

ELA AREA PUBLIC LIBRARY
DISTRICT, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
JUNE 30, 2022

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Prepared by:
Finance Department

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

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INTRODUCTORY SECTION

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

November 2, 2022

To: Members of the Board of Trustees

Ela Area Public Library District History

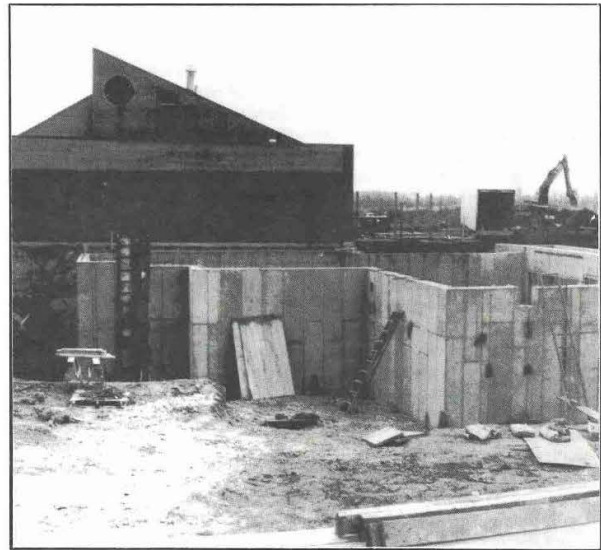
In 1931, Lake Zurich's first library was opened in the top floor of the Oak Street School and run entirely by volunteers. In 1949 the library moved to the Lion's Club Clubhouse, and the Lake Zurich Women's Club took over library operations – again, entirely on a volunteer basis.

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

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

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

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



The basement walls are in place for the library's new 23,000-square-foot addition, projected for completion in spring 1991.

- 2009: The Popular Materials Department is reorganized to create a more usable patron-friendly space, making the department clearer and easier to navigate, improving customer service, providing adequate shelving that can accommodate patron traffic and creating more lounging areas.
- 2011: Two state-of-the-art Digital Media Labs are constructed on the 2nd floor.
- 2015: The Children's Department, Teen Area, and Quiet Reading Room are renovated, and the Forge (a place to build, invent, tinker, learn and create) opens.
- 2018: Library pays off "mortgage" on the building. The final bond payment is made in December.
- 2022: Planned renovations include the addition of two public meeting rooms, reconfiguration of the materials sorter, and a remodeled Children's Department service area. Planned renovations will be paid with reserve funds.

Profile of the Library Today

The Ela Area Public Library District serves over 36,000 residents in the northwest suburbs of Chicago. The library's mission is to "share the joy of discovery," with values of:

- Fostering Curiosity
- Promoting Innovation
- Empowerment through Inclusivity
- Working in Collaboration

Library Organization

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

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

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



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

Accounting System and Budgetary Control

The library converted to the modified-accrual method of accounting in FY2021, whereby revenues are recorded when earned and deferred outflows are recognized; and expenses are recorded when the liability/deferred inflow is incurred. After the end of the year, the library makes certain adjustments to accounting records to permit the preparation of required financial statements on the accrual basis of accounting to comply with generally accepted accounting principles.

Government Accounting, Auditing, and Financial Reporting defines the “legal level of budgetary control” as “the level at which spending in excess of budgeted amounts would be a violation of law.” Illinois Budget Law, 50 ILCS 330/1 et. Seq., as amended, requires all Illinois municipal corporations to adopt a Combined Annual Budget and Appropriation Ordinance specifying the objects and purposes of expenditures; and the Illinois Public Library District Act, 75 ILCS 15/3-1 and 15/4-15, provides procedures for the passage of a Budget and Appropriation Ordinance and a Tax Levy Ordinance. To calculate the appropriation, first the library created a balanced working budget with revenues and expenditures equaling \$6,442,409, which the board approved 6/15/2021 for FY2022. The Executive Director is responsible for ensuring that annual spending does not exceed the working budget.

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

The budget as presented in the FY2022 ACFR is the appropriation, which was passed by the board 9/21/2021 as Ordinance 21-07-01 and filed with Lake County 9/29/2021. The board passed no ordinances amending the appropriation.

Authority to Spend

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

Factors Affecting Economic Conditions

The Property Tax Extension Limitation Law (PTELL) limits the library's revenue growth. PTELL limits property tax increases by the Consumer Price Index (CPI) or 5%, whichever is less. For FY2022 revenues, PTELL was limited to 2.3%. The library refunds property tax collections for previous tax years due to tax rate objections, Property Tax Appeal Board (PTAB) decisions, and Circuit Court decisions, which is built into the following year's tax distributions.

In August 2021 PTELL was amended to allow taxing districts to increase the extension in an amount equal to the refunds from assessment reductions granted in the prior 12-month period, beginning with the 2021 levy year. This is a supplemental levy, applied automatically by the county clerk, and affects tax revenues beginning FY2023.

During the pandemic, the trend began whereby urban residents moved into the suburbs en masse, fueled in part by consistently low mortgage rates and work-from-home lifestyles. In FY2022 the Village of Lake Zurich approved several new residential startups including The Sanctuary of Lake Zurich (23 townhomes within three buildings plus a commercial / restaurant component), Canterbury Townes (38 townhomes within nine buildings), Avery Ridge (34 single-family homes) and Wildwood Estates (24 duplex residences within 12 buildings). With the exception of Canterbury Townes, these new developments are not in a Tax Increment Financing (TIF) district, so additional revenue from these new developments will be forthcoming.

Promoting Transparent Government

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

Surveying the Community

The library began the next Strategic Planning process by engaging with residents in the community via an online survey to determine how the library will be used post-pandemic. The survey asked about residents' views of the building, physical collections, online collections, programs, staff and services. 877 patrons responded and their input will be used as the Strategic Plan is developed in FY2023.

FY2022 Statistics

- The library was open 3,543 hours during FY2022
- Funds are safeguarded using a \$3,300,000 crime policy with the library Treasurer as the designated custodian of the library's funds
- 11,552 registered cardholders
- 192,687 physical materials owned plus 1,000,000+ electronic items available
- 899,571 materials used / loaned
- 896 in-person and virtual programs hosted last year, serving 11,457 patrons
- 5,720 one-on-one patron sessions including Notary and Passport services

- 460 self-directed programs hosted last year, serving 31,245 patrons
- 24,689 public computer sessions

Awards and Acknowledgements

In FY2022, the Ela Area Public Library District was once again named a 5-star library based on the Library Journal Index of Public Library Service. A five-star library ranking was awarded to just five public libraries in Illinois and 85 nationwide. This was the second consecutive year Ela Library has received the highest recognition, and the fifth time to be ranked with 5-stars in the award's 14-year history. The prestigious rating places Ela Library in the top 1% of public libraries across the country.

This is the first year the library has completed an Annual Comprehensive Financial Report (ACFR) in pursuit of the COA.

Preparation of the Annual Comprehensive Financial Report was made possible by the library's dedicated staff. The library's success is a result of their contributions not only to this report, but also for their commitment to understanding and following library policies and procedures, to ensure the high integrity of the information presented in this financial report. Thanks also to the Board of Trustees for leadership and support in the financial operations and policies of the Ela Area Public Library District.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lauren Rosenthal', with a horizontal line extending to the right.

