



**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

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ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2021



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**ADDISON PUBLIC LIBRARY**  
**ADDISON, ILLINOIS**  
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**ADDISON, ILLINOIS**  
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## **INDEPENDENT AUDITOR'S REPORT**

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## **INDEPENDENT AUDITOR'S REPORT**

Members of the Public Library Board  
Addison Public Library  
Addison, Illinois

We have audited the accompanying financial statements of the governmental activities and each major fund of the Addison Public Library (the Library) as of and for the year ended April 30, 2021, and the related notes to financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

## **Opinions**

In our opinion, the basic financial statements, present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Addison Public Library, as of April 30, 2021, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Library's basic financial statements. The supplemental data and supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental data is the responsibility of management and was derived from and relate 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, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, financial statements of the governmental activities and each major fund of the Library as of and for the year ended April 30, 2020, and we expressed unmodified opinions on those basic financial statements. The audit was conducted for purposes of forming an opinion on the basic financial statements as a whole. The schedules of revenues, expenditures, and changes in fund balance - budget and actual for each fund and the schedules of expenditures - budget and actual with comparative actual is presented for purposes of additional analysis and is 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 2020 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

*Sikich LLP*

Naperville, Illinois  
October 19, 2021

**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**



## ADDISON PUBLIC LIBRARY

### MANAGEMENT DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED APRIL 30, 2021

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#### Introduction

This discussion and analysis of the Addison Public Library's financial performance provides a narrative overview of the Library's financial activities for the fiscal year ending April 30, 2021. Readers are encouraged to consider the information presented in conjunction with the financial statements as a whole.

#### Financial Highlights

- The assets of the Library exceeded its liabilities at the close of the most recent fiscal year by \$20,489,110. Of this amount, \$16,826,627 in unrestricted funds may be used to meet the Library's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the Library's governmental funds reported an ending fund balance of \$18,061,079. Of this amount, \$12,347,512 is committed for capital projects, \$78,358 is nonspendable for pre-paid items in FY2022 and \$5,190,218 in unrestricted funds is available for spending at the Library's discretion. \$444,991 is restricted for special levies.

#### Overview of the Financial Statements

The Library's basic financial statements include three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements

This dual focus on both the Library as a whole (government-wide) and the major individual funds allows the reader to broaden the basis for comparison (year to year or government to government) and enhances the Library's accountability.

**Government wide financial statements** are designed to provide readers with a broad overview of the Library's finances, in a manner similar to a private-sector business. There are two government-wide financial statements: **The Statement of Net Position** and **The Statement of Activities**.

The **Statement of Net Position** presents information on all of the Library's assets, deferred outflows and liabilities and deferred inflows, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Library is improving or deteriorating.

The **Statement of Activities** presents information showing how the Library's net position changed during the most recent fiscal year.

(See independent auditor's report)

**Fund financial statements** tell how services were paid for as well as what remains for future spending. Fund financial statements also report the Library's operations in more detail than the government-wide financial statements.

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

### Financial Analysis

As noted above, net position may serve, over time, as a useful indicator of a government's financial position. The following table indicates that in the case of the Addison Public Library, assets exceed liabilities by \$20,489,110. A large portion of the Library's net position reflects its investment in capital assets (e.g. building, books, furniture and fixtures, equipment, and improvements). The Library uses these capital assets to provide service to our patrons and consequently these assets are not available to liquidate liabilities or for future spending.

For the year ended April 30, 2021, the Library's net position increased by \$1,522,676. A complete comparative analysis is presented below.

**Table 1**  
**Statement of Net Position**  
**April 30, 2020 and 2021**

		<b>2020</b>	<b>2021</b>
Current and Other Assets	\$	22,517,213	23,793,095
Capital Assets, net of accumulated depreciation	\$	3,145,045	3,217,492
Deferred Outflows	\$	343,249	384,165
<b>Total Assets</b>	<b>\$</b>	<b>26,005,507</b>	<b>27,394,752</b>
Current Liabilities	\$	101,881	140,765
Noncurrent Liabilities	\$	1,045,842	439,744
Deferred Inflows	\$	5,891,350	6,325,133
<b>Total Liabilities and Deferred Inflows</b>	<b>\$</b>	<b>7,039,073</b>	<b>6,905,642</b>
<b>Net Position:</b>			
Net investment in capital assets	\$	3,145,045	3,217,492
Restricted for special levies	\$	571,298	444,991
Unrestricted	\$	15,250,091	16,826,627
<b>Total Net Position</b>	<b>\$</b>	<b>18,966,434</b>	<b>20,489,110</b>

(See independent auditor's report)

## **Governmental Activities**

The governmental activities of the Library reflect the Library's basic services, including materials collections, reference and reader's services, programming, interlibrary loan and outreach services. The following table summarizes the revenues and expenses of the Library's governmental activities for fiscal years ended 2020 and 2021.

