepared according to Missouri State Statutes.

During the course of 2019, the District amended its General Fund budget. All recommendations for a budget change are presented by the Library's Administration to the Board of Trustees. The General Fund is monitored closely looking for possible revenue shortfalls or over-spending by individual departments.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

---

Final budgeted revenues for the General Fund were \$55.4M; and the actual revenue was \$55.9M. The variance of \$0.5M was approximately 0.8%. Actual expenditures of \$51.9M were under budget by \$0.9M or 1.7%.

### Capital Assets

**TABLE 3**  
**CAPITAL ASSETS**  
**December 31,**

	2019	2018
Land	\$ 17,765,213	\$ 17,765,213
Buildings	126,517,614	101,106,839
Machinery and equipment	12,249,754	10,844,214
Vehicles and trailers	1,259,390	1,124,299
Collections	46,143,470	44,285,539
Construction in progress	3,848,387	21,010,454
Subtotal	<u>207,783,828</u>	<u>196,136,558</u>
Less accumulated depreciation	<u>(52,224,747)</u>	<u>(51,195,658)</u>
Net capital assets	<u>\$ 155,559,081</u>	<u>\$ 144,940,900</u>

Capital assets for the District as of December 31, 2019 are \$155.6M (net of accumulated depreciation). The increase of \$10.6M in assets is largely due to the renovation and construction of new buildings for the District.

Changes in the values of the collections are due to fluctuations in the composition of the collections.

Additional information on the District's capital assets can be found in Note 4 of this report.

### Debt Administration

At the end of the current fiscal year, the St. Louis County Library District had \$121.9M in outstanding Certificates of Participation, including unamortized premiums. The debt was issued in April, 2013 and September, 2016. The debt is part of a three phase plan to improve existing library buildings and to construct new library buildings which will replace older facilities. At the end of 2019, eighteen of the twenty buildings to be renovated or constructed have been completed.

Article VI, Sections 26(b) and (c) of the Constitution of the State of Missouri limit the net outstanding amount of authorized general obligation debt to five percent of the assessed valuation of the District. However, obligations secured by annually appropriated funds, such as the 2013 and 2016 Certificates, do not constitute indebtedness for the purposes of any Missouri statutory or constitutional debt limit.

Additional information on the District's debt can be found in Note 5 of this report.

# **ST. LOUIS COUNTY LIBRARY DISTRICT**

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

---

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

- Assessed valuations increased 11.3% in 2019. 2020 is not a year of reassessment.
- The 2020 budget was prepared using an assessed tax rate of \$.212 for residential property, \$.243 for commercial property, \$.225 for personal property and \$.219 for agricultural property.

### **Contacting the District's Financial Management**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Assistant Director of Administration, St. Louis County Library District, 1640 South Lindbergh Boulevard, St. Louis, MO 63131.

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**STATEMENT OF NET POSITION**

**December 31, 2019**

	Primary Government	Component Unit
	Governmental Activities	St. Louis County Library Foundation
<b>ASSETS</b>		
Cash and investments	\$ 65,381,145	\$ 3,514,382
Receivables		
Property taxes, net of allowance for uncollectibles of \$1,190,148	32,948,993	-
Financial institution tax	280,252	-
Grants and contributions	84,970	201,733
Interest	238,287	-
Prepaid items and other assets	905,394	200,326
Restricted cash and investments	15,937,119	-
Land and construction in progress	21,613,600	-
Other capital assets, net of accumulated depreciation	133,945,481	15,600
Total assets	271,335,241	3,932,041
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amounts related to pension	90,773	-
Deferred amounts related to other post-employment benefits	320,767	-
Total deferred outflows of resources	411,540	-
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	2,782,846	24,588
Unearned revenue	-	23,833
Accrued interest	978,934	-
Noncurrent liabilities:		
Due within one year	2,698,320	-
Due in more than one year		
Net pension liability	5,660,310	-
Other post-employment benefit liability	798,066	-
Compensated absences	1,204,386	-
Other	119,577,238	1,699
Total liabilities	133,700,100	50,120
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred amounts related to pension	2,673,518	-
<b>NET POSITION</b>		
Net investment in capital assets	48,055,034	15,600
Restricted for facilities acquisition and construction	-	2,184,959
Restricted for other purposes	20,000	1,028,344
Unrestricted	87,298,129	653,018
Total net position	\$ 135,373,163	\$ 3,881,921

See notes to financial statements.



# ST. LOUIS COUNTY LIBRARY DISTRICT

## STATEMENT OF ACTIVITIES

Year ended December 31, 2019

Functions/Programs	Expenses	Program revenues			Net (expense) revenue and changes in net position	
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary government	Component unit
					Total governmental activities	St. Louis County Library Foundation
Primary government						
Governmental activities						
Culture and recreation	\$ 47,656,200	\$ 577,941	\$ 539,288	\$ -	\$ (46,538,971)	\$ -
Debt service						
Interest and fiscal charges	3,787,688	-	-	-	(3,787,688)	-
Total primary government	<u>\$ 51,443,888</u>	<u>\$ 577,941</u>	<u>\$ 539,288</u>	<u>\$ -</u>	(50,326,659)	-
Component unit						
St. Louis County Library Foundation	<u>\$ 1,725,388</u>	<u>\$ -</u>	<u>\$ 1,719,572</u>	<u>\$ -</u>		(5,816)
		General revenues				
			Property tax		53,800,846	-
			Other taxes		590,433	-
			Investment income		1,994,189	74,354
			Miscellaneous		292,683	3,744
			Total general revenues		56,678,151	78,098
			CHANGE IN NET POSITION		6,351,492	72,282
			Net position at January 1, 2019		129,021,671	3,809,639
			Net position at December 31, 2019		<u>\$ 135,373,163</u>	<u>\$ 3,881,921</u>

See notes to financial statements.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2019

	General Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>			
Cash and investments	\$ 65,381,145	\$ -	\$ 65,381,145
Receivables			
Property taxes, net of allowance for uncollectables of \$1,190,148	32,948,993	-	32,948,993
Interest	225,190	13,097	238,287
Financial institution tax	280,252	-	280,252
Other	84,970	-	84,970
Prepaid items and other assets	905,394	-	905,394
Restricted cash and investments	-	15,937,119	15,937,119
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 99,825,944</u>	<u>\$ 15,950,216</u>	<u>\$ 115,776,160</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 1,604,141	\$ 1,178,705	\$ 2,782,846
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	8,928,980	-	8,928,980
Unavailable revenue - other	548,885	-	548,885
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total deferred inflows of resources	9,477,865	-	9,477,865
<b>FUND BALANCES</b>			
Nonspendable (prepaid items)	905,394	-	905,394
Restricted for facilities acquisition and construction	-	14,771,511	14,771,511
Restricted for employee relations	20,000	-	20,000
Assigned for:			
2020 operations	43,529,847	-	43,529,847
Facilities acquisition and construction	32,627,377	-	32,627,377
Pension plan contributions	2,390,389	-	2,390,389
Unassigned	9,270,931	-	9,270,931
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total fund balances	<u>88,743,938</u>	<u>14,771,511</u>	<u>103,515,449</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 99,825,944</u>	<u>\$ 15,950,216</u>	<u>\$ 115,776,160</u>

See notes to financial statements.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET WITH THE STATEMENT OF NET POSITION December 31, 2019

---

Total fund balance - governmental funds	\$ 103,515,449
Total net position reported for governmental activities in the Statement of Net Position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$207,783,828 and the accumulated depreciation is \$52,224,747.	155,559,081
Certain revenues are not available soon enough to pay for current period expenditures and therefore reported as deferred inflows of resources in the governmental funds.	9,477,865
Deferred outflows of resources are not current financial resources and therefore not reported in the funds.	411,540
Certain liabilities and deferred inflows of resources are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(1,204,386)
Accrued interest	(978,934)
Net pension liability	(5,660,310)
Deferred amounts related to pension	(2,673,518)
Other postemployment benefit obligation	(798,066)
Certificates of participation	(118,670,000)
Capital lease obligation	(422,278)
Unamortized premiums	<u>(3,183,280)</u>
Total net position - governmental activities	<u>\$ 135,373,163</u>

See notes to financial statements.

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
Year ended December 31, 2019**

	General Fund	Capital Projects Fund	Total Governmental Funds
<b>Revenue</b>			
Property taxes	\$ 55,141,583	\$ -	\$ 55,141,583
Other taxes	590,433	-	590,433
State aid	378,025	-	378,025
Grants	161,263	-	161,263
Fines and fees	303,547	-	303,547
Investment earnings	1,503,742	490,447	1,994,189
Copier income	274,394	-	274,394
Miscellaneous	252,687	-	252,687
<b>Total revenue</b>	<b>58,605,674</b>	<b>490,447</b>	<b>59,096,121</b>
<b>Expenditures</b>			
<b>Current</b>			
Salaries and benefits	29,303,462	-	29,303,462
Personnel supplies and services	408,622	-	408,622
Library collections	8,200,913	-	8,200,913
Library collections maintenance and supplies	627,074	-	627,074
Equipment and office supplies	338,730	-	338,730
Printing and program expenses	754,196	-	754,196
Postage	93,973	-	93,973
Utilities	1,401,890	-	1,401,890
Custodial supplies and services	494,852	-	494,852
Mobile operations	119,860	-	119,860
Insurance	300,661	-	300,661
Building maintenance	445,212	-	445,212
Building operation	1,365,233	-	1,365,233
Professional fees	182,064	-	182,064
Travel and meetings	124,490	-	124,490
Miscellaneous	7,458	30,981	38,439
<b>Capital outlay</b>			
Automotive	475,794	-	475,794
Furniture	74,188	-	74,188
Equipment	87,537	-	87,537
Technology	619,899	-	619,899
Facilities acquisition and construction	480,853	11,481,793	11,962,646
<b>Debt service</b>			
Principal retirements	2,500,000	-	2,500,000
Interest and fiscal charges	3,959,518	-	3,959,518
<b>Total expenditures</b>	<b>52,366,479</b>	<b>11,512,774</b>	<b>63,879,253</b>
<b>Revenues over (under) expenditures</b>	<b>6,239,195</b>	<b>(11,022,327)</b>	<b>(4,783,132)</b>
<b>Other financing sources</b>			
Sale of surplus materials	39,998	-	39,998
Inception of capital lease	449,036	-	449,036
	489,034	-	489,034
<b>CHANGE IN FUND BALANCES</b>	<b>6,728,229</b>	<b>(11,022,327)</b>	<b>(4,294,098)</b>
Fund balances at January 1, 2019	82,015,709	25,793,838	107,809,547
Fund balances at December 31, 2019	<u>\$ 88,743,938</u>	<u>\$ 14,771,511</u>	<u>\$ 103,515,449</u>

See notes to financial statements.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES WITH THE STATEMENT OF ACTIVITIES Year ended December 31, 2019

---

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

Net change in fund balance - total governmental funds \$ (4,294,098)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are capitalized and allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period:

Capital outlays	19,134,625
Depreciation expense	(8,516,444)
	<hr/>
	10,618,181

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.

Net OPEB liability	(116,523)
Net pension liability	6,166,606
Deferred amounts related to pension	(6,496,839)
Deferred amounts related to other post-employment benefits	26,198
Compensated absences	(93,293)
Interest on long-term debt	19,875
Amortization of certificates of participation	151,955

The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This activity for the current year is as follows:

Proceeds from capital lease obligation	(449,036)
Principal retirements on capital lease obligation	26,758
Principal retirements on certificates of participation	2,500,000

Because some revenues will not be collected within 60 days of year end, they are not considered "available" revenue and therefore reported as deferred inflows of resources in the governmental funds. They are, however, recorded as revenues in the Statement of Activities. Deferred inflows of resources decreased this year.

