

LISLE LIBRARY DISTRICT LISLE, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
JUNE 30, 2020

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

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**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

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FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Library's independent auditing firm.



INDEPENDENT AUDITORS' REPORT

October 15, 2020

Members of the Board of Trustees
Lisle Library District
Lisle, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lisle Library District, Illinois, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Lisle Library District, Illinois, as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lisle Library District, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

LISLE LIBRARY DISTRICT

Management's Discussion and Analysis June 30, 2020

Our discussion and analysis of the Lisle Library District's financial performance provides an overview of the Library's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the Library's financial statements, which begin on page 11.

FINANCIAL HIGHLIGHTS

- The net position increased by \$50,794 for the year ended June 30, 2020 compared to a net position of \$12,648,385 on June 30, 2019.
- During the year, government-wide revenues totaled \$4,462,085, while government-wide expenses totaled \$4,411,291, resulting in an increase to net position of \$50,794.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 11 - 13) provide information about the activities of the Library as a whole and present a longer-term view of the Library's finances.

Fund financial statements begin on page 14. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Library's operation in more detail than the government-wide statements by providing information about the Library's most significant funds.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Library's finances, in a matter similar to a private-sector business. The government-wide financial statements can be found on pages 11 - 13 of this report.

The Statement of Net Position reports information on all of the Library's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Library is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Library's property tax base, is needed to assess the overall health of the Library.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

LISLE LIBRARY DISTRICT

Management's Discussion and Analysis June 30, 2020

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements – Continued

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements report functions of the Library that are principally supported by taxes and charges for services revenues (governmental activities). The governmental activities of the Library include public library.

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 local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Library only maintains governmental funds.

Governmental Funds

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

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

The Library maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Special Reserve Fund, both of which are considered major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Library adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 14 - 17 of this report.

LISLE LIBRARY DISTRICT

Management's Discussion and Analysis June 30, 2020

USING THIS ANNUAL REPORT – Continued

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18 - 38 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Library, assets/deferred outflows exceeded liabilities/deferred liabilities by \$12,699,179.

| | Net Position | |
|------------------------------------|---------------|------------|
| | 2020 | 2019 |
| Current and Other Assets | \$ 13,617,069 | 13,182,998 |
| Capital Assets | 3,567,291 | 3,703,776 |
| Total Assets | 17,184,360 | 16,886,774 |
| Deferred Outflows | 186,110 | 1,267,834 |
| Total Assets/Deferred Outflows | 17,370,470 | 18,154,608 |
| Long-Term Debt Outstanding | 40,054 | 1,179,565 |
| Other Liabilities | 103,754 | 86,322 |
| Total Liabilities | 143,808 | 1,265,887 |
| Deferred Inflows | 4,527,483 | 4,240,336 |
| Total Liabilities/Deferred Inflows | 4,671,291 | 5,506,223 |
| Net Position | | |
| Investment in Capital Assets | 3,567,291 | 3,703,776 |
| Restricted | 362,793 | 908,874 |
| Unrestricted | 8,769,095 | 8,035,735 |
| Total Net Position | 12,699,179 | 12,648,385 |

A large portion of the Library's net position, \$3,567,291, reflects its investment in capital assets (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Library uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

LISLE LIBRARY DISTRICT

Management's Discussion and Analysis June 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

An additional portion, \$362,793, of the Library's net position represents resources that are subject to external restrictions on how they may be used. The remaining \$8,769,095 represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

| | Change in Net Position | |
|-------------------------------------|------------------------|------------|
| | 2020 | 2019 |
| Revenues | | |
| Program Revenues | | |
| Charges for Services | \$ 19,417 | 42,639 |
| Operating Grants/Contributions | 35,630 | 36,763 |
| General Revenues | | |
| Property Taxes | 4,138,681 | 4,355,579 |
| Personal Property Replacement Taxes | 19,405 | 17,728 |
| Interest | 214,443 | 249,427 |
| Miscellaneous | 34,509 | 50,982 |
| Total Revenues | 4,462,085 | 4,753,118 |
| Expenses | | |
| General Government | 4,411,291 | 4,497,668 |
| Change in Net Position | 50,794 | 255,450 |
| Net Position-Beginning | 12,648,385 | 12,392,935 |
| Net Position-Ending | 12,699,179 | 12,648,385 |

Net position of the Library's governmental activities increased from \$12,648,385 to \$12,699,179.

Revenues of \$4,462,085 exceeded expenses of \$4,411,291, resulting in the increase to net position in the current year of \$50,794.

Governmental Activities

In the current year, governmental net position increased \$50,794, an increase of 0.4 percent. The biggest decrease in revenues was in property taxes. Property taxes decreased by \$216,898. Expenses decreased in the current year (\$4,411,291 in 2020 compared to \$4,497,668 in 2019) mainly as a result in the decrease in the net pension liability and related items for IMRF.

LISLE LIBRARY DISTRICT

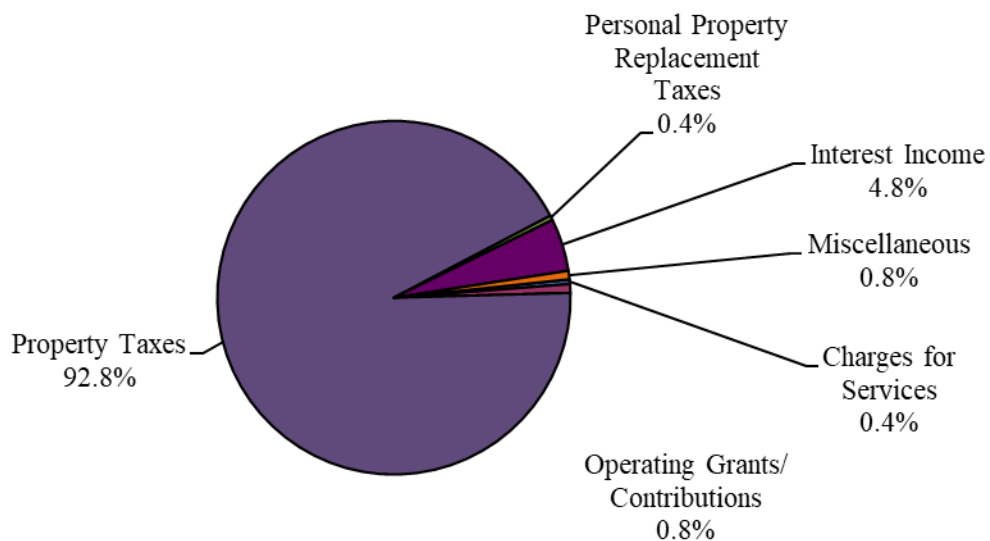
**Management’s Discussion and Analysis
June 30, 2020**

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities – Continued

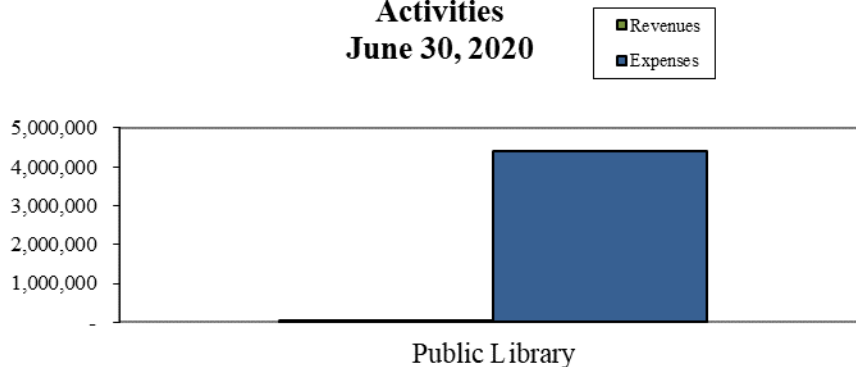
The following table graphically depicts the major revenue sources of the Library. It depicts very clearly the reliance of property taxes to fund governmental activities.

