

ELA AREA PUBLIC LIBRARY
DISTRICT, ILLINOIS

ANNUAL FINANCIAL REPORT



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FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

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ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

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INTRODUCTORY SECTION

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

List of Principal Officials

June 30, 2021

BOARD OF TRUSTEES

Crystal Steker, President

Kathy Caudill, Vice President

Cindy Bank, Treasurer

Eric Corzine, Trustee

Cathy McCauley, Secretary

Mary Silcroft, Trustee

Anne Hurst, Trustee

ADMINISTRATIVE

Lauren Rosenthal, Executive Director

FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

November 9, 2021

Members of the Board of Trustees
Ela Area Public Library District
Lake Zurich, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Ela Area Public Library District, Illinois, as of and for the year ended June 30, 2021, 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 Ela Area Public Library District, Illinois, as of June 30, 2021, 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 Ela Area Public Library District, Illinois' basic financial statements. The introductory section, other supplementary information and supplemental schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information and supplemental schedule 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 schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2021

Our discussion and analysis of the Ela Area Public Library District's financial performance provides an overview of the Library's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the Library's financial statements, which can be found in the basic financial statements section of this report.

FINANCIAL HIGHLIGHTS

- The Library converted to the modified-accrual method of accounting in FY2021, whereby revenues are recorded when earned and deferred outflows are recognized; and expenses are recorded when the liability/deferred inflow is incurred. Unlike the modified cash basis, accrual requires recognition of future transactions – significantly, future IMRF pension obligations.
- The change to the modified accrual basis resulted in beginning net position and fund balances were being restated. Net position beginning balance was \$21,529,481 at the end of FY2020, and restated using modified-accrual is \$17,300,771. Fund balance beginning balance was \$10,112,770 at the end of FY2020, and restated using modified accrual basis is \$7,421,864.
- During FY2021, the Library's net position increased from a restated beginning balance of \$17,300,771 to ending balance of \$17,988,128 at June 30, 2021, an increase of \$687,357 or 4.0 percent.
- During FY2021, government-wide revenues totaled \$6,541,704, while government-wide expenses totaled \$5,854,347, resulting in an increase to net position of \$687,357.
- During FY2021, the Library's fund balances for the governmental funds increased from a restated beginning balance of \$7,421,864 to ending balance totaling \$8,628,632 at June 30, 2021, an increase of \$1,206,768 or 16.3 percent.

USING THIS ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities 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 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 Statement of Net Position reports information on all of the Library's assets/deferred outflows and liabilities/deferred outflows, 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.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2021

USING THIS ANNUAL FINANCIAL REPORT – Continued

Government-Wide Financial Statements - Continued

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.

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 culture and recreation.

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 seven individual governmental funds: General, Special Reserve, Illinois Municipal Retirement, Social Security, Liability Insurance, Building and Maintenance, and Working Cash. 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 five 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 schedules elsewhere in this report.

The Library adopts an annual appropriated budget for all of the governmental funds except for the Working Cash Fund. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2021

USING THIS ANNUAL FINANCIAL REPORT – Continued

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Library's budgetary information for the General Fund and the Library's Illinois Municipal Retirement Fund employee pension liability.

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 inflows by \$17,988,128.

	Net Position	
	6/30/2021	6/30/2020
Current Assets	\$ 15,056,803	10,112,770
Capital Assets	10,634,521	11,416,711
Total Assets	25,691,324	21,529,481
Deferred Outflows	462,989	—
Total Assets/Deferred Outflows	26,154,313	21,529,481
Long-Term Debt	416,873	—
Other Liabilities	267,816	—
Total Liabilities	684,689	—
Deferred Inflows	7,481,496	—
Total Liabilities/Deferred Inflows	8,166,185	—
Net Position		
Investment in Capital Assets	10,634,521	11,416,711
Restricted	584,855	861,781
Unrestricted	6,768,752	9,250,989
Total Net Position	17,988,128	21,529,481

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Current Assets increased from \$10,112,770 to \$15,056,803 due to an increase in fund balances of \$1,215,212, plus the conversion to the modified accrual basis of accounting, resulting in accrued assets such as receivables and prepaids in the amount of \$3,728,821 (mostly property taxes receivable).

Capital Assets decreased from \$11,416,711 to \$10,634,521 despite \$10,152 in furniture & equipment purchases, and a \$226,591 net increase in library materials, due to depreciation expense.

Deferred Outflows of resources represent funds which are obligated to IMRF but have not yet been recognized of \$462,989.

Long-Term Debt includes the extended portion of the Library's accrued vacation time recognized as compensated absences payable incurred but not yet recognized, which will be paid out in future years, of \$191,899 plus IMRF's net pension liability of \$224,974.

Other Liabilities includes the current portion of the Library's accrued vacation time recognized as compensated absences payable incurred but not yet recognized, which can be expected to be paid out in the coming year, of \$47,975 plus accrued liabilities, payroll, and other payables, of \$18,088, \$150,922, and \$50,831 respectively.

Deferred Inflows represent FY2022 property taxes recognized as FY2021 deferred property taxes of \$6,208,330, plus deferred inflows due to IMRF of \$1,273,166, totaling \$7,481,496.

A large portion of the Library's net position 59.1 percent reflects its investment in capital assets (for example, building and improvements, furniture and equipment, and library materials); less any related debt used to acquire those assets that are still outstanding. Currently, the Library does not have any debt outstanding.

