



**ADDISON PUBLIC LIBRARY
ADDISON, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2023



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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

Opinions

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, 2023, and the related notes to financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

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, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under these 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 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.

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 12 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 GAAS 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 GAAS, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the 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.

Supplementary 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 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.

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, 2022, 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 2022 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the supplementary information 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.

Sikich LLP

Naperville, Illinois
September 21, 2023

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

ADDISON PUBLIC LIBRARY

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED APRIL 30, 2023

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, 2023. Readers are encouraged to consider the information presented in conjunction with the financial statements as a whole.

Financial Highlights

- The assets and deferred outflows of resources of the Library exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$22,072,268. Of this amount, \$18,705,724 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 \$19,273,714. Of this amount, \$15,796,094 is committed for capital projects, \$39,788 is nonspendable for pre-paid items in FY2022 and \$3,300,713 in unrestricted funds is available for spending at the Library's discretion. \$137,119 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 \$22,072,268. 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 services to our patrons and consequently these assets are not available to liquidate liabilities or for future spending.

For the year ended April 30, 2023, the Library's net position increased by \$976,824. A complete comparative analysis is presented below.

Table 1
Statement of Net Position
April 30, 2022 and 2023

		2022	2023
Current and Other Assets	\$	24,932,251	25,411,163
Capital Assets, net of accumulated depreciation	\$	3,175,120	3,063,494
Capital Assets, not being depreciated	\$	-	267,744
Deferred Outflows	\$	231,272	891,558
Total Assets and Deferred Outflows	\$	28,338,643	29,663,959
Current Liabilities	\$	141,687	255,815
Noncurrent Liabilities	\$	163,239	1,409,275
Deferred Inflows	\$	6,938,273	5,896,601
Total Liabilities and Deferred Inflows	\$	7,243,199	7,561,691
Net Position:			
Net investment in capital assets	\$	3,175,120	3,229,425
Restricted for special levies	\$	241,160	137,119
Unrestricted	\$	17,679,164	18,705,724
Total Net Position	\$	21,095,444	22,072,268

(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 2022 and 2023.

Table 2
Changes in Net Position
Year ended April 30, 2022 and 2023

	2022	2023
Revenues		
Program Revenues		
Fines and Fees	\$ 26,379	28,265
Intergovernmental	\$ 62,901	52,858
General Revenues		
Property Taxes	\$ 5,655,824	5,783,332
Investment Income	\$ (436,644)	229,951
Miscellaneous	\$ 21,910	20,374
Total Revenues	\$ 5,330,370	6,114,780
Expenses		
Culture and Recreation	\$ 4,724,036	5,137,956
Total Expenses	\$ 4,724,036	5,137,956
Change in Net Position	\$ 606,334	976,824
Total Net Position, May 1	\$ 20,489,110	21,095,444
Total Net Position, April 30	\$ 21,095,444	22,072,268

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, 2022 and 2023

	2022	2023
Revenues		
Taxes	\$ 5,655,824	5,783,332
Fines and Fees	\$ 26,379	28,265
Intergovernmental	\$ 62,901	52,858
Investment Income	\$ (429,752)	194,841
Miscellaneous	\$ 21,910	20,374
Total	\$ 5,337,262	6,079,670
Expenditures		
Salaries and Benefits	\$ 3,200,361	3,278,612
Library Materials	\$ 642,622	634,830
All Other Operating Expenditures*	\$ 933,743	962,711
Total	\$ 4,776,726	4,876,153

*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, 2022, net of \$2,229,048 of accumulated depreciation, was \$3,175,120.

The Library's investment in capital assets for governmental activities on April 30, 2023, net of \$2,399,612 of accumulated depreciation, was \$3,331,238

Table 4
Capital Assets
Year ended April 30, 2022 and 2023

	2022	2023
Assets		
Construction in Progress	\$ -	267,744
Buildings and Improvements	\$ 1,049,126	1,060,653
Operating Equipment	\$ 3,179,144	3,232,802
Office Equipment	\$ 1,175,898	1,169,651
Less – Accumulated Depreciation	\$ (2,229,048)	(2,399,612)
TOTAL (net of depreciation)	\$ 3,175,120	3,331,238