Lauren Rosenthal
Executive Director

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

List of Principal Officials

June 30, 2022

BOARD OF TRUSTEES

Crystal Steker, President

Kathy Caudill, Vice President

Cindy Blank, Treasurer

Eric Corzine, Trustee

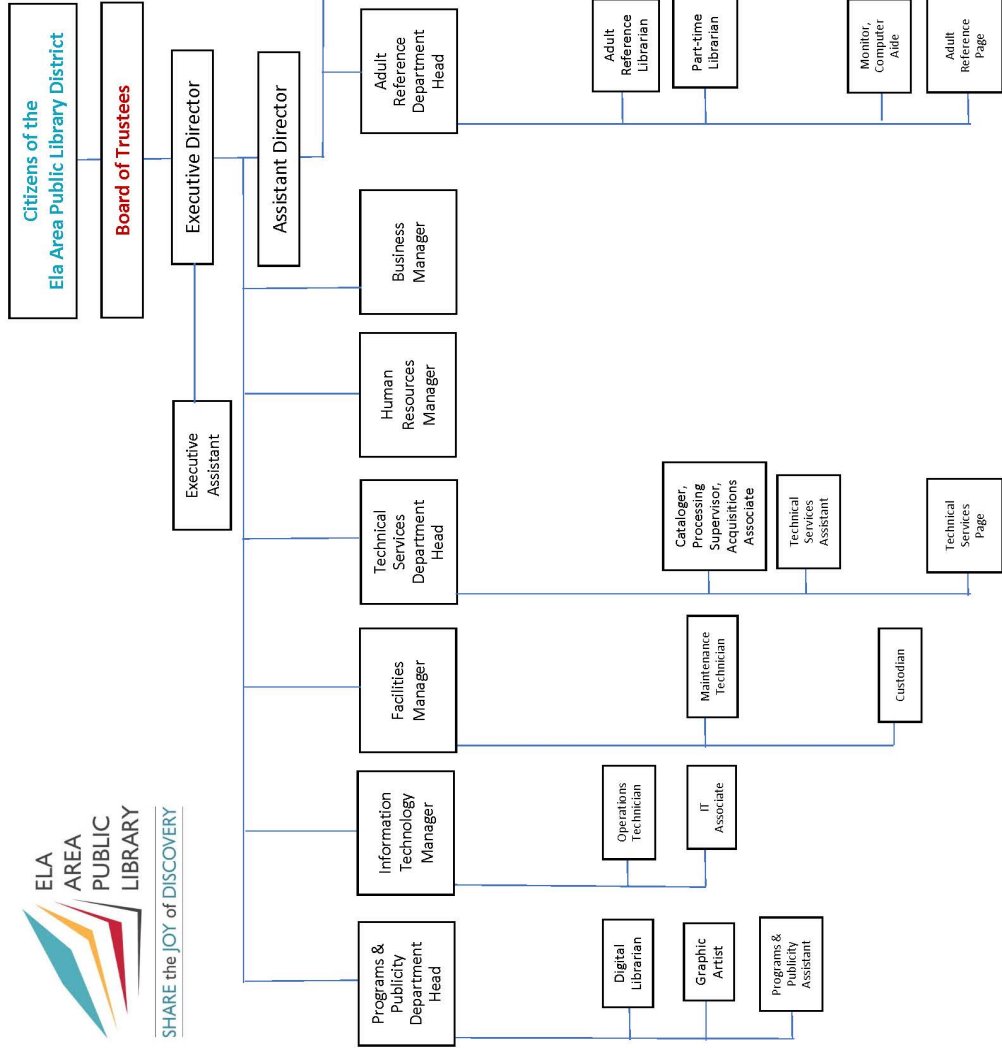
Cathy McCauley, Secretary

Mary Silcroft, Trustee

Anne Hurst, Trustee

ADMINISTRATIVE

Lauren Rosenthal, Executive Director



FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

November 2, 2022

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

Opinions

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ela Area Public Library District, Illinois' basic financial statements. The other supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2022

Our discussion and analysis of the Ela Area Public Library District's financial performance provides an overview of the Library's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the Library's financial statements, which can be found in the basic financial statements section of this report.

FINANCIAL HIGHLIGHTS

- During FY2022, the Library's net position increased from a beginning balance of \$17,988,128 to ending balance of \$18,276,888 at June 30, 2022, an increase of \$288,760 or 1.6 percent.
- During FY2022, government-wide revenues totaled \$6,266,207, while government-wide expenses totaled \$5,977,447, resulting in an increase to net position of \$288,760.
- During FY2022, the Library's fund balances for the governmental funds increased from a beginning balance of \$8,628,632 to ending balance totaling \$8,863,758 at June 30, 2022, an increase of \$235,126 or 2.7 percent.

USING THIS ANNUAL FINANCIAL REPORT

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

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

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Library's finances, in a matter similar to a private-sector business.

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2022

USING THIS ANNUAL FINANCIAL REPORT - Continued

Government-Wide Financial Statements - Continued

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

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

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Library, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Library only maintains governmental funds.

Governmental Funds

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

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

The Library maintains seven individual governmental funds: General, Special Reserve, Illinois Municipal Retirement, Social Security, Liability Insurance, Building and Maintenance, and Working Cash. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Special Reserve Fund, both of which are considered major funds. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules elsewhere in this report.

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2022

USING THIS ANNUAL FINANCIAL REPORT - Continued

Notes to the Financial Statements

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

Other Information

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Library, assets/deferred outflows exceeded liabilities/deferred inflows by \$18,276,888.

	Net Position	
	6/30/2022	6/30/2021
Current Assets and Other Assets	\$ 16,881,358	15,056,803
Capital Assets	9,988,684	10,634,521
Total Assets	26,870,042	25,691,324
Deferred Outflows	268,855	462,989
Total Assets/Deferred Outflows	27,138,897	26,154,313
Long-Term Debt	130,287	416,873
Other Liabilities	282,998	267,816
Total Liabilities	413,285	684,689
Deferred Inflows	8,448,724	7,481,496
Total Liabilities/Deferred Inflows	8,862,009	8,166,185
Net Position		
Investment in Capital Assets	9,988,684	10,634,521
Restricted	3,061,917	584,855
Unrestricted	5,226,287	6,768,752
Total Net Position	18,276,888	17,988,128

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Current Assets and other assets increased from \$15,056,803 to \$16,881,358 due to an increase in cash and investments of \$411,201 and increase in net pension assets (IMRF) of \$1,347,436.

Capital Assets decreased from \$10,634,521 to \$9,988,684 despite \$12,835 in furniture & equipment purchases due to depreciation expense.

Deferred Outflows of resources represent funds which are obligated to IMRF but have not yet been recognized of \$268,855.

Long-Term Debt includes the extended portion of the Library's accrued vacation time recognized as compensated absences payable incurred but not yet recognized, which will be paid out in future years, of \$130,287.

Other Liabilities includes the current portion of the Library's accrued vacation time recognized as compensated absences payable incurred but not yet recognized, which can be expected to be paid out in the coming year, of \$32,572 plus accrued liabilities, payroll, and other payables, of \$79,272, \$171,133, and \$21 respectively.

Deferred Inflows represent FY2023 property taxes recognized as FY2022 deferred property taxes of \$6,366,098, plus deferred inflows due to IMRF of \$2,028,986, totaling \$8,448,724.

A large portion of the Library's net position 54.7 percent reflects its investment in capital assets (for example, building and improvements, furniture and equipment, and library materials); less any related debt used to acquire those assets that are still outstanding. Currently, the Library does not have any debt outstanding.

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

An additional portion 16.8 percent of the Library's net position represents resources that are subject to external restrictions on how they may be used. The remaining \$5,226,287, or 28.6 percent represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Changes in Net Position	
	6/30/2022	6/30/2021
Revenues		
Program Revenues		
Charges for Services	\$ 94,669	26,899
Operating Grants/Contributions	56,402	161,780
General Revenues		
Property Taxes	6,184,829	6,181,654
Replacement Taxes	39,231	17,998
Interest (Loss)	(108,924)	153,373
Total Revenues	6,266,207	6,541,704
Expenses		
Public Library	5,977,447	5,854,347
Change in Net Position	288,760	687,357
Net Position-Beginning	17,988,128	17,300,771
Net Position-Ending	18,276,888	17,988,128

Net position beginning balance was \$17,988,128 at the end of FY2021, and ending net position was \$18,276,888.

In FY2022, revenues of \$6,266,207 exceeded expenses of \$5,977,447, resulting in an increase to net position in the current year of \$288,760.

In FY2022, governmental net position increased \$288,760, an increase of 1.6 percent. Property taxes increased \$3,175 over FY2021 (\$6,184,829 in 2021 compared to \$6,181,654 in 2020) because the Board of Trustees voted to hold the levy flat during the COVID pandemic.

