

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



SHARE the JOY of DISCOVERY

FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

275 Mohawk Trail
Lake Zurich, IL 60047
Phone: 847.307.4833
www.eapl.org

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

**Prepared by:
Finance Department**

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

TABLE OF CONTENTS

PAGE

INTRODUCTORY SECTION

Letter of Transmittal	1
List of Principal Officials	8
Organizational Chart	9
Certificate of Achievement for Excellence in Financial Reporting	10

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	13
-------------------------------------	--------------------

MANAGEMENT'S DISCUSSION AND ANALYSIS	17
---	--------------------

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements	
Statement of Net Position	27
Statement of Activities	29
Fund Financial Statements	
Balance Sheet - Governmental Funds	30
Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities	31
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	32
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities	33
Notes to Financial Statements	34

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

TABLE OF CONTENTS

PAGE

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	54
Schedule of Changes in the Employer's Net Pension Liability	
Illinois Municipal Retirement Fund	55
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	57

OTHER SUPPLEMENTARY INFORMATION

Schedule of Expenditures - Budget and Actual - General Fund	60
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Special Reserve - Capital Projects Fund	61
Combining Balance Sheet - Nonmajor Governmental	63
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Nonmajor Governmental	65
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Illinois Municipal Retirement - Special Revenue Fund	67
Social Security - Special Revenue Fund	68
Liability Insurance - Special Revenue Fund	69
Building and Equipment Maintenance - Special Revenue Fund	70

STATISTICAL SECTION

Net Position by Component - Last Ten Fiscal Years	73
Changes in Net Position - Last Ten Fiscal Years	75
Fund Balances of Governmental Funds - Last Ten Fiscal Years	77
Changes in Balances of Governmental Funds - Last Ten Fiscal Years	79
Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years	81
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years	83
Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago	85
Property Tax Levies and Collections - Last Ten Tax Levy Years	86

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

TABLE OF CONTENTS

	PAGE
STATISTICAL SECTION - Continued	
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	<u>87</u>
Ratios of Net General Bonded Debt Outstanding - Last Ten Fiscal Years	<u>88</u>
Direct and Overlapping Governmental Activities Debt	<u>89</u>
Schedule of Legal Debt Margin - Last Ten Fiscal Years	<u>91</u>
Demographic and Economic Statistics - Last Ten Fiscal Years	<u>93</u>
Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago	<u>94</u>
Full-Time Equivalent (FTE) Library Employees by Function - Last Ten Years	<u>95</u>
Operating Indicators by Function/Program - Last Ten Fiscal Years	<u>96</u>
Capital Asset Statistics by Function/Program - Last Ten Fiscal Years	<u>97</u>

INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Library including: Letter of Transmittal, Principal Officials, Organizational Chart, and Certificate of Achievement for Excellence in Financial Reporting.

October 31, 2023

To: Members of the Board of Trustees & Citizens of the Ela Area Public Library District

Ela Area Public Library District History

In 1931, Lake Zurich’s first library was opened in the top floor of the Oak Street School, and run entirely by volunteers. In 1949 the library moved to the Lion’s Club Clubhouse, and the Lake Zurich Women’s Club took over library operations – again, entirely on a volunteer basis.

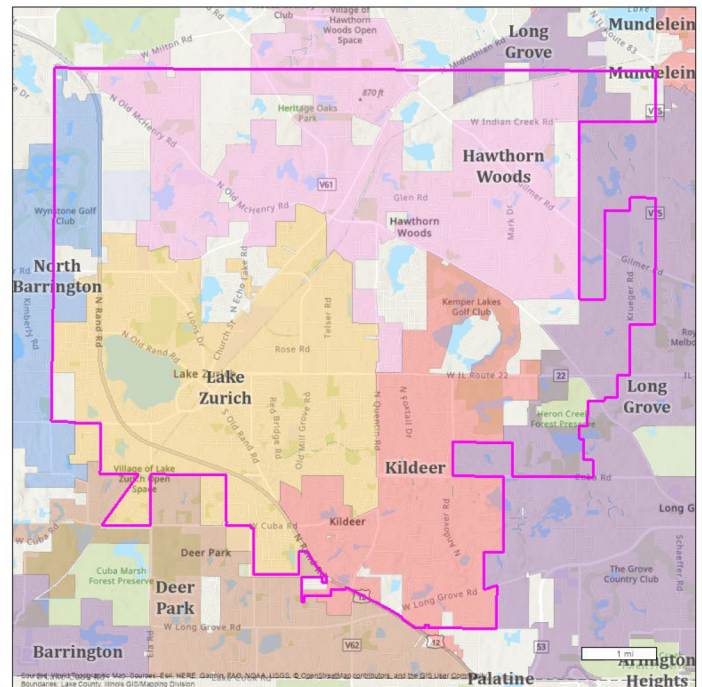
In 1972 Illinois awarded a “Project Plus” grant to launch a tax-supported library. The new Ela Area Demonstration Library opened in the basement of St. Francis de Sales Church, occupying 3,000 square feet. The North Suburban Library System provided a field librarian, legal counsel, basic materials, and expenses to launch a referendum, and the following year residents of the villages of Lake Zurich, Kildeer, Hawthorn Woods, North Barrington, Long Grove, and some unincorporated areas of Ela Township voted in favor of establishing a tax-supported library district.

Despite residents in favor of operating a tax-supported library, referenda to build a library building failed in 1977 and again in 1978. Finally in 1980 a referendum to build a 10,000 square foot building for \$625,000 passed, and a new library building was completed in 1982.

The community experienced rapid growth in the 1980’s, so in 1989 a \$3.5M referendum to expand and renovate the library to 33,000 square feet passed, expanding all departments and adding public computers.

By 1999 the library once again had outgrown its space so a referendum for \$13.9M was approved by the voters, and the current 70,000 square foot building was completed in 2002. While the space is ample, the library has kept current with several interior renovations:

Ela Library District plus Municipalities



- 2009: The Popular Materials Department is reorganized to create a more usable patron-friendly space, making the department clearer and easier to navigate, improving customer service, providing adequate shelving that can accommodate patron traffic and creating more lounging areas.
- 2011: Two state-of-the-art Digital Media Labs are constructed on the 2nd floor.
- 2015: The Children's Department, Teen Area, and Quiet Reading Room are renovated, and the Forge (a place to build, invent, tinker, learn and create) opens.
- 2018: Library pays off "mortgage" on the building. The final bond payment is made in December.
- 2023: Added two public meeting rooms, reconfiguration of the materials sorter, interior office spaces, and a remodeled Children's Department service area.

Profile of the Library Today

The Ela Area Public Library District serves 36,366 residents in the northwest suburbs of Chicago. The library's mission is to "share the joy of discovery," with the vision:

The Ela Library nurtures a caring community in which:

- *All are welcome and treated with respect and kindness.*
- *Access to library resources is easy, equitable, and protected.*
- *Knowledge evolves, and creativity shines.*

Library Organization

Organized and operating under the provisions of the Public Library District Act, the library is considered to be a primary government and provides a full range of informational and recreational materials and activities. The library levies property taxes on real property within its boundaries, and is governed by a seven-member Board of Trustees serving staggered, four-year elected terms. The library does not have any component units nor is it considered to be a component unit of another primary government. The Executive Director oversees day-to-day operations including approximately 100 staff members.

The library participates in the Illinois Municipal Retirement Fund (IMRF); the Library Management and Risk Control Combination (LIMRiCC); Wellness Insurance Network (WIN); and Cooperative Computer Services (CCS). These organizations:



1. Are legally separate organized entities
2. Are fiscally independent of the library
3. Are governed by their own boards.

Audited financial statements for these organizations are not included in this report. However, such statements are available upon request from their respective business offices.

Accounting System and Budgetary Control

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. After the end of the year, the library makes certain adjustments to accounting records to permit the preparation of required financial statements on the accrual basis of accounting to comply with generally accepted accounting principles.

Government Accounting, Auditing, and Financial Reporting defines the “legal level of budgetary control” as “the level at which spending in excess of budgeted amounts would be a violation of law.” Illinois Budget Law, 50 ILCS 330/1 et. Seq., as amended, requires all Illinois municipal corporations to adopt a Combined Annual Budget and Appropriation Ordinance specifying the objects and purposes of expenditures; and the Illinois Public Library District Act, 75 ILCS 15/3-1 and 15/4-15, provides procedures for the passage of a Budget and Appropriation Ordinance and a Tax Levy Ordinance. To calculate the appropriation, first the library created a Working Budget with balanced operating revenues and expenditures equaling \$6,612,934. In addition, the FY2023 Working Budget included \$3,750,000 for capital expenditures using reserve funds. The board approved the total Working Budget on 5/17/2022 for FY2023. The Executive Director is responsible for ensuring that annual spending does not exceed the working budget.

The next step to calculate the appropriation, a small multiplication factor is added to the working budget, which specifies the maximum amount which can be legally expended by the library in the current fiscal year if sufficient funds are available. The appropriation outlines the objects and purposes of expenditures by fund, broken into broad categories (personnel, materials, support services, utilities, non-utility overhead, site & building, and capital). The library cannot overspend any of these categories by swapping out between them: each is a distinct limit. The Board must pass an ordinance amending the appropriation in order to exceed any of these amounts, or to reallocate from one to another.

The budget as presented in the FY2023 ACFR is the appropriation, which was passed by the board 9/20/2022 as Ordinance 22-07-01. The board passed no ordinances amending the appropriation.

Purchasing and Authority to Spend

The District has several policies in place to clearly set financial parameters and guidelines. Among these include investment policy, fund balance policy, and purchasing policy. All expenditures go through a multi-tier review with efforts to secure reduced pricing on all purchase orders.