The Library uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Library's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion 3.3 percent of the Library's net position represents resources that are subject to external restrictions on how they may be used. The remaining \$6,768,752, or 37.6 percent represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Management’s Discussion and Analysis
June 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Changes in Net Position	
	6/30/2021	6/30/2020
	Modified	Modified
	Accrual	Cash
Revenues		
Program Revenues		
Charges for Services	\$ 26,899	132,251
Operating Grants/Contributions	161,780	43,078
General Revenues		
Property Taxes	6,181,654	5,658,538
Replacement Taxes	17,998	14,190
Interest	153,373	147,327
Total Revenues	<u>6,541,704</u>	<u>5,995,384</u>
Expenses		
Public Library	<u>5,854,347</u>	<u>6,253,586</u>
Change in Net Position	687,357	(258,202)
Net Position-Beginning as Restated	<u>17,300,771</u>	<u>21,787,683</u>
Net Position-Ending	<u>17,988,128</u>	<u>21,529,481</u>

The Library converted to the modified-accrual method of accounting in FY2021, resulting in beginning net position being restated as of June 30, 2020. Net position beginning balance was \$21,529,481 at the end of FY2020, and restated using modified accrual basis of is \$17,300,771. The actuarial items that resulted in restated net position beginning balance are:

- Modified accrual basis of accounting necessitates the addition of IMRF deferred outflows of resources (funds which are obligated from IMRF but have not yet been recognized) of \$484,677 which were added to FY2020 ending net position.
- May and June 2020 property tax revenues of \$2,647,828 were deducted from FY2020 ending net position, and were recognized in FY2021 property tax revenues.
- Modified accrual basis of accounting necessitates the addition of the Library’s long-term liabilities (the extended portion of the Library’s accrued vacation time recognized as compensated absences payable incurred but not yet recognized, which will be paid out in future years) of \$209,857 plus IMRF’s net pension liability of \$1,170,968, which were deducted from FY2020 ending net position.
- Modified accrual basis of accounting necessitates the addition of deferred inflows of resources (funds which are obligated to IMRF but have not yet been recognized) of \$641,656 which were deducted from FY2020 ending net position.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis June 30, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

In FY2021, revenues of \$6,541,704 exceeded expenses of \$5,854,347, resulting in an increase to net position in the current year of \$687,357.

In FY2021, governmental net position increased \$687,357, an increase of 4.0 percent. Property taxes increased \$523,116 over FY2020 (\$6,181,654 in 2021 compared to \$5,658,538 in 2020) primarily because Lake County permitted spring 2020 tax payments to be delayed until August due to the COVID pandemic, making the FY2020 tax receipts (which were recognized using cash accounting) lower than expected. The levy extension for FY2021 was \$6,202,459 and for FY2020 was \$6,040,002.

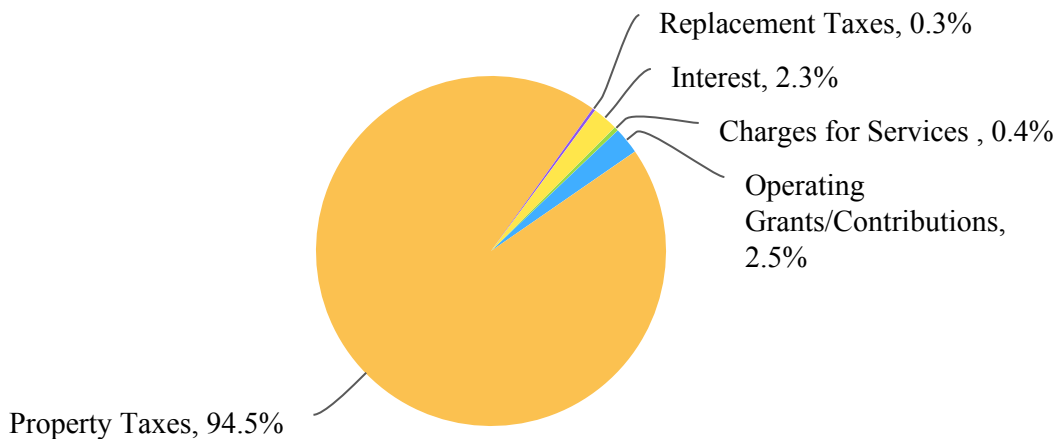
Expenses decreased from the prior year by \$399,239 (\$5,854,347 in 2021 compared to \$6,253,586 in 2020) due to fewer capital expenses in FY2021.

Governmental Activities

The following table graphically presents the major revenue sources of the Library in 2021. Of note:

- The Library is very reliant on Property Taxes to fund governmental activities.
- Charges for Services were significantly reduced due to the COVID pandemic: passport revenue was insignificant in FY2021.
- Operating Grants were significantly increased due to the COVID pandemic due to the receipt of more than \$100,000 in CARES Act funds.

Revenues by Source - Governmental Activities



ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2021

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 \$8,628,632, which is 16.3 percent higher than last year's restated beginning fund balance of \$7,421,864.

The General Fund reported a decrease of \$372,823, due primarily to a transfer out of \$1,500,000 to the Special Reserve Fund.