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, 2022 and 2023

	2023 Original Budget	2023 Final Budget	2023 Actual	2022 Actual
Revenues				
Taxes	\$ 5,684,880	5,684,880	5,783,332	5,655,824
Intergovernmental	\$ 45,000	45,000	52,858	62,901
Fines and Fees	\$ 27,800	27,800	28,265	26,379
Interest Income	\$ 500	500	194,841	(429,752)
Miscellaneous	\$ 4,000	4,000	20,374	21,910
Total Revenues	\$ 5,762,180	5,762,180	6,079,670	5,337,262
Expenditures				
Culture & Recreation	\$ 5,856,283	5,856,283	4,876,153	4,776,726
Total Expenditures	\$ 5,856,283	5,856,283	4,876,153	4,776,726
Excess (Deficiency) of Revenues over Expenditures	\$ (94,103)	(94,103)	1,203,517	560,536
Other Financing Sources (Uses)				
Transfers (Out)	\$ -	-	(3,500,000)	(500,000)
Total other financing sources (uses)	\$ -	-	(3,500,000)	(500,000)
Fund Balance (beginning, as reported)			\$5,774,103	
Fund Balance (ending)			\$3,477,620	

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)

BASIC FINANCIAL STATEMENTS

**ADDISON PUBLIC LIBRARY
ADDISON, ILLINOIS**

STATEMENT OF NET POSITION

April 30, 2023

	Governmental Activities
ASSETS	
Cash and investments	\$ 19,489,542
Receivables (net of allowance where applicable)	
Property taxes	5,828,974
Prepaid expenses	39,788
Due from other governments	52,859
Capital assets not being depreciated	267,744
Capital assets being depreciated (net of accumulated depreciation)	<u>3,063,494</u>
 Total assets	 <u>28,742,401</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related items - IMRF	<u>891,558</u>
 Total deferred outflows of resources	 <u>891,558</u>
 Total assets and deferred outflows of resources	 <u>29,633,959</u>
LIABILITIES	
Accounts payable	195,727
Accrued payroll	60,088
Noncurrent liabilities	
Due in less than one year	24,324
Due in more than one year	<u>1,384,951</u>
 Total liabilities	 <u>1,665,090</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred revenue - property taxes	5,828,974
Pension related items - IMRF	<u>67,627</u>
 Total deferred inflows of resources	 <u>5,896,601</u>
NET POSITION	
Invested in capital assets	3,229,425
Restricted for special levies	137,119
Unrestricted	<u>18,705,724</u>
 TOTAL NET POSITION	 <u><u>\$ 22,072,268</u></u>

See accompanying notes to financial statements.

**ADDISON PUBLIC LIBRARY
ADDISON, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2023

	Program Revenues				Net (Expense) Revenue and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
PRIMARY GOVERNMENT					
Governmental Activities					
Culture and recreation	\$ 5,137,956	\$ 28,265	\$ 52,858	\$ -	\$ (5,056,833)
TOTAL PRIMARY GOVERNMENT	\$ 5,137,956	\$ 28,265	\$ 52,858	\$ -	(5,056,833)
General Revenues					
Taxes					
Property and replacement					5,783,332
Investment income					229,951
Miscellaneous					20,374
Total					6,033,657
CHANGE IN NET POSITION					976,824
NET POSITION, MAY 1					21,095,444
NET POSITION, APRIL 30					\$ 22,072,268

See accompanying notes to financial statements.

**ADDISON PUBLIC LIBRARY
ADDISON, ILLINOIS**

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2023

	General	Capital Projects	Total
ASSETS			
Cash and investments	\$ 3,591,635	\$ 15,897,907	\$ 19,489,542
Property taxes receivable	5,828,974	-	5,828,974
Prepaid items	39,788	-	39,788
Due from other governments	52,859	-	52,859
	TOTAL ASSETS	\$ 15,897,907	\$ 19,489,542
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 93,914	\$ 101,813	\$ 195,727
Accrued payroll	60,088	-	60,088
	Total liabilities	101,813	195,727
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	5,828,974	-	5,828,974
Unavailable revenue - grants	52,660	-	52,660
	Total deferred inflows of resources	-	5,881,634
FUND BALANCES			
Nonspendable in form - prepaid items	39,788	-	39,788
Restricted for special levies	137,119	-	137,119
Committed for capital projects	-	15,796,094	15,796,094
Unrestricted, unassigned	3,300,713	-	3,300,713
	General Fund	-	3,300,713
	Total fund balances	15,796,094	19,273,714
	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 15,897,907	\$ 19,489,542
	\$ 9,513,256	\$ 15,897,907	\$ 25,411,163