**Table 2**  
**Changes in Net Position**  
**Year ended April 30, 2020 and 2021**

	2020	2021
<b>Revenues</b>		
Program Revenues		
Fines and Fees	\$ 31,856	18,290
Intergovernmental	\$ 58,826	80,326
General Revenues		
Property Taxes	\$ 5,293,385	5,499,383
Investment Income	\$ 493,455	207,563
Miscellaneous	\$ 8,311	9,055
<b>Total Revenues</b>	<b>\$ 5,885,833</b>	<b>5,814,617</b>
<b>Expenses</b>		
Culture and Recreation	\$ 4,512,202	4,219,194
<b>Total Expenses</b>	<b>\$ 4,512,202</b>	<b>4,219,194</b>
Change in Net Position	\$ 1,373,631	1,522,676
Total Net Position, May 1	\$ 17,592,803	18,966,434
<b>Total Net Position, April 30</b>	<b>\$ 18,966,434</b>	<b>20,489,110</b>

## **Governmental Funds Analysis**

At the end of the current fiscal year, the Library had an overall excess of revenue over expenditures.

(See independent auditor's report)

**Table 3**  
**Statement of General Fund Revenues and Expenditures**  
**Year ended April 30, 2020 and 2021**

	2020	2021
<b>Revenues</b>		
Taxes	\$ 5,293,385	5,499,383
Fines and Fees	\$ 31,856	18,290
Intergovernmental	\$ 58,826	80,326
Investment Income	\$ 478,633	205,307
Miscellaneous	\$ 8,311	9,055
<b>Total</b>	<b>\$ 5,871,011</b>	<b>5,812,361</b>
<b>Expenditures</b>		
Salaries and Benefits	\$ 2,942,459	3,027,521
Library Materials	\$ 676,198	665,240
All Other Operating Expenditures*	\$ 843,635	892,231
<b>Total</b>	<b>\$ 4,462,292</b>	<b>4,584,992</b>

\*Building insurance, general office and facility supplies, processing costs, audit, utilities, professional fees, contractual services, program expenses, automation/technology, etc.

**Capital Assets**

The Library's investment in capital assets for governmental activities on April 30, 2020, net of \$1,924,648 of accumulated depreciation, was \$3,145,045.

The Library's investment in capital assets for governmental activities on April 30, 2021, net of \$2,092,695 of accumulated depreciation, was \$3,217,492.

**Table 4**  
**Capital Assets**  
**Year ended April 30, 2020 and 2021**

	2020	2021
<b>Assets</b>		
Buildings and Improvements	\$ 1,049,126	1,049,126
Operating Equipment	\$ 2,892,460	3,054,438
Office Equipment	\$ 1,128,107	1,206,623
Less – Accumulated Depreciation	\$ (1,924,648)	(2,092,695)
<b>TOTAL (net of depreciation)</b>	<b>\$ 3,145,045</b>	<b>3,217,492</b>

See Note 4 in the notes to the financial statements for additional capital asset information.

(See independent auditor's report)

**Table 5**  
**General Fund Balances**  
**Year ended April 30, 2020 and 2021**

	<b>2021 Original Budget</b>	<b>2021 Final Budget</b>	<b>2021 Actual</b>	<b>2020 Actual</b>
<b>Revenues</b>				
Taxes	\$ 5,514,114	5,514,114	5,499,383	5,293,385
Intergovernmental	\$ 46,178	46,178	80,326	58,826
Fines and Fees	\$ 31,000	31,000	18,290	31,856
Interest Income	\$ 356,600	356,600	205,307	478,633
Miscellaneous	\$ 4,000	4,000	9,055	8,311
<b>Total Revenues</b>	<b>\$ 5,951,892</b>	<b>5,951,892</b>	<b>5,812,361</b>	<b>5,871,011</b>
<b>Expenditures</b>				
Culture & Recreation	\$ 5,656,063	5,656,063	4,584,992	4,462,292
<b>Total Expenditures</b>	<b>\$ 5,656,063</b>	<b>5,656,063</b>	<b>4,584,992</b>	<b>4,462,292</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>\$ 295,823</b>	<b>295,829</b>	<b>1,227,369</b>	<b>1,408,719</b>
<b>Fund Balance (beginning, as reported)</b>			<b>\$4,486,198</b>	
<b>Fund Balance (ending)</b>			<b>\$5,713,567</b>	

**Requests for Information**

This financial report is designed to provide a general overview of the Addison Public Library's finances. Questions and comments concerning any information provided in this report should be addressed to Mary Medjo Me Zengue, Director, Addison Public Library, 4 Friendship Plaza, Addison, Illinois, 60101.

(See independent auditor's report)

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

STATEMENT OF NET POSITION

April 30, 2021

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 18,123,485
Receivables (net of allowance where applicable)	
Property taxes	5,536,763
Prepaid expenses	78,358
Due from other governments	54,489
Capital assets (net of accumulated depreciation)	<u>3,217,492</u>
 Total assets	 <u>27,010,587</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related items - IMRF	<u>384,165</u>
 Total deferred outflows of resources	 <u>384,165</u>
 Total assets and deferred outflows of resources	 <u>27,394,752</u>
<b>LIABILITIES</b>	
Accounts payable	102,155
Accrued payroll	38,610
Noncurrent liabilities	
Due in less than one year	23,718
Due in more than one year	<u>416,026</u>
 Total liabilities	 <u>580,509</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred revenue - property taxes	5,536,762
Pension related items - IMRF	<u>788,371</u>
 Total deferred inflows of resources	 <u>6,325,133</u>
<b>NET POSITION</b>	
Invested in capital assets	3,217,492
Restricted for special levies	444,991
Unrestricted	<u>16,826,627</u>
 <b>TOTAL NET POSITION</b>	 <u><u>\$ 20,489,110</u></u>

See accompanying notes to financial statements.