Revenues by Source - Governmental Activities June 30, 2020



The ‘Expenses and Program Revenues’ Table identifies those governmental functions where program expenses greatly exceed revenues. The public library functions charge user fees for services provided. The user fees charged do not cover the expenses, which furthermore signifies the Library’s reliance on general revenues such as property taxes and personal property replacement taxes.

**Expenses and Program Revenues - Governmental
Activities
June 30, 2020**



LISLE LIBRARY DISTRICT

Management's Discussion and Analysis June 30, 2020

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental funds

The focus of the Library's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$9,080,163 which is 1.3 percent higher than last year's ending fund balance of \$8,961,830.

The General Fund reported an increase of \$187,440, which shows the fund is structurally in balance. This included a transfer to the Special Reserve Fund of \$720,900. The Special Reserve Fund reported an increase of \$489,596, including the transfer from the General Fund of \$720,900. In the current year, total governmental fund balances increased by \$118,333.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, no supplemental amendments were made to the budget for the General Fund.

The General Fund actual revenues were higher than budgeted revenues. Actual revenues for the current year were \$4,220,825, compared to budgeted revenues of \$4,162,073. This resulted mainly from higher than expected interest income of \$152,003.

The General Fund actual expenditures were lower than budgeted expenditures. Actual expenditures totaled \$3,733,378 while budgeted expenditures totaled \$4,020,011. This resulted primarily from lower than anticipated spending in employee costs and capital outlay.

CAPITAL ASSETS

The Library's investment in capital assets for its governmental activities as of June 30, 2020 was \$3,567,291 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, library materials and equipment and furnishings.

LISLE LIBRARY DISTRICT

Management's Discussion and Analysis June 30, 2020

CAPITAL ASSETS – Continued

The total decrease in the Library's investment in capital assets for the current fiscal year was \$136,485.

| | Capital Assets - Net of Depreciation | |
|----------------------------|--------------------------------------|------------------|
| | 2020 | 2019 |
| Land | \$ 790,690 | 790,690 |
| Construction in Progress | - | 6,950 |
| Buildings and Improvements | 1,859,345 | 1,882,598 |
| Library Materials | 960,984 | 1,014,107 |
| Equipment and Furnishings | (43,728) | 9,431 |
| Total | <u>3,567,291</u> | <u>3,703,776</u> |

This year's additions to capital assets included additions to the following:

| | |
|----------------------------|----------------|
| Buildings and Improvements | \$ 218,550 |
| Library Materials | 386,662 |
| Equipment and Furnishings | <u>43,732</u> |
| | <u>648,944</u> |

Additional information on the Library's capital assets can be found in note 3 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Library's elected officials and staff considered many factors when setting the fiscal-year 2021 budget. Those factors include tax rates, patron services, resources, and capital improvement projects. The Library is faced with similar economic challenges as other local municipalities, including inflation and unemployment rates. The Library is committed to providing high quality library services to its constituents, while remaining a fiscally responsible unit of government.

In March 2020, the governor declared a state of emergency due to the COVID-19 virus. The economic impact of the State of Illinois' Executive Order imposing "stay at home" restrictions may be widespread and may last for several years. Management believes that the financial position of the District heading into this event will allow it to adapt to any financial impact in FY2021. Management will continue to carefully monitor the situation and evaluate its options for this and following years' budgetary position as the situation continues to unfold.

LISLE LIBRARY DISTRICT

Management's Discussion and Analysis June 30, 2020

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Library's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Director, Tatiana Weinstein at the Lisle Library District, 777 Front Street, Lisle, IL 60532 | tatiana@lislelibrary.org | 630-971-1675.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

**Statement of Net Position
June 30, 2020**

See Following Page

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

**Statement of Net Position
June 30, 2020**

ASSETS

| | |
|---------------------------------|-------------------|
| Current Assets | |
| Cash and Investments | \$ 11,132,806 |
| Receivables - Net of Allowances | |
| Property Taxes | 1,960,184 |
| Accounts Receivable | 14,571 |
| Prepays | 52,985 |
| Total Current Assets | <u>13,160,546</u> |
| Noncurrent Assets | |
| Capital Assets | |
| Nondepreciable Capital Assets | 790,690 |
| Depreciable Capital Assets | 9,645,749 |
| Accumulated Depreciation | (6,869,148) |
| Total Capital Assets | <u>3,567,291</u> |
| Other Assets | |
| Net Pension Asset - IMRF | 456,523 |
| Total Noncurrent Assets | <u>4,023,814</u> |
| Total Assets | <u>17,184,360</u> |

DEFERRED OUTFLOWS OF RESOURCES

| | |
|---|-------------------|
| Deferred Items - IMRF | <u>186,110</u> |
| Total Assets and Deferred Outflows of Resources | <u>17,370,470</u> |

The notes to the financial statements are an integral part of this statement.

LIABILITIES

| | |
|------------------------------|----------------|
| Current Liabilities | |
| Accounts Payable | \$ 37,422 |
| Accrued Payroll | 56,319 |
| Compensated Absences Payable | 10,013 |
| Total Current Liabilities | <u>103,754</u> |
| Noncurrent Liabilities | |
| Compensated Absences | 40,054 |
| Total Liabilities | <u>143,808</u> |

DEFERRED INFLOWS OF RESOURCES

| | |
|---|----------------------|
| Deferred Items - IMRF | 540,841 |
| Property Taxes | 3,986,642 |
| Total Deferred Inflows of Resources | <u>4,527,483</u> |
| Total Liabilities and Deferred Inflows of Resources | <u>4,671,291</u> |

NET POSITION

| | |
|------------------------------|-----------------------|
| Investment in Capital Assets | 3,567,291 |
| Restricted | |
| Property Tax Levies | |
| IMRF | 250,217 |
| Social Security | 112,576 |
| Unrestricted | <u>8,769,095</u> |
| Total Net Position | <u>12,699,179</u> |

The notes to the financial statements are an integral part of this statement.

