

INDIAN TRAILS PUBLIC LIBRARY DISTRICT,
ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
JUNE 30, 2020

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 AUDITORS' REPORT

September 29, 2020

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

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, 2020, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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.

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

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

INDIAN TRAILS PUBLIC LIBRARY DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS

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, 2020. Please read it in conjunction with the Library's financial statements, which begin on page 11.

FINANCIAL HIGHLIGHTS

- The Indian Trails Public Library District's assets/deferred outflows exceed its liabilities/deferred inflows by \$18,446,681 for the fiscal year ending June 30, 2020.
- Capital Assets of \$16,394,306 include land, buildings and improvements, furniture and equipment, and library materials, net of accumulated depreciation.
- Unrestricted net position of \$4,217,756 which is available to maintain the continuing operation of the Library.
- As a result of the current year operations, there was a positive change in net position of \$714,334. The most significant that contributed to this change included an increase in miscellaneous revenue of \$100,186 due to an IMET loss repayment and approximately \$715,690 underspent from the General Fund compared to budget primarily due to COVID-19 related scaling back of services.

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 (on pages 11-13) provide information about the activities of the Library as a whole and present a longer-term view of the Library's finances.

Fund financial statements begin on page 14. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Library's 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 government-wide financial statements can be found on pages 11-13 of this report.

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

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the 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. Please note that in prior years, The Capital Projects/Special Reserve Fund had been reported as part of the General fund. The Special Reserve fund originated through Ordinance 63 on July 30, 1980 to save toward future capital improvement needs, but is not directly levied for, and therefore was not reported separately before. Due to the ordinance’s requirement for spending to be related to capital items, it was now felt that separating the funds would be appropriate.

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. The basic governmental fund financial statements can be found on pages 14-17 of this report.

Notes to the Financial Statements

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

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. Required supplementary information can be found on pages 39-42 of this report. Combining and individual fund statements and schedules can be found on pages 43-50 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

The Library has \$30,677,953 total assets/deferred outflows. Of these assets/deferred outflows, \$16,394,306 (53.4%) reflects its investment in capital assets (for example, land, building, equipment and materials), net of depreciation. Of the remaining assets, \$7,449,181 are in Cash and Investments, \$6,180,704 are Property Taxes Receivable, and \$61,523 are in prepaids. The remaining \$592,239 ties to Deferred Items for IMRF. Of the current net position, \$1,711,920 is restricted for specific purposes, and \$4,217,756 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, 2020 was \$3,780,000 with total remaining interest due of \$348,111.

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 \$18,446,681.

	Net Position	
	2020	2019
Current and Other Assets	\$ 13,691,408	12,483,877
Capital Assets	16,394,306	16,823,993
	<u>30,085,714</u>	<u>29,307,870</u>
Deferred Outflows	592,239	1,619,712
Total Assets/Deferred Outflows	<u>30,677,953</u>	<u>30,927,582</u>
Long-Term Debt	4,406,522	6,523,926
Other Liabilities	838,972	766,766
	<u>5,245,494</u>	<u>7,290,692</u>
Deferred Inflows	6,985,778	5,904,543
Total Liabilities/Deferred Inflows	<u>12,231,272</u>	<u>13,195,235</u>
Net Postion		
Net Investment in Capital Assets	12,517,005	12,404,210
Restricted	1,711,920	1,652,901
Unrestricted	4,217,756	3,675,236
	<u>18,446,681</u>	<u>17,732,347</u>
Total Net Position	<u>18,446,681</u>	<u>17,732,347</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, 2020.