Additionally, all approved checks are still hand-signed by two members of the Board of Trustees after a four-tier review process. All Library District financial transactions are reviewed and approved monthly by the Board of Trustees.

The Executive Director is authorized to spend up to \$15,000 on individual purchases or contracts without prior Board approval and may delegate spending authority within this limit to staff. The Board must authorize all purchases and contracts of \$15,000 or more including all multi-year contracts whose cumulative value equals or exceeds \$15,000.

Internal Control

Management has established a system of internal control designed to assure that the Library assets are safeguarded against loss, theft, or misuse. The system of internal control also assures that the accounting system compiles reliable financial data for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, not absolute, assurance that these objectives will be met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of the costs and benefits requires estimates and judgments by management.

Factors Affecting Economic Conditions

The Property Tax Extension Limitation Law (PTELL) limits the library's revenue growth. PTELL limits property tax increases by the Consumer Price Index (CPI) or 5%, whichever is less. For FY2023 revenues, PTELL was limited to 5% despite CPI of 7%.

The library refunds property tax collections for previous tax years due to tax rate objections, Property Tax Appeal Board (PTAB) decisions, and Circuit Court decisions, which is built into the following year's tax distributions. In August 2021 PTELL was amended to allow taxing districts to increase the extension in an amount equal to the refunds from assessment reductions granted in the prior 12-month period, beginning with the 2021 levy year. This supplemental "recapture" levy, applied automatically by the county clerk, affected tax revenues beginning FY2023.

Lake Zurich welcomed 350 new households last year including Canterbury Townes, Brierwoods Estates, Wildwood Estates, and The Sanctuary of Lake Zurich. With the exception of Canterbury Townes, these new developments are not in a Tax Increment Financing (TIF) district, so additional revenue from these new developments is forthcoming.

Hawthorn Woods is growing with new homes at the Villas at the Commons, High Point Estates duplexes, Hawthorn Hills single-family homes, and Hawthorn Woods Country Club new construction. No areas of Hawthorn Woods are in a TIF district.

Kildeer continues to welcome 90 new homes in Kildeer Crossings, which adds to the Library District's TIF-free revenue.

Promoting Transparent Government

The library utilizes OpenGov for transparency reporting of financial and operational statistics. Revenue and expenditures for the past five years are available online via <https://www.eapl.org/financial-dashboard> and residents can drill down to the check level to see how taxpayer funds are being used.

FY2023 Statistics

- The library was open 3,548 hours during FY2023
- Funds are safeguarded using a \$3,300,000 crime policy with the library Treasurer as the designated custodian of the library's funds
- 179,069 physical visits
- 449,653 virtual visits
- 12,499 registered cardholders
- 190,130 physical materials owned plus 1,000,000+ electronic items available
- 841,910 materials used / loaned
- 798 in-person and virtual programs hosted last year, serving 73,238 patrons
- 6,988 one-on-one patron sessions including Notary and Passport services
- 798 self-directed programs hosted last year, serving 31,513 patrons
- 65,312 reference questions answered
- 21,300 public computer sessions
- 103,275 wireless sessions

Awards and Acknowledgements

The fiscal year ended June 30, 2023 saw many accomplishments and major initiatives come to fruition, including:

Audit Results – Operating Budget Surplus Achieved. Despite a balanced operating budget, FY2023 saw an operating budget surplus of \$443,288.

Balanced FY2024 Budget. Approved balanced FY2024 budget of \$7,124,660 sustaining multi-year progress towards strategic goals.

Reserve Funds. The Library District's fund balance policy is to maintain a range of no less than three and no more than twelve months of operating expenses for the General Fund. This reserve is maintained for use in emergency situations. The FY2023 year-end General Fund reserve is six months. In addition, the Special Reserve funds capital projects and was used exclusively for the FY2023 remodel. Upon completion of the project, Special Reserve fund balance remains in excess of \$2,500,000 for future projects including roof replacement.

Public Pension Funding. As of December 31, 2022, the most recent actuarial valuation date, the IMRF Public Pension was 91.18% funded, and the Employer Rate has steadily decreased so pension obligations as a percent of Personnel expenditures are at 20-year lows.

5-star Library Status. FY2023, the Ela Area Public Library District was once again named a 5-star library based on the Library Journal Index of Public Library Service. This was the third consecutive year Ela Library has the received the highest recognition, and the sixth time to be ranked with 5-stars in the award's 15-year history. The prestigious rating places Ela Library in the top 1% of public libraries across the country.



Strategic Plan. In February 2023, the Library Board adopted a new strategic plan. Every three years, the library embarks on a strategic planning process to consider current, anticipated and possible future community needs. The current plan reflects results from a Community Survey conducted summer 2022, demographic information, analysis from the Board of Trustees, and staff input. The Mission, Vision, Strategic Priorities & Goals make up the Strategic Plan for 2023-2025.

Certificate of Achievement. The Library District received the Certificate of Achievement for Excellence in Financial Reporting for FY2022.

Responsibility

Library Management is responsible for the contents of the annual Preparation of the Annual Comprehensive Financial Report. We believe that the information, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position of the District and the results of its operations; and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

Lauterbach and Amen, LLP (Certified Public Accountants) has issued an unmodified ("clean") opinion on the District's financial statements for the fiscal year ended June 30, 2023.

This letter of transmittal should be read in conjunction with management's discussion and analysis to obtain the most complete assessment of the District's current financial status and its future prospects.

Although addressed to the elected officials and residents of the Library District, this report has a number of other users. Foremost among these other users are potential bondholders of the District, financial institutions, credit rating agencies, educational institutions, and other government entities. Illinois statutes require that Illinois governments publish financial statements on an annual basis that are prepared in accordance with generally accepted accounting principles and are audited by independent accountants. In producing an Annual Comprehensive Financial Report, the Ela Area Public Library District has chosen to provide financial information that is significantly greater than that which is required under state law.

The success of the Library District is a result of the contributions of Business Manager Mary Povilonis not only for this report, but also for commitment to understanding and following library policies and procedures, to ensure the high integrity of the information presented. Thanks also to the Board of Trustees for leadership and support in the financial operations and policies of the Elia Area Public Library District.

Sincerely,

A handwritten signature in black ink, appearing to read "Erica Christianson", with a long horizontal flourish extending to the right.

Erica Christianson
Executive Director

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

List of Principal Officials

June 30, 2023

BOARD OF TRUSTEES

Crystal Steker, President

Cathy McCauley, Vice President

Eric Corzine, Treasurer

Kathy Caudill, Trustee

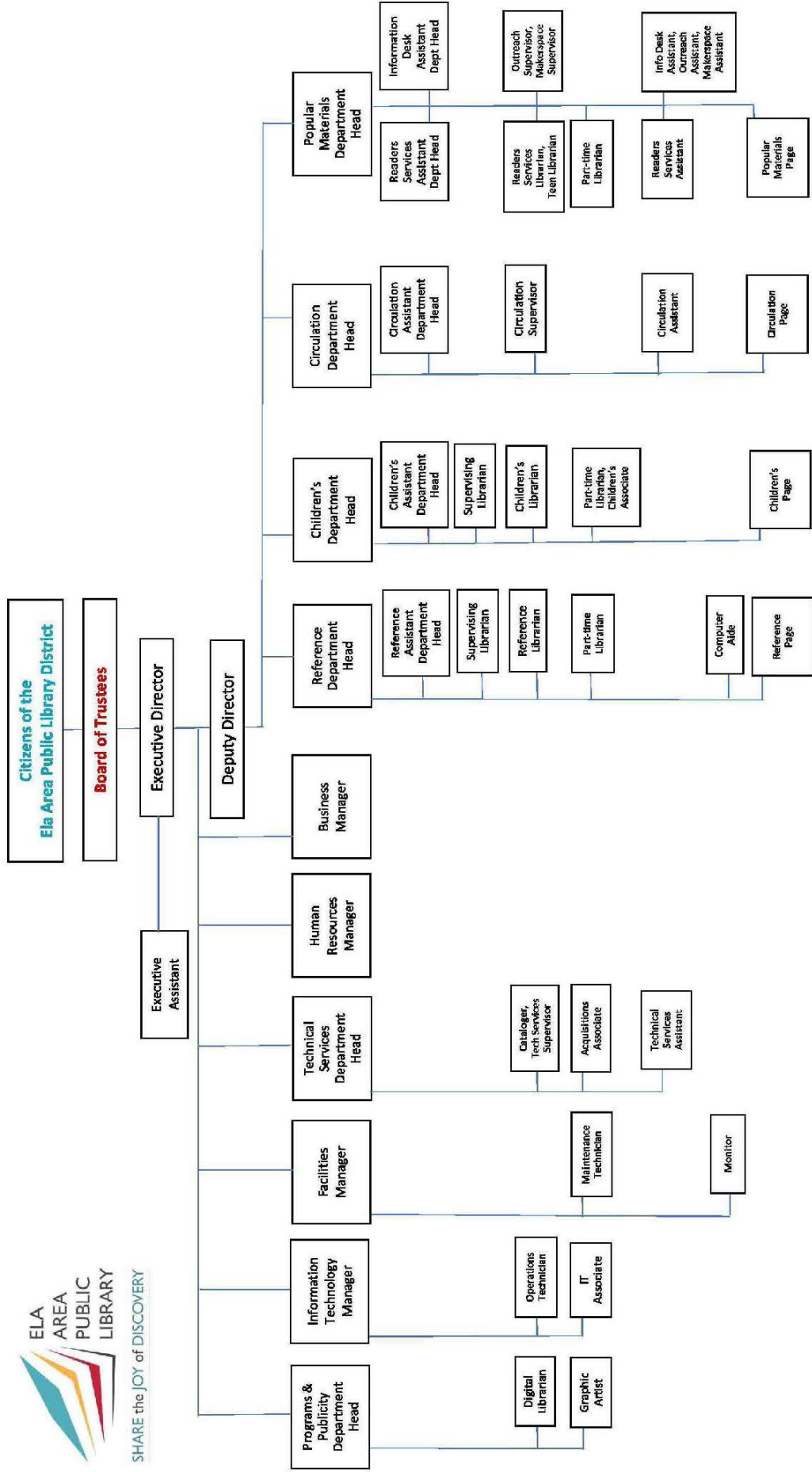
Alicia Timm, Secretary

Mary Silcroft, Trustee

Tracy Suykerbuyk, Trustee

ADMINISTRATIVE

Erica Christianson, Executive Director



July, 2023



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Ela Area Public Library District
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