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2021

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Change in Net Position
PRIMARY GOVERNMENT	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Culture and recreation	\$ 4,291,941	\$ 18,290	\$ 80,326	\$ -	\$ (4,193,325)
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 4,291,941</b>	<b>\$ 18,290</b>	<b>\$ 80,326</b>	<b>\$ -</b>	<b>(4,193,325)</b>
			General Revenues		
			Taxes		
			Property and replacement		5,499,383
			Investment income		207,563
			Miscellaneous		9,055
			Total		5,716,001
			CHANGE IN NET POSITION		1,522,676
			NET POSITION, MAY 1		18,966,434
			<b>NET POSITION, APRIL 30</b>		<b>\$ 20,489,110</b>

See accompanying notes to financial statements.

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS

April 30, 2021

	General	Capital Projects	Total
<b>ASSETS</b>			
Cash and investments	\$ 5,751,084	\$ 12,372,401	\$ 18,123,485
Property taxes receivable	5,536,763	-	5,536,763
Prepaid items	78,358	-	78,358
Due from other governments	54,489	-	54,489
	<b>TOTAL ASSETS</b>	<b>\$ 12,372,401</b>	<b>\$ 23,793,095</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 77,266	\$ 24,889	\$ 102,155
Accrued payroll	38,610	-	38,610
	Total liabilities	24,889	140,765
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	5,536,762	-	5,536,762
Unavailable revenue - grants	54,489	-	54,489
	Total deferred inflows of resources	-	5,591,251
<b>FUND BALANCES</b>			
Nonspendable in form - prepaid items	78,358	-	78,358
Restricted for special levies	444,991	-	444,991
Committed for capital projects	-	12,347,512	12,347,512
Unrestricted, unassigned			
General Fund	5,190,218	-	5,190,218
	Total fund balances	12,347,512	18,061,079
	<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 12,372,401</b>	<b>\$ 23,793,095</b>

See accompanying notes to financial statements.



**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

April 30, 2021

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	\$ 18,061,079
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 governmental funds	3,217,492
Grant revenue appropriated by the state, but not yet issued to the local government are reported as deferred revenues at the fund level, but on the government-wide level they are reported as revenues	54,489
Deferred outflows of resources related to the Library's participation in IMRF are not financial resources and, therefore, are not reported in the governmental funds	384,165
Deferred inflows of resources related to the Library's participation in IMRF are not financial resources and, therefore, are not reported in the governmental funds	(788,371)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Net pension liability	(281,624)
Compensated absences are not a current liability and, therefore, is not reported in the governmental funds	<u>(158,120)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u><u>\$ 20,489,110</u></u></b>

See accompanying notes to financial statements.

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2021

	<b>General</b>	<b>Capital Projects</b>	<b>Total</b>
<b>REVENUES</b>			
Taxes	\$ 5,499,383	\$ -	\$ 5,499,383
Intergovernmental	80,326	-	80,326
Fines and fees	18,290	-	18,290
Investment income	205,307	2,256	207,563
Miscellaneous	9,055	-	9,055
Total revenues	5,812,361	2,256	5,814,617
<b>EXPENDITURES</b>			
Culture and recreation	4,584,992	59,586	4,644,578
Total expenditures	4,584,992	59,586	4,644,578
NET CHANGE IN FUND BALANCES	1,227,369	(57,330)	1,170,039
FUND BALANCES, MAY 1	4,486,198	12,404,842	16,891,040
<b>FUND BALANCES, APRIL 30</b>	<b>\$ 5,713,567</b>	<b>\$ 12,347,512</b>	<b>\$ 18,061,079</b>

See accompanying notes to financial statements.

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF ACTIVITIES**

For the Year Ended April 30, 2021

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<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 1,170,039</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	749,655
Depreciation in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in governmental funds	(677,208)
Grant revenue appropriated by the state, but not yet issued to the local government are reported as deferred revenues at the fund level, but on the government wide level they are reported as revenues	8,311
The change in deferred outflows for the Illinois Municipal Retirement Fund is reported as an expense on the statement of activities	40,916
The change in deferred inflows for the Illinois Municipal Retirement Fund is reported as an expense on the statement of activities	(375,135)
The change in the net pension liability is reported as an expense on the statement of activities	610,012
The change in compensated absences is shown as a functional expense on the statement of activities	<u>(3,914)</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u><u>\$ 1,522,676</u></u></b>

See accompanying notes to financial statements.