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

**Statement of Activities
For the Fiscal Year Ended June 30, 2020**

| | Expenses | Program Revenues | | Net (Expenses)/ Revenues and Changes in Net Position |
|--------------------|--------------|----------------------------|---------------------------------------|--|
| | | Charges for Services | Operating Grants/ Contributions | |
| Functions/Programs | | | | |
| Public Library | \$ 4,411,291 | 19,417 | 35,630 | (4,356,244) |
| | | General Revenues | | |
| | | Taxes | | |
| | | | Property Taxes | 4,138,681 |
| | | | Replacement Taxes | 19,405 |
| | | | Miscellaneous | 34,509 |
| | | | Investment Income | 214,443 |
| | | | | <u>4,407,038</u> |
| | | | Change in Net Position | 50,794 |
| | | | Net Position - Beginning | <u>12,648,385</u> |
| | | | Net Position - Ending | <u><u>12,699,179</u></u> |

The notes to the financial statements are an integral part of this statement.

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

**Balance Sheet
June 30, 2020**

| | General | <u>Capital Projects</u> Special Reserve | Nonmajor | Totals |
|---|------------------|---|----------------|-------------------|
| ASSETS | | | | |
| Cash and Investments | \$ 6,821,769 | 3,798,445 | 512,592 | 11,132,806 |
| Receivables - Net of Allowances | | | | |
| Property Taxes | 1,824,311 | - | 135,873 | 1,960,184 |
| Accounts | 14,571 | - | - | 14,571 |
| Prepays | 52,985 | - | - | 52,985 |
| | | | | <hr/> |
| Total Assets | <u>8,713,636</u> | <u>3,798,445</u> | <u>648,465</u> | <u>13,160,546</u> |
| LIABILITIES | | | | |
| Accounts Payable | 27,399 | 690 | 9,333 | 37,422 |
| Accrued Payroll | 56,319 | - | - | 56,319 |
| Total Liabilities | <u>83,718</u> | <u>690</u> | <u>9,333</u> | <u>93,741</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Property Taxes | 3,710,303 | - | 276,339 | 3,986,642 |
| Total Liabilities and Deferred Inflows of Resources | <u>3,794,021</u> | <u>690</u> | <u>285,672</u> | <u>4,080,383</u> |
| FUND BALANCES | | | | |
| Nonspendable | 52,985 | - | - | 52,985 |
| Restricted | - | - | 362,793 | 362,793 |
| Committed | - | 3,797,755 | - | 3,797,755 |
| Unassigned | 4,866,630 | - | - | 4,866,630 |
| Total Fund Balances | <u>4,919,615</u> | <u>3,797,755</u> | <u>362,793</u> | <u>9,080,163</u> |
| | | | | <hr/> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>8,713,636</u> | <u>3,798,445</u> | <u>648,465</u> | <u>13,160,546</u> |

The notes to the financial statements are an integral part of this statement.

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

**Reconciliation of Total Fund Balances to the Statement of Net Position
June 30, 2020**

| | |
|---|--------------------------|
| Total Fund Balances | \$ 9,080,163 |
| Amounts reported in the Statement of Net Position are different because: | |
| Capital assets are not financial resources and therefore, are not reported in the funds. | 3,567,291 |
| Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF | (354,731) |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Compensated Absences Payable | (50,067) |
| Net Pension Asset - IMRF | <u>456,523</u> |
| Net Position | <u><u>12,699,179</u></u> |

The notes to the financial statements are an integral part of this statement.

LISLE LIBRARY DISTRICT
LISLE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2020

| | General | Capital Projects Special Reserve | Nonmajor | Totals |
|--|------------------|---|------------------|------------------|
| Revenues | | | | |
| Property Taxes | \$ 3,961,076 | - | 177,605 | 4,138,681 |
| TIF Revenues | 34,509 | - | - | 34,509 |
| Replacement Taxes | 18,190 | - | 1,215 | 19,405 |
| Charges for Services | 19,417 | - | - | 19,417 |
| Grants and Donations | 35,630 | - | - | 35,630 |
| Interest | 152,003 | 46,914 | 15,526 | 214,443 |
| Total Revenues | 4,220,825 | 46,914 | 194,346 | 4,462,085 |
| Expenditures | | | | |
| Public Library | 3,120,071 | - | 310,471 | 3,430,542 |
| Capital Outlay | 613,307 | 278,218 | 21,685 | 913,210 |
| Total Expenditures | 3,733,378 | 278,218 | 332,156 | 4,343,752 |
| Excess (Deficiency) of Revenues | | | | |
| Over (Under) Expenditures | 487,447 | (231,304) | (137,810) | 118,333 |
| Other Financing Sources (Uses) | | | | |
| Transfers In | 420,893 | 720,900 | - | 1,141,793 |
| Transfers Out | (720,900) | - | (420,893) | (1,141,793) |
| | (300,007) | 720,900 | (420,893) | - |
| Net Change in Fund Balance | 187,440 | 489,596 | (558,703) | 118,333 |
| Fund Balances - Beginning | 4,732,175 | 3,308,159 | 921,496 | 8,961,830 |
| Fund Balances - Ending | 4,919,615 | 3,797,755 | 362,793 | 9,080,163 |

The notes to the financial statements are an integral part of this statement.

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities**

For the Fiscal Year Ended June 30, 2020

| | |
|---|----------------------|
| Net Change in Fund Balances | \$ 118,333 |
| Amounts reported in the Statement of Activities are different because: | |
| 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. | |
| Capital Outlays | 648,944 |
| Depreciation Expense | (785,429) |
| Disposals - Cost | (373,223) |
| Disposals - Accumulated Depreciation | 373,223 |
| Deferred outflows (inflows) of resources related to the pensions not reported in the funds. | |
| Change in Deferred Items - IMRF | (1,526,334) |
| Change in Deferred Items - RBP | (541) |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds. | |
| Change in Compensated Absences | (1,068) |
| Change in Net Pension Liability/(Asset) - IMRF | 1,526,217 |
| Change in Total OPEB Liability - RBP | <u>70,672</u> |
| Changes in Net Position | <u>50,794</u> |

The notes to the financial statements are in integral part of this statement.

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Lisle Library District (Library), Lisle, Illinois provides services primarily to citizens of the District of Lisle, Illinois, including lending or renting materials to adults and children to meet their informational, recreations, and educational needs. The government-wide financial statements are prepared in accordance with generally accepted accounting principles in the United States (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP in the United States for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Library's accounting policies established in GAAP in the United States and used by the Library are described below.

REPORTING ENTITY

The Library is governed by a publicly elected seven-member board of trustees. The board of trustees selects management staff and directs the affairs of the Library. In determining the financial reporting entity, the Library complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Library. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide and Fund Financial Statements

The government-wide Statement of Activities reports both the gross and net cost of the Library's functions. The Library's activities are supported by taxes and intergovernmental revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The financial transactions of the Library are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. The Library accounts for all of its activities in governmental funds, with the emphasis in the fund financial statements being on the major funds.

Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures of either fund category) for the determination of major funds. The following fund types are used by the Library:

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide and Fund Financial Statements – Continued

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Library:

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

Special revenues funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Library does not maintain any major special revenue funds.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Library reports the Special Reserve Fund as a major fund.

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, the governmental activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus is used.

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The accounting objectives of the “economic resources” measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflows is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Library recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability/deferred inflow is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, the Library's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of purchase.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Library categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances include property taxes.