The Special Reserve Fund reported an increase of \$1,543,145 due primarily to transfer in of \$1,500,000 from the General Fund. The current facility plan requires \$7,056,183 in capital funds for maintenance and repairs through 2036, and an updated special reserve fund plan ordinance with target accumulations of \$5,000,000 was passed in FY2021.

GENERAL FUND BUDGETARY HIGHLIGHTS

For purposes of the FY2021 AFR, the Library uses Budget & Appropriation Ordinance 20-09-02 which was amended as Ordinance 21-06-03 to reallocate expenditures in multiple General Fund expenditure categories.

The General Fund actual revenues came in higher than budgeted revenues. Actual revenues for the current year were \$5,727,937, compared to budgeted revenues of \$5,613,681. This resulted primarily from intergovernmental revenues being \$129,700 over budget (\$50,078 budget compared to \$179,778 actual), mostly from the receipt of CARES Act funds.

The General Fund actual expenditures were less than budgeted expenditures. Actual expenditures totaled \$4,600,760, while budgeted expenditures totaled \$5,675,300. This was due to all expenditure functions coming in under budget:

- Personnel expenditures were more than \$500,000 under budget in the General Fund
- Materials were more than \$200,000 under budget in the General Fund
- Support Services were more than \$150,000 under budget in the General Fund
- Utilities were \$25,000 under budget in the General Fund
- Non-utility Overhead were more than \$100,000 under budget in the General Fund

Because the Library may not levy for FY2022 more than is appropriated for FY2021, budgeted expenditures are higher than actual expenditures.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2021

CAPITAL ASSETS

The Library's investment in capital assets for its governmental activities as of June 30, 2021 was \$10,634,521 (net of accumulated depreciation). This investment in capital assets includes land improvements, buildings and improvements, furniture, equipment, and library materials.

This year's additions to capital assets included \$10,152 to furniture and \$226,591 to library materials.

	Capital Assets - Net of Depreciation	
	6/30/2021	6/30/2020
Land	\$ 1,485,452	1,485,452
Land Improvements	574,377	634,402
Building and Improvements	6,925,822	7,342,441
Furniture	61,231	80,033
Equipment	441,074	577,984
Library Materials	1,146,565	1,296,399
Totals	<u>10,634,521</u>	<u>11,416,711</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 elected (Board of Trustees) and appointed (Executive Director) officials considered many factors when setting the fiscal-year 2022 budget, including the economy, tax rates, and anticipated costs for services. In planning for the coming year FY2022, the Library's officials:

- Passed Levy Ordinance 20-11-01 keeping the levy flat from FY2021, due to economic uncertainty during the COVID pandemic
- Approved a balanced budget for FY2022, with no major capital improvement projects
- Approved a new Technology Plan to include upgraded hardware in FY2022
- Approved a new Salary Scale to include Illinois minimum wage increases while avoiding wage compression
- Formed the Ela Public Library Foundation to reduce dependence on property tax revenues

The Library is faced with a similar economic environment as many of the other libraries are faced with, depending heavily on local property taxes, and the Board of Trustees explores additional sources of revenue wherever possible..

As of the date of this report, the full extent of the impact of COVID-19 on the Library's operations and financial position cannot be determined, however consideration must be taken of:

- Cost of COVID supplies, masks, and cleaning
- Reduced patron visits and program attendance in the physical building
- Increased online patron visits and program attendance

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2021

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Library's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Executive Director, Ela Area Public Library District, 275 Mohawk Trail, Lake Zurich, Illinois 60047.

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

Governmental Funds

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.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Statement of Net Position

June 30, 2021

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Statement of Net Position

June 30, 2021

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 11,440,444
Receivables - Net of Allowances	3,440,476
Due from Other Governments	50,831
Prepays	<u>125,052</u>
Total Current Assets	<u>15,056,803</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	1,485,452
Depreciable Capital Assets	20,038,737
Accumulated Depreciation	<u>(10,889,668)</u>
Total Noncurrent Assets	<u>10,634,521</u>
Total Assets	25,691,324
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>462,989</u>
Total Assets and Deferred Outflows of Resources	<u>26,154,313</u>

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

	<u>Governmental Activities</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 18,088
Accrued Payroll	150,922
Other Payables	50,831
Current Portion of Long-Term Debt	47,975
Total Current Liabilities	<u>267,816</u>
Noncurrent Liabilities	
Compensated Absences Payable	191,899
Net Pension Liability - IMRF	224,974
Total Noncurrent Liabilities	<u>416,873</u>
Total Liabilities	<u>684,689</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	6,208,330
Deferred Items - IMRF	1,273,166
Total Deferred Inflows of Resources	<u>7,481,496</u>
Total Liabilities and Deferred Inflows of Resources	<u>8,166,185</u>
NET POSITION	
Investment in Capital Assets	10,634,521
Restricted	
Illinois Municipal Retirement	122,347
Social Security	119,436
Liability Insurance	20,704
Building and Maintenance	153,078
Working Cash	169,290
Unrestricted	<u>6,768,752</u>
Total Net Position	<u><u>17,988,128</u></u>

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Statement of Activities

For the Fiscal Year Ended June 30, 2021

	Program Revenues			Net (Expenses)/ Revenues and Changes in Net Position
	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Expenses				
Governmental Activities				
Public Library	\$ 5,854,347	26,899	161,780	—
				(5,665,668)