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

April 30, 2021

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Addison Public Library (the Library) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Library's accounting policies are described below.

a. Reporting Entity

The Library is a municipal corporation governed by an elected president and six-member board of trustees. As required by GAAP, these financial statements present the Library and any existing component units. Currently, the Library does not have any component units and based on criteria of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, the Library has been determined not to be a component unit of the Village of Addison, Illinois (the Village).

The Library has determined that the Friends of the Addison Public Library (the Friends) meets the requirements of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement 14*, and GASB Statement No. 61, *The Financial Reporting Entity – Omnibus*. However, as the Friends is not significant to the Library and, therefore, is not included in this report.

b. Fund Accounting

The accounts of the Library are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

Funds are classified as governmental funds.

Governmental funds are used to account for all or most of a government's general activities, including the acquisition or construction of capital assets (capital projects funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Library. The effect of material interfund activity has been eliminated from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues 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 standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for major governmental funds.

The Library reports the following major governmental funds:

The General Fund is the Library's primary operating fund. It accounts for all financial resources of the Library, except those accounted for in another fund.

The Capital Projects Fund is used to account for capital asset acquisitions.

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, usually 60 days. The Library recognizes property taxes when they become both measurable and available or earned in the year intended to finance. Expenditures are recorded when the related fund liability is incurred.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)

Those revenues susceptible to accrual are property taxes and interest revenue. Fine revenue is not susceptible to accrual because generally it is not measurable until received in cash. The Library reports unavailable/deferred revenue and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet the measurable and available or earned criteria for recognition in the current period. Unearned revenues arise when resources are received by the Library before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Library has a legal claim to the resources, the deferred inflow for unavailable/deferred revenue or the liability for unearned revenue is removed from the financial statements and revenue is recognized.

e. Investments

Investments are stated at fair value.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

f. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Library as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

**ADDISON PUBLIC LIBRARY**  
**ADDISON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

f. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building improvements	5-40
Operating equipment	3-5
Office equipment	5-30

g. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses, if any.

h. Compensated Absences

Vested or accumulated vacation leave, including related Social Security and Medicare, that is owed to retirees or terminated employees, is reported as expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated vacation leave of governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to active employees.

i. Interfund Transactions

Interfund services transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except interfund services transactions and reimbursements, are reported as transfers.

**ADDISON PUBLIC LIBRARY**  
**ADDISON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

j. Fund Balances/Net Position

In the fund financial statements, governmental funds can report nonspendable fund balance for amounts that are either not spendable in form or legally for contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Library. Committed fund balance is constrained by formal actions of the Library's Board of Trustees, which is considered the Library's highest level of decision-making authority. Formal actions include resolutions and ordinances approved by the Library's Board of Trustees. Assigned fund balance represents amounts constrained by the Library's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Library Director by the Library Board of Trustees. Any residual fund balance in the General Fund or deficit fund balance in other funds is reported as unassigned.

The Library's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the Library considered committed funds to be expended first following by assigned and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. None of the net position is restricted as a result of enabling legislation adopted by the Library. Net investment in capital assets, represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

k. Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

l. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources



**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

l. Deferred Outflows/Inflows of Resources (Continued)

(expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

m. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the Library has delayed the implementation of GASB Statement No. 87, *Leases*, to April 30, 2023.

**2. DEPOSITS AND INVESTMENTS**

The Library categorizes the fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs.

The Library maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments."

Deposits and Investments

The Library's investment policy authorizes the Library to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The Library's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

**ADDISON PUBLIC LIBRARY**  
**ADDISON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**2. DEPOSITS AND INVESTMENTS (Continued)**

Deposits and Investments (Continued)

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

It is the policy of the Library to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Library and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, legality, safety of principal, liquidity, and rate of return.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Library's deposits may not be returned to it. The Library's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the Library or an independent third party and evidenced by a safekeeping agreement.

Investments

The following table presents the investments and maturities of the Library's debt securities as of April 30, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
IMET	\$ 172,505	\$ -	\$ 172,505	\$ -	\$ -
U.S. agency obligations	8,187,752	1,775,693	6,412,059	-	-
Negotiable CDs	5,231,527	2,391,298	2,840,229	-	-
<b>TOTAL</b>	<b>\$ 13,591,784</b>	<b>\$ 4,166,991</b>	<b>\$ 9,424,793</b>	<b>\$ -</b>	<b>\$ -</b>

**2. DEPOSITS AND INVESTMENTS (Continued)**

Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Library limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

The Library has the following recurring fair value measurements as of April 30, 2021. The U.S. agency obligations and negotiable certificates for deposit are valued using quoted matrix pricing models (Level 2 inputs). The IMET 1 to 3 Year Fund, a mutual fund, is measured based on the net asset value of the shares in IMET, which is based on the fair value of the underlying investments in the mutual fund (Level 3 input).

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Library limits its exposure to credit risk by primarily investing in external investment pools and U.S. agency obligations. The Illinois Funds and IMET are rated AAA. The U.S. agency obligations are rated AA+ and negotiable CD's are not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in possession of an outside party. The Library's investment policy does not address this risk. The Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Library has a high percentage of its investments invested in one type of investment. The Library's investment policy requires diversification of investments to avoid unreasonable risk. No financial institution shall hold investments greater than 50% of its capital stock and surplus.