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

October 31, 2023

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

Opinions

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 (the Library), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Ela Area Public Library District, as of June 30, 2023, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ela Area Public Library District's basic financial statements. The other supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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, other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2023

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, 2023. 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

- During FY2023, the Library's net position decreased from a beginning balance of \$18,276,888 to ending balance of \$18,075,327 at June 30, 2023, a decrease of \$201,561 or 1.1 percent.
- During FY2023, government-wide revenues totaled \$6,678,153, while government-wide expenses totaled \$6,879,202, resulting in a decrease to net position of \$201,561.
- During FY2023, the Library's fund balances for the governmental funds decreased from a beginning balance of \$8,863,758 to ending balance totaling \$5,950,983 at June 30, 2023, a decrease of \$2,912,775 or 32.9 percent.
- Beginning balances in capital assets and long-term debt were restated due to the implementation of GASB Statement No. 96; however, the net effect on the Statement of Activities was zero.

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, 2023

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, 2023

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 \$18,075,327.

	Net Position	
	6/30/2023	6/30/2022
Current Assets and Other Assets	\$ 12,999,727	16,881,358
Capital Assets	12,737,163	9,988,684
Total Assets	25,736,890	26,870,042
Deferred Outflows	1,565,127	268,855
Total Assets/Deferred Outflows	27,302,017	27,138,897
Long-Term Debt	2,097,141	130,287
Other Liabilities	375,611	282,998
Total Liabilities	2,472,752	413,285
Deferred Inflows	6,753,938	8,448,724
Total Liabilities/Deferred Inflows	9,226,690	8,862,009
Net Position		
Net Investment in Capital Assets	12,707,366	9,988,684
Restricted	518,762	3,061,917
Unrestricted	4,849,199	5,226,287
Total Net Position	18,075,327	18,276,888

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Current Assets and other assets decreased from \$16,881,358 to \$12,999,727 due to a decrease in cash and investments of \$2,452,633 and a shift of the net pension assets (IMRF) to a net pension liability (IMRF) of \$1,921,889.

Capital Assets increased from a restated \$10,006,497 to \$12,737,163 mainly due to \$3,370,243 in completed construction projects.

Deferred Outflows of resources represent funds which are obligated to IMRF but have not yet been recognized of \$1,565,127.

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 \$156,922.

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 and the current portion of subscription arrangements which are expected to be paid in the coming year, of \$39,230 and \$11,467, respectively, plus accrued liabilities, payroll, and other payables, of \$254,791, \$70,102, and \$21 respectively.

Deferred Inflows represent FY2024 property taxes recognized as FY2023 deferred property taxes of \$6,670,190, plus deferred inflows due to IMRF of \$30,108, totaling \$6,753,938.

A large portion of the Library's net position 70.3 percent reflects its net investment in capital assets (for example, land, construction in progress, land improvements, building and improvements, furniture, equipment, and library materials, and subscription assets); less any related debt used to acquire those assets that are still 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 2.9 percent of the Library's net position represents resources that are subject to external restrictions on how they may be used. The remaining \$4,849,199, or 26.8 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, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Changes in Net Position	
	6/30/2023	6/30/2022
Revenues		
Program Revenues		
Charges for Services	\$ 116,670	94,669
Operating Grants/Contributions	59,620	56,402
General Revenues		
Property Taxes	6,370,910	6,184,829
Replacement Taxes	44,344	39,231
Interest Income (Loss)	86,609	(108,924)
Total Revenues	<u>6,678,153</u>	<u>6,266,207</u>
Expenses		
Public Library	6,879,202	5,977,447
Interest on Long-Term Debt	512	—
	<u>6,879,714</u>	<u>5,977,447</u>
Change in Net Position	(201,561)	288,760
Net Position-Beginning	<u>18,276,888</u>	<u>17,988,128</u>
Net Position-Ending	<u>18,075,327</u>	<u>18,276,888</u>

Net position beginning balance was \$18,276,888 at the end of FY2022, and ending net position was \$18,075,327.

In FY2023, expenses of \$6,879,202 exceeded revenues of \$6,678,153, resulting in a decrease to net position in the current year of \$201,561.

In FY2023, governmental net position decreased \$201,561, a decrease of 1.1 percent. Property taxes increased \$186,081 over FY2022 (\$6,370,910 in 2023 compared to \$6,184,829 in 2022). Interest increased over FY2022 (\$86,609 in 2023 compared to (\$108,924) in 2022) due to positive market conditions.

Expenses increased from the prior year by \$901,755 (\$6,879,714 in 2023 compared to \$5,977,447 in 2022) due to increases in public library costs.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

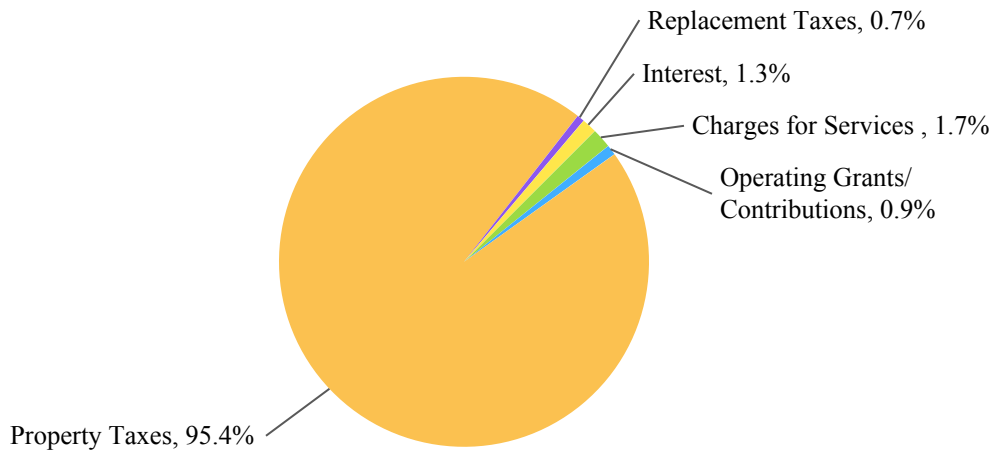
Management's Discussion and Analysis June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities

The following table graphically presents the major revenue sources of the Library in 2023. Of note the Library is very reliant on property taxes to fund governmental activities.

Revenues by Source - Governmental Activities



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 \$5,950,983, which is 32.9 percent lower than last year's beginning fund balance of \$8,863,758.

The General Fund reported a decrease of \$165,938, due to the transfer of \$750,000 to the Special Reserve Fund.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis June 30, 2023

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued

Governmental Funds - Continued

The Special Reserve Fund reported a decrease of \$2,662,158 due to the construction project.

GENERAL FUND BUDGETARY HIGHLIGHTS

For purposes of the FY2023 ACFR, the Library uses Budget & Appropriation Ordinance 22-07-01.

The General Fund actual revenues came in higher than budgeted revenues. Actual revenues for the current year were \$5,925,202, compared to budgeted revenues of \$5,878,518, primarily due to additional passport and PPRT revenue.

The General Fund actual expenditures were lower than budgeted expenditures. Actual expenditures totaled \$5,365,062, while budgeted expenditures totaled \$6,167,652. This was due to all expenditure functions coming in under budget (except debt service), with Personnel expenditures the largest factor coming in more than \$300,000 under budget in the General Fund.

CAPITAL ASSETS

The Library's investment in capital assets for its governmental activities as of June 30, 2023 was \$12,737,163 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, building and improvements, furniture, equipment, and library materials, and subscription assets.

This year's additions to capital assets included \$3,370,243 to construction in progress, \$261,063 to library materials, and \$23,922 to subscription assets.

	Capital Assets - Net of Depreciation	
	6/30/2023	6/30/2022
Land	\$ 1,485,452	1,485,452
Construction in Progress	3,435,818	65,575
Land Improvements	458,476	515,852
Building and Improvements	6,058,420	6,529,574
Furniture	273,733	339,657
Equipment	19,281	36,226
Library Materials	970,131	1,016,348
Subscription Assets	35,852	17,813
Totals	<u>12,737,163</u>	<u>10,006,497</u>

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis June 30, 2023

LONG-TERM DEBT

The Library's long-term debt as of June 30, 2023 and 2022 is shown below:

	<u>6/30/2023</u>	<u>6/30/2022</u>
Subscription Arrangements	\$ 29,797	17,813

Additional information on Library's long-term debt can be found in Note 3 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Library's elected (Board of Trustees) and appointed (Executive Director) official considered many factors when setting the fiscal-year 2024 budget, including the economy, tax rates, and anticipated costs for services. In planning for the coming year FY2024, the Library's officials:

- Passed Levy Ordinance 22-11-01 which increased the levy 4.97% from the previous year.
- Approved a balanced budget for FY2024.
- Approved a 3% increase in the Salary budget to attract and retain talented staff during high inflation.
- Approved a new Salary Scale to include Illinois minimum wage increases while avoiding wage compression.