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, 2023

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 19,273,714
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	3,331,238
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	52,660
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	891,558
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	(67,627)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Net pension liability - IMRF	(1,247,115)
Compensated absences are not a current liability and, therefore, is not reported in the governmental funds	<u>(162,160)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 22,072,268</u></u>

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, 2023

	General	Capital Projects	Total
REVENUES			
Taxes	\$ 5,783,332	\$ -	\$ 5,783,332
Intergovernmental	52,858	-	52,858
Fines and fees	28,265	-	28,265
Investment income	194,841	35,110	229,951
Miscellaneous	20,374	-	20,374
Total revenues	6,079,670	35,110	6,114,780
EXPENDITURES			
Culture and recreation	4,876,153	286,244	5,162,397
Total expenditures	4,876,153	286,244	5,162,397
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,203,517	(251,134)	952,383
OTHER FINANCING SOURCES (USES)			
Transfers in	-	3,500,000	-
Transfers (out)	(3,500,000)	-	-
Total other financing sources (uses)	(3,500,000)	3,500,000	-
NET CHANGE IN FUND BALANCES	(2,296,483)	3,248,866	952,383
FUND BALANCES, MAY 1	5,774,103	12,547,228	18,321,331
FUND BALANCES, APRIL 30	\$ 3,477,620	\$ 15,796,094	\$ 19,273,714

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, 2023

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 952,383
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	914,102
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	(757,984)
The change in deferred outflows for the Illinois Municipal Retirement Fund is reported as an expense on the statement of activities	660,286
The change in deferred inflows for the Illinois Municipal Retirement Fund is reported as an expense on the statement of activities	1,235,765
The change in the net pension liability is reported as an expense on the statement of activities	(2,028,807)
The change in compensated absences is shown as a functional expense on the statement of activities	<u>1,079</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 976,824</u></u>

See accompanying notes to financial statements.

**ADDISON PUBLIC LIBRARY
ADDISON, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

April 30, 2023

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, 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.

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

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)

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)

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. 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 (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.

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. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

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 fair 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, 2023:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
IMET	\$ 166,739	\$ -	\$ 166,739	\$ -	\$ -
U.S. agency obligations	6,997,739	2,047,425	4,950,314	-	-
U.S. Treasury notes	3,711,173	2,896,070	815,103	-	-
Negotiable CDs	3,506,324	3,033,466	472,858	-	-
TOTAL	\$ 14,381,975	\$ 7,976,961	\$ 6,405,014	\$ -	\$ -

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

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, 2023. The U.S. Treasury notes are valued using quoted prices in active markets for identical assets (Level 1 inputs). U.S. agency obligations and negotiable certificates for deposit are valued using quoted matrix pricing models (Level 2 inputs).

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 2022 attach as an enforceable lien on January 1, 2022 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, 2023 and are payable in two installments, on or about June 1, 2023 and September 1, 2023. The County collects such taxes and remits them periodically. As the 2022 tax levy is collected to fund the expenditures for the 2023-2024 fiscal year, these taxes are deferred as of April 30, 2023.

The 2023 tax levy, which attached as an enforceable lien on property as of January 1, 2023, has not been recorded as a receivable as of April 30, 2023, as the tax has not yet been levied by the Library and will not be levied until December 2023 and, therefore, the levy is not yet measurable at April 30, 2023.

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

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2023 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Construction in progress	\$ -	\$ 267,744	\$ -	\$ 267,744
Total capital assets not being depreciated	-	267,744	-	267,744
Capital assets being depreciated				
Building improvements	1,049,126	11,527	-	1,060,653
Operating equipment	3,179,144	634,831	581,173	3,232,802
Office equipment	1,175,898	-	6,247	1,169,651
Total capital assets being depreciated	5,404,168	646,358	587,420	5,463,106
Less accumulated depreciation for				
Building improvements	326,769	50,106	-	376,875
Operating equipment	1,233,553	635,826	581,173	1,288,206
Office equipment	668,726	72,052	6,247	734,531
Total accumulated depreciation	2,229,048	757,984	587,420	2,399,612
Total capital assets being depreciated, net	3,175,120	(111,626)	-	3,063,494
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 3,175,120	\$ 156,118	\$ -	\$ 3,331,238

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

GOVERNMENTAL ACTIVITIES	
Culture and recreation	<u>\$ 757,984</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.

