

**Spring Lake District Library  
Board Meeting**

**Wednesday, April 15, 2026  
Spring Lake District Library  
2pm**

**Agenda**

1. Call to order
2. Approve the agenda
3. Public comment
4. Approve the minutes – March 18, 2026
5. Financial report and approval of bills – March 2026
6. 2025 Audit Presentation – Doug Vredeveld
7. Director’s Report
8. Building Project Updates – Sunroom Addition
  - a. Financial Update
  - b. Bulletin 3 – Change Order
9. Old business
  - a. MERS Retiree Health Funding Vehicle (RHFV)
  - b.
10. New business
  - a.
  - b.
11. Public Comment
12. Adjourn the meeting

# **Spring Lake District Library Board Minutes**

## **March 18, 2026**

**Present and voting:** Mary Eagin, Skylar Garrison, Maria Boersma, Bill Meyers, Laurie Draeger, Gordon Gallagher, Sheri Boon

**Also present:** Maggie McKeithan, Library Director; Amanda Rantanen, Business Manager

**Absent:** None

The meeting was held in person at the Spring Lake District Library

**The meeting was called to order at 2:00 p.m.** by Mary Eagin

**Motion to approve the agenda**, made by Skylar Garrison and supported by Maria Boersma. The motion was approved unanimously.

**Public Comment:** None

**Motion to approve the minutes of February 18, 2026**, made by Laurie Draeger and supported by Bill Meyers. The motion was approved unanimously.

**Motion to approve financial reports from February 2026 and approve payment of bills** made by Gordon Gallagher and supported by Skylar Garrison. The motion was approved unanimously.

### **Director's Report**

Maggie reviewed her report as printed in the Board Packet.

### **Building Project Updates - Sunroom Addition**

- a. Financial Update
  - i. Maggie reviewed a financial update on the Sunroom Addition project. She is applying for another grant next week.
- b. Bulletin 2 - Change Order
  - i. **Motion to accept Change Order 2 as written** made by Bill Meyers and supported by Maria Boersma. The motion was approved unanimously.

### **Old Business:**

- a. MERS Retiree Health Funding Vehicle - Termination Agreement
  - i. **Motion to accept the termination agreement and authorize the Library Director to sign any necessary documents** made by Gordon Gallagher and supported by Laurie Draeger. The motion was approved unanimously.

### **New Business:**

- a. Community Foundation - 2026 Endowment Grant Request

- i. **Motion to request the grant funds from the Grand Haven Area Community Foundation** made by Sheri Boon and supported by Skylar Garrison.
- b. Service Policy 400 - Patron Code of Conduct
  - i. **Motion to approve the Patron Code of Conduct as amended** made by Gordon Gallagher and supported by Laurie Draeger. The motion was approved unanimously.

**Public Comment:**

- a. The Friends of the Library is having a fundraiser at the Front Porch on Tuesday, May 19. They will be wrapping up the button sale in April. They sold about 800 buttons so far. The Culver's fundraiser will be on October 6. On October 22, the local author, Patti Eddington will come.
- b. Spring Lake Public Schools is appreciative of the Library for Exam Cram. About 50 students attended.

**Meeting was adjourned at 3:06 p.m.**

Respectfully submitted,  
Skylar Garrison, Secretary

# Spring Lake District Library

## Balance Sheet

As of March 31, 2026

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
Huntington Checking	541,077.25
Michigan Class Investments	1,997,209.71
Petty Cash	230.91
<b>Total Bank Accounts</b>	<b>\$2,538,517.87</b>
Accounts Receivable	\$13,277.32
Other Current Assets	
Accrued Interest	0.00
Credit Card Payment Receivable	-265.56
Undeposited Funds	0.00
<b>Total Other Current Assets</b>	<b>\$ -265.56</b>
<b>Total Current Assets</b>	<b>\$2,551,529.63</b>
Other Assets	\$0.00
<b>TOTAL ASSETS</b>	<b>\$2,551,529.63</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	\$0.00
Other Current Liabilities	
Accrued Deductions MERS DB	560.38
Accrued Payroll	0.00
Deferred Revenue	0.00
Due to Friends of the Library	854.65
EE Garnishment	195.86
EE Portion Health Insurance	0.00
Health Savings Plan 115 Trust	0.00
MERS 457	4,876.37
MERS DC EE Portion	0.01
MERS Roth 457	968.83
Taxes for Future Period	155,971.23
Withheld Payroll Taxes	196.18
<b>Total Other Current Liabilities</b>	<b>\$163,623.51</b>
<b>Total Current Liabilities</b>	<b>\$163,623.51</b>
<b>Total Liabilities</b>	<b>\$163,623.51</b>
Equity	\$2,387,906.12
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$2,551,529.63</b>

**Spring Lake District Library  
Budget vs. Actuals  
MAR 2026**

	<b>MAR</b>	<b>YTD</b>	<b>Budget</b>	<b>% of Budget</b>
<b>Income</b>				
Budgetary Fund Balance Income		0.00	0.00	
Current Property Taxes .60 mil	52,371.99	503,182.00	584,578.00	86%
Current Property Taxes 1.12 mil	102,912.13	991,630.39	1,148,709.00	86%
Grants, Gifts and Contributions	159,320.70	180,223.70	172,000.00	105%
Investment Income	5,802.85	14,287.98	61,000.00	23%
Library Fines	527.49	1,079.95	2,000.00	54%
Local Government Revenue	45,200.22	162,913.41	197,000.00	83%
Other Income	1,320.00	3,416.45	7,300.00	47%
PILOT		0.00	3,000.00	
State Revenue		0.00	16,000.00	
<b>Total Income</b>	<b>\$ 367,455.38</b>	<b>\$ 1,856,733.88</b>	<b>\$ 2,191,587.00</b>	<b>85%</b>
<b>Expenses</b>				
Capital Outlay	550.32	4,497.62	25,000.00	18%
Materials	18,811.36	72,165.75	206,010.00	35%
Operations	22,370.43	134,661.31	397,858.00	34%
Personnel	110,498.07	566,765.47	1,469,219.00	39%
Programming	4,611.62	16,869.07	52,500.00	32%
Technology	7,592.68	23,603.36	41,000.00	58%
<b>Total Expenses</b>	<b>\$ 164,434.48</b>	<b>\$ 818,562.58</b>	<b>\$ 2,191,587.00</b>	<b>37%</b>

Check Detail Report - GF HNB Checking				
Spring Lake District Library				
March 19-April 15, 2026				
Date	Number	Name	Amount	Note
3/19/2026	22574	OverDrive, Inc.	3,686.81	off-cycle
3/19/2026	22575	Quill.com	74.58	off-cycle
4/15/2026	22576	4Imprint	2,319.24	lanyards for kids
4/15/2026	22577	Ace Hardware	82.49	
4/15/2026	22578	Action Chemical	327.24	
4/15/2026	22579	Alisa Crawford	250.00	
4/15/2026	22580	Alison Anderson	22.33	
4/15/2026	22581	Allendale Township Library	150.00	
4/15/2026	22582	Anne Rumptz	150.10	
4/15/2026	22583	Applied Innovation	1,395.84	copy/print
4/15/2026	22584	Cat Jackson	104.00	
4/15/2026	22585	Cecilia Ramos	150.00	
4/15/2026	22586	Cengage Learning, Inc. - Gale	257.52	
4/15/2026	22587	Center Point Publishing	131.39	
4/15/2026	22588	Chase Card Services	7,873.97	*see below
4/15/2026	22589	City Farmer Lawn & Landscape	2,010.00	snow
4/15/2026	22590	Cummins	390.51	
4/15/2026	22591	Emily May	135.90	
4/15/2026	22592	Friends of Spring Lake District Library	859.65	
4/15/2026	22593	Gallagher	2,049.00	partial pmt salary study
4/15/2026	22594	Hurst Mechanical	1,594.77	bldg maint
4/15/2026	22595	Ingram Library Services	3,787.09	books
4/15/2026	22596	Insight Benefit Administrators	13,000.00	benefits
4/15/2026	22597	Kanopy, Inc	333.20	
4/15/2026	22598	Lakeland Library Cooperative	6,199.35	llc
4/15/2026	22599	Laurie Beemer	137.90	
4/15/2026	22600	Library Market	1,500.00	web calendar
4/15/2026	22601	Loutit District Library	26.00	
4/15/2026	22602	Maggie McKeithan	88.74	
4/15/2026	22603	Melanie Alm	240.00	
4/15/2026	22604	Midwest Tape	3,546.63	digital materials
4/15/2026	22605	Ottawa Area ISD	357.30	
4/15/2026	22606	Ottawa County Parks & Recreation	100.00	
4/15/2026	22607	OverDrive, Inc.	4,907.34	digital materials
4/15/2026	22608	Schindler Elevator Corporation	816.06	elevator repair
4/15/2026	22609	Steve Hilger	350.00	
4/15/2026	22610	Tamarack District Library	23.00	
4/15/2026	22611	The Standard Insurance Company	569.86	insurance
4/15/2026	22612	TMobile	441.49	
4/15/2026	22613	Town & Country Group	540.00	annual svc agreement
4/15/2026	22614	Unique Management Services	108.35	
4/15/2026	22615	Vredeveld Haefner LLC	7,000.00	progress pmt for audit
		Total	68,087.65	
		*Chase Bill Detail	Amount	
		Operations:Library & Office Supplies	211.93	
		Operations:Maintenance/Janitorial Supply	559.81	
		Operations:Building Maintenance	170.47	
		Programming:Youth Programming	7.01	
		Programming	1,116.82	
		Operations:Professional/Contract Services	318.09	
		Technology:Technology Software/Supplies	1,153.55	
		Operations:Telephone & Internet	567.56	
		Operations:Cold Beverage Expenses	115.42	
		Materials:Books:Books - Adult Fiction	102.89	
		Materials:Books:Books - Adult Nonfiction	30.94	
		Materials:Books:Books - Large Print	20.40	
		Materials:Music/Videogames	127.92	
		Materials:DVDs	249.10	
		Materials:Other Circulating Materials - Youth	14.96	
		Operations:Staff Inservice/Travel	2,475.70	
		Operations:Payroll (Fees)	70.80	
		Programming:Adult Programming	560.60	
		Total	7,873.97	

Spring Lake District Library

Huntington Checking, Period Ending 03/31/2026

RECONCILIATION REPORT

Reconciled on: 04/09/2026

Reconciled by: Amanda Rantanen

Any changes made to transactions after this date aren't included in this report.