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

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, 2023

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Statement of Net Position

June 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 9,399,012
Receivables - Net of Allowances	3,558,602
Prepays	42,113
Total Current Assets	<u>12,999,727</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	4,921,270
Depreciable/Amortizable Capital Assets	18,909,161
Accumulated Depreciation/Amortization	<u>(11,093,268)</u>
Total Noncurrent Assets	<u>12,737,163</u>
Total Assets	<u>25,736,890</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>1,565,127</u>
Total Assets and Deferred Outflows of Resources	<u>27,302,017</u>

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

	<u>Governmental Activities</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 254,791
Accrued Payroll	70,102
Other Payables	21
Current Portion of Long-Term Debt	50,697
Total Current Liabilities	<u>375,611</u>
Noncurrent Liabilities	
Compensated Absences Payable	156,922
Net Pension Liability - IMRF	1,921,889
Subscription Arrangements	18,330
Total Noncurrent Liabilities	<u>2,097,141</u>
Total Liabilities	<u>2,472,752</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	6,670,190
Grants	53,640
Deferred Items - IMRF	30,108
Total Deferred Inflows of Resources	<u>6,753,938</u>
Total Liabilities and Deferred Inflows of Resources	<u>9,226,690</u>
NET POSITION	
Net Investment in Capital Assets	12,707,366
Restricted	
Property Taxes	
Illinois Municipal Retirement	121,629
Social Security	85,505
Liability Insurance	2,442
Building and Maintenance	138,237
Working Cash	169,290
Garden	1,659
Unrestricted	<u>4,849,199</u>
Total Net Position	<u>18,075,327</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, 2023

	Program Revenues			Net (Expenses)/ Revenues and Changes in Net Position
	Expenses	Charges for Services	Operating Grants/ Contributions	
Governmental Activities				
Public Library	\$ 6,879,202	116,670	59,620	— (6,702,912)
Interest on Long-Term Debt	512	—	—	— (512)
Total Governmental Activities	6,879,714	116,670	59,620	— (6,703,424)
		General Revenues		
		Taxes		
		Property Taxes		6,370,910
		Intergovernmental - Unrestricted		
		Replacement Taxes		44,344
		Interest		86,609
				<u>6,501,863</u>
		Change in Net Position		(201,561)
		Net Position - Beginning		<u>18,276,888</u>
		Net Position - Ending		<u><u>18,075,327</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, 2023

	General	Capital Projects Special Reserve	Nonmajor	Totals
ASSETS				
Cash and Investments	\$ 5,889,144	2,731,615	778,253	9,399,012
Receivables - Net of Allowances				
Taxes	3,233,227	—	256,449	3,489,676
Interest	6,441	8,845	—	15,286
Other	53,640	—	—	53,640
Prepays	31,450	—	10,663	42,113
Total Assets	<u>9,213,902</u>	<u>2,740,460</u>	<u>1,045,365</u>	<u>12,999,727</u>
LIABILITIES				
Accounts Payable	80,836	146,457	27,498	254,791
Accrued Payroll	70,102	—	—	70,102
Other Payables	21	—	—	21
Total Liabilities	<u>150,959</u>	<u>146,457</u>	<u>27,498</u>	<u>324,914</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	6,180,089	—	490,101	6,670,190
Grants	53,640	—	—	53,640
Total Deferred Inflows of Resources	<u>6,233,729</u>	<u>—</u>	<u>490,101</u>	<u>6,723,830</u>
Total Liabilities and Deferred Inflows of Resources	<u>6,384,688</u>	<u>146,457</u>	<u>517,599</u>	<u>7,048,744</u>
FUND BALANCES				
Nonspendable	31,450	—	10,663	42,113
Restricted	1,659	—	517,103	518,762
Committed	—	2,594,003	—	2,594,003
Unassigned	2,796,105	—	—	2,796,105
Total Fund Balances	<u>2,829,214</u>	<u>2,594,003</u>	<u>527,766</u>	<u>5,950,983</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>9,213,902</u>	<u>2,740,460</u>	<u>1,045,365</u>	<u>12,999,727</u>

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, 2023

Total Governmental Fund Balances	\$ 5,950,983
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.	12,737,163
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	1,535,019
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Compensated Absences Payable	(196,152)
Net Pension Liability - IMRF	(1,921,889)
Subscription Arrangements	<u>(29,797)</u>
Net Position of Governmental Activities	<u>18,075,327</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, 2023**

	General	Capital Projects Special Reserve	Nonmajor	Totals
Revenues				
Taxes	\$ 5,655,049	—	715,861	6,370,910
Intergovernmental	103,964	—	—	103,964
Charges for Services	111,410	5,260	—	116,670
Interest	54,779	27,236	4,594	86,609
Total Revenues	<u>5,925,202</u>	<u>32,496</u>	<u>720,455</u>	<u>6,678,153</u>
Expenditures				
Public Library	5,254,681	2,889,982	805,134	8,949,797
Capital Outlay	97,931	554,672	—	652,603
Debt Service				
Principal Retirement	11,938	—	—	11,938
Interest and Fiscal Charges	512	—	—	512
Total Expenditures	<u>5,365,062</u>	<u>3,444,654</u>	<u>805,134</u>	<u>9,614,850</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>560,140</u>	<u>(3,412,158)</u>	<u>(84,679)</u>	<u>(2,936,697)</u>
Other Financing Sources (Uses)				
Debt Issuance	23,922	—	—	23,922
Transfers In	—	750,000	—	750,000
Transfers Out	(750,000)	—	—	(750,000)
	<u>(726,078)</u>	<u>750,000</u>	<u>—</u>	<u>23,922</u>
Net Change in Fund Balances	(165,938)	(2,662,158)	(84,679)	(2,912,775)
Fund Balances - Beginning	<u>2,995,152</u>	<u>5,256,161</u>	<u>612,445</u>	<u>8,863,758</u>
Fund Balances - Ending	<u><u>2,829,214</u></u>	<u><u>2,594,003</u></u>	<u><u>527,766</u></u>	<u><u>5,950,983</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, 2023**

Net Change in Fund Balances - Total Governmental Funds \$ (2,912,775)

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	3,655,228
Depreciation Expense	(867,130)
Disposals - Cost	(1,369,330)
Disposals - Accumulated Depreciation	1,311,898

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

Change in Deferred Items - IMRF	3,295,150
---------------------------------	-----------

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	(33,293)
Change in Net Pension Liability - IMRF	(3,269,325)
Retirement of Long-Term Debt	11,938
Issuance of Debt	<u>(23,922)</u>

Changes in Net Position of Governmental Activities (201,561)

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2023

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, 2023

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, 2023

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, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - 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, 2023

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/amortized. 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/amortized. 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/amortization on all assets is computed and recorded using the straight-line method of depreciation/amortization 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
Subscription Assets	3 -10 Years

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets 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, 2023

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:

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation/amortization, 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 had no budget amendment for the fiscal year ending June 30, 2023.

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, and the Illinois Funds.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

The 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. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, which is the price for which the investment could be sold.

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 \$8,316,207 and the bank balances totaled \$8,381,099.

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	\$ 1,081,322	1,081,322	—	—	—
Illinois Funds	1,483	1,483	—	—	—
	<u>1,082,805</u>	<u>1,082,805</u>	<u>—</u>	<u>—</u>	<u>—</u>

The Library has the following recurring fair value measurements as of June 30, 2023:

- U.S. Agency Securities of \$1,081,322 are valued using a matrix pricing model (Level 2 inputs)
- Illinois Funds of \$1,483 are measured at the Net Asset Value (NAV)

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. The Library's investment in the Illinois Funds was rated AAA by Fitch.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

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

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).

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 2022 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:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Special Reserve	General	<u>\$ 750,000</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, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances as Restated	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 1,485,452	—	—	1,485,452
Construction in Progress	65,575	3,370,243	—	3,435,818
	<u>1,551,027</u>	<u>3,370,243</u>	<u>—</u>	<u>4,921,270</u>
Depreciable/Amortizable Capital Assets				
Land Improvements	788,750	—	—	788,750
Building and Improvements	13,411,880	—	101,350	13,310,530
Furniture	1,852,374	—	533,394	1,318,980
Equipment	798,281	—	373,193	425,088
Library Materials	3,124,408	261,063	361,393	3,024,078
Subscription Assets - Software	17,813	23,922	—	41,735
	<u>19,993,506</u>	<u>284,985</u>	<u>1,369,330</u>	<u>18,909,161</u>
Less Accumulated Depreciation/Amortization				
Land Improvements	272,898	57,376	—	330,274
Building and Improvements	6,882,306	413,722	43,918	7,252,110
Furniture	1,512,717	65,924	533,394	1,045,247
Equipment	762,055	16,945	373,193	405,807
Library Materials	2,108,060	307,280	361,393	2,053,947
Subscription Assets - Software	—	5,883	—	5,883
	<u>11,538,036</u>	<u>867,130</u>	<u>1,311,898</u>	<u>11,093,268</u>
Total Net Depreciable/Amortizable Assets	<u>8,455,470</u>	<u>(582,145)</u>	<u>57,432</u>	<u>7,815,893</u>
Total Net Capital Assets	<u>10,006,497</u>	<u>2,788,098</u>	<u>57,432</u>	<u>12,737,163</u>

Depreciation/Amortization expense of \$867,130 was charged to public library function.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

Subscription Based Information Technology Arrangements (SBITAs)

The Library has the following subscription arrangements outstanding at year end:

Subscription Arrangements	Term	Start Date	Payments	Interest
Abila	55 Months	07/01/2022	\$350 per Month	3.50%
Communico	3 Years	04/01/2023	\$8,250 per Year	3.50%

The future principal and interest lease payments as of the year-end were as follows:

Fiscal Year	Governmental Activities			Total Lease Payment
	Principal	Interest		
2024	\$ 11,467	983		12,450
2025	11,870	580		12,450
2026	4,038	162		4,200
2027	2,422	28		2,450
Totals	29,797	1,753		31,550

Long-Term Liability Activity

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

Type of Debt	Beginning Balances as Restated	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 162,859	66,586	33,293	196,152	39,230
Net Pension Liability/(Asset) - IMRF	(1,347,436)	3,269,325	—	1,921,889	—
Subscription Arrangements	17,813	23,922	11,938	29,797	11,467
	(1,166,764)	3,359,833	45,231	2,147,838	50,697

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 2.875% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2022	<u>\$ 2,016,921,290</u>
Legal Debt Limit - 2.875% of Equalized Assessed Value	57,986,487
Amount of Debt Applicable to Limit	<u>—</u>
Legal Debt Margin	<u>57,986,487</u>

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.