	Change in Net Position/Fund Balance		
	2020	% Total	2019
Revenues			
Property Taxes	\$ 7,256,796	93.9%	6,865,255
Personal Property Replacement Taxes	77,502	1.0%	70,804
Grants and Contributions	150,817	2.0%	226,468
Charges for Services	33,083	0.4%	85,472
Interest	103,082	1.3%	142,905
Miscellaneous	103,798	1.3%	1,938
Total Revenues	7,725,078	100.0%	7,392,842
Expenses/Expenditures			
Library Materials	715,369	10.1%	816,936
Operating	821,493	11.6%	797,291
Personnel	3,934,440	55.4%	3,591,916
Insurance	39,834	0.6%	48,815
Building and Equipment Maintenance	243,965	3.4%	374,782
IMRF	324,234	4.6%	299,919
FICA	254,678	3.6%	240,370
Audit	10,813	0.2%	11,100
Capital Outlay	114,344	1.6%	146,673
Principal	530,000	7.5%	530,000
Interest and Fiscal Charges	109,656	1.5%	125,556
Total Expenses/Expenditures	7,098,826	100.0%	6,983,358
Increase (Decrease) in Fund Balances	626,252		409,484
Change in Capital Assets	(429,687)		(456,219)
Principal	530,000		530,000
Amortization of Bond Premium	12,482		12,155
Change in Pension Related Items	39,728		(129,920)
Change in Accrued Interest Payable	1,325		1,325
Change in Compensated Absences	(65,766)		37,581
	88,082		(5,078)
Change in Net Position	714,334		404,406
Net Position - Beginning	17,732,347		17,327,941
Net Position - Ending	18,446,681		17,732,347

OVERVIEW OF THE STATEMENT OF ACTIVITIES

Revenue

The Library received 93.9% of its operating revenue from property taxes 1.0% in Personal Property Replacement Tax, and 2.0% in Grants and Contributions Fiscal Year 2019-2020. Charges for services such as lost book fees, computer and photocopier printing; interest; and miscellaneous income made up the remaining 3.1% of the Library's total revenue.

Expenses

Total expenses for the Library increased \$22,308 compared to prior year. This increase was due to an increase of \$65,766 related to compensated absences and was offset by IMRF net pension liability and deferred items decreasing \$39,728. Overall expenses from the fund level increased by \$115,468 due mainly to increases on the personnel services.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, there was one supplemental amendment made to the budget for the General fund. This adjustment adjusted 2 areas. The first adjustment was an increase of \$100,000 to the Miscellaneous revenue line to account for a \$100,186 repayment of funds from a fraud case involving an investment made with IMET. The original loss was written off of the District's financial reports in 2015. The original investment was for \$240,026. The write off amount in 2015 was \$228,084. After having received \$133,540 since the time of the original loss, the current outstanding loss is \$106,485. The case is still open in the courts, but it is unknown if/when the District would have more of the loss returned. The second adjustment was to the capital line, increasing it from \$74,500 to \$139,500. This increase was to account for the expenditures for an antenna to be added to the District's main building to enhance emergency service radio signals within the building.

The General Fund actual revenues were less than budgeted revenues. Actual revenues for fiscal year 2019-2020 were \$6,807,666, compared to budgeted revenues of \$7,064,150. This resulted primarily from property taxes budgeted at \$6,495,054 for the year with an actual collection of \$6,366,381. Intergovernmental was below the \$229,532 budget by \$78,715 and Interest fell short of the budgeted \$138,000 by \$61,915.

The General Fund actual expenditures were less than budgeted expenditures. Actual expenditures totaled \$6,265,136 while the budgeted expenditures totaled \$6,980,829. This was due primarily to cost savings that occurred in Personnel (budgeted at \$4,206,637 with an expenditure of \$3,934,440). Other areas of lower than expected spending include Materials at \$177,697 below budget due in to delayed ordering in the last 4 months of the fiscal year due to the pandemic; \$223,927 in Operating with savings of \$41,515 in supplies, \$74,054 in employee training & travel, and \$51,890 in programming expenditures; and \$15,116 in Capital due to the delaying of replacement furniture purchases.

CAPITAL ASSETS

At the end of fiscal year 2019-2020, the Indian Trails Library District had total capital assets (net of accumulated depreciation) of \$16,394,306. 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	
	2020	2019
Land	\$ 136,734	136,734
Buildings and Improvements	14,946,476	15,389,016
Furniture and Equipment	239,176	193,692
Library Materials	1,071,920	1,104,551
Total	16,394,306	16,823,993

Economic Conditions

The Indian Trails Public Library District operates primarily on property taxes collected by the Cook and Lake County Clerks for 93.9% 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 2018 levy year, for which the Library received the taxes in 2019, the CPI was 2.1%. The PTELL Use percent for the 2019 levy year was 1.9% to be received in the 2020 tax year. The 2020 Levy Year percent has been announced at 2.3%. This will be used to calculate the taxes receivable in 2021.

