DOROTHY BRAMLAGE PUBLIC LIBRARY

Junction City, Kansas

FINANCIAL STATEMENT

For the Year Ended December 31, 2024

VARNEY & ASSOCIATES, CPAs, LLC
Manhattan, Kansas

DOROTHY BRAMLAGE PUBLIC LIBRARY
Junction City, Kansas
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As of December 31, 2024

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March 31, 2025

VARNEY
& ASSOCIATES, CPAs, LLC

To the Board of Trustees of the
Dorothy Bramlage Public Library
Junction City, Kansas

INDEPENDENT AUDITOR'S REPORT

Adverse and Unmodified Opinions
We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Dorothy Bramlage Public Library (the Library), as of and for the year ended December 31, 2024 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Library as of December 31, 2024, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Library as of December 31, 2024, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* (KMAAG) described in Note 1.

Basis for Adverse and Unmodified Opinions
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and KMAAG. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Library and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to the Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 1 of the financial statement, the financial statement is prepared by the Library on the basis of the financial reporting provisions of the KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement
Management is responsible for the preparation and fair presentation of the financial statement in accordance with KMAAG as described in Note 1; this includes determining regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that is free from material misstatement, whether due to fraud or error.

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

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Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedule 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement; however, are required to be presented under the provisions of the KMAAG. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Supplementary Information (Continued)

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Library as of and for the year ended December 31, 2023 (not presented herein), and have issued our report thereon May 6, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/oar/municipal-services. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2024 (Schedules 1 and 2 are listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2023 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2023 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2024, on the basis of accounting described in Note 1.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

DOROTHY BRAMLAGE PUBLIC LIBRARY
Junction City, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2024

	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	$ 820,414	$ 1,131,667	$ 1,081,076	$ 871,005	$ -	$ 871,005
Special Purpose Funds						
Capital Improvement Fund	64,181	15,459	20,150	59,490	-	59,490
Trust Fund						
Endowment Fund	160,000	-	-	160,000	-	160,000
Total Reporting Entity	$ 1,044,595	$ 1,147,126	$ 1,101,226	$ 1,090,495	$ -	$ 1,090,495

Composition of Cash	
Checking Accounts	$ 715,613
Money Market Accounts	59,490
Certificates of Deposits	315,392
Total Reporting Entity	$ 1,090,495

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

DOROTHY BRAMLAGE PUBLIC LIBRARY
Junction City, Kansas
NOTES TO FINANCIAL STATEMENT
December 31, 2024

Note 1: Summary of Significant Accounting Policies

Reporting Entity

The Dorothy Bramlage Public Library (Library), a municipality, was organized under the provisions of K.S.A. 12-1219. A seven-member Board of Directors approved by the Mayor of Junction City governs the Library. The mayor is also an ex officio member of the Board. The Library was organized to provide services for the public as outlined by its charter. The Library is financially dependent on funding received from the City of Junction City, Geary County and the State of Kansas.

The accounting and reporting policies of the Library relating to the funds and account groups included in the accompanying financial statement conform to the regulatory basis of accounting to show compliance with the cash basis laws of the State of Kansas. The more significant accounting policies of the Library are described below.

Fund Accounting

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific regulations, restrictions, or limitations.

The following types of funds comprise the financial activities of the Library:

General Fund - is the chief operating fund of the Library. This fund is used to account for all financial resources not accounted for in other funds.

Special Purpose Fund - used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Trust Fund – funds used to report assets held in trust for the benefit of the Library (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipality, scholarship funds, etc.).

Regulatory Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The Library has approved a resolution that is in compliance with K.S.A 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the Library to use the regulatory basis of accounting.

Budgetary Control

The Library Charter establishes the fiscal year as the twelve-month period beginning January 1. The Library Board prepares a budget of estimated cash receipts and expenditures for the ensuing fiscal year. The annual operating budget is adopted, but is for internal management use only. State of Kansas Statutes do not require the Library to prepare or submit a legal budget.