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.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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	\$ 31,450	—	10,663	42,113
Restricted				
Property Taxes				
Illinois Municipal Retirement	—	—	121,629	121,629
Social Security	—	—	85,505	85,505
Liability Insurance	—	—	2,442	2,442
Building and Maintenance	—	—	138,237	138,237
Working Cash	—	—	169,290	169,290
Garden	1,659	—	—	1,659
	<u>1,659</u>	<u>—</u>	<u>517,103</u>	<u>518,762</u>
Committed				
Capital Projects	—	2,594,003	—	2,594,003
Unassigned	<u>2,796,105</u>	<u>—</u>	<u>—</u>	<u>2,796,105</u>
Total Fund Balances	<u>2,829,214</u>	<u>2,594,003</u>	<u>527,766</u>	<u>5,950,983</u>

NET POSITION CLASSIFICATIONS

Net Investment in capital assets was comprised of the following as of June 30, 2023:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 12,737,163
Less Capital Related Debt	
Subscription Arrangements	<u>(29,797)</u>
Net Investment in Capital Assets	<u>12,707,366</u>

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION RESTATEMENT

Beginning balances in capital assets and long-term debt were restated due to the implementation of GASB Statement No. 96; however, the net effect on the Statement of Activities was zero.

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 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.

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.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Plan Descriptions - Continued

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.

Plan Membership. As of December 31, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	62
Inactive Plan Members Entitled to but not yet Receiving Benefits	39
Active Plan Members	<u>50</u>
Total	<u><u>151</u></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, 2023, the Library's contribution was 9.26% of covered payroll.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Plan Descriptions - Continued

Net Pension Liability. The Library's net pension liability was measured as of December 31, 2022. 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, 2022, 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	2.75%
Inflation	2.25%

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:

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2023

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.

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.50%	4.90%
Domestic Equities	35.50%	6.50%
International Equities	18.00%	7.60%
Real Estate	10.50%	6.20%
Blended	9.50%	6.25% - 9.90%
Cash and Cash Equivalents	1.00%	4.00%

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 to changes in the discount rate. The table below presents the net pension liability of the Library calculated using the discount rate as well as what the Library's net pension liability 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	\$ 3,736,069	1,921,889	464,605

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2023

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, 2021	\$ 15,910,706	17,258,142	(1,347,436)
Changes for the Year:			
Service Cost	248,246	—	248,246
Interest on the Total Pension Liability	1,131,506	—	1,131,506
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	320,114	—	320,114
Changes of Assumptions	—	—	—
Contributions - Employer	—	279,735	(279,735)
Contributions - Employees	—	119,093	(119,093)
Net Investment Income	—	(2,122,436)	2,122,436
Benefit Payments, Including Refunds of Employee Contributions	(855,706)	(855,706)	—
Other (Net Transfer)	—	154,149	(154,149)
Net Changes	844,160	(2,425,165)	3,269,325
Balances at December 31, 2022	16,754,866	14,832,977	1,921,889

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2023

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, 2023, the Library recognized pension expense of \$242,982. At June 30, 2023, 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	\$ 275,760	—	275,760
Change in Assumptions	—	(30,108)	(30,108)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	1,177,339	—	1,177,339
Total Pension Expense to be			
Recognized in Future Periods	1,453,099	(30,108)	1,422,991
Pension Contributions Made Subsequent to the Measurement Date	112,028	—	112,028
Total Deferred Amounts Related to IMRF	<u>1,565,127</u>	<u>(30,108)</u>	<u>1,535,019</u>

\$112,028 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, 2024. 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 of Resources
2024	\$ 48,237
2025	287,415
2026	414,802
2027	672,537
2028	—
Thereafter	—
Total	<u>1,422,991</u>

Notes to the Financial Statements

June 30, 2023

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, 2023.

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 Library's expenditures to CCS for the year were \$84,872.

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/Asset
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 accounting principles.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
June 30, 2023**

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%
2022	286,336	286,336	—	2,564,452	11.17%
2023	268,807	268,807	—	2,902,717	9.26%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	21 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.85% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	For non-disabled 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.

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/(Asset)

June 30, 2023

	12/31/2014	12/31/2015
Total Pension Liability		
Service Cost	\$ 249,281	243,289
Interest	737,627	826,375
Differences Between Expected and Actual Experience and Actual Experience	218,311	45,107
Change of Assumptions	466,528	14,770
Benefit Payments, Including Refunds of Member Contributions	(507,463)	(430,752)
Net Change in Total Pension Liability	1,164,284	698,789
Total Pension Liability - Beginning	9,977,245	11,141,529
Total Pension Liability - Ending	11,141,529	11,840,318
Plan Fiduciary Net Position		
Contributions - Employer	\$ 338,065	368,802
Contributions - Members	95,619	99,976
Net Investment Income	541,925	47,976
Benefit Payments, Including Refunds of Member Contributions	(507,463)	(430,752)
Other (Net Transfer)	187,044	68,889
Net Change in Plan Fiduciary Net Position	655,190	154,891
Plan Net Position - Beginning	8,920,906	9,576,096
Plan Net Position - Ending	9,576,096	9,730,987
Employer's Net Pension Liability/(Asset)	\$ 1,565,433	2,109,331
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.95%	82.19%
Covered Payroll	\$ 2,113,290	2,221,696
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	74.08%	94.94%

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

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
251,934	256,353	248,642	260,954	244,003	216,535	248,246
877,179	922,660	950,878	1,000,237	1,047,393	1,092,312	1,131,506
(66,966)	102,955	127,928	90,393	247,798	23,239	320,114
(45,468)	(397,815)	392,881	—	(174,027)	—	—
(447,178)	(471,734)	(536,366)	(680,614)	(704,757)	(758,961)	(855,706)
569,501	412,419	1,183,963	670,970	660,410	573,125	844,160
11,840,318	12,409,819	12,822,238	14,006,201	14,677,171	15,337,581	15,910,706
12,409,819	12,822,238	14,006,201	14,677,171	15,337,581	15,910,706	16,754,866
305,384	305,809	304,018	248,784	296,476	291,883	279,735
103,873	109,916	110,955	108,271	111,086	112,649	119,093
681,102	1,807,488	(603,298)	2,122,569	1,923,440	2,535,325	(2,122,436)
(447,178)	(471,734)	(536,366)	(680,614)	(704,757)	(758,961)	(855,706)
63,506	(159,566)	246,340	155,957	(19,841)	(35,361)	154,149
706,687	1,591,913	(478,351)	1,954,967	1,606,404	2,145,535	(2,425,165)
9,730,987	10,437,674	12,029,587	11,551,236	13,506,203	15,112,607	17,258,142
10,437,674	12,029,587	11,551,236	13,506,203	15,112,607	17,258,142	14,832,977
1,972,145	792,651	2,454,965	1,170,968	224,974	(1,347,436)	1,921,889
84.11%	93.82%	82.47%	92.02%	98.53%	108.47%	88.53%
2,308,271	2,442,568	2,465,673	2,406,031	2,468,572	2,503,282	2,902,717
85.44%	32.45%	99.57%	48.67%	9.11%	(53.83%)	66.21%

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, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 5,668,531	5,668,531	5,655,049
Intergovernmental			
Replacement Taxes	25,000	25,000	44,344
Grants	50,887	50,887	59,620
Charges for Services			
Fees, Fines and Other	94,100	94,100	111,410
Interest	40,000	40,000	54,779
Total Revenues	<u>5,878,518</u>	<u>5,878,518</u>	<u>5,925,202</u>
Expenditures			
Public Library			
Personnel	4,159,575	4,159,575	3,836,897
Contractual Services	293,517	293,517	208,399
Library Materials	899,910	899,910	805,430
Operations Expenditures	632,057	632,057	403,955
Equipment and Contingencies	56,533	56,533	—
Capital Outlay	126,060	126,060	97,931
Debt Service			
Principal Retirement	—	—	11,938
Interest and Fiscal Charges	—	—	512
Total Expenditures	<u>6,167,652</u>	<u>6,167,652</u>	<u>5,365,062</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(289,134)</u>	<u>(289,134)</u>	<u>560,140</u>
Other Financing Sources (Uses)			
Debt Issuance	—	—	23,922
Transfers Out	—	—	(750,000)
	<u>—</u>	<u>—</u>	<u>(726,078)</u>
Net Change in Fund Balance	<u>(289,134)</u>	<u>(289,134)</u>	(165,938)
Fund Balance - Beginning			<u>2,995,152</u>
Fund Balance - Ending			<u><u>2,829,214</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.

CAPITAL PROJECTS FUND

The Capital Projects Funds are used to account for all financial resources used for the acquisition or construction of major capital facilities, equipment and capital asset replacement.