The Library also monitors Illinois state budget negotiations and legislation regarding property tax with attention paid to any possible effects on the Library's income. With these limitations in mind, the Library monitors spending to minimize the risk of cash shortfalls in future budget year.

In the 2018-2019 fiscal year, the Indian Trails Public Library District Board of Trustees voted to join Cooperative Computer Service (CCS) for patron and materials data services. This cooperative allows patrons easier access other member libraries' materials, as well as allow for shared administrative duties between libraries. The conversion was completed in October of 2019. The Board of Trustees voted to move the library to "fine free" which means that the library will no longer be charging late fees for materials checked out from Indian Trails. The only future fees for materials will be for those lost or damaged, or late fees if an item is checked out from a consortium library that does charge fee. Indian Trails Public Library District continues to participate in the 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 Library also

takes part in the Wellness Insurance Network, a consortium of libraries for employee medical insurance, which is separate from RAILS.

Like the rest of the country, and the world, the District was affected by the COVID-19 pandemic. Per orders from the State of Illinois, the Library District closed its doors to the public on March 17, 2020, while maintaining virtual services such as accessible databases, downloadable materials, and virtual programming. In June, the Library was able to restart part of its operations utilizing its drive-through window to allow for check out of physical materials. Services that encourage social gathering such as in-person programming, study room use, and maker space services have not resumed at the time of this writing. The pandemic also effected spending: materials ordering was put on hold through the spring of 2020, as the closure of the building inhibited delivery of orders; programming was moved to virtual which limited the supplies that needed to be purchased; and staff education and travel budgets went unspent as training classes and conferences were cancelled. Staff software spending increased as multiple licenses for “Zoom” were purchased, as did Janitorial Supplies, Contingency, and Building Maintenance lines as cleaning supplies, supplies to adjust areas for safer service points (ie: Plexiglas desk shields) and PPE (personal protection equipment) such as disposable gloves and masks were purchased. Similar limits to service, resulting in similar revenue and expense experiences are anticipated for the 2020-2021 budget, and beyond, until a vaccine and/or treatments for the COVID-19 virus are widely available.

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, 2020

See Following Page

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

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

ASSETS	
Current Assets	
Cash and Investments	\$ 7,449,181
Receivables - Net of Allowances	
Property Taxes	6,180,704
Prepays	<u>61,523</u>
Total Current Assets	<u>13,691,408</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	136,734
Depreciable	22,508,613
Accumulated Depreciation	<u>(6,251,041)</u>
Total Noncurrent Assets	<u>16,394,306</u>
Total Assets	30,085,714
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>592,239</u>
Total Assets and Deferred Outflows of Resources	<u>30,677,953</u>

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

LIABILITIES

Current Liabilities	
Accounts Payable	\$ 149,098
Accrued Payroll	86,899
Accrued Interest Payable	7,813
Current Portion of Long-Term Debt	595,162
Total Current Liabilities	<u>838,972</u>
Noncurrent Liabilities	
Compensated Absences Payable	189,381
Net Pension Liability - IMRF	887,657
General Obligation Debt Corticates - Net	3,329,484
Total Noncurrent Liabilities	<u>4,406,522</u>
Total Liabilities	<u>5,245,494</u>

DEFERRED INFLOWS OF RESOURCES

Deferred Items - IMRF	805,074
Property Taxes	6,180,704
Total Deferred Inflows of Resources	<u>6,985,778</u>
Total Liabilities and Deferred Inflows of Resources	<u>12,231,272</u>