Summary

USD

Statement beginning balance	742,894.43
Service charge	-225.75
Interest earned	120.25
Checks and payments cleared (45)	-557,988.32
Deposits and other credits cleared (7)	362,536.22
Statement ending balance	547,336.83
Uncleared transactions as of 03/31/2026	-6,259.58
Register balance as of 03/31/2026	541,077.25
Cleared transactions after 03/31/2026	0.00
Uncleared transactions after 03/31/2026	-239,430.70
Register balance as of 04/09/2026	301,646.55

Details

Checks and payments cleared (45)



DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
02/18/2026	Bill Payment	22506	Athenaeum	-504.00
02/18/2026	Bill Payment	22514	Dr. Evin Rodkey	-150.00
02/18/2026	Bill Payment	22537	TMobile	-450.42
02/18/2026	Bill Payment	22507	Ben Kolk	-700.00
02/18/2026	Bill Payment	22523	Kamryn Marck	-325.00
02/18/2026	Bill Payment	22526	Lakeland Library Cooperative	-101.48
03/11/2026	Journal	0276 - Payroll		-10,678.42
03/11/2026	Journal	0256 - MERS DB		-8,224.38
03/11/2026	Journal	0274 - Electric		-5,541.54
03/11/2026	Journal	0276 - Payroll		-31,295.27
03/11/2026	Journal	0276 - Payroll		-116.09
03/12/2026	Journal	0271 - Gas		-2,068.13
03/16/2026	Journal	0259 - mclass		-400,000.00
03/18/2026	Bill Payment	22563	OverDrive, Inc.	-658.45
03/18/2026	Bill Payment	22542	4Imprint	-1,208.53
03/18/2026	Bill Payment	22555	Hurst Mechanical	-4,835.33
03/18/2026	Bill Payment	22570	The Standard Insurance Com...	-646.52
03/18/2026	Bill Payment	22544	Cengage Learning, Inc. - Gale	-131.16
03/18/2026	Bill Payment	22552	Foster Swift	-801.00
03/18/2026	Bill Payment	22562	Ottawa County Treasurer	-51.74
03/18/2026	Bill Payment	22553	Friends of Spring Lake District...	-738.20
03/18/2026	Bill Payment	22572	Total Fire Protection	-936.11
03/18/2026	Bill Payment	22556	Ingram Library Services	-1,828.47
03/18/2026	Bill Payment	22554	Grant Area District Library	-32.98
03/18/2026	Bill Payment	22550	Eric Hemenway	-250.00
03/18/2026	Bill Payment	22557	Kanopy, Inc	-282.20
03/18/2026	Bill Payment	22571	TMobile	-454.38
03/18/2026	Bill Payment	22566	Schindler Elevator Corporation	-634.60
03/18/2026	Bill Payment	22568	TH Brands	-16.00
03/18/2026	Bill Payment	22564	Rachel Yonai	-44.37
03/18/2026	Bill Payment	22573	Unique Management Services	-19.70
03/18/2026	Bill Payment	22547	Coopersville Area District Libr...	-24.99
03/18/2026	Bill Payment	22545	Center Point Publishing	-131.39
03/18/2026	Bill Payment	22561	Midwest Tape	-4,599.65
03/18/2026	Bill Payment	22569	The Chamber	-863.50
03/18/2026	Bill Payment	22546	Chase Card Services	-19,405.39
03/18/2026	Bill Payment	22560	Melanie Alm	-240.00
03/18/2026	Bill Payment	22543	Applied Innovation	-1,653.74

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
03/18/2026	Bill Payment	22558	Kuerth's Disposal	-105.00
03/25/2026	Journal	0277 - Payroll		-116.09
03/25/2026	Journal	0277 - Payroll		-30,562.01
03/25/2026	Journal	0277 - Payroll		-10,395.40
03/26/2026	Journal	0273 - WMHIP		-15,760.51
03/31/2026	Journal	0275 - ADP		-205.59
03/31/2026	Journal	0275 - ADP		-200.59
<b>Total</b>				<b>-557,988.32</b>

Deposits and other credits cleared (7)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
03/02/2026	Journal	0247 - Tax Income		155,284.12
03/23/2026	Journal	0266 - grant		1,733.55
03/31/2026	Journal	0265 - deposit		1,579.48
03/31/2026	Receive Payment	6531	SW-White Lake	28.04
03/31/2026	Journal	0270 - Square		883.94
03/31/2026	Receive Payment	1742	SM - Hackley Public Library	84.92
03/31/2026	Journal	0264 - deposit		202,942.17
<b>Total</b>				<b>362,536.22</b>

Additional Information

Uncleared checks and payments as of 03/31/2026

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
03/18/2026	Bill Payment	22548	Demco, Inc.	-1,086.81
03/18/2026	Bill Payment	22559	Marie Rothenberger	-400.00
03/18/2026	Bill Payment	22549	Diane Penning	-400.00
03/18/2026	Bill Payment	22551	Erin Lyon	-150.00
03/18/2026	Bill Payment	22565	Riverside Fire & Security LLC	-354.50
03/18/2026	Bill Payment	22567	Stephanie Rau	-160.00
03/19/2026	Bill Payment	22575	Quill.com	-74.58
03/19/2026	Bill Payment	22574	OverDrive, Inc.	-3,686.81
<b>Total</b>				<b>-6,312.70</b>

Uncleared deposits and other credits as of 03/31/2026

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
03/31/2026	Journal	0270 - Square		53.12
<b>Total</b>				<b>53.12</b>

Uncleared checks and payments after 03/31/2026

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
04/01/2026	Journal	0263 - to mclass		-250,000.00
04/08/2026	Journal	0269 - MERS DB		-983.47
04/08/2026	Journal	0268 - MERS 457		-1,443.99
04/08/2026	Journal	0268 - MERS 457		-1,443.99
04/08/2026	Journal	0269 - MERS DB		-983.47
04/13/2026	Journal	0272 - Gas		-1,555.82
<b>Total</b>				<b>-256,410.74</b>

Uncleared deposits and other credits after 03/31/2026

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
04/09/2026	Journal	0267 - income		2,866.39
04/09/2026	Journal	0278 - trnsfr		772.41

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
04/09/2026	Receive Payment		SLDL Capital Fund	13,341.24
Total				16,980.04

**SLDL Capital Projects Fund**  
**Balance Sheet**  
As of March 31, 2026

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	<u>Mar 31, 26</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
HNB Capital Fund Checking	199,550.92
Michigan Class Investments	77,869.80
Petty Cash	2.68
<b>Total Checking/Savings</b>	<u>277,423.40</u>
<b>Total Current Assets</b>	<u>277,423.40</u>
<b>TOTAL ASSETS</b>	<u><u>277,423.40</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
Accounts payable	13,341.24
<b>Total Accounts Payable</b>	<u>13,341.24</u>
<b>Total Current Liabilities</b>	<u>13,341.24</u>
<b>Total Liabilities</b>	13,341.24
<b>Equity</b>	
Retained Earnings(Fund Balance)	224,790.02
Net Income	39,292.14
<b>Total Equity</b>	<u>264,082.16</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>277,423.40</u></u>

**SLDL Capital Projects Fund**  
**Profit & Loss YTD Comparison**  
**March 2026**

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	<u>Mar 26</u>	<u>Jan - Mar 26</u>
<b>Income</b>		
Grant Revenue	0.00	42,500.00
GrantsGHACF Expansion Fund	160,070.19	160,070.19
Interest Income	15.22	45.54
Investment Fluctuation of MV's	329.16	1,295.04
Other Income	772.41	772.41
Restricted Gifts	0.00	119,531.65
	<u>161,186.98</u>	<u>324,214.83</u>
<b>Total Income</b>	<b>161,186.98</b>	<b>324,214.83</b>
<b>Gross Profit</b>	<b>161,186.98</b>	<b>324,214.83</b>
<b>Expense</b>		
Building Expenses	0.00	22,984.00
Capital outlay	4,862.51	9,725.03
Construction expense	58,824.98	252,213.66
	<u>63,687.49</u>	<u>284,922.69</u>
<b>Total Expense</b>	<b>63,687.49</b>	<b>284,922.69</b>
<b>Net Income</b>	<b><u>97,499.49</u></b>	<b><u>39,292.14</u></b>

SLDL Capital Projects Fund

4/10/2026 5:13 PM

Register: HNB Capital Fund Checking

From 03/19/2026 through 04/15/2026

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
03/31/2026			Interest Income	Interest		X	15.22	39,480.73
03/31/2026	024 - De...		GrantsGHACF Expansi...	Deposit		X	160,070.19	199,550.92
04/01/2026	026-Mclass		Michigan Class Invest...	transfer out to ...	125,000.00			74,550.92
04/09/2026	ACH	Spring Lake District ...	Accounts payable	To record reve...	13,341.24			61,209.68
04/09/2026	022 - TR...		Operating transfers out	transfer out to ...	13,341.24			47,868.44
04/09/2026	023 - TR...		Operating transfers out	transfer out to ...	772.41			47,096.03
04/10/2026	028-Mclass		Michigan Class Invest...	transfer from m...			75,000.00	122,096.03
04/15/2026	1191	American Security C...	Accounts payable		229.00			121,867.03
04/15/2026	1192	Dynamic Conveyor ...	Accounts payable	50% due prior t...	47,391.48			74,475.55
04/15/2026	1193	Tridonn Construction...	Accounts payable	Pay App 4	46,480.71			27,994.84

5:02 PM

04/10/26

**SLDL Capital Projects Fund**  
**Reconciliation Summary**  
HNB Capital Fund Checking, Period Ending 03/31/2026

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	Mar 31, 26
Beginning Balance	52,380.59
Cleared Transactions	
Checks and Payments - 3 items	-63,458.49
Deposits and Credits - 4 items	210,857.82
Total Cleared Transactions	147,399.33
Cleared Balance	199,779.92
Uncleared Transactions	
Checks and Payments - 1 item	-229.00
Total Uncleared Transactions	-229.00
Register Balance as of 03/31/2026	199,550.92
New Transactions	
Checks and Payments - 4 items	-152,454.89
Total New Transactions	-152,454.89
Ending Balance	47,096.03



**Spring Lake District Library**  
**Bank Accounts and Investments Summary**  
as of MAR 31, 2026

<b>General Fund - Money Market</b>	<b>Avg Yield</b>	<b>Market Value</b>
GF - Michigan Class Investments - 0001	3.74%	<b>\$1,997,209.71</b>

<b>Capital Fund - Money Market</b>	<b>Avg Yield</b>	<b>Market Value</b>
CF - Michigan Class Investments - 0002	3.74%	<b>\$77,869.80</b>

<b>Bank Accounts</b>	<b>Balance</b>
Huntington Checking - General Fund	\$541,077.25
Huntington Checking - Capital Projects	\$199,550.92
	<b>\$740,628.17</b>

**Library Director's Report**  
**Maggie McKeithan, Library Director**  
**April 15, 2026**

Starting April 20, the front entrance will be closed and we will be using the new ramp and patio to lead people to the Children's Room entrance. It could be this way for 2-4 weeks, depending on the timing with both the concrete and the asphalt. We'll be adding exterior signage to lead people to the temporary entrance for as long as we need to.

For the last few meetings, we've been talking about the damage caused by the window leaks last year. We initially thought there might be an insurance claim, but it was denied so the cost is on us. We contacted several companies to give us quotes and they ended up being around \$8,000. Based on that amount, I went ahead and approved one quote, so that we could get the work scheduled for early June.

Congratulations to Library Services Manager Alison Anderson and Reference Librarian Kim Senior. They wrote a successful proposal for a Molina Healthcare grant and we were awarded \$5,000 to put towards senior programming. We requested hearing aid equipment in the new sunroom and supplies to host a Memory Café program series later this year.

This year, we budgeted for a salary study to compare our wages and benefits with other libraries. The company we're working with, Gallagher, will be sending out surveys next week to libraries with similarities to ours. The intention is to complete the process and have a full report to the Personnel Committee by the middle of summer. From there, the committee can decide on any recommendations to the full Board, and then we can build the costs into the 2027 budget proposal, if needed.

Context for the agenda and packet –

**2025 Audit Presentation** Doug Vredevelde from Vredevelde-Haefner will present the 2025 Audit. Because it's so long, I've added it at the very end of the packet. The last page is the final budget vs actual report for 2025, after the journal entries as a result of the audit.