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

6. INDIVIDUAL FUND DISCLOSURES

Interfund transfers during the year were as follows:

Fund	Transfers In	Transfers Out
Capital Projects	\$ 3,500,000	\$ -
General	-	3,500,000
TOTAL	\$ 3,500,000	\$ 3,500,000

The General Fund transferred \$3,500,000 to the Capital Projects Fund for future capital improvements. This transfer will not be repaid.

7. 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.

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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, 2023 is immaterial and, therefore, not recorded by the Library and no further disclosure is deemed necessary.

8. 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 annual comprehensive financial report.

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.

8. DEFINED BENEFIT PENSION PLAN (Continued)

a. Plan Description (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided (Continued)

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 fiscal year ending April 30, 2023 was 9.73% of covered payroll.

Net Pension Liability

At April 30, 2023, the Library reported a liability of \$1,247,115 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At April 30, 2023, the Library's proportion was 8.88% of the total contribution.

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

8. DEFINED BENEFIT PENSION PLAN (Continued)

a. Plan Description (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The Library's net pension liability was measured as of December 31, 2022 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, 2022
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	Fair value

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.

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

8. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Illinois Municipal Retirement Fund (Continued)

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.

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

For the year ended April 30, 2023, the Library recognized pension expense of \$320,419. At April 30, 2023, 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	\$ 64,792	\$ 41,443
Changes in assumption	-	26,184
Net difference between projected and actual earnings on pension plan investments	772,735	-
Contributions subsequent to measurement date	54,031	-
TOTAL	<u>\$ 891,558</u>	<u>\$ 67,627</u>

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

8. 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 (Continued)

\$54,031 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, 2024. Other amounts reported as deferred outflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending</u> <u>April 30,</u>		
2024	\$	(18,271)
2025		120,947
2026		238,164
2027		429,060
2028		-
Thereafter		-
TOTAL	\$	<u>769,900</u>

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	\$ 2,500,577	\$ 1,247,115	\$ 243,914

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

9. LONG-TERM DEBT

The following is a summary of changes in long-term liabilities for the year ended April 30, 2023:

	Balances May 1	Issuances/ Increases	Reductions	Balances April 30	Due Within One Year
Compensated absences	\$ 163,239	\$ 23,407	\$ 24,486	\$ 162,160	\$ 24,324
Net pension liability	-	1,247,115	-	1,247,115	-
TOTAL	\$ 163,239	\$ 1,270,522	\$ 24,486	\$ 1,409,275	\$ 24,324

Compensated absences and the 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, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	\$ 5,634,880	\$ 5,634,880	\$ 5,599,387
Replacement taxes	50,000	50,000	183,945
Intergovernmental			
Per capita grant	45,000	45,000	52,660
Getting Addison back to work (again)	-	-	198
Fines	6,500	6,500	6,116
Fees	21,300	21,300	22,149
Investment income (loss)	500	500	194,841
Miscellaneous			
Other	4,000	4,000	20,374
 Total revenues	 <u>5,762,180</u>	 <u>5,762,180</u>	 <u>6,079,670</u>
EXPENDITURES			
Culture and recreation			
Personnel	3,991,950	3,991,950	3,278,612
Library books and materials	692,500	692,500	634,830
General contractual services	148,700	148,700	132,209
Physical services	265,000	265,000	237,283
Automation	211,000	211,000	183,317
Professional services	57,200	57,200	28,187
Programs and communications	138,400	138,400	104,653
Other operating expenditures	204,575	204,575	145,772
Grants	73,958	73,958	73,958
Insurance	73,000	73,000	57,332
 Total expenditures	 <u>5,856,283</u>	 <u>5,856,283</u>	 <u>4,876,153</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 <u>(94,103)</u>	 <u>(94,103)</u>	 <u>1,203,517</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	-	-	(3,500,000)
 Total other financing sources (uses)	 <u>-</u>	 <u>-</u>	 <u>(3,500,000)</u>
 NET CHANGE IN FUND BALANCE	 <u>\$ (94,103)</u>	 <u>\$ (94,103)</u>	 <u>(2,296,483)</u>
 FUND BALANCE, MAY 1			 <u>5,774,103</u>
 FUND BALANCE, APRIL 30			 <u>\$ 3,477,620</u>

(See independent auditor's report.)

