

INDIAN TRAILS PUBLIC LIBRARY DISTRICT,  
ILLINOIS

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ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
JUNE 30, 2022

# INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

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**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

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## **FINANCIAL SECTION**

This section includes:

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

## **INDEPENDENT AUDITORS' REPORT**

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



## **INDEPENDENT AUDITOR'S REPORT**

October 2, 2022

Members of the Board of Trustees  
Indian Trails Public Library District  
Wheeling, Illinois

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Indian Trails Public Library District, Illinois, as of and for the year ended June 30, 2022, 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 Indian Trails Public Library District, Illinois, as of June 30, 2022, 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 Indian Trails Public Library District, Illinois' basic financial statements. The other supplementary information and supplemental schedule are 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 and supplemental schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT**  
**MANAGEMENT DISCUSSION AND ANALYSIS**

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**GENERAL INFORMATION**

The Indian Trails Public Library was established as a Library District in 1958. The purpose of the District is to provide library services to the residents of the District. The District serves most of the Village of Wheeling, half of the Village of Buffalo Grove, one third of the City of Prospect Heights, and a small portion of the Village of Arlington Heights, as well as some unincorporated Cook County areas. This is done through the main library building at 355 Schoenbeck Road, Wheeling, Illinois and a branch location at 99 East Palatine Road, Suite A, Prospect Heights, Illinois.

The Management Discussion and Analysis is a required supplementary element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34. The purpose is to provide an overview of the financial activities of the Indian Trails Public Library District for the fiscal year ended June 30, 2022.

**FINANCIAL HIGHLIGHTS**

- The Indian Trails Public Library District's assets/deferred outflows exceed its liabilities/deferred inflows by \$22,634,815 for the fiscal year ending June 30, 2022.
- Capital Assets of \$15,593,303 include land, buildings and improvements, furniture and equipment, and library materials, net of accumulated depreciation.
- Unrestricted net position of \$7,276,972 which is available to maintain the continuing operation of the Library.
- As a result of the current year operations, there was an increase in net position of \$2,257,089. Significant items that contributed to this increase were an increase in Deferred IMRF of \$950,000 due to favorable IMRF investment returns as of December 2021 and an increase to personal property replacement taxes and capital grants.

**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.

For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Library's operations 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 are designed to provide readers with a broad overview of the District's finances, in a manner 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 inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Library is improving or deteriorating. Consideration of other non-financial factors, such as changes in the Library's property tax base, is needed to assess the overall health of the Library.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the changes 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 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 financial 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 financial 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 District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund, which is considered to be a major fund. Data from the remaining governmental funds – Building Maintenance, Audit, FICA, IMRF and Capital Projects/Special Reserve – are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules elsewhere in this report.

The District adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

### **Notes to the Financial Statements**

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

### **Other Information**

In addition to the basic financial statements and accompanying notes, the report also presents certain required supplementary information concerning the Library's IMRF employee pension obligations, other post-employment benefit obligations and budgetary comparison schedules for the General Fund.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

### **Financial Analysis of the Indian Trails Public Library District as a Whole**

The Library has \$33,685,694 total assets/deferred outflows. Of these assets/deferred outflows, \$15,593,303 (46.7%) reflects its investment in capital assets (for example, land, building, equipment and materials), net of depreciation. Of the remaining assets, \$9,697,858 are in cash and investments, \$5,147,904 are property taxes receivable, and \$188,626 are in prepaids. The remaining \$2,774,404 ties to net pension assets with IMRF. Of the current net position, \$2,540,862 is restricted for specific purposes, and \$7,276,972 is unrestricted. The District maintains the majority of its cash available in Buffalo Grove Bank and Trust, and in the Illinois Funds, which is a highly liquid investment pool managed by the Illinois Office of the Treasurer. The Library currently has one debt certificate issuance outstanding. The debt certificates were issued in 2016 with an end date 2027. Total remaining principal due as of June 30, 2022 was \$2,705,000 with total remaining interest due of \$176,649.

## Summary of Net Position

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 \$22,634,815.

	Net Position	
	2022	2021
Current and Other Assets	\$ 17,808,792	15,464,944
Capital Assets	15,593,303	16,015,994
	<u>33,402,095</u>	<u>31,480,938</u>
Deferred Outflows	283,599	334,021
Total Assets/Deferred Outflows	<u>33,685,694</u>	<u>31,814,959</u>
Long-Term Debt	2,380,263	2,955,094
Other Liabilities	880,059	872,283
	<u>3,260,322</u>	<u>3,827,377</u>
Deferred Inflows	7,790,557	7,609,856
Total Liabilities/Deferred Inflows	<u>11,050,879</u>	<u>11,437,233</u>
Net Position		
Net Investment in Capital Assets	12,816,981	12,686,510
Restricted	2,540,862	1,850,000
Unrestricted	7,276,972	5,841,216
	<u>22,634,815</u>	<u>20,377,726</u>
Total Net Position	<u>22,634,815</u>	<u>20,377,726</u>

The following table summarizes the changes in the Indian Trails Public Library District's revenues and expenses for the fiscal year ending June 30, 2022.