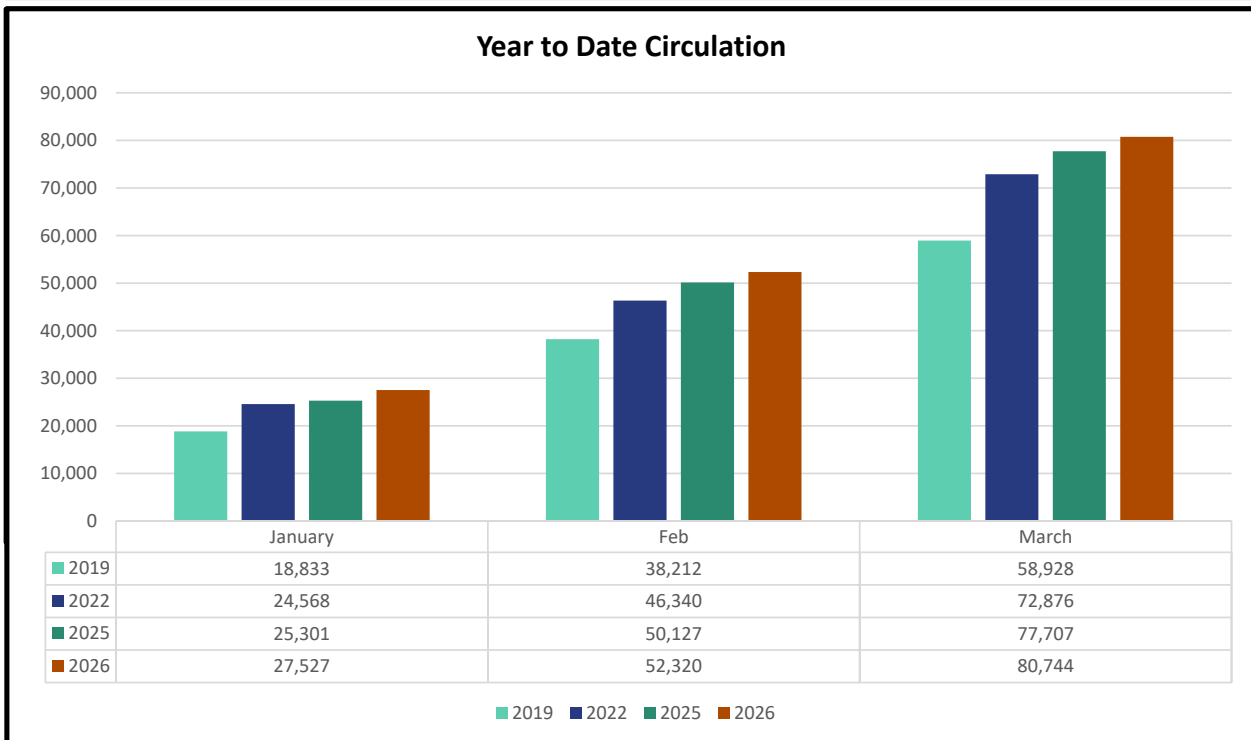
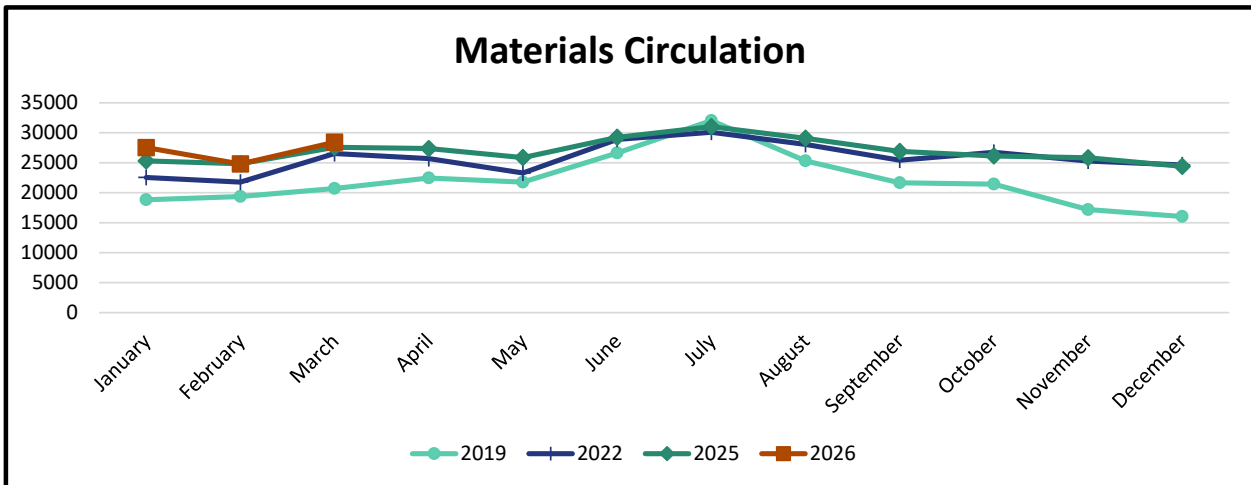
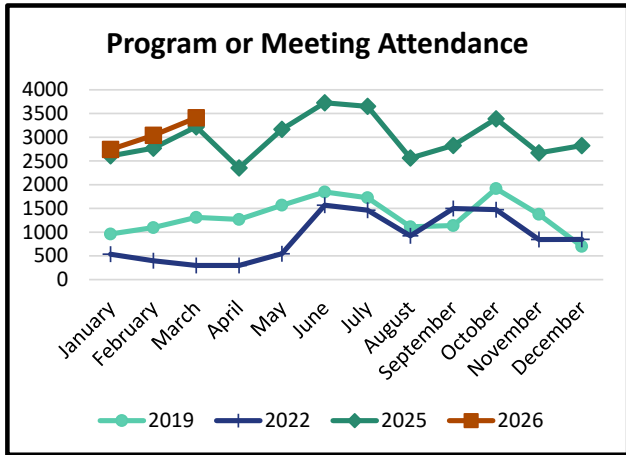
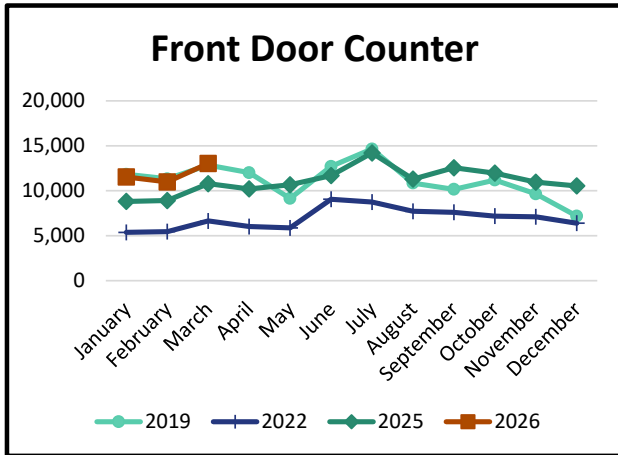
**Financial Report** The general fund budget vs actual expenses shows at 37% for the year so far. The \$215K retiree RHFV settlement is what's really skewing the percentage – at the time that we built the budget last summer, we did not know what the amount would be or if it would happen at all. At the May meeting, I'll present an amended budget draft to better reflect our financial position. We will need to increase the Personnel amount to reflect the retiree expense, adjust the Operations amount in the event that the Board decides to make a transfer to the capital fund, and add the RHFV funds coming back to us as an additional income line.

**Building Project Updates – Financial Update** The spreadsheet is updated up to March 31.

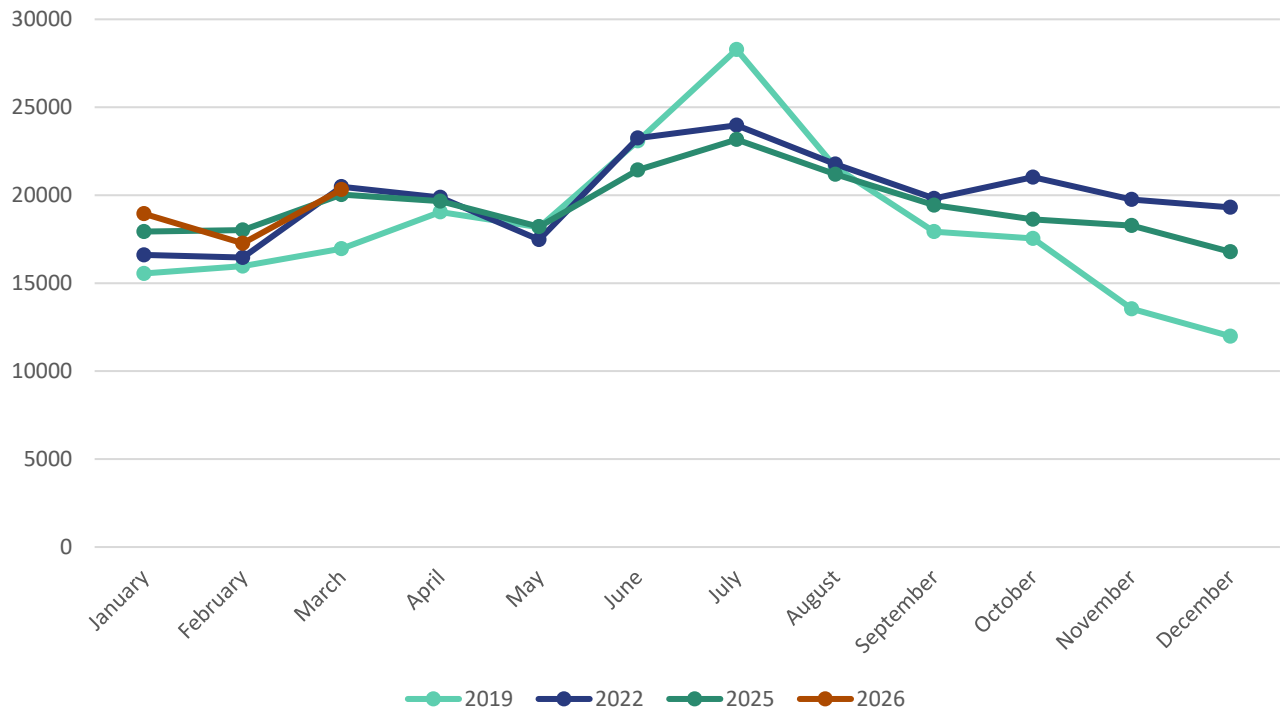
**Building Project Updates – Bulletin 3 – Change Order** They are working on Bulletin 3 right now. I'm not sure whether we will receive it in time for the meeting, but I've put a placeholder on the agenda and on the financial update to show that there will be one soon.

**MERS Retiree Health Funding Vehicle (RHFV)** As discussed at previous meetings, in late April, we're expecting to receive approximately \$1.4 million as a result of settling with the retirees and closing the MERS RHFV. The Board tasked the Finance Committee with making a recommendation about how those funds should be earmarked. The committee met last week and reviewed the library's fund balance, including both the RHFV and our existing fund balance per the 2025 audit – the total of both together is about \$2.6 million. After discussion, the committee recommends moving \$1.7 million from the general fund to the capital fund, of which \$700K would go towards the Sunroom addition, if needed, and \$1 million would go towards future capital fund expenses. This would still allow the library to retain a fund balance of 4 months of expenses (\$730K) in the general fund, per our policy, and reimburse ourselves for the \$215K for the retiree settlement from January 2026. If the Board is in favor of this recommendation, a vote is needed.