NET POSITION

Net Investment in Capital Assets	12,517,005
Restricted	
Liability Insurance	46,994
Unemployment Compensation	14,933
Workers' Compensation	1,951
Building Maintenance	64,274
Retirement Benefits	279,209
Employer Taxes	242,923
Audit	1,326
Special Reserve	1,060,310
Unrestricted	<u>4,217,756</u>
Total Net Position	<u>18,446,681</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, 2020**

	Expenses	Program Revenues			Net (Expenses)/ Revenues and Changes in Net Position
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental Activities					
Library Services	\$ 6,914,895	33,083	-	150,817	(6,730,995)
Interest on Long-Term Debt	95,849	-	-	-	(95,849)
Total Governmental Activities	<u>7,010,744</u>	<u>33,083</u>	<u>-</u>	<u>150,817</u>	<u>(6,826,844)</u>
General Revenues					
Taxes					
Property Taxes					7,256,796
Personal Property Replacement Taxes					77,502
Interest					103,082
Miscellaneous					103,798
					<u>7,541,178</u>
Change in Net Position					714,334
Net Position - Beginning					<u>17,732,347</u>
Net Position - Ending					<u>18,446,681</u>

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

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

**Balance Sheet
June 30, 2020**

	General	Nonmajor	Totals
ASSETS			
Cash and Investments	\$ 5,778,015	1,671,166	7,449,181
Receivables - Net of Allowances			
Property Taxes	5,406,794	773,910	6,180,704
Prepays	61,523	-	61,523
Total Assets	11,246,332	2,445,076	13,691,408
LIABILITIES			
Accounts Payable	125,974	23,124	149,098
Accrued Payroll	86,899	-	86,899
Total Liabilities	212,873	23,124	235,997
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	5,406,794	773,910	6,180,704
Total Liabilities and Deferred Inflows of Resources	5,619,667	797,034	6,416,701
FUND BALANCES			
Nonspendable	61,523	-	61,523
Restricted	63,878	1,648,042	1,711,920
Unassigned	5,501,264	-	5,501,264
Total Fund Balances	5,626,665	1,648,042	7,274,707
Total Liabilities, Deferred Inflows of Resources and Fund Balances	11,246,332	2,445,076	13,691,408

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, 2020

Total Fund Balances	\$ 7,274,707
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.	16,394,306
Deferred Outflows of Resources related to IMRF not reported in the funds. Deferred Items - IMRF	(212,835)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(236,726)
Net Pension Liability - IMRF	(887,657)
General Obligation Debt Certificates - Net	(3,877,301)
Accrued Interest Payable	<u>(7,813)</u>
Total Net Position	<u><u>18,446,681</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, 2020**

	<u>General</u>	<u>Nonmajor</u>	<u>Totals</u>
Revenues			
Taxes	\$ 6,443,883	890,415	7,334,298
Intergovernmental	150,817	-	150,817
Charges for Services	33,083	-	33,083
Interest	76,085	26,997	103,082
Miscellaneous	103,798	-	103,798
Total Revenues	<u>6,807,666</u>	<u>917,412</u>	<u>7,725,078</u>
Expenditures			
Current			
Library Services	5,511,136	833,690	6,344,826
Capital Outlay	114,344	-	114,344
Debt Service			
Principal Retirement	530,000	-	530,000
Interest and Fiscal Charges	109,656	-	109,656
Total Expenditures	<u>6,265,136</u>	<u>833,690</u>	<u>7,098,826</u>
Net Change in Fund Balances	542,530	83,722	626,252
Fund Balances - Beginning	<u>5,084,135</u>	<u>1,564,320</u>	<u>6,648,455</u>
Fund Balances - Ending	<u><u>5,626,665</u></u>	<u><u>1,648,042</u></u>	<u><u>7,274,707</u></u>

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, 2020

Net Change in Fund Balances \$ 626,252

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	398,243
Depreciation Expense	(827,930)
Disposals - Cost	(306,770)
Disposals - Accumulated Depreciation	306,770

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

Change in Deferred Items - IMRF	(1,582,472)
---------------------------------	-------------

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	(65,766)
Change in Net Pension Liability - IMRF	1,622,200
Retirement of Debt - Net	542,482

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.