**3. RECEIVABLES - TAXES**

Property taxes for 2020 attach as an enforceable lien on January 1, 2020 on property values assessed as of the same date. Taxes are levied by December 31 of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2021 and are payable in two installments, on or about June 1, 2021 and September 1, 2021. The County collects such taxes and remits them periodically. As the 2020 tax levy is collected to fund the expenditures for the 2021-2022 fiscal year, these taxes are deferred as of April 30, 2021.

The 2021 tax levy, which attached as an enforceable lien on property as of January 1, 2021, has not been recorded as a receivable as of April 30, 2021, as the tax has not yet been levied by the Library and will not be levied until December 2021 and, therefore, the levy is not yet measurable at April 30, 2021.

**ADDISON PUBLIC LIBRARY**  
**ADDISON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**4. CAPITAL ASSETS**

Capital asset activity for the year ended April 30, 2021 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
None	\$ -	\$ -	\$ -	\$ -
Total capital assets not being depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets being depreciated				
Building improvements	1,049,126	-	-	1,049,126
Operating equipment	2,892,460	665,241	503,263	3,054,438
Office equipment	1,128,107	84,414	5,898	1,206,623
Total capital assets being depreciated	<u>5,069,693</u>	<u>749,655</u>	<u>509,161</u>	<u>5,310,187</u>
Less accumulated depreciation for				
Building improvements	225,237	50,766	-	276,003
Operating equipment	1,070,776	578,490	503,263	1,146,003
Office equipment	628,635	47,952	5,898	670,689
Total accumulated depreciation	<u>1,924,648</u>	<u>677,208</u>	<u>509,161</u>	<u>2,092,695</u>
Total capital assets being depreciated, net	<u>3,145,045</u>	<u>72,447</u>	<u>-</u>	<u>3,217,492</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u>\$ 3,145,045</u>	<u>\$ 72,447</u>	<u>\$ -</u>	<u>\$ 3,217,492</u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

<b>GOVERNMENTAL ACTIVITIES</b>	
Culture and recreation	<u>\$ 677,208</u>

**5. 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; injuries to employees; illnesses of employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

**6. OTHER POSTEMPLOYMENT BENEFITS**

a. Plan Description

In addition to providing the pension benefits described, the Library provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and any employer contributions are governed by the Library and can be amended by the Library through its personnel manual. The plan does not issue a separate report. The activity of the plan is reported in the Library's governmental activities. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

b. Benefits Provided

The Library provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under the Library's retirement plan or meet COBRA requirements.

All health care benefits are provided through the Library's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Eligibility in library sponsored health care plans is discontinued upon eligibility for federally sponsored health care benefits. Retirees pay the full premium to continue in the plan, however the premium is a blended premium, not an age adjusted premium, which creates an implicit benefit as defined by GASB Statement No. 75.

c. Total OPEB Liability

Based on the size of the Library, the number of active plan members, the lack of any retirees participating in the plan and comparison of actuarial valuations for similar entities with similar benefits, the Library's total OPEB liability as of April 30, 2021 is immaterial and, therefore, not recorded by the Library and no further disclosure is deemed necessary.

**7. DEFINED BENEFIT PENSION PLAN**

The Library contributes, through the Village, to the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. However, the Library's participation in IMRF is equivalent to a cost sharing multiple-employer pension plan since only one actuarial valuation is performed for both the Village and the Library combined. All disclosures for an agent plan can be found in the Village's comprehensive annual financial report.

**7. DEFINED BENEFIT PENSION PLAN (Continued)**

a. Plan Description

Illinois Municipal Retirement Fund

*Plan Administration*

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable. Investments are reported at fair value.

*Benefits Provided*

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. 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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

*Contributions*

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village and the Library are required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended 2020 was 12.12% of covered payroll. For the year ended April 30, 2021, salaries totaling \$1,763,926 were paid that required employer contributions of \$211,501, which was equal to the Library's actual contributions.

**ADDISON PUBLIC LIBRARY**  
**ADDISON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. DEFINED BENEFIT PENSION PLAN (Continued)**

a. Plan Description (Continued)

Illinois Municipal Retirement Fund (Continued)

*Net Pension Liability*

At April 30, 2021, the Library reported a liability of \$281,624 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability was based on the Library's actual contribution to the plan for the year ended April 30, 2021 relative to the contributions of the Village, actuarially determined. At April 30, 2021, the Library's proportion was 8.88% of the total contribution.