	<hr/>
	(1,708,292)
Change in net position of governmental activities	<hr/> <hr/>
	\$ 6,351,492

See notes to financial statements.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## STATEMENT OF FIDUCIARY NET POSITION - PENSION TRUST FUND

December 31, 2019

---

### ASSETS

Cash and short-term investments	\$ 179,730
Investments, at fair value	
Equity securities	35,527,902
Fixed income securities	<u>16,930,908</u>
	52,458,810
Prepaid expenses	244,882
Accrued interest and dividends	<u>41,459</u>
Total assets	52,924,881

### LIABILITIES

Accounts payable	<u>18,577</u>
Net position restricted for pension	<u><u>\$ 52,906,304</u></u>

See notes to financial statements.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - PENSION TRUST FUND

Year ended December 31, 2019

---

### ADDITIONS

Investment income	
Interest and dividends	\$ 1,104,473
Net appreciation in fair value of investments	<u>7,895,742</u>
Total investment income	9,000,215
Less investment expense	<u>92,025</u>
Net investment income	8,908,190
Employer contributions	<u>2,360,562</u>
Total additions	11,268,752

### DEDUCTIONS

Benefits paid to participants	2,936,288
Operating expenses	
Professional fees	126,414
Insurance	8,385
Miscellaneous	<u>8,039</u>
Total operating expenses	<u>142,838</u>
Total deductions	<u>3,079,126</u>

CHANGE IN NET POSITION 8,189,626

Net position - restricted for pension benefits at January 1, 2019	<u>44,716,678</u>
Net position - restricted for pension benefits at December 31, 2019	<u><u>\$ 52,906,304</u></u>

See notes to financial statements.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The St. Louis County Library District (the “District”) was established as a political subdivision of the State of Missouri with taxing authority by an election in 1946. The five-person Board of Trustees is appointed by the County Executive. The District is required to make an annual report to the County governing body and to the Missouri State Library. The District provides public library services through 20 branches and 7 bookmobiles throughout St. Louis County.

#### **Basis of Accounting**

The financial statements of the District and its component unit have been prepared in conformity with accounting principles generally accepted in the United States, as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting-body for establishing governmental accounting and financial reporting principles. The significant accounting policies of the District are described below.

#### **Reporting Entity**

These financial statements include the District (the primary government) and its discretely presented component unit, the St. Louis County Library Foundation (Foundation). Generally accepted accounting principles require the financial reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units may be presented as blended or discretely presented in the financial statements. Blended component units, although legally separate entities, are in substance, part of the primary government’s operations. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government.

The Foundation is a separate not-for-profit organization formed in 2000 for the purpose of accepting contributions from the community to fund certain programs for the exclusive benefit of the District. Separate financial statements are not issued for the Foundation.

#### **Basis of Presentation**

##### **Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The District has no business-type activities.



# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function.

Program revenues include charges paid by the recipients of goods and services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

### **Fund Financial Statements**

The District has organized its accounts on the basis of funds. Each fund is considered a separate accounting entity. The operations of each fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenue, and expenditures or expenses. District resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The emphasis is placed on major funds. Each major fund is presented in a separate column while nonmajor funds, if applicable, are aggregated and presented in a single column. A description of the activities of the major governmental funds are provided below:

#### **General Fund**

General Fund is the primary operating fund of the District. The fund is used to account for all financial resources except those required to be accounted for in another fund.

#### **Capital Projects Fund**

The Capital Projects Fund is used to account for resources to be used for the acquisition and construction of major capital assets.

Additionally, the District reports the following fiduciary fund:

#### **Pension Trust Fund**

The pension trust fund accounts for assets held in a trustee capacity for the District's retirement system.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they were levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered measurable when the amount of the transaction can be determined and available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues, including property tax, to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when the related liabilities are incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and other postemployment benefits, are recorded only when payments are due.

### **Investments**

Investments are reported at fair value as described in Note 3. Short-term investments are reported at cost, which approximates fair value.

### **Allowance for Uncollectible Property Taxes**

Property taxes receivable are reported net of an allowance for uncollectible taxes. The allowance for uncollectible property taxes is estimated based on historical collection rates.

### **Prepaid Items**

Payments made to vendors for services that will benefit periods beyond the fiscal year end are recorded as prepaid items.

### **Restricted Assets**

Restricted assets consist of cash and investments that are legally restricted as to their use and include unspent proceeds from the issuance of certificates of participation.

### **Capital Assets**

Capital assets, which include land, buildings, building improvements, equipment, and collections, are reported in the government-wide statement of net position but are not reported in the fund financial statements.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

All capital assets are recorded at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair value as of the date received. The District maintains a capitalization threshold of \$2,500 for furniture, shelving, computers, and shop equipment and \$5,000 for bookmobiles. Collection items are capitalized compositely based on end of year holdings. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets except land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Description	Years
Buildings	50
Building improvements	Determined individually
Furniture, equipment, and collection items	5 - 25
Computer and software	3
Shelving	25
Vehicles and trailers	5

### Deferred Outflows of Resources

The District reports decreases in net position that relate to future periods as deferred outflows of resources in a separate section of its government-wide Statement of Net Position. Deferred outflows of resources reported in the District's statement of net position include (1) a deferred outflow of resources for changes in assumptions about future economic/demographic factors used in determining pension and OPEB expense (2) difference between the actual and expected demographics for the District's single employer defined benefit plan. The deferred outflows of resources are attributed to pension and benefits expense over the average remaining service life for all active and inactive members. No deferred outflows of resources affect the governmental funds financial statements in the current year.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

### **Deferred Inflows of Resources**

The District's Statement of Net Position and its Governmental Funds Balance Sheet report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period(s). Deferred inflows of resources reported in the District's Statement of Net Position include (1) a deferred inflow of resources for actual amounts included in determining pension expense in excess of expected pension plan investment earnings (2) a deferred inflow of resources for the differences between the actual and expected demographics for the District's single employer defined benefit plan. These deferred inflows of resources are attributed to pension expense over a total of 5 years, including the current year. In its governmental funds, the only deferred inflow of resources is for revenues that are not considered to be available. The District will not recognize the related revenues until they are available (collected not later than 60 days after the end of the District's fiscal year) under the modified accrual basis of accounting. Accordingly, unavailable revenues from property taxes, interest earnings and grants are reported in the Governmental Funds Balance Sheet.

### **Compensated Absences**

Vacation benefits are available to all employees who have worked six months or more. Employees cannot accrue more than 30 days of vacation unless authorized by the Library Director. Accrued vacation time is recognized as a liability when earned and any unused accumulated vacation is payable to employees upon termination. Accrued vacation is recorded in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if the amount is due at year end and payable with current resources.

Unused sick leave accumulates but does not vest; and, therefore, an accrual is not made in the financial statements. Under the pension plan, however, unused sick leave is calculated as part of credited service. An additional month of credited service is added for every 168 hours of unused sick leave up to a maximum of four months.

### **Long-Term Liabilities**

In the government-wide financial statements, long-term debt is reported as liabilities in the Statement of Net Position. Premiums and discounts are amortized over the life of the debt.

In the governmental funds, premiums and discounts on debt issuances are recognized during the current period. The face amount of debt issued is reported as other financing sources, as are related premiums. Discounts on debt issuances are reported as other financing uses.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

### Equity Classifications

In the government-wide and fiduciary fund financial statements, equity is classified as net position and displayed in three components:

*Net investment in capital assets* - consist of capital assets, including restricted capital assets, net of accumulated depreciation and, if applicable, the outstanding balance of debt, excluding unexpended debt proceeds, that are directly attributable to the acquisition, construction, or improvement of those assets.

*Restricted* - consist of net position with constraints imposed on its use either through enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments.

*Unrestricted* - Consist of net position that does not meet the definition of restricted or net investment in capital assets.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted as they are needed.

In the governmental fund financial statements, equity is classified as fund balance. Governmental funds report the following classifications of fund balance:

*Nonspendable* - consists of funds that cannot be spent due to their form (e.g., inventories and prepaid expenditures) or funds that legally or contractually must be maintained intact.

*Restricted* - consists of funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation.

*Committed* - consists of funds that are set aside for a specific purpose by the District's highest level of decision-making authority, the Board of Trustees. Formal action must be taken by the Board of Trustees prior to the end of the fiscal year to commit funds. The same formal action must be taken to remove or change the limitations placed on the funds.

*Assigned* - consists of funds that are set aside with the intent to be used for a specific purpose. Under the District's adopted policy, amounts may be assigned by the Manager, Finance. Assigned funds cannot cause a deficit in unassigned fund balance. An explanation of the nature and purpose of each assignment is as follows.

*Assigned for 2020 operations* - Those funds, consisting of 2019 property taxes as well as interest accrued at December 31, 2019, are assigned to cover District expenditures that will be incurred in the course of normal operations in 2020.

*Assigned for facilities acquisition and construction* – Funds otherwise unassigned, in excess of 20% of the subsequent year operating expenditures are assigned for facilities acquisition, construction and other capital improvements as approved by the Board of Trustees.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

*Assigned for pension plan contributions* - These funds are designated for the Pension Plan contribution in 2020 for participants in the Plan at December 31, 2019.

*Unassigned* – These funds consist of excess funds that have not been classified in the previous four categories. All funds in this category are considered spendable resources. This category also provides for the resources necessary to meet unexpected expenditures and revenue shortfalls.

District policy requires the unassigned fund balance of the General Fund at each fiscal year end to be between 15% and 20% of the following year's budgeted operational expenses. The target percentage is 17.5%. Funds in excess of 20% will be assigned for facilities acquisition, construction and other capital improvements as directed by the Board of Trustees.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first unless legal requirements disallow it. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds as needed, unless the Board has provided otherwise in its commitment or assignment actions.

### 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, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

## NOTE 2 – DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of December 31, 2019 is as follows:

Deposits	
Cash	\$ 4,319,469
Certificates of deposit	7,515,001
Investments	
Repurchase agreements	25,564,005
Money market funds	11,042,529
U.S. Government and Agency issues	33,056,990
Pension trust fund	
Fixed income mutual funds	16,930,908
Equity securities	35,527,902
	<u>\$ 133,956,804</u>

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

The deposits and investments are summarized and presented in the financial statements as follows:

Cash and investments - governmental funds	\$ 65,381,145
Restricted cash and investments - governmental funds	15,937,119
Cash and short-term investments - fiduciary funds	179,730
Investments - fiduciary funds	<u>52,458,810</u>
Total reporting entity	<u><u>\$ 133,956,804</u></u>

### Investment Policy

The District's investment policy and activity is conducted in accordance with Section 182.800 of the Missouri Revised Statutes. State Statutes authorize Missouri political subdivisions to invest in obligations of the U.S. Treasury and U.S. Government agencies, repurchase agreements, certificates of deposit, bankers' acceptances, commercial paper, and in any instrument received as a gift by the District. Deposits in financial institutions must be collateralized by securities pledged by the custodian bank to the District or covered by FDIC insurance. These guidelines apply to the District's investments that are not held by a trustee in connection with the Pension Plan.

The District's Pension Plan is authorized to invest excess cash in any investment authorized by the Plan's investment policy. Permissible investment instruments are: United States Treasury Notes, Certificates of Deposit, U.S. Government and Federal Agency Bonds, corporate bonds (minimum AA rated), common stock or fixed income funds managed by a registered investment advisor, convertible preferred stock, foreign stock, commercial paper (minimum A-2/P-2 rating) and equities in other companies with a market capitalization of \$1 billion or greater.

### Credit Risk

In accordance with the State's model investment policy, the District minimizes credit risk, the risk of loss due to the failure of the security issuer or backer by pre-qualifying the financial institutions, broker/dealer, intermediaries, and advisors with which the District will do business. The District diversifies the portfolio so that potential losses on individual securities will be minimized.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

The following table provides information on the credit ratings associated with the District's investments, including the Pension Plan, in debt securities, excluding obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government at December 31, 2019:

<u>Security</u>	<u>Debt securities at fair value</u>	<u>Average credit quality</u>
Governmental funds		
Federal Farm Credit Bank	\$ 4,999,080	AAA
Federal Home Loan Mortgage Corporation	4,039,192	AAA
Pension trust fund		
Legg Mason Global Opportunities Bond Fund	1,439,767	BBB
Credit Suisse Floating Rate High Income Fund	2,185,778	B
Baird Core Plus Bond Fund	6,553,372	A
Dodge & Cox Income Fund	6,751,991	A
	<u>\$ 25,969,180</u>	

### Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District minimizes the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and investing operating funds primarily in short-term securities.

