

**TRUSTEES OF THE
PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

**FINANCIAL STATEMENTS AND
REQUIRED SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED JUNE 30, 2025

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

CONTENTS

Introductory Section:

Transmittal Letter	1-11
---------------------------------	------

Finance Section:

Independent Auditors' Report	12-15
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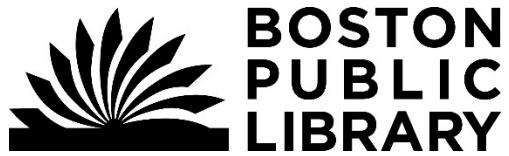
Management's Discussion and Analysis	16-23
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Basic Financial Statements

Statement of Net Position	24
Statement of Activities	25
Governmental Funds – Balance Sheet	26
Reconciliation of Total Governmental Fund Balances to the Statement of Net Position	27
Governmental Funds – Statement of Revenues, Expenditures, and Changes in Fund Balances	28
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	29

Notes to Financial Statements.....	30-54
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Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	55-56
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BOSTON PUBLIC LIBRARY
Transmittal Letter:
FY25

INTRODUCTION

Fiscal year 2025 saw the release of the BPL's first strategic plan in approximately 10 years. The plan, organized by the critical strategic roles the library plays in its community, will guide BPL's priorities for the years 2025 – 2030. The new strategic roles were created to ensure the highest level of impact in the most critical roles that BPL plays in the life of the city, the Commonwealth, and beyond. These new strategic roles are:

Welcoming Destination

Creating active, inclusive third spaces where every person can chart their own path.

Trusted Resource

Connecting all people to reliable information and services that meet their needs and enrich their lives.

Community Engager

Expanding the reach of the library beyond its physical walls so we can meet and engage communities where they are.

Lifelong Learning and Research Partner

Empowering curiosity and a love of reading, discovery, and scholarly exploration for all.

BPL BY THE NUMBERS

DIGITAL CIRCULATION		PHYSICAL CIRCULATION	TOTAL CIRCULATION
FY21	3.8m	1.4m	5.2m
FY22	3.7m	1.9m	5.6m
FY23	4.1m	2.1m	6.2m
FY24	4.7m	2.2m	6.9m
FY25	5.4m	2.2m	7.6m
CORE ENGAGEMENT		2,334,432 visits 580,297 registered borrowers 141,329 new borrowers	
PROGRAMS + COMMUNITY		16,148 programs offered 239,305 in-person attendance 7,489 Books Unbanned users	
DIGITAL + TECHNOLOGY ACCESS		198,513 computer sessions 725,928 WiFi sessions	

LIFE-LONG LEARNING + RESEARCH PARTNER

INITIATIVE	FY25 ACCOMPLISHMENTS	FY26 GOALS
IGNITE YOUNG MINDS Elevate BPL's role as an extraordinary hub of discovery, <i>igniting the curiosity of young children and their families</i> as they learn and grow together.	172,899 children and caregivers attended our early literacy programs . The Library made 150,000 items from the Jordan Collection newly available to the public, featuring children's fiction and nonfiction from the 19th century to the present. More than 5,627 children and teens participated in summer programs in the 25 branches.	Launch the " Hello Hatchling " program to support new caregivers with early literacy resources, with a goal of reaching six thousand families. Launch " 1,000 Books Before Kindergarten ," to boost caregiver engagement and better support early literacy by providing professional development for children's librarians.
ADVANCE YOUTH OPPORTUNITIES Launch the next generation toward excellence, empowering teens and young adults with innovative tools and opportunities to shape their own futures and thrive during their transition to adulthood.	Hired a new Chief of Youth and Family Engagement to prioritize the delivery of youth services across the system. 176 teens learned about recording original music using our digital audio workstations . BPL served 145 incarcerated teens with creative tech workshops.	Expand the Teen Volunteer Program to include career pathways by offering increased opportunities for career exploration and hands-on learning opportunities. Support the academic success of Boston's students by expanding and enhancing academic support services for teens .
SUPPORT LIFELONG GROWTH Champion adults' aspirations for personal success by becoming their life-long learning partner, fostering meaningful connections to their passions, their communities, and to each other.	Hosted first ever Adult Online High School graduation ceremony & reception Reached record -setting attendance of 15,000 participants for ESOL classes and conversation groups "Job Search Fundamentals" programming series served 231 patrons Entrepreneur in Residence hosted more than 80 in-person appointments	Increase workforce education programming offered by BPL staff and key partners, particularly for English language learners. Launch a comprehensive collection maintenance plan to improve the accuracy, responsiveness, and attractiveness of our collections Establish connections with organizations to offer one-on-one financial coaching sessions with certified professionals.

INITIATIVE	FY25 ACCOMPLISHMENTS	FY26 GOALS
<p>PRESERVE AND SHARE OUR HERITAGE & HISTORY</p> <p>Pioneer innovative approaches to serve patrons from Boston, the Commonwealth, and beyond, by leveraging our collections, services, and programs to closely connect communities to their past, document the present, and preserve these stories for the future.</p>	<p>Expanded BPL's Genealogy program to serve patrons from the Chinese diaspora.</p> <p>Hosted 18 lectures and classes with a combined attendance of over 1200 visitors on topics such as Boston's music and punk scene, forensic genealogy, abolition, and climate change.</p> <p>Drew over 500 attendees to celebrate the 150th anniversary of Serge Koussevitzky's birth using BPL's extensive music collections, in partnership with the BSO and the Associates of the BPL.</p> <p>Welcomed the gift of 47 large historical photographs from the estate of Yousuf Karsh, known for his portraits of notable individuals, including Winston Churchill, Albert Einstein, and Helen Keller.</p> <p>Expanded access to significant collections documenting African American history and Black community life through digitization:</p>	<p>Open BPL's first major exhibition in almost a decade: "Unfinished (R)evolution: Boston's Legacy of Art and Activism" to showcase Boston as a center of revolutionary ideas and the continued efforts to build on the principles of democracy, equality, and liberty.</p> <p>Participate in the Boston250 program to showcase Boston on the 250th anniversary of the American Revolution.</p> <p>Showcase the BPL's copies of the Declaration of Independence coinciding with July 4th and highlighting key revolutionary objects from BPL's collections in a series of open houses.</p> <p>Expand physical displays in the Central Library to ensure multiple stories, viewpoints, and perspectives are on display.</p>

WELCOMING DESTINATION

INITIATIVE	FY25 ACCOMPLISHMENTS	FY26 GOALS
<h2>CREATE INCLUSIVE SPACES</h2> <p>Ensure that every location of the library is a place of belonging, a third space, where all community members feel welcome, safe, included, and inspired to discover, create, connect, and celebrate their unique identities.</p>	<p>Patrons booked more than 10,500 hours of time in Kirstein Business Library and Innovation Center alcoves.</p> <p>All full-size branches are open 9am-5pm on Saturdays.</p> <p>BPL participated in the City's Outdoor Cool Spaces program, providing new ways for local communities to connect and find relaxation at 8 branches</p>	<p>Re-imagine the Central Library tour program to fit modern standards of inclusiveness and encounters with history</p> <p>Increase seating capacity at the Central Library to meet patron needs</p> <p>Increase bandwidth, replace network firewalls, and replace Wi-Fi access points across all locations to ensure stable, secure, high-speed access to network and Internet resources.</p>
<h2>EMBRACE DIVERSITY</h2> <p>Dramatically expand our offerings for multiple languages, accessibility, and support for all, to create vibrant crossroads where diverse communities find their voices amplified and celebrated.</p>	<p>Launched the library's first ever Disability and Accessibility Working Group, focused on removing barriers to accessibility.</p> <p>Launched Bloomberg Connects website and app, which includes a 30 minute audio tour of the Central Library. The app is screen reader accessible and can be translated into 40+ languages.</p> <p>Completed system-wide audits with Age Strong Boston; many branches are now Age Strong-certified.</p>	<p>Create an accessibility checklist of improvements needed at all BPL locations; prioritize and begin implementing solutions.</p> <p>Improve wayfinding signage at the Central Library.</p> <p>Offer regular training sessions for staff to use our translation laptops with patrons who speak languages other than English.</p> <p>Develop standards and goals to ensure booklists are curated, welcoming, and diverse.</p>
<h2>REIMAGINE MCKIM</h2> <p>Renovate and transform the historic McKim Building into a vibrant, exciting library space that preserves and builds on its unique history while honoring its past, meeting the present, and celebrating the future</p>	<p>Hosted new Arts programs in McKim's Wiggin Gallery to reinvigorate underutilized spaces.</p> <p>Engaged hundreds of Boston-area schoolchildren with live performances of "Library Lion," in the historic McKim building</p>	<p>Using Bridge to McKim grant funding, focus on documentation and building readiness activities including institutional archiving, a services plan, documentary photography, and 3D modeling of the Central Library in preparation for renovation activities.</p>