*Actuarial Assumptions*

The Library's net pension liability was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2020
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Cost of living adjustments	3.00%
Asset valuation method	Market value

**7. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Description (Continued)

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions (Continued)*

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

*Discount Rate*

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



**ADDISON PUBLIC LIBRARY**  
**ADDISON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Description (Continued)

Illinois Municipal Retirement Fund (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended April 30, 2021, the Library recognized pension expense of \$(64,286). At April 30, 2021, the Library reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 230,071	\$ -
Changes in assumption	78,893	95,832
Net difference between projected and actual earnings on pension plan investments	-	692,539
Contributions subsequent to measurement date	75,201	-
<b>TOTAL</b>	<b>\$ 384,165</b>	<b>\$ 788,371</b>

\$75,201 reported as deferred outflows of resources related to pensions resulting from library contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ending April 30, 2022. Other amounts reported as deferred outflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2022	\$ (117,834)
2023	(9,253)
2024	(245,769)
2025	(106,551)
2026	-
Thereafter	-
<b>TOTAL</b>	<b>\$ (479,407)</b>

**ADDISON PUBLIC LIBRARY**  
**ADDISON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Description (Continued)

Illinois Municipal Retirement Fund (Continued)

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Library calculated using the discount rate of 7.25% as well as what the Library's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 1,511,962	\$ 281,624	\$ (708,624)

**8. LONG-TERM DEBT**

The following is a summary of changes in long-term liabilities for the year ended April 30, 2021:

	Balances May 1	Issuances/ Increases	Reductions	Balances April 30	Due Within One Year
Compensated absences	\$ 154,206	\$ 27,045	\$ 23,131	\$ 158,120	\$ 23,718
Net pension liability	891,636	-	610,012	281,624	-
<b>TOTAL</b>	<b>\$ 1,045,842</b>	<b>\$ 27,045</b>	<b>\$ 633,143</b>	<b>\$ 439,744</b>	<b>\$ 23,718</b>

Compensated absences and net pension liability are retired by the Library's General Fund.

**REQUIRED SUPPLEMENTARY INFORMATION**

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Taxes			
Property taxes	\$ 5,479,114	\$ 5,479,114	\$ 5,458,939
Replacement taxes	35,000	35,000	40,444
Intergovernmental			
Per capita grant	46,178	46,178	46,178
E-rate	-	-	12,648
Census grant	-	-	5,774
Sidital skills grant	-	-	2,000
FEMA grant	-	-	13,226
Secretary of State PPE grant	-	-	500
Fines	8,500	8,500	5,183
Fees	22,500	22,500	13,107
Investment income	356,600	356,600	205,307
Miscellaneous			
Other	4,000	4,000	9,055
	5,951,892	5,951,892	5,812,361
<b>EXPENDITURES</b>			
Culture and recreation			
Personnel	3,585,000	3,585,000	3,027,521
Library books and materials	694,000	694,000	665,240
General contractual services	126,840	126,840	122,765
Physical services	267,000	267,000	235,686
Automation	180,760	180,760	150,975
Professional services	63,285	63,285	15,876
Programs and communications	126,500	126,500	97,587
Other operating expenditures	500,500	500,500	165,880
Grants	46,178	46,178	44,956
Insurance	66,000	66,000	58,506
	5,656,063	5,656,063	4,584,992
NET CHANGE IN FUND BALANCE	\$ 295,829	\$ 295,829	1,227,369
FUND BALANCE, MAY 1			4,486,198
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 5,713,567</b>

(See independent auditor's report.)

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Six Fiscal Years

<b>FISCAL YEAR ENDED APRIL 30,</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Contractually required contribution	\$ 176,277	\$ 181,921	\$ 194,765	\$ 186,972	\$ 192,981	\$ 211,501
Contributions in relation to the contractually required contribution	176,277	181,921	194,765	186,972	192,981	211,501
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 1,364,411	\$ 1,380,687	\$ 1,523,741	\$ 1,552,447	\$ 1,757,511	\$ 1,763,926
Contributions as a percentage of covered payroll	12.92%	13.18%	12.78%	12.04%	10.98%	11.99%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 23 years; the asset valuation method was at smoothed market value, projected salary increases assumption of 3.35% to 14.25% compounded annually, and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

SCHEDULE OF THE LIBRARY'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Six Fiscal Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Employer's proportion of net pension liability	9.58%	9.58%	8.87%	8.88%	8.88%	8.88%
Employer's proportionate share of net pension liability	\$ 1,373,841	\$ 1,418,335	\$ 537,466	\$ 1,585,038	\$ 891,636	\$ 281,624
Employer's covered payroll	1,335,315	1,417,040	1,383,334	1,571,347	1,623,359	1,698,277
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	102.89%	100.09%	38.85%	100.87%	54.93%	16.58%
Plan fiduciary net position as a percentage of the total pension liability	82.87%	83.42%	93.41%	82.15%	90.53%	97.17%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

April 30, 2021

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**BUDGETS**

The Library Board of Trustees has the authority to approve the budget for the General (Public Library) and Capital Projects Funds; the Village Board of Trustees passes the tax levy for the General Fund.

Budgets are adopted on a basis consistent with GAAP. The budget is prepared for the General Fund and the Capital Projects Fund by function and activity, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year. The proposed budget is presented to the Library Board of Trustees for review. This governing body holds public meetings and may add to, subtract from, or change appropriations. The budget may be amended by the governing body. State statutes and local ordinances require that the budget be approved before the beginning of the fiscal year.