U.S. Agency issues in the portfolio carry a weighted average maturity of 1.20 years. The District's pension fund investments in fixed income mutual funds have weighted average maturities of 8.16 years for the Legg Mason Global Opportunities Bond Fund, 7.90 years for the Dodge & Cox Income Fund, 7.56 years for the Baird Core Plus Bond Fund and 3.32 years for the Credit Suisse Floating Rate High Income Fund.

### Concentration of Credit Risk

For the District, which follows State Statutes, there is no limit on the amount the District may invest in any one issuer with respect to U.S. Treasury securities and collateralized time and demand deposits. Based upon the model investment policy of the State, obligations with agencies of the U.S. Government and government-sponsored enterprises are limited to 60% of the portfolio and collateralized repurchase agreements are limited to 50% of the portfolio. U.S. Government agency callable securities are limited to 30% of the portfolio, and commercial paper and bank acceptances are limited to 25% of the portfolio, each.



# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

The following table lists investments in issuers, excluding mutual funds and investments issued or explicitly guaranteed by the U.S. Government, which represent 5% or more of the District's governmental fund investments at December 31, 2019:

Issuer	Percent of total investments
Commerce Bank - repurchase agreement	37%
Federal Farm Credit Bank	7%
Federal Home Loan Mortgage Company	6%

For the Pension Trust fund, investments in equities must be between 40% and 75% of total plan assets with a target percentage of 60%. Should the amount of money entrusted to the managed portfolio exceed 75% of the total assets, the equity allocation in the managed portfolio will be reduced to a neutral 60% weight. The Trustees, or Library Staff so authorized by the Trustees, shall monitor these allocations on a monthly basis and notify the Investment Advisors at least once per year if a change in allocations is required.

### **Custodial Credit Risk**

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. Investments in securities are exposed to custodial credit risk if the securities are uninsured, not registered in the District's name and held by the counterparty.

For deposits, custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. In accordance with District policy, protection of the District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, by letters of credit naming the District as beneficiary, or by a single collateral pool established by the financial institution.

### **NOTE 3 –FAIR VALUE MEASUREMENTS**

The District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

The District has the following recurring fair value measurements at December 31, 2019:

	Level 1	Level 2	Level 3	Total
Investments by fair value level				
Equity investments				
Common stocks				
Domestic	\$ 5,551,154	\$ -	\$ -	\$ 5,551,154
Mutual funds				
Domestic	16,631,863	-	-	16,631,863
International (ADR)	9,803,274	-	-	9,803,274
Fixed income investments				
Asset backed securities	6,553,372	-	-	6,553,372
Diversified taxable mutual funds	8,191,759	-	-	8,191,759
Taxable high yield funds	2,185,778	-	-	2,185,778
U.S. Government and Agency issues	24,018,718	9,038,272	-	33,056,990
Hybrids				
Balanced funds	2,289,802	-	-	2,289,802
 Total investments by fair value level	 <u>\$ 75,225,720</u>	 <u>\$ 9,038,272</u>	 <u>\$ -</u>	 84,263,992
 Investments measured at Net Asset Value (NAV)				
KCM Small Cap Core Fund, LLC				<u>1,251,808</u>
 Total investments measured at fair value				 <u>\$ 85,515,800</u>

The following is a description of the valuation methodologies used by the Plan to measure assets at estimated fair value. There were no changes in the methodologies used at December 31, 2019.

When available, the District uses quoted prices to determine the fair value of investments. Investments in common stock, mutual funds, and asset backed securities are valued based on the quoted market price of the investments on their respective exchange. These assets are Level 1.

When quoted market prices for investments are unobservable, the District uses quotes from independent pricing services based on recent trading activity information including market interest rate curves, dealer quotes, the U.S. treasury yield curve and bond terms and conditions. These investments are included in Level 2 and consist of U.S. Government agency obligations.

The valuation methods for investments measured at net asset value (NAV) per share (or its equivalent) as provided by the investee entity or fund manager is presented on the following table.

	Fair value	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period
KCM Small Cap Core Fund, LLC	<u>\$ 1,251,808</u>	n/a	1st and 15th	3 business days

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

KCM Small Cap Core Fund, LLC is a separate collective investment portfolio under the trust known as KCM Limited Liability Corp Unit. The fund and the trust are sponsored and maintained by Kennedy Capital Management. KCM Small Cap Core Fund, LLC is benchmarked to the Russel 2000<sup>®</sup> Index and they focus on equities with a market capitalization representative of the Russel 2000<sup>®</sup> Index.

### NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 is as follows:

	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019
Governmental activities				
Capital assets not being depreciated				
Land	\$ 17,765,213	\$ -	\$ -	\$ 17,765,213
Construction in progress	21,010,454	11,908,279	29,070,346	3,848,387
Total capital assets, not being depreciated	38,775,667	11,908,279	29,070,346	21,613,600
Capital assets, being depreciated				
Buildings	101,106,839	27,671,271	2,260,496	126,517,614
Furniture and shelving	6,621,342	1,231,076	-	7,852,418
Computer and equipment	2,346,732	305,853	190,747	2,461,838
Software	699,879	69,092	-	768,971
Vehicles and trailers	1,124,299	449,036	313,945	1,259,390
Shop equipment	1,176,261	-	9,734	1,166,527
Collections	44,285,539	6,570,364	4,712,433	46,143,470
Total capital assets, being depreciated	157,360,891	36,296,692	7,487,355	186,170,228
Less accumulated depreciation for				
Buildings	24,393,430	2,518,962	2,260,496	24,651,896
Furniture and shelving	1,469,532	543,990	-	2,013,522
Computer and equipment	1,954,943	267,076	190,747	2,031,272
Software	589,761	64,684	-	654,445
Vehicles and trailers	730,697	108,050	313,945	524,802
Shop equipment	642,534	105,633	9,734	738,433
Collections	21,414,761	4,908,049	4,712,433	21,610,377
Total accumulated depreciation	51,195,658	8,516,444	7,487,355	52,224,747
Total capital assets, being depreciated, net	106,165,233	27,780,248	-	133,945,481
Governmental activities capital assets, net	\$ 144,940,900	\$ 39,688,527	\$ 29,070,346	\$ 155,559,081

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5 – LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended December 31, 2019:

	Balance at January 1, 2019	Additions	Reductions	Balance at December 31, 2019	Amount due within one year
Certificates of participation Series 2013	\$ 42,700,000	\$ -	\$ (1,475,000)	\$ 41,225,000	\$ 1,545,000
Certificates of participation Series 2016	78,470,000	-	(1,025,000)	77,445,000	1,075,000
Unamortized premium Series 2013	2,024,876	-	(104,735)	1,920,141	-
Unamortized premium Series 2016	1,310,359	-	(47,220)	1,263,139	-
Obligations under capital leases	-	449,036	(26,758)	422,278	78,320
Compensated absences	1,111,093	1,204,386	(1,111,093)	1,204,386	-
Total long-term obligations	<u>\$ 125,616,328</u>	<u>\$ 1,653,422</u>	<u>\$ (3,789,806)</u>	<u>\$ 123,479,944</u>	<u>\$ 2,698,320</u>

Principal and interest on the certificates of participation and capital lease obligations are liquidated through the General Fund. Compensated absences are also liquidated through the General Fund.

#### Certificates of Participation

In 2013, the District issued certificates of participation in the amount of \$55,900,000 evidencing interest in the right to receive rental payments to be paid by the District pursuant to an annually renewable lease-purchase agreement. The proceeds of the certificates were used and will be used to acquire, construct, reconstruct, furnish and equip the District's library facilities. Principal is payable annually beginning April 1 and interest is payable semiannually on April 1 and October 1 at rates ranging from 2% to 5%. The certificates are secured by a security interest in the leased property.

In conjunction with the issuance of the certificates of participation, the District leased to a trustee the land on which five of the District's 20 library facilities are located. The trustee then leased the property, along with improvements financed by the issuance of the certificates, back to the District for an initial lease term ended December 31, 2013, with twenty-five successive one-year renewal options. Each renewal is subject to annual appropriation by the District.

The District's obligations under the lease are year to year and do not extend beyond the amount budgeted for any respective fiscal year. The District has the option to purchase the Trustee's interest in the leased property on any date at a purchase price equal to an amount to provide for the remaining rental payments due through the term of the lease.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

The following is a schedule of rental payments under the lease, assuming the agreement is renewed each year:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,545,000	\$ 1,424,691	\$ 2,969,691
2021	1,600,000	1,370,066	2,970,066
2022	1,645,000	1,321,166	2,966,166
2023	1,720,000	1,245,266	2,965,266
2024	1,790,000	1,175,416	2,965,416
2025-2029	10,020,000	4,810,616	14,830,616
2030-2034	11,845,000	2,992,667	14,837,667
2035-2038	11,060,000	812,884	11,872,884
	<u>\$ 41,225,000</u>	<u>\$ 15,152,772</u>	<u>\$ 56,377,772</u>

On September 19, 2016, the District issued certificates of participation in the amount of \$79,445,000 evidencing interest in the right to receive rental payments to be paid by the District pursuant to an annually renewable lease-purchase agreement. The proceeds of the certificates were used and will be used to acquire, construct, reconstruct, furnish and equip the District's library facilities. Principal is payable annually beginning April 1 and interest is payable semiannually on April 1 and October 1 at rates ranging from 2% to 5%. The certificates are secured by a security interest in the leased property.

In conjunction with the issuance of the certificates of participation, the District leased to a trustee the land on which 15 of the District's 20 library facilities are located. The trustee then leased the property, along with improvements financed by the issuance of the certificates, back to the District for a series of one-year terms, with a final renewal term commencing January 1, 2046 and ending April 2, 2046. Each renewal is subject to annual appropriation by the District.

The District's obligations under the lease are year to year and do not extend beyond the amount budgeted for any respective fiscal year. The District has the option to purchase the Trustee's interest in the leased property on any date at a purchase price equal to an amount to provide for the remaining rental payments due through the term of the lease.

Article VI, Sections 26(b) and (c) of the Constitution of the State of Missouri limit the net outstanding amount of authorized general obligation debt to five percent of the assessed valuation of the District. However, obligations secured by annually appropriated funds, such as the 2013 and 2016 Certificates, do not constitute indebtedness for the purposes of any Missouri statutory or constitutional debt limit.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

The following is a schedule of rental payments under the lease, assuming the agreement is renewed each year:

Year ending December 31,	Principal	Interest	Total
2020	\$ 1,075,000	\$ 2,441,669	\$ 3,516,669
2021	1,130,000	2,402,669	3,532,669
2022	1,190,000	2,344,668	3,534,668
2023	1,255,000	2,283,544	3,538,544
2024	1,315,000	2,219,294	3,534,294
2025-2029	7,660,000	10,097,344	17,757,344
2030-2034	9,050,000	8,836,359	17,886,359
2035-2039	13,445,000	7,406,625	20,851,625
2040-2044	28,620,000	4,103,700	32,723,700
2045-2046	12,705,000	384,075	13,089,075
	<u>\$ 77,445,000</u>	<u>\$ 42,519,947</u>	<u>\$ 119,964,947</u>

### Capital Lease Agreements

The District is the lessee of vehicles under capital leases expiring on various dates through 2024. The assets and liabilities under capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the asset. The assets are amortized over their estimated productive lives. At December 31, 2019, the vehicles had a combined capital cost of \$449,036. Amortization of assets under the capital leases in the amount of \$33,843 was included in depreciation expense for the year ended December 31, 2019.

The following is a schedule of minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of December 31, 2019.

Year ended December 31,	
2020	\$ 98,912
2021	98,912
2022	98,912
2023	98,912
2024	64,441
Total minimum payments required	460,089
Less amount representing interest	62,335
Less amount representing management fees	30,527
Present value of minimum lease payments	367,227
Guaranteed residual value	55,051
Capital lease obligation	<u>\$ 422,278</u>

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 6 – PENSION PLAN

#### Plan Description

The District contributes to a single employer defined benefit pension plan established and maintained by the District to provide pension benefits for its employees. The expense for providing these benefits is reflected in the General Fund. The Plan is administered through a separate trust fund under the control of the Pension Board of Trustees.