Special Reserve 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, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
Public Library			
Personnel			
Salaries	\$ 3,749,550	3,749,550	3,465,737
Benefits	410,025	410,025	371,160
	<u>4,159,575</u>	<u>4,159,575</u>	<u>3,836,897</u>
Contractual Services			
Other Services	272,067	272,067	203,530
Legal	13,200	13,200	3,319
Unemployment Insurance	8,250	8,250	1,550
	<u>293,517</u>	<u>293,517</u>	<u>208,399</u>
Library Materials			
Electronic Information	318,450	318,450	226,755
Lost and Damaged	110	110	—
Print and Nonprint	443,850	443,850	432,321
Patron-Use Only	137,500	137,500	146,354
	<u>899,910</u>	<u>899,910</u>	<u>805,430</u>
Operating Expenditures			
Programming - Adult	133,100	133,100	95,633
Postage	11,000	11,000	12,979
Printing and Publicity	46,200	46,200	34,807
Supplies	53,625	53,625	36,290
Travel	20,515	20,515	13,421
Training and Membership	10,887	10,887	8,686
Utilities	280,500	280,500	172,643
Equipment Maintenance	76,230	76,230	29,496
	<u>632,057</u>	<u>632,057</u>	<u>403,955</u>
Equipment and Contingencies			
Contingency	56,533	56,533	—
Capital Outlay	<u>126,060</u>	<u>126,060</u>	<u>97,931</u>
Debt Service			
Principal Retirement	—	—	11,938
Interest and Fiscal Charges	—	—	512
Total Debt Service	<u>—</u>	<u>—</u>	<u>12,450</u>
Total Expenditures	<u>6,167,652</u>	<u>6,167,652</u>	<u>5,365,062</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, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Charges for Services			
Fees, Fines and Other	\$ 5,000	5,000	5,260
Interest	30,000	30,000	27,236
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>32,496</u>
Expenditures			
Public Library			
Contractual Services			
Other Services	3,327,500	3,327,500	2,889,982
Capital Outlay	797,500	797,500	554,672
Total Expenditures	<u>4,125,000</u>	<u>4,125,000</u>	<u>3,444,654</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,090,000)	(4,090,000)	(3,412,158)
Other Financing Sources			
Transfers In	—	—	750,000
Net Change in Fund Balance	<u>(4,090,000)</u>	<u>(4,090,000)</u>	(2,662,158)
Fund Balance - Beginning			<u>5,256,161</u>
Fund Balance - Ending			<u><u>2,594,003</u></u>

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

June 30, 2023

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

June 30, 2023

	<u>Illinois Municipal Retirement</u>
ASSETS	
Cash and Investments	\$ 212,211
Receivables - Net of Allowances	
Property Taxes	99,502
Prepays	<u>—</u>
Total Assets	<u><u>311,713</u></u>
LIABILITIES	
Accounts Payable	—
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	190,084
Total Liabilities and Deferred Inflows of Resources	<u>190,084</u>
FUND BALANCES	
Nonspendable	—
Restricted	121,629
Total Fund Balances	<u>121,629</u>
Total Deferred Inflows of Resources and Fund Balances	<u><u>311,713</u></u>

Special Revenue				
Social Security	Liability Insurance	Building and Equipment Maintenance	Permanent Working Cash	Totals
228,575	2,442	165,735	169,290	778,253
156,947	—	—	—	256,449
—	10,663	—	—	10,663
385,522	13,105	165,735	169,290	1,045,365
—	—	27,498	—	27,498
300,017	—	—	—	490,101
300,017	—	27,498	—	517,599
—	10,663	—	—	10,663
85,505	2,442	138,237	169,290	517,103
85,505	13,105	138,237	169,290	527,766
385,522	13,105	165,735	169,290	1,045,365

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, 2023

	<u>Illinois Municipal Retirement</u>
Revenues	
Taxes	\$ 273,399
Interest	1,511
Total Revenues	<u>274,910</u>
Expenditures	
Public Library	<u>268,807</u>
Net Change in Fund Balances	6,103
Fund Balances - Beginning	<u>115,526</u>
Fund Balances - Ending	<u><u>121,629</u></u>

Special Revenue				
Social Security	Liability Insurance	Building and Equipment Maintenance	Permanent Working Cash	Totals
243,628	—	198,834	—	715,861
1,238	157	1,688	—	4,594
244,866	157	200,522	—	720,455
264,783	41,729	229,815	—	805,134
(19,917)	(41,572)	(29,293)	—	(84,679)
105,422	54,677	167,530	169,290	612,445
85,505	13,105	138,237	169,290	527,766

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, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 274,050	274,050	273,399
Interest	750	750	1,511
Total Revenues	<u>274,800</u>	<u>274,800</u>	<u>274,910</u>
Expenditures			
Public Library			
Personnel			
Illinois Municipal Retirement	<u>294,000</u>	<u>294,000</u>	<u>268,807</u>
Net Change in Fund Balance	<u>(19,200)</u>	<u>(19,200)</u>	6,103
Fund Balance - Beginning			<u>115,526</u>
Fund Balance - Ending			<u><u>121,629</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, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 224,209	224,209	243,628
Interest	500	500	1,238
Total Revenues	<u>224,709</u>	<u>224,709</u>	<u>244,866</u>
Expenditures			
Public Library			
Personnel			
Social Security	<u>304,500</u>	<u>304,500</u>	<u>264,783</u>
Net Change in Fund Balance	<u>(79,791)</u>	<u>(79,791)</u>	(19,917)
Fund Balance - Beginning			<u>105,422</u>
Fund Balance - Ending			<u><u>85,505</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, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Interest	\$ 100	100	157
Expenditures			
Public Library			
Contractual Services			
Liability Insurance	44,000	44,000	41,729
Net Change in Fund Balance	<u>(43,900)</u>	<u>(43,900)</u>	(41,572)
Fund Balance - Beginning			<u>54,677</u>
Fund Balance - Ending			<u><u>13,105</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, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 199,307	199,307	198,834
Interest	500	500	1,688
Total Revenues	<u>199,807</u>	<u>199,807</u>	<u>200,522</u>
Expenditures			
Public Library			
Contractual Services	310,750	310,750	229,815
Net Change in Fund Balance	<u>(110,943)</u>	<u>(110,943)</u>	(29,293)
Fund Balance - Beginning			<u>167,530</u>
Fund Balance - Ending			<u><u>138,237</u></u>

STATISTICAL SECTION (Unaudited)

This part of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Library's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Library's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Library's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Library's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Library's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Library's financial report relates to the services the Library provides and the activities it performs.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*

June 30, 2023 (Unaudited)

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Net Position by Component - Last Ten Fiscal Years
June 30, 2023 (Unaudited)**

	2014	2015	2016	2017
Governmental Activities				
Net Investment in Capital Assets	\$ 6,691,763	8,880,674	9,604,696	10,184,062
Restricted	1,660,758	1,607,441	1,615,840	1,661,248
Unrestricted	8,664,521	7,595,679	7,916,554	8,339,875
Total Governmental Activities Net Position	<u>17,017,042</u>	<u>18,083,794</u>	<u>19,137,090</u>	<u>20,185,185</u>

Data Source: Library records

*The Library converted to Accrual Basis of Accounting in FY2021

2018	2019	2020	2021*	2022	2023
11,048,052	11,506,955	11,416,711	10,634,521	9,988,684	12,707,366
1,759,971	1,016,658	861,781	584,855	3,061,917	518,762
8,879,092	9,264,068	9,250,989	6,768,752	5,226,287	4,849,199
21,687,115	21,787,681	21,529,481	17,988,128	18,276,888	18,075,327

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Changes in Net Position - Last Ten Fiscal Years
June 30, 2023 (Unaudited)**

	2014	2015	2016	2017	2018	2019	2020	2021*	2022	2023
Expenses										
Governmental Activities										
Public Library	\$ 5,904,938	5,825,625	6,001,144	6,093,234	6,055,184	6,241,344	6,253,586	5,854,347	5,977,447	6,879,202
Interest on Long-Term Debt	—	—	—	—	—	—	—	—	—	512
Total Governmental Activities Expenses	5,904,938	5,825,625	6,001,144	6,093,234	6,055,184	6,241,344	6,253,586	5,854,347	5,977,447	6,879,714
Program Revenues										
Governmental Activities										
Charges for Services										
Public Library	210,886	227,360	244,631	246,205	160,620	199,529	132,251	26,899	94,669	116,670
Operating Grants/Contributions	48,238	43,078	26,565	—	26,758	43,078	43,078	161,780	56,402	59,620
Total Governmental Activities Program Revenues	259,124	270,438	271,196	246,205	187,378	242,607	175,329	188,679	151,071	176,290
Net (Expenses) Revenues										
Governmental Activities	(5,645,814)	(5,555,187)	(5,729,948)	(5,847,029)	(5,867,806)	(5,998,737)	(6,078,257)	(5,665,668)	(5,826,376)	(6,703,424)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property Taxes	6,484,359	6,573,000	6,709,870	6,826,103	7,280,594	5,959,998	5,658,538	6,181,654	6,184,829	6,370,910
Intergovernmental	—	—	—	—	—	—	14,190	17,998	39,231	44,344
Personal Property Replacement Taxes	36,556	48,939	73,375	69,021	89,141	139,308	147,327	153,373	(108,924)	86,609
Interest Income (Loss)	6,520,915	6,621,939	6,783,245	6,895,124	7,369,735	6,099,306	5,820,055	6,353,025	6,115,136	6,501,863
Total Governmental Activities General Revenues	875,101	1,066,752	1,053,297	1,048,095	1,501,929	100,569	(258,202)	687,357	288,760	(201,561)

Data Source: Library Records

*The Library converted to Accrual Basis of Accounting in FY2021

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years*
June 30, 2023 (Unaudited)

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years*
June 30, 2023 (Unaudited)