General Revenues	
Taxes	
Property Taxes	6,181,654
Intergovernmental - Unrestricted	
Replacement Taxes	17,998
Interest	153,373
	<u>6,353,025</u>
Change in Net Position	687,357
Net Position - Beginning as Restated	<u>17,300,771</u>
Net Position - Ending	<u><u>17,988,128</u></u>

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Balance Sheet - Governmental Funds

June 30, 2021

	General	Capital Projects Special Reserve	Nonmajor	Totals
ASSETS				
Cash and Investments	\$ 5,309,258	5,207,559	923,627	11,440,444
Receivables - Net of Allowances				
Taxes	3,000,869	—	414,186	3,415,055
Interest	2,796	22,625	—	25,421
Due from Other Governments	50,831	—	—	50,831
Prepays	96,356	—	28,696	125,052
 Total Assets	 8,460,110	 5,230,184	 1,366,509	 15,056,803
LIABILITIES				
Accounts Payable	18,052	36	—	18,088
Accrued Payroll	150,922	—	—	150,922
Other Payables	50,831	—	—	50,831
Total Liabilities	219,805	36	—	219,841
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	5,455,372	—	752,958	6,208,330
Total Liabilities and Deferred Inflows of Resources	5,675,177	36	752,958	6,428,171
FUND BALANCES				
Nonspendable	96,356	—	28,696	125,052
Restricted	—	—	584,855	584,855
Committed	—	5,230,148	—	5,230,148
Assigned	2,454,504	—	—	2,454,504
Unassigned	234,073	—	—	234,073
Total Fund Balances	2,784,933	5,230,148	613,551	8,628,632
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 8,460,110	 5,230,184	 1,366,509	 15,056,803

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

June 30, 2021

Total Governmental Fund Balances	\$ 8,628,632
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	10,634,521
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	(810,177)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Compensated Absences Payable	(239,874)
Net Pension Liability - IMRF	<u>(224,974)</u>
Net Position of Governmental Activities	<u><u>17,988,128</u></u>

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2021**

	General	Capital Projects Special Reserve	Nonmajor	Totals
Revenues				
Taxes	\$ 5,437,329	—	744,325	6,181,654
Charges for Services	23,340	3,559	—	26,899
Intergovernmental	179,778	—	—	179,778
Interest	87,490	64,709	1,174	153,373
Miscellaneous	—	—	—	—
Total Revenues	<u>5,727,937</u>	<u>68,268</u>	<u>745,499</u>	<u>6,541,704</u>
Expenditures				
Current				
Public Library	4,600,760	25,123	709,053	5,334,936
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,127,177</u>	<u>43,145</u>	<u>36,446</u>	<u>1,206,768</u>
Other Financing Sources (Uses)				
Transfers In	—	1,500,000	—	1,500,000
Transfers Out	(1,500,000)	—	—	(1,500,000)
	<u>(1,500,000)</u>	<u>1,500,000</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances	(372,823)	1,543,145	36,446	1,206,768
Fund Balances - Beginning as Restated	<u>3,157,756</u>	<u>3,687,003</u>	<u>577,105</u>	<u>7,421,864</u>
Fund Balances - Ending	<u><u>2,784,933</u></u>	<u><u>5,230,148</u></u>	<u><u>613,551</u></u>	<u><u>8,628,632</u></u>

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended June 30, 2021**

Net Change in Fund Balances - Total Governmental Funds \$ 1,206,768

Amounts reported for governmental activities 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	236,743
Depreciation Expense	(1,018,933)
Disposals - Cost	(242,543)
Disposals - Accumulated Depreciation	242,543

The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(653,198)
---------------------------------	-----------

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 Payable	(30,017)
Change in Net Pension Liability - IMRF	945,994

Changes in Net Position of Governmental Activities 687,357

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Ela Area Public Library District's (the Library) government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Library's accounting policies established in GAAP and used by the Library are described below.

REPORTING ENTITY

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 Statements

The Library's basic financial statements include both government-wide (reporting the Library as a whole) and fund financial statements (reporting the Library's major funds).

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Library's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Library first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Library's functions (culture and recreation, etc.). The functions are supported by general government revenues (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.). 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 net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, charges for services, interest income, etc.).

This government-wide focus is more on the sustainability of the Library as an entity and the change in the Library's net position resulting from the current year's activities.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements

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/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is a primary operating fund of the Library or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Library:

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 accounts for all revenues and expenditures of the Library which are not accounted for in other funds. The General Fund is a major fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Library maintains four nonmajor 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 Special Reserve Fund, a major fund, is used to account for funds committed for future capital maintenance, replacements, and improvements.

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. The Library maintains one nonmajor permanent fund.

Notes to the Financial Statements

June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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, governmental activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

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, governmental 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 inflow 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, governmental 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 governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability 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.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

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

Cash and Investments

For purpose of the Statement of Net Position, the Library's cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent.

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 for governmental activities include property taxes.

Prepays

Prepays are valued at cost, which approximates market. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased. 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.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more (depending on asset class) 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 expenses 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 funds 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.

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

Land Improvements	12- 20 Years
Building and Improvements	7 - 40 Years
Furniture	7 - 20 Years
Equipment	3 - 10 Years
Library Materials	7 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 accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide fund financial statements. 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.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Net Position

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

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.

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 balances that do not meet the definition of “restricted” or “net investment in capital assets.”