INITIATIVE	FY25 ACCOMPLISHMENTS	FY26 GOALS
<p>BUILD SUSTAINABLE COMMUNITIES</p> <p><i>Create future-ready spaces that adapt with and support our evolving communities by continuing our visionary transformation of BPL's physical locations through thoughtful investment and innovative design.</i></p>	<p>Completed the design of the Fields Corner branch and closed down the branch for construction. The new building will have 40% more square footage.</p> <p>Advanced design work in South End and Egleston branches to the construction document phase</p> <p>Delivering on new City initiative to co-locate public assets with much needed affordable housing with the creation of Chinatown's first full size branch in more than 50 years within a development of 110 affordable housing units.</p>	<p>The new Chinatown, Uphams Corner and West End branches will be co-located with affordable housing as part of public private partnerships to provide new branches and much needed affordable housing.</p> <p>Confirm construction start date for Egleston Branch. The new building will increase the branch size while maintaining a large outdoor reading space, an outdoor classroom and a teaching garden.</p> <p>The South End Branch will start construction, increasing the size of the branch by 70% to meet the needs of a modern library in an urban neighborhood.</p>

TRUSTED RESOURCE

INITIATIVE	FY25 ACCOMPLISHMENTS	FY26 GOALS
DELIVER RELIABLE INFORMATION <i>Champion the pursuit of truth and knowledge by setting the standard for information access, positioning the BPL as a beacon of accuracy and intellectual freedom in the digital age.</i>	<p>Checked out more than 1,300 eBooks to young people through the Books Unbanned initiative.</p> <p>Expanded digital literacy offerings to include a media and information literacy component, as well as new efforts to bring civic engagement opportunities into our programming.</p>	<p>Continue participation in Books Unbanned, supporting the Right to Read for all individuals.</p> <p>Offer 10 Intellectual Freedom training sessions to BPL staff this year</p> <p>Collaborate with partner agencies to increase patrons' access to legal resources and law librarianship</p>
CONNECTING TO HUMAN SERVICES <i>Pioneer an effective partnership model of integrated community support, connecting social and human services in the City of Boston with those who need them most.</i>	<p>Started the Coffee and Conversation program to build relationships and social connections among patrons experiencing homelessness. An average of ten patrons attend weekly; we have served 92 people since July.</p> <p>The Community Support Team averaged 28 appointments per month; the top five patron needs are resources related to housing, public benefits, employment, legal aid, and food access.</p>	<p>Continue to identify and collaborate with key community partners, including unions, employers, training providers, and organizations with wraparound supports.</p> <p>Expand social work capacity by hiring a social worker and peer navigator supervisor.</p>
EMPOWER DIGITAL ACCESS <i>Advance creative initiatives to shrink the digital divide, ensuring all our patrons have the digital literacy skills, connectivity and tools they need to embrace new technologies and thrive in an increasingly connected world.</i>	<p>WiFi usage increased by 27 percent, with more than 500,000 sessions.</p> <p>Use of Chromebook Connectivity Kits grew by 178 percent, with more than 500 checked out.</p> <p>Partnered with Harvard's Institutional Data Initiative and OpenAI to identify practical applications in metadata creation, OCR enhancement, and collection discovery.</p>	<p>Assess our e-reading landscape and improve digital reading options while managing the growing costs of digital materials.</p> <p>Use the results of the Community Learning user study as a guide to update bpl.org to better meet the technical and accessibility needs of our patrons.</p> <p>Expand the scope of digital instruction to highlight high-interest topics and emerging technologies, including online safety and AI.</p>

COMMUNITY ENGAGER

INITIATIVE	FY25 ACCOMPLISHMENTS	FY26 GOALS
CENTER COMMUNITY NEEDS AND INPUT <p>Revolutionize how we serve, engage, and connect to our neighborhoods, prioritizing community-centered, data-informed outreach, programs, and services at our branches, enabling BPL to be in the community, working for the community, and informed by the community.</p>	<p>Our first-ever Chef in Residence researched and developed a food curriculum reflecting the myriad cultures of Roxbury, and offered 20 programs over the year.</p> <p>Expanded community learning block programming to 12 branches through systemwide curations, Baxter funding, and community collaborations</p> <p>23 branches took advantage of catalyst grants from the BPL Fund to offer additional programming to their communities.</p> <p>The Community Learning team held 28 programs, outreach activities, class visits, and project consultations with 514 participants</p>	<p>Increase the number of branches that receive block programming, collaborating with at least 20 branches in FY26</p> <p>Build on success of Fellowes Athenaeum Program at the Roxbury branch by integrating programming and dedicating more dollars directly to neighborhood programs.</p> <p>Research financial literacy needs by demographic and neighborhood to improve program offerings.</p> <p>Continue to develop innovative ways to serve communities while branches are closed for renovation.</p> <p>Work with new Programs and Services Evaluation Coordinator to develop new metrics for our programs, workshops, and classes and begin benchmarking services annually.</p>
AMPLIFY COMMUNITY VOICES <p>Investigate, uncover and amplify the untold stories and history of Boston and the Commonwealth through our collections, programs, and services, ensuring every community's narrative becomes an integral part of Boston's collective identity.</p>	<p>Piloted a Mobile Memory Lab, funded by MONUM; ran two community scanning days and created plans for future scanning days</p> <p>Launched two new fellowship programs for Special Collections: Telling Boston's Stories Fellowship and the Surfacing Overlooked Stories Fellowship. Both are designed to encourage scholars to engage with BPL's collections and produce materials to make special collections more accessible for future users.</p>	<p>Plan and implement Community History programs, including:</p> <ul style="list-style-type: none"> • community scanning days • Sidewalk Stories Listening Party • Boston Black Women Lead Wikipedia edit-a-thons • Roxbury Art Walk • "Finding My Neighborhood History" program in partnership with the Leventhal Map Center.

INITIATIVE	FY25 ACCOMPLISHMENTS	FY26 GOALS
FOSTER CIVIC PARTICIPATION <p>Launch an innovative civic engagement program to bring people together and transform community members into active architects of, and participants in, Boston's civic life and future.</p>	<p>Connected patrons with reliable election information resources, including a voter registration drive at the Central Library and a civics education walking tour for English language learners.</p> <p>Piloted new curriculum focusing on the intersection of news literacy and AI.</p> <p>Facilitated community conversations focused on current events and news.</p>	<p>Define what civic engagement means for BPL and benchmark current efforts.</p> <p>Continue to develop and update curriculum focusing on news and media literacy topics that reflect and address the fast-evolving news ecosystem.</p> <p>Expand and invigorate the Living Room Conversations program to facilitate safe and engaging discussions about timely civic conversations.</p>
EXPAND DIGITAL REACH <p>Pioneer a true 'Library without Walls' by enhancing the digital experience and expanding awareness of BPL's expansive online collections - setting new standards for accessibility, engagement, and use.</p>	<p>Digitized and made accessible 258,440 items including 127,057 newspaper issues, and thousands of other items from rare books, arts, and photography collections.</p> <p>Expanded digitization of non-English materials including Le Journal de Lowell and 82 other French language newspaper titles documenting the Franco-American community in Massachusetts.</p> <p>Created new Local History page on the BPL website to provide user-friendly access to local history resources and created a new Research at BPL page to serve as a hub for research questions and opportunities.</p>	<p>Identify technical barriers, language challenges, and accessibility gaps faced by patrons seeking vital learning resources and community support services.</p> <p>Launch new Bibliocommons module for eResources and promote current offerings with subject tags, descriptions, and in-house promotions.</p>

ORGANIZATIONAL READINESS

INITIATIVE	FY25 ACCOMPLISHMENTS	FY26 GOALS
EQUITY, DIVERSITY AND INCLUSION <i>Center Equity, Diversity and Inclusion as a core value to our staff and services</i>	<p>Developed curriculum and started comprehensive Intellectual Freedom Training for staff, reviewing national landscape around book bans, professional standards, BPL policy, and a customer service approach to responding to patrons</p> <p>Offered English language classes targeted at employees seeking to improve their skills.</p> <p>Coordinated the launch of BPL's Library Fellowship Program with Simmons University; first fellow joined BPL in January 2025</p>	<p>Create 5 year EDI plan aligned with Strategic Plan goals.</p> <p>In partnership with the City's Commission on Disabilities, implement staff-led recommendations for increasing physical accessibility in BPL spaces</p> <p>In collaboration with City's office of Language and Communications Access, continue to expand translation and interpretation to increase access to BPL services.</p>
WORKPLACE CULTURE <i>Foster a supportive and welcoming workplace culture built on trust, well-being, and belonging</i>	<p>Hired staff for positions that support front-line staff including our social work manager, legal/policy advisor, an EDI manager, and a programs and evaluation specialist.</p> <p>Began offering Mental Health First Aid and crisis prevention and de-escalation training to BPL staff</p>	<p>Implement recommendations from the Trauma-Informed Approaches Committee, including offering training in mental health first aid and crisis prevention.</p> <p>Purchase new incident report software to improve tracking and reporting.</p>
STAFF DEVELOPMENT <i>Support workforce development, while activating staff's expertise, skills, and passions</i>	<p>Re-energized Cataloguing and Processing Department with new hiring, new skills, and new enthusiasm for projects, including implementing technology in new ways for batch creation of previously uncatalogued items.</p> <p>Launched new internships in Archives and Conservation.</p> <p>Held first ever BPL Job Day fair to fill entry level vacancies.</p>	<p>Use multiple communication channels to ensure staff are fully aware of professional development funds available to them for higher education, certifications, and skill building.</p> <p>Strengthen the Library's onboarding process so new staff members have a focused 12-month program of learning and development in their first year of employment.</p>