All full-time District employees are eligible to participate after six calendar months of employment. Benefits are fully vested after five years of service. A District employee who retires at the age of 65 with five years of credited service is entitled to a monthly retirement pension of one and six-tenths percent of the pensioner's average salary for the highest 60 consecutive calendar months within the 120 calendar months preceding termination of employment, multiplied by the number of years of credited service. Effective January 1, 2019, the Plan was amended to include the "Rule of 80", which allows eligible employees, whose combination of age and years of service are greater than or equal to 80, to elect to receive unreduced pension benefits upon retirement. At December 31, 2019, membership in the Plan consisted of the following:

Active members	383
Retirees and beneficiaries currently receiving benefits	304
Terminated employees entitled to benefits but not yet receiving them	<u>44</u>
Total	<u><u>731</u></u>

Early retirement benefits are available as computed above and reduced by .25% for each month payments begin before age 65. Joint survivor benefits are also available to retirees.

A separately issued report of the Pension Plan that includes financial statements and required supplementary information (RSI) may be obtained by writing the St. Louis County Library District Employees' Pension Plan, 1640 South Lindbergh Boulevard, St. Louis, MO 63131.

#### Funding Policy

The Plan's funding policy provides for actuarially determined annual required contributions at rates that, for individual employees, increase gradually over time so that sufficient assets will be available to pay benefits when due. The contribution rate for normal cost is determined using the aggregate funding method. The Pension Plan is noncontributory and entirely funded by the District.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

### Net Pension Liability

The District's net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method:	Entry Age Normal
Rate of investment return:	7.0% per annum compounded
Rate of salary increases:	6.0% graded down over 7 years to 3.5%, based on years of service
Mortality:	RP 2014 Mortality for Employees, Healthy Annuitants, and Disabled Annuitants with generational projection per Scale MP 2015.
Inflation:	2.30%

The best estimate range for long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset class</u>	<u>Target asset allocation</u>	<u>Long-term expected arithmetic real rate of return</u>
U.S. interm bonds	10 %	3.4 %
U.S. high yield bonds	5	5.2
Emerging markets bonds	5	5.1
U.S. large caps	10	5.6
U.S. small and mid caps	10	6.2
U.S. large value	20	7.2
Foreign developed equity	30	7.2
Emerging markets equity	10	9.2
	<u>100 %</u>	



# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### Discount Rate

The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

### Change in the District's Net Pension Liability

Changes in the District's net pension liability for the year ended December 31, 2019 were as follows:

	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (a) - (b)
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balance as of December 31, 2018	\$ 56,543,594	\$ 44,716,678	\$ 11,826,916
Changes for the year			
Service cost	1,253,726	-	1,253,726
Interest on total pension liability	3,942,399	-	3,942,399
Plan changes	-	-	-
Effect of economic/demographic gains or losses	(167,600)	-	(167,600)
Benefit payments	(3,005,505)	(2,936,288)	(69,217)
Employer contributions	-	2,360,562	(2,360,562)
Net investment income	-	8,908,190	(8,908,190)
Administrative expenses	-	(142,838)	142,838
Balance as of December 31, 2019	<u>\$ 58,566,614</u>	<u>\$ 52,906,304</u>	<u>\$ 5,660,310</u>

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

The following presents the net pension liability of the District as of December 31, 2019, calculated using the discount rate of 7.00%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	<u>Discount rate</u>	<u>Net pension Liability</u>
1% decrease	6.00%	\$ 12,868,272
Current discount rate	7.00%	5,660,310
1% increase	8.00%	(339,271)

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

### Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued St. Louis County Library District Employees' Pension Plan financial report.

### Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

For the year ended December 31, 2019, the District recognized pension expense of \$2,690,795. At December 31, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred inflows of resources	Deferred outflows of resources
Differences between expected and actual experience	\$ (364,014)	\$ 43,226
Change of assumptions	-	47,547
Net difference between projected and actual earnings on plan	<u>(2,309,504)</u>	<u>-</u>
	<u>\$ (2,673,518)</u>	<u>\$ 90,773</u>

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

Year ended December 31,:

2020	\$ (633,855)
2021	(780,024)
2022	27,833
2023	(1,193,414)
2024	<u>(3,285)</u>
	<u>\$ (2,582,745)</u>

## NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS

### Plan Description and Benefits Provided

The District provides healthcare benefits to employees defined as District retirees who have attained age 55 plus 20 years of service and retirees who have attained age 60 plus 10 years of service. Benefits are available until the retiree attains Medicare Eligibility Age. The retiree pays the monthly group health insurance premium. The Plan, as stated in the District's personnel policy, assigned the authority to establish and amend plan benefit provisions to the District. The plan does not issue a separate stand-alone report.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

Employees covered by benefit terms at December 31, 2019:

	<u>Number</u>	<u>Average Age</u>
Actives	372	46.0
Retirees	7	61.3
Spouses of retirees	<u>1</u>	
Total	<u><u>380</u></u>	

### Contributions

The District does not pre-fund benefits. The current funding policy is to pay benefits on a pay-as-you-go basis and there is not a trust for accumulating plan assets.

### Total OPEB Liability

The total OPEB liability was determined by an actuarial valuation as of December 31, 2019.

### Actuarial Assumptions

The following actuarial methods and assumptions were used in the December 31, 2019 actuarial valuation.

Inflation – 2.30% long term inflation.

Discount Rate – 2.74% based on 20-year Bond GO Index.

Salary Increase Rate – 6.0% graded down over 7 years to 3.5% based on years of service.

Healthcare cost trend rates – 8.2% for 2019, gradually decreasing to an ultimate rate of 3.80% for 2074 and beyond.

Mortality rates – RP-2014 Mortality Table (employee and healthy annuitant tables), projected generationally using Scale MP-2015.

Participation – Based on statistics provided by the District, it is assumed that 30% of eligible employees who retire prior to age 65 will elect medical coverage under the plan upon retirement.

Actuarial Cost method – Entry age normal.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

### Changes in Total OPEB Liability

The components of the total OPEB liability of the District at December 31, 2019 are as follows:

	<u>Total OPEB Liability</u>
Balance at December 31, 2018	\$ 681,543
Service cost	39,039
Interest	28,915
Changes in assumptions	79,564
Benefit payments	<u>(30,995)</u>
Balances at December 31, 2019	<u><u>\$ 798,066</u></u>

### Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower and 1 percentage point higher than the current discount rate.

	<u>1% Decrease 1.74%</u>	<u>Current Rate 2.74%</u>	<u>1% Increase 3.74%</u>
Total OPEB liability	\$ 879,714	\$ 798,066	\$ 724,684

### Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trends

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a healthcare trend rate that is 1 percentage point lower and 1 percentage point higher than the current discount rate.

	<u>1% Decrease 7.20%</u>	<u>Current Rate 8.20%</u>	<u>1% Increase 9.20%</u>
Total OPEB liability	\$ 696,087	\$ 798,066	\$ 921,799

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

### OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended December 31, 2019, the District recognized OPEB expense of \$121,320. At December 31, 2019, the District reported deferred outflows of resources related to OPEB of \$320,767 related to changes in assumptions.

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

Year ending December 31:

2020	\$	53,366
2021		53,366
2022		53,366
2023		53,366
2024		53,366
Thereafter		<u>53,937</u>
Total	\$	<u><u>320,767</u></u>

### NOTE 8 – DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits essentially all employees to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Plan assets are held in trust for the exclusive benefit of participants and their beneficiaries.

### NOTE 9 – PROPERTY TAXES

Taxes are levied annually by October 1 and payable by December 31. Property taxes that remain unpaid attach as an enforceable lien on January 1. St. Louis County collects the property taxes and remits them to the District. As of December 31, 2019, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2019 or earlier. Delinquent property tax receivable is recognized as revenue in the government-wide financial statements. Only the portion of property taxes receivable that meets the revenue recognition criteria is reported as revenue in the fund financial statements.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

The tax levy set by the Board of Trustees on September 23, 2019 for the General Operating Fund was \$.2120 per \$100 of assessed valuation for residential property, \$.2190 per \$100 of assessed valuation for agricultural property, \$.2430 per \$100 of assessed valuation for commercial property and \$.2250 per \$100 of assessed valuation for personal property. These tax rates do not include the surcharge of \$2,667,046 on commercial real estate. The current tax rate ceilings and assessed valuations are:

<u>Purpose</u>	<u>Tax rate ceiling</u>	<u>2019 assessed valuation</u>
Real estate		
Residential	0.2120	\$ 14,128,001,060
Agricultural	0.2190	6,235,880
Commercial	0.2430	6,341,883,353
Personal property	0.2250	<u>3,339,972,214</u>
		<u>\$ 23,816,092,507</u>

These ceilings are per \$100 of assessed valuation. The ceilings are based on a revision of the rates under a State Supreme Court ruling on September 24, 1991, and subsequent annual substantiation by the State Auditor's Office.

### NOTE 10 – OPERATING LEASE

On June 23, 2011, the District entered into a five-year operating lease with THF Eureka Parcel B Development for the relocated Eureka Hills Branch. On January 27, 2016, the lease was extended for an additional five years. Payments are due the first day of each calendar month.

On October 19, 1999, the District entered into a ten-year operating lease with the City of Fenton for the Meramec Valley Branch. The first amendment to the lease agreement was signed on April 22, 2010 whereby the term of the lease was extended for an additional ten years. Payments are due the first day of each calendar month.

In February 2015, the District entered into an operating lease with CRP-2 Mid South Industrial, LLC for space used for the storage of collections, furniture and fixtures, and equipment. The District has renewed this lease annually, with the current agreement expiring January, 2020. Payments are due the first day of each calendar month.

On March 15, 2017, the District entered into a five year lease with Wells Fargo Vendor Financial Services for the purchase of a Sharp copy machine. Payments are due on a monthly basis.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

On January 31, 2018, the District entered into a five year lease with Wells Fargo Vendor Financial Services for the purchase of a Sharp copy machine. Payments are due on a monthly basis.

On January 31, 2019, the District entered into a five year lease with Wells Fargo Vendor Financial Services for the purchase of a Sharp copy machine. Payments are due on a monthly basis.

Rent expense in 2019 was approximately \$292,000.

The District is obligated to make future minimum lease payments as follows:

<u>Year end December 31,</u>	<u>Amount</u>
2020	\$ 161,616
2021	103,363
2022	35,376
2023	16,340
2024	1,235
	<u>\$ 317,930</u>

### NOTE 11 – RISK MANAGEMENT

The District is exposed to various risks of loss related to: torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has obtained commercial insurance for these risks and to provide employee health and accident benefits. Claims have not exceeded coverage for the past three years.

### NOTE 12 – COMMITMENTS AND CONTINGENCIES

The District's remaining commitment for uncompleted work under its construction contracts totaled approximately \$5,703,313 as of December 31, 2019.

### NOTE 13 – SHARED SERVICE AGREEMENT

The District provides the Foundation with staffing, office space, and other support under a Shared Services Agreement. The fair value of these services was determined to be \$567,539 and is reported as contribution revenue and expense by the Foundation. The Foundation also contributed \$20,000 to the District in 2019, to be used for employee relations.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 14 – TAX ABATEMENTS

The District is subject to property tax abatements granted by St. Louis County. The amount of property taxes abated during 2019 was \$838,007.

### NOTE 15 – SUBSEQUENT EVENTS

In December 2019, a novel strain of coronavirus, COVID-19, was reported in Wuhan, China. The World Health Organization has declared the COVID-19 outbreak to constitute a “Public Health Emergency of International Concern.” The extent of the impact of COVID-19 on the District’s operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the District’s patrons, employees and vendors all of which are uncertain and cannot be determined at this time.