	Change in Net Position/Fund Balance		
	2022	% Total	2021
<b>Revenues</b>			
Property Taxes	\$ 7,733,310	91.3%	7,867,779
Personal Property Replacement Taxes	214,274	2.5%	98,303
Grants and Contributions	439,836	5.2%	347,790
Charges for Services	32,670	0.4%	12,504
Interest	16,777	0.2%	13,713
Miscellaneous	36,986	0.4%	52
<b>Total Revenues</b>	<b>8,473,853</b>	<b>100.0%</b>	<b>8,340,141</b>
<b>Expenses/Expenditures</b>			
Library Materials	742,838	10.0%	643,653
Operating	746,513	10.1%	669,149
Personnel	4,274,257	57.7%	4,002,581
Insurance	42,480	0.6%	40,256
Building and Equipment Maintenance	280,338	3.8%	263,561
IMRF	320,859	4.3%	344,565
FICA	277,619	3.7%	247,239
Audit	11,138	0.2%	10,900
Capital Outlay	98,932	1.3%	220,930
Principal	540,000	7.3%	535,000
Interest and Fiscal Charges	77,706	1.0%	93,756
<b>Total Expenses/Expenditures</b>	<b>7,412,680</b>	<b>100.0%</b>	<b>7,071,590</b>
<b>Increase (Decrease) in Fund Balances</b>	<b>1,061,173</b>		<b>1,268,551</b>
<b>Change in Capital Assets</b>	<b>(422,691)</b>		<b>(378,312)</b>
Principal	540,000		535,000
Amortization of Bond Premium	13,162		12,817
Change in Pension Related Items	1,037,882		477,960
Change in Accrued Interest Payable	1,350		1,337
Change in Compensated Absences	26,213		13,692
	<b>1,195,916</b>		<b>662,494</b>
<b>Change in Net Position</b>	<b>2,257,089</b>		<b>1,931,045</b>
<b>Net Position - Beginning</b>	<b>20,377,726</b>		<b>18,446,681</b>
<b>Net Position - Ending</b>	<b>22,634,815</b>		<b>20,377,726</b>

## **OVERVIEW OF THE STATEMENT OF ACTIVITIES**

### **Revenue**

The Library received 91.3% of its operating revenue from property taxes, 2.5% in personal property replacement tax, and 5.2% in grants and contributions Fiscal Year 2021-2022. Charges for services such as lost book fees, computer and photocopier printing; interest; and miscellaneous income made up the remaining 1.0% of the Library's total revenue.

### **Expenses**

Total expenses for the Library increased \$874,512 compared to prior year. Expenses increased in the Personnel line by \$271,676 or 6.8% due to employee pay-raises, and filling positions that had been left open during 2020-2021's Covid19 service limitations. Materials costs increased 15.4% over the prior year as supply chain issues began to relax, with books and dvds becoming more available. Operating increased 11.6% due to increased building usage as pandemic concerns receded and patrons returned to in-person services. Building and Equipment Maintenance by 6.4% due to new maintenance contracts.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The General Fund actual revenues were greater than budgeted revenues. Actual revenues for fiscal year 2021-2022 were \$7,450,707, compared to budgeted revenues of \$7,275,770. This resulted primarily from personal property replacement taxes for the year of a budget of \$75,000 and actual collections of \$214,274. Impact Fees (including TIF payments) exceeded the \$212,190 budget by \$126,146 due from \$42,906 in impact fees as well as \$83,238 greater than expected TIF payouts, both from the Village of Wheeling.

The General Fund actual expenditures were less than budgeted expenditures. Budgeted expenditures totaled \$7,319,861 while the actual expenditures totaled \$6,522,726. This was due primarily to cost savings that occurred in personnel (budgeted at \$4,558,578 with an expenditure of \$4,274,257). Due to the low unemployment rate, open positions take longer than normal to fill which is a significant factor in the overall expenditures. Materials spending was also lower than planned, with a budget of \$905,180 and an actual expenditures of \$742,838. The primary reason is because of supply chain issues, books and audio/visual materials weren't as available for purchase as they were pre-pandemic. Operating expenditures were budgeted at \$1,073,707 with actual expenditures of \$746,513. Areas of particular note were the library supplies expenditures at \$28,201 under budget and program expenditures at \$42,087 under budget due to the slower than expected return of patrons. Travel expenditures and staff education expenditures were also under budget by \$82,077 combined as training conferences continued on remote video format platforms instead of in-person conferences and seminars. Additionally, \$560,000 was transferred from the General Fund to the Special Reserve Fund for anticipated future capital needs as the building ages.

## CAPITAL ASSETS

At the end of fiscal year 2021-2022, the Indian Trails Library District had total capital assets (net of accumulated depreciation) of \$15,593,303. This includes the land and building that houses the library operations (355 Schoenbeck Road, Wheeling, Illinois), a large collection of library materials (books, dvd's, etc.), as well as computers and other electronic devices.

More detailed information about the District's capital assets is presented in Note 3 to the financial statements.

	Capital Assets - Net of Depreciation	
	2022	2021
Land	\$ 136,734	136,734
Construction in Progress	-	123,729
Buildings and Improvements	14,160,815	14,483,683
Furniture and Equipment	244,942	237,812
Library Materials	1,050,812	1,034,036
Total	15,593,303	16,015,994

## Debt Administration

At year-end, the Library had \$2,705,000 general obligation debt certificates outstanding. This was a \$540,000 decrease from prior year's balance of \$3,245,000. Additional information on the Library's long-term debt can be found in Note 3 of this report.

## Economic Conditions

The Indian Trails Public Library District operates primarily on property taxes collected by the Cook and Lake County Clerks for 88.7% of its revenue. Property tax income is subject to state statutes regarding property tax levies such as tax caps and limitations as well as Equalized and Assessed Property Values (EAV's). The Library is subject to the PTELL tax extension limitations. This limits the amount of property tax that the Library can raise to 5% or the increase in the national Consumer Price Index (CPI) for the year preceding the levy year. For the 2020 levy year, for which the Library received the taxes in 2021, the CPI was 2.3%. The PTELL Use percent for the 2021 levy year was 1.4% to be received in the 2022 tax year. The 2022 Levy Year percent has been announced at 5.0%. This will used to calculate the taxes receivable in 2023.

The District also monitors Illinois state budget negotiations and legislation regarding property tax with attention paid to any possible effects on the Library's income. Of note for the 2022-2023 fiscal year is a delay in the fall calculation and mailing of the Cook County property tax bills. While the bills are usually mailed in the August/September time-frame, current information is that the fall 2022 Cook County property tax bills will go out in December. With these limitations in mind, the District monitors spending to minimize the risk of cash shortfalls in future budget year.