INITIATIVE	FY25 ACCOMPLISHMENTS	FY26 GOALS
COLLABORATION & COMMUNICATION <i>Enhance communication and collaboration between all departments, locations, and branches, at all levels of the organization</i>	<p>Created structure and best practices for a new intranet, including de-centralizing content creation for the first time and empowering departments to create and update their own content in a new user-friendly format.</p> <p>Installed IP camera-based people counters in entrances at all locations to replace inaccurate gate-based visitor counts, eliminating manual reporting and opening future pathways for better data-based decision-making.</p>	<p>Create a standardized system for data collection about program outcomes; make overall data collection more streamlined and user-friendly, and accessible to all staff.</p> <p>Develop and design pre/post surveys for workshops, 1:1 intake, and exit forms</p> <p>Schedule the Brown Bag Lunch program for 2025-2026 so staff have an opportunity to share knowledge across the system.</p> <p>Phase out paper-based OT procedure and replace with an app that offers ease of use and reporting features.</p>
RESOURCE DEVELOPMENT AND CAPACITY BUILDING <i>Strengthen our impact by ensuring that BPL's funding and partnerships, alongside efforts to secure additional resources, are aligned with our strategic roles</i>	<p>Filled key vacancies in HR, Facilities, Operations, and President's Office.</p> <p>Hired new branch staff across the system, cutting branch vacancies in half.</p> <p>Prepared major grant application for critical funding to support readiness for the McKim transformation project. The Bridge to McKim Grant, through the BPL Fund, provides significant support to ready the BPL for the design phase of this project.</p>	<p>Establish transparent process for evaluating funding needs as they relate to strategic plan and operational priorities.</p> <p>Review all vacant positions against critical needs aligned with Strategic Plan goals.</p>

Independent Auditors' Report

To the Honorable Board of Trustees of the
Public Library of the City of Boston

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Boston Public Library (Library), as of and for the year ended June 30, 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, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Library, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Boston Public Library Fund, Inc., which represent 100 percent of the assets, net position, and revenues of the discretely presented component unit as of and for the year ended June 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Boston Public Library Fund, Inc., is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' 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.

Emphasis of Matter

Financial Reporting Entity

As discussed in Note 1, the financial statements of the Library, a department of the City of Boston, are intended to present the financial position and the changes in financial position of only that department. They do not purport to, and do not, present the financial position of the City of Boston as of June 30, 2025 and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

Auditors' 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 auditors' 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the general fund budgetary comparison schedule that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operation, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the transmittal letter but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2025, on our consideration of the Library's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Library's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Library's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Providence, RI
September 30, 2025

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2025

LIBRARY GOVERNANCE

The Library is governed by a board of trustees which is appointed by the Mayor of the City of Boston. The BPL also conducts business as a department of the City of Boston and the financial records of these operations are included in the City of Boston's financial report.

FINANCIAL HIGHLIGHTS

The following sections of the management's discussion and analysis pertain only to the Trustees' separate Section 501(c) organization as reported in these financial statements:

- The assets of the Library exceeded its liabilities at the close of the most recent fiscal year by \$98,374,528 (net position).
- The Library's total net position increased \$5,419,361.
- At the end of the fiscal year, unassigned fund balance for the general fund totaled \$45,521, or 0.38% of the total general fund expenditures and transfers out.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Library's financial statements. The Library's basic financial statements include three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

The components are described as follows:

Government-Wide Financial Statements

One of the most important questions asked about the Library's finances is, "is the Library as a whole, better or worse off, as a result of the year's activities?" The government-wide financial statements are prepared using the accrual basis of accounting, which is similar to the accounting used by most private-sector business. They present short and long-term information about the Library's financial position which assists in assessing the Library's economic condition at the end of the fiscal year.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
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MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2025

Government-Wide Financial Statements (Continued)

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The government-wide financial statements include two statements:

The **statement of net position** includes all assets and liabilities of the Library, with the difference between the two reported as "net position". Over time, increases or decreases in the Library's 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 changes occurs, regardless of the timing of related cash flows.

Both of the above financial statements have separate sections for the two different types of Library programs or activities. These two types of activities are:

Primary Government – The activities in this section are mostly supported by governmental appropriations, contributions, grants, and fees for services. Most services normally associated with the Library fall into this category, including certain Library staff salaries and benefits, library material purchase, programs, contractual services and utilities, equipment and furnishings costs, and other administrative costs.

Discretely Presented Component Unit – The Library's discretely presently component unit is the Boston Public Library Fund, Inc.. Although legally separate, the Boston Public Library Fund, Inc. is financially interrelated to the Library. For the most part, the Boston Public Library Fund, Inc. operates similar to a private sector business and its functions are intended to recover all of its operating costs as part of its mission to raise funds for the Library. Complete financial statements of the Boston Public Library Fund, Inc. can be obtained from its administrative office. Additional information about the Library's component unit is presented in the notes to the financial statements.

In addition to examining the above statements, other nonfinancial factors need to be considered in assessing the Library's overall financial position such as changes to the Library's collection, delivery of service, or condition of the Library buildings.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2025

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 governmental and nonprofit organizations, uses fund accounting to ensure and demonstrate compliance with finance or donor-related requirements.

The fund financial statements focus on the individual components of the Library's business, reporting the Library's operations in more detail than the government-wide financial statements.

The basic services provided by the Library are financed through governmental funds. Governmental funds are used to account for essentially the same functions as the governmental activities in the government-wide financial statements. However, unlike those statements, the fund-financial statements focus on near-term inflows and outflows of spendable resources; they also focus on spendable resources available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for the governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Library's near-term activities.

The Library has three categories of governmental funds; the general fund, the Boston Public Library Fund, and the nonmajor governmental funds. Each fund is presented in a separate column in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances.

The general fund is the primary operating fund of the Library and accounts for all financial resources except those required to be accounted for in another fund.

The Boston Public Library Fund is used to account for and report all financial resources donated by the Boston Public Library Fund, Inc. restricted for the betterment of programming support and facility operations.

The nonmajor governmental funds consist of special revenue and permanent funds that are aggregated and presented in the nonmajor governmental funds column. Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the government's programs and benefit the government or its constituents.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2025

Notes to the Basic Financial Statements

The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and the fund financial statements. The notes to the basic financial statements can be found immediately following the financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

This analysis is based on the statement of net position and statement of activities.

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Library's assets exceeded liabilities by \$98,374,528 at the close of the fiscal year and are summarized as follows:

	<u>2025</u>	<u>2024</u>	\$ Change	% Change
Assets				
Current assets	\$ 29,914,169	\$ 27,120,353	\$ 2,793,816	10.30%
Noncurrent assets, excluding capital assets	70,875,709	68,759,271	2,116,438	3.08%
Capital assets, net	<u>1,781,024</u>	<u>2,030,948</u>	<u>(249,924)</u>	<u>-12.31%</u>
Total Assets	102,570,902	97,910,572	4,660,330	4.76%
Liabilities				
Current liabilities	3,526,646	3,292,279	234,367	7.12%
Noncurrent liabilities	<u>237,822</u>	<u>792,057</u>	<u>(554,235)</u>	<u>-69.97%</u>
Total Liabilities	3,764,468	4,084,336	(319,868)	-7.83%
Deferred inflow of resources	431,906	871,069	(439,163)	-50.42%
Net Position				
Net investment in capital assets	988,965	624,540	364,425	58.35%
Restricted	89,542,490	86,426,825	3,115,665	3.60%
Unrestricted	<u>7,843,073</u>	<u>5,903,802</u>	<u>1,939,271</u>	<u>32.85%</u>
Total Net Position	<u>\$ 98,374,528</u>	<u>\$ 92,955,167</u>	<u>\$ 5,419,361</u>	<u>5.83%</u>

A portion of the Library's net position reflects its investment in capital assets (e.g., right-of-use subscription assets, equipment and machinery and furniture, fixtures and improvements). These capital assets are used to provide services to customers; consequently, these assets are not available for future spending.

TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2025

Net Position (Continued)

A majority of the Library's net position represents resources that are subject to 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 to customers and creditors.

At the end of the current fiscal year, the Library reports positive balances in all three categories of net position.