	2014	2015	2016	2017
General Fund				
Nonspendable	\$ —	—	—	—
Restricted	—	—	—	—
Assigned	3,509,291	2,311,826	2,385,439	2,439,197
Unassigned	2,550,960	2,635,983	2,852,205	2,949,044
Total General Fund	6,060,251	4,947,809	5,237,644	5,388,241
All Other Governmental Funds				
Nonspendable	—	—	—	—
Restricted	1,660,758	1,607,441	1,615,840	1,661,248
Committed	2,604,270	2,647,870	2,678,910	2,951,634
Total All Other Governmental Funds	4,265,028	4,255,311	4,294,750	4,612,882
Total All Governmental Funds	10,325,279	9,203,120	9,532,394	10,001,123

Data Source: Library Records

* Modified Accrual Basis of Accounting

2018	2019	2020	2021	2022	2023
—	—	—	96,356	6,390	31,450
—	—	—	—	2,482,619	1,659
2,917,398	2,593,147	2,268,000	2,454,504	—	—
2,849,169	3,014,000	3,314,620	234,073	506,143	2,796,105
5,766,567	5,607,147	5,582,620	2,784,933	2,995,152	2,829,214
—	—	—	28,696	33,147	10,663
1,759,971	1,016,658	861,781	584,855	579,298	517,103
3,112,525	3,656,921	3,668,369	5,230,148	5,256,161	2,594,003
4,872,496	4,673,579	4,530,150	5,843,699	5,868,606	3,121,769
10,639,063	10,280,726	10,112,770	8,628,632	8,863,758	5,950,983

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Changes in Balances of Governmental Funds - Last Ten Fiscal Years*
June 30, 2023 (Unaudited)

	2014	2015	2016	2017
Revenues				
Taxes	\$ 6,470,980	6,558,996	6,696,977	6,811,782
Charges for Services	210,886	227,361	244,631	246,204
Intergovernmental	61,617	57,082	39,458	14,321
Interest Income (Loss)	36,556	48,939	73,375	69,021
Total Revenues	6,780,039	6,892,378	7,054,441	7,141,328
Expenditures				
Culture and Recreation	6,551,624	8,014,536	6,725,166	6,672,600
Capital Outlay	—	—	—	—
Debt Service				
Principal Retirement	—	—	—	—
Interest and Fiscal Charges	—	—	—	—
Total Expenditures	6,551,624	8,014,536	6,725,166	6,672,600
Excess (Deficiency) of Revenues Over (Under) Expenditures	228,415	(1,122,158)	329,275	468,728
Other Financing Sources (Uses)				
Debt Issuance	—	—	—	—
Transfers In	92,029	139,923	26,400	155,045
Transfers Out	(92,029)	(139,923)	(26,400)	(155,045)
	—	—	—	—
Net Change in Fund Balances	228,415	(1,122,158)	329,275	468,728
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%

Data Source: Library Records

* Modified Accrual Basis of Accounting

2018	2019	2020	2021	2022	2023
7,268,611	5,947,034	5,658,538	6,181,654	6,184,829	6,370,910
160,620	199,529	132,251	26,899	94,669	116,670
38,741	56,042	57,268	179,778	95,633	103,964
89,141	139,308	147,327	153,373	(108,924)	86,609
7,557,113	6,341,913	5,995,384	6,541,704	6,266,207	6,678,153
6,919,174	6,700,247	6,163,342	5,334,936	5,955,461	8,949,797
—	—	—	—	75,620	652,603
—	—	—	—	—	11,938
—	—	—	—	—	512
6,919,174	6,700,247	6,163,342	5,334,936	6,031,081	9,614,850
637,939	(358,334)	(167,958)	1,206,768	235,126	(2,936,697)
—	—	—	—	—	23,922
254,494	142,099	507,018	592,717	1,500,000	750,000
(254,494)	(142,099)	(507,018)	(592,717)	(1,500,000)	(750,000)
—	—	—	—	—	23,922
637,939	(358,334)	(167,958)	1,206,768	235,126	(2,912,775)
0.00%	0.00%	0.00%	0.00%	0.00%	0.21%

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
June 30, 2023 (Unaudited)**

Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property	Railroad	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2012	\$ 1,331,747,511	\$ 4,608,683	\$ 166,282,380	\$ 94,819,632	\$ 1,124,646	\$ —	\$ 1,598,582,852	0.3860
2013	1,337,002,417	4,615,417	185,665,368	98,062,482	1,316,952	—	1,626,662,636	0.4090
2014	1,404,776,118	4,090,148	184,881,677	99,196,347	1,588,214	—	1,694,532,504	0.4100
2015	1,488,241,510	4,344,358	192,805,526	103,110,087	1,754,510	—	1,790,255,991	0.3984
2016	1,543,443,535	4,386,244	206,628,357	107,818,956	1,449,169	—	1,863,726,261	0.3815
2017	1,566,572,583	4,487,330	210,958,654	112,887,143	1,525,782	—	1,896,431,492	0.3710
2018	1,602,875,429	4,461,438	217,592,035	115,741,035	1,537,629	—	1,942,207,566	0.3180
2019	1,591,221,342	3,858,529	216,016,662	115,772,876	1,519,041	—	1,928,388,450	0.3194
2020	1,600,106,663	4,143,299	212,649,663	116,418,404	1,519,041	—	1,934,837,070	0.3219
2021	1,665,497,979	4,253,109	224,816,156	120,960,671	1,393,375	—	2,016,921,290	0.3290

Data Source: Lake County Clerk PTAX-254 L05ELA

Assessed value is set by the County Assessor on an annual basis. The assessment level is then adjusted by the State with a County Multiplier based on the factor needed to bring the average prior years' level up to 33-1/3% of market value. All property is reassessed on a repeating triennial cycle.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years
June 30, 2023 (Unaudited)**

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years
June 30, 2023 (Unaudited)**

	2014	2015	2016	2017
Library Direct Rates				
General	0.3860	0.4090	0.4100	0.3984
Overlapping Rates				
Village of Lake Zurich	0.9980	1.1320	1.1430	1.1310
Village of Hawthorn Woods	0.6260	0.6500	0.6528	0.6410
Village of Kildeer	0.2820	0.2820	0.2850	0.2760
Lake County	0.6080	0.6630	0.6820	0.6630
Lake County Forest Preserve	0.2120	0.2180	0.2100	0.2080
Lake Zurich Community Unit School District #95	4.9140	5.2420	5.2910	5.1910
Kildeer Countryside Community School District #96	3.7560	3.9760	4.0400	3.8700
Stevenson High School District #125	2.7510	2.9890	3.0490	3.0040
College of Lake County #532	0.2720	0.2960	0.3060	0.2990
Ela Township (including Road & Bridge)	0.1280	0.1570	0.1560	0.1540
Lake Zurich Rural Fire Protection District	0.6540	0.6950	0.7050	0.5420
Total Overlapping Rate	15.2010	16.3000	16.5198	15.9790
Total Direct and Overlapping Rates	15.5870	16.7090	16.9298	16.3774

Data Sources: Village of Lake Zurich Annual Comprehensive Financial Report, Office of the County Clerk

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

2018	2019	2020	2021	2022	2023
0.3815	0.3710	0.3180	0.3194	0.3219	0.3290
1.0920	1.0790	1.0920	1.0110	1.0428	1.0606
0.6107	0.5959	0.5914	0.5910	0.6065	0.6104
0.2650	0.2640	0.2680	0.2852	0.2967	0.2966
0.6320	0.6220	0.6120	0.5970	0.5980	0.5977
0.1930	0.1870	0.1820	0.1800	0.1818	0.1789
5.0210	4.9600	5.0210	4.9860	5.0912	5.2063
3.6900	3.6550	3.7160	3.7660	3.9360	4.0315
2.8580	2.8620	2.8880	2.9830	2.9829	3.0923
0.2850	0.2810	0.2820	0.2820	0.2897	0.2935
0.1480	0.1450	0.1460	0.1460	0.1486	0.1490
0.6010	0.4880	0.5200	0.5429	0.5429	0.5586
15.3957	15.1389	15.3184	15.3701	15.7171	16.0754
15.7772	15.5099	15.6364	15.6895	16.0390	16.4044

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
June 30, 2023 (Unaudited)**

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Library Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Library Taxable Assessed Value
Kemper Lakes Business Center & Equity Partners	\$ 31,570,110	1	1.64%	\$ 20,533,815	1	1.23%
G&I IX Kildeer LLC (World Market, Old Navy Kildeer)	10,030,114	2	0.52%	8,335,346	2	0.50%
SLK Global Solutions America (Sierra, Express, Brunch Café Kildeer)	9,655,573	3	0.50%			
Echo Incorporated	8,163,174	4	0.42%	5,556,952	9	0.33%
Village Square Retail Center LLC (TJ Maxx, Trader Joe's, Dunkin Donuts Lake Zurich)	7,383,794	5	0.38%	6,534,620	4	0.39%
Landings Capital Partners LLC	6,860,779	6	0.36%	6,117,642	6	0.37%
Centro / IA Quentin Collection (Best Buy, Petsmart Kildeer)	5,638,371	7	0.29%	8,149,185	3	0.49%
Suso North Lake LP (Jewel on Rand Rd Lake Zurich)	5,325,539	8	0.28%	6,117,655	5	0.37%
Deerpath Court Retail Center LLC (Walmart, Goodwill Lake Zurich)	4,975,650	9	0.26%	4,335,336	10	0.26%
Deerpath Commons Retail Center LLC (Aldi, now DMV Lake Zurich)	4,791,998	10	0.25%	5,744,395	7	0.35%
Chicago Land Title & Trust (Surrey Rd Lake Zurich)				5,601,735	8	0.34%
	<u>94,395,102</u>		<u>4.90%</u>	<u>77,026,681</u>		<u>4.63%</u>

Data Source: Office of the County Clerk

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Property Tax Levies and Collections - Last Ten Tax Levy Years
June 30, 2023 (Unaudited)**

Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 6,538,204	\$ 6,521,525	99.74%	\$ —	\$ 6,521,525	99.74%
2014	6,669,398	6,631,921	99.44%	—	6,631,921	99.44%
2015	6,751,831	6,736,902	99.78%	—	6,736,902	99.78%
2016	6,829,665	6,797,667	99.53%	—	6,797,667	99.53%
2017	6,921,190	6,916,163	99.93%	—	6,916,163	99.93%
2018	6,040,002	6,031,620	99.86%	—	6,031,620	99.86%
2019	6,202,459	6,181,653	99.66%	—	6,181,653	99.66%
2020	6,208,330	6,184,829	99.62%	—	6,184,829	99.62%
2021	6,386,098	6,370,909	99.76%	—	6,370,909	99.76%
2022	6,670,120	3,489,678	52.32%	—	3,489,678	52.32%

Data Source: Office of the County Clerk

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
June 30, 2023 (Unaudited)**

Fiscal Year	Governmental Activities <u>General</u> Obligation Bonds	Percentage of Personal Income (1)	Per Capita (1)
2014	\$ 5,628,743	—%	\$ 163.33
2015	4,521,244	—%	131.20
2016	3,388,745	—%	98.33
2017	2,236,246	—%	64.89
2018	1,068,747	—%	31.01
2019	—	—%	—
2020	—	—%	—
2021	—	—%	—
2022	—	—%	—
2023	—	—%	—

Data Source: Library Records

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Note: Details regarding the Library's outstanding debt can be found in the notes to the financial statements.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Ratios of Net General Bonded Debt Outstanding - Last Ten Fiscal Years
June 30, 2023 (Unaudited)**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2014	\$ 5,628,743	\$ 4,504,100	\$ 1,124,643	0.07%	\$ 32.63
2015	4,521,244	3,337,425	1,183,819	0.07%	34.35
2016	3,388,745	2,182,700	1,206,045	0.07%	35.00
2017	2,236,246	1,045,450	1,190,796	0.07%	34.55
2018	1,068,747	—	1,068,747	0.06%	31.01
2019	—	—	—	—%	—
2020	—	—	—	—%	—
2021	—	—	—	—%	—
2022	—	—	—	—%	—
2023	—	—	—	—%	—

Data Source: Library Records

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data and personal income data.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Direct and Overlapping Governmental Activities Debt
June 30, 2023 (Unaudited)**

Governmental Unit	Gross Debt	Percentage of Debt Applicable to Library (1)	Library's Share of Debt
Direct			
Library	\$ —	100.00%	\$ —
Overlapping (1)			
Village of Hawthorn Woods	—	100.00%	—
Village of Lake Zurich	18,590,691	100.00%	18,590,691
Village of Kildeer	1,545,000	100.00%	1,545,000
Lake County, including Forest Preserve District	292,945,000	7.03%	20,594,034
Lake Zurich Community Unit School District #95	72,420,000	100.00%	72,420,000
Kildeer Countryside Community School District #96	—	100.00%	—
Stevenson High School District #125	47,840,000	52.94%	25,326,496
College of Lake County #532	84,145,000	7.38%	6,209,901
Ela Township (including Road & Bridge)	—	76.32%	—
Total Overlapping Debt	517,485,691		144,686,122
Total Direct and Overlapping Debt	517,485,691		144,686,122

Data Source: County Tax Extension Department

(1) Determined by ratio of assessed valuation of property subject to taxation in the Library to valuation of property subject to taxation in overlapping unit.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Schedule of Legal Debt Margin - Last Ten Fiscal Years

June 30, 2023 (Unaudited)

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Schedule of Legal Debt Margin - Last Ten Fiscal Years
June 30, 2023 (Unaudited)**

	2014	2015	2016	2017
Legal Debt Limit (2.875% of Assessed Valuation)	\$ 45,959,257	46,766,551	48,717,809	51,469,860
Total Net Debt Applicable to Limit	5,628,743	4,521,244	3,388,745	2,236,246
Legal Debt Margin	40,330,514	42,245,307	45,329,064	49,233,614
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	12.25%	9.67%	6.96%	4.34%

Data Source: Audited Financial Statements

(50 ILCS 405/) Local Government Debt Limitation Act provides "no township, school district or other municipal corporation having a population of less than 300,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness, in the aggregate exceeding 2.875% on the value of the taxable property therein".

2018	2019	2020	2021	2022	2023
53,582,130	54,522,405	55,838,468	55,441,168	55,626,566	57,986,487
1,068,747	—	—	—	—	—
52,513,383	54,522,405	55,838,468	55,441,168	55,626,566	57,986,487
1.99%	0.00%	0.00%	0.00%	0.00%	0.00%

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Demographic and Economic Statistics - Last Ten Fiscal Years
June 30, 2023 (Unaudited)**

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Unemployment Rate (3)
2014	34,462	\$ 1,348,429,136	\$ 39,128	6.10%
2015	34,462	1,353,357,202	39,271	5.00%
2016	34,462	1,461,085,414	42,397	4.90%
2017	34,462	1,592,213,324	46,202	4.20%
2018	34,462	1,533,076,532	44,486	4.40%
2019	34,462	1,581,633,490	45,895	3.40%
2020	34,462	1,627,399,026	47,223	12.00%
2021	34,462	1,684,468,098	48,879	5.40%
2022	36,366	1,791,498,258	49,263	4.50%
2023	36,366	1,795,680,348	49,378	4.20%

Data Source:

(1) Population from Illinois Public Library Annual Report (IPLAR)

(2) Per Capita Personal Income in Lake County IL from <https://data.census.gov/cedsci/>

(3) Unemployment rate in Lake County IL from <https://data.bls.gov/map/MapToolServlet>

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
June 30, 2023 (Unaudited)**

Employer	2023			2014		
	Employees	Rank	Percentage of Total Library Employment	Employees	Rank	Percentage of Total Library Employment
Fresenius KABI USA LLC / Fenwal Lake Zurich Community Unit School District #95	1,200	1	3.30%	350	5	1.02%
Echo Inc	700	3	1.92%	750	1	2.18%
ACCO Brands Corp / Day-Timer	700	3	1.92%			
Smalley Steel Ring Cp	540	5	1.48%	250	6	0.73%
General Binding Corp	500	6	1.37%	500	3	1.45%
Termax	400	7	1.10%	195	8	0.57%
Costco Wholesale & Costco Gas	400	7	1.10%			
Jewel-Osco	250	9	0.69%	170	9	0.49%
D&W Finepack	200	10	0.55%			
B&B Maintenance, Inc				500	3	1.45%
Food Equipment Tech, Inc				197	7	0.57%
Parkview Metal Products, Inc.				150	10	0.44%
	<u>5,606</u>		<u>15.40%</u>	<u>3,712</u>		<u>10.79%</u>

Data Source: ACFR's from Villages of Lake Zurich, Kildeer, & Hawthorn Woods, <http://www.referenceusa.com/Home/Home>

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Full-Time Equivalent (FTE) Library Employees by Function - Last Ten Years
June 30, 2023 (Unaudited)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Culture and Recreation	61	62	62	63	62	63	60	55	60	62

Data Source: Library payroll records for all compensated time, 1,950 hours per year per FTE.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
June 30, 2023 (Unaudited)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Population	34,462	34,462	34,462	34,462	34,462	34,462	34,462	36,366	36,366	36,366
CPI	1.5%	0.8%	0.7%	2.1%	2.1%	1.9%	2.3%	1.4%	7.0%	6.5%
Circulation										
Total Circulation	943,116	900,564	830,262	906,190	915,801	1,042,347	809,669	714,404	899,571	841,910
Circulation Per Capita	27.37	26.13	24.09	26.30	26.57	30.25	23.49	19.64	24.74	23.15
Cost Per Circulation	\$6.26	\$6.47	\$7.23	\$6.72	\$6.61	\$5.99	\$7.72	\$8.19	\$6.64	\$8.17
Inflation-Adjusted Cost Per Circulation	\$6.17	\$6.32	\$7.03	\$6.39	\$6.14	\$5.41	\$6.97	\$7.33	\$5.34	(\$1.30)
Library Material Holdings										
Total Material Holdings	210,821	212,618	194,719	218,612	230,084	234,405	249,367	266,887	192,687	190,130
Holdings Per Capita	6	6	6	6	7	7	7	7	5	5
Patron Visits										
Total Patron Visits	362,498	358,776	421,366	381,224	313,054	292,722	199,287	78,013	158,664	179,069
Visits Per Capita	10.52	10.41	12.23	11.06	9.08	8.49	5.78	2.15	4.36	4.92
Cost per Visit	\$16.29	\$16.24	\$14.24	\$15.98	\$19.34	\$21.32	\$31.38	\$75.04	\$37.67	\$38.42
Program Attendees										
Total Patrons	29,409	30,854	53,478	37,489	34,059	36,087	21,992	6,147	11,457	24,371
Program Attendees Per Capita	0.85	0.90	1.55	1.09	0.99	1.05	0.64	0.17	0.32	0.67
Operating Hours										
Hours Opened	3,568	3,568	3,568	3,566	3,566	3,520	2,568	2,247	3,543	3,548
Cost per Hour Open	\$1,654.97	\$1,632.74	\$1,681.93	\$1,708.70	\$1,698.03	\$1,773.11	\$2,435.20	\$2,605.41	\$1,687.11	\$1,938.90
Inflation-Adjusted Cost Per Hour Open	\$1,630.51	\$1,595.33	\$1,632.83	\$1,624.45	\$1,578.85	\$1,620.87	\$2,228.21	\$2,362.44	\$1,333.78	(\$353.33)

Data Source: Illinois Public Library Annual Report (IPLAR)

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
June 30, 2023 (Unaudited)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Library										
Number of Libraries	1	1	1	1	1	1	1	1	1	1

Data Source: Library Records