<u>1,325</u>

Changes in Net Position

<u><u>714,334</u></u>

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2020

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, 2020

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.

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus

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.

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, 2020

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.

Interfund Receivables, Payables and Activity

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

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. Prepaids 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.

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Capital Assets

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.

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.

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

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.

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 the General and Special Revenue Funds. The budget may be amended by the governing body and there was one amendment during the year.

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Library maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the 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 and the Illinois Metropolitan Investment Fund.

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.

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

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

Deposits. At year-end, the carrying amount of the Library's deposits totaled \$4,041,563 and the bank balances totaled \$4,098,020. Additionally, at year-end, the Library has \$3,407,433 invested in the Illinois Funds and \$185 invested in IMET.

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 and IMET have an average maturity of less than one year.

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

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. The investment in the IMET Convenience Fund is not rated.

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 and in the IMET are not subject to custodial credit risk.

PROPERTY TAXES

Property taxes for 2019 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by 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.

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 136,734	-	-	136,734
Depreciable Capital Assets				
Buildings and Improvements	19,646,756	20,253	-	19,667,009
Furniture and Equipment	712,664	73,106	-	785,770
Library Materials	2,057,720	304,884	306,770	2,055,834
	<u>22,417,140</u>	<u>398,243</u>	<u>306,770</u>	<u>22,508,613</u>
Less Accumulated Depreciation				
Buildings and Improvements	4,257,740	462,793	-	4,720,533
Furniture and Equipment	518,972	27,622	-	546,594
Library Materials	953,169	337,515	306,770	983,914
	<u>5,729,881</u>	<u>827,930</u>	<u>306,770</u>	<u>6,251,041</u>
Total Depreciable Capital Assets	<u>16,687,259</u>	<u>(429,687)</u>	<u>-</u>	<u>16,257,572</u>
Total Capital Assets	<u>16,823,993</u>	<u>(429,687)</u>	<u>-</u>	<u>16,394,306</u>

Depreciation expense of \$827,930 was charged to the library services function.

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

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.	\$ 4,310,000	-	530,000	3,780,000

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 - 2019	1,701,761,508
Legal Debt Limit	
2.875% of Equalized Assessed Value	48,925,643
Amount of Debt Applicable to Limit	
General Obligation Debt Certificates	-
Legal Debt Margin	48,925,643

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

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

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	\$ 170,960	131,532	65,766	236,726	47,345
Net Pension Liability - IMRF	2,509,857	-	1,622,200	887,657	-
General Obligation Debt Certificates	4,310,000	-	530,000	3,780,000	535,000
Unamortized Bond Premium	109,783	-	12,482	97,301	12,817
	<u>7,100,600</u>	<u>131,532</u>	<u>2,230,448</u>	<u>5,001,684</u>	<u>595,162</u>

For the governmental activities, the compensated absences, the net pension liability, 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
2021	\$ 535,000	93,756
2022	540,000	77,706
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>3,780,000</u>	<u>348,111</u>

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

OPERATING LEASES

The District is committed under various leases for property and equipment. The leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended June 30, 2020, amounted to \$41,929. Future minimum lease payments for these leases are as follows:

Fiscal Year June 30	Amount
2021	\$ 50,023
2022	48,975
2023	19,959
2024	<u>13,280</u>
	<u><u>132,237</u></u>

NET POSITION/FUND BALANCES

Net Position

Net investment in capital assets was comprised of the following as of June 30, 2020:

Governmental Activities	
Investment in Capital Assets	\$ 16,394,306
Less Capital Related Debt:	
General Obligation Debt Certificates	(3,780,000)
Unamortized Bond Premium	<u>(97,301)</u>
Net Investment in Capital Assets	<u><u>12,517,005</u></u>

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCES – Continued

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.

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.