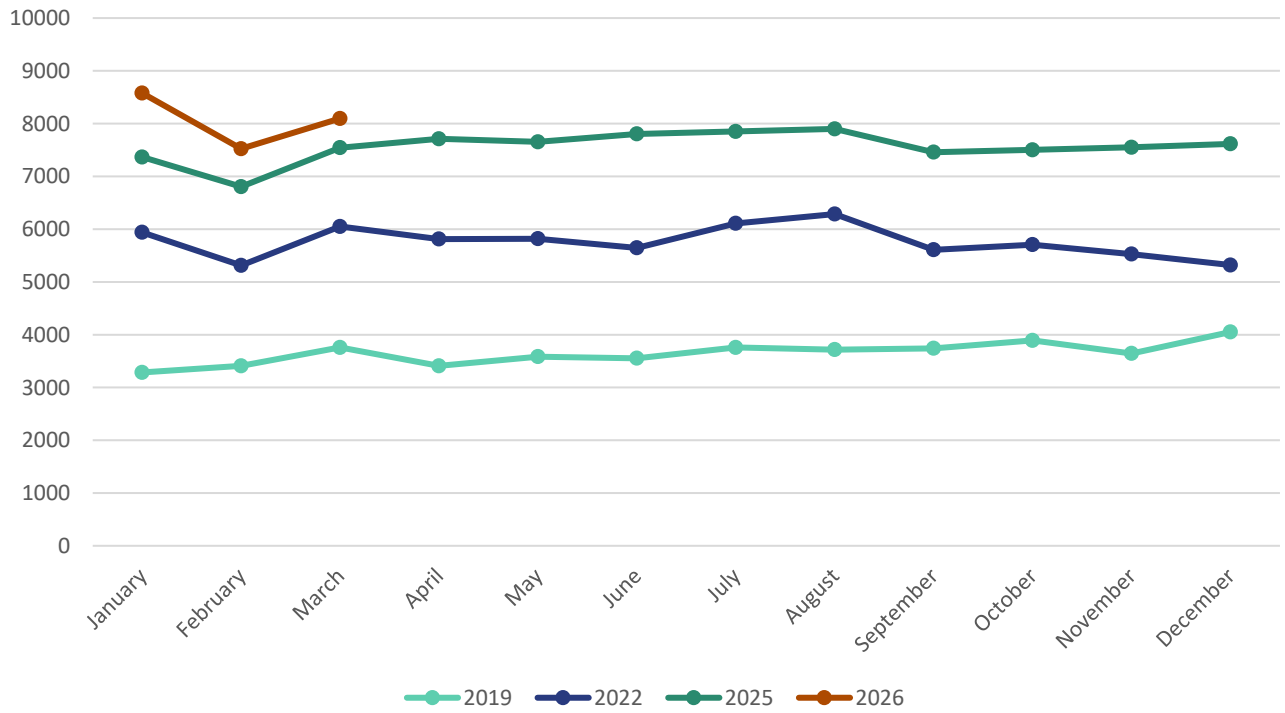
## Monthly Statistics - to March 31, 2026



### Print Materials Circulation



### Digital Materials Circulation



**Sunroom Addition - Financial Update**  
**March 2026**

Income	Anticipated Total	Already received
Harring Donation	\$500,000.00	\$396,307.77
GHACF Renovation Fund	\$22,500.00	\$22,500.00
GHACF Anonymous Donation	\$50,000.00	\$50,000.00
GHACF Grant	\$42,500.00	\$42,500.00
M-Class Interest Income - since Sep 25	\$4,502.17	\$4,502.17
Library Fund Balance	\$416,721.00	
<b>Grants</b>		
Total Income	\$1,036,223.17	\$515,809.94
<b>Expenses</b>		
A/E Fees	\$48,000.00	
Scope of Work Revision	\$1,602.50	
Bill 1 - Architektura		\$1,750.00
Bill 2 - Architektura		\$12,375.00
Construction	\$928,248.00	
Bill 1 - Tridonn		\$57,448.80
Bill 2 - Tridonn		\$96,382.70
Bill 3 - Tridonn		\$56,696.44
Bill 4 - Tridonn		\$46,480.71
<b>Furniture</b>		
Trellis Group - bulk of furniture	\$63,998.59	
Custer - study tables	\$7,841.40	
Kentwood Office Furniture - Flip-top tables	\$9,725.03	\$9,725.03
Interphase - Lectern and Power Tower	\$1,143.87	
Conveyor Belt Book Drop	\$95,000.00	\$85,304.66
Security Cameras	\$7,424.00	
Audio - speakers, mics, loop system	\$33,139.13	\$26,511.30
WiFi Extension	\$6,000.00	
Misc Owner Costs	\$2,500.00	
Drop Box Rental - could come from contingency	\$2,574.00	\$1,644.00
Contingency - 5%	\$47,591.00	
Change Order 1 - \$24,840		
Change Order 2 - (\$10,997)		
Change Order 3 - TBD		
Total Expenses	\$1,254,787.52	\$394,318.64
<b>Income less Expenses</b>	<b>-\$218,564.35</b>	<b>\$121,491.30</b>

April XX, 2026

Members of the Library Board  
Spring Lake District Library  
Grand Haven, Michigan

We have audited the financial statements of the governmental activities and each major fund of Spring Lake District Library (the "Library") for the year ended December 31, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 16, 2026. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Library are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Library during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Library's financial statements was the useful lives of capital assets:

Management's estimate of the useful lives of capital assets is based on historical actual usefulness and expected future usefulness of these assets. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

##### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

##### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We proposed audit adjustments to record taxes receivable and related deferred revenues as well an entry from prior year for accounts payable for construction activity. Management has corrected all such misstatements.

##### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

##### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated April XX, 2026.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Library's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Library's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We applied certain limited procedures to the management's discussion and analysis and budgetary comparison information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

### Restriction on Use

This information is intended solely for the use of the Library Board and management of Spring Lake District Library and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

**SPRING LAKE DISTRICT LIBRARY**  
**SPRING LAKE, MICHIGAN**

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025



Vredeveld Haefner LLC  
CPAs and Consultants

# SPRING LAKE DISTRICT LIBRARY

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# Vredeveld Haefner LLC

CPAs and Consultants  
10302 20<sup>th</sup> Avenue  
Grand Rapids, MI 49534  
Fax (616) 828-0307

Douglas J. Vredeveld, CPA  
(616) 446-7474  
Michael J. Vredeveld, CPA  
(616) 648-8447

## INDEPENDENT AUDITOR'S REPORT

April xx, 2026

Members of the Library Board  
Spring Lake District Library  
Spring Lake, Michigan

### **Opinions**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Spring Lake District Library (the Library), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Library, as of December 31, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards we:

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgement, 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 in governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7 and other information on pages 33 through 37 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management and 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 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.

*Uredaxold Haefner LLC*

## Management's Discussion and Analysis

### About the Library

As management of the Spring Lake District Library ("the Library"), we offer readers of the Spring Lake District Library financial statements this narrative review and analysis of the financial activities for the year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and notes to the financial statements.

### Financial Highlights

- At year-end, the assets of the Library's General Fund exceeded its liabilities and deferred inflows of resources by \$1,258,077, resulting in a positive fund balance.
- The Library's total General Fund balance increased by \$110,828 during the year.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Library's basic financial statements. The Library's basic financial statements comprise three components: 1) Government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

### Government-wide financial statements

The *Government-wide financial statements* are designed to provide readers with a broad overview of the Library's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Library's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Library is improving or deteriorating.

The *statement of activities* presents information showing how the Library's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (accrued interest on debt).

Both of the government-wide financial statements distinguish functions of the Library that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The Library currently has no business-type activities.

### 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 Library, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Library utilizes governmental and fiduciary 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 Library'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 Statement of Net Position with the Governmental Funds Balance Sheet, and the Statement of Activities with the Governmental Funds Statement of Revenues, Expenditures

and Changes in Fund Balance. By doing so, readers may better understand the long-term impact of the Library's near-term financing decisions. Reconciliations of fund financial statements with government-wide financial statements are provided to facilitate this comparison.

The Library maintains two governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and the Capital Projects Fund, which are both considered to be major funds.

The Library adopts an annual appropriations budget for its general fund as required by state law. A budgetary comparison statement for the General Fund has been provided as required supplementary information to demonstrate legal compliance with the budget. Budgets are also adopted for other funds and used as a management control device throughout the year.

A *Fiduciary fund* is used to account for the Library's Other Post-Employment Benefits Plan (OPEB). The fiduciary fund is *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the Library's own programs.

### 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*. This includes this discussion and analysis, budgetary comparison schedule for the General Fund, and historical pension and OPEB information.

### Government-wide Financial Analysis

The following table presents condensed information about the Library's financial position for the past two fiscal years. Total net position includes the investment in capital assets. Capital assets represent the capital assets held by the Library, net of related accumulated depreciation. As of the year ended December 31, 2025, the library's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$8,455,028.

	<u>2025</u>	<u>2024</u>
Current and other assets	\$4,438,442	\$4,173,418
Capital assets, net	6,207,314	6,253,675
<b>Total assets</b>	<b>10,645,756</b>	<b>10,427,093</b>
Deferred outflows of resources	<b>39,974</b>	<b>316,825</b>
Current and other liabilities	150,760	70,617
Long-term liabilities	339,006	587,972
<b>Total liabilities</b>	<b>489,766</b>	<b>658,589</b>
Deferred inflows of resources	<b>1,740,936</b>	<b>1,564,323</b>
Net position		
Net investment in capital assets	6,207,314	6,253,675
Restricted	165,927	328,677
Unrestricted	2,081,787	1,938,654
<b>Total net position</b>	<b>\$8,455,028</b>	<b>\$8,521,006</b>

A portion of the Library's net position reflects its investment in capital assets net of related debt (e.g., land, buildings, vehicles, and equipment, less any related debt used to acquire those assets that is still outstanding). The library uses these capital assets to provide services to the patrons it serves; consequently, these assets are not available for future spending. Although the Library's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Library's net position represents resources that are subject to other external restrictions on how they may be used. The remaining balance of *unrestricted net position* may be used to meet the Library's ongoing obligations and its general programs.

### Revenues and Expenses

The Library's net position decreased \$65,978 during the year ended December 31, 2025. Current year revenues exceeded current year expenses primarily due to increases in grant revenue and property taxable values. A summary of revenues and expenses for the past two fiscal years is presented below.

	<u>2025</u>	<u>2024</u>
<b>Program revenues</b>		
Charges for services	\$ 134,473	\$ 129,547
Grants and contributions	201,030	467,332
<b>General revenues</b>		
Property taxes	1,604,157	1,491,509
Penal fines	52,586	53,590
State revenue	24,792	23,289
Unrestricted investment earnings	86,672	122,690
<b>Total revenues</b>	<u>2,103,710</u>	<u>2,287,957</u>
<b>Functions/program expenses</b>		
Library	<u>2,169,688</u>	<u>2,139,485</u>
<b>Total expenses</b>	<u>2,169,688</u>	<u>2,139,485</u>
<b>Change in net position</b>	<b>(65,978)</b>	<b>148,472</b>
Net position, beginning of year	<u>8,521,006</u>	<u>8,372,534</u>
<b>Net position, end of year</b>	<u><b>\$8,455,028</b></u>	<u><b>\$8,521,006</b></u>

### Financial Analysis of the Library's Funds

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

The focus of the Library's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Library's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Library's governmental funds reported combined ending fund balances of \$1,424,004, a decrease of \$51,922 from the prior year primarily due to the library renovation paid for by the capital projects fund.

The general fund is the chief operating fund of the Library. At the end of the current fiscal year, fund balance of the general fund was made up of non-spendable amounts of \$19,679, and unassigned fund balance of \$1,238,398. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 63% of total general fund expenditures and transfers.

The Library's revenues in the general fund were \$2,082,665, an increase from the prior year of \$125,777. Property tax revenues, which make up 77% of general fund revenues, increased 1% from the previous year due to an increase in taxable values. Total general fund revenues increased by 6.4% overall compared to the previous year.

General fund expenditures amounted to \$1,950,077, an increase of \$104,534 from the prior year or 6%. General fund expenditures increased in the current year due to increased building maintenance and re-opening of the library.

The Library's balance of the capital projects fund decreased by \$162,750 primarily due to ongoing facility maintenance and improvement efforts. These included upgrades to program room technology, installation of security cameras, remodeling of the youth restroom, lighting improvements, HVAC component replacements, and the initiation of a new building project.

In September 2025, the library broke ground on an exterior building addition and landscaping project with a total budget of \$1.2 million. The addition, known as *The Sunroom*, will include:

- 1,250 square feet of new meeting room space
- A 500 square foot outdoor patio
- ADA-compliant access to the existing east patio and parking lot
- Updated handicap-accessible parking
- New, highly visible bike racks
- Enhanced landscaping

Approximately half of the project is funded through generous donor contributions and grants, with the remaining portion supported by the library's fund balance.

Capital project expenditures were lower than in the prior year, as the interior renovation project (*Library Refresh*) was completed in 2024.