Changes in Net Position

The Library's total net position increased by \$5,419,361 during the current fiscal year, summarized as follows:

	2025	2024	\$ Change	% Change
Revenues				
Program revenues				
Charges for services	\$ 3,340,837	\$ 2,998,651	\$ 342,186	11.41%
Operating grants and contributions	9,679,832	9,229,208	450,624	4.88%
General revenues				
Unrestricted grants and contributions	3,288,832	2,302,617	986,215	42.83%
Investment distributions	391,275	455,799	(64,524)	-14.16%
Investment income (loss)	<u>6,732,492</u>	<u>6,126,425</u>	<u>606,067</u>	9.89%
Total Revenues	<u>23,433,268</u>	<u>21,112,700</u>	<u>2,320,568</u>	10.99%
Expenses				
Salaries and benefits	5,079,430	4,434,069	645,361	14.55%
Books and related materials	3,071,106	2,751,701	319,405	11.61%
Programs	1,671,207	1,783,225	(112,018)	-6.28%
Administrative	2,258,747	2,208,340	50,407	2.28%
Contractual services and utilities	3,370,297	2,938,109	432,188	14.71%
Equipment, furniture and maintenance	1,563,895	1,654,447	(90,552)	-5.47%
E-rate	492,377	371,520	120,857	32.53%
Related to in-kind contributions	380,575	296,265	84,310	28.46%
Unallocated depreciation	<u>126,273</u>	<u>116,502</u>	<u>9,771</u>	8.39%
Total Expenses	<u>18,013,907</u>	<u>16,554,178</u>	<u>1,459,729</u>	8.82%
Change in Net Position	<u>5,419,361</u>	<u>4,558,522</u>	<u>860,839</u>	18.88%
Net Position - Beginning of year	<u>92,955,167</u>	<u>88,396,645</u>	<u>4,558,522</u>	5.16%
Net Position - End of year	<u><u>\$ 98,374,528</u></u>	<u><u>\$ 92,955,167</u></u>	<u><u>\$ 5,419,361</u></u>	5.83%

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2025

Changes in Net Position (Continued)

Governmental activities increased the Library's net position by \$5,419,361. In the prior year, governmental activities increased the Library's net position by \$4,558,522. The main causes of the change from the prior year relates to significant increases in investment income as a result of strengthened financial market conditions during fiscal year 2025 as well as increases in State revenue.

FUND FINANCIAL ANALYSIS

This analysis is based on the fund financial statements.

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

Fund Highlights

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 financial requirements. Unassigned fund balances in particular may serve as a useful measure of an organization's financial position at the end of a fiscal year.

Nonspendable Fund Balance – Nonspendable fund balance of permanent funds is used to account for financial resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support Library programs as well as prepaid items. Nonspendable fund balance was \$71,243,382 at June 30, 2025.

Restricted Fund Balance – Fund balances are reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, donors or laws or regulations of other governments or is imposed by law through constitutional provisions. Many items in this fund balance reflect gifts to the Library with specific restrictions as to their use. Restricted fund balance was \$19,241,279 at year-end.

Committed Fund Balance – Committed fund balances include amounts that can be used only for specific purposes imposed by formal action of the board of trustees. These committed funds cannot be used for any other purpose unless the board of trustees removes or changes the specified use. Committed fund balance was \$27,913 at year-end.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2025

Fund Highlights (Continued)

Assigned Fund Balance – Amounts in the assigned fund balance classification are intended to be used by the Library for specific purposes, but do not meet the criteria to be classified as restricted or committed. In the general fund, assigned amounts represent intended uses established by the board of trustees or a Library official delegated that authority by charter or ordinance. Assigned fund balance was \$6,827,468 at year-end.

Unassigned Fund Balance – Unassigned fund balance is the residual fund balance for the general fund and the negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting assigned fund balance amounts. There was a balance of \$45,521 in unassigned fund balance at the end of the fiscal year.

CAPITAL ASSETS

At June 30, 2025, capital assets, net of accumulated depreciation was \$1,781,024 which includes machinery and equipment, vehicles, right-of-use subscription assets, furniture, fixtures and improvements. The schedule below reflects the changes in capital assets, net of depreciation, from June 30 2024 to June 30, 2025:

	2025	2024	\$ Change	% Change
Machinery and Equipment	\$ 1,161,059	\$ 1,161,059	\$ --	0.00%
Vehicles	319,418	--	319,418	-
Right of use subscription asset	2,583,074	2,583,074	--	0.00%
Furniture, Fixtures and Improvements	910,258	777,368	132,890	17.09%
 Total Capital Assets	 4,973,809	 4,521,501	 452,308	 10.00%
Accumulated depreciation / amortization	(3,192,785)	(2,490,553)	(702,232)	28.20%
 Capital Assets, net of accumulated depreciation	 \$ 1,781,024	 \$ 2,030,948	 \$(249,924)	 -12.31%

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2025

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Significant economic factors affecting the Library's budget in the next year are as follows:

- The Library is primarily dependent upon the City of Boston and for its funding. The Library also gets significant funding from the Commonwealth of Massachusetts, the Fund for the BPL and the Associates of the BPL. Therefore, the Library is impacted by local economic conditions.
- Local labor supply and demand, which can affect salary and wage rates.
- Local inflationary, recessionary and employment trends.
- Inflationary pressure on utility rates, supplies and other costs.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Library's finances for all of the Library's customers, donors, and other interested parties. This financial report seeks to demonstrate the Library's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer, Boston Public Library, 700 Boylston Street, Boston, MA 02116.

TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)

STATEMENT OF NET POSITION

JUNE 30, 2025

	Governmental Activities	Component Unit - Boston Public Library Fund, Inc.
Assets		
Current Assets		
Cash and cash equivalents	\$ 719,804	\$ 1,061,682
Restricted cash and cash equivalents	26,557,669	--
Restricted investments	--	10,948,214
Receivables, net of allowance for uncollectible amounts		
Intergovernmental	770,903	--
Departmental and other	581,311	--
Current portion of lease receivables	342,311	--
Pledges and grants	--	1,596,022
Prepaid items	<u>942,171</u>	<u>744</u>
Total Current Assets	<u>29,914,169</u>	<u>13,606,662</u>
Noncurrent Assets		
Restricted cash and cash equivalents	1,065,738	--
Restricted investments	69,668,301	--
Receivables, net of allowance for uncollectible amounts		
Pledges and grants	--	423,822
Lease receivables, net	141,670	--
Right of use assets, net of accumulated amortization	855,197	--
Capital assets, net of accumulated depreciation	<u>925,827</u>	<u>6,045</u>
Total Noncurrent Assets	<u>72,656,733</u>	<u>429,867</u>
Total Assets	<u>102,570,902</u>	<u>14,036,529</u>
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	1,547,513	141,635
Advance deposits	968,610	--
Due to City of Boston	456,286	--
Current portion of subscription agreement liability	<u>554,237</u>	<u>--</u>
Total Current Liabilities	<u>3,526,646</u>	<u>141,635</u>
Noncurrent Liabilities		
Subscription agreement liability, net	<u>237,822</u>	<u>--</u>
Total Noncurrent Liabilities	<u>237,822</u>	<u>--</u>
Total Liabilities	<u>3,764,468</u>	<u>141,635</u>
Deferred Inflows of Resources		
Deferred lease revenue	<u>431,906</u>	<u>--</u>
Total Deferred Inflows of Resources	<u>431,906</u>	<u>--</u>
Net Position		
Net investment in capital assets	988,965	6,045
Restricted:		
Nonexpendable	70,301,211	--
Expendable	19,241,279	5,655,461
Unrestricted	<u>7,843,073</u>	<u>8,233,388</u>
Total Net Position	<u>\$ 98,374,528</u>	<u>\$ 13,894,894</u>

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

TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2025

Activities	Expenses	Program Revenues			Net (Expense) Revenue		
		Charges for Services	Operating Grants and Contributions				
Primary Government							
Governmental Activities							
Salaries and benefits	\$ 5,079,430	\$ 459,821	\$ 3,730,863	\$ (888,746)			
Books and related materials	3,071,106	258,236	2,108,502	(704,368)			
Programs	1,671,207	161,143	885,232	(624,832)			
Administrative	2,258,747	730,480	415,242	(1,113,025)			
Contractual services and utilities	3,370,297	988,882	1,450,178	(931,237)			
Equipment, furniture, and maintenance	1,563,895	742,275	216,863	(604,757)			
E-Rate	492,377	--	492,377	--			
In-Kind contributions	380,575	--	380,575	--			
Unallocated depreciation and amortization	126,273	--	--	(126,273)			
Total Primary Government	\$ 18,013,907	\$ 3,340,837	\$ 9,679,832	\$ (4,993,238)			
Component Unit							
Boston Public Library Fund, Inc.	<u>\$ 5,936,642</u>	<u>\$ --</u>	<u>\$ 7,114,438</u>	<u>\$ 1,177,796</u>			
Changes in Net Position							
Net (Expense) Revenue			\$ (4,993,238)	\$ 1,177,796			
General Revenues							
Unrestricted grants and contributions			3,288,832	--			
Investment distributions			391,275	--			
Investment income			6,732,492	1,159,208			
Total General Revenues			10,412,599	1,159,208			
Change in Net Position							
Net Position - Beginning of year			5,419,361	2,337,004			
Net Position - End of year			<u>92,955,167</u>	<u>11,557,890</u>			
			<u>\$ 98,374,528</u>	<u>\$ 13,894,894</u>			

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

TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)