Note 1: Summary of Significant Accounting Policies (Continued)

Compliance with Financial-Related Legal and Contractual Provisions

Management is not aware of any material violations of finance-related legal and contractual provisions for the period covered by the audit.

Date of Management's Review

The Library's management has evaluated subsequent events and transactions for potential recognition or disclosure through the date the financial statement was available to be issued.

Note 2: Cash Deposits

K.S.A. 9-1401 establishes the depositories which may be used by the Library. The statute requires banks eligible to hold the Library's funds have a main or branch bank in the county in which the Library is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The Library has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Library's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The Library has no investment policy that would further limit its investment choices.

K.S.A. 12-1225(h) allows the Library to receive and accept gifts or donations to the Library and administer the same in accordance with any provisions thereof. If no provisions are specified, the Board shall have the power to hold, invest or reinvest the gift and any dividends, interest, rent or income derived from the gift in the manner the Board deems will best serve the interests of the Library.

Concentration of credit risk. State statutes place no limit on the amount the Library may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. State statutes require the Library's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The Library has no designated "peak periods". All deposits were legally secured at December 31, 2024.

At December 31, 2024 the Library's carrying amount of deposits was $1,090,495 and the bank balance was $1,141,403. Of that balance, $573,830 is FDIC insured, and the remaining balance is covered by pledged securities.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

Note 3: Interfund Transfers

The Library made the following operating transfers during 2024.

Fund From	To	Authority	Amount
General	Capital Improvement	K.S.A. 12-1258	$ 15,000

Note 4: Nonexpendable Trust

The George Smith Library Trust was established from the proceeds of sale of the George Smith Public Library building. A trust agreement dated January 9, 1984, between the Board of Directors of the Dorothy Bramlage Public Library and the City of Junction City created a trust for the purpose of holding and investing the proceeds from the sale of the former library building. The income or interest earned from the investment of the principal of the trust shall be used and applied to and for the operation, maintenance or improvement of the Dorothy Bramlage Public Library, any addition thereto, or for similar purposes with respect to any successor public library or libraries. The principal of the trust estate may not be diminished, dissipated or invaded in any way for a period of thirty (30) years beginning January 9, 1984. The Board of Directors of the Dorothy Bramlage Public Library is the Trustee.

The aforementioned George Smith Library trust funds are invested in certificates of deposit at local financial institutions at December 31, 2024. The balance at December 31, 2024 was $160,000.

Note 5: Risk Management

The Library 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. Insurance premiums are paid for property and liability insurance coverage. There have not been any settled claims resulting from these risks in any of the past three fiscal years.

Note 6: Defined Benefit Pension Plan

Plan description. The Library participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.26% for the fiscal year ended December 31, 2024. Contributions to the pension plan from the Library were $62,018 for the year ended December 31, 2024.

Note 6: Defined Benefit Pension Plan (Continued)

Net Pension Liability

At December 31, 2024, the Library's proportionate share of the collective net pension liability reported by KPERS was $545,863. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. The Library's proportion of the net pension liability was based on the ratio of the Library's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

Note 7: Other Long-term Obligations from Operations

Compensated Absences

The Library's policy allows employees to accumulate vacation and sick leave as follows:

Vacation Time

Employees	Years of Service	Accrual/Month	Maximum Accrual
Full-time	1-10	6.67 hours	240 hours
	Over 10	Additional .67 hrs/mo per yr of service	240 hours

Upon termination of employment, an employee in good standing will be paid for unused vacation up to 240 hours.

Sick leave is accrued at a rate of 8.0 hours per month for full-time employees. The maximum accrual is 480 hours for full-time employees. Sick leave accumulated is not paid to employees upon termination of employment.

The Library has estimated the dollar amount of accumulated vacation for all employees at December 31, 2024 of $30,199. This is an increase of $1,924 from the prior year.

The only estimate in this financial statement is in the calculation of the compensated absences balance. Actual results could differ from this estimate.