### **General Fund Budgetary Highlights**

Grants and Gifts – Several grants and donations were received in 2025:

- \$11,711 from the Friends of SLDL to support Winter and Summer Reading Challenge prizes and programming
- \$136,050 from the GHACF Library Endowment (full allowable distribution for 2025)
- \$17,531 from the GHACF Zukowski Fund
- \$8,321 from the GHACF Library Restricted Endowment
- \$1,100 from the GHACF Outdoor Beautification Fund
- \$10,000 from the H.W. Wilson Foundation for the John Cotton Dana Award
- \$10,000 from the State of Michigan LSTA Access Grant
- \$6,317 in additional General Fund donations

### **Capital Assets and Long-Term Debt Activity**

**Capital assets** The Library's investment in capital assets for its governmental activities as of December 31, 2025, amounted to \$6,207,314 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, decor, and books.

Current year additions included beginning the Sunroom addition, youth restroom remodeling, a new speaker system, and updating the Library's security system.

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

**Debt** The Library had no outstanding debt at year end.

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

The following were considered in preparing the Library's budget for the year ending December 31, 2026:

- The Board approved a 2.7% cost-of-living adjustment (COLA) for all staff wages effective January 1, 2026, based on the State of Michigan Department of Treasury Inflation Rate Multiplier.
- The Board approved changes to the library's PTO payout structure, including the closure of the MERS HCSp / 115 Trust. Beginning February 2026:
  - Existing employee balances will remain with MERS and convert to post-employment healthcare spending debit cards
  - Current and future employees will no longer contribute via payroll deduction
  - Unused PTO will be paid out as taxable wages upon separation
- The Board approved an adjustment to the entry-level wage scale to align with Michigan's minimum wage increase to \$13.73 per hour, effective January 1, 2026.
- The 2026 budget includes up to \$15,000 for a compensation study with Gallagher, to be completed prior to development of the 2027 budget.
- The 2026 budget includes up to \$15,000 for improvements to the library's website.
- In late 2025, the library negotiated a retiree benefit buyout to facilitate closure of the OPEB / MERS RHFV fund. As a result:
  - Approximately \$1.4 million will be transferred from the OPEB fund to the General Fund in April 2026
  - The Board will review and amend the budget as needed to determine appropriate use of these funds

## **Contacting the Library Management**

This management discussion and analysis provides an overview of the current and prospective financial condition of the Library's operations and financial position. Requests for additional information on this report can be addressed to the Library Director, Spring Lake District Library, 123 E. Exchange St., Spring Lake, MI 49546.

**DRAFT**

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# SPRING LAKE DISTRICT LIBRARY

## STATEMENT OF NET POSITION

DECEMBER 31, 2025

	<u>Primary Government Governmental Activities</u>
<b>Assets</b>	
Cash and pooled investments	\$ 1,666,946
Receivables	1,545,005
Prepays	19,679
Net other post-employment benefit asset	1,206,812
Capital assets, net	
Land	599,210
Construction in progress	130,492
Buildings and equipment	<u>5,477,612</u>
<b>Total assets</b>	<u>10,645,756</u>
<b>Deferred outflows of resources</b>	
Pension related	<u>39,974</u>
<b>Liabilities</b>	
Accounts payable and accrued expenses	106,669
Compensated absences	44,091
Noncurrent liabilities	
Net pension liability	<u>339,006</u>
<b>Total liabilities</b>	<u>489,766</u>
<b>Deferred inflows of resources</b>	
Taxes levied for subsequent period	1,700,957
Pension related	<u>39,979</u>
<b>Total deferred inflows of resources</b>	<u>1,740,936</u>
<b>Net Position</b>	
Net investment in capital assets	6,207,314
Restricted for capital projects	165,927
Unrestricted	<u>2,081,787</u>
<b>Total net position</b>	<u>\$ 8,455,028</u>

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

**SPRING LAKE DISTRICT LIBRARY**

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED DECEMBER 31, 2025**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Primary government</b>				
Governmental activities				
Library	\$ 2,169,688	\$ 134,473	\$ 191,030	\$ 10,000
				\$ (1,834,185)
<b>Total primary government</b>	<b>\$ 2,169,688</b>	<b>\$ 134,473</b>	<b>\$ 191,030</b>	<b>\$ 10,000</b>
				(1,834,185)
General revenues				
Property taxes				
General operating				1,604,157
County penal fines				52,586
State revenues				24,792
Interest earnings				86,672
				<u>1,768,207</u>
Total general revenues				1,768,207
Change in net position				(65,978)
Net position, beginning of year				<u>8,521,006</u>
<b>Net position, end of year</b>				<b><u>\$ 8,455,028</u></b>

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

**SPRING LAKE DISTRICT LIBRARY**

**GOVERNMENTAL FUNDS  
BALANCE SHEET**

**DECEMBER 31, 2025**

	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
<b>Assets</b>			
Cash and pooled investments	\$ 1,428,814	\$ 238,132	\$ 1,666,946
Accounts receivable	1,545,005	-	1,545,005
Due from other funds	13,341	-	13,341
Prepays	<u>19,679</u>	<u>-</u>	<u>19,679</u>
<b>Total assets</b>	<u>\$ 3,006,839</u>	<u>\$ 238,132</u>	<u>\$ 3,244,971</u>
<b>Liabilities, deferred inflows, and fund balance</b>			
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 47,805	\$ 58,864	\$ 106,669
Due to other funds	<u>-</u>	<u>13,341</u>	<u>13,341</u>
<b>Total liabilities</b>	<u>47,805</u>	<u>72,205</u>	<u>120,010</u>
<b>Deferred inflows of resources</b>			
Taxes levied for subsequent period	<u>1,700,957</u>	<u>-</u>	<u>1,700,957</u>
<b>Fund balances</b>			
Non-spendable			
Prepaid items	19,679	-	19,679
Committed			
Capital projects	-	165,927	165,927
Unassigned	<u>1,238,398</u>	<u>-</u>	<u>1,238,398</u>
<b>Total fund balances</b>	<u>1,258,077</u>	<u>165,927</u>	<u>1,424,004</u>
<b>Total liabilities, deferred inflows, and fund balance</b>	<u>\$ 3,006,839</u>	<u>\$ 238,132</u>	<u>\$ 3,244,971</u>

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

# SPRING LAKE DISTRICT LIBRARY

## RECONCILIATION OF FUND BALANCE ON THE BALANCE SHEET FOR GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET POSITION

DECEMBER 31, 2025

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<b>Fund balances - total governmental funds</b>	\$ 1,424,004
Amounts reported for <i>governmental activities</i> in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Add - capital assets (net)	6,207,314
Certain pension and other post-employment benefits related amounts, such as the net other post-employment benefits asset, net pension liability and deferred amounts, are not due and payable in the current period and therefore are not reflected in the funds.	
Add - other post-employment benefits asset	1,206,812
Deduct - net pension liability	(339,006)
Deduct - deferred inflows related to pension	(39,979)
Add - deferred outflows related to pension	39,974
Certain long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - compensated absences payable	<u>(44,091)</u>
<b>Net position of governmental activities</b>	<u><u>\$ 8,455,028</u></u>

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

# SPRING LAKE DISTRICT LIBRARY

## GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2025

	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
<b>Revenues</b>			
Taxes	\$ 1,604,157	\$ -	\$ 1,604,157
Intergovernmental			
State revenues	24,792	-	24,792
Local revenues	116,255	-	116,255
County penal fees	52,586	-	52,586
Contributions	191,030	10,000	201,030
Fees and charges	17,791	-	17,791
Interest	75,627	11,045	86,672
Miscellaneous	427	-	427
<b>Total revenues</b>	<u>2,082,665</u>	<u>21,045</u>	<u>2,103,710</u>
<b>Expenditures</b>			
Current			
Library			
Personnel	1,333,877	-	1,333,877
Materials	186,286	-	186,286
Programming	35,835	-	35,835
Technology	38,863	-	38,863
Operations	340,450	-	340,450
Capital outlay	14,766	205,555	220,321
<b>Total expenditures</b>	<u>1,950,077</u>	<u>205,555</u>	<u>2,155,632</u>
Revenues over (under) expenditures	<u>132,588</u>	<u>(184,510)</u>	<u>(51,922)</u>
Other financing sources (uses)			
Transfers in	-	21,760	21,760
Transfers out	(21,760)	-	(21,760)
<b>Total other financing sources (uses)</b>	<u>(21,760)</u>	<u>21,760</u>	<u>-</u>
Net changes in fund balances	110,828	(162,750)	(51,922)
<b>Fund balances, beginning of year</b>	<u>1,147,249</u>	<u>328,677</u>	<u>1,475,926</u>
<b>Fund balances, end of year</b>	<u>\$ 1,258,077</u>	<u>\$ 165,927</u>	<u>\$ 1,424,004</u>

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

**SPRING LAKE DISTRICT LIBRARY**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED DECEMBER 31, 2025**

<b>Net changes in fund balances - total governmental funds</b>	\$ (51,922)
<p>Amounts reported for <i>governmental activities</i> in the statement of activities are different because</p> <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.</p>	
Add - capital outlay	339,173
Deduct - depreciation expense	(385,534)
<p>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 the funds.</p>	
Deduct - increase in compensated absences	(6,326)
Add - decrease in net pension liability	248,966
Add - increase in other post-employment benefits asset	101,031
Deduct - decrease in deferred outflows related to pensions	(238,101)
Deduct - increase in deferred inflows related to pensions	(34,515)
Deduct - decrease in deferred outflows related to other post-employment benefits	<u>(38,750)</u>
<b>Change in net position of governmental activities</b>	<b><u>\$ (65,978)</u></b>

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

**SPRING LAKE DISTRICT LIBRARY**  
**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**DECEMBER 31, 2025**

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	<b>Retiree Healthcare <u>Trust Fund</u></b>
<b>Assets</b>	
Investments	\$ 1,419,382
<b>Liabilities</b>	
Accounts payable	-
<b>Net position</b>	
Net position held in trust for OPEB	\$ 1,419,382

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

**SPRING LAKE DISTRICT LIBRARY**  
**FIDUCIARY FUNDS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

	<b>Retiree Healthcare Trust Fund</b>
<b>Additions</b>	
Investment earnings	
Investment gain (loss)	\$ 190,321
<b>Deductions</b>	
Participant benefits	7,068
Administrative expenses	2,771
<b>Total deductions</b>	9,839
Changes in net position	180,482
<b>Net position, beginning of year</b>	1,238,900
<b>Net position, end of year</b>	\$ 1,419,382

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

# SPRING LAKE DISTRICT LIBRARY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Spring Lake District Library, Spring Lake, Michigan (the "Library") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

#### **Reporting Entity**

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Spring Lake District Library. There are no component units to be included. The criteria for including a component unit include significant operational or financial relationships with the Library.

#### **Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Library which is considered to be a special purpose government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues are reported in total. The Library has no business-type activities.

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

Separate financial statements are provided for the governmental funds. Library 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.

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

The government-wide financial statements and the fiduciary fund 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 are levied. County penal fines are recognized when received. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Library considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except grant revenues which are recognized when grant requirements are met, County penal fines and other revenues are recognized when received, and interest revenue which is recorded when earned. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service and compensated absences expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due. Property taxes,

**SPRING LAKE DISTRICT LIBRARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

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

All individual governmental funds are reported as separate columns in the fund financial statements.

The Library reports the following major governmental funds:

The *General Fund* is the general operating fund of the Library. It is used to account for all financial resources, except those required to be accounted for in another fund.

The *Capital Projects Fund* accounts for resources that are committed to expenditure for improvements to the library's facility. Revenues were from an initial capital campaign when the Library's current facility was constructed. The unspent balance at completion of construction was released from restriction by a donor (whose contribution exceeded the remaining balance). However, the Board has determined that these resources will continue to be set aside for this purpose.

Additionally, the Library reports the following fund type:

The *Other Post-Employment Benefits Trust Fund* is used to account for the operations of the Library's other post-employment benefits plan.

***Budgets and Budgetary Accounting***

Comparisons to budget are presented for the General Fund. The Library follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In September of each year, the Library Director submits to the Library Board a proposed operating budget for the fiscal year commencing the following January 1.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to January 1, the budget is legally enacted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year for the general fund.
5. The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Adoption and amendments of all budgets used by the Library are governed by Michigan Law. The appropriations ordinances are based on the projected expenditures budget of the various objects of the Library. Any amendment to the original budget must meet the requirements of Michigan Law. The Library did amend its budget for the current year. Any revisions that alter the expenditures at the object level within the general fund must be approved by the Library Board.