GOVERNMENTAL FUNDS – BALANCE SHEET

JUNE 30, 2025

	General	Boston Public Library Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 719,804	\$ --	\$ --	\$ 719,804
Restricted cash and cash equivalents	5,844,965	6,037,622	15,740,820	27,623,407
Investments	--	--	69,668,301	69,668,301
Receivables, net of allowance for uncollectible amounts:				
Intergovernmental	770,903	--	--	770,903
Departmental and other	272,921	87,996	220,394	581,311
Leases	483,981	--	--	483,981
Prepaid items	675,853	31,996	234,322	942,171
Total Assets	<u>\$ 8,768,427</u>	<u>\$ 6,157,614</u>	<u>\$ 85,863,837</u>	<u>\$ 100,789,878</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable and accrued liabilities	\$ 900,297	\$ 111,039	\$ 536,177	\$ 1,547,513
Advance deposits	968,610	--	--	968,610
Due to City of Boston	<u>285,674</u>	<u>150,175</u>	<u>20,437</u>	<u>456,286</u>
Total Liabilities	<u>2,154,581</u>	<u>261,214</u>	<u>556,614</u>	<u>2,972,409</u>
Deferred Inflows of Resources				
Deferred lease revenue	431,906	--	--	431,906
Total Deferred Inflows of Resources	<u>431,906</u>	<u>--</u>	<u>--</u>	<u>431,906</u>
Fund Balances				
Nonspendable				
Perpetual permanent funds	--	--	70,301,211	70,301,211
Prepaid items	675,853	31,996	234,322	942,171
Restricted				
Expendable permanent funds	--	--	11,019,752	11,019,752
Boston Public Library fund gifts	--	5,864,404	--	5,864,404
Associates gifts	--	--	10,023	10,023
MBLC Grant	--	--	373,823	373,823
City-wide Friends programs	--	--	5,690	5,690
Programs	135,535	--	--	135,535
Metro Boston Library Network	328,455	--	--	328,455
General Trust Holdings	91,968	--	--	91,968
Map center	--	--	--	--
General Trust	--	--	1,411,629	1,411,629
Committed				
Neighborhood outreach	27,913	--	--	27,913
Assigned				
Information technology equipment	2,349,872	--	--	2,349,872
Deferrari fund	--	--	1,950,773	1,950,773
Salaries	246,000	--	--	246,000
Furniture	417,607	--	--	417,607
Security	199,766	--	--	199,766
Neighborhood outreach	50,136	--	--	50,136
Strategic planning	50,000	--	--	50,000
Staff development	287,768	--	--	287,768
Books	1,275,546	--	--	1,275,546
Unassigned	<u>45,521</u>	<u>--</u>	<u>--</u>	<u>45,521</u>
Total Fund Balances	<u>6,181,940</u>	<u>5,896,400</u>	<u>85,307,223</u>	<u>97,385,563</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 8,768,427</u>	<u>\$ 6,157,614</u>	<u>\$ 85,863,837</u>	<u>\$ 100,789,878</u>

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

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION**

FOR THE YEAR ENDED JUNE 30, 2025

Total Governmental Fund Balances	\$ 97,385,563
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resource and, therefore, are not reported in the governmental funds.	925,827
Right of use subscription asset	855,197
Subscription agreement liability	<u>(792,059)</u>
	<u>63,138</u>
Net Position of Governmental Activities	\$ 98,374,528

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

TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)

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

FOR THE YEAR ENDED JUNE 30, 2025

	General	Boston Public Library Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Intergovernmental	\$ 6,875,557	\$ 87,996	\$ 504,679	\$ 7,468,232
Special events	2,301,008	--	200	2,301,208
Fees for services	989,751	--	49,878	1,039,629
Contributions and gifts	627	3,582,094	1,044,759	4,627,480
E-Rate	492,377	--	--	492,377
In-Kind contributions	380,575	--	--	380,575
Investment income	<u>420,071</u>	<u>--</u>	<u>6,703,696</u>	<u>7,123,767</u>
Total Revenues	<u>11,459,966</u>	<u>3,670,090</u>	<u>8,303,212</u>	<u>23,433,268</u>
Expenditures				
Salaries and benefits	2,909,018	959,781	1,210,631	5,079,430
Books and related materials	1,690,998	10,294	1,369,814	3,071,106
Programs	269,390	443,970	957,847	1,671,207
Administrative	1,887,985	47,990	361,162	2,297,137
Contractual services and utilities	2,262,505	591,134	516,658	3,370,297
Equipment, furniture, and maintenance	1,958,712	18,870	38,621	2,016,203
E-Rate	492,377	--	--	492,377
In-Kind contributions	<u>380,575</u>	<u>--</u>	<u>--</u>	<u>380,575</u>
Total Expenditures	<u>11,851,560</u>	<u>2,072,039</u>	<u>4,454,733</u>	<u>18,378,332</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(391,594)</u>	<u>1,598,051</u>	<u>3,848,479</u>	<u>5,054,936</u>
Other Financing Sources (Uses)				
Transfers in	635,771	143,257	3,572,961	4,351,989
Transfers out	<u>(52,551)</u>	<u>(342,394)</u>	<u>(3,957,044)</u>	<u>(4,351,989)</u>
Total Other Financing Sources (Uses)	<u>583,220</u>	<u>(199,137)</u>	<u>(384,083)</u>	<u>--</u>
Net Change in Fund Balances	191,626	1,398,914	3,464,396	5,054,936
Fund Balances - Beginning of year	5,990,314	4,497,486	81,842,827	92,330,627
Fund Balances - End of year	<u>\$ 6,181,940</u>	<u>\$ 5,896,400</u>	<u>\$ 85,307,223</u>	<u>\$ 97,385,563</u>

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

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

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

FOR THE YEAR ENDED JUNE 30, 2025

Net Change in Fund Balances - Total Governmental Funds	\$ 5,054,936
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Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. These amounts represent the current year activity.

Capital outlays	452,308
Right of use subscription assets	(575,959)
Depreciation and amortization	<u>(126,273)</u>

Governmental funds report principal repayments as expenditures, however, the repayment of principal has no effect on net position

614,349

Changes in Net Position of Governmental Activities	<u><u>\$ 5,419,361</u></u>
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The accompanying notes are an integral part of these financial statements.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GENERAL

The basic financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described herein.

REPORTING ENTITY

The Trustees of the Public Library of the City of Boston (the Library), a nonprofit, educational corporation, was established in 1848 to benefit and facilitate the needs of the City of Boston's (the City) public library system. A Board of Trustees (the Trustees), which is appointed by the City's Mayor, governs the City's public library system. The majority of the Library's assets are held in trust in accordance with the conditions imposed by the donors. The principal of the trust funds is invested to generate income that, in turn, is used to serve the Library's needs that relate to the specific trust agreements. In addition, the Library receives significant support through state and federal government appropriations and private sources.

The Library is a Section 501(c)(3) organization, exempt from federal income taxes under Section 501(a) of the Internal Revenue Code. In addition, the Commonwealth of Massachusetts (the Commonwealth) has classified the Library as a nonprofit organization in nature, and, as such, it is exempt from payments of income taxes to the Commonwealth.

Separate and distinct from the Trustees' Section 501(c)(3) organization, operations of the Boston Public Library are also conducted as a department of the City. These financial statements only represent the operations of the Trustees' Section 501(c)(3) organization.

The Library is considered a department of the City for financial reporting purposes and it places substantial reliance upon the City to fund its daily operations. The City funds the majority of the Library's costs of operations. The City pays the Library employees' salaries; therefore, payroll liabilities and related costs of compensated absences are recorded on the City's government-wide financial statements.

For financial reporting purposes, the basic financial statements include all funds, organizations, agencies, boards, commissions, and institutions that are not legally separate from the Library.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REPORTING ENTITY (CONTINUED)

The Library has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and/or significance of their relationship with the Library are such that exclusion would cause the Library's basic financial statements to be misleading or incomplete.

DISCRETELY PRESENTED COMPONENT UNIT

The Boston Public Library Fund, Inc., a component unit of the Library, was formed on March 2, 1992, as a nonprofit organization, exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, to support the physical restoration and the enhancement of the public visibility of the Library. The Boston Public Library Fund, Inc. is legally separate from the Library, and the Library is not financial accountable for the Boston Public Library Fund, Inc. The Boston Public Library Fund, Inc. has been included because of the nature and significance of its relationship with the Library. Complete financial statements can be obtained from the Boston Public Library Fund, Inc.'s administrative offices in Boston, Massachusetts.

RELATED ORGANIZATIONS

The Norman B. Leventhal Map Center, Inc., the Associates of The Boston Public Library, the City-Wide Friends, and the Friends of Branch Libraries support library objectives and raise funds for the Library. Currently, the Library's accountability for these organizations does not extend beyond receiving their support.

IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLES

The Library did not implement new accounting principles that had a material impact on the financial statements.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

The government-wide financial statements (statement of net position and statement of activities) report information and all nonfiduciary activities of the primary government (the Library) and its discretely presented component unit. Governmental activities are primarily supported by contributions, intergovernmental revenues, and investment income.

Fund Financial Statements

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and displayed in a single column.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include the following:

Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.

Grants and contributions that are restricted to meeting the operational requirements of a specific function or segment.

Grants and contributions that are restricted to meeting the capital requirements of a specific function or segment.