Prepays

Prepays are valued at cost, which approximates market. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Capital Assets

Capital assets purchased or acquired with an original cost of \$2,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Library as a whole. When purchased, such assets are recorded as expenditures in the governmental fund and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets - Continued

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

| | |
|----------------------------|---------------|
| Buildings and Improvements | 20 - 40 Years |
| Library Materials | 5 Years |
| Equipment and Furnishings | 5 - 20 Years |

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Compensated Absences

The Library's policy allows employees of the Library District can accumulate up to 75 hours of vacation time that is payable upon termination. This liability is accounted for as a governmental activity on the government-wide Statement of Net Position. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Net Position

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

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Net Position - Continued

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets and appropriations for all funds are prepared on the same basis and use the same accounting practices as are used in the fund financial statements. For each fund, total fund expenditures disbursed may not legally exceed the appropriated amounts. The budget lapses at the end of each fiscal year. The Library District follows these procedures in establishing the budgetary data reflected in the financial statements:

- The Appropriation Ordinance is prepared in tentative form by the Treasurer and is made available for public inspection at least 30 days prior to final Board action. By the fourth Tuesday in September, a public hearing is held on the tentative Appropriation Ordinance to obtain taxpayer comments and pass the Ordinance in final form.

LISLE LIBRARY DISTRICT

**Notes to the Financial Statements
June 30, 2020**

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

- The Board of Trustees may:
 - Adopt a supplemental Appropriation Ordinance for revenues which become available, or are estimated to become available, subsequent to the adoption of the annual Appropriation Ordinance.
 - After six months of the fiscal year, by two-thirds vote, transfer any appropriation item it anticipates being unexpended to any other appropriation item.

- The Library Board may accumulate and set apart, as reserve funds, for the purchase, construction, rental and/or repair of Library buildings and equipment, the unexpended balances of the proceeds annually received from taxes, not to exceed the statutory limits, provided the Library Board in its annual Appropriation specifies that a specific fund is to be or is being accumulated for this purpose.

The Library District does not use the encumbrance method of accounting. Budgetary funds are controlled by an integrated budgetary accounting system, in accordance with various legal requirements which govern the Library District.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUND

The following fund had excess of actual expenditures over budget as of the date of this report:

| Fund | Excess |
|----------------------|-----------|
| Building Maintenance | \$ 11,685 |

Although the Building Maintenance Fund is over the working budget, the expenditures did not exceed the appropriations amount of \$22,000 and the fund has been drawn down to close the fund.

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Library maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments."

Permitted Deposits and Investments – Statutes authorize the Library to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

Illinois Funds is an investment pool managed by the Illinois public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. The Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Library's deposits totaled \$7,210,947 and the bank balances totaled \$6,175,390.

Investments. At year-end, the Library had the following investments:

| Investment Type | Fair Value | Investment Maturities (in Years) | |
|---------------------------------------|------------------|-------------------------------------|----------------|
| | | Less Than 1 | 1 to 5 |
| U.S. Agencies | \$ 182,185 | 182,185 | - |
| Municipal Bonds | 826,938 | 401,684 | 425,254 |
| Illinois Metropolitan Investment Fund | 960,736 | 960,736 | - |
| Illinois Funds | 1,418,000 | 1,418,000 | - |
| | <u>3,387,859</u> | <u>2,962,605</u> | <u>425,254</u> |

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments – Continued. The Library has the following recurring fair value measurements as of June 30, 2020:

| | Total | Fair Value Measurements Using | | |
|---|------------|--|---|--|
| | | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Investments by Fair Value Level | | | | |
| Debt Securities | | | | |
| U.S. Agencies | \$ 182,185 | - | 182,185 | - |
| Municipal Bonds | 826,938 | - | 826,938 | - |
| Equity Securities | | | | |
| Mutual Funds | 534,000 | 534,000 | - | - |
| Total Investments by Fair Value Level | 1,543,123 | 534,000 | 1,009,123 | - |
| Investments Measured at the Net Asset Value (NAV) | | | | |
| Illinois Metropolitan Investment Fund | 960,736 | | | |
| Illinois Funds | 1,418,000 | | | |
| Total Investments at the (NAV) | 2,378,736 | | | |
| Total Investments Measured at Fair Value | 3,921,859 | | | |

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Library's investment policy states investments may be made in any type of security allowed for by Illinois statutes regarding the investment of public funds. Section 30, Act 235 of the Illinois Compiled Statutes (ICLS), Public Funds Investment Act authorizes investment of public funds. At year-end, the Library's investment in the Illinois Funds is rated AAAM by Standard & Poor's, the investments in IMET rated AAAM by Standard and Poor's and the Convenience Fund is not rated. The ratings for the U.S. agencies and municipal bonds are not available.

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Library's investment policy states the investment portfolio shall remain sufficiently liquid to enable the Library to meet all operating requirements that may be reasonably anticipated in any fund

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library's investment policy states that funds on deposit in excess of insured limits (i.e., FDIC) have collateral pledged at not less than 100% of the uninsured value. Pledged collateral will be held in safekeeping by a third party. At year-end, the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance. For an investment, this 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 investment policy does not specifically address custodial credit risk for investments. At year-end, the Library's investment in the Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Library's investment in a single issuer. The Library's investment policy states funds should be diversified to the best of the Library's ability by limiting investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities), limiting investment in securities that have higher credit risks, investing in securities with varying maturities, and continuously investing a portion of the portfolio in readily available funds such as local government investment pools and money market funds to ensure that appropriate liquidity is maintained in order to meet ongoing obligations. At year-end, the Library does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

PROPERTY TAXES

Property taxes for 2019 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by DuPage County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

LISLE LIBRARY DISTRICT

**Notes to the Financial Statements
June 30, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Capital asset activity for the year was as follows:

| | Beginning Balances | Increases | Decreases | Ending Balances |
|--------------------------------------|-------------------------|-------------------------|---------------------|-------------------------|
| Nondepreciable Capital Assets | | | | |
| Land | \$ 790,690 | - | - | 790,690 |
| Construction in Progress | 6,950 | - | 6,950 | - |
| | <u>797,640</u> | <u>-</u> | <u>6,950</u> | <u>790,690</u> |
| Depreciable Capital Assets | | | | |
| Buildings and Improvements | 6,439,027 | 225,500 | - | 6,664,527 |
| Library Materials | 1,998,878 | 386,662 | 373,223 | 2,012,317 |
| Equipment and Furnishings | 925,173 | 43,732 | - | 968,905 |
| | <u>9,363,078</u> | <u>655,894</u> | <u>373,223</u> | <u>9,645,749</u> |
| Less Accumulated Depreciation | | | | |
| Buildings and Improvements | 4,556,429 | 248,753 | - | 4,805,182 |
| Library Materials | 984,771 | 439,785 | 373,223 | 1,051,333 |
| Equipment and Furnishings | 915,742 | 96,891 | - | 1,012,633 |
| | <u>6,456,942</u> | <u>785,429</u> | <u>373,223</u> | <u>6,869,148</u> |
| Total Depreciable Capital Assets | <u>2,906,136</u> | <u>(129,535)</u> | <u>-</u> | <u>2,776,601</u> |
| Total Capital Assets | <u><u>3,703,776</u></u> | <u><u>(129,535)</u></u> | <u><u>6,950</u></u> | <u><u>3,567,291</u></u> |

Depreciation expense of \$785,429 was charged to the public library function.