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCES – Continued

Fund Balance Classifications – Continued

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	\$ 61,523	-	61,523
Restricted			
Liability Insurance	46,994	-	46,994
Unemployment Compensation	14,933	-	14,933
Workers' Compensation	1,951	-	1,951
Building Maintenance	-	64,274	64,274
Retirement Benefits	-	279,209	279,209
Employer Taxes	-	242,923	242,923
Audit	-	1,326	1,326
Special Reserve	-	1,060,310	1,060,310
	<u>63,878</u>	<u>1,648,042</u>	<u>1,711,920</u>
Unassigned	<u>5,501,264</u>	-	<u>5,501,264</u>
Total Fund Balances	<u><u>5,626,665</u></u>	<u><u>1,648,042</u></u>	<u><u>7,274,707</u></u>

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CONTINGENT LIABILITIES

Litigation

The Library is not involved in any lawsuits.

Grants

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

Financial Impact from COVID-19

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

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 ORGANIZATION

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 notice 90 days prior to December 31 to terminate its membership. The Library paid \$15,281 to the Consortium for the year ended June 30, 2020.

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

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

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. 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, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – 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, 2019, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	79
Inactive Plan Members Entitled to but not yet Receiving Benefits	79
Active Plan Members	<u>80</u>
Total	<u><u>238</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, 2020, the Library's contribution was 9.63% of covered payroll.

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

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

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

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

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

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

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions – Continued

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

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)	\$ 3,089,385	887,657	(923,947)

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2018	\$ 17,108,180	14,598,323	2,509,857
Changes for the year:			
Service Cost	314,012	-	314,012
Interest on the Total Pension Liability	1,217,639	-	1,217,639
Difference Between Expected and Actual Experience of the Total Pension Liability	189,116	-	189,116
Changes of Assumptions	-	-	-
Contributions - Employer	-	279,903	(279,903)
Contributions - Employees	-	145,952	(145,952)
Net Investment Income	-	2,768,544	(2,768,544)
Benefit Payments, Including Refunds of Employee Contributions	(940,320)	(940,320)	-
Other (Net Transfer)	-	148,568	(148,568)
Net Changes	780,447	2,402,647	(1,622,200)
Balances at December 31, 2019	17,888,627	17,000,970	887,657

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

For the year ended June 30, 2020, the Library recognized pension expense of \$284,506. At June 30, 2020, 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, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 207,125	-	207,125
Changes of Assumptions	204,981	(93,423)	111,558
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(711,651)	(711,651)
	<u>412,106</u>	<u>(805,074)</u>	<u>(392,968)</u>
Pension Contributions Made Subsequent to the Measurement Date	180,133	-	180,133
	<u>592,239</u>	<u>(805,074)</u>	<u>(212,835)</u>
Total Deferred Amounts Related to IMRF			

\$180,133 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2021	\$ (61,688)
2022	(88,239)
2023	101,644
2024	(344,685)
2025	-
Thereafter	<u>-</u>
Total	<u><u>(392,968)</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, 2020**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 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%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	24 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	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
June 30, 2020**

	<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	<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
304,869	304,134	307,124	300,530	314,012
1,045,110	1,103,712	1,154,236	1,174,147	1,217,639
201,101	61,756	187,912	86,102	189,116
35,707	(36,961)	(541,632)	472,459	-
(749,299)	(782,124)	(817,547)	(860,171)	(940,320)
837,488	650,517	290,093	1,173,067	780,447
14,157,015	14,994,503	15,645,020	15,935,113	17,108,180
14,994,503	15,645,020	15,935,113	17,108,180	17,888,627
306,836	304,661	312,347	328,468	279,903
124,731	124,748	134,247	137,371	145,952
66,023	912,401	2,473,571	(893,526)	2,768,544
(749,299)	(782,124)	(817,547)	(860,171)	(940,320)
134,047	15,561	(244,957)	207,504	148,568
(117,662)	575,247	1,857,661	(1,080,354)	2,402,647
13,363,431	13,245,769	13,821,016	15,678,677	14,598,323
13,245,769	13,821,016	15,678,677	14,598,323	17,000,970
1,748,734	1,824,004	256,436	2,509,857	887,657
88.34%	88.34%	98.39%	85.33%	95.04%
2,771,773	2,772,176	2,983,255	3,052,669	3,243,359
63.09%	65.80%	8.60%	82.22%	27.37%