**SPRING LAKE DISTRICT LIBRARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

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***Deposits and Investments***

State statutes and Library policy authorize the Library to invest in:

- a. Bonds, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Bankers acceptances of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended.
- h. The Library OPEB plan is also allowed to invest in corporate debt and equity securities.

***Prepaid Items***

Certain payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are accounted for following the consumption method of accounting.

***Capital Assets***

Capital assets, which include property and equipment, are reported in the governmental activities column in the government-wide financial statements.

Capital assets are defined by the Library as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at acquisition value (the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction) on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

# SPRING LAKE DISTRICT LIBRARY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2025

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Depreciation on capital assets (including infrastructure), is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	15-50
Collections	7
Furniture, fixtures, and equipment	5-20

#### **Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position.

#### **Compensated Absences**

Library employees can earn paid time off (PTO) in varying amounts based on length of service. Unused PTO may be accumulated up to 160 hours for part-time employees or 320 hours for full-time employees. Carryover in excess of these amounts must be approved by management or the Board of Trustees. Compensated absences accrued at year-end, which are subject to payment upon termination, have been included as a liability on the statement of net position and not on the governmental funds balance sheet, as no amount has matured from resignations or retirements.

#### **Deferred outflows/inflows of resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Library reports deferred outflows related to its pension and other post-employment benefits plans in the governmental activities.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds and governmental activities report deferred inflows from property taxes levied for the following year. In addition, the Library reports deferred inflows related to its pension in the governmental activities.

#### **Property Taxes**

Property taxes are levied and attach as an enforceable lien on property on December 1. Property taxes are payable through February 14. The property taxes are billed and collected by Spring Lake Township, which then remits the Library's designated portion on a semi-monthly basis. During March of each year, uncollected real property taxes are transferred to Ottawa County which pays the Library for those balances and accepts responsibility for collections. Responsibility for the collection of unpaid personal property taxes remains with Spring Lake Township.

**SPRING LAKE DISTRICT LIBRARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

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***Interfund Transactions***

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Transfers are used to move unrestricted revenues collected in the general fund to the capital projects fund for future capital needs.

***Net Position and Fund Balance Reporting***

Governmental funds report fund balance in the following five categories:

1. Non-spendable – the related asset's form does not allow expenditure of the balance. The assets are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. Nonspendable fund balance would be equal to inventory, prepaid items, non-current financial assets, and the nonspendable portion of endowments.
2. Restricted – the related assets can only be spent for the specific purposes stipulated by constitution, external resource providers, or as identified in enabling legislation.
3. Committed – the related assets can only be spent for a specific purpose identified by formal resolution of the governing board.
4. Assigned – the related assets can only be spent for a specific purpose identified by management as authorized by the governing board.
5. Unassigned – is the residual classification and includes all spendable amounts not contained in the other classifications.

Fund balance can only be committed or assigned by formal resolution of the Library Board.

Restricted net position represents those portions of net position legally segregated for a specific future use.

***Net Position and Fund Balance Flow Assumptions***

Sometimes the Library will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position/fund balance and unrestricted – net position/fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Library's policy to use restricted resources first, then unrestricted resources as they are needed. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

# SPRING LAKE DISTRICT LIBRARY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

### *Pensions and Other Post-employment Benefits (OPEB)*

For purposes of measuring the net pension liability and net OPEB asset, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### 2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS

PA. 621 of 1978, as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Library's actual and budgeted expenditures for the general fund have been shown at the object level, the level at which the budgets of the Library were adopted. During the year ended December 31, 2025, the Library had no expenditures in excess of the amounts appropriated.

### 3. CASH AND INVESTMENTS

The captions on the financial statements relating to cash and pooled investments and investments are as follows:

Cash and Pooled investments	\$1,666,946
Fiduciary fund investments	<u>1,419,382</u>
	<u>\$3,086,328</u>

The cash and investments making up the above balances are as follows:

Petty cash	\$ 234
Deposits	269,344
Michigan Class investment pool	1,397,368
MERS total market portfolio fund	<u>1,419,382</u>
Total	<u>\$3,086,328</u>

The deposits are in financial institutions located in Michigan in varying amounts. All accounts are in the name of the Library and a specific fund or common account. They are recorded in Library records at fair value. Interest is recorded when earned. Certificates of deposit with maturity dates over 90 days are classified as investments in the financial statements, but are classified as deposits for risk reporting purposes.

*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. State law does not require, and the Library does not have, a policy for deposit custodial credit risk. As of year-end, \$46,694 of the Library's bank balance of \$296,694 was exposed to custodial credit risk due to being uninsured or uncollateralized.

# SPRING LAKE DISTRICT LIBRARY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

### Investments

The Library categorizes its fair value measurements of investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the 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. As of December 31, 2025, the Library's investments in the MI Class investment pool and in the MERS Total Market Portfolio fund are classified as level 2.

At December 31, 2025 the balance of the MERS Total Market Portfolio fund consisted of the following:

<u>Investment</u>	<u>Percentage of pool total</u>	<u>Maturity in years</u>
Global equity	47%	Not applicable
Global fixed income	29%	Not applicable
Private markets	24%	Not applicable

### Investment and deposit risk

*Interest Rate Risk.* State law and Library policy limit the allowable investments and the maturities of some of the allowable investments as identified in Note 1, the summary of significant accounting policies. The Library's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. There is no stated maturity date for the Library's investments identified above.

*Credit Risk.* State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in Note 1, the summary of significant accounting policies. The investment policy does not have specific limits in excess of state law on investment credit risk. There is no risk rating for the MERS fund noted above. Michigan Class listed above is rate AAAM by S&P.

*Custodial Credit Risk - Investments.* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require and the Library does not have a policy for investment custodial credit risk. For the above funds on deposit with MERS and MI Class investments, the Library's custodial credit risk exposure cannot be determined because the Library's participation in the pools/funds do not consist of specifically identifiable securities.

*Concentration of Credit Risk.* State law limits allowable investments but does not limit concentration of credit risk as identified in Note 1, the summary of significant accounting policies. The Library's investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year-end are reported above.

# SPRING LAKE DISTRICT LIBRARY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2025

#### 4. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	<u>Balance January 1, 2025</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2025</u>
<b>Governmental activities</b>				
<b>Capital assets, not being depreciated</b>				
Land	\$ 599,210	\$ -	\$ -	\$ 599,210
Construction in progress	26,763	130,492	26,763	130,492
<b>Capital assets, not being depreciated</b>	<b>625,973</b>	<b>130,492</b>	<b>26,763</b>	<b>729,702</b>
<b>Capital assets, being depreciated</b>				
Buildings and improvements	7,563,842	77,703	-	7,641,545
Equipment	1,165,373	-	-	1,165,373
Library collection	862,372	157,741	114,508	905,605
Total capital assets, being depreciated	9,591,587	235,444	114,508	9,712,523
Less accumulated depreciation for				
Building and improvements	2,595,093	210,512	-	2,805,605
Equipment	969,528	48,736	-	1,018,264
Library collection	399,264	126,286	114,508	411,042
Total accumulated depreciation	3,963,885	385,534	114,508	4,234,911
<b>Net capital assets, being depreciated</b>	<b>5,627,702</b>	<b>(150,090)</b>	<b>-</b>	<b>5,477,612</b>
<b>Governmental activities capital assets, net</b>	<b>\$6,253,675</b>	<b>\$(19,598)</b>	<b>\$26,763</b>	<b>\$6,207,314</b>

Depreciation expense of \$385,534 was charged to the Library functions/programs.

#### 5. COMPENSATED ABSENCES

The following is a summary of the compensated absences of the Library:

	<u>Balance January 1, 2025</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2025</u>	<u>Due Within One Year</u>
<b>Governmental Activities</b>					
Accrued compensated absences	\$37,765	\$6,326	\$ -	\$44,091	\$ -
	<b>\$37,765</b>	<b>\$6,326</b>	<b>\$ -</b>	<b>\$44,091</b>	<b>\$ -</b>

The compensated absences additions and deletions is shown as a net amount.

**SPRING LAKE DISTRICT LIBRARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

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**6. PENSION PLANS**

***Defined Benefit Plan***

***Plan Description***

The Library participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the MERS website at [www.mersofmich.com](http://www.mersofmich.com).

***Benefits Provided***

Pension benefits approved by the Library Board are provided to all full-time employees. Benefits provided include a multiplier of 2.5 times final average compensation for those hired prior to December 1, 2018 and a multiplier of 1.75 for those hired after December 1, 2018. The vesting period for benefits is 10 years. Normal retirement age is 60 with early retirement at age 50 with 25 years of service or age 55 with 15. Final average compensation is calculated based on a 3 year average.

Membership of the defined benefit plan consisted of the following at the date of the latest actuarial valuation (December 31, 2023):

Active plan members	2
Inactive employees or beneficiaries currently receiving benefits	7
Inactive employees entitled but not yet receiving benefits	12
 Total	 21

The defined benefit plan was closed to new entrants effective January 1, 2023.

***Contributions***

The Library is required to contribute at an actuarially determined rate, which for the current year was approximately \$6,800 per month. Contributions are determined based on position and classification of participating employees. Participating employees are required to contribute from 3% to 5% of gross wages to the Plan based on position and classification. The contribution requirements of the Library are established and may be amended by the MERS Retirement Board. The contribution requirements of employees are established and may be amended by labor agreements.

***Net Pension Liability***

The Library's net pension liability was measured as of December 31, 2025, and the total pension liability used to calculate the net pension liability at December 31, 2025 was determined by an annual actuarial valuation as of December 31, 2024 (which included roll forward procedures to December 31, 2025).

# SPRING LAKE DISTRICT LIBRARY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2025

The total pension liability in the December 31, 2024 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation: 2.5%
- Salary Increases: base wage inflation of 3.85% in the long-term (plus merit and longevity from 0 to 11% based on age)
- Investment rate of return: 6.93%, net of investment expense, including inflation
- Mortality rates used for non-disabled plan member were based on a weighted blend of Pub-2014 mortality tables.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study.

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

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Expected Money Weighted Rate of Return*</u>
Global Equity	60.0%	4.50%	2.70%
Global Fixed Income	20.0%	2.00%	0.40%
Private investments	20.0%	7.00%	1.40%
MERS dedicated gains policy			(0.07)%
Inflation			2.50%
Administrative fee			0.25%
			<hr/>
Discount rate			<u>7.18%</u>

Discount rate. The discount rate used to measure the total pension liability is 6.93%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

# SPRING LAKE DISTRICT LIBRARY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2025

#### Changes in the Net Pension Liability

	Increase (Decrease)		
	Total	Plan	Net Pension
	Pension	Fiduciary	
	Liability	Net Position	Liability
	(a)	(b)	(a)-(b)
Balance at December 31, 2024	\$2,986,296	\$2,398,324	\$ 587,972
Changes for the Year:			
Service cost	14,604	-	14,604
Interest	206,872	-	206,872
Change in benefits	-	-	-
Differences between expected and actual experience	77,682	-	77,682
Change in assumptions	(16,979)	-	(16,979)
Contributions: employer	-	80,364	(80,364)
Contributions: employee	-	7,051	(7,051)
Net investment income	-	361,458	(361,458)
Benefit payments, including refunds	(224,726)	(224,726)	-
Administrative expense	-	(4,762)	4,762
Other changes	(87,034)	-	(87,034)
Net changes	(29,581)	219,385	(248,966)
Balance at December 31, 2025	\$2,956,715	\$2,617,709	\$ 339,006

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

The following presents the net pension liability of the employer, calculated using the discount rate of 7.18%, as well as what the employer's net pension liability would be using a discount rate that is 1 percentage point lower (6.18%) or higher (8.18%) than the current rate.