Expenses increased from the prior year by \$123,100 (\$5,977,447 in 2022 compared to \$5,854,347 in 2021) due to the Library resuming normal operating hours throughout FY2022.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2022

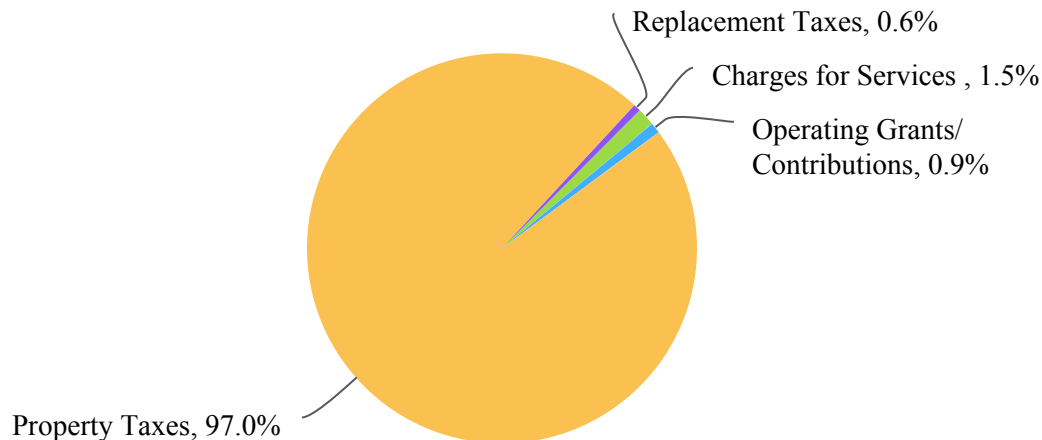
GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities

The following table graphically presents the major revenue sources of the Library in 2022. Of note:

- The Library is very reliant on Property Taxes to fund governmental activities.
- Charges for Services increased from .4% of revenues to 1.5% primarily because passport revenue resumed.
- Operating Grants decreased from 2.5% of revenues to .9% due to the receipt of more than \$100,000 in CARES Act funds in FY2021, which was not available in FY2022.

Revenues by Source - Governmental Activities



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$8,863,758, which is 2.7 percent higher than last year's beginning fund balance of \$8,628,632.

The General Fund reported an increase of \$210,219, due primarily to revenues exceeding expenditures, and spending less than anticipated.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2022

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued

Governmental Funds - Continued

The Special Reserve Fund reported an increase of \$26,013 due primarily to transfer in of \$250,000 from the General Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

For purposes of the FY2022 ACFR, the Library uses Budget & Appropriation Ordinance 21-07-01.

The General Fund actual revenues came in lower than budgeted revenues. Actual revenues for the current year were \$5,636,101, compared to budgeted revenues of \$5,657,050, primarily due to market value adjustments to investments resulting in less recognized interest revenue.

The General Fund actual expenditures were less than budgeted expenditures. Actual expenditures totaled \$5,175,882, while budgeted expenditures totaled \$5,772,868. This was due to all expenditure functions coming in under budget, with Personnel expenditures the largest factor coming in more than \$300,000 under budget in the General Fund.

CAPITAL ASSETS

The Library's investment in capital assets for its governmental activities as of June 30, 2022 was \$9,988,684 (net of accumulated depreciation). This investment in capital assets includes land improvements, buildings and improvements, furniture, equipment, and library materials.

This year's additions to capital assets included \$65,575 to construction in progress, \$19,585 to building and improvements, and \$218,581 to library materials.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2022

CAPITAL ASSETS - Continued

	Capital Assets - Net of Depreciation	
	6/30/2022	6/30/2021
Land	\$ 1,485,452	1,485,452
Construction in Progress	65,575	—
Land Improvements	515,852	574,377
Building and Improvements	6,529,574	6,925,822
Furniture	36,226	61,231
Equipment	339,657	441,074
Library Materials	1,016,348	1,146,565
Totals	9,988,684	10,634,521

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Library's elected (Board of Trustees) and appointed (Executive Director) officials considered many factors when setting the fiscal-year 2023 budget, including the economy, tax rates, and anticipated costs for services. In planning for the coming year FY2023, the Library's officials:

- Passed Levy Ordinance 21-11-01 which increased the levy 2% from the previous year
- Approved a balanced operating budget for FY2023
- Approved a 5.5% increase in the Salary budget to attract and retain talented staff during high inflation
- Approved a new Salary Scale to include Illinois minimum wage increases while avoiding wage compression
- Approved a \$3.75M interior remodel project using reserve funds, in accordance with the current facility plan, to:
 - improve materials return including a new sorter
 - improve public meeting rooms including a publicly-available Board / Zoom room
 - improve public service desks
 - improve work spaces
- Joined an Intergovernmental Agreement with School District 95, Ela Township, and surrounding villages to review, monitor, contest, and defend the assessed valuation of real property in the district.

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

REQUESTS FOR INFORMATION

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

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Statement of Net Position

June 30, 2022

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Statement of Net Position

June 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 11,851,645
Receivables - Net of Allowances	3,642,740
Prepays	39,537
Total Current Assets	<u>15,533,922</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	1,551,027
Depreciable Capital Assets	19,975,693
Accumulated Depreciation	<u>(11,538,036)</u>
Total Noncurrent Assets	9,988,684
Other Assets	
Net Pension Assets - IMRF	<u>1,347,436</u>
Total Assets	<u>26,870,042</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>268,855</u>
Total Assets and Deferred Outflows of Resources	<u>27,138,897</u>

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

	Governmental Activities
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 79,272
Accrued Payroll	171,133
Other Payables	21
Current Portion of Long-Term Debt	32,572
Total Current Liabilities	<u>282,998</u>
Noncurrent Liabilities	
Compensated Absences Payable	130,287
Total Liabilities	<u>413,285</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	6,366,098
Grants	53,640
Deferred Items - IMRF	2,028,986
Total Deferred Inflows of Resources	<u>8,448,724</u>
Total Liabilities and Deferred Inflows of Resources	<u>8,862,009</u>
NET POSITION	
Investment in Capital Assets	9,988,684
Restricted	
Property Taxes	2,480,619
Illinois Municipal Retirement	115,526
Social Security	105,422
Liability Insurance	24,820
Building and Maintenance	164,240
Working Cash	169,290
Garden	2,000
Unrestricted	<u>5,226,287</u>
Total Net Position	<u><u>18,276,888</u></u>

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

For the Fiscal Year Ended June 30, 2022

General Revenues	
Taxes	
Property Taxes	6,184,829
Intergovernmental - Unrestricted	
Replacement Taxes	39,231
Interest (Loss)	(108,924)
	<u>6,115,136</u>
Change in Net Position	288,760
Net Position - Beginning	<u>17,988,128</u>
Net Position - Ending	<u>18,276,888</u>

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ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Balance Sheet - Governmental Funds

June 30, 2022

	General	Capital Projects Special Reserve	Nonmajor	Totals
ASSETS				
Cash and Investments	\$ 5,717,273	5,237,824	896,548	11,851,645
Receivables - Net of Allowances				
Taxes	3,177,618	—	391,027	3,568,645
Interest	2,118	18,337	—	20,455
Other	53,640	—	—	53,640
Prepays	6,390	—	33,147	39,537
Total Assets	8,957,039	5,256,161	1,320,722	15,533,922
LIABILITIES				
Accounts Payable	68,562	—	10,710	79,272
Accrued Payroll	171,133	—	—	171,133
Other Payables	21	—	—	21
Total Liabilities	239,716	—	10,710	250,426
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	5,668,531	—	697,567	6,366,098
Grants	53,640	—	—	53,640
Total Deferred Inflows of Resources	5,722,171	—	697,567	6,419,738
Total Liabilities and Deferred Inflows of Resources	5,961,887	—	708,277	6,670,164
FUND BALANCES				
Nonspendable	6,390	—	33,147	39,537
Restricted	2,482,619	—	579,298	3,061,917
Committed	—	5,256,161	—	5,256,161
Unassigned	506,143	—	—	506,143
Total Fund Balances	2,995,152	5,256,161	612,445	8,863,758
Total Liabilities, Deferred Inflows of Resources and Fund Balances	8,957,039	5,256,161	1,320,722	15,533,922