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, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 6,495,054	6,495,054	6,366,381
Personal Property Replacement	62,176	62,176	77,502
Intergovernmental	229,532	229,532	150,817
Charges for Services			
Fines, Fees and Other	38,408	38,408	33,083
Interest	138,000	138,000	76,085
Miscellaneous	980	100,980	103,798
Total Revenues	<u>6,964,150</u>	<u>7,064,150</u>	<u>6,807,666</u>
Expenditures			
Library Services	6,201,673	6,201,673	5,511,136
Capital Outlay	74,500	139,500	114,344
Debt Service			
Principal Payments	530,000	530,000	530,000
Interest and Fiscal Charges	109,656	109,656	109,656
Total Expenditures	<u>6,915,829</u>	<u>6,980,829</u>	<u>6,265,136</u>
Net Change in Fund Balance	<u>48,321</u>	<u>83,321</u>	542,530
Fund Balance - Beginning			<u>5,084,135</u>
Fund Balance - Ending			<u>5,626,665</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

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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.

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.

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	Budget		Actual
	Original	Final	
Library Services			
Library Materials			
Books	\$ 283,850	283,850	228,823
Standing Orders	24,800	24,800	20,057
Serial Publications	18,500	18,500	16,997
Audio Visual Materials	34,200	34,200	14,909
Video Tapes	107,400	107,400	56,004
Realia	22,030	22,030	17,897
Electronic Resources	349,700	349,700	327,705
Software	49,586	49,586	31,639
Launchpad Consumables	3,000	3,000	1,338
	<u>893,066</u>	<u>893,066</u>	<u>715,369</u>
Operating			
Equipment Maintenance	121,105	121,105	109,491
Library Automation Maintenance	120,026	120,026	130,024
OCLC Cataloging	39,000	39,000	30,015
Binding	500	500	82
Library Supplies	105,875	105,875	64,360
Postage	24,950	24,950	22,389
Travel	52,859	52,859	26,490
Staff Education	74,431	74,431	26,746
Memberships	13,313	13,313	9,664
Trustee Development	5,890	5,890	5,050
Publishing Fees	23,000	23,000	7,599
Printing	57,700	57,700	46,045
Program Expenditures	138,584	138,584	86,694
Legal	10,000	10,000	4,125
Telephone	66,052	66,052	67,458
Contractual Services	118,885	118,885	77,947
Ground Maintenance	17,850	17,850	11,269
Janitorial Supplies	29,500	29,500	28,677
Grants	14,900	14,900	61,975
Building Repairs	1,000	1,000	2,346
Contingency	20,000	20,000	3,047
	<u>1,055,420</u>	<u>1,055,420</u>	<u>821,493</u>

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2020**

	Budget		Actual
	Original	Final	
Library Services - Continued			
Personnel			
Salaries	\$ 3,791,130	3,791,130	3,549,510
Benefits	413,157	413,157	383,873
EAP	2,350	2,350	2,115
Flex Spending	-	-	(1,058)
	<u>4,206,637</u>	<u>4,206,637</u>	<u>3,934,440</u>
Insurance			
Liability	36,700	36,700	28,600
Workers' Compensation	5,350	5,350	8,644
Unemployment	4,500	4,500	2,590
	<u>46,550</u>	<u>46,550</u>	<u>39,834</u>
Total Library Services	<u>6,201,673</u>	<u>6,201,673</u>	<u>5,511,136</u>
Capital Outlay			
Furniture	30,000	95,000	79,884
Technology	44,500	44,500	34,460
	<u>74,500</u>	<u>139,500</u>	<u>114,344</u>
Debt Service			
Principal Payments	530,000	530,000	530,000
Interest and Fiscal Charges	109,656	109,656	109,656
	<u>639,656</u>	<u>639,656</u>	<u>639,656</u>
Total Debt Service	<u>639,656</u>	<u>639,656</u>	<u>639,656</u>
Total Expenditures	<u><u>6,915,829</u></u>	<u><u>6,980,829</u></u>	<u><u>6,265,136</u></u>