	1% Decrease	Current Discount rate	1% Increase
Total Pension Liability	\$3,220,695	\$2,956,715	\$2,729,071
Fiduciary Net Position	2,617,709	2,617,709	2,617,709
Net Pension Liability	\$ 602,986	\$ 339,006	\$ 111,362

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

For the year ended December 31, 2025 the Library recognized pension expense of \$104,014. The Library reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 19,484	\$ -
Differences in assumptions	20,490	-
Excess (deficit) investment returns	-	39,979
Total	\$39,974	\$ 39,979

# SPRING LAKE DISTRICT LIBRARY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2025

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

2026	\$ 105,974
2027	(25,125)
2028	(41,980)
2029	(38,874)
Thereafter	-
Total	\$ (5)

#### Defined Contribution Pension Plan

The Library maintains a defined contribution pension plan administered by the Municipal Employees Retirement System (MERS) of Michigan, that covers substantially all full-time employees. Participants contribute a percent of their salaries to the plan which the Library matches at 100% up to 6% of employee compensation. Plan provisions and contribution requirements are established and may be amended by the Board. The Library's contribution for 2025 was \$24,474.

#### Deferred Compensation Plan

The Library offers employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all Library employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All assets of the plan are held in trust for employees and the related assets and liabilities are not included in this report.

### 7. OTHER POST-EMPLOYMENT BENEFITS

#### *Plan Description*

The Library maintains a single-employer defined benefit healthcare plan (the "Plan"). The Plan provides health, dental, and vision insurance benefits to certain retirees and their beneficiaries and is closed to new hires. The Plan is included as an other post-employment benefits trust fund in the Library's financial statements; a stand-alone financial report of the Plan has not been issued. Management has utilized the alternative method using actuarial calculations in the valuation of the other post-employment benefits plan,

#### *Benefits provided*

The plan provides eligible retirees, their spouses and eligible dependents healthcare benefits matching those received at the time of retirement until they are eligible for Medicare at no incremental cost, at which time the healthcare coverage will become a supplemental insurance.

Membership of the Plan consisted of the following at the date of the latest valuation (December 31, 2025):

Active plan members	0
Retirees and beneficiaries receiving benefits	2
Total	2

# SPRING LAKE DISTRICT LIBRARY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2025

#### **Contributions**

The Plan was established and is being funded under the authority of the Library Board of Trustees. The Plan's funding policy is that the employer will contribute any required amounts as determined by an annual actuarial valuation. There are no long-term contracts for contributions to the Plan. The plan has no legally required reserves.

#### **Net OPEB Liability**

The total OPEB liability in the December 31, 2025 annual valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Salary Increases: 3.65%
- Investment rate of return: 7.00%
- Healthcare cost trend rate: 7.50% per year adjusted downward .25% per year to 4.5%
- 20-year Aa Municipal bond yield: 3.9%
- Mortality rates used IRS 2017 annuitant/non-annuitant mortality

The actuarial assumptions used in the valuation were determined by management using the best information available and utilizing the State of Michigan mandatory assumptions.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Rate of Return</u>
MERS Total Market Portfolio	100%	6.90%

The sum of each target benefit times its long-term expected real rate is 7.00%.

Discount rate. The discount rate used to measure the total OPEB liability is 7.00%. For projected benefits that are expected to be covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the "depletion date"), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. This discount rate is used to determine the total OPEB liability.

**SPRING LAKE DISTRICT LIBRARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

**Changes in the Net OPEB Liability**

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a)-(b)
Balance at December 31, 2024	\$133,119	\$1,238,900	\$(1,105,781)
Changes for the Year:			
Service cost	-	-	-
Interest	8,941	-	8,941
Change in benefits	79,451	-	79,451
Differences between expected and actual experience	(1,873)	-	(1,873)
Change in assumptions	-	-	-
Contributions: employer	-	-	-
Contributions: employee	-	-	-
Net investment Income	-	190,321	(190,321)
Benefit payments, including refunds	(7,068)	(7,068)	-
Administrative expense	-	(2,771)	2,771
Other changes	-	-	-
Net changes	79,451	180,482	(101,031)
Balance at December 31, 2025	\$212,570	\$1,419,382	\$(1,206,812)

**Plan Termination**

During the year ended December 31, 2025, the Board terminated the Plan and agreed to buyouts with the remaining plan participants. The total OPEB liability above has been adjusted to reflect the buyout amount. The buyouts were signed and approved in December 2025 and were paid out in January 2026. The remaining net OPEB asset will be transferred to the Library during 2026.

**8. FUNDS HELD BY COMMUNITY FOUNDATION**

**Endowment Fund Agreement**

The Library entered into an agreement with the Grand Haven Area Community Foundation on September 25, 2001, the purpose of which was to establish an endowment fund and a restricted fund to provide funding for the support of the Spring Lake District Library. Distributions may be made only from net appreciation of the endowment at the request of the Library Board, subject to Foundation approval and certain conditions. The Board may also request that a portion or all of the investment return be re-invested in the endowment fund. At December 31, 2025, balances of the endowment and restricted funds held by the Grand Haven Area Community Foundation amounted to \$4,336,755 and \$261,577 respectively.

**Renovation Fund Agreement**

The Library entered into agreements with the Grand Haven Area Community Foundation, the purpose of which was to establish investment funds to pay for the future renovation of the Library. The Library can request distribution of these funds at any time and must use them for the renovation of the Library. At December 31, 2025 the balances of the renovation funds amounted to \$78,253 and \$396,591.

**SPRING LAKE DISTRICT LIBRARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

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**9. RISK MANAGEMENT**

The library is exposed to various risks of loss related to property loss, torts, errors, and omissions and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Library has purchased commercial insurance for claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in the past three fiscal years. There were no significant reductions in insurance coverage during the past year.

**10. TAX ABATEMENTS**

The District receives reduced property tax revenues as a result of Industrial Facilities Tax exemptions granted by cities, villages, and townships within the District. Industrial facility exemptions are intended to promote construction of new industrial facilities and to rehabilitate existing facilities.

Industrial property tax abatements are granted in the State of Michigan under Public Act 198. By State law, the exemption must be applied for no later than six months after commencement of the project, and must be accompanied by a written agreement between the tax payer and the local unit. An exemption allows for taxation on IFT property at 50% of the local property tax millage for a period of 1 to 12 years. Accordingly, such agreements meet the criteria of "tax abatements" under GASB Statement No. 77. For the year ended December 31, 2025, the District's property tax revenues were reduced by approximately \$7,600 under this program.

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**SPRING LAKE DISTRICT LIBRARY**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL**

**FOR THE YEAR ENDED DECEMBER 31, 2025**

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 1,777,850	\$ 1,764,439	\$ 1,604,157	\$ (160,282)
Intergovernmental				
State revenues	16,000	10,000	24,792	14,792
Local revenues	-	-	116,255	116,255
County penal fees	-	-	52,586	52,586
Contributions	155,000	201,012	191,030	(9,982)
Fees and charges	2,000	6,197	17,791	11,594
Interest	60,000	71,312	75,627	4,315
Miscellaneous	5,850	10,762	427	(10,335)
<b>Total revenues</b>	<u>2,016,700</u>	<u>2,063,722</u>	<u>2,082,665</u>	<u>18,943</u>
<b>Expenditures</b>				
Current				
Library				
Personnel	1,353,362	1,353,362	1,333,877	19,485
Materials	196,200	198,200	186,286	11,914
Programming	50,000	45,000	35,835	9,165
Technology	37,000	45,000	38,863	6,137
Operations	360,400	375,400	340,450	34,950
Capital outlay	25,000	25,000	14,766	10,234
<b>Total expenditures</b>	<u>2,021,962</u>	<u>2,041,962</u>	<u>1,950,077</u>	<u>91,885</u>
Revenues over (under) expenditures	(5,262)	21,760	132,588	110,828
Other financing sources (uses)				
Transfers out	-	(21,760)	(21,760)	-
Net changes in fund balance	(5,262)	-	110,828	110,828
<b>Fund balance, beginning of year</b>	<u>1,147,249</u>	<u>1,147,249</u>	<u>1,147,249</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 1,141,987</u>	<u>\$ 1,147,249</u>	<u>\$ 1,258,077</u>	<u>\$ 110,828</u>

**SPRING LAKE DISTRICT LIBRARY**  
**DEFINED BENEFIT PENSION PLAN**  
**SCHEDULE OF CHANGES IN EMPLOYERS NET PENSION**  
**LIABILITY AND RELATED RATIOS**

**FOR THE YEAR ENDED DECEMBER 31, 2025**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Total pension liability</b>										
Service cost	\$ 14,604	\$ 16,849	\$ 39,466	\$ 38,276	\$ 39,249	\$ 49,214	\$ 38,208	\$ 49,622	\$ 59,095	\$ 54,586
Interest	206,872	202,147	209,661	189,068	189,362	161,195	165,853	161,162	152,421	133,343
Changes in benefit terms	-	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	77,682	(10,930)	43,516	43,029	(13,226)	248,102	(71,382)	(36,173)	(36,192)	(7,563)
Changes in assumptions	(16,979)	17,926	-	102,454	162,155	70,261	-	-	-	141,015
Benefit payments including employee refunds	(224,726)	(219,842)	(214,959)	(206,224)	(172,206)	(151,046)	(116,738)	(62,206)	(12,077)	(11,820)
Other	(87,034)	(38,332)	(17,435)	23,699	4,505	8,449	43,540	(20,787)	(24,190)	(22,702)
<b>Net change in total pension liability</b>	(29,581)	(32,182)	60,249	190,302	209,839	386,175	59,481	91,618	139,057	286,859
<b>Total pension liability, beginning of year</b>	<u>2,986,296</u>	<u>3,018,478</u>	<u>2,958,229</u>	<u>2,767,927</u>	<u>2,558,088</u>	<u>2,171,913</u>	<u>2,112,432</u>	<u>2,020,814</u>	<u>1,881,757</u>	<u>1,594,898</u>
<b>Total pension liability, end of year</b>	<u>\$ 2,956,715</u>	<u>\$ 2,986,296</u>	<u>\$ 3,018,478</u>	<u>\$ 2,958,229</u>	<u>\$ 2,767,927</u>	<u>\$ 2,558,088</u>	<u>\$ 2,171,913</u>	<u>\$ 2,112,432</u>	<u>\$ 2,020,814</u>	<u>\$ 1,881,757</u>
<b>Plan Fiduciary Net Position</b>										
Contributions-employer	\$ 80,364	\$ 81,240	\$ 67,308	\$ 80,340	\$ 66,088	\$ 25,396	\$ 38,898	\$ 58,556	\$ 45,549	\$ 101,483
Contributions-employee	7,051	8,295	13,146	18,722	17,007	16,766	14,859	11,428	12,325	12,601
Net investment income (loss)	361,458	174,362	244,243	(273,525)	334,841	275,618	274,693	(83,759)	246,364	183,882
Benefit payments including employee refunds	(224,726)	(219,842)	(214,959)	(206,224)	(172,206)	(151,046)	(116,738)	(62,206)	(12,077)	(11,820)
Administrative expense	(4,762)	(5,144)	(5,195)	(4,802)	(3,841)	(4,438)	(4,733)	(4,117)	(3,889)	(3,611)
<b>Net change in plan fiduciary net position</b>	219,385	38,911	104,543	(385,489)	241,889	162,296	206,979	(80,098)	288,272	282,535
<b>Plan fiduciary net position, beginning of year</b>	<u>2,398,324</u>	<u>2,359,413</u>	<u>2,254,870</u>	<u>2,640,359</u>	<u>2,398,470</u>	<u>2,236,174</u>	<u>2,029,195</u>	<u>2,109,293</u>	<u>1,821,021</u>	<u>1,538,486</u>
<b>Plan fiduciary net position, end of year</b>	<u>\$ 2,617,709</u>	<u>\$ 2,398,324</u>	<u>\$ 2,359,413</u>	<u>\$ 2,254,870</u>	<u>\$ 2,640,359</u>	<u>\$ 2,398,470</u>	<u>\$ 2,236,174</u>	<u>\$ 2,029,195</u>	<u>\$ 2,109,293</u>	<u>\$ 1,821,021</u>
<b>Total net pension liability (asset)</b>	<u>\$ 339,006</u>	<u>\$ 587,972</u>	<u>\$ 659,065</u>	<u>\$ 703,359</u>	<u>\$ 127,568</u>	<u>\$ 159,618</u>	<u>\$ (64,261)</u>	<u>\$ 83,237</u>	<u>\$ (88,479)</u>	<u>\$ 60,736</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	88.5%	80.3%	78.2%	76.2%	95.4%	93.8%	103.0%	96.1%	104.4%	96.8%
<b>Covered employee payroll</b>	\$ 137,672	\$ 174,391	\$ 437,315	\$ 399,489	\$ 363,468	\$ 411,164	\$ 307,946	\$ 348,345	\$ 410,759	\$ 420,050
<b>Employer's net pension liability as a percentage of covered employee payroll</b>	246.2%	337.2%	150.7%	176.1%	35.1%	38.8%	-20.9%	23.9%	-21.5%	14.5%