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

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

June 30, 2022

Total Governmental Fund Balances	\$ 8,863,758
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	9,988,684
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	(1,760,131)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Compensated Absences Payable	(162,859)
Net Pension (Asset) - IMRF	<u>1,347,436</u>
Net Position of Governmental Activities	<u><u>18,276,888</u></u>

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

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

	General	Capital Projects Special Reserve	Nonmajor	Totals
Revenues				
Taxes	\$ 5,434,748	—	750,081	6,184,829
Intergovernmental	95,633	—	—	95,633
Charges for Services	86,499	8,170	—	94,669
Interest (Loss)	19,221	(130,011)	1,866	(108,924)
Total Revenues	5,636,101	(121,841)	751,947	6,266,207
Expenditures				
Public Library	5,100,262	102,146	753,053	5,955,461
Capital Outlay	75,620	—	—	75,620
Total Expenditures	5,175,882	102,146	753,053	6,031,081
Excess (Deficiency) of Revenues Over (Under) Expenditures	460,219	(223,987)	(1,106)	235,126
Other Financing Sources (Uses)				
Transfers In	—	250,000	—	250,000
Transfers Out	(250,000)	—	—	(250,000)
	(250,000)	250,000	—	—
Net Change in Fund Balances	210,219	26,013	(1,106)	235,126
Fund Balances - Beginning	2,784,933	5,230,148	613,551	8,628,632
Fund Balances - Ending	2,995,152	5,256,161	612,445	8,863,758

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the
Governmental Funds to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended June 30, 2022**

Net Change in Fund Balances - Total Governmental Funds	\$ 235,126
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Amounts reported for governmental activities in the Statement of Activities
are different because:

Governmental funds report capital outlays as expenditures. however, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	303,741
Depreciation Expense	(949,578)
Disposals - Cost	(301,210)
Disposals - Accumulated Depreciation	301,210

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

Change in Deferred Items - IMRF	(949,954)
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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	77,015
Change in Net Pension Liability - IMRF	<u>1,572,410</u>

Changes in Net Position of Governmental Activities	<u><u>288,760</u></u>
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Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

REPORTING ENTITY

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

BASIS OF PRESENTATION

Government-Wide Statements

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

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

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

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, charges for services, interest income, etc.).

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

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements

The financial transactions of the Library are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is a primary operating fund of the Library or meets the following criteria:

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

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

Governmental Funds

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

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

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Library maintains four nonmajor special revenue funds.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Special Reserve Fund, a major fund, is used to account for funds committed for future capital maintenance, replacements, and improvements.

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

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

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

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

Basis of Accounting

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

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

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

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Cash and Investments

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

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

Receivables

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

Prepays

Prepays are valued at cost, which approximates market. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Interfund Receivables, Payables and Activity

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

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more (depending on asset class) are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred.

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

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

Land Improvements	12 - 20 Years
Building and Improvements	7 - 40 Years
Furniture	7 - 20 Years
Equipment	3 - 10 Years
Library Materials	7 Years

Deferred Outflows/Inflows of Resources

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

Compensated Absences

The Library accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as "terminal leave" prior to retirement.

All vacation pay is accrued when incurred in the government-wide fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Net Position

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

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

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

Unrestricted - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds except for the Working Cash Fund. All annual appropriations lapse at fiscal year end. The Library no budget amendment for the fiscal year ending June 30, 2022.

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Library maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the Library's funds.

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

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

Deposits. At year-end, the carrying amount of the Library's deposits totaled \$10,834,787 and the bank balances totaled \$11,777,919.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

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

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Agency Securities	\$ 1,016,858	1,016,858	—	—	—

The Library has the following recurring fair value measurements as of June 30, 2022:

- U.S. Agency Securities of \$1,016,858 are valued using a matrix pricing model (Level 2 inputs)

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

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Library's investment policy addresses interest rate risk by requiring that investments be diversified and reviewed for concentration in maturity.

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

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

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

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library's investment policy protects it from custodial credit risk by requiring funds on deposit in excess of FDIC limits to be secured by collateral. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library investment policy requires that the investments are to be held by a third-party acting as the Library's agent separate from where the investment was purchased.

PROPERTY TAXES

Property taxes for 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 June 1 and September 1. The County collects such taxes and remits them in two fairly equal payments with a third lesser payment of any disputed taxes.

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
Special Reserve	General	<u>\$ 250,000</u>

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 1,485,452	—	—	1,485,452
Construction in Progress	—	65,575	—	65,575
	1,485,452	65,575	—	1,551,027
Depreciable Capital Assets				
Land Improvements	788,750	—	—	788,750
Building and Improvements	13,392,295	19,585	—	13,411,880
Furniture	798,281	—	—	798,281
Equipment	1,852,374	—	—	1,852,374
Library Materials	3,207,037	218,581	301,210	3,124,408
	20,038,737	238,166	301,210	19,975,693
Less Accumulated Depreciation				
Land Improvements	214,373	58,525	—	272,898
Building and Improvements	6,466,473	415,833	—	6,882,306
Furniture	737,050	25,005	—	762,055
Equipment	1,411,300	101,417	—	1,512,717
Library Materials	2,060,472	348,798	301,210	2,108,060
	10,889,668	949,578	301,210	11,538,036
Total Net Capital Assets	10,634,521	(645,837)	—	9,988,684

Depreciation expense of \$949,578 was charged to public library function.

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 239,874	77,015	154,030	162,859	32,572
IMRF	224,974	—	1,572,410	(1,347,436)	—
	<u>464,848</u>	<u>77,015</u>	<u>1,726,440</u>	<u>(1,184,577)</u>	<u>32,572</u>

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

FUND BALANCE CLASSIFICATIONS

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

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

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

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

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

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

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

	General	Capital Projects Special Reserve	Nonmajor	Totals
Fund Balances				
Nonspendable				
Prepays	\$ 6,390	—	33,147	39,537
Restricted				
Property Taxes	2,480,619	—	—	2,480,619
Illinois Municipal Retirement	—	—	115,526	115,526
Social Security	—	—	105,422	105,422
Liability Insurance	—	—	24,820	24,820
Building and Maintenance	—	—	164,240	164,240
Working Cash	—	—	169,290	169,290
Garden	2,000	—	—	2,000
	2,482,619	—	579,298	3,061,917
Committed				
Capital Projects	—	5,256,161	—	5,256,161
Unassigned	506,143	—	—	506,143
Total Fund Balances	2,995,152	5,256,161	612,445	8,863,758

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS

Investment in capital assets was comprised of the following as of June 30, 2022:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	<u>\$ 9,988,684</u>

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Library's employees. The Library has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in the past three fiscal years.

CONTINGENT LIABILITIES

Litigation

The Library is not a defendant in any lawsuits.

Grants

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

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

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

Plan Descriptions

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

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

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

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

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Plan Membership. As of December 31, 2021, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	59
Inactive Plan Members Entitled to but not yet Receiving Benefits	36
Active Plan Members	<u>47</u>
Total	<u>142</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 11.17% of covered payroll.