Items not identifiable as program revenues are reported as general revenues.

The effect of interfund activity have been eliminated from the government-wide financial statements.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION (CONTINUED)

Fund Financial Statements

Governmental funds financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for certain claims and judgments which are recognized when the obligations are expected to be liquidated with current expendable available resources.

Revenues are considered available if they are collected within 60 days after the end of the fiscal year. Investment income is susceptible to accrual. Other receipts become measurable and available when the cash is received and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria is met. Expenditure driven grants recognize revenue when the qualifying expenditures are incurred and all other grant requirements are met.

The following major governmental funds are reported:

The *general fund* is used to account for and report all financial resources not accounted for and reported in another fund.

The *Boston Public Library Fund* is a special revenue fund used to account for and report all financial resources donated by the Boston Public Library Fund, Inc. restricted for the betterment of programing support and facility operations.

The *nonmajor governmental funds* consist of special revenue and permanent funds that are aggregated and presented in the nonmajor governmental funds column on the governmental funds financial statements. The following describes the general use of these fund types:

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION (CONTINUED)

Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the government's programs and benefit the government or its constituents.

CASH AND INVESTMENTS

Government-Wide and Fund Financial Statements – Library

Cash and cash equivalents are considered to be cash on hand, demand deposits, money market mutual funds and short-term investments with an original maturity of three months or less from the date of acquisition.

Investments are carried at fair value; with the exception of money market funds which are carried at amortized cost. Fair value is based on quotations from a national securities exchange except for pooled funds and alternative investments, for which fair value is determined as follows:

Pooled Funds

The fair value of shares in managed investment pools is based on unit value reported by the funds.

Core Bond Fund and Private Equity Funds

The core bond fund and private equity funds are recorded at fair value based on market values provided by investment firms after consideration of pertinent information, including current financial position and operating results, price-earnings multiples and available market prices of similar companies; securities, the nature of securities, marketability, restrictions on disposition and other appropriation and do not necessarily represent amounts which might ultimately be realized, since such amounts depend on future circumstance and cannot be reasonably be determined until individual securities are liquidated.

Component Unit Financial Statements – Boston Public Library Fund, Inc.

A hierarchy that prioritizes the inputs to valuation techniques used to measure fair value establishes a framework for measuring fair value. The Boston Public Library Fund, Inc.'s assets measured at fair value as of June 30, 2025 are categorized as Level 1 in the fair value hierarchy. Level 1 assets represent valuation at unadjusted quoted prices for identical asset or liabilities in active markets that the Boston Public Library Fund, Inc. has the ability to access.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH AND INVESTMENTS (CONTINUED)

Common stock, corporate bonds, U.S. government securities, and mutual funds are valued at the closing price reported on the active market on which the individual securities are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Boston Public Library Fund, Inc. believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

ACCOUNTS RECEIVABLE

Government-Wide and Fund Financial Statements

The recognition of revenue related to accounts receivable reported in the government-wide financial statements and fund financial statements are reported under the accrual basis of accounting and the modified accrual basis of accounting, respectively.

Intergovernmental

Various state and federal operating and capital grants are applied for and received annually. For nonexpenditure-driven grants, revenue is recognized as soon as all eligibility requirements imposed by the provider have been met. For expenditure-driven grants, revenue is recognized when the qualifying expenditures are incurred and all other grant requirements are met.

The Commonwealth's Board of Library Commissioners (the Board) has designated the Library as the Library for the Commonwealth (LFC). Accordingly, the LFC's operations are included in the Library's financial statements. The LFC provides reference and research services and materials for the Commonwealth and retains personnel with expertise and bibliographic skills needed to develop and provide access to reference and research collections.

The LFC operates under a cost reimbursement arrangement granted by the Commonwealth. The LFC is assessed certain salaries and benefits, for reimbursement to the City of Boston, and purchases books and related materials for the benefit of the Commonwealth.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ACCOUNTS RECEIVABLE (CONTINUED)

Special Events

Special events receivables consist of amounts owed for events held at the Library, such as weddings, parties, meetings, and tours. Special events receivables are recorded in the fiscal year the events are held.

Departmental and Other

Departmental and other receivables are recorded as receivables in the fiscal year they are susceptible to accrual.

Contributions and Gifts

Contributions and gifts receivables are recorded as receivables in the fiscal year in which the Library has met all the required conditions to which the condition or gift is subject.

Interest and Dividends

Interest and dividends receivables consist of accrued investment income.

Pledges and Grants (Boston Public Library Fund)

Pledges are recorded as receivables in the year made. Grants are recorded as receivables when the Boston Public Library Fund has fulfilled specific requirements. Pledges and grants scheduled to be received over the next 12 months are reflected as current receivables while pledges and grants scheduled to be received in subsequent years are reflected as long-term receivables in the statement of net position and have been discounted to present value. All pledges are considered to be available for unrestricted use unless specifically restricted by the donor.

ALLOWANCE FOR UNCOLLECTIBLE AMOUNTS

The allowance for uncollectible amounts is estimated based on historical trends and specific account analysis. Intergovernmental and interest and dividends receivables are considered 100% collectible. The allowance for uncollectible amounts for special events and departmental and other receivables is immaterial and therefore not reported. The Boston Public Library Fund did not recognize an allowance for doubtful accounts for pledges receivable as of June 30, 2025, since management deemed all pledges receivable to be fully collectible.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LEASES (AS LESSOR)

The Library recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the Library initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Library determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The Library uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The Library monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

SUBSCRIPTION-BASED INFORMATION TECHNOLOGY AGREEMENTS (SBITA)

The Library routinely engages in subscription-based information technology arrangements (SBITA) to meet operating needs. A SBITA is defined as a contractual agreement that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RESTRICTED ASSETS

Government-Wide and Fund Financial Statements

Assets are reported as restricted when limitations on their use change the nature of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

PREPAID ITEMS

Prepaid items consist of monies paid in advance for subscription and license renewals. Prepaid items are reported using the consumption method whereby prepaid items are recorded as expenditures/expenses when used.

CAPITAL ASSETS

Government-Wide Financial Statements

Capital assets, which consist of buildings, machinery and equipment and furniture, fixtures and improvements, are reported in the government-wide financial statements.

Capital assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Purchases and construction costs in excess of \$25,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than two years if title/ownership of the underlying assets belongs to the Trustees. For such purchases (including books and related) and construction costs for which the title/ownership of the underlying assets belongs to the City of Boston, costs are not capitalized by the Trustees.

Capital assets are depreciated on a straight-line basis.

The estimated useful lives of capital assets are as follows:

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Machinery and equipment	3 – 10
Vehicles	3
Furniture, fixtures and improvements	5
Subscriptions	3 – 5

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS (CONTINUED)

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized and are treated as expenses when incurred. Improvements are capitalized.

Governmental Funds Financial Statements

Capital asset costs are recorded as expenditures in the acquiring fund in the fiscal year of the purchase.

IMPAIRMENT OF CAPITAL ASSETS

Governmental Accounting Standards Board's, Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* requires certain note disclosures or recognition regarding impairments of capital assets. The Library did not recognize any impairments of capital assets in fiscal year 2025.

WORKS OF ART AND HISTORICAL TREASURES

The Library maintains collections including artwork, rare book collection, and historical treasure that have been purchased or donated. These items are preserved and cared for and many are displayed in public exhibitions. The Library does not have a formal policy that requires that proceeds from the sale of these items be used to expand the collections through additional acquisitions. However, historically, the Library has not sold works of art and historical treasures and as of June 30, 2025, the Library has no intention to sell its works of art and historical treasures and not use the proceeds to either restore current holdings or expand the collection through additional acquisitions. Therefore, in accordance with the Governmental Accounting Standards Board (GASB), the Library does not capitalize collections meeting all of the above factors.

INTERFUND RECEIVABLES AND PAYABLES

During the course of its operations, transactions occur between and within funds that may result in amounts owed between funds.

Government-Wide Financial Statements

Transactions of a buyer/seller nature between and within governmental funds are eliminated from the governmental activities in the statement of net position.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

Transactions of a buyer/seller nature between and within funds are not eliminated from the individual fund statements. Receivables and payables resulting from these transactions are classified as “due from other funds” or “due to other funds” on the balance sheet.

INTERFUND TRANSFERS

During the course of its operations, resources are permanently reallocated between and within funds.

Government-Wide Financial Statements

Transfers between and within governmental funds are eliminated from the governmental activities in the statement of net position.

Fund Financial Statements

Transfers between and within funds are not eliminated from the individual fund statements and are reported as transfers in and transfers out.

ADVANCE DEPOSITS

Advance deposits consist of monies received in advance for special events held at the Library and customer balances in the pay-for-print program.

NET POSITION AND FUND BALANCES

Government-Wide Financial Statements (Net Position)

Net position represents the residual difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources.

Net position reported as “Investment in Capital Assets” includes capital assets, net of accumulated depreciation and any related debt.