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds except for the Working Cash Fund. All annual appropriations lapse at fiscal year end. The Library made one budget amendment for the fiscal year ending June 30, 2021.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

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 combined balance sheet as "cash and investments." In addition, investments are separately held by several of the Library's funds.

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.

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

Deposits. At year-end, the carrying amount of the Library's deposits totaled \$10,532,546 and the bank balances totaled \$11,526,936.

Investments. The Library has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Agency Securities	\$ 907,898	907,898	—	—	—

The Library has the following recurring fair value measurements as of June 30, 2021:

- U.S. Agency Securities of \$907,898 are valued using a matrix pricing model (Level 2 inputs)

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.

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 addresses interest rate risk by requiring that investments be diversified and reviewed for concentration in maturity.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations. Besides investing in security instruments authorized under State Statute, the Library does not have an investment policy that addresses credit risk. At year-end, the Library's investments in the U.S. Agency securities were not rated.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the Library's investment in a single issuer. The Library investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific issues of securities. At year-end, the Library does not have any investments over 5 percent of cash and investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

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

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 protects it from custodial credit risk by requiring funds on deposit in excess of FDIC limits to be secured by collateral. At year-end, the entire amount of the bank balance of deposits was covered by collateral, 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 investment policy requires that the investments are to be held by a third-party acting as the Library's agent separate from where the investment was purchased.

PROPERTY TAXES

Property taxes for 2020 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 the County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them in two fairly equal payments with a third lesser payment of any disputed taxes.

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
Capital Projects	General	<u>\$ 1,500,000</u>

Transfers are used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 1,485,452	—	—	1,485,452
Depreciable Capital Assets				
Land Improvements	788,750	—	—	788,750
Building and Improvements	13,392,295	—	—	13,392,295
Furniture	788,129	10,152	—	798,281
Equipment	1,852,374	—	—	1,852,374
Library Materials	3,222,989	226,591	242,543	3,207,037
	<u>20,044,537</u>	<u>236,743</u>	<u>242,543</u>	<u>20,038,737</u>
Less Accumulated Depreciation				
Land Improvements	154,348	60,025	—	214,373
Building and Improvements	6,049,854	416,619	—	6,466,473
Furniture	708,096	28,954	—	737,050
Equipment	1,274,390	136,910	—	1,411,300
Library Materials	1,926,590	376,425	242,543	2,060,472
	<u>10,113,278</u>	<u>1,018,933</u>	<u>242,543</u>	<u>10,889,668</u>
Total Net Capital Assets	<u>11,416,711</u>	<u>(782,190)</u>	<u>—</u>	<u>10,634,521</u>

Depreciation expense of \$1,018,933 was charged to public library function.

OPERATING LEASES

The Library signed various leases for equipment. The leases are considered for accounting purposes to be operating leases. The future minimum lease payments for this lease is as follows:

Year Ended June 30	Lease Payments
2022	\$ <u>14,412</u>

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

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	Restated Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 209,857	60,034	30,017	239,874	47,975
Net Pension Liability - IMRF	1,170,968	—	945,994	224,974	—
	1,380,825	60,034	976,011	464,848	47,975

The compensated absences and the net pension liability are generally liquidated by the General Fund.

FUND BALANCE CLASSIFICATIONS

In the governmental fund 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 Board of Trustees; 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.

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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 has established a fund balance policy for the General Fund. Total unrestricted fund balances in the General Fund should represent no less than three and no more than twelve months of operating expenses.

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	\$ 96,356	—	28,696	125,052
Restricted				
Illinois Municipal Retirement	—	—	122,347	122,347
Social Security	—	—	119,436	119,436
Liability Insurance	—	—	20,704	20,704
Building and Maintenance	—	—	153,078	153,078
Working Cash	—	—	169,290	169,290
	—	—	584,855	584,855
Committed				
Capital Projects	—	5,230,148	—	5,230,148
Assigned				
Property Taxes	2,454,504	—	—	2,454,504
Unassigned	234,073	—	—	234,073
Total Fund Balances	2,784,933	5,230,148	613,551	8,628,632

NET POSITION CLASSIFICATIONS

Investment in capital assets was comprised of the following as of June 30, 2021:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	<u>\$ 10,634,521</u>

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE/NET POSITION RESTATEMENTS

Beginning net position/fund balance was restated due to the Library converting to the modified accrual basis of accounting. The following is a summary of the net position as originally reported and as restated:

<u>Net Position/Fund Balance</u>	<u>As Reported</u>	<u>As Restated</u>	<u>Increase/ (Decrease)</u>
Governmental Activities	\$ 21,529,481	17,300,771	(4,228,710)
General	5,582,620	3,157,756	(2,424,864)
Special Reserve	3,668,369	3,687,003	18,634
Illinois Municipal Retirement	240,972	124,898	(116,074)
Social Security	198,845	105,573	(93,272)
Liability Insurance	32,886	40,470	7,584
Building Equipment & Maintenance	219,788	136,874	(82,914)

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; natural disasters; and injuries to the Library's employees. The Library has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in the past fiscal year.

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 due to COVID-19

In March of 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.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

NOTE 4 - OTHER INFORMATION - Continued

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 that acts as a common investment and administrative agent for local governments and school districts in Illinois. 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.

Plan Descriptions

Plan Administration. All 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).