INTERFUND TRANSFERS

Transfers are used to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The transfer from the Working Cash Fund to the General Fund is to close the fund.

| Transfer In | Transfer Out | Amount |
|-----------------|--------------|-------------------------|
| Special Reserve | General | \$ 300,000 |
| Special Reserve | General | 420,900 |
| General | Working Cash | <u>420,893</u> |
| | | <u><u>1,141,793</u></u> |

LISLE LIBRARY DISTRICT

**Notes to the Financial Statements
June 30, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

| Type of Debt | Beginning Balances | Additions | Deductions | Ending Balances | Amounts Due within One Year |
|--------------------------------------|--------------------|--------------|------------------|------------------|-----------------------------|
| Compensated Absences | \$ 48,999 | 2,136 | 1,068 | 50,067 | 10,013 |
| Net Pension Liability/(Asset) - IMRF | 1,069,694 | - | 1,526,217 | (456,523) | - |
| Total OPEB Liability - RBP | 70,672 | - | 70,672 | - | - |
| | <u>1,189,365</u> | <u>2,136</u> | <u>1,597,957</u> | <u>(406,456)</u> | <u>10,013</u> |

The compensated absences, net pension liability/(asset) and total OPEB liability are generally liquidated by the General Fund.

FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the Library considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Library first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Library’s Board; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

LISLE LIBRARY DISTRICT

**Notes to the Financial Statements
June 30, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS – Continued

Assigned Fund Balance. Consists of amounts that are constrained by the Library’s Boards’ intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Library’s Board itself or b) a body or official to which the Library’s Board has delegated the authority to assign amounts to be used for specific purposes. The Library’s highest level of decision-making authority is the Library’s Board, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The Library’s policy manual states that the General Fund should maintain a minimum fund balance equal to six months of budgeted operating expenditures. All other funds should maintain a minimum of three months of budgeted expenditures.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

| | General | Capital Projects Special Reserve | Nonmajor | Totals |
|------------------------------|-----------|---|----------|-----------|
| Fund Balances | | | | |
| Nonspendable | | | | |
| Prepays | \$ 52,985 | - | - | 52,985 |
| Restricted | | | | |
| IMRF | - | - | 250,217 | 250,217 |
| Social Security | - | - | 112,576 | 112,576 |
| | - | - | 362,793 | 362,793 |
| Committed - Capital Projects | | | | |
| Capital Projects | - | 3,797,755 | - | 3,797,755 |
| Unassigned | 4,866,630 | - | - | 4,866,630 |
| Total Fund Balances | 4,919,615 | 3,797,755 | 362,793 | 9,080,163 |

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Library carries commercial insurance for all risks of loss including worker's compensation and employee health insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past three fiscal years.

CONTINGENT LIABILITIES

Litigation

The Library is not a defendant in any lawsuits.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Library expects such amounts, if any, to be immaterial.

Financial Impact from COVID-19

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the Library's operations and financial position cannot be determined.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The Library contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions

Plan Administration. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Plan Membership. As of December 31, 2019, the measurement date, the following employees were covered by the benefit terms:

| | |
|--|------------|
| Inactive Plan Members Currently Receiving Benefits | 55 |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | 39 |
| Active Plan Members | <u>40</u> |
| Total | <u>134</u> |

Contributions. As set by statute, the Library's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended June 30, 2020, the Library's contribution was 10.24% of covered payroll.

Net Pension Liability. The Library's net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2019, using the following actuarial methods and assumptions:

| | |
|----------------------------|---------------------|
| Actuarial Cost Method | Entry Age Normal |
| Asset Valuation Method | Market |
| Actuarial Assumptions | |
| Interest Rate | 7.25% |
| Salary Increases | 3.35% - 14.25% |
| Cost of Living Adjustments | 2.50% |
| Inflation | 2.50% |

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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

| <u>Asset Class</u> | <u>Target</u> | <u>Long-Term Expected Real Rate of Return</u> |
|---------------------------|---------------|---|
| Fixed Income | 28.00% | 3.25% |
| Domestic Equities | 37.00% | 5.75% |
| International Equities | 18.00% | 6.50% |
| Real Estate | 9.00% | 5.20% |
| Blended | 7.00% | 3.60% - 7.60% |
| Cash and Cash Equivalents | 1.00% | 1.85% |

LISLE LIBRARY DISTRICT

**Notes to the Financial Statements
June 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Library contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund’s fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the pension liability/(asset) of the Library calculated using the discount rate as well as what the Library’s net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|-------------------------------|------------------------|-------------------------------------|------------------------|
| Net Pension Liability/(Asset) | \$ 977,756 | (456,523) | (1,646,446) |

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability/(Asset)

| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Pension Liability/ Asset (A) - (B) |
|---|--------------------------------------|---------------------------------------|---|
| Balances at December 31, 2018 | \$ 11,916,571 | 10,846,877 | 1,069,694 |
| Changes for the Year: | | | |
| Service Cost | 213,339 | - | 213,339 |
| Interest on the Total Pension Liability | 844,588 | - | 844,588 |
| Difference Between Expected and Actual Experience of the Total Pension Liability | (8,051) | - | (8,051) |
| Contributions - Employer | - | 233,656 | (233,656) |
| Contributions - Employees | - | 89,769 | (89,769) |
| Net Investment Income | - | 2,139,555 | (2,139,555) |
| Benefit Payments, including Refunds of Employee Contributions | (747,496) | (747,496) | - |
| Other (Net Transfer) | - | 113,113 | (113,113) |
| Net Changes | 302,380 | 1,828,597 | (1,526,217) |
| Balances at December 31, 2019 | 12,218,951 | 12,675,474 | (456,523) |

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the Library recognized pension expense of \$204,723. At June 30, 2020, the Library reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

LISLE LIBRARY DISTRICT

**Notes to the Financial Statements
June 30, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – Continued

| | Deferred Outflows of Resources | Deferred Inflows of Resources | Totals |
|--|--------------------------------------|-------------------------------------|------------------|
| Difference Between Expected and Actual Experience | \$ 11,765 | (5,405) | 6,360 |
| Change in Assumptions | 87,299 | - | 87,299 |
| Net Difference Between Projected and Actual | | | |
| Earnings on Pension Plan Investments | - | (535,436) | (535,436) |
| Total Pension Expense to be | | | |
| Recognized in Future Periods | 99,064 | (540,841) | (441,777) |
| Pension Contributions Made Subsequent to the Measurement Date | 87,046 | - | 87,046 |
| Total Deferred Amounts Related to IMRF | <u>186,110</u> | <u>(540,841)</u> | <u>(354,731)</u> |

\$87,046 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

| Fiscal Year | Net Deferred Outflows/ (Inflows) of Resources |
|----------------|--|
| 2021 | \$ (55,530) |
| 2022 | (166,229) |
| 2023 | 52,867 |
| 2024 | (272,885) |
| 2025 | - |
| Thereafter | - |
| Total | <u>(441,777)</u> |