Indian Trails Public Library District continues to participate in the Cooperative Computer Service (CCS) for patron and materials data. The District also shares services with other libraries through Reaching Across Illinois Library System (RAILS). RAILS makes available to member libraries a van delivery service for library materials, and several other consortium offerings. The District takes part in the Wellness Insurance Network, a consortium of libraries for employee medical insurance which is separate from RAILS.

Patrons have been returning to our facilities, with browsers in the stacks and study rooms and public areas returning to pre-pandemic use. The children's activity area reopened, with many members of our community enjoying the spaces and activities again. An adjustment to our services to promote safer spaces has been a stepped up cleaning rotation for the toys within the youth area, as well as hand sanitizer and disinfecting wipes being highly visible and available throughout the library. The increased cleaning has increased the cleaning budget slightly, but is well worth the expense.

Supply chains are also loosening, which is allowing for steadier materials purchases. This has allowed for an increase in materials purchasing, which is noticeable when comparing the expenses year to year. Some COVID-19 materials purchasing changes have been, and will be, maintained going forward. Although not as popular as during the full library facility closure of 2020-2021, database and downloadable material usage numbers continue to be higher than those of pre-pandemic times. Staff are monitoring usage, and tailoring the selections to reflect patron preferences, and will continue to do so to meet our diverse populations' interests.

Programming has also returned, although not with as many large-scale events as were held in the past. However, many of the larger events have been moved to virtual presentations, which had gained a following during the building closure. Patrons seem to enjoy having the ability to attend programs remotely, be it due to health concerns or their personal schedules. With programs returning to the property, as well making a mix of onsite and virtual programming available, program costs increased from the prior year.

COVID-19 has been a catalyst for patrons and staff to learn how to utilize library services both in physical and virtual ways. It has changed the way services are expected and delivered. Library staff are working to cater to these ever-changing expectations. Budgeting and spending will continue to be adjusted to meet these needs, on the micro –day-to-day level, as well as the overall fiscal year budgets.

## **REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the Indian Trails Public Library District's finances, comply with finance related laws and regulations, and demonstrate the library's commitment to public accountability. Questions about this report or the request for additional information should be sent to: Brian Shepard, Executive Director, Indian Trails Public Library District, 355 Schoenbeck Road, Wheeling, IL 60090.

## **BASIC FINANCIAL STATEMENTS**

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

- Government-Wide Financial Statements
- Fund Financial Statements

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

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Statement of Net Position  
June 30, 2022**

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**See Following Page**

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Statement of Net Position**

**June 30, 2022**

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<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 9,697,858
Receivables - Net of Allowances	
Property Taxes	5,147,904
Prepays	<u>188,626</u>
Total Current Assets	<u>15,034,388</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	136,734
Depreciable	22,767,655
Accumulated Depreciation	<u>(7,311,086)</u>
Total Capital Assets	15,593,303
Other Assets	
Net Pension Asset - IMRF	<u>2,774,404</u>
Total Noncurrent Assets	<u>18,367,707</u>
Total Assets	33,402,095
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	<u>283,599</u>
Total Assets and Deferred Outflows of Resources	<u>33,685,694</u>

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

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**LIABILITIES**

Current Liabilities	
Accounts Payable	\$ 164,772
Accrued Payroll	117,281
Accrued Interest Payable	5,126
Current Portion of Long-Term Debt	592,880
Total Current Liabilities	<u>880,059</u>
Noncurrent Liabilities	
Compensated Absences Payable General	157,457
Obligation Debt Certificates- Net	2,222,806
Total Noncurrent Liabilities	<u>2,380,263</u>
Total Liabilities	<u>3,260,322</u>

**DEFERRED INFLOWS OF RESOURCES**

Deferred Items - IMRF	2,642,653
Property Taxes	5,147,904
Total Deferred Inflows of Resources	<u>7,790,557</u>
Total Liabilities and Deferred Inflows of Resources	<u>11,050,879</u>

**NET POSITION**

Net Investment in Capital Assets	12,816,981
Restricted	
Liability Insurance	34,898
Unemployment Compensation	11,389
Workers' Compensation	4,656
Building Maintenance	131,261
Retirement Benefits	391,532
Employer Taxes	332,695
Audit	9,068
Special Reserve	1,625,363
Unrestricted	<u>7,276,972</u>
Total Net Position	<u><u>22,634,815</u></u>

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

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Statement of Activities  
For the Fiscal Year Ended June 30, 2022**

	Expenses	Program Revenues			Net (Expenses)/ Revenues and Changes in Net Position
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental Activities					
Library Services	\$ 6,153,570	32,670	-	439,836	(5,681,064)
Interest on Long-Term Debt	63,194	-	-	-	(63,194)
Total Governmental Activities	<u>6,216,764</u>	<u>32,670</u>	<u>-</u>	<u>439,836</u>	<u>(5,744,258)</u>
General Revenues					
Taxes					
Property Taxes					7,733,310
Intergovernmental					
Personal Property Replacement Taxes					214,274
Interest					16,777
Miscellaneous					36,986
					<u>8,001,347</u>
Change in Net Position					2,257,089
Net Position - Beginning					<u>20,377,726</u>
Net Position - Ending					<u>22,634,815</u>

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

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Balance Sheet  
June 30, 2022**

	General	Nonmajor	Totals
<b>ASSETS</b>			
Cash and Investments	\$ 7,198,608	2,499,250	9,697,858
Receivables - Net of Allowances			
Property Taxes	4,499,320	648,584	5,147,904
Prepays	187,058	1,568	188,626
Total Assets	11,884,986	3,149,402	15,034,388
<b>LIABILITIES</b>			
Accounts Payable	155,441	9,331	164,772
Accrued Payroll	117,281	-	117,281
Total Liabilities	272,722	9,331	282,053
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	4,499,320	648,584	5,147,904
Total Liabilities and Deferred Inflows of Resources	4,772,042	657,915	5,429,957
<b>FUND BALANCES</b>			
Nonspendable	187,058	1,568	188,626
Restricted	50,943	2,489,919	2,540,862
Unassigned	6,874,943	-	6,874,943
Total Fund Balances	7,112,944	2,491,487	9,604,431
Total Liabilities, Deferred Inflows of Resources and Fund Balances	11,884,986	3,149,402	15,034,388