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, no supplementary appropriations were necessary.

## **SUPPLEMENTAL DATA**



**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2021  
(with prior year actual)

	2021		Actual	2020 Actual
	Original Budget	Final Budget		
<b>PERSONNEL</b>				
Administrator and staff salaries	\$ 2,715,000	\$ 2,715,000	\$ 2,237,872	\$ 2,223,317
Employee benefits	449,000	449,000	382,014	368,768
Health insurance	420,000	420,000	407,236	350,029
Recruiting	1,000	1,000	399	345
Total personnel	3,585,000	3,585,000	3,027,521	2,942,459
<b>LIBRARY BOOKS AND MATERIALS</b>				
Books - children	75,000	75,000	74,203	71,478
Books - adult	164,000	164,000	159,231	154,095
Periodicals	16,500	16,500	11,207	13,368
Online databases	205,000	205,000	202,096	225,265
E-Books	60,000	60,000	59,276	57,872
Other expenditures	173,500	173,500	159,227	154,120
Total library books and materials	694,000	694,000	665,240	676,198
<b>GENERAL CONTRACTUAL SERVICES</b>				
Legal fees	6,000	6,000	4,398	5,859
Collection agency fees	5,000	5,000	2,792	3,097
Equipment rental and fees	8,500	8,500	5,902	8,939
Accounting service fees	21,840	21,840	20,285	19,930
Payroll service fees	48,500	48,500	45,612	7,528
Audit service fees	7,000	7,000	6,525	7,430
Rebillable services	-	-	-	-
Contractual service fees	30,000	30,000	37,251	50,882
Total general contractual services	126,840	126,840	122,765	103,665
<b>PHYSICAL SERVICES</b>				
Utilities and maintenance	88,500	88,500	116,822	87,677
Telecommunications	41,500	41,500	17,821	29,200
Maintenance and repair	137,000	137,000	101,043	114,560
Total physical services	267,000	267,000	235,686	231,437
<b>AUTOMATION</b>				
System development	40,000	40,000	5,428	32,776
Innovative millennium maintenance	75,760	75,760	80,917	52,380
OCLS	15,000	15,000	14,275	14,275
Software/licenses	50,000	50,000	50,355	40,000
Total automation	180,760	180,760	150,975	139,431

(This schedule is continued on the following page.)

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2021  
(with prior year actual)

	2021			
	Original Budget	Final Budget	Actual	2020 Actual
<b>PROFESSIONAL DEVELOPMENT</b>				
Organization memberships	\$ 8,000	\$ 8,000	\$ 7,500	\$ -
Programs and meetings	25,285	25,285	7,483	195
Travel	30,000	30,000	893	640
	<hr/>			
Total professional development	63,285	63,285	15,876	835
<b>PROGRAMS AND COMMUNICATIONS</b>				
Programming	72,300	72,300	43,898	46,632
PR/marketing	54,200	54,200	53,689	40,783
	<hr/>			
Total programs and communications	126,500	126,500	97,587	87,415
<b>OTHER OPERATING EXPENDITURES</b>				
Supplies	98,750	98,750	81,900	70,827
Hardware	60,000	60,000	56,310	60,175
Furniture/equipment	327,500	327,500	20,729	12,928
Reciprocal borrowing	450	450	265	363
Recording for cable broadcast	4,800	4,800	2,800	3,600
Friends of the library	5,000	5,000	1,166	3,306
FUNshine committee	3,000	3,000	2,348	667
Contingency	500	500	2	2
Gifts	500	500	360	476
	<hr/>			
Total other operating expenditures	500,500	500,500	165,880	152,344
<b>GRANTS</b>				
Per capita grant	46,178	46,178	37,567	69,256
Libraries lead with digital skills grant	-	-	1,805	-
Secretary of State PPE grant	-	-	500	-
Census grant	-	-	5,084	4,847
	<hr/>			
Total grants	46,178	46,178	44,956	74,103
<b>INSURANCE</b>				
Liability insurance	5,000	5,000	2,865	2,746
Unemployment compensation	16,000	16,000	12,412	10,164
Workers' compensation insurance	45,000	45,000	43,229	41,495
	<hr/>			
Total insurance	66,000	66,000	58,506	54,405
<b>TOTAL EXPENDITURES</b>	<b>\$ 5,656,063</b>	<b>\$ 5,656,063</b>	<b>\$ 4,584,992</b>	<b>\$ 4,462,292</b>

(See independent auditor's report.)

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND

For the Year Ended April 30, 2021  
(with prior year actual)

	<b>2021</b>			<b>2020 Actual</b>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	
<b>REVENUES</b>				
Investment income	\$ 10,000	\$ 10,000	\$ 2,256	\$ 14,822
Total revenues	10,000	10,000	2,256	14,822
<b>EXPENDITURES</b>				
Culture and recreation				
Capital outlay	75,000	75,000	59,586	30,275
Total expenditures	75,000	75,000	59,586	30,275
NET CHANGE IN FUND BALANCE	<u>\$ (65,000)</u>	<u>\$ (65,000)</u>	(57,330)	(15,453)
FUND BALANCE, MAY 1			12,404,842	12,420,295
<b>FUND BALANCE, APRIL 30</b>			<u>\$ 12,347,512</u>	<u>\$ 12,404,842</u>

(See independent auditor's report.)