All three IMRF benefit plans have two tiers. 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.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

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, 2020, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	58
Inactive Plan Members Entitled to but not yet Receiving Benefits	37
Active Plan Members	<u>42</u>
Total	<u>137</u>

Contributions. As set by statute, the Library's Regular Plan Members are required to contribute 4.50% 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, 2021, the Library's contribution was 11.85% of covered payroll.

Net Pension Liability. The Library's net pension liability was measured as of December 31, 2020. 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, 2020, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.25%
Inflation	2.25%

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued. For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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%	1.30%
Domestic Equities	37.00%	5.00%
International Equities	18.00%	6.00%
Real Estate	9.00%	6.20%
Blended	7.00%	2.85% - 6.95%
Cash and Cash Equivalents	1.00%	0.70%

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

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/(asset) liability 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) \$	1,951,838	224,974	(1,147,504)

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

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

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2019	\$ 14,677,171	13,506,203	1,170,968
Changes for the Year:			
Service Cost	244,003	—	244,003
Interest on the Total Pension Liability	1,047,393	—	1,047,393
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	247,798	—	247,798
Changes of Assumptions	(174,027)	—	(174,027)
Contributions - Employer	—	296,476	(296,476)
Contributions - Employees	—	111,086	(111,086)
Net Investment Income	—	1,923,440	(1,923,440)
Benefit Payments, Including Refunds of Employee Contributions	(704,757)	(704,757)	—
Other (Net Transfer)	—	(19,841)	19,841
Net Changes	660,410	1,606,404	(945,994)
Balances at December 31, 2020	15,337,581	15,112,607	224,974

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

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

For the year ended June 30, 2021, the Library recognized pension revenue of \$11,626. At June 30, 2021, the Library reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 250,821	—	250,821
Change in Assumptions	83,665	(131,401)	(47,736)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	—	(1,141,765)	(1,141,765)
Total Pension Expense to be			
Recognized in Future Periods	334,486	(1,273,166)	(938,680)
Pension Contributions Made Subsequent to the Measurement Date	128,503	—	128,503
Total Deferred Amounts Related to IMRF	462,989	(1,273,166)	(810,177)

\$128,503 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, 2022. 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 (Inflows) of Resources
2022	\$ (202,771)
2023	(108,144)
2024	(436,620)
2025	(191,145)
2026	—
Thereafter	—
Total	(938,680)

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2021

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, 2021.

JOINTLY GOVERNED ORGANIZATION

Cooperative Computer Services

The Library participates in Cooperative Computer Services (CCS). CCS is an intergovernmental instrumentality formed by library members of the former North Suburban Library System and exists to administer a jointly owned integrated library automation system. CCS' s governing board is comprised of one member from each participating library. No participant has any obligation, entitlement, or residual interest in CCS. In order to terminate membership in CCS, member libraries must provide one-year notice of termination. The District's expenditures to CCS for the year were \$81,756.

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

Notes to the Required Supplementary Information

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
June 30, 2021**

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	\$ 336,224	\$ 338,065	\$ 1,841	\$ 2,113,290	16.00%
2016	368,802	368,802	—	2,221,696	16.60%
2017	305,384	305,384	—	2,308,271	13.23%
2018	305,809	305,809	—	2,442,568	12.52%
2019	304,018	304,018	—	2,465,673	12.33%
2020	248,784	248,784	—	2,406,031	10.34%
2021	281,170	281,170	—	2,373,247	11.85%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	23 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Note:

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability
June 30, 2021**

	<u>12/31/2014</u>
Total Pension Liability	
Service Cost	\$ 249,281
Interest	737,627
Differences Between Expected and Actual Experience and Actual Experience	218,311
Change of Assumptions	466,528
Benefit Payments, Including Refunds of Member Contributions	<u>(507,463)</u>
Net Change in Total Pension Liability	1,164,284
Total Pension Liability - Beginning	<u>9,977,245</u>
Total Pension Liability - Ending	<u><u>11,141,529</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 338,065
Contributions - Members	95,619
Net Investment Income	541,925
Benefit Payments, Including Refunds of Member Contributions	(507,463)
Other (Net Transfer)	<u>187,044</u>
Net Change in Plan Fiduciary Net Position	655,190
Plan Net Position - Beginning	<u>8,920,906</u>
Plan Net Position - Ending	<u><u>9,576,096</u></u>
Employer's Net Pension Liability	<u><u>\$ 1,565,433</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.95%
Covered Payroll	\$ 2,113,290
Employer's Net Pension Liability as a Percentage of Covered Payroll	74.08%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020
243,289	251,934	256,353	248,642	260,954	244,003
826,375	877,179	922,660	950,878	1,000,237	1,047,393
45,107	(66,966)	102,955	127,928	90,393	247,798
14,770	(45,468)	(397,815)	392,881	—	(174,027)
(430,752)	(447,178)	(471,734)	(536,366)	(680,614)	(704,757)
698,789	569,501	412,419	1,183,963	670,970	660,410
11,141,529	11,840,318	12,409,819	12,822,238	14,006,201	14,677,171
11,840,318	12,409,819	12,822,238	14,006,201	14,677,171	15,337,581
368,802	305,384	305,809	304,018	248,784	296,476
99,976	103,873	109,916	110,955	108,271	111,086
47,976	681,102	1,807,488	(603,298)	2,122,569	1,923,440
(430,752)	(447,178)	(471,734)	(536,366)	(680,614)	(704,757)
68,889	63,506	(159,566)	246,340	155,957	(19,841)
154,891	706,687	1,591,913	(478,351)	1,954,967	1,606,404
9,576,096	9,730,987	10,437,674	12,029,587	11,551,236	13,506,203
9,730,987	10,437,674	12,029,587	11,551,236	13,506,203	15,112,607
2,109,331	1,972,145	792,651	2,454,965	1,170,968	224,974
82.19%	84.11%	93.82%	82.47%	92.02%	98.53%
2,221,696	2,308,271	2,442,568	2,465,673	2,406,031	2,468,572
94.94%	85.44%	32.45%	99.57%	48.67%	9.11%