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

Nonmajor Governmental Funds

**Combining Balance Sheet
June 30, 2020**

	Special Revenue				Capital Projects	Totals
	Building Maintenance	IMRF	FICA	Audit	Special Reserve	
ASSETS						
Cash and Investments	\$ 87,398	279,209	242,923	1,326	1,060,310	1,671,166
Receivables - Net of Allowance						
Property Taxes	238,746	291,906	243,258	-	-	773,910
Total Assets	326,144	571,115	486,181	1,326	1,060,310	2,445,076
LIABILITIES						
Accounts Payable	23,124	-	-	-	-	23,124
DEFERRED INFLOWS OF RESOURCES						
Property Taxes	238,746	291,906	243,258	-	-	773,910
Total Liabilities and Deferred Inflows of Resources	261,870	291,906	243,258	-	-	797,034
FUND BALANCES						
Restricted	64,274	279,209	242,923	1,326	1,060,310	1,648,042
Total Deferred Inflows of Resources and Fund Balances	326,144	571,115	486,181	1,326	1,060,310	2,445,076

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, 2020**

	Special Revenue				Capital Projects	Totals
	Building Maintenance	IMRF	FICA	Audit	Special Reserve	
Revenues						
Taxes						
Property	\$ 273,342	336,372	280,701	-	-	890,415
Interest	1,194	4,998	4,044	101	16,660	26,997
Total Revenues	274,536	341,370	284,745	101	16,660	917,412
Expenditures						
Library Services	243,965	324,234	254,678	10,813	-	833,690
Net Change in Fund Balances	30,571	17,136	30,067	(10,712)	16,660	83,722
Fund Balances - Beginning	33,703	262,073	212,856	12,038	1,043,650	1,564,320
Fund Balances - Ending	64,274	279,209	242,923	1,326	1,060,310	1,648,042

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, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 273,342	273,342	273,342
Interest	-	-	1,194
Total Revenues	<u>273,342</u>	<u>273,342</u>	<u>274,536</u>
Expenditures			
Library Services	<u>311,973</u>	<u>311,973</u>	<u>243,965</u>
Net Change in Fund Balance	<u>(38,631)</u>	<u>(38,631)</u>	30,571
Fund Balance - Beginning			<u>33,703</u>
Fund Balance - Ending			<u><u>64,274</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, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 336,372	336,372	336,372
Interest	-	-	4,998
Total Revenues	<u>336,372</u>	<u>336,372</u>	<u>341,370</u>
Expenditures			
Library Services	<u>340,091</u>	<u>340,091</u>	<u>324,234</u>
Net Change in Fund Balance	<u>(3,719)</u>	<u>(3,719)</u>	17,136
Fund Balance - Beginning			<u>262,073</u>
Fund Balance - Ending			<u>279,209</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, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 280,701	280,701	280,701
Interest	-	-	4,044
Total Revenues	<u>280,701</u>	<u>280,701</u>	<u>284,745</u>
Expenditures			
Library Services	<u>289,472</u>	<u>289,472</u>	<u>254,678</u>
Net Change in Fund Balance	<u>(8,771)</u>	<u>(8,771)</u>	30,067
Fund Balance - Beginning			<u>212,856</u>
Fund Balance - Ending			<u><u>242,923</u></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, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	101
Expenditures			
Library Services	12,100	12,100	10,813
Net Change in Fund Balance	<u>(12,100)</u>	<u>(12,100)</u>	(10,712)
Fund Balance - Beginning			<u>12,038</u>
Fund Balance - Ending			<u>1,326</u>

SUPPLEMENTAL SCHEDULE

INDIAN TRAILS PUBLIC LIBRARY DISTRICT, ILLINOIS

Long-Term Debt Requirements

**General Obligation Debt Certificates of 2017
June 30, 2020**

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
2021	\$ 535,000	93,756	628,756
2022	540,000	77,706	617,706
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>3,780,000</u>	<u>348,111</u>	<u>4,128,111</u>