**ST. LOUIS COUNTY LIBRARY DISTRICT**

**BUDGETARY COMPARISON INFORMATION - GENERAL FUND - BUDGETARY BASIS - UNAUDITED**

**Year ended December 31, 2019**

	Budgeted amounts		Actual amounts	Variance with final budget
	Original	Final		
<b>Revenue</b>				
Property taxes	51,643,020	\$ 52,474,327	52,465,721	(8,606)
Other taxes	467,000	607,477	666,970	59,493
State aid	326,440	326,691	378,025	51,334
Grants	142,811	142,988	161,263	18,275
Fines and fees	252,102	326,125	308,824	(17,301)
Investment earnings	500,047	1,007,704	1,322,725	315,021
Sale of surplus materials	81,933	76,025	66,323	(9,702)
Copier income	273,008	273,884	274,395	511
Miscellaneous	109,415	183,210	226,363	43,153
Total revenue	<u>53,795,776</u>	<u>55,418,431</u>	<u>55,870,609</u>	<u>452,178</u>
<b>Expenditures</b>				
Current operating				
Salaries and benefits	29,419,002	29,581,381	29,216,455	364,926
Personnel supplies and services	422,580	421,507	379,328	42,179
Library collections	8,225,000	8,325,000	8,184,635	140,365
Library collection maintenance and supplies	568,442	597,998	635,462	(37,464)
Equipment and office supplies	365,877	362,653	339,339	23,314
Public relations and printing	276,917	278,524	276,743	1,781
Programming and reading clubs	612,000	606,576	587,396	19,180
Conferences and library memberships	165,382	140,382	125,290	15,092
Professional services	235,000	234,285	229,076	5,209
Miscellaneous	16,445	16,035	7,808	8,227
Utilities	1,355,760	1,353,793	1,419,661	(65,868)
Custodial supplies and services	383,912	468,752	510,698	(41,946)
Insurance	362,848	338,590	308,590	30,000
Building repair	617,419	580,960	441,789	139,171
Building operation	1,287,048	1,289,662	1,382,499	(92,837)
Mobile services and operation	147,505	113,184	152,506	(39,322)
Total current operating	<u>44,461,137</u>	<u>44,709,282</u>	<u>44,197,275</u>	<u>512,007</u>
Capital outlay				
Automotive	-	33,254	-	33,254
Furniture	80,400	81,007	73,992	7,015
Equipment	203,437	89,590	87,803	1,787
Technology	809,166	756,549	629,925	126,624
Capital projects - land purchase	650,000	600,068	403,243	196,825
Total capital outlay	<u>1,743,003</u>	<u>1,560,468</u>	<u>1,194,963</u>	<u>365,505</u>
Debt service				
Principal retirements	2,500,000	2,500,000	2,500,000	-
Interest and fiscal charges	3,955,485	3,955,116	3,959,518	(4,402)
Total debt service	<u>6,455,485</u>	<u>6,455,116</u>	<u>6,459,518</u>	<u>(4,402)</u>
Total expenditures	<u>52,659,625</u>	<u>52,724,866</u>	<u>51,851,756</u>	<u>873,110</u>
CHANGE IN FUND BALANCE	<u>\$ 1,136,151</u>	<u>\$ 2,693,565</u>	<u>\$ 4,018,853</u>	<u>\$ 1,325,288</u>

See notes to required supplementary information.

## ST. LOUIS COUNTY LIBRARY DISTRICT

### SCHEDULE OF DISTRICT CONTRIBUTIONS TO PENSION PLAN - UNAUDITED

Years ended December 31,

---

	<u>Actuarially determined contribution</u>	<u>Contribution in relation to actuarially determined contribution</u>	<u>Contribution deficiency (excess)</u>	<u>Covered- employee payroll</u>	<u>Contributions as a percentage of covered- employee payroll</u>
2010	\$ 1,088,903	\$ 775,000	\$ 313,903	\$ 14,406,379	5.38%
2011	1,150,067	1,150,067	-	13,522,046	8.51%
2012	1,403,653	1,403,653	-	13,972,781	10.05%
2013	1,571,499	1,571,499	-	14,634,206	10.74%
2014	1,546,259	1,625,000	(78,741)	14,949,996	10.87%
2015	1,497,480	1,875,000	(377,520)	15,081,678	12.43%
2016	1,769,272	2,500,000	(730,728)	15,634,664	15.99%
2017	1,864,205	1,864,205	-	16,477,307	11.31%
2018	1,914,634	1,914,634	-	16,436,687	11.65%
2019	2,360,562	2,360,562	-	17,644,056	13.38%

See notes to required supplementary information.

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY  
AND RELATED RATIOS - UNAUDITED**

**Years ended December 31,**

	2019	2018	2017	2016	2015	2014
Total pension liability						
Service cost	\$ 1,253,726	\$ 1,082,431	\$ 1,034,197	\$ 1,021,037	\$ 983,381	\$ 1,013,517
Interest	3,942,399	3,698,379	3,576,089	3,407,982	3,135,737	3,121,095
Plan changes	-	1,734,175 (B)	-	-	-	-
Economic/demographic gains or (losses)	(167,600)	(268,428)	(168,922)	200,410	(62,748)	(149,581)
Assumptions and input changes	-	-	-	-	2,424,802 (A)	7,194
Benefit payments	(3,005,505)	(2,860,684)	(2,628,402)	(2,416,906)	(2,284,935)	(2,147,006)
Net change in total pension liability	2,023,020	3,385,873	1,812,962	2,212,523	4,196,237	1,845,219
Total pension liability, beginning	56,543,594	53,157,721	51,344,759	49,132,236	44,935,999	43,090,780
Total pension liability, ending (a)	58,566,614	56,543,594	53,157,721	51,344,759	49,132,236	44,935,999
Plan fiduciary net position						
Employer contributions	2,360,562	1,914,634	1,864,205	2,500,000	1,875,000	1,625,000
Net investment income	8,908,190	(2,987,442)	6,835,140	2,492,677	(826,575)	2,141,692
Benefit payments	(2,936,288)	(2,795,120)	(2,575,438)	(2,416,906)	(2,285,844)	(2,160,589)
Administrative expenses	(142,838)	(121,633)	(121,635)	(91,557)	(88,399)	(72,469)
Net change in plan fiduciary net position	8,189,626	(3,989,561)	6,002,272	2,484,214	(1,325,818)	1,533,634
Plan fiduciary net position, beginning	44,716,678	48,706,239	42,703,967	40,219,753	41,545,571	40,011,937
Plan fiduciary net position, ending (b)	52,906,304	44,716,678	48,706,239	42,703,967	40,219,753	41,545,571
District's net pension liability, ending = (a) - (b)	\$ 5,660,310	\$ 11,826,916	\$ 4,451,482	\$ 8,640,792	\$ 8,912,483	\$ 3,390,428
Plan fiduciary net position as a % of total pension liability	90.34%	79.08%	91.63%	83.17%	81.86%	92.45%
Covered payroll	\$ 17,644,056	\$ 16,436,687	\$ 16,477,307	\$ 15,634,664	\$ 15,081,678	\$ 14,949,996
District's net pension liability as a % of covered payroll	32.08%	71.95%	27.02%	55.27%	59.09%	22.68%

**NOTES TO THE SCHEDULE**

**Changes in Assumptions:**

- (A) In 2015, assumed life expectancies were adjusted as a result of adopting the RP 2014 Mortality for Employees, Healthy Annuitants, and Disabled Annuitants with generational projection per Scale MP 2015. In prior years, these assumptions were based on RP 2000 Mortality Table, male and female ratios, projected generationally using Scale AA.
- (B) Effective January 1, 2019, an amendment to the Plan document allowed for "Rule of 80" unreduced early retirement benefits. The rate of retirement assumption was updated to better reflect expected retirement patterns.

**NOTE:** Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See notes to required supplementary information.

## ST. LOUIS COUNTY LIBRARY DISTRICT

### SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT BENEFIT LIABILITY - UNAUDITED For the Year ended December 31, 2019

---

#### Schedule of Changes in Total OPEB Liability

	<u>2019</u>	<u>2018</u>
Total OPEB liability		
Service cost	\$ 39,039	\$ 18,946
Interest cost	28,915	11,830
Changes in assumptions	79,564	337,761
Benefit payments	<u>(30,995)</u>	<u>(23,669)</u>
Net change in total OPEB liability	116,523	344,868
Total OPEB liability at beginning of year	<u>681,543</u>	<u>336,675</u>
Total OPEB liability at end of year	<u>\$ 798,066</u>	<u>\$ 681,543</u>
Covered payroll for the year	\$ 17,644,056	\$ 16,436,687
Total OPEB liability as a percentage of covered payroll	4.52%	4.15%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Plan Assets: No assets are accumulated in a trust that meets all of the following criteria of GASB No. 75, paragraph 4, to pay benefits

- Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- Plan assets must be dedicated to providing OPEB to Plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

See notes to the required supplementary information.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Year ended December 31, 2019

---

### NOTE 1 – BUDGETARY DATA

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. A proposed operating budget for the calendar year is submitted to the Board of Trustees prior to January 1. The operating budget includes proposed expenditures and the means of financing them. Expenditures may not legally exceed appropriations at the fund level.
2. Prior to January 1, the budget is formally adopted.
3. Prior to setting the District tax rate by October 1, a public hearing is conducted to obtain taxpayer comments.
4. Any revisions must be approved by the Board of Trustees.
5. The budget for the General Fund is adopted on a modified cash basis of accounting. The modified cash basis is used because it allows the District to better budget revenue and expenses as the resources are expended or received. As noted in the Summary of Significant Accounting Policies, the District used the modified accrual basis to report fund financial statements. The following is a summary of the difference between the modified cash basis change in fund balances and the modified accrual basis:

Change in fund balances - budgetary basis	\$ 4,018,853
Change in accounts receivable	(740,397)
Change in prepaid items	(38,976)
Change in accounts payable	3,409,249
Change in unavailable revenue	<u>79,500</u>
Change in fund balance - GAAP basis	<u><u>\$ 6,728,229</u></u>

# ST. LOUIS COUNTY LIBRARY DISTRICT

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION Year ended December 31, 2019

---

### NOTE 2 – PENSION DATA

The methods and assumptions used to determine contribution rates are as follows:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, layered, 20 year periods
Asset valuation method	Three year average of the adjusted market values
Rate of investment return	7.0% per annum, net of expenses
Inflation	2.30% per year
Salary increases	6.0% graded down over 7 years to 3.5% based on years of service
Turnover rates	Varies by age and year of membership based on Plan experience
Retirement and disability	Varies by age of active members based on Plan experience
Mortality or death rates	RP 2014 Mortality for Employees, Healthy Annuitants, and Disabled Annuitants with generational projection per Scale MP

### Changes of Actuarial Assumptions

In 2012, the actuarial cost and funding method changed from the aggregate method to the entry age normal method, the rate of investment return decreased from 7.50% to 7.25% and the assumed life expectancies and mortalities were adjusted to better reflect actual experience. In 2015, the rate of investment return was further decreased by .25%, the rate of inflation decreased from 2.75% to 2.50% and the rate of salary increases changed to better reflect actual experience. In 2015, assumed life expectancies were adjusted as a result of adopting the RP 2014 Mortality for Employees, Healthy Annuitants, and Disabled Annuitants with generational projection per Scale MP 2015. In prior years, these assumptions were based on RP 2000 Mortality Table, male and female ratios, projected generationally using Scale AA. In 2018, the inflation rates were further decreased by 20%.

# Statistical



St. Louis County **Library**

# ST. LOUIS COUNTY LIBRARY DISTRICT

## SUMMARY OF STATISTICAL INFORMATION

---

This part of the District’s comprehensive annual financial report presents detailed information as a context for understanding what the financial information in the financial statements, note disclosures, and required supplementary information says about the District’s overall financial health.