Net position is reported as “restricted” when amounts are restricted by outside parties for a specific future use. Net position has been restricted for the following:

Nonexpendable

Represents the principal value of amounts held in trust restricted by various trust agreements.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION AND FUND BALANCES (CONTINUED)

Expendable

Represents the investment earnings on amounts held in trust which may be expended in accordance with various trust agreements, amounts which may be expended in accordance with various grant agreements, and other restrictions placed on assets from outside parties.

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

Governmental Funds Financial Statements (Fund Balances)

The following fund balance classifications describe the relative strength of the spending constraints:

Nonspendable

Represents amounts that cannot be spent either because they are in nonspendable form (i.e., inventory) or because they are legally or contractually required to be maintained intact (i.e., principal of permanent fund).

Restricted

Represents amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grants, contributors, or the laws or regulations of other governments.

Committed

Represents amounts that can be used only for specific purposes imposed by a formal action (ordinance or resolution) of the Trustees, which is the highest level of decision-making authority for the Library. Committed amounts may be established, modified, or rescinded only through actions approved by the Trustees.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION AND FUND BALANCES (CONTINUED)

Assigned

Represents amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes. In the general fund, assigned amounts represent intended uses established by the Trustees or a Library official delegated that authority by charter or ordinance.

Unassigned

Represents the residual fund balance for the general fund and the negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting assigned fund balance amounts.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned and unassigned.

INVESTMENT INCOME

Excluding the permanent funds, investment income derived from major and nonmajor governmental funds is legally assigned to the general fund unless otherwise directed by Massachusetts General Law (MGL).

USE OF ESTIMATES

Government-Wide and Fund Financial Statements

The preparation of basic financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and the expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

TOTAL COLUMN

Fund Financial Statements

The total column presented on the fund financial statements is presented only to facilitate financial analysis. Data in this column is not the equivalent of consolidated financial information.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

BUDGETARY INFORMATION

The Library's annual budget consists of two parts; its budget as a blended component unit of the City and as the Trustees of the Public Library. The Library's budget as a component unit of the City is prepared as part of the municipal budget process. Once adopted, the budget may be amended pursuant to the supplemental appropriation process. The Library's City budget is not part of these financial statements. The Library's annual Trustees' budget is prepared under the direction of the Library's management and Trustees. The Library's Trustees' budget is included as an external fund budget in the City's annual operating budget.

NOTE 3 – DEPOSITS AND INVESTMENTS

LIBRARY

The by-laws of the Trustees authorize the Library to invest temporarily idle cash in bank term deposits and certificates of deposits, and treasury and agency obligations of the United States government, with maturities of one year or less; U.S. Treasury or agency repurchase agreements with maturities of not more than 90 days; money market accounts; and the state treasurer's investment pool – the Massachusetts Municipal Depository Trust (MMDT).

The Library's permanent funds (through various trust agreements) have expanded investment powers, including the ability to invest in equity securities, corporate bonds and other specified investments. Generally, the Library's investment activities are managed under the custody of the City Treasurer. The Library's investing of funds in its custody is performed in accordance with investment policies approved by the Trustees. Certain permanent funds have investments in a common fund where investments are pooled.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

LIBRARY (CONTINUED)

The pooled fund makes a distribution of its investment income to the various participating funds. Participating funds may purchase or redeem unit of the common fund based upon the fair value of the underlying investments held in the common funds.

DEPOSITS – CUSTODIAL RISK

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Library's deposits may not be recovered. The Library does not have a policy for custodial credit risk of deposits. As of June 30, 2025 \$24,749,552 of the Library's balance of \$24,999,552, was uninsured, uncollateralized, and exposed to custodial credit risk.

The Library's investments at June 30, 2025 are presented below. All investments are presented by investment type, with debt securities presented by maturity.

Investment Type	Total	Investment Maturities (in Years)
		< 1
Debt securities		
Money market mutual funds	\$ 960,831	\$ 960,831
Fixed income mutual funds	<u>3,979,666</u>	<u>3,979,666</u>
Total debt securities	<u>4,940,497</u>	<u>\$ 4,940,497</u>
Other investments		
Fixed income securities	21,419,229	
Equity mutual funds	4,083,830	
Core bond fund	6,016,052	
Private equity funds	<u>34,169,524</u>	
Total other investments	65,688,635	
Less: money market classified as cash equivalents	<u>(960,831)</u>	
Total investments	<u>\$ 69,668,301</u>	

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

LIBRARY (CONTINUED)

INVESTMENTS – INTEREST RATE RISK OF DEBT SECURITIES

Interest rate risk for debt securities is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The Library does not have a policy for interest rate risk of debt securities.

INVESTMENTS – CUSTODIAL CREDIT RISK

Custodial credit risk for investment 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. The Library's policy is for all investments to be insured, registered, or held by the Library's agent in the Library's name. As of June 30, 2025, the entire balance of investments are insured, registered, or held by the Library's agent in the Library's name and are not exposed to custodial credit risk.

INVESTMENTS – CREDIT RISK OF DEBT SECURITIES

Credit risk for debt securities is the risk that an issuer or other counterparty to a debt security will not fulfill its obligations. The Library's policy for investments in individual debt securities is for all securities to be of investment grade (BBB rating or better).

As of June 30, 2025, the Library's investments that are classified as debt securities consisted entirely of mutual funds that were unrated by national credit rating organizations. The Library's investment in the IR&M Core Bond Fund, SSGA Treasury Inflation Protected Securities, SSGA US Treasury Index non-Lending Common Trust Fund, Manulife Strategic Fixed Income and Vanguard Short-Term Corp Bond, which are classified as alternative investments, consists of various fixed income and other debt security investments that are all rated BBB or better by Moody's and Standard and Poors.

INVESTMENTS – FAIR VALUE MEASUREMENTS

The Library categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. 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.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

LIBRARY (CONTINUED)

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

	<u>Total</u>	<u>Level 1</u>
Equity Securities		
Equity mutual funds	\$ 4,083,830	\$ 4,083,830
Equity securities	<u>21,419,229</u>	<u>21,419,229</u>
Total Equity Securities	<u>25,503,059</u>	<u>25,503,059</u>
Debt Securities		
Fixed Income Mutual Funds	<u>3,979,666</u>	<u>3,979,666</u>
Total Debt Securities	<u>3,979,666</u>	<u>3,979,666</u>
Total Investments by Fair Value Level	<u>29,482,725</u>	<u>\$ 29,482,725</u>
Investments Measured at the Net Asset Value (NAV)		
Core bond fund	6,016,052	
Private equity funds	<u>34,169,524</u>	
Total Investments Measured at the NAV	<u>40,185,576</u>	
Total Investments Measured at Fair Value		<u>\$ 69,668,301</u>

Debt and equity securities classified in Level 1 of the fair value hierarchy are calculated using prices quoted in active markets for those securities.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

LIBRARY (CONTINUED)

Investments – Fair Value Measurements

The valuation method for investments measure at the Net Asset Value (NAV) per share or its equivalent is presented on the following table.

	Fair Value	Unfunded Commitments
Core Bond Fund ⁽¹⁾	\$ 6,016,052	\$ --
Private Equity Funds ⁽²⁾	<u>34,169,524</u>	<u>--</u>
Total Investments Measured at the NAV	<u><u>\$ 40,185,576</u></u>	

⁽¹⁾ Core Bond Fund – This type includes one core bond fund that invests primarily in investment-grade fixed income securities. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the System's ownership interest in partners' capital. This investment can be redeemed as needed, with a redemption notice period of four days.

⁽²⁾ Private Equity Funds – This type includes five private equity funds. One fund with a value of \$8,836,347 invests to seek income and capital appreciation by investing in equity and equity-linked securities of non-U.S. companies. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the Library's ownership interest in partners' capital. The investment can be redeemed as needed, with notice provided five days before the end of each month. The second fund with a value of \$9,162,811 seeks to approximate, as closely as practicable, before expenses, the performance of the S&P 500® Index over the long term while investing in securities which meet certain social or environmental criteria. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the Library's ownership interest in partners' capital. The investment can be redeemed as needed within two days' notice. The third fund with a value of \$2,988,972 invests to seek an investment return that approximates as closely as practicable, before expenses, the performance of its benchmark index over the long term. The investment can be redeemed as needed within two days' notice. The fourth fund with a value of \$7,057,471 seeks to invest in Global Resource Optimization Funds. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the Library's ownership interest in partners' capital. The investment can be redeemed at the end of each month as needed within three or seven days' notice.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

LIBRARY (CONTINUED)

The fifth fund with a value of \$6,123,923 seeks an investment return that approximates as closely as practicable, before expenses, the performance of the Bloomberg Barclays U.S. Treasury Index over the long term. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the Library's ownership interest in partners' capital. The investment can be redeemed as needed without advance notice.

BOSTON PUBLIC LIBRARY FUND, INC.