LISLE LIBRARY DISTRICT

Notes to the Financial Statements June 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Library has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Library are required to pay 100% of the current premium. However, there is minimal participation. As the Library provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Therefore, the Library has not recorded a liability as of June 30, 2020.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedule
General Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
June 30, 2020**

| Fiscal Year | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Excess/ (Deficiency) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|-------------|-------------------------------------|--|-----------------------------------|-----------------|--|
| 2015 | \$ 233,754 | \$ 446,445 | \$ 212,691 | \$ 1,687,754 | 26.45% |
| 2016 | 217,559 | 417,559 | 200,000 | 1,789,131 | 23.34% |
| 2017 | 207,454 | 407,454 | 200,000 | 1,844,038 | 22.10% |
| 2018 | 193,950 | 393,950 | 200,000 | 1,897,760 | 20.76% |
| 2019 | 158,227 | 208,227 | 50,000 | 1,973,978 | 10.55% |
| 2020 | 154,606 | 204,606 | 50,000 | 1,997,521 | 10.24% |

Notes to the Required Supplementary Information:

| | |
|-------------------------------|---|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level % Pay (Closed) |
| Remaining Amortization Period | 24 Years |
| Asset Valuation Method | 5-Year Smoothed Market |
| Inflation | 2.50% |
| Salary Increases | 3.35% - 14.25% |
| Investment Rate of Return | 7.50% |
| Retirement Age | See the Notes to the Financial Statements |
| Mortality | MP 2017 (base year 2015) |

Note:

This schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

LISLE LIBRARY DISTRICT
LISLE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
June 30, 2020

| | <u>12/31/2014</u> |
|--|----------------------------|
| Total Pension Liability | |
| Service Cost | \$ 205,949 |
| Interest | 682,924 |
| Differences Between Expected and Actual Experience | (179,567) |
| Change of Assumptions | 442,348 |
| Benefit Payments, Including | |
| Refunds of Member Contributions | <u>(428,634)</u> |
| Net Change in Total Pension Liability | 723,020 |
| Total Pension Liability - Beginning | <u>9,216,992</u> |
| Total Pension Liability - Ending | <u><u>\$ 9,940,012</u></u> |
| Plan Fiduciary Net Position | |
| Contributions - Employer | \$ 446,445 |
| Contributions - Members | 80,073 |
| Net Investment Income | 538,607 |
| Benefit Payments, Including | |
| Refunds of Member Contributions | (428,634) |
| Other (Net Transfer) | <u>23,514</u> |
| Net Change in Plan Fiduciary Net Position | 660,005 |
| Plan Net Position - Beginning | <u>8,780,675</u> |
| Plan Net Position - Ending | <u><u>\$ 9,440,680</u></u> |
| Employer's Net Pension Liability/(Asset) | <u><u>\$ 499,332</u></u> |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 94.98% |
| Covered Payroll | \$ 1,687,754 |
| Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll | 29.59% |

Note:

This schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

| 12/31/2015 | 12/31/2016 | 12/31/2017 | 12/31/2018 | 12/31/2019 |
|------------|------------|------------|------------|------------|
| 192,393 | 198,379 | 201,154 | 195,943 | 213,339 |
| 731,221 | 769,533 | 795,236 | 823,454 | 844,588 |
| 131,639 | (15,995) | 444,594 | 42,065 | (8,051) |
| 11,769 | (12,132) | (370,460) | 312,125 | - |
| (573,186) | (517,799) | (706,518) | (676,856) | (747,496) |
| 493,836 | 421,986 | 364,006 | 696,731 | 302,380 |
| 9,940,012 | 10,433,848 | 10,855,834 | 11,219,840 | 11,916,571 |
| 10,433,848 | 10,855,834 | 11,219,840 | 11,916,571 | 12,218,951 |
| 417,559 | 407,454 | 393,950 | 181,804 | 233,656 |
| 80,511 | 84,258 | 85,399 | 87,687 | 89,769 |
| 47,016 | 658,956 | 1,838,864 | (752,990) | 2,139,555 |
| (573,186) | (517,799) | (706,518) | (676,856) | (747,496) |
| 139,110 | 46,551 | (73,706) | 238,133 | 113,113 |
| 111,010 | 679,420 | 1,537,989 | (922,222) | 1,828,597 |
| 9,440,680 | 9,551,690 | 10,231,110 | 11,769,099 | 10,846,877 |
| 9,551,690 | 10,231,110 | 11,769,099 | 10,846,877 | 12,675,474 |
| 882,158 | 624,724 | (549,259) | 1,069,694 | (456,523) |
| 91.55% | 94.25% | 104.90% | 91.02% | 103.74% |
| 1,789,131 | 1,844,038 | 1,897,760 | 1,948,600 | 1,994,862 |
| 49.31% | 33.88% | (28.94%) | 54.90% | (22.88%) |

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

| | Budget | | Actual |
|--|--------------|-----------|-----------|
| | Original | Final | |
| Revenues | | | |
| Property Taxes | \$ 3,966,823 | 3,966,823 | 3,961,076 |
| TIF Revenues | 36,000 | 36,000 | 34,509 |
| Replacement Taxes | 12,000 | 12,000 | 18,190 |
| Charges for Services | 39,250 | 39,250 | 19,417 |
| Grants and Donations | - | - | 35,630 |
| Miscellaneous | 1,000 | 1,000 | - |
| Interest | 107,000 | 107,000 | 152,003 |
| Total Revenues | 4,162,073 | 4,162,073 | 4,220,825 |
| Expenditures | | | |
| Public Library | | | |
| Employee Costs | 2,606,941 | 2,606,941 | 2,477,858 |
| Building Costs | 246,810 | 246,810 | 228,250 |
| Operating Costs | 101,900 | 101,900 | 112,404 |
| Insurance | 30,965 | 30,965 | 30,711 |
| Contractual Services | 129,850 | 129,850 | 115,575 |
| Personnel Development | 32,125 | 32,125 | 18,478 |
| Programs | 44,500 | 44,500 | 33,315 |
| Restricted | 50,000 | 50,000 | 85,630 |
| Contingency | 25,000 | 25,000 | 17,850 |
| Capital Outlay | 751,920 | 751,920 | 613,307 |
| Total Expenditures | 4,020,011 | 4,020,011 | 3,733,378 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 142,062 | 142,062 | 487,447 |
| Other Financing (Uses) | | | |
| Transfers In | - | - | 420,893 |
| Transfers Out | (300,000) | (300,000) | (720,900) |
| | (300,000) | (300,000) | (300,007) |
| Net Change in Fund Balance | (157,938) | (157,938) | 187,440 |
| Fund Balance - Beginning | | | 4,732,175 |
| Fund Balance - Ending | | | 4,919,615 |

OTHER SUPPLEMENTARY INFORMATION

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

The General Fund, a major fund, accounts for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Building Maintenance Fund

The Building Maintenance Fund is used to account for expenditures related to the maintenance of the building.

Illinois Municipal Retirement Fund

The Illinois Municipal Retirement Fund is used to account for expenditures related to IMRF.