Net Pension Liability/(Asset). The Library's net pension liability/(asset) was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability/(asset) 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, 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% to 13.75%
Cost of Living Adjustments	3.25%
Inflation	2.25%

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. 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:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.00%	(0.85%)
Domestic Equities	39.00%	2.85%
International Equities	15.00%	3.85%
Real Estate	10.00%	4.05%
Blended	10.00%	0.70% - 4.80%
Cash and Cash Equivalents	1.00%	(1.45%)

ELA AREA 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

Discount Rate

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

Discount Rate Sensitivity

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

		Current	
	1% Decrease	Discount Rate	1% Increase
	(6.25%)	(7.25%)	(8.25%)
Net Pension Liability/(Asset)	\$ 487,495	(1,347,436)	(2,811,448)

ELA AREA 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 (A) - (B)
Balances at December 31, 2020	\$ 15,337,581	15,112,607	224,974
Changes for the Year:			
Service Cost	216,535	—	216,535
Interest on the Total Pension Liability	1,092,312	—	1,092,312
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	23,239	—	23,239
Changes of Assumptions	—	—	—
Contributions - Employer	—	291,883	(291,883)
Contributions - Employees	—	112,649	(112,649)
Net Investment Income	—	2,535,325	(2,535,325)
Benefit Payments, Including Refunds of Employee Contributions	(758,961)	(758,961)	—
Other (Net Transfer)	—	(35,361)	35,361
Net Changes	573,125	2,145,535	(1,572,410)
Balances at December 31, 2021	15,910,706	17,258,142	(1,347,436)

ELA AREA 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

For the year ended June 30, 2022, the Library recognized pension revenue of \$341,286. At June 30, 2022, the Library reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 145,899	—	145,899
Change in Assumptions	—	(78,081)	(78,081)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	—	(1,950,905)	(1,950,905)
Total Pension Expense to be			
Recognized in Future Periods	145,899	(2,028,986)	(1,883,087)
Pension Contributions Made Subsequent to the Measurement Date	122,956	—	122,956
Total Deferred Amounts Related to IMRF	268,855	(2,028,986)	(1,760,131)

\$122,956 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	\$ (391,518)
2024	(719,994)
2025	(480,816)
2026	(290,759)
2027	—
Thereafter	—
Total	(1,883,087)

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2022

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.

JOINTLY GOVERNED ORGANIZATION

Cooperative Computer Services

The Library participates in Cooperative Computer Services (CCS). CCS is an intergovernmental instrumentality formed by library members of the former North Suburban Library System and exists to administer a jointly owned integrated library automation system. CCS' s governing board is comprised of one member from each participating library. No participant has any obligation, entitlement, or residual interest in CCS. In order to terminate membership in CCS, member libraries must provide one-year notice of termination. The Library's expenditures to CCS for the year were \$77,000.

REQUIRED SUPPLEMENTARY INFORMATION

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

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

Notes to the Required Supplementary Information

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
June 30, 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	\$ 336,224	\$ 338,065	\$ 1,841	\$ 2,113,290	16.00%
2016	368,802	368,802	—	2,221,696	16.60%
2017	305,384	305,384	—	2,308,271	13.23%
2018	305,809	305,809	—	2,442,568	12.52%
2019	304,018	304,018	—	2,465,673	12.33%
2020	248,784	248,784	—	2,406,031	10.34%
2021	281,170	281,170	—	2,373,247	11.85%
2022	286,336	286,336	—	2,564,452	11.17%

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 Fair Value
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Note:

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Illinois Municipal Retirement Fund

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

June 30, 2022

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

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

12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
243,289	251,934	256,353	248,642	260,954	244,003	216,535
826,375	877,179	922,660	950,878	1,000,237	1,047,393	1,092,312
45,107	(66,966)	102,955	127,928	90,393	247,798	23,239
14,770	(45,468)	(397,815)	392,881	—	(174,027)	—
(430,752)	(447,178)	(471,734)	(536,366)	(680,614)	(704,757)	(758,961)
698,789	569,501	412,419	1,183,963	670,970	660,410	573,125
11,141,529	11,840,318	12,409,819	12,822,238	14,006,201	14,677,171	15,337,581
11,840,318	12,409,819	12,822,238	14,006,201	14,677,171	15,337,581	15,910,706
368,802	305,384	305,809	304,018	248,784	296,476	291,883
99,976	103,873	109,916	110,955	108,271	111,086	112,649
47,976	681,102	1,807,488	(603,298)	2,122,569	1,923,440	2,535,325
(430,752)	(447,178)	(471,734)	(536,366)	(680,614)	(704,757)	(758,961)
68,889	63,506	(159,566)	246,340	155,957	(19,841)	(35,361)
154,891	706,687	1,591,913	(478,351)	1,954,967	1,606,404	2,145,535
9,576,096	9,730,987	10,437,674	12,029,587	11,551,236	13,506,203	15,112,607
9,730,987	10,437,674	12,029,587	11,551,236	13,506,203	15,112,607	17,258,142
2,109,331	1,972,145	792,651	2,454,965	1,170,968	224,974	(1,347,436)
82.19%	84.11%	93.82%	82.47%	92.02%	98.53%	108.47 %
2,221,696	2,308,271	2,442,568	2,465,673	2,406,031	2,468,572	2,503,282
94.94%	85.44%	32.45%	99.57%	48.67%	9.11%	(53.83%)

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

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

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues			
Taxes			
Property Taxes	\$ 5,455,372	5,455,372	5,434,748
Intergovernmental			
Replacement Taxes	10,000	10,000	39,231
Grants	43,078	43,078	56,402
Charges for Services			
Fees, Fines and Other	88,600	88,600	86,499
Interest	60,000	60,000	19,221
Total Revenues	5,657,050	5,657,050	5,636,101
Expenditures			
Public Library			
Personnel	3,933,082	3,933,082	3,586,356
Contractual Services	286,739	286,739	234,342
Library Materials	907,135	907,135	815,844
Operations Expenditures	553,867	553,867	463,720
Capital Outlay	92,045	92,045	75,620
Total Expenditures	5,772,868	5,772,868	5,175,882
Excess (Deficiency) of Revenues Over (Under) Expenditures	(115,818)	(115,818)	460,219
Other Financing (Uses)			
Transfers Out	—	—	(250,000)
Net Change in Fund Balance	(115,818)	(115,818)	210,219
Fund Balance - Beginning			2,784,933
Fund Balance - Ending			2,995,152

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

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

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Illinois Municipal Retirement Fund

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

Social Security Fund

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

Liability Insurance Fund

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

Building and Equipment Maintenance Fund

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

CAPITAL PROJECTS FUND

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

Special Reserve Fund

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

PERMANENT FUND

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

Working Cash Fund

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual
	Original	Final	Amounts
Public Library			
Personnel			
Salaries	\$ 3,916,544	3,916,544	3,584,698
Benefits	16,538	16,538	1,658
	3,933,082	3,933,082	3,586,356
Contractual Services			
Other Services	265,234	265,234	217,986
Legal	13,475	13,475	9,058
Unemployment Insurance	8,030	8,030	7,298
	286,739	286,739	234,342
Library Materials			
Electronic Information	319,515	319,515	264,919
Lost and Damaged	275	275	56
Print and Nonprint	452,045	452,045	399,679
Patron-Use Only	135,300	135,300	151,190
	907,135	907,135	815,844
Operating Expenditures			
Programming - Adult	122,498	122,498	95,455
Postage	18,128	18,128	4,465
Printing and Publicity	38,452	38,452	34,653
Supplies	61,440	61,440	39,239
Travel	28,345	28,345	16,109
Training and Membership	8,354	8,354	6,859
Utilities	205,700	205,700	202,220
Equipment Maintenance	70,950	70,950	64,720
	553,867	553,867	463,720
Capital Outlay	92,045	92,045	75,620
Total Expenditures	5,772,868	5,772,868	5,175,882

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Special Reserve - Capital Projects Fund

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

For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues			
Charges for Services			
Fees, Fines and Other	\$ 2,400	2,400	8,170
Interest (Loss)	25,000	25,000	(130,011)
Total Revenues	27,400	27,400	(121,841)
Expenditures			
Public Library			
Contractual Services			
Other Services	111,650	111,650	102,146
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(84,250)	(84,250)	(223,987)
Other Financing Sources			
Transfers In	—	—	250,000
Net Change in Fund Balance	(84,250)	(84,250)	26,013
Fund Balance - Beginning			5,230,148
Fund Balance - Ending			5,256,161

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

June 30, 2022

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

June 30, 2022

	<u>Illinois Municipal Retirement</u>
ASSETS	
Cash and Investments	\$ 235,954
Receivables - Net of Allowances	
Property Taxes	153,622
Prepays	<u>—</u>
Total Assets	<u>389,576</u>
LIABILITIES	
Accounts Payable	<u>—</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	<u>274,050</u>
Total Liabilities and Deferred Inflows of Resources	<u>274,050</u>
FUND BALANCES	
Nonspendable	<u>—</u>
Restricted	<u>115,526</u>
Total Fund Balances	<u>115,526</u>
Total Deferred Inflows of Resources and Fund Balances	<u>389,576</u>