	<b>Pages</b>
<b>Financial Trends</b>	50-55
<p>These schedules contain trend information to help the reader understand how the District’s financial performance and position have changed over time.</p>	
<b>Revenue Capacity</b>	56-60
<p>These schedules contain information to help the reader assess the District’s most significant local revenue source – property tax.</p>	
<b>Debt Capacity</b>	61-63
<p>These schedules contain information to help the reader assess the affordability of the District’s current levels of outstanding debt and the District’s ability to issue additional debt in the future.</p>	
<b>Demographic and Economic Information</b>	64-65
<p>These schedules offer demographic economic indicators to help the reader understand the environment within which the District’s financial activities take place.</p>	
<b>Operating Information</b>	66-68
<p>These schedules contain service data to help the reader assess how information in the District’s financial reports relates to the services the District provides and the activities it performs.</p>	

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



**ST. LOUIS COUNTY LIBRARY DISTRICT**

**NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities:										
Net investment in capital assets	\$ 48,055,034	\$ 46,229,503	\$ 43,631,902	\$ 44,080,070	\$ 44,460,875	\$ 40,281,969	\$ 37,893,024	\$ 38,899,779	\$ 38,933,353	\$ 38,678,777
Restricted	20,000	3,116	509,634	28,666	33,585	38,472	38,465	45,860	48,268	445,320
Unrestricted	87,298,129	82,789,052	80,416,099	76,069,267	68,805,831	64,307,997	56,019,843	43,771,920	41,741,971	41,127,569
Total government activities net position	<u>\$ 135,373,163</u>	<u>\$ 129,021,671</u>	<u>\$ 124,557,635</u>	<u>\$ 120,178,003</u>	<u>\$ 113,300,291</u>	<u>\$ 104,628,438</u>	<u>\$ 93,951,332</u>	<u>\$ 82,717,559</u>	<u>\$ 80,723,592</u>	<u>\$ 80,251,666</u>
Component unit:										
Net investment in capital assets	\$ 15,600	\$ -	\$ -	\$ -	\$ -	\$ 56,255	\$ -	\$ 183,292	\$ 51,155	\$ -
Restricted	3,213,303	3,011,096	2,454,583	2,297,586	2,264,405	2,883,533	2,671,326	2,671,326	2,387,746	507,180
Unrestricted	653,018	798,543	798,920	835,186	674,391	639,577	508,563	317,452	277,797	142,529
Total component unit net position	<u>\$ 3,881,921</u>	<u>\$ 3,809,639</u>	<u>\$ 3,253,503</u>	<u>\$ 3,132,772</u>	<u>\$ 2,938,796</u>	<u>\$ 3,579,365</u>	<u>\$ 3,179,889</u>	<u>\$ 3,172,070</u>	<u>\$ 2,716,698</u>	<u>\$ 649,709</u>

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Expenses</b>										
Governmental activities:										
Culture and recreation	\$ 47,656,200	\$ 46,945,629	\$ 44,299,441	\$ 42,609,777	\$ 38,294,440	\$ 38,988,877	\$ 37,724,216	\$ 36,553,699	\$ 36,024,574	\$ 35,133,055
Debt service	3,787,688	3,858,180	4,077,851	4,063,224	1,758,617	1,875,449	1,768,563	-	-	-
Total governmental activities expense	51,443,888	50,803,809	48,377,292	46,673,001	40,053,057	40,864,326	39,492,779	36,553,699	36,024,574	35,133,055
<b>Program revenues</b>										
Governmental activities:										
Operating grants and contributions	539,288	503,557	309,464	350,658	1,287,539	819,042	960,001	812,467	880,223	478,579
Charges for services	577,941	612,487	861,348	1,056,788	1,210,770	1,407,313	1,450,736	1,328,076	1,200,730	1,118,660
Total governmental activities program revenues	1,117,229	1,116,044	1,170,812	1,407,446	2,498,309	2,226,355	2,410,737	2,140,543	2,080,953	1,597,239
Net expenses	(50,326,659)	(49,687,765)	(47,206,480)	(45,265,555)	(37,554,748)	(38,637,971)	(37,082,042)	(34,413,156)	(33,943,621)	(33,535,816)
<b>General revenues and other changes in net position</b>										
Property tax	53,800,846	51,498,780	50,759,338	49,106,926	48,859,608	48,413,005	47,839,578	35,547,287	34,017,693	34,195,435
Other taxes	590,433	359,571	44,000	519,460	426,440	372,633	335,567	153,136	71,169	17,134
Investment income	1,994,189	2,291,714	561,670	410,206	231,903	218,634	64,478	87,375	98,013	165,171
Miscellaneous	292,683	300,311	221,104	170,374	99,078	310,805	76,192	619,325	228,672	619,919
Gain on sale of asset	-	-	-	1,936,301	-	-	-	-	-	-
Total governmental activities general revenues	56,678,151	54,450,376	51,586,112	52,143,267	49,617,029	49,315,077	48,315,815	36,407,123	34,415,547	34,997,659
<b>Total governmental activities change in net position</b>	<b>\$ 6,351,492</b>	<b>\$ 4,762,611</b>	<b>\$ 4,379,632</b>	<b>\$ 6,877,712</b>	<b>\$ 12,062,281</b>	<b>\$ 10,677,106</b>	<b>\$ 11,233,773</b>	<b>\$ 1,993,967</b>	<b>\$ 471,926</b>	<b>\$ 1,461,843</b>
<b>Expenses</b>										
Component unit:										
St. Louis County Library Foundation	\$ 1,725,388	\$ 1,549,670	\$ 1,732,922	\$ 1,216,104	\$ 1,788,937	\$ 1,175,928	\$ 971,655	\$ 312,181	\$ 432,897	\$ 413,046
<b>Program revenues</b>										
Component unit										
Operating grants and contributions	1,719,572	2,058,137	1,822,923	1,393,345	1,137,386	1,560,037	949,323	734,498	2,463,710	509,053
Net revenues (expenses)	(5,816)	508,467	90,001	177,241	(651,551)	384,109	(22,332)	422,317	2,030,813	96,007
<b>General revenues and other changes in net position</b>										
Component unit										
Investment income	74,354	42,776	17,232	7,163	3,994	3,136	4,312	5,906	5,150	6,775
Miscellaneous	3,744	4,893	13,498	9,572	6,988	12,231	25,839	27,149	31,026	37,155
Total component unit general revenues	78,098	47,669	30,730	16,735	10,982	15,367	30,151	33,055	36,176	43,930
<b>Total component unit change in net position</b>	<b>\$ 72,282</b>	<b>\$ 556,136</b>	<b>\$ 120,731</b>	<b>\$ 193,976</b>	<b>\$ (640,569)</b>	<b>\$ 399,476</b>	<b>\$ 7,819</b>	<b>\$ 455,372</b>	<b>\$ 2,066,989</b>	<b>\$ 139,937</b>

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**FUND BALANCES - GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

**(modified accrual basis of accounting)**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>General fund</b>										
Nonspendable	\$ 905,394	\$ 866,418	\$ 810,823	\$ 752,099	\$ 792,848	\$ 736,340	\$ 647,118	\$ 678,471	\$ 140,965	\$ 137,493
Restricted	20,000	3,116	7,496	28,666	33,585	38,472	38,465	45,860	48,268	-
Assigned	78,547,613	72,253,947	65,285,171	63,934,864	55,571,054	50,471,581	42,492,285	33,745,417	31,895,877	31,621,937
Unassigned	9,270,931	8,892,228	8,506,819	8,218,669	8,997,959	7,808,797	7,935,909	5,829,613	5,652,278	5,301,450
Total general fund	88,743,938	82,015,709	74,610,309	72,934,298	65,395,446	59,055,190	51,113,777	40,299,361	37,737,388	37,060,880
<b>All other governmental funds</b>										
Nonspendable	-	-	-	-	-	-	250,000	-	-	-
Restricted	14,771,511	25,793,838	54,744,858	78,900,349	19,894,299	49,231,420	56,850,470	-	-	-
Total all other governmental funds	14,771,511	25,793,838	54,744,858	78,900,349	19,894,299	49,231,420	57,100,470	-	-	-
<b>Total fund balances</b>	<b>\$ 103,515,449</b>	<b>\$ 107,809,547</b>	<b>\$ 129,355,167</b>	<b>\$ 151,834,647</b>	<b>\$ 85,289,745</b>	<b>\$ 108,286,610</b>	<b>\$ 108,214,247</b>	<b>\$ 40,299,361</b>	<b>\$ 37,737,388</b>	<b>\$ 37,060,880</b>

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**GOVERNMENTAL FUNDS REVENUES**

**LAST TEN FISCAL YEARS**

**(modified accrual basis of accounting)**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenue										
Property taxes	\$ 55,141,583	\$ 53,574,654	\$ 48,305,542	\$ 48,240,102	\$ 47,406,046	\$ 48,773,536	\$ 45,436,127	\$ 36,034,678	\$ 34,471,471	\$ 34,195,435
Other taxes	590,433	575,011	44,000	519,460	426,440	372,633	335,567	153,136	71,169	55,769
State aid	378,025	326,226	181,038	142,692	486,351	214,787	429,574	429,574	433,158	458,579
Grants	161,263	177,331	128,426	207,966	132,531	175,481	61,785	6,876	85,956	76,197
Fines and fees	303,547	345,898	535,240	744,579	896,088	1,055,974	1,095,576	1,114,700	996,457	906,863
Investment earnings	1,994,189	1,860,242	561,670	410,206	231,903	136,737	64,478	87,375	98,013	165,171
Copier income	274,394	266,589	254,730	231,378	221,350	241,500	226,122	213,376	204,273	211,797
Miscellaneous	252,687	260,872	253,976	215,647	414,962	827,589	480,608	485,426	469,786	395,523
Total revenue	<u>\$ 59,096,121</u>	<u>\$ 57,386,823</u>	<u>\$ 50,264,622</u>	<u>\$ 50,712,030</u>	<u>\$ 50,215,671</u>	<u>\$ 51,798,237</u>	<u>\$ 48,129,837</u>	<u>\$ 38,525,141</u>	<u>\$ 36,830,283</u>	<u>\$ 36,465,334</u>

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Expenditures</b>										
Current										
Salaries and benefits	\$ 29,303,462	\$ 27,596,770	\$ 26,828,127	\$ 26,473,863	\$ 25,230,828	\$ 25,015,065	\$ 24,001,969	\$ 23,090,632	\$ 22,471,215	\$ 22,641,713
Personnel supplies and service	408,622	350,534	355,488	407,651	361,160	321,558	294,696	278,874	265,126	258,879
Library collections	8,200,913	7,999,795	7,698,135	7,383,103	7,280,133	7,225,553	6,365,163	6,204,434	6,181,268	5,799,156
Library collection maintenance and supplies	627,074	571,146	568,448	452,424	431,679	459,816	479,203	400,246	810,880	928,378
Equipment and office supplies	338,730	333,162	313,805	298,015	284,417	263,311	214,701	192,475	176,517	189,701
Printing and program expenses	754,196	725,321	753,136	573,738	540,245	641,550	665,823	781,913	573,867	399,542
Postage	93,973	97,251	84,681	88,067	87,497	95,255	85,154	97,442	81,817	98,479
Utilities	1,401,890	1,375,302	1,269,510	1,227,282	1,304,142	1,397,605	1,413,353	1,376,426	1,411,367	1,388,322
Custodial supplies and service	494,852	384,160	356,481	315,051	266,081	293,491	244,996	241,735	232,596	186,908
Mobile operations	119,860	122,237	124,579	97,795	112,341	132,887	137,462	113,975	117,874	120,332
Insurance	300,661	316,081	303,433	313,106	330,905	297,022	269,459	264,328	242,620	234,911
Building maintenance	445,212	272,940	224,123	152,892	282,823	727,730	1,066,583	999,802	624,975	396,894
Building operation	1,365,233	1,108,573	916,075	824,258	806,465	982,864	967,790	781,798	706,329	666,773
Professional fees	182,064	220,946	190,586	267,055	134,569	218,683	247,668	248,858	170,832	164,294
Travel and meetings	124,490	119,526	102,818	122,745	98,941	84,882	77,974	85,019	65,239	56,731
Miscellaneous	38,439	8,382	11,382	11,099	61,443	13,274	(19,215)	378,358	8,162	9,647
Capital Outlay										
Automotive	475,794	73,011	45,702	87,754	32,246	247,371	23,000	-	72,164	-
Furniture	74,188	81,647	67,371	50,794	53,760	93,615	100,343	122,757	194,687	256,988
Equipment	87,537	32,155	94,974	20,752	38,941	35,051	144,372	82,614	265,790	31,547
Technology	619,899	662,502	646,525	713,379	588,670	919,772	610,519	549,224	440,319	322,204
Facilities acquisition and construction	11,962,646	30,094,743	24,852,544	20,181,181	29,461,510	7,957,601	943,725	249,598	1,160,126	981,655
Debt Service										
Principal retirements	2,500,000	2,400,000	2,850,000	3,715,000	3,570,000	1,640,000	-	-	-	-
Interest and fiscal charges	3,959,518	4,025,698	4,128,195	3,586,886	1,899,052	2,827,125	498,828	-	-	-
<b>Total expenditures</b>	<b>\$ 63,879,253</b>	<b>\$ 78,971,882</b>	<b>\$ 72,786,118</b>	<b>\$ 67,363,890</b>	<b>\$ 73,257,848</b>	<b>\$ 51,891,081</b>	<b>\$ 38,833,567</b>	<b>\$ 36,540,506</b>	<b>\$ 36,273,770</b>	<b>\$ 35,133,054</b>
Debt service as a percentage of noncapital expenditures	14.61%	15.45%	17.40%	18.72%	14.54%	11.70%	1.37%	0.00%	0.00%	0.00%