Social Security Fund

The Social Security Fund is used to account for expenditures related to social security.

CAPITAL PROJECTS FUND

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities and equipment.

Special Reserve Fund

The Special Reserve Fund accounts for all resources used for the acquisition of capital assets by the Library, including general and infrastructure capital assets.

PERMANENT FUNDS

The Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

Working Cash Fund

The Working Cash Fund is used to account for payments for general government expenditures if tax revenue is temporarily unavailable. Upon receipt of tax revenues, the General Fund must repay this permanent fund.

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

Special Reserve - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

| | Budget | | Actual |
|--|------------------|------------------|------------------|
| | Original | Final | |
| Revenues | | | |
| Investment Income | \$ 35,000 | 35,000 | 46,914 |
| Expenditures | | | |
| Capital Outlay | 600,000 | 600,000 | 278,218 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (565,000) | (565,000) | (231,304) |
| Other Financing Sources | | | |
| Transfers In | 300,000 | 300,000 | 720,900 |
| Net Change in Fund Balance | <u>(265,000)</u> | <u>(265,000)</u> | 489,596 |
| Fund Balance - Beginning | | | <u>3,308,159</u> |
| Fund Balance - Ending | | | <u>3,797,755</u> |

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

Nonmajor Governmental Funds

**Combining Balance Sheet
June 30, 2020**

| | Special Revenue | | | Permanent Working Cash | Totals |
|---|-------------------------|-------------------------------------|--------------------|------------------------------|---------|
| | Building Maintenance | Illinois Municipal Retirement | Social Security | | |
| ASSETS | | | | | |
| Cash and Investments | \$ - | 314,489 | 198,103 | - | 512,592 |
| Receivables - Net of Allowances | | | | | |
| Property Taxes | - | 57,341 | 78,532 | - | 135,873 |
| Total Assets | - | 371,830 | 276,635 | - | 648,465 |
| LIABILITIES | | | | | |
| Accounts Payable | - | 4,993 | 4,340 | - | 9,333 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Property Taxes | - | 116,620 | 159,719 | - | 276,339 |
| Total Liabilities and Deferred Inflows of Resources | - | 121,613 | 164,059 | - | 285,672 |
| FUND BALANCES | | | | | |
| Restricted | - | 250,217 | 112,576 | - | 362,793 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | - | 371,830 | 276,635 | - | 648,465 |

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

Nonmajor Governmental Funds

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2020**

| | Special Revenue | | | Permanent Working Cash | Totals |
|--|-------------------------|-------------------------------------|--------------------|------------------------------|-----------|
| | Building Maintenance | Illinois Municipal Retirement | Social Security | | |
| Revenues | | | | | |
| Property Taxes | \$ - | 51,013 | 126,592 | - | 177,605 |
| Replacement Taxes | - | 1,050 | 165 | - | 1,215 |
| Interest | - | 7,554 | 3,434 | 4,538 | 15,526 |
| Total Revenues | - | 59,617 | 130,191 | 4,538 | 194,346 |
| Expenditures | | | | | |
| Public Library | | | | | |
| Personnel Costs | - | 149,007 | 161,464 | - | 310,471 |
| Capital Outlay | 21,685 | - | - | - | 21,685 |
| Total Expenditures | 21,685 | 149,007 | 161,464 | - | 332,156 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (21,685) | (89,390) | (31,273) | 4,538 | (137,810) |
| Other Financing (Uses) | | | | | |
| Transfers Out | - | - | - | (420,893) | (420,893) |
| Net Change in Fund Balances | (21,685) | (89,390) | (31,273) | (416,355) | (558,703) |
| Fund Balances - Beginning | 21,685 | 339,607 | 143,849 | 416,355 | 921,496 |
| Fund Balances - Ending | - | 250,217 | 112,576 | - | 362,793 |

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

Building Maintenance - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

| | Budget | | Actual |
|----------------------------|-----------------|-----------------|---------------|
| | Original | Final | |
| Revenues | | | |
| Property Taxes | \$ - | - | - |
| Interest | - | - | - |
| Total Revenues | - | - | - |
| Expenditures | | | |
| Capital Outlay | 10,000 | 10,000 | 21,685 |
| Net Change in Fund Balance | <u>(10,000)</u> | <u>(10,000)</u> | (21,685) |
| Fund Balance - Beginning | | | <u>21,685</u> |
| Fund Balance - Ending | | | <u>-</u> |

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

Illinois Municipal Retirement - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

| | Budget | | Actual |
|----------------------------|-----------|-----------|----------|
| | Original | Final | |
| Revenues | | | |
| Property Taxes | \$ 50,984 | 50,984 | 51,013 |
| Replacement Taxes | 600 | 600 | 1,050 |
| Interest | 4,500 | 4,500 | 7,554 |
| Total Revenues | 56,084 | 56,084 | 59,617 |
| Expenditures | | | |
| Public Library | | | |
| Personnel Costs | 176,000 | 176,000 | 149,007 |
| Net Change in Fund Balance | (119,916) | (119,916) | (89,390) |
| Fund Balance - Beginning | | | 339,607 |
| Fund Balance - Ending | | | 250,217 |

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

Social Security - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

| | Budget | | Actual |
|----------------------------|-----------------|-----------------|-----------------------|
| | Original | Final | |
| Revenues | | | |
| Property Taxes | \$ 126,839 | 126,839 | 126,592 |
| Replacement Taxes | 100 | 100 | 165 |
| Interest | 2,500 | 2,500 | 3,434 |
| Total Revenues | <u>129,439</u> | <u>129,439</u> | <u>130,191</u> |
| Expenditures | | | |
| Public Library | | | |
| Personnel Costs | <u>173,048</u> | <u>173,048</u> | <u>161,464</u> |
| Net Change in Fund Balance | <u>(43,609)</u> | <u>(43,609)</u> | (31,273) |
| Fund Balance - Beginning | | | <u>143,849</u> |
| Fund Balance - Ending | | | <u><u>112,576</u></u> |

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

Working Cash - Permanent Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

| | Budget | | Actual |
|--|--------------|--------------|----------------|
| | Original | Final | |
| Revenues | | | |
| Interest | \$ 4,500 | 4,500 | 4,538 |
| Expenditures | | | |
| Public Library | - | - | - |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 4,500 | 4,500 | 4,538 |
| Other Financing (Uses) | | | |
| Transfers Out | - | - | (420,893) |
| Net Change in Fund Balance | <u>4,500</u> | <u>4,500</u> | (416,355) |
| Fund Balance - Beginning | | | <u>416,355</u> |
| Fund Balance - Ending | | | <u>-</u> |

SUPPLEMENTAL SCHEDULES

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

**General Governmental Revenues by Source - Last Ten Fiscal Years
June 30, 2020**

| | 2011 | 2012 | 2013 |
|----------------------|--------------|-----------|-----------|
| Revenues | | | |
| Property Taxes | \$ 4,247,001 | 4,328,314 | 4,399,293 |
| TIF Revenue | - | - | - |
| Replacement Taxes | 18,702 | 16,494 | 17,457 |
| Interest | 33,421 | 66,941 | 86,032 |
| Charges for Services | 46,704 | 55,026 | 56,530 |
| Grants and Donations | 50 | 30,398 | 58,523 |
| Rental Revenue | 21,300 | 15,975 | - |
| Miscellaneous | 2,554 | 18,473 | 2,444 |
| Total Revenues | 4,369,732 | 4,531,621 | 4,620,279 |