Special Revenue				
Social Security	Liability Insurance	Building and Equipment Maintenance	Permanent Working Cash	Totals
203,954	24,820	262,530	169,290	896,548
125,677	—	111,728	—	391,027
—	29,857	3,290	—	33,147
329,631	54,677	377,548	169,290	1,320,722
—	—	10,710	—	10,710
224,209	—	199,308	—	697,567
224,209	—	210,018	—	708,277
—	29,857	3,290	—	33,147
105,422	24,820	164,240	169,290	579,298
105,422	54,677	167,530	169,290	612,445
329,631	54,677	377,548	169,290	1,320,722

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2022

	<u>Illinois Municipal Retirement</u>
Revenues	
Taxes	\$ 278,935
Interest	<u>580</u>
Total Revenues	279,515
Expenditures	
Public Library	<u>286,336</u>
Net Change in Fund Balances	(6,821)
Fund Balances - Beginning	<u>122,347</u>
Fund Balances - Ending	<u><u>115,526</u></u>

Special Revenue				
Social Security	Liability Insurance	Building and Equipment Maintenance	Permanent Working Cash	Totals
224,135	43,780	203,231	—	750,081
481	146	659	—	1,866
224,616	43,926	203,890	—	751,947
238,630	38,649	189,438	—	753,053
(14,014)	5,277	14,452	—	(1,106)
119,436	49,400	153,078	169,290	613,551
105,422	54,677	167,530	169,290	612,445

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS**Illinois Municipal Retirement - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended June 30, 2022**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 280,002	280,002	278,935
Interest	2,500	2,500	580
Total Revenues	282,502	282,502	279,515
Expenditures			
Public Library			
Personnel			
Illinois Municipal Retirement	341,250	341,250	286,336
Net Change in Fund Balance	(58,748)	(58,748)	(6,821)
Fund Balance - Beginning			122,347
Fund Balance - Ending			115,526

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Social Security - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 204,004	204,004	224,135
Interest	500	500	481
Total Revenues	204,504	204,504	224,616
Expenditures			
Public Library			
Personnel			
Social Security	273,000	273,000	238,630
Net Change in Fund Balance	(68,496)	(68,496)	(14,014)
Fund Balance - Beginning			119,436
Fund Balance - Ending			105,422

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Liability Insurance - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 43,948	43,948	43,780
Interest	500	500	146
Total Revenues	44,448	44,448	43,926
Expenditures			
Public Library			
Contractual Services			
Liability Insurance	46,294	46,294	38,649
Net Change in Fund Balance	(1,846)	(1,846)	5,277
Fund Balance - Beginning			49,400
Fund Balance - Ending			54,677

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Building and Equipment Maintenance - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 225,004	225,004	203,231
Interest	1,000	1,000	659
Total Revenues	226,004	226,004	203,890
Expenditures			
Public Library			
Contractual Services	319,000	319,000	189,438
Net Change in Fund Balance	(92,996)	(92,996)	14,452
Fund Balance - Beginning			153,078
Fund Balance - Ending			167,530

STATISTICAL SECTION

(Unaudited)

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*

June 30, 2022 (Unaudited)

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Net Position by Component - Last Ten Fiscal Years
June 30, 2022 (Unaudited)

	2013	2014	2015	2016
Governmental Activities				
Net Investment in Capital Assets	\$ 6,045,077	6,691,763	8,880,674	9,604,696
Restricted	1,556,850	1,660,758	1,607,441	1,615,840
Unrestricted	8,540,013	8,664,521	7,595,679	7,916,554
Total Governmental Activities Net Position	16,141,940	17,017,042	18,083,794	19,137,090

Data Source: Library records

*The Library converted to Accrual Basis of Accounting in FY2021

2017	2018	2019	2020	2021*	2022
10,184,062	11,048,052	11,506,955	11,416,711	10,634,521	9,988,684
1,661,248	1,759,971	1,016,658	861,781	584,855	3,061,917
8,339,875	8,879,092	9,264,068	9,250,989	6,768,752	5,226,287
20,185,185	21,687,115	21,787,681	21,529,481	17,988,128	18,276,888

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years* June 30, 2022 (Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities										
Public Library	\$ 6,029,553	5,904,938	5,825,625	6,001,144	6,093,234	6,055,184	6,241,344	6,253,586	5,854,347	5,977,447
Program Revenues										
Governmental Activities										
Charges for Services										
Public Library	236,066	210,886	227,360	244,631	246,205	160,620	199,529	132,251	26,899	94,669
Operating Grants/Contributions	35,415	48,238	43,078	26,565	—	26,758	43,078	43,078	161,780	56,402
Total Governmental Activities	271,481	259,124	270,438	271,196	246,205	187,378	242,607	175,329	188,679	151,071
Net (Expenses) Revenues										
Governmental Activities	(5,758,072)	(5,645,814)	(5,555,187)	(5,729,948)	(5,847,029)	(5,867,806)	(5,998,737)	(6,078,257)	(5,665,668)	(5,826,376)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property Taxes	6,427,043	6,484,359	6,573,000	6,709,870	6,826,103	7,280,594	5,959,998	5,658,538	6,181,654	6,184,829
Intergovernmental										
Personal Property Replacement Taxes	—	—	—	—	—	—	—	14,190	17,998	39,231
Interest	34,363	36,556	48,939	73,375	69,021	89,141	139,308	147,327	153,373	(108,924)
Total Governmental Activities General Revenues	6,461,406	6,520,915	6,621,939	6,783,245	6,895,124	7,369,735	6,099,306	5,820,055	6,353,025	6,115,136
Changes in Net Position										
Governmental Activities	703,334	875,101	1,066,752	1,053,297	1,048,095	1,501,929	100,569	(258,202)	687,357	288,760

Data Source: Library Records

* Accrual Basis of Accounting

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years*
June 30, 2022 (Unaudited)

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years* June 30, 2022 (Unaudited)

	2013	2014	2015	2016
General Fund				
Nonspendable	\$ —	—	—	—
Restricted	—	—	—	—
Assigned	2,512,567	3,509,291	2,311,826	2,385,439
Unassigned	3,479,156	2,550,960	2,635,983	2,852,205
Total General Fund	5,991,723	6,060,251	4,947,809	5,237,644
All Other Governmental Funds				
Nonspendable	—	—	—	—
Restricted	1,556,850	1,660,758	1,607,441	1,615,840
Committed	2,548,290	2,604,270	2,647,870	2,678,910
Total All Other Governmental Funds	4,105,140	4,265,028	4,255,311	4,294,750
Total All Governmental Funds	10,096,863	10,325,279	9,203,120	9,532,394

Data Source: Library Records

* Modified Accrual Basis of Accounting

2017	2018	2019	2020	2021	2022
—	—	—	—	96,356	6,390
—	—	—	—	—	2,482,619
2,439,197	2,917,398	2,593,147	2,268,000	2,454,504	—
2,949,044	2,849,169	3,014,000	3,314,620	234,073	506,143
5,388,241	5,766,567	5,607,147	5,582,620	2,784,933	2,995,152
—	—	—	—	28,696	33,147
1,661,248	1,759,971	1,016,658	861,781	584,855	579,298
2,951,634	3,112,525	3,656,921	3,668,369	5,230,148	5,256,161
4,612,882	4,872,496	4,673,579	4,530,150	5,843,699	5,868,606
10,001,123	10,639,063	10,280,726	10,112,770	8,628,632	8,863,758

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Changes in Balances of Governmental Funds - Last Ten Fiscal Years*

June 30, 2022 (Unaudited)

	2013	2014	2015	2016
Revenues				
Taxes	\$ 6,414,277	6,470,980	6,558,996	6,696,977
Charges for Services	236,065	210,886	227,361	244,631
Intergovernmental	48,181	61,617	57,082	39,458
Interest	34,363	36,556	48,939	73,375
Total Revenues	6,732,886	6,780,039	6,892,378	7,054,441
Expenditures				
Culture and Recreation	6,360,348	6,551,624	8,014,536	6,725,166
Capital Outlay	—	—	—	—
Total Expenditures	6,360,348	6,551,624	8,014,536	6,725,166
Excess (Deficiency) of Revenues Over (Under) Expenditures	372,538	228,415	(1,122,158)	329,275
Other Financing Sources (Uses)				
Transfers In	92,029	139,923	26,400	155,045
Transfers Out	(92,029)	(139,923)	(26,400)	(155,045)
	—	—	—	—
Net Change in Fund Balances	372,538	228,415	(1,122,158)	329,275
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%