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 5,455,603	5,455,603	5,437,329
Intergovernmental			
Replacement Taxes	7,000	7,000	17,998
Grants	43,078	43,078	161,780
Charges for Services			
Fees, Fines and Other	73,000	73,000	23,340
Interest	35,000	35,000	87,490
Total Revenues	<u>5,613,681</u>	<u>5,613,681</u>	<u>5,727,937</u>
Expenditures			
Public Library			
Personnel	3,753,542	3,753,542	3,220,186
Contractual Services	273,500	273,500	177,414
Library Materials	850,135	850,135	605,479
Operations Expenditures	577,923	597,923	450,207
Equipment and Contingencies	200,200	200,200	147,474
Total Expenditures	<u>5,655,300</u>	<u>5,675,300</u>	<u>4,600,760</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(41,619)	(61,619)	1,127,177
Other Financing (Uses)			
Transfers Out	<u>(125,000)</u>	<u>(125,000)</u>	<u>(1,500,000)</u>
Net Change in Fund Balance	<u>(166,619)</u>	<u>(186,619)</u>	(372,823)
Fund Balance - Beginning as Restated			<u>3,157,756</u>
Fund Balance - Ending			<u><u>2,784,933</u></u>

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

Illinois Municipal Retirement Fund

The Illinois Municipal Retirement Fund is used to account for the revenue of taxes levied and related expenditures for retirement contributions.

Social Security Fund

The Social Security Fund is used to account for the revenue of taxes levied and related expenditures for employer payments for Social Security withholding.

Liability Insurance Fund

The Liability Insurance Fund is used to account for the revenue and expenditures of an annual property tax levy for the payment of premiums of public liability insurance carried by the Library.

Building and Equipment Maintenance Fund

The Building and Equipment Maintenance Fund is used to account for the expenses related to the Library's building and equipment maintenance of the building and equipment. Financing is provided by a specific annual tax levy and transfers.

SPECIAL RESERVE - CAPITAL PROJECTS FUND

The Special Reserve Fund is used to account for funds committed for future capital maintenance, replacements, and improvements.

PERMANENT FUND

Permanent funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the Village's programs, that is, for the benefit of the Village 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.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts
	Original	Final	
Public Library			
Personnel			
Salaries	\$ 3,385,042	3,385,042	2,899,648
Benefits	368,500	368,500	320,538
	<u>3,753,542</u>	<u>3,753,542</u>	<u>3,220,186</u>
Contractual Services			
Accounting and Audit	41,800	61,800	41,414
Other Services	85,140	65,140	36,343
Data Processing	131,560	131,560	93,537
Legal	15,000	15,000	6,120
	<u>273,500</u>	<u>273,500</u>	<u>177,414</u>
Library Materials			
Electronic Information	357,500	357,500	272,204
Lost and Damaged	—	—	152
Print and Nonprint	492,635	492,635	333,123
	<u>850,135</u>	<u>850,135</u>	<u>605,479</u>
Operating Expenditures			
Programming - Adult	29,700	29,700	34,636
Programming - Children	49,500	49,500	44,037
Programming - Forge	19,800	19,800	5,973
Postage	15,000	15,000	8,018
Printing and Publicity	49,500	49,500	31,698
Supplies	71,500	71,500	46,567
Travel	15,400	15,400	878
Training and Membership	34,100	34,100	16,712
Utilities	207,898	207,898	173,932
Equipment Maintenance	58,025	78,025	68,140
Service and Technology Pilots	27,500	27,500	19,616
	<u>577,923</u>	<u>597,923</u>	<u>450,207</u>
Equipment and Contingencies			
Furniture and Equipment	194,700	184,700	137,654
Contingency	5,500	15,500	9,820
	<u>200,200</u>	<u>200,200</u>	<u>147,474</u>
Total Expenditures	<u>5,655,300</u>	<u>5,675,300</u>	<u>4,600,760</u>

ELA AREA PUBLIC LIBRARY DISTRICT, 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, 2021

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Charges for Services			
Fees, Fines and Other	\$ 2,400	2,400	3,559
Interest	12,000	12,000	64,709
Total Revenues	<u>14,400</u>	<u>14,400</u>	<u>68,268</u>
Expenditures			
Public Library			
Contractual Services			
Other Services	600,000	600,000	25,087
Operating Expenditures			
Building Maintenance	118,400	98,400	36
Total Expenditures	<u>718,400</u>	<u>698,400</u>	<u>25,123</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(704,000)	(684,000)	43,145
Other Financing Sources			
Transfers In	—	—	1,500,000
Net Change in Fund Balance	<u>(704,000)</u>	<u>(684,000)</u>	1,543,145
Fund Balance - Beginning as Restated			<u>3,687,003</u>
Fund Balance - Ending			<u><u>5,230,148</u></u>