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**OTHER FINANCING SOURCES AND NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

**(modified accrual basis of accounting)**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Revenues over (under) expenditures</b>	\$ (4,783,132)	\$ (21,585,059)	\$ (22,521,496)	\$ (16,651,860)	\$ (23,042,177)	\$ (92,844)	\$ 9,296,270	\$ 1,984,635	\$ 556,513	\$ 1,332,280
<b>Other financing sources</b>										
Proceeds from capital lease	449,036	-	-	-	-	-	-	-	-	-
Issuance of certificates of participation	-	-	-	79,445,000	-	-	55,900,000	-	-	-
Premium on certificates of participation	-	-	-	1,416,604	-	-	2,618,374	-	-	-
Sale of Surplus Materials	39,998	39,439	42,016	35,558	45,312	60,295	100,242	105,859	119,995	129,564
Insurance proceeds	-	-	-	2,299,600	-	104,912	-	471,479	-	-
<b>Total other financing sources</b>	<b>489,034</b>	<b>39,439</b>	<b>42,016</b>	<b>83,196,762</b>	<b>45,312</b>	<b>165,207</b>	<b>58,618,616</b>	<b>577,338</b>	<b>119,995</b>	<b>129,564</b>
<b>Net change in fund balance</b>	<b>\$ (4,294,098)</b>	<b>\$ (21,545,620)</b>	<b>\$ (22,479,480)</b>	<b>\$ 66,544,902</b>	<b>\$ (22,996,865)</b>	<b>\$ 72,363</b>	<b>\$ 67,914,886</b>	<b>\$ 2,561,973</b>	<b>\$ 676,508</b>	<b>\$ 1,461,844</b>

## ST. LOUIS COUNTY LIBRARY DISTRICT

### TAX REVENUE BY SOURCE

#### LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

---

Fiscal Year	Property Taxes	Tax Increment Financing	Financial Institution Tax	Athlete and Entertainers Tax	Total
2019	\$ 55,065,046	\$ 76,537	\$ 543,433	\$ 47,000	\$ 55,732,016
2018	53,516,565	58,089	528,011	47,000	54,149,665
2017	47,976,944	328,597	-	44,000	48,349,541
2016	48,141,764	98,338	466,960	52,500	48,759,562
2015	47,253,224	152,822	376,440	50,000	47,832,485
2014	48,690,313	83,222	297,633	75,000	49,146,169
2013	45,366,767	69,360	335,567	-	45,771,694
2012	35,901,826	132,852	153,136	-	36,187,814
2011	34,334,895	136,576	71,169	-	34,542,640
2010	34,103,222	92,213	17,134	38,635	34,251,204

Source:

St. Louis County Collector

St. Louis County Treasurer

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

Calendar Year	Real/Residential Assessed Value	Total Direct Real/Residential Tax Rate	Agriculture Assessed Value	Total Direct Agriculture Rate	Commercial Assessed Value	Total Direct Commercial Tax Rate	Personal Property Assessed Value	Total Direct Personal Property Tax Rate	Total Assessed Valuation	Total Estimated Actual Value
2019	\$ 14,128,001,060	0.212	\$ 6,235,880	0.219	\$ 6,341,888,353	0.243	\$ 3,339,972,214	0.225	\$ 23,816,097,507	\$ 104,249,185,819
2018	12,436,399,780	0.234	6,366,090	0.217	5,729,753,763	0.259	3,223,855,131	0.225	21,396,374,764	93,085,799,590
2017	12,353,293,800	0.234	6,454,830	0.215	5,844,094,881	0.253	3,141,989,437	0.225	21,345,832,948	92,760,833,545
2016	11,368,085,640	0.246	5,369,550	0.245	5,375,779,065	0.263	3,078,107,934	0.225	19,827,342,189	85,911,332,839
2015	11,303,468,320	0.246	5,429,060	0.239	5,378,360,093	0.259	2,982,881,876	0.225	19,670,139,349	85,294,096,566
2014	10,969,320,890	0.250	4,414,410	0.279	5,222,595,803	0.264	2,973,646,239	0.225	19,169,977,342	83,012,497,377
2013	10,940,080,370	0.173	4,431,170	0.200	5,213,420,847	0.190	2,874,158,080	0.150	19,032,090,467	82,531,573,506
2012	11,461,553,870	0.173	4,707,220	0.200	5,187,934,861	0.190	2,993,581,180	0.150	19,647,777,131	85,557,132,715
2011	11,442,219,990	0.163	4,814,130	0.200	5,222,600,676	0.190	2,777,684,345	0.150	19,447,319,141	84,916,841,760
2010	11,946,588,530	0.158	6,506,070	0.165	5,465,971,917	0.177	2,971,047,866	0.150	20,390,114,383	88,926,196,229

Note: As billed assessed valuations. Residential property assessed at 19%, agricultural at 12%, commercial at 32%, and personal property at 33 1/3%  
Source: St. Louis County Assessor



ST. LOUIS COUNTY LIBRARY DISTRICT

PROPERTY TAX RATES - DIRECT AND OVERLAPPING  
 LAST TEN CALENDAR YEARS  
 (PER \$100 OF ASSESSED VALUE)

Calendar Year	Overlapping Tax Rates*																			
	Direct Rates - General Revenue				Other				School Districts				Service Districts				Municipalities			
	Residential	Agriculture	Commercial	Personal Property	Residential	Agriculture	Commercial	Personal Property	Residential	Agriculture	Commercial	Personal Property	Residential	Agriculture	Commercial	Personal Property	Residential	Agriculture	Commercial	Personal Property
2019	0.212	0.219	0.243	0.225	0.3286	0.1355	0.7211	0.1870	4.6578	2.4666	5.1385	5.3572	0.9665	0.6074	1.0410	1.1159	0.5388	0.0750	0.5452	0.5121
2018	0.234	0.217	0.259	0.225	0.3696	0.1546	0.7248	0.1939	5.0442	2.4799	5.3230	5.3402	0.9949	0.5589	1.0524	1.0558	0.5995	0.0852	0.5978	0.5392
2017	0.234	0.215	0.253	0.225	0.2536	0.1416	0.7186	0.1892	4.9682	2.2711	5.2107	5.2816	0.9577	0.5127	0.9656	1.0258	0.5583	0.1057	0.5670	0.5140
2016	0.246	0.245	0.263	0.225	0.2644	0.1486	0.7515	0.1928	5.1003	2.3785	5.3367	5.2385	0.9644	0.5405	0.9738	0.9843	0.5695	0.0981	0.5581	0.4901
2015	0.246	0.239	0.259	0.225	0.2696	0.1482	0.3553	0.1981	5.0042	2.5645	5.2452	5.1294	1.0134	0.5726	1.0211	1.0383	0.5119	0.0740	0.5036	0.4572
2014	0.250	0.279	0.264	0.225	0.2641	0.1476	0.7796	0.1927	4.9994	2.8914	5.2870	5.1266	0.9844	0.6812	0.9999	1.0168	0.5089	0.1123	0.5138	0.4438
2013	0.173	0.200	0.190	0.150	0.2637	0.1467	0.7783	0.1919	4.9375	2.9670	5.2022	5.0247	0.9161	0.6175	0.9365	0.9489	0.4930	0.1081	0.4997	0.4380
2012	0.173	0.200	0.190	0.150	0.2646	0.1322	0.7633	0.1774	4.7923	3.0983	5.0745	4.9732	0.8415	0.5873	0.8666	0.8840	0.4360	0.0885	0.4584	0.4057
2011	0.163	0.200	0.190	0.150	0.2802	0.1323	0.7943	0.1942	4.6581	2.9557	4.9204	4.8780	0.8231	0.5838	0.8469	0.8672	0.4203	0.0886	0.4352	0.4030
2010	0.158	0.165	0.177	0.150	0.2516	0.1298	0.7501	0.1696	4.4184	2.7910	4.6921	4.7864	0.8086	0.6181	0.8491	0.8773	0.4202	0.0855	0.4417	0.4130

Source: Collector of Revenue, 2010 - 2019 rate book

\*Note: The Library District has in excess of 180 overlapping rates, the rates were categorized into Other, School Districts, Service Districts, and Municipalities and then averaged among those categories.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	December 31, 2019	
	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
The Boeing Company	\$ 180,963,050	0.76%
Monsanto/Bayer	119,908,590	0.50%
Missouri American Water Company	115,653,280	0.49%
Pinnacle Entertainment	77,474,140	0.33%
GLP Capital LP	70,891,960	0.30%
EAN Holdings LLC	58,272,110	0.24%
Laclede Gas	58,253,710	0.24%
Chapter 100 St. Louis County	56,476,260	0.24%
Charter Communications Operating LLC	44,354,590	0.19%
RNSI City Place Owner LLC	38,615,220	0.16%
<b>Total Taxpayer</b>	<b>\$ 820,862,910</b>	<b>3.45%</b>

Total Assessed Valuations for 2019 23,816,097,507

Taxpayer	December 31, 2010	
	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
The Boeing Company	\$ 160,566,720	0.79%
Duke Realty Limited Partnership	77,588,570	0.38%
Monsanto Company/Bayer	62,107,840	0.30%
Pinnacle Entertainment Inc	60,427,490	0.30%
Missouri American Water Company	59,146,840	0.29%
Chrysler, LLC	47,857,650	0.23%
Laclede Gas Company	47,598,470	0.23%
Pfizer Inc	41,636,070	0.20%
Ameren UE	34,910,910	0.17%
Cornerstone Opportunity Ventures LLC	32,756,730	0.17%
<b>Total Taxpayer</b>	<b>\$ 624,597,290</b>	<b>3.06%</b>

Total Assessed Valuations for 2010 20,390,114,383

Sources:

St. Louis County Assessor's Office  
Basic Financial Statements

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Calendar Year	Taxes Levied For the Fiscal Year	Collected Within The Fiscal Year of The Levy		Collections In Subsequent Years	Total Collections To Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2019	\$ 55,194,558	\$ 21,674,058	39.3%	N/A	\$ 21,674,058	39.3%
2018	53,300,677	21,500,971	40.3%	30,106,042	51,607,013	96.8%
2017	52,777,338	19,697,466	37.3%	31,247,955	50,945,421	96.5%
2016	51,021,367	22,005,063	43.1%	27,630,560	49,635,623	97.3%
2015	50,464,676	21,347,384	42.3%	27,841,750	49,189,134	97.5%
2014	49,809,939	22,784,468	45.7%	25,666,915	48,451,383	97.3%
2013	49,468,700	20,562,382	41.6%	27,655,861	48,218,243	97.5%
2012	35,926,883	17,263,250	48.1%	17,638,232	34,901,482	97.1%
2011	34,507,605	16,067,888	46.6%	17,484,286	33,552,174	97.2%
2010	35,297,955	17,071,088	48.4%	17,321,539	34,392,627	97.4%

Sources:

St. Louis County Collector

St. Louis County Treasurer

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total Assessed Valuation	\$ 23,816,097,507	\$ 21,396,374,764	\$ 21,345,832,948	\$ 19,827,342,189	\$ 19,670,139,349	\$ 19,169,977,342	\$ 19,032,090,467	\$ 19,647,777,131	\$ 19,447,319,141	\$ 20,390,114,383
Legal Debt Limit - 5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Legal Debt Limit	1,190,804,875	1,069,818,738	1,067,291,647	991,367,109	983,506,967	958,498,867	951,604,523	982,388,857	972,365,957	1,019,505,719
Total Debt Applicable to Limit	-	-	-	-	-	-	-	-	-	-

Note: The District has Certificates of Participation, only General Obligation debt applies to the debt limit and the District has no General Obligation debt.