Data Source: Library Records

* Modified Accrual Basis of Accounting

2017	2018	2019	2020	2021	2022
6,811,782	7,268,611	5,947,034	5,658,538	6,181,654	6,184,829
246,204	160,620	199,529	132,251	26,899	94,669
14,321	38,741	56,042	57,268	179,778	95,633
69,021	89,141	139,308	147,327	153,373	(108,924)
7,141,328	7,557,113	6,341,913	5,995,384	6,541,704	6,266,207
6,672,600	6,919,174	6,700,247	6,163,342	5,334,936	5,955,461
—	—	—	—	—	75,620
6,672,600	6,919,174	6,700,247	6,163,342	5,334,936	6,031,081
468,728	637,939	(358,334)	(167,958)	1,206,768	235,126
254,494	142,099	507,018	592,717	1,500,000	250,000
(254,494)	(142,099)	(507,018)	(592,717)	(1,500,000)	(250,000)
—	—	—	—	—	—
468,728	637,939	(358,334)	(167,958)	1,206,768	235,126
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years June 30, 2022 (Unaudited)

Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property	Railroad	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2012	\$ 1,392,556,017	\$ 4,853,048	\$ 168,967,178	\$ 97,318,375	\$ 507,120	\$ —	\$ 1,664,201,738	0.3560
2013	1,331,747,511	4,608,683	166,282,380	94,819,632	1,124,646	—	1,598,582,852	0.3860
2014	1,337,002,417	4,615,417	185,665,368	98,062,482	1,316,952	—	1,626,662,636	0.4090
2015	1,404,776,118	4,090,148	184,881,677	99,196,347	1,588,214	—	1,694,532,504	0.4100
2016	1,488,241,510	4,344,358	192,805,526	103,110,087	1,754,510	—	1,790,255,991	0.3984
2017	1,543,443,535	4,386,244	206,628,357	107,818,956	1,449,169	—	1,863,726,261	0.3815
2018	1,566,572,583	4,487,330	210,958,654	112,887,143	1,525,782	—	1,896,431,492	0.3710
2019	1,602,875,429	4,461,438	217,592,035	115,741,035	1,537,629	—	1,942,207,566	0.3180
2020	1,591,221,342	3,858,529	216,016,662	115,772,876	1,519,041	—	1,928,388,450	0.3194
2021	1,600,106,663	4,143,299	212,649,663	116,418,404	1,519,041	—	1,934,837,070	0.3219

Data Source: Lake County Clerk PTAX-254 L05ELA

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years
June 30, 2022 (Unaudited)

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS**Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years
June 30, 2022 (Unaudited)**

	2013	2014	2015	2016
Library Direct Rates				
General	0.3560	0.3860	0.4090	0.4100
Overlapping Rates				
Village of Lake Zurich	0.9980	1.1320	1.1430	1.1310
Village of Hawthorn Woods	1.1760	1.1760	1.1820	1.1490
Village of Kildeer	0.2820	0.2820	0.2850	0.2760
Lake County	0.6080	0.6630	0.6820	0.6630
Lake County Forest Preserve	0.2120	0.2180	0.2100	0.2080
Lake Zurich Community Unit School District #95	4.9140	5.2420	5.2910	5.1910
Kildeer Countryside Community School District #96	3.7560	3.9760	4.0400	3.8700
Stevenson High School District #125	2.7510	2.9890	3.0490	3.0040
College of Lake County #532	0.2720	0.2960	0.3060	0.2990
Ela Township (including Road & Bridge)	0.1280	0.1570	0.1560	0.1540
Lake Zurich Rural Fire Protection District	0.6540	0.6950	0.7050	0.5420
Total Overlapping Rate	15.7510	16.8260	17.0490	16.4870
Total Direct and Overlapping Rates	16.1070	17.2120	17.4580	16.8970

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

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

2017	2018	2019	2020	2021	2022
0.3984	0.3815	0.3710	0.3180	0.3194	0.3219
1.0920	1.0790	1.0920	1.0110	1.0428	1.0606
1.0940	1.0660	1.0550	1.0450	1.0690	0.4877
0.2650	0.2640	0.2680	0.2852	0.2967	0.2966
0.6320	0.6220	0.6120	0.5970	0.5980	0.5977
0.1930	0.1870	0.1820	0.1800	0.1818	0.1789
5.0210	4.9600	5.0210	4.9860	5.0912	5.2063
3.6900	3.6550	3.7160	3.7660	3.9360	4.0315
2.8580	2.8620	2.8880	2.9830	2.9829	3.0923
0.2850	0.2810	0.2820	0.2820	0.2897	0.2935
0.1480	0.1450	0.1460	0.1460	0.1486	0.1490
0.6010	0.4880	0.5200	0.5429	0.5429	0.5586
15.8790	15.6090	15.7820	15.8241	16.1796	15.9527
16.2774	15.9905	16.1530	16.1421	16.4990	16.2746

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
June 30, 2022 (Unaudited)**

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Library Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Library Taxable Assessed Value
Kemper Lakes Equity Partners LLC	\$ 26,185,663	1	1.36%			
G&I IX Kildeer LLC	9,403,905	2	0.49%	\$ 7,960,756	3	0.48%
SLK Global Solutions America	9,401,494	3	0.49%			
Echo Incorporated	7,953,984	4	0.41%	5,303,472	9	0.32%
Village Square Retail Center LLC	7,194,577	5	0.37%	7,668,418	4	0.46%
Landings Capital Partners LLC	6,684,965	6	0.35%	5,997,816	7	0.36%
Suso North Lake LP	5,189,066	7	0.27%	6,130,529	5	0.37%
Kildeer Medical Building LLC	4,976,289	8	0.26%			
Centro / IA Quentin Collection	4,972,482	9	0.26%	8,149,185	2	0.49%
Deerpath Court Retail Center LLC	4,848,144	10	0.25%			
Deloitte PTS				8,218,771	1	0.49%
Chicago Land Title & Trust				6,122,751	6	0.37%
Deerpath Commons Retail Center LLC				5,756,484	8	0.35%
Long Grove Investors LLC				5,146,589	10	0.31%
	<u>86,810,569</u>		<u>4.51%</u>	<u>66,454,771</u>		<u>4.00%</u>

Data Source: Office of the County Clerk

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Property Tax Levies and Collections - Last Ten Tax Levy Years June 30, 2022 (Unaudited)

Tax Levy Year	Taxes Levied for the Fiscal Year		Collected within the		Collections in Subsequent Years	Total Collections to Date		
			Fiscal Year of the Levy					
	Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy		
2012	\$	6,423,819	\$	6,412,192	99.82%	\$	6,412,192	99.82%
2013		6,538,204		6,521,525	99.74%		6,521,525	99.74%
2014		6,669,398		6,631,921	99.44%		6,631,921	99.44%
2015		6,751,831		6,736,902	99.78%		6,736,902	99.78%
2016		6,829,665		6,797,667	99.53%		6,797,667	99.53%
2017		6,921,190		6,916,163	99.93%		6,916,163	99.93%
2018		6,040,002		6,031,620	99.86%		6,031,620	99.86%
2019		6,202,459		6,181,653	99.66%		6,181,653	99.66%
2020		6,208,330		6,184,829	99.62%		6,184,829	99.62%
2021		6,366,098		3,568,647	56.06%		3,568,647	56.06%

Data Source: Office of the County Clerk

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
June 30, 2022 (Unaudited)**

Fiscal Year		Governmental Activities General Obligation Bonds	Percentage of Personal Income (1)		Per Capita (1)
2013	\$	6,681,242	— %	\$	193.87
2014		5,628,743	— %		163.33
2015		4,521,244	— %		131.20
2016		3,388,745	— %		98.33
2017		2,236,246	— %		64.89
2018		1,068,747	— %		31.01
2019		—	— %		—
2020		—	— %		—
2021		—	— %		—
2022		—	— %		—