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

June 30, 2021

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

June 30, 2021

	<u>Illinois Municipal Retirement</u>
ASSETS	
Cash and Investments	\$ 248,330
Receivables - Net of Allowances	
Property Taxes	154,019
Prepays	<u>—</u>
Total Assets	<u><u>402,349</u></u>
LIABILITIES	
Accounts Payable	—
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	280,002
Total Liabilities and Deferred Inflows of Resources	<u>280,002</u>
FUND BALANCES	
Nonspendable	—
Restricted	122,347
Total Fund Balances	<u>122,347</u>
Total Deferred Inflows of Resources and Fund Balances	<u><u>402,349</u></u>

Special Revenue				Permanent	
Social Security	Liability Insurance	Building and Maintenance	Working Cash		Totals
214,079	47,061	244,867	169,290		923,627
130,361	17,591	112,215	—		414,186
—	28,696	—	—		28,696
344,440	93,348	357,082	169,290		1,366,509
—	—	—	—		—
225,004	43,948	204,004	—		752,958
225,004	43,948	204,004	—		752,958
—	28,696	—	—		28,696
119,436	20,704	153,078	169,290		584,855
119,436	49,400	153,078	169,290		613,551
344,440	93,348	357,082	169,290		1,366,509

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2021

	<u>Illinois Municipal Retirement</u>
Revenues	
Taxes	\$ 278,269
Interest	350
Total Revenues	<u>278,619</u>
Expenditures	
Current	
Public Library	<u>281,170</u>
Net Change in Fund Balances	(2,551)
Fund Balances - Beginning as Restated	<u>124,898</u>
Fund Balances - Ending	<u><u>122,347</u></u>

Special Revenue				Permanent	Totals
Social Security	Liability Insurance	Building and Maintenance	Working Cash		
223,609	43,680	198,767	—		744,325
325	77	422	—		1,174
223,934	43,757	199,189	—		745,499
210,071	34,827	182,985	—		709,053
13,863	8,930	16,204	—		36,446
105,573	40,470	136,874	169,290		577,105
119,436	49,400	153,078	169,290		613,551

ELA AREA PUBLIC LIBRARY DISTRICT, 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, 2021

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 279,212	279,212	278,269
Interest	2,000	2,000	350
Total Revenues	<u>281,212</u>	<u>281,212</u>	<u>278,619</u>
Expenditures			
Public Library			
Personnel			
Illinois Municipal Retirement	<u>330,000</u>	<u>330,000</u>	<u>281,170</u>
Net Change in Fund Balance	<u>(48,788)</u>	<u>(48,788)</u>	(2,551)
Fund Balance - Beginning as Restated			<u>124,898</u>
Fund Balance - Ending			<u><u>122,347</u></u>

ELA AREA PUBLIC LIBRARY DISTRICT, 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, 2021

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 225,005	225,005	223,609
Interest	600	600	325
Total Revenues	<u>225,605</u>	<u>225,605</u>	<u>223,934</u>
Expenditures			
Public Library			
Personnel			
Social Security	247,500	247,500	210,071
Net Change in Fund Balance	<u>(21,895)</u>	<u>(21,895)</u>	13,863
Fund Balance - Beginning as Restated			<u>105,573</u>
Fund Balance - Ending			<u><u>119,436</u></u>

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Liability Insurance - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 43,836	43,836	43,680
Interest	400	400	77
Total Revenues	<u>44,236</u>	<u>44,236</u>	<u>43,757</u>
Expenditures			
Public Library			
Contractual Services			
Liability Insurance	49,000	49,000	34,827
Net Change in Fund Balance	<u>(4,764)</u>	<u>(4,764)</u>	8,930
Fund Balance - Beginning as Restated			<u>40,470</u>
Fund Balance - Ending			<u><u>49,400</u></u>

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Building and Equipment Maintenance - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 199,445	199,445	198,767
Interest	1,000	1,000	422
Total Revenues	<u>200,445</u>	<u>200,445</u>	199,189
Expenditures			
Public Library			
Contractual Services	<u>203,650</u>	<u>223,650</u>	182,985
Net Change in Fund Balance	<u>(3,205)</u>	<u>(23,205)</u>	16,204
Fund Balance - Beginning as Restated			<u>136,874</u>
Fund Balance - Ending			<u>153,078</u>

SUPPLEMENTAL SCHEDULE

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Schedule of Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections - Last Four Tax Levy Years

June 30, 2021

	2017	2018	2019	2020
Assessed Valuations	\$ 1,863,726,261	1,896,431,492	1,942,207,566	1,928,388,450
Tax Rates				
General	0.276	0.280	0.281	0.283
Social Security	0.004	0.012	0.012	0.012
IMRF	0.017	0.015	0.014	0.015
Liability Insurance	0.002	0.002	0.002	0.002
Building and Equipment Maintenance	0.014	0.009	0.010	0.011
Debt Service	0.058	—	—	—
	0.371	0.318	0.319	0.322
Tax Extensions	6,921,190	6,040,002	6,202,459	6,208,331
Collections	6,916,163	6,031,620	6,181,653	2,793,277
Percent Collected	99.93%	99.86%	99.66%	44.99%

Data Source: Office of the County Clerk