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

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Reconciliation of Total Fund Balances to the  
Statement of Net Position**

**June 30, 2022**

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<b>Total Fund Balances</b>	\$ 9,604,431
Amounts reported in the Statement of Net Position are different because:	
Capital assets are not financial resources and therefore, are not reported in the funds.	15,593,303
Deferred Outflows of Resources related to IMRF not reported in the funds. Deferred Items - IMRF	(2,359,054)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(196,821)
Net Pension Asset - IMRF	2,774,404
General Obligation Debt Certificates - Net	(2,776,322)
Accrued Interest Payable	<u>(5,126)</u>
<b>Total Net Position</b>	<u><u>22,634,815</u></u>

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



**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended June 30, 2022**

	General	Nonmajor	Totals
<b>Revenues</b>			
Taxes	\$ 6,716,567	1,016,743	7,733,310
Intergovernmental	654,110	-	654,110
Charges for Services	32,670	-	32,670
Interest	10,374	6,403	16,777
Miscellaneous	36,986	-	36,986
<b>Total Revenues</b>	<b>7,450,707</b>	<b>1,023,146</b>	<b>8,473,853</b>
<b>Expenditures</b>			
<b>Current</b>			
Library Services	5,806,088	889,954	6,696,042
Capital Outlay	98,932	-	98,932
<b>Debt Service</b>			
Principal Retirement	540,000	-	540,000
Interest and Fiscal Charges	77,706	-	77,706
<b>Total Expenditures</b>	<b>6,522,726</b>	<b>889,954</b>	<b>7,412,680</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>927,981</b>	<b>133,192</b>	<b>1,061,173</b>
<b>Other Financing Sources (Uses)</b>			
Transfers In	-	560,000	560,000
Transfers Out	(560,000)	-	(560,000)
	(560,000)	560,000	-
<b>Net Change in Fund Balances</b>	<b>367,981</b>	<b>693,192</b>	<b>1,061,173</b>
<b>Fund Balances - Beginning</b>	<b>6,744,963</b>	<b>1,798,295</b>	<b>8,543,258</b>
<b>Fund Balances - Ending</b>	<b>7,112,944</b>	<b>2,491,487</b>	<b>9,604,431</b>

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

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

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

**For the Fiscal Year Ended June 30, 2022**

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<b>Net Change in Fund Balances</b>	\$ 1,061,173
Amounts reported in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlays	445,631
Depreciation Expense	(868,322)
Disposals - Cost	(351,678)
Disposals - Accumulated Depreciation	351,678
The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	(1,003,190)
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	26,213
Change in Net Pension Liability/(Asset) - IMRF	2,041,072
Retirement of Debt - Net	553,162
Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	1,350
<b>Changes in Net Position</b>	<b>2,257,089</b>

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

# **INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

## **Notes to the Financial Statements June 30, 2022**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Indian Trails Public Library District (the Library) is located in Wheeling, Illinois. The Library was organized to provide cultural and library services to local residents.

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

#### **REPORTING ENTITY**

The Library is governed by a publicly elected seven-member board of trustees. The board of trustees selects management staff and directs the affairs of the Library.

In determining the financial reporting entity, the Library complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Library. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

#### **BASIS OF PRESENTATION**

##### **Government-Wide 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). The Library only reports governmental activities.

In the government-wide Statement of Net Position, the governmental activities are (a) presented on a consolidated basis, 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. The functions are supported by general government revenues (property and 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.

## INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2022

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### BASIS OF PRESENTATION – Continued

##### Government-Wide Statements – Continued

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.).

The Library does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, 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.

##### 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 Library maintains one nonmajor capital projects fund.

#### 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 funds are presented using the economic resources measurement focus as defined below. In the fund financial statements, the "current financial resources" measurement focus is utilized.

# INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements June 30, 2022

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

##### Measurement Focus – Continued

The accounting objectives of the “economic resources” measurement focus are 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.

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.

##### 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.

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.

# INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements June 30, 2022

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### 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. All of the Library's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

##### Receivables

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

##### Prepays

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. Prepays are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

##### Capital Assets

Capital assets purchased or acquired with an original cost of more than \$2,500, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Library as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2022**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

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

**Capital Assets – Continued**

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

Buildings and Improvements	10 - 45 Years
Furniture and Equipment	5 - 20 Years
Library Materials	7 Years

**Deferred Outflows/Inflows of Resources**

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

**Compensated Absences**

The Library accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. All vacation pay is accrued when incurred in the government-wide 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.

**Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

# INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements June 30, 2022

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### 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, 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 legislations.

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 for funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for all the funds of the Library. The budget may be amended by the governing body, but and there were not any amendments during the year.

### 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."

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.



## INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2022

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

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

*Deposits.* At year-end, the carrying amount of the Library's deposits totaled \$5,965,263 and the bank balances totaled \$5,965,203. Additionally, at year-end, the Library has \$3,732,595 invested in the Illinois Funds.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. It is the policy of the Library to limit its exposure to interest rate risk by structuring the investment portfolio so that securities are available to meet cash requirements for ongoing operations by investing operating funds primarily in money market mutual funds or similar investment pools. The Library's investments in the Illinois Funds have an average maturity of less than one year.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Library's investment policy states the Library will limit its exposure to credit risk by primarily investing in securities guaranteed explicitly and implicitly by the United States Government and Illinois Funds. At year-end, the Library's investments in the Illinois Funds and were rated AAAM by Standard & Poor's.