Data Source: District Records

| 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 4,497,718 | 4,620,777 | 4,728,861 | 4,868,951 | 4,868,674 | 4,355,579 | 4,138,681 |
| 41,779 | 44,926 | 45,899 | 45,454 | 42,866 | 50,982 | 34,509 |
| 18,297 | 19,341 | 17,621 | 19,763 | 16,387 | 17,728 | 19,405 |
| 84,720 | 66,382 | 66,889 | 68,001 | 104,938 | 249,427 | 214,443 |
| 61,736 | 55,238 | 57,937 | 54,836 | 47,645 | 42,639 | 19,417 |
| 35,630 | 35,700 | 21,972 | 520 | 22,419 | 36,763 | 35,630 |
| - | - | - | - | - | - | - |
| 9,342 | 15,496 | 4,477 | 580 | 4,103 | - | - |
| 4,749,222 | 4,857,860 | 4,943,656 | 5,058,105 | 5,107,032 | 4,753,118 | 4,462,085 |

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

**General Governmental Expenditures by Function - Last Ten Fiscal Years
June 30, 2020**

| | 2011 | 2012 | 2013 |
|----------------------|--------------|-----------|-----------|
| Expenditures | | | |
| Employee Costs | \$ 2,474,225 | 2,546,173 | 2,717,216 |
| Building Costs | 221,006 | 235,426 | 203,852 |
| Operating Costs | 174,538 | 170,206 | 155,719 |
| Contractual Services | 98,001 | 124,402 | 155,327 |
| Restricted | 29,879 | 25,646 | 29,085 |
| Capital Outlay | 638,929 | 988,822 | 1,047,641 |
| Contingency | - | - | 11,978 |
| Total Expenditures | 3,636,578 | 4,090,675 | 4,320,818 |

Data Source: District Records

| 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 2,970,511 | 2,941,909 | 2,921,243 | 2,993,256 | 3,000,285 | 2,750,189 | 2,788,329 |
| 182,594 | 207,265 | 220,308 | 267,694 | 256,337 | 238,812 | 228,250 |
| 197,077 | 192,354 | 176,770 | 191,721 | 177,576 | 94,216 | 112,404 |
| 194,929 | 183,069 | 162,699 | 178,534 | 133,927 | 174,265 | 198,079 |
| 27,293 | 35,630 | 35,629 | 21,972 | 22,131 | 85,358 | 85,630 |
| 1,084,963 | 594,266 | 615,573 | 633,858 | 651,027 | 855,297 | 913,210 |
| 8,023 | 779 | 11,238 | - | 1,926 | 16,260 | 17,850 |
| 4,665,390 | 4,155,272 | 4,143,460 | 4,287,035 | 4,243,209 | 4,214,397 | 4,343,752 |

**LISLE LIBRARY DISTRICT
LISLE, ILLINOIS**

**Schedule of Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections -
Last Ten Tax Levy Years
June 30, 2020**

| | 2010 | 2011 | 2012 | 2013 |
|-----------------------|------------------|---------------|---------------|---------------|
| Assessed Valuations | \$ 1,258,748,032 | 1,188,441,172 | 1,117,148,231 | 1,067,561,614 |
| Tax Rates | | | | |
| General | 0.2982 | 0.3192 | 0.3583 | 0.4005 |
| Audit | 0.0007 | 0.0008 | 0.0007 | 0.0003 |
| Building Maintenance | 0.0071 | 0.0094 | 0.0074 | 0.0038 |
| IMRF | 0.0193 | 0.0214 | 0.0229 | 0.0190 |
| Social Security | 0.0147 | 0.0151 | 0.0123 | 0.0095 |
| Liability Insurance | 0.0001 | 0.0002 | 0.0002 | 0.0001 |
| Tort Judgement | 0.0003 | 0.0004 | 0.0004 | 0.0004 |
| Workers' Compensation | 0.0008 | 0.0009 | 0.0008 | 0.0002 |
| Unemployment | 0.0001 | 0.0001 | 0.0005 | 0.0001 |
| Total Tax Rates | 0.3413 | 0.3675 | 0.4035 | 0.4339 |
| Tax Extensions | | | | |
| General | 3,753,587 | 3,793,504 | 4,002,742 | 4,275,584 |
| Audit | 8,811 | 9,508 | 7,820 | 3,203 |
| Building Maintenance | 89,371 | 111,713 | 82,669 | 40,567 |
| IMRF | 242,938 | 254,326 | 255,827 | 202,837 |
| Social Security | 185,036 | 179,455 | 137,409 | 101,418 |
| Liability Insurance | 1,259 | 2,377 | 2,234 | 1,068 |
| Tort Judgement | 3,776 | 4,754 | 4,469 | 4,270 |
| Workers' Compensation | 10,070 | 10,696 | 8,937 | 2,135 |
| Unemployment | 1,259 | 1,188 | 5,586 | 1,068 |
| Total Tax Extensions | 4,296,107 | 4,367,522 | 4,507,694 | 4,632,150 |
| Collections | 4,291,970 | 4,361,496 | 4,497,696 | 4,620,456 |
| Percent Collected | 99.90% | 99.86% | 99.78% | 99.75% |

Data Source: Office of the County Clerk

Note: Rates are per \$1,000 of Assessed Value

| 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---------------|---------------|---------------|---------------|---------------|---------------|
| 1,073,019,852 | 1,105,409,779 | 1,178,835,794 | 1,207,428,945 | 1,243,518,289 | 1,267,612,883 |
| 0.3874 | 0.3963 | 0.3689 | 0.3242 | 0.3190 | 0.2927 |
| - | - | - | - | - | - |
| 0.0084 | 0.0110 | 0.0116 | 0.0126 | - | - |
| 0.0312 | 0.0202 | 0.0187 | 0.0130 | 0.0041 | 0.0092 |
| 0.0163 | 0.0115 | 0.0148 | 0.0113 | 0.0102 | 0.0126 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 0.4433 | 0.4390 | 0.4140 | 0.3611 | 0.3333 | 0.3145 |
| 4,156,879 | 4,380,739 | 4,348,725 | 3,914,485 | 3,966,823 | 3,710,303 |
| - | - | - | - | - | - |
| 90,134 | 121,595 | 136,745 | 152,136 | - | - |
| 334,782 | 223,293 | 220,442 | 156,966 | 50,984 | 116,620 |
| 174,902 | 127,122 | 174,468 | 136,439 | 126,839 | 159,719 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 4,756,697 | 4,852,749 | 4,880,381 | 4,360,026 | 4,144,647 | 3,986,642 |
| 4,728,758 | 4,846,648 | 4,868,913 | 4,353,359 | 4,138,681 | 2,026,459 |
| 99.41% | 99.87% | 99.77% | 99.85% | 99.86% | 50.83% |