**SUPPLEMENTARY INFORMATION**

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

PROPERTY TAX ASSESSED VALUATIONS, RATES, EXTENSIONS, AND COLLECTIONS

Last Ten Levy Years

<b>Tax Levy Year</b>	<b>2020</b>		<b>2019</b>		<b>2018</b>		<b>2017</b>	
<b>ASSESSED VALUATION</b>	\$	1,308,308,708	\$	1,267,426,126	\$	1,194,498,063	\$	1,141,152,957
	<b>Rate*</b>	<b>Amount</b>	<b>Rate*</b>	<b>Amount</b>	<b>Rate*</b>	<b>Amount</b>	<b>Rate*</b>	<b>Amount</b>
<b>TAX EXTENSIONS</b>								
General library	0.4102	\$ 5,239,776	0.4102	\$ 5,192,057	0.4054	\$ 4,838,530	0.4199	\$ 4,789,575
IMRF	0.0080	23,550	0.0080	101,259	0.0222	264,961	0.0229	261,208
Social Security tax	0.0100	202,788	0.0100	126,574	0.0087	103,836	0.0090	102,658
Audit	0.0008	9,158	0.0008	10,126	0.0007	8,355	0.0007	7,985
Unemployment insurance	0.0002	2,617	0.0002	2,531	0.0002	2,387	0.0002	2,281
Workers' compensation insurance	0.0004	2,617	0.0004	5,063	0.0017	20,290	0.0025	28,516
Liability insurance	0.0032	56,257	0.0032	40,504	0.0021	25,064	0.0014	15,969
<b>TOTAL TAX EXTENSIONS</b>	0.4328	\$ 5,536,763	0.4328	\$ 5,478,114	0.4410	\$ 5,263,423	0.4566	\$ 5,208,192
<b>TOTAL COLLECTIONS</b>	\$	-	\$	5,458,939	\$	5,242,664	\$	5,200,323
<b>PERCENT COLLECTED</b>		0.00%		99.65%		99.61%		99.85%

\* Property tax rates are per \$100 of assessed valuation.

2016		2015		2014		2013		2012		2011	
\$	1,061,279,248	\$	984,832,704	\$	955,289,150	\$	972,414,422	\$	1,045,262,655	\$	1,188,757,153
Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount
0.4509	\$ 4,759,948	0.4684	\$ 4,591,846	0.4514	\$ 4,300,419	0.4312	\$ 4,141,377	0.3894	\$ 4,015,509	0.3293	\$ 3,850,555
0.0244	257,580	0.0261	255,865	0.0260	247,698	0.0258	247,791	0.0221	227,896	0.0191	223,339
0.0096	101,343	0.0078	76,465	0.0160	152,430	0.0158	151,748	0.0151	155,712	0.0130	152,011
0.0005	5,278	0.0003	980	0.0003	2,858	0.0003	2,881	0.0004	4,125	0.0003	3,508
0.0004	4,223	0.0004	3,921	0.0005	4,763	0.0005	4,802	0.0004	4,125	0.0003	3,508
0.0023	24,280	0.0021	20,587	0.0014	13,338	0.0013	12,486	0.0012	12,374	0.0010	11,693
0.0001	1,056	0.0002	1,961	0.0032	30,486	0.0028	26,892	0.0030	30,936	0.0026	30,402
0.4882	\$ 5,153,708	0.5053	\$ 4,951,625	0.4988	\$ 4,751,992	0.4777	\$ 4,587,977	0.4316	\$ 4,450,677	0.3656	\$ 4,275,016
	<u>\$ 5,143,872</u>		<u>\$ 4,937,082</u>		<u>\$ 4,713,494</u>		<u>\$ 4,567,919</u>		<u>\$ 4,409,027</u>		<u>\$ 4,253,596</u>
	<u>99.81%</u>		<u>99.71%</u>		<u>99.19%</u>		<u>99.56%</u>		<u>99.06%</u>		<u>99.50%</u>

(See independent auditor's report.)

**ADDISON PUBLIC LIBRARY  
ADDISON, ILLINOIS**

SCHEDULE OF RESTRICTIONS OF FUND BALANCE FOR SPECIAL LEVIES

April 30, 2021

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<b>Fund</b>	<b>Beginning Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balances</b>
FICA	\$ 11,561	\$ 126,131	\$ 170,507	\$ (32,815)
IMRF	501,300	100,899	211,501	390,698
Unemployment compensation	13,045	2,523	2,865	12,703
Liability insurance	(8,912)	40,362	43,229	(11,779)
Audit	907	10,090	6,525	4,472
Workers' compensation	44,485	5,045	12,412	37,118
<b>TOTAL ALL FUNDS</b>	<b>\$ 562,386</b>	<b>\$ 285,050</b>	<b>\$ 447,039</b>	<b>\$ 400,397</b>

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(See independent auditor's report.)