**SPRING LAKE DISTRICT LIBRARY**  
**DEFINED BENEFIT PENSION PLAN**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contributions	\$ 80,364	\$ 81,240	\$ 67,308	\$ 80,340	\$ 66,088	\$ 25,396	\$ 38,898	\$ 58,556	\$ 45,549	\$ 45,483
Contributions in relation to the actuarially determined contributions	80,364	81,240	67,308	80,340	66,088	25,396	38,898	58,556	45,549	101,483
Contribution excess (deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,000
Covered employee payroll	\$ 137,672	\$ 174,391	\$ 437,315	\$ 399,489	\$ 363,468	\$ 411,164	\$ 307,946	\$ 348,345	\$ 410,759	\$ 420,050
Contributions as a percentage of covered employee payroll	58%	47%	15%	20%	18%	6%	13%	17%	11%	24%

**Notes to schedule**

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	15 years
Asset valuation method	5 year smoothed
Inflation	2.50%
Salary increases	3.85%, (3.0% 2022, 2.0% for 2020; 3.75% for 2015 through 2019)
Investment rate of return	7.0% (7.35% for 2020; 7.75% for 2015 through 2019)
Retirement age	Varies depending on plan adoption
Mortality	Pub-2010 mortality tables

**SPRING LAKE DISTRICT LIBRARY**

**OTHER POST-EMPLOYMENT BENEFITS PLAN  
SCHEDULE OF CHANGES IN EMPLOYERS NET OPEB  
LIABILITY AND RELATED RATIOS**

**FOR THE YEAR ENDED DECEMBER 31, 2025**

	2025	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB liability</b>								
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,040
Interest	8,941	9,087	9,921	9,418	18,624	19,410	18,899	24,126
Changes in benefit terms	79,451	-	-	-	-	-	-	-
Difference between expected and actual experience	(1,873)	(5,291)	2,348	6,272	(137,267)	(13,598)	(75,565)	(31,086)
Changes in assumptions	-	-	(19,163)	-	-	-	-	-
Benefit payments including employee refunds	(7,068)	(4,770)	(7,680)	(9,006)	(10,874)	(23,198)	(15,698)	(9,622)
Other	-	-	-	-	-	-	-	-
<b>Net change in total OPEB liability</b>	<b>79,451</b>	<b>(974)</b>	<b>(14,574)</b>	<b>6,684</b>	<b>(129,517)</b>	<b>(17,386)</b>	<b>(72,364)</b>	<b>(7,542)</b>
<b>Total OPEB liability, beginning of year</b>	<b>133,119</b>	<b>134,093</b>	<b>148,667</b>	<b>141,983</b>	<b>271,500</b>	<b>288,886</b>	<b>361,250</b>	<b>368,792</b>
<b>Total OPEB liability, end of year</b>	<b>\$ 212,570</b>	<b>\$ 133,119</b>	<b>\$ 134,093</b>	<b>\$ 148,667</b>	<b>\$ 141,983</b>	<b>\$ 271,500</b>	<b>\$ 288,886</b>	<b>\$ 361,250</b>
<b>Plan Fiduciary Net Position</b>								
Contributions-employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions-employee	-	-	-	-	-	-	-	-
Net investment income	190,321	88,967	121,367	(135,938)	128,067	122,111	117,767	(32,933)
Benefit payments including employee refunds	(7,068)	(4,770)	(7,680)	(9,006)	(10,874)	(23,198)	(15,698)	(9,622)
Administrative expense	(2,771)	(2,563)	(2,184)	(1,942)	(2,078)	(1,739)	(1,677)	(2,241)
Other	-	-	-	-	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>180,482</b>	<b>81,634</b>	<b>111,503</b>	<b>(146,886)</b>	<b>115,115</b>	<b>97,174</b>	<b>100,392</b>	<b>(44,796)</b>
<b>Plan fiduciary net position, beginning of year</b>	<b>1,238,900</b>	<b>1,157,266</b>	<b>1,045,763</b>	<b>1,192,649</b>	<b>1,077,534</b>	<b>980,360</b>	<b>879,968</b>	<b>924,764</b>
<b>Plan fiduciary net position, end of year</b>	<b>\$ 1,419,382</b>	<b>\$ 1,238,900</b>	<b>\$ 1,157,266</b>	<b>\$ 1,045,763</b>	<b>\$ 1,192,649</b>	<b>\$ 1,077,534</b>	<b>\$ 980,360</b>	<b>\$ 879,968</b>
<b>Employer net OPEB liability (asset)</b>	<b>\$ (1,206,812)</b>	<b>\$ (1,105,781)</b>	<b>\$ (1,023,173)</b>	<b>\$ (897,096)</b>	<b>\$ (1,050,666)</b>	<b>\$ (806,034)</b>	<b>\$ (691,474)</b>	<b>\$ (518,718)</b>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	668%	931%	863%	703%	840%	397%	339%	244%
<b>Covered employee payroll</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,900	\$ 87,672
<b>Employer's net OPEB liability as a percentage of covered employee payroll</b>	n/a	n/a	n/a	n/a	n/a	n/a	-1414%	-592%

**SPRING LAKE DISTRICT LIBRARY**

**OTHER POST-EMPLOYMENT BENEFITS PLAN  
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2025**

	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contributions	-	-	-	-	-	-	-	-
Contribution excess (deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,900	\$ 87,672
Contributions as a percentage of covered employee payroll	n/a	n/a	n/a	n/a	n/a	n/a	0.0%	0.0%

**SCHEDULE OF INVESTMENT RATE OF RETURN**

Investment rate of return	14.2%	7.7%	11.6%	-10.4%	11.9%	8.1%	13.5%	-4.9%
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**Notes to schedule**

Actuarial cost method	Entry Age Normal (level percent)
Amortization method	Level percent, closed
Remaining amortization period	10 years (average future service)
Asset valuation method	Market value
Inflation	2.0%
Salary increases	3.65% (3.0% 2022-2024, 2.5 for 2019-2021, 2.0% for 2018)
Investment rate of return	7.0% (6.90% for 2022-2024, 3.0% for 2018-2021, 3.1% for 2017)
20-year Aa Municipal bond yield	3.9% (3.0% for 2019)
Healthcare cost trend rates	7.5% graded .25% per year to 4.5% ultimate rate Medicare - 5.5% graded .25% per year
Retirement age	Closed plan
Mortality	IRS 2017 annuitant/non-annuitant mortality

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**Basis of Accounting**

Budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP).

**Pension and OPEB data**

The OPEB schedule is being accumulated prospectively until 10 years of information is presented.

# Spring Lake District Library

## Balance Sheet

As of December 31, 2025

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
0001 Huntington Checking	232,790.42
0003 Petty Cash	230.91
0014 Michigan Class Investments	1,195,793.26
<b>Total Bank Accounts</b>	<b>\$1,428,814.59</b>
Accounts Receivable	\$13,360.62
Other Current Assets	\$ -205.57
<b>Total Current Assets</b>	<b>\$1,441,969.64</b>
Other Assets	\$19,678.97
<b>TOTAL ASSETS</b>	<b>\$1,461,648.61</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	\$29,163.32
Other Current Liabilities	\$174,407.36
<b>Total Current Liabilities</b>	<b>\$203,570.68</b>
<b>Total Liabilities</b>	<b>\$203,570.68</b>
Equity	\$1,258,077.93
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$1,461,648.61</b>

**Spring Lake District Library**  
**Budget vs. Actuals**  
DEC 2025\_Revised Post Audit

	DEC	YTD	Budget	% of Budget
<b>Income</b>				
Budgetary Fund Balance Income	0.00	0.00	0.00	n/a
Current Property Taxes .60 mil	0.00	536,656.69	536,656.00	100%
Current Property Taxes 1.12 mil	0.00	1,025,935.32	1,025,935.00	100%
Grants,Gifts and Contributions	-9,982.25	191,030.16	201,012.00	95%
Investment Income	4,313.08	75,626.94	71,312.00	106%
Library Fines	204.52	6,529.82	6,197.00	105%
Local Government Revenue	8,559.10	207,638.26	199,079.00	104%
Other Income	925.85	11,688.15	10,762.00	109%
PILOT	0.00	2,769.37	2,769.00	100%
State Revenue	14,782.14	24,791.79	10,000.00	248%
<b>Total Income</b>	<b>\$ 18,802.44</b>	<b>\$ 2,082,666.50</b>	<b>\$ 2,063,722.00</b>	<b>101%</b>
<b>Expenses</b>				
Capital Outlay	5,795.05	14,766.18	25,000.00	59%
Materials	1,979.23	186,285.49	198,200.00	94%
Operations	46,106.44	362,304.84	397,160.00	91%
Personnel	148,239.31	1,333,878.45	1,353,362.00	99%
Programming	4,207.92	35,834.82	45,000.00	80%
Technology	-180.81	38,788.02	45,000.00	86%
<b>Total Expenses</b>	<b>\$ 206,147.14</b>	<b>\$ 1,971,857.80</b>	<b>\$ 2,063,722.00</b>	<b>96%</b>

**SLDL Capital Projects Fund**  
**Balance Sheet**  
As of March 31, 2026

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	<u>Mar 31, 26</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
HNB Capital Fund Checking	38,693.10
Michigan Class Investments	77,540.64
Petty Cash	2.68
<b>Total Checking/Savings</b>	<u>116,236.42</u>
<b>Total Current Assets</b>	<u>116,236.42</u>
<b>TOTAL ASSETS</b>	<u><u>116,236.42</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
Accounts payable	13,341.24
<b>Total Accounts Payable</b>	<u>13,341.24</u>
<b>Total Current Liabilities</b>	<u>13,341.24</u>
<b>Total Liabilities</b>	13,341.24
<b>Equity</b>	
Retained Earnings(Fund Balance)	165,926.22
Net Income	-63,031.04
<b>Total Equity</b>	<u>102,895.18</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>116,236.42</u></u>

**SLDL Capital Projects Fund**  
**Profit & Loss**  
January through December 2025

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	<u>Jan - Dec 25</u>
<b>Income</b>	
Grant Revenue	10,000.00
Interest Income	78.13
Investment Fluctuation of MV's	10,965.49
Operating transfers in	21,760.00
Other Income	0.00
	<hr/>
<b>Total Income</b>	<b>42,803.62</b>
	<hr/>
<b>Gross Profit</b>	<b>42,803.62</b>
<b>Expense</b>	
Building Expenses	15,428.93
Capital outlay	64,527.63
Construction expense	79,065.80
Professional fees	46,531.55
	<hr/>
<b>Total Expense</b>	<b>205,553.91</b>
	<hr/>
<b>Net Income</b>	<b>-162,750.29</b>
	<hr/> <hr/>