Data Source: Library Records

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

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Ratios of Net General Bonded Debt Outstanding - Last Ten Fiscal Years June 30, 2022 (Unaudited)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2013	\$ 6,681,242	\$ 5,677,050	\$ 1,004,192	0.06%	\$ 29.14
2014	5,628,743	4,504,100	1,124,643	0.07%	32.63
2015	4,521,244	3,337,425	1,183,819	0.07%	34.35
2016	3,388,745	2,182,700	1,206,045	0.07%	35.00
2017	2,236,246	1,045,450	1,190,796	0.07%	34.55
2018	1,068,747	—	1,068,747	0.06%	31.01
2019	—	—	—	—%	—
2020	—	—	—	—%	—
2021	—	—	—	—%	—
2022	—	—	—	—%	—

Data Source: Library Records

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

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

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Direct and Overlapping Governmental Activities Debt June 30, 2022 (Unaudited)

Governmental Unit	Gross Debt	Percentage of Debt Applicable to Library (1)	Library's Share of Debt
Direct			
Library	\$ —	100.00%	\$ —
Overlapping (1)			
Village of Hawthorn Woods	788,958	100.00%	788,958
Village of Lake Zurich	20,034,856	100.00%	20,034,856
Village of Kildeer	1,545,000	100.00%	1,545,000
Lake County, including Forest Preserve District	318,995,000	7.03%	22,425,349
Lake Zurich Community Unit School District #95	76,695,000	100.00%	76,695,000
Kildeer Countryside Community School District #96	—	100.00%	—
Stevenson High School District #125	51,660,000	52.94%	27,348,804
College of Lake County #532	90,210,000	7.38%	6,657,498
Ela Township (including Road & Bridge)	—	76.32%	—
Total Overlapping Debt	559,928,814		155,495,465
Total Direct and Overlapping Debt	559,928,814		155,495,465

Data Source: County Tax Extension Department

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Schedule of Legal Debt Margin - Last Ten Fiscal Years
June 30, 2022 (Unaudited)

See Following Page

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS**Schedule of Legal Debt Margin - Last Ten Fiscal Years
June 30, 2022 (Unaudited)**

	2013	2014	2015	2016
Legal Debt Limit (2.875% of Assessed Valuation)	\$ 47,845,800	45,959,257	46,766,551	48,717,809
Total Net Debt Applicable to Limit	6,681,242	5,628,743	4,521,244	3,388,745
Legal Debt Margin	41,164,558	40,330,514	42,245,307	45,329,064
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	13.96%	12.25%	9.67%	6.96%

Data Source: Audited Financial Statements

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

2017	2018	2019	2020	2021	2022
51,469,860	53,582,130	54,522,405	55,838,468	55,441,168	55,626,566
2,236,246	1,068,747	—	—	—	—
49,233,614	52,513,383	54,522,405	55,838,468	55,441,168	55,626,566
4.34%	1.99%	0.00%	0.00%	0.00%	0.00%

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS**Demographic and Economic Statistics - Last Ten Fiscal Years
June 30, 2022 (Unaudited)**

Fiscal Year	Population (1)	Personal Income (2) (in Thousands)	Per Capita Personal Income (2)	Unemployment Rate (3)
2013	34,462	\$ 1,275,369,696	\$ 37,008	7.80%
2014	34,462	1,348,429,136	39,128	6.10%
2015	34,462	1,353,357,202	39,271	5.00%
2016	34,462	1,461,085,414	42,397	4.90%
2017	34,462	1,592,213,324	46,202	4.20%
2018	34,462	1,533,076,532	44,486	4.40%
2019	34,462	1,581,633,490	45,895	3.40%
2020	34,462	1,627,399,026	47,223	12.00%
2021	34,462	1,684,468,098	48,879	5.40%
2022	36,366	1,791,498,258	49,263	4.50%

Data Source:

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

(2) Per Capita Personal Income in Lake County IL from <https://data.census.gov/cedsci/>(3) Unemployment rate in Lake County IL from <https://data.bls.gov/map/MapToolServlet>

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
June 30, 2022 (Unaudited)**

Employer	2022			2013		
	Employees	Rank	Percentage of Total Library Employment	Employees	Rank	Percentage of Total Library Employment
Fresenius KABI USA LLC / Fenwal Lake Zurich Community Unit School District #95	1,200	1	3.30%	350	5	1.02%
Echo Inc	716	2	1.97%	650	2	1.89%
ACCO Brands Corp / Day-Timer	700	3	1.92%	750	1	2.18%
Smalley Steel Ring Cp	700	3	1.92%			
General Binding Corp	540	5	1.48%	250	6	0.73%
Termax	500	6	1.37%	500	3	1.45%
Costco Wholesale & Costco Gas	400	7	1.10%	195	8	0.57%
Jewel-Osco	400	7	1.10%			
D&W Finepack	250	9	0.69%	170	9	0.49%
B&B Maintenance, Inc	200	10	0.55%			
Food Equipment Tech, Inc				500	3	1.45%
Parkview Metal Products, Inc.				197	7	0.57%
				150	10	0.44%
	<u>5,606</u>		<u>15.40%</u>	<u>3,712</u>		<u>10.79%</u>

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

**Full-Time Equivalent (FTE) District Employees by Function - Last Ten Years
June 30, 2022 (Unaudited)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Culture and Recreation	61	61	62	62	63	62	63	60	55	60

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

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years June 30, 2022 (Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Population	34,462	34,462	34,462	34,462	34,462	34,462	34,462	34,462	36,366	36,366
CPI	1.7%	1.5%	0.8%	0.7%	2.1%	2.1%	1.9%	2.3%	1.4%	7.0%
Circulation										
Total Circulation	1,020,247	943,116	900,564	830,262	906,190	915,801	1,042,347	809,669	714,404	899,571
Circulation Per Capita	29.60	27.37	26.13	24.09	26.30	26.57	30.25	23.49	19.64	24.74
Cost Per Circulation	\$5.91	\$6.26	\$6.47	\$7.23	\$6.72	\$6.61	\$5.99	\$7.72	\$8.19	\$6.64
Inflation-Adjusted Cost Per Circulation	Baseline	\$6.17	\$6.32	\$7.03	\$6.39	\$6.14	\$5.41	\$6.97	\$7.33	\$5.34
Library Material Holdings										
Total Material Holdings	214,510	210,821	212,618	194,719	218,612	230,084	234,405	249,367	266,887	263,952
Holdings Per Capita	6	6	6	6	6	7	7	7	7	7
Patron Visits										
Total Patron Visits	401,670	362,498	358,776	421,366	381,224	313,054	292,722	199,287	78,013	158,664
Visits Per Capita	11.66	10.52	10.41	12.23	11.06	9.08	8.49	5.78	2.15	4.36
Cost per Visit	\$15.01	\$16.29	\$16.24	\$14.24	\$15.98	\$19.34	\$21.32	\$31.38	\$75.04	\$37.67
Program Attendees										
Total Patrons	30,392	29,409	30,854	53,478	37,489	34,059	36,087	21,992	6,147	11,457
Program Attendees Per Capita	0.88	0.85	0.90	1.55	1.09	0.99	1.05	0.64	0.17	0.32
Operating Hours										
Hours Opened	3,568	3,568	3,568	3,568	3,566	3,566	3,520	2,568	2,247	3,543
Cost per Hour Open	\$1,689.90	\$1,654.97	\$1,632.74	\$1,681.93	\$1,708.70	\$1,698.03	\$1,773.11	\$2,435.20	\$2,605.41	\$1,687.11
Inflation-Adjusted Cost Per Hour Open	Baseline	\$1,630.51	\$1,595.33	\$1,632.83	\$1,624.45	\$1,578.85	\$1,620.87	\$2,228.21	\$2,362.44	\$1,333.78

Data Source: Illinois Public Library Annual Report (IPLAR)

ELA AREA PUBLIC LIBRARY DISTRICT, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
June 30, 2022 (Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Culture and Recreation										
Number of Libraries	1	1	1	1	1	1	1	1	1	1

Data Source: Library Records