Other Post Employment Benefits

As provided by K.S.A. 12-5040, the Library allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the Library is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the Library makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the Library under this program.

Note 8: Related Party Transactions

The Library is a related municipal entity of the City of Junction City, Kansas. Rent is not calculated as an arm's-length transaction, since the City provides the Library facility rent-free. The lease agreement requires the Library to cover the operating expenses such as utilities excluding water, insurance and maintenance of the building and grounds including the sidewalks, lawn and landscaping. The City owns and maintains the parking lot.

Note 9: Capital Campaign for Library Expansion

During 2024, no new pledges were recorded and there were no additional payments to professional fundraisers. Additionally, the Library contracted an architect to provide design services for the new facility. As of December 31, 2024, the project was still in the design phase and there were no committed contractor costs.

Note 10: Other Financing Source - Beneficial Interest in Charitable Trust

The Greater Geary Community Foundation (GGCF) maintains funds designated for the benefit of the Library. These designated funds were financed through donor contributions made directly by donors to the GGCF for the benefit of the Library. Although the Library may make distribution requests of the funds, such requests are subject to the approval of the GGCF's Board of Directors. The Library does not report the balance of these funds on its Summary Statement of Receipts, Expenditures and Unencumbered Cash because (1) the fund is financed by third party donors and (2) the control of the funds resides with GGCF and its governing body which maintains variance power over the fund. As of December 31, 2024, the balance of the funds were $1,009,092.

Note 11: Cash Reserves

Each year the Library carries over funds for which the Board considers reserved for emergencies. Currently, the balance of these cash reserves are as follows: $300,000 in operating reserves and $150,000 in capital reserves.

REGULATORY REQUIRED SUPPLEMENTARY INFORMATION

DOROTHY BRAMLAGE PUBLIC LIBRARY
Junction City, Kansas
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023

	2023	2024		
	Actual	Actual	Budget	Variance Over (Under)
RECEIPTS				
City and county tax distributions	$ 1,018,865	$ 1,055,000	$ 1,055,000	$ -
Gifts, grants, and miscellaneous	46,726	42,563	62,226	(19,663)
Interest	37,481	34,104	16,100	18,004
Total Receipts	$ 1,103,072	$ 1,131,667	$ 1,133,326	$ (1,659)
EXPENDITURES				
Acquisitions	$ 97,024	$ 100,790	$ 113,453	$ (12,663)
Buildings and grounds	75,153	82,807	72,200	10,607
Employees	801,785	810,989	867,223	(56,234)
Operations	70,868	71,490	65,450	6,040
Transfer to Capital Improvement	15,000	15,000	15,000	-
Total Expenditures	$ 1,059,830	$ 1,081,076	$ 1,133,326	$ (52,250)
Receipts over (Under) Expenditures	$ 43,242	$ 50,591		
Unencumbered Cash - January 1	777,172	820,414		
Unencumbered Cash - December 31	$ 820,414	$ 871,005		

DOROTHY BRAMLAGE PUBLIC LIBRARY
Junction City, Kansas
CAPITAL IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023

	2023 Actual	2024 Actual
RECEIPTS		
Transfer from General Fund	$ 15,000	$ 15,000
Interest	450	459
Total Receipts	$ 15,450	$ 15,459
EXPENDITURES		
Capital outlay	$ 12,055	$ 20,150
Receipts over (Under) Expenditures	$ 3,395	$ (4,691)
Unencumbered Cash - January 1	60,786	64,181
Unencumbered Cash - December 31	$ 64,181	$ 59,490

DOROTHY BRAMLAGE PUBLIC LIBRARY
Junction City, Kansas
ENDOWMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023

	2023 Actual	2024 Actual
RECEIPTS		
Use of money and property	$ -	$ -
EXPENDITURES		
Transfer to General Fund	$ -	$ -
Receipts over (Under) Expenditures	$ -	$ -
Unencumbered Cash - January 1	160,000	160,000
Unencumbered Cash - December 31	$ 160,000	$ 160,000