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**OUTSTANDING DEBT BY TYPE - GOVERNMENTAL ACTIVITIES  
LAST TEN FISCAL YEARS**

For the years ended Dec. 31	Certificates of Participation				Capital Leases	Total Debt Outstanding	Percentage of Personal Income	Per Capita
	2013 Issue	Bond Premium - 2013	2016 Issue	Bond Premium - 2016				
2019	\$ 41,225,000	\$ 1,920,141	\$ 77,445,000	\$ 1,263,139	\$ 422,278	\$ 122,275,558	172%	\$ 144.44
2018	42,700,000	2,024,876	78,470,000	1,310,359	-	124,505,235	186%	124.89
2017	44,125,000	2,129,611	79,445,000	1,357,579	-	127,057,190	190%	127.47
2016	46,975,000	2,234,346	79,445,000	1,404,799	-	130,059,145	207%	130.24
2015	50,690,000	2,339,081	-	-	-	53,029,081	85%	52.85
2014	54,260,000	2,443,816	-	-	-	56,703,816	93%	56.60
2013	55,900,000	2,548,551	-	-	-	58,448,551	100%	58.36
2012	-	-	-	-	-	-	0%	-
2011	-	-	-	-	-	-	0%	-
2010	-	-	-	-	-	-	0%	-

Sources: Gale Business DemographicsNow, 2019 Estimates; Missouri Department of Elementary and Secondary Education, St. Louis County CAFR - 2018

# ST. LOUIS COUNTY LIBRARY DISTRICT

## DIRECT AND OVERLAPPING GOVERNMENTAL DEBT AS OF DECEMBER 31, 2019

---

Governmental Units	Debt Outstanding	Percentage Applicable	Estimated Share of Overlapping Debt
School Districts	\$ 1,592,239,407	0%	\$ -
Fire Districts	81,737,828	0%	-
Municipalities	111,557,184	0%	-
Sub-Total - Overlapping Debt	\$ 1,785,534,419		\$ -
St. Louis County Library District Direct Debt			\$ 122,212,758
Total Direct and Overlapping Debt			\$ 122,212,758

Source: St. Louis County CAFR, 2018

Note: School Districts, Fire Districts, and Municipalities data not available for 2019.

The School District debt may contain school districts that do not reside within the Library District.

## ST. LOUIS COUNTY LIBRARY DISTRICT

### DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

For the years ended Dec. 31	Population	Personal Income	Per Capita Personal Income	Median Age	Educational Attainment: Bachelor's Degree or Higher	School Enrollment	Unemployment Rate
2019	846,564	\$ 71,141,839	* \$ 40,463	40.7	39.1%	129,453	3.3%
2018	996,945	66,809,113	67,029	40.3	42.8%	143,764	2.9%
2017	996,726	66,809,113	67,029	40.3	42.8%	137,844	3.1%
2016	998,581	62,687,815	62,777	40.3	43.5%	138,550	3.6%
2015	1,003,362	62,403,307	62,194	40.2	41.6%	139,159	4.4%
2014	1,001,876	60,653,300	60,540	39.9	41.4%	139,690	5.6%
2013	1,001,491	58,488,227	58,401	40.0	40.6%	141,130	6.5%
2012	1,000,800	59,846,541	59,799	39.8	39.8%	144,140	6.7%
2011	999,067	54,023,749	54,074	39.9	39.3%	143,123	8.1%
2010	998,880	52,468,942	52,528	37.9	39.1%	146,828	9.0%

\*2018 was used, 2019 unavailable.

Sources: Gale Business Demographics Now, 2019 Estimates; Missouri Department of Elementary and Secondary Education, St. Louis County CAFR - 2018

Note: 2019 data is for the St. Louis County Library District. The 2010 - 2018 data is for St. Louis County which may contain municipalities that do not reside in the Library's District.

# ST. LOUIS COUNTY LIBRARY DISTRICT

## PRINCIPAL EMPLOYERS

### CURRENT YEAR AND NINE YEARS AGO

		2019	
Rank	Employer	Employees	Percentage of Total Employment
1	Mercy Healthcare	28,516	6.7%
2	Boeing Defense, Space & Security	14,566	3.4%
3	SSM Healthcare	13,500	3.2%
4	Schnucks Markets Inc.	10,702	2.5%
5	Edward Jones	6,447	1.5%
6	Special School District of St Louis County	6,119	1.4%
7	Enterprise Holdings Inc.	5,600	1.3%
8	Centene Corp.	4,700	1.1%
9	St. Luke's Hospital	4,667	1.1%
10	St. Louis County Government	4,342	1.0%

		2010	
Rank	Employer	Employees	Percentage of Total Employment
1	Boeing Defense, Space & Security	16,000	4.0%
2	SSM Healthcare	12,367	3.1%
3	Schnucks Markets Inc.	10,700	2.6%
4	Mercy Healthcare	9,793	2.4%
5	Edward Jones	5,988	1.5%
6	Special School District of St Louis County	5.96	0.0%
7	Dierbergs Markets	4,500	1.1%
8	Bayer (Monsanto) Corp.	4,470	1.1%
9	St. Louis County Government	4,202	1.0%
10	Enterprise Holdings Inc.	4,149	1.0%

Source: St. Louis Business Journal, Gale Business Demographics Now,  
2019 and 2010 Estimates



**ST. LOUIS COUNTY LIBRARY DISTRICT**

**FULL-TIME EQUIVALENT AND OTHER OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

Culture and Recreation							
For the years ended Dec. 31	Full Time Equivalents	Number of Items Circulated	Number of Visits	Number of Library Cards	Number of Website Visits	Number of Total Programs Offered	Number of Patrons attending Programs
2019	550	16,302,790	5,158,881	689,621	5,550,345	37,486	636,309
2018	541	13,868,091	5,076,711	685,596	5,012,762	27,182	558,572
2017	541	13,793,888	5,015,762	661,266	5,055,112	25,560	550,564
2016	534	13,688,872	5,055,112	636,264	6,174,234	22,860	608,478
2015	530	14,076,914	5,124,202	608,914	6,009,991	25,864	592,340
2014	523	14,945,250	5,877,179	602,770	6,177,831	25,088	697,789
2013	521	15,082,666	6,177,831	615,303	6,381,494	22,271	658,541
2012	524	14,393,528	6,381,497	660,250	6,768,414	20,844	554,319
2011	524	12,701,919	5,752,996	548,392	6,111,717	15,590	450,490
2010	540	11,921,103	5,690,237	550,629	5,063,492	13,967	347,255

Source:  
Basic Personnel Staffing Budgets

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**OPERATING INDICATORS BY BRANCH - CONTINUED  
LAST TEN FISCAL YEARS**

For the years ended Dec. 31		Bridgeton Trails	Cliff Cave	Daniel Boone	Eureka Hills	Florissant Valley	Grand Glaize	Tesson Ferry / Grants View	Headquarters	Indian Trails	Jamestown Bluffs
2019	Visits	159,949	298,008	422,781	67,433	342,470	257,427	352,541	826,030	132,586	146,243
	Items Circulated	495,522	858,648	1,687,601	280,780	659,189	991,267	1,317,115	1,520,074	345,469	325,424
2018	Visits	231,557	316,366	492,583	71,557	321,093	79,489	387,178	949,787	158,842	161,153
	Items Circulated	655,869	765,167	1,717,645	263,408	592,891	315,562	1,188,003	1,598,461	356,066	293,763
2017	Visits	87,512	323,081	93,181	85,410	133,479	306,778	451,396	698,409	155,537	202,232
	Items Circulated	213,787	759,183	332,679	306,855	261,050	1,044,600	1,262,359	1,199,541	316,079	416,030
2016	Visits	189,073	110,833	506,865	80,887	338,179	330,527	589,645	658,983	162,967	187,376
	Items Circulated	453,656	304,928	1,409,537	270,470	732,601	1,028,810	1,578,258	1,237,131	312,484	346,966
2015	Visits	276,245	295,097	529,740	82,416	448,758	322,275	399,314	610,075	29,140	47,364
	Items Circulated	679,860	821,829	1,398,069	279,860	976,420	991,273	1,248,728	1,180,323	68,533	92,644
2014	Visits	201,814	290,986	538,388	88,295	359,424	345,244	377,041	605,838	176,476	207,777
	Items Circulated	470,067	775,258	1,438,964	295,554	758,602	1,022,168	1,127,077	1,143,158	365,197	404,656
2013	Visits	216,096	306,461	586,007	93,722	367,672	364,319	410,719	606,703	189,863	219,902
	Items Circulated	492,604	804,030	1,502,543	298,518	781,327	1,055,113	1,196,096	1,192,801	387,471	431,882
2012	Visits	211,713	308,525	604,003	92,606	370,578	424,905	414,387	565,120	204,315	234,183
	Items Circulated	494,995	767,482	1,433,986	287,663	743,934	1,025,979	1,154,765	1,139,887	370,682	422,383
2011	Visits	181,180	294,680	609,193	87,101	349,223	352,912	382,634	508,004	165,890	219,645
	Items Circulated	340,387	541,505	967,637	187,052	519,521	713,028	810,582	671,434	246,796	305,665
2010	Visits	194,277	303,300	540,860	111,703	355,561	352,623	399,096	538,827	176,492	211,659
	Items Circulated	321,143	527,390	885,293	186,524	476,949	665,912	747,392	662,745	225,884	290,940

Source:  
Basic Personnel Staffing Budgets

**ST. LOUIS COUNTY LIBRARY DISTRICT**

**OPERATING INDICATORS BY BRANCH - CONCLUDED  
LAST TEN FISCAL YEARS**

For the years ended Dec. 31		Lewis & Clark	Meramec Valley	Mid-County	Natural Bridge	Oak Bend	Prairie Commons	Rock Road	Samuel C. Sachs	Thornhill	Weber Road
2019	Visits	375,294	179,488	89,723	197,259	179,123	156,471	179,747	264,352	203,542	175,571
	Items Circulated	313,845	582,855	189,715	249,419	626,127	407,000	411,054	966,882	736,447	581,521
2018	Visits	399,386	91,489	-	208,433	206,622	176,212	192,594	297,952	3,023	184,164
	Items Circulated	279,606	335,145	19,188	231,932	621,241	382,904	394,077	1,003,012	50,014	540,245
2017	Visits	317,493	92,865	224,748	197,638	182,748	225,471	230,164	411,103	271,201	190,672
	Items Circulated	332,780	291,159	574,756	245,738	515,657	553,216	458,480	1,353,208	858,903	529,987
2016	Visits	294,504	97,596	264,881	56,077	69,915	67,775	220,222	140,536	310,547	234,698
	Items Circulated	354,466	308,255	650,819	90,858	212,043	175,634	378,165	460,360	884,845	680,402
2015	Visits	102,378	99,613	286,778	292,195	240,899	259,189	38,583	281,861	302,101	46,152
	Items Circulated	142,953	323,323	684,246	385,071	701,360	516,000	85,329	842,227	847,038	117,617
2014	Visits	260,931	101,083	277,537	240,125	244,868	253,390	290,410	293,417	303,962	280,384
	Items Circulated	348,522	337,482	626,189	329,028	701,108	519,743	468,942	871,384	842,422	641,004
2013	Visits	276,059	107,286	293,415	252,292	263,357	256,918	290,877	327,403	308,945	299,169
	Items Circulated	381,169	343,231	634,636	324,984	710,279	545,327	461,728	911,723	837,251	677,645
2012	Visits	296,230	108,108	292,894	268,800	277,829	264,757	293,441	337,843	312,290	321,108
	Items Circulated	367,951	335,219	589,123	324,658	716,920	519,315	466,130	886,120	799,655	687,691
2011	Visits	264,286	106,604	226,461	262,328	245,321	220,172	287,586	313,812	323,327	289,174
	Items Circulated	245,489	237,384	353,291	214,927	473,423	367,419	332,188	608,044	529,290	470,431
2010	Visits	216,462	134,290	231,597	266,531	244,404	237,002	274,521	314,463	313,368	273,201
	Items Circulated	204,173	225,831	328,996	180,455	456,417	346,169	295,989	604,301	486,117	420,844

Source:  
Basic Personnel Staffing Budgets