*Concentration 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's investment policy does not address concentration risk. At year-end, the Library does not have any investments over 5 percent of the cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

*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 requires pledging of collateral with a fair value of 110% of all bank balances in excess of the federal depository insurance. At year-end, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Library will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Library's investment policy does not address custodial credit risk for investments. At year-end, the Library's investments in the Illinois Funds are not subject to custodial credit risk.

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2022**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**PROPERTY TAXES**

Property taxes for 2021 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 March 1 and September 1. The County collects such taxes and remits them periodically.

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 136,734	-	-	136,734
Construction in Progress	123,729	-	123,729	-
	<u>260,463</u>	<u>-</u>	<u>123,729</u>	<u>136,734</u>
<b>Depreciable Capital Assets</b>				
Buildings and Improvements	19,667,009	149,011	-	19,816,020
Furniture and Equipment	840,343	60,340	-	900,683
Library Materials	2,042,621	360,009	351,678	2,050,952
	<u>22,549,973</u>	<u>569,360</u>	<u>351,678</u>	<u>22,767,655</u>
<b>Less Accumulated Depreciation</b>				
Buildings and Improvements	5,183,326	471,879	-	5,655,205
Furniture and Equipment	602,531	53,210	-	655,741
Library Materials	1,008,585	343,233	351,678	1,000,140
	<u>6,794,442</u>	<u>868,322</u>	<u>351,678</u>	<u>7,311,086</u>
 Total Depreciable Capital Assets	 <u>15,755,531</u>	 <u>(298,962)</u>	 <u>-</u>	 <u>15,456,569</u>
 Total Capital Assets	 <u>16,015,994</u>	 <u>(298,962)</u>	 <u>123,729</u>	 <u>15,593,303</u>

Depreciation expense of \$868,322 was charged to the library services function.

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2022**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**INTERFUND TRANSFERS**

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. Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Special Reserve	General	<u>\$ 560,000</u>

**LONG-TERM DEBT**

**Debt Certificates**

The Library issues debt certificates to provide funds for the acquisition and construction of major capital facilities. Debt certificates currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$5,925,000 General Obligations Debt Certificates of 2017 - Due in annual installments of \$530,000 to \$555,000 plus interest from 2.00% to 3.00% through June 1, 2027.	<u>\$ 3,245,000</u>	-	540,000	<u>2,705,000</u>

**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 - 2020*	<u>\$ 1,724,927,684</u>
Legal Debt Limit	
2.875% of Equalized Assessed Value	49,591,671
Amount of Debt Applicable to Limit	
None Applicable	<u>-</u>
Legal Debt Margin	<u>49,591,671</u>

\*The 2021 tax levy extension is not available as of the date of this report.

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2022**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Long-Term Liability Activity**

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Compensated Absences	\$ 223,034	26,213	52,426	196,821	39,364
General Obligation Debt Certificates	3,245,000	-	540,000	2,705,000	540,000
Unamortized Bond Premium	84,484	-	13,162	71,322	13,516
	<u>3,552,518</u>	<u>26,213</u>	<u>605,588</u>	<u>2,973,143</u>	<u>592,880</u>

For the governmental activities, the compensated absences, and the general obligation debt certificates are liquidated by the General Fund.

**Debt Service Requirements to Maturity**

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	General Obligation Debt Certificates	
	Principal	Interest
2023	\$ 540,000	61,506
2024	545,000	45,306
2025	545,000	34,406
2026	545,000	23,506
2027	530,000	11,925
Totals	<u>2,705,000</u>	<u>176,649</u>

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2022**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**NET POSITION/FUND BALANCES**

**Net Position**

Net investment in capital assets was comprised of the following as of year-end:

Governmental Activities	
Investment in Capital Assets	\$ 15,593,303
Less Capital Related Debt:	
General Obligation Debt Certificates	(2,705,000)
Unamortized Bond Premium	<u>(71,322)</u>
Net Investment in Capital Assets	<u>12,816,981</u>

**Fund Balance Classifications**

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

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

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

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the 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.

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2022**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**NET POSITION/FUND BALANCES – Continued**

**Fund Balance Classifications – Continued**

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

*Minimum Fund Balance Policy.* The Library’s policy states that the General Fund should represent between six months and twelve months of operating expenditures.

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

	<u>General</u>	<u>Nonmajor</u>	<u>Totals</u>
Nonspendable			
Prepays	\$ 187,058	1,568	188,626
Restricted			
Liability Insurance	34,898	-	34,898
Unemployment Compensation	11,389	-	11,389
Workers' Compensation	4,656	-	4,656
Building Maintenance	-	131,261	131,261
Retirement Benefits	-	391,532	391,532
Employer Taxes	-	332,695	332,695
Audit	-	9,068	9,068
Special Reserve	-	1,625,363	1,625,363
	<u>50,943</u>	<u>2,489,919</u>	<u>2,540,862</u>
Unassigned	<u>6,874,943</u>	-	<u>6,874,943</u>
Total Fund Balances	<u>7,112,944</u>	<u>2,491,487</u>	<u>9,604,431</u>

**CONTINGENT LIABILITIES**

**Litigation**

The Library is not involved in any lawsuits.

# INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements June 30, 2022

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### CONTINGENT LIABILITIES – Continued

##### 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.

### 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. These risks are provided for through insurance from private insurance companies. 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 any of the past three fiscal years.

The Library also participates in a public entity risk pool (pool) for unemployment insurance coverage. The Library is responsible for quarterly payments and the pool is responsible for administering the program. If funds in the program are insufficient in the judgment of the pool, then the pool may assess the members' additional equal payments.

#### JOINTLY GOVERNED ORGANIZATIONS

The Library participates in North Suburban Digital Consortium (Consortium). This organization is owned by the participating libraries. The Consortium offers downloadable digital materials. No participant has any obligation, entitlement, or residual interest in the Consortium, and must give five notice 90 days prior to December 31 to terminate its membership. The Library paid \$15,970 to the Consortium for the year ended June 30, 2022.