The Boston Public Library Fund, Inc. maintains cash balances at financial institutions, and at times during the year these balances may exceed the federally insured limit. Management monitors the financial condition of these financial institutions, along with its balances in cash, to keep this potential risk at a minimum. The fund has not experienced any losses in such accounts. The fund believes it is not exposed to any significant credit risk on cash and cash equivalents at June 30, 2025. The Boston Public Library Fund, Inc.'s investments at June 30, 2025 are comprised of the following:

	<u>Fair Value</u>
Equities	\$ 4,981,827
Mutual funds	3,190,447
Fixed income	<u>2,775,940</u>
	<u><u>\$ 10,948,214</u></u>

NOTE 4 – ACCOUNTS RECEIVABLE

At June 30, 2025, receivables for the individual major governmental funds and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
Intergovernmental	\$ 770,903	\$ --	\$ 770,903
Departmental and other	<u>581,311</u>	<u>--</u>	<u>581,311</u>
Total receivables	<u><u>\$ 1,352,214</u></u>	<u><u>\$ --</u></u>	<u><u>\$ 1,352,214</u></u>

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 4 – ACCOUNTS RECEIVABLE (CONTINUED)

BOSTON PUBLIC LIBRARY FUND, INC.

Pledges receivable are primarily from long-time supporters located throughout Massachusetts. The long-term portion of receivables is discounted at 3.0%.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Being Depreciated				
Machinery and Equipment	\$ 1,161,059	\$ --	\$ --	\$ 1,161,059
Vehicles	--	319,418	--	319,418
Right of use subscription assets	2,583,074	--	--	2,583,074
Furniture, Fixtures and Improvements	<u>777,368</u>	<u>132,890</u>	<u>--</u>	<u>910,258</u>
Total Capital Assets Being Depreciated	<u>4,521,501</u>	<u>452,308</u>	<u>--</u>	<u>4,973,809</u>
Less Accumulated Depreciation / Amortization for:				
Machinery and Equipment	(959,103)	(65,240)	--	(1,024,343)
Vehicles	--	(9,663)	--	(9,663)
Right of use subscription assets	(1,151,918)	(575,959)	--	(1,727,877)
Furniture, Fixtures and Improvements	<u>(379,532)</u>	<u>(51,370)</u>	<u>--</u>	<u>(430,902)</u>
Total Accumulated Depreciation / Amortization	<u>(2,490,553)</u>	<u>(702,232)</u>	<u>--</u>	<u>(3,192,785)</u>
Total Governmental Activities				
Capital Assets, Net	<u>\$ 2,030,948</u>	<u>\$ (249,924)</u>	<u>\$ --</u>	<u>\$ 1,781,024</u>

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 6 – DUE TO CITY OF BOSTON

The following represents a summary of amounts owed to the City at June 30, 2025:

	<u>Fair Value</u>
Salary Reimbursements - Library for the Commonwealth	\$ 227,416
Salary Reimbursements - Photo Duplications	2,347
Salary Reimbursements - Charles Wilkins Fund	5,871
Salary Reimbursements - Boston Public Library Fund	150,175
Salary Reimbursements - Enterprise Fund	33,414
Salary Reimbursements - Library MBLN	4,558
Salary Reimbursements - MBLC Grant	6,302
Salary Reimbursements - Library General Trust	8,264
Collection of Fines - Library City Fund	<u>17,939</u>
	<u><u>\$ 456,286</u></u>

TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 7 – INTERFUND TRANSFERS

Interfund transfers for the fiscal year ended June 30, 2025 are summarized as follows:

Depreciation	General Fund	Fund for BPL	Library Managed Funds	City Managed Funds	Nonmajor Governmental Funds
Annual 5% Distribution to Library Managed Funds ⁽¹⁾	\$ --	\$ --	\$ 2,891,417	\$ (2,891,417)	\$ --
Annual 5% Distribution to General Funds ⁽¹⁾	324,042	--	--	(324,042)	(324,042)
To Transfer Funds to Trust Fund Corpus	(19,294)	--	--	19,294	19,294
To Fund Programs from Hearst/Humanities Funds	228,090	--	(228,090)	--	(228,090)
To fund negative balances on operating fund	(33,257)	33,257	--	--	--
To transfer balances to Fund for BPL	--	110,000	(110,000)	--	(110,000)
To Fund the Map Center Fund	(179,136)	(338,208)	517,344	--	517,344
To fund deficits in Pay4Print, Training, Map Center and Operating Fund	61,634	--	(61,634)	--	(61,634)
To transfer fund for staff development	141,971	--	(141,971)	--	(141,971)
Miscellaneous Transfers in/(out)	4,186	(4,186)	--	--	--
Miscellaneous Transfers in/(out)	<u>54,984</u>	<u>--</u>	<u>(54,984)</u>	<u>--</u>	<u>(54,984)</u>
	<u><u>\$ 583,220</u></u>	<u><u>\$ (199,137)</u></u>	<u><u>\$ 2,812,082</u></u>	<u><u>\$ (3,196,165)</u></u>	<u><u>\$ (384,083)</u></u>

⁽¹⁾ Since fiscal year 2003, it is the Trustees' policy to authorize the City to distribute 5% of the Library's perpetual permanent fund balances (using a three-year average of market values) to help fund the Library's operations.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 8 – LEASES

The Library is reporting Leases Receivable of \$483,981 at June 30, 2025. For 2025, the Library reported lease revenue of \$439,162 related to lease payments received. These leases are summarized as follows:

Lease	Lease Receivable	Lease Revenue
Il Panino, Inc.	\$ 53,040	\$ 44,569
Newsfeed	48,774	122,144
The Catered Affair	<u>382,167</u>	<u>272,449</u>
	<u><u>\$ 483,981</u></u>	<u><u>\$ 439,162</u></u>

IL Panino, Inc. – On July 31, 2017, the Library entered into a ten-year lease agreement with IL Panino, Inc., for the lease of real property that is part of the Boston Public Library. Based on this agreement, the Library is receiving monthly payments through July 2027. There are no renewal options included in this lease agreement.

Newsfeed – On June 11, 2016, the Library entered into a ten-year lease agreement with The Catered Affair, Inc., for the lease of real property that is part of the Boston Public Library to be used for the Newsfeed Retail and Cafe area. Based on this agreement, the Library is receiving monthly payments through August 2026. There are no renewal options included in this lease agreement.

The Catered Affair – On November 1, 2023, the Library entered into a three-year lease agreement with The Catered Affair, Inc., for the lease of real property that is part of the Boston Public Library. Based on this agreement, the Library is receiving monthly payments through October 2026. There are no renewal options included in this lease agreement.

The Library's future minimum payments of lease receivables is presented as follows:

2026	\$ 342,311
2027	<u>141,670</u>
	<u><u>\$ 483,981</u></u>

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 9 – PENSION PLAN AND OTHER POST EMPLOYMENT BENEFITS

Persons that perform services for the Library are employees of the City only. City employees participate in the City's retirement plan. The City is responsible for contributions to the State-Boston Retirement System (the System), a cost-sharing, multiemployer, defined benefit pension plan. The System provides retirement disability and death benefits to plan members and beneficiaries. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The System issues a publicly available financial report, which can be obtained through the State-Boston Retirement System, Boston City Hall, Boston, Massachusetts.

In addition to providing pension benefits, the City is required to provide certain health care and life insurance benefits for retired employees of the City. Substantially all of the Library's employees may become eligible for these benefits if they reach retirement age while working for the Library. Eligible retirees are required to contribute a specified percentage of health care benefit costs which is comparable to contributions required from employees.

In accordance with GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, no liability has been recorded on the Library's financial statements since the City has not allocated any portion of other postemployment benefit liabilities to the Library as of June 30, 2025, since persons that perform services for the Library are employees of the City only.

NOTE 10 – SUBSCRIPTION BASED INFORMATION TECHNOLOGY AGREEMENTS

The Library maintains various subscription based information technology agreements (SBITA's) for applications utilized to support its operations. Future maturities of SBITA's are as follows:

2026	\$	554,237
2027	<u> </u>	<u>237,822</u>
	<u> </u>	<u>\$ 792,059</u>

NOTE 11 – RISK FINANCING

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Library carries commercial insurance. For the previous three years, coverage has remained consistent and there were no losses which exceeded coverage.

**TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON
(A COMPONENT UNIT OF THE CITY OF BOSTON)**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 12 – RELATED PARTY TRANSACTIONS

The Library receives support from the City as a component unit. This support is received for expenditure assistance and various programs. Per a mutual agreement with the City, appropriations for retirement expenses and general and administrative expenses of the Library have been omitted from these basic financial statements, as those costs are included in the City's budget. Capital asset purchases made for the City for the benefit of the Library, the value of the main Library buildings and its land, have also been excluded from these basic financial statements. All of the aforementioned amounts, and the related receivables and accruals, appear in the audited financial statements of the City.

NOTE 13 – CONTINGENCIES

Various legal actions and claims are pending against the Library. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2025 cannot be ascertained, management believes any resulting liability should not materially affect the financial position of the Library at June 30, 2025.

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

To the Honorable Board of Trustees of the
Public Library of the City of Boston

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Boston Public Library (Library) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements, and have issued our report thereon dated September 30, 2025. Our report includes a reference to other auditors who audited the financial statements of the Boston Public Library Fund, Inc., as described in our report on the Library's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Library's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Library's internal control. Accordingly, we do not express an opinion on the effectiveness of Library's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

CBIZ CPAs P.C.

Providence, RI
September 30, 2025