The Library participates in the Cooperative Computer Services (CCS) Consortium. This organization is owned by the participating libraries. CCS offers catalog and patron systems. No participant has any obligation, entitlement, or residual interest in CCS. The Library paid \$95,066 to CCS for the year ended June 30, 2022.

## INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2022

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#### 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, 2022.

##### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

###### Illinois Municipal Retirement Fund (IMRF)

The Library contributes to one defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://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 employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

*Benefits Provided.* IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date). IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.



**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2022**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Plan Descriptions – Continued**

*Benefits Provided – Continued.* 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, 2021, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	80
Inactive Plan Members Entitled to but not yet Receiving Benefits	92
Active Plan Members	<u>86</u>
Total	<u><u>258</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, 2022, the Library’s contribution was 8.75% of covered payroll.

*Net Pension Liability.* The Library’s net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2022**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Plan Descriptions – Continued**

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2021, 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% - 13.75%
Cost of Living Adjustments	3.25%
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:

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2022**

**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	25.00%	(0.60%)
Domestic Equities	39.00%	1.90%
International Equities	15.00%	3.15%
Real Estate	10.00%	3.30%
Blended	10.00%	1.70% - 5.50%
Cash and Cash Equivalents	1.00%	(0.90%)

**Discount Rate**

The discount rate used to measure the total pension liability was 7.25%, the same in 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 IMRF’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/(asset).

**Discount Rate Sensitivity**

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ (614,645)	(2,774,404)	(4,487,361)

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2022**

**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, 2020	\$ 18,227,864	18,961,196	(733,332)
Changes for the year:			
Service Cost	313,824	-	313,824
Interest on the Total Pension Liability	1,296,974	-	1,296,974
Difference Between Expected and Actual Experience of the Total Pension Liability	153,896	-	153,896
Changes of Assumptions	-	-	-
Contributions - Employer	-	342,684	(342,684)
Contributions - Employees	-	156,557	(156,557)
Net Investment Income	-	3,230,989	(3,230,989)
Benefit Payments, Including Refunds of Employee Contributions	(990,967)	(990,967)	-
Other (Net Transfer)	-	75,536	(75,536)
Net Changes	773,727	2,814,799	(2,041,072)
Balances at December 31, 2021	19,001,591	21,775,995	(2,774,404)

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

For the year ended June 30, 2022, the Library recognized pension revenue of \$717,020. At June 30, 2022, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2022**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 141,227	(2,208)	139,019
Changes of Assumptions	-	(109,159)	(109,159)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(2,531,286)	(2,531,286)
	<u>141,227</u>	<u>(2,642,653)</u>	<u>(2,501,426)</u>
Pension Contributions Made Subsequent to the Measurement Date	<u>142,372</u>	-	<u>142,372</u>
Total Deferred Amounts Related to IMRF	<u><u>283,599</u></u>	<u><u>(2,642,653)</u></u>	<u><u>(2,359,054)</u></u>

\$142,372 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, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2023	\$ (546,242)
2024	(968,552)
2025	(612,355)
2026	(374,277)
2027	-
Thereafter	<u>-</u>
Total	<u><u>(2,501,426)</u></u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

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

Notes to the Required Supplementary Information

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

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
June 30, 2022**

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	\$ 308,215	\$ 308,215	\$ -	\$ 2,665,492	11.56%
2016	318,290	318,290	-	2,885,237	11.03%
2017	307,593	307,593	-	2,868,798	10.72%
2018	321,933	321,933	-	3,031,081	10.62%
2019	299,919	299,919	-	3,098,854	9.68%
2020	324,234	324,234	-	3,367,535	9.63%
2021	344,565	344,565	-	3,366,953	10.23%
2022	320,859	320,859	-	3,666,960	8.75%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	An IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Note:

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

# INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

## Illinois Municipal Retirement Fund

### Required Supplementary Information

#### Schedule of Changes in the Employer's Net Pension Liability/(Asset)

June 30, 2022

	<u>12/31/2014</u>
Total Pension Liability	
Service Cost	\$ 313,316
Interest	950,779
Differences Between Expected and Actual Experience	96,854
Change of Assumptions	585,688
Benefit Payments, Including Refunds of Member Contributions	<u>(620,045)</u>
Net Change in Total Pension Liability	1,326,592
Total Pension Liability - Beginning	<u>12,830,423</u>
Total Pension Liability - Ending	<u><u>14,157,015</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 309,701
Contributions - Members	124,695
Net Investment Income	767,353
Benefit Payments, Including Refunds of Member Contributions	(620,045)
Other (Net Transfer)	<u>109,343</u>
Net Change in Plan Fiduciary Net Position	691,047
Plan Net Position - Beginning	<u>12,672,384</u>
Plan Net Position - Ending	<u><u>13,363,431</u></u>
Employer's Net Pension Liability/(Asset)	<u><u>\$ 793,584</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.39%
Covered Payroll	\$ 2,685,208
Employer's Net Pension Liability as a Percentage of Covered Payroll	29.55%

Note:

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



12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
304,869	304,134	307,124	300,530	314,012	340,549	313,824
1,045,110	1,103,712	1,154,236	1,174,147	1,217,639	1,272,056	1,296,974
201,101	61,756	187,912	86,102	189,116	(4,894)	153,896
35,707	(36,961)	(541,632)	472,459	-	(241,859)	-
(749,299)	(782,124)	(817,547)	(860,171)	(940,320)	(1,026,615)	(990,967)
837,488	650,517	290,093	1,173,067	780,447	339,237	773,727
14,157,015	14,994,503	15,645,020	15,935,113	17,108,180	17,888,627	18,227,864
14,994,503	15,645,020	15,935,113	17,108,180	17,888,627	18,227,864	19,001,591
306,836	304,661	312,347	328,468	279,903	360,501	342,684
124,731	124,748	134,247	137,371	145,952	152,900	156,557
66,023	912,401	2,473,571	(893,526)	2,768,544	2,476,020	3,230,989
(749,299)	(782,124)	(817,547)	(860,171)	(940,320)	(1,026,615)	(990,967)
134,047	15,561	(244,957)	207,504	148,568	(2,580)	75,536
(117,662)	575,247	1,857,661	(1,080,354)	2,402,647	1,960,226	2,814,799
13,363,431	13,245,769	13,821,016	15,678,677	14,598,323	17,000,970	18,961,196
13,245,769	13,821,016	15,678,677	14,598,323	17,000,970	18,961,196	21,775,995
1,748,734	1,824,004	256,436	2,509,857	887,657	(733,332)	(2,774,404)
88.34%	88.34%	98.39%	85.33%	95.04%	104.02%	114.60%
2,771,773	2,772,176	2,983,255	3,052,669	3,243,359	3,397,756	3,479,023
63.09%	65.80%	8.60%	82.22%	27.37%	(21.58%)	(79.75%)

**INDIAN TRAILS 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, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 6,882,067	6,882,067	6,716,567
Intergovernmental			
Personal Property Replacement	75,000	75,000	214,274
Grants	88,763	88,763	101,500
Impact Fees	212,190	212,190	338,336
Charges for Services			
Fines, Fees and Other	11,220	11,220	32,670
Interest	6,500	6,500	10,374
Miscellaneous	30	30	36,986
Total Revenues	<u>7,275,770</u>	<u>7,275,770</u>	<u>7,450,707</u>
Expenditures			
Library Services	6,581,955	6,581,955	5,806,088
Capital Outlay	120,200	120,200	98,932
Debt Service			
Principal Payments	540,000	540,000	540,000
Interest and Fiscal Charges	77,706	77,706	77,706
Total Expenditures	<u>7,319,861</u>	<u>7,319,861</u>	<u>6,522,726</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(44,091)	(44,091)	927,981
Other Financing (Uses)			
Transfers Out	<u>(560,000)</u>	<u>(560,000)</u>	<u>(560,000)</u>
Net Change in Fund Balance	<u>(604,091)</u>	<u>(604,091)</u>	367,981
Fund Balance - Beginning			<u>6,744,963</u>
Fund Balance - Ending			<u><u>7,112,944</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 Schedule – Major Governmental Fund
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds

## **INDIVIDUAL FUND DESCRIPTIONS**

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### **GENERAL FUND**

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

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### **SPECIAL REVENUE FUNDS**

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

#### **Building Maintenance Fund**

The Building Maintenance Fund is used to account for Library building maintenance and operational related costs.

#### **IMRF Fund**

The IMRF Fund is used to account for the revenues derived from a specific annual property tax levy for the purpose and employee contributions which are fixed by law and subsequently paid to the state sponsored Illinois Municipal Retirement Fund.

#### **FICA Fund**

The FICA Fund is used to account for revenues derived from a specific annual property tax levy and employee contributions which are fixed by law and subsequently paid to the United States Treasury Social Security Fund.

#### **Audit Fund**

The Audit Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for the annual audit of the Library.

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### **CAPITAL PROJECTS FUND**

Capital Projects Funds are used to account for all resources used for the acquisition of capital facilities by a governmental unit.

#### **Special Reserve Fund**

The Special Reserve Fund is used to account for the costs of capital as the Board designates. Funding is generally from excess fund transfers from the General Fund.

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INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended June 30, 2022

	Budget		Actual
	Original	Final	
Library Services			
Library Materials			
Books	\$ 290,300	290,300	233,320
Standing Orders	22,000	22,000	12,821
Serial Publications	17,600	17,600	21,089
Audio Visual Materials	29,450	29,450	24,355
Video Tapes	77,700	77,700	60,725
Realia	22,630	22,630	18,613
Electronic Resources	388,000	388,000	336,109
Software	54,500	54,500	34,529
Launchpad Consumables	3,000	3,000	1,277
	<u>905,180</u>	<u>905,180</u>	<u>742,838</u>
Operating			
Equipment Maintenance	105,651	105,651	81,312
Library Automation Maintenance	140,854	140,854	116,807
OCLC Cataloging	31,800	31,800	20,670
Binding	400	400	-
Library Supplies	91,535	91,535	63,334
Postage	25,550	25,550	18,025
Travel	40,500	40,500	(3,307)
Staff Education	67,483	67,483	25,926
Memberships	14,753	14,753	12,218
Trustee Development	5,575	5,575	2,032
Publishing Fees	20,100	20,100	13,277
Printing	58,200	58,200	59,288
Program Expenditures	144,375	144,375	102,288
Legal	10,000	10,000	8,550
Telephone	69,080	69,080	63,611
Contractual Services	161,541	161,541	79,325
Grant Expenditures	10,460	10,460	22,087
Ground Maintenance	17,850	17,850	11,634
Janitorial Supplies	37,000	37,000	35,246
Building Repairs	1,000	1,000	892
Contingency	20,000	20,000	13,298
	<u>1,073,707</u>	<u>1,073,707</u>	<u>746,513</u>

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Library Services - Continued			
Personnel			
Salaries	\$ 3,993,166	3,993,166	3,755,098
Benefits	563,060	563,060	515,858
EAP	2,352	2,352	1,665
Flex Spending	-	-	1,636
	<u>4,558,578</u>	<u>4,558,578</u>	<u>4,274,257</u>
Insurance			
Liability	34,630	34,630	33,249
Workers' Compensation	4,860	4,860	4,549
Unemployment	5,000	5,000	4,682
	<u>44,490</u>	<u>44,490</u>	<u>42,480</u>
Total Library Services	<u>6,581,955</u>	<u>6,581,955</u>	<u>5,806,088</u>
Capital Outlay			
General Capital	40,000	40,000	29,763
Technology	80,200	80,200	68,962
Building Maintenance	-	-	207
	<u>120,200</u>	<u>120,200</u>	<u>98,932</u>
Debt Service			
Principal Payments	540,000	540,000	540,000
Interest and Fiscal Charges	77,706	77,706	77,706
	<u>617,706</u>	<u>617,706</u>	<u>617,706</u>
Total Debt Service	<u>617,706</u>	<u>617,706</u>	<u>617,706</u>
Total Expenditures	<u>7,319,861</u>	<u>7,319,861</u>	<u>6,522,726</u>

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Balance Sheet  
June 30, 2022**

	Special Revenue				Capital Projects	Totals
	Building Maintenance	IMRF	FICA	Audit	Special Reserve	
<b>ASSETS</b>						
Cash and Investments	\$ 140,592	391,532	332,695	9,068	1,625,363	2,499,250
Receivables - Net of Allowance						
Property Taxes	217,244	223,541	195,205	12,594	-	648,584
Prepays	1,568	-	-	-	-	1,568
Total Assets	<u>359,404</u>	<u>615,073</u>	<u>527,900</u>	<u>21,662</u>	<u>1,625,363</u>	<u>3,149,402</u>
<b>LIABILITIES</b>						
Accounts Payable	9,331	-	-	-	-	9,331
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property Taxes	217,244	223,541	195,205	12,594	-	648,584
Total Liabilities and Deferred Inflows of Resources	<u>226,575</u>	<u>223,541</u>	<u>195,205</u>	<u>12,594</u>	<u>-</u>	<u>657,915</u>
<b>FUND BALANCES</b>						
Nonspendable	1,568	-	-	-	-	1,568
Restricted	131,261	391,532	332,695	9,068	1,625,363	2,489,919
Total Fund Balance	<u>132,829</u>	<u>391,532</u>	<u>332,695</u>	<u>9,068</u>	<u>1,625,363</u>	<u>2,491,487</u>
Total Deferred Inflows of Resources and Fund Balances	<u>359,404</u>	<u>615,073</u>	<u>527,900</u>	<u>21,662</u>	<u>1,625,363</u>	<u>3,149,402</u>

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended June 30, 2022**

	Special Revenue				Capital Projects	Totals
	Building Maintenance	IMRF	FICA	Audit	Special Reserve	
Revenues						
Taxes						
Property	\$ 312,365	381,017	303,645	19,716	-	1,016,743
Interest	389	1,049	909	16	4,040	6,403
Total Revenues	312,754	382,066	304,554	19,732	4,040	1,023,146
Expenditures						
Library Services	280,338	320,859	277,619	11,138	-	889,954
Excess (Deficiency) of Revenues Over (Under) Expenditures	32,416	61,207	26,935	8,594	4,040	133,192
Other Financing Sources						
Transfers In	-	-	-	-	560,000	560,000
Net Change in Fund Balances	32,416	61,207	26,935	8,594	564,040	693,192
Fund Balances - Beginning	100,413	330,325	305,760	474	1,061,323	1,798,295
Fund Balances - Ending	132,829	391,532	332,695	9,068	1,625,363	2,491,487



**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Building Maintenance - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2022**

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	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 312,365	312,365	312,365
Interest	-	-	389
Total Revenues	<u>312,365</u>	<u>312,365</u>	<u>312,754</u>
Expenditures			
Library Services	<u>324,565</u>	<u>324,565</u>	<u>280,338</u>
Net Change in Fund Balance	<u>(12,200)</u>	<u>(12,200)</u>	32,416
Fund Balance - Beginning			<u>100,413</u>
Fund Balance - Ending			<u><u>132,829</u></u>

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**IMRF - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2022**

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	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 381,017	381,017	381,017
Interest	-	-	1,049
Total Revenues	<u>381,017</u>	<u>381,017</u>	<u>382,066</u>
Expenditures			
Library Services	<u>341,565</u>	<u>341,565</u>	<u>320,859</u>
Net Change in Fund Balance	<u>39,452</u>	<u>39,452</u>	61,207
Fund Balance - Beginning			<u>330,325</u>
Fund Balance - Ending			<u>391,532</u>

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**FICA - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2022**

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	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 303,645	303,645	303,645
Interest	-	-	909
Total Revenues	<u>303,645</u>	<u>303,645</u>	304,554
Expenditures			
Library Services	<u>305,477</u>	<u>305,477</u>	277,619
Net Change in Fund Balance	<u>(1,832)</u>	<u>(1,832)</u>	26,935
Fund Balance - Beginning			<u>305,760</u>
Fund Balance - Ending			<u>332,695</u>

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Audit - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2022**

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	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 19,716	19,716	19,716
Interest	-	-	16
	<u>19,716</u>	<u>19,716</u>	<u>19,732</u>
Expenditures			
Library Services	<u>11,500</u>	<u>11,500</u>	<u>11,138</u>
Net Change in Fund Balance	<u>8,216</u>	<u>8,216</u>	8,594
Fund Balance - Beginning			<u>474</u>
Fund Balance - Ending			<u>9,068</u>

**INDIAN TRAILS 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, 2022**

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	Budget		Actual
	Original	Final	
Revenues			
Interest	-	-	4,040
Expenditures			
Library Services	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	4,040
Other Financing Sources			
Transfers In	560,000	560,000	560,000
Net Change in Fund Balance	<u>560,000</u>	<u>560,000</u>	564,040
Fund Balance - Beginning			<u>1,061,323</u>
Fund Balance - Ending			<u><u>1,625,363</u></u>

## **SUPPLEMENTAL SCHEDULE**

**INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Debt Certificates of 2017  
June 30, 2022**

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Date of Issue	August 10, 2016
Date of Maturity	June 1, 2027
Authorized Issue	\$5,925,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 3.00%
Interest Dates	December 1 and June 1
Principal Maturity Date	June 1
Payable at	Ehlers Bond Trust Services

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2023	\$ 540,000	61,506	601,506
2024	545,000	45,306	590,306
2025	545,000	34,406	579,406
2026	545,000	23,506	568,506
2027	530,000	11,925	541,925
	<u>2,705,000</u>	<u>176,649</u>	<u>2,881,649</u>