**ADDISON PUBLIC LIBRARY
ADDISON, ILLINOIS**

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

Last Eight Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 176,277	\$ 181,921	\$ 194,765	\$ 186,972	\$ 192,981	\$ 211,501	\$ 215,494	\$ 187,663
Contributions in relation to the contractually required contribution	176,277	181,921	194,765	186,972	192,981	211,501	215,494	187,663
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,364,411	\$ 1,380,687	\$ 1,523,741	\$ 1,552,447	\$ 1,757,511	\$ 1,763,926	\$ 1,867,190	\$ 1,928,025
Contributions as a percentage of covered payroll	12.92%	13.18%	12.78%	12.04%	10.98%	11.99%	11.54%	9.73%

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 21 years; the asset valuation method was at smoothed market value, projected salary increases assumption of 2.85% to 13.75% 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 Eight Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022
Employer's proportion of net pension liability	9.58%	9.58%	8.87%	8.88%	8.88%	8.88%	8.88%	8.88%
Employer's proportionate share of net pension liability (asset)	\$ 1,373,841	\$ 1,418,335	\$ 537,466	\$ 1,585,038	\$ 891,636	\$ 281,624	\$ (781,692)	\$ 1,247,115
Employer's covered payroll	1,335,315	1,417,040	1,468,199	1,571,347	1,623,359	1,698,277	1,714,754	1,805,567
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	102.89%	100.09%	36.61%	100.87%	54.93%	16.58%	(45.59%)	69.07%
Plan fiduciary net position as a percentage of the total pension liability	82.87%	83.42%	93.41%	82.15%	90.53%	97.17%	107.57%	88.38%

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, 2023

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, 2023
(with prior year actual)

	2023			2022
	Original Budget	Final Budget	Actual	Actual
PERSONNEL				
Administrator and staff salaries	\$ 3,017,200	\$ 3,017,200	\$ 2,508,877	\$ 2,381,765
Employee benefits	455,500	455,500	374,303	394,613
Health insurance	515,000	515,000	391,683	423,983
Employee assistance program	3,250	3,250	3,250	-
Recruiting	1,000	1,000	499	-
Total personnel	3,991,950	3,991,950	3,278,612	3,200,361
LIBRARY BOOKS AND MATERIALS				
Books - children	72,000	72,000	70,912	73,890
Books - adult	161,000	161,000	158,328	157,140
Periodicals	11,500	11,500	9,686	10,789
Online databases	213,000	213,000	178,776	182,441
E-Books	70,000	70,000	69,101	58,263
Other expenditures	165,000	165,000	148,027	160,099
Total library books and materials	692,500	692,500	634,830	642,622
GENERAL CONTRACTUAL SERVICES				
Legal fees	12,000	12,000	4,441	11,938
Collection agency fees	3,500	3,500	3,542	3,020
Equipment rental and fees	4,000	4,000	3,278	1,148
Accounting service fees	22,700	22,700	21,055	20,100
Payroll service fees	48,500	48,500	53,027	42,864
Audit service fees	8,000	8,000	7,685	7,745
Contractual service fees	50,000	50,000	39,181	41,616
Total general contractual services	148,700	148,700	132,209	128,431
PHYSICAL SERVICES				
Utilities and maintenance	100,500	100,500	97,862	99,808
Telecommunications	17,500	17,500	11,895	13,409
Maintenance and repair	147,000	147,000	127,526	119,669
Total physical services	265,000	265,000	237,283	232,886
AUTOMATION				
System development	40,000	40,000	33,110	34,625
Innovative millennium maintenance	80,000	80,000	79,041	72,252
OCLS	16,000	16,000	15,588	14,989
Software/licenses	75,000	75,000	55,578	51,468
Total automation	211,000	211,000	183,317	173,334

(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, 2023
(with prior year actual)

	2023			2022 Actual
	Original Budget	Final Budget	Actual	
PROFESSIONAL DEVELOPMENT				
Organization memberships	\$ 10,000	\$ 10,000	\$ 7,575	\$ 9,503
Programs and meetings	25,700	25,700	13,567	17,410
Tuition reimbursement	6,500	6,500	1,773	-
Travel	15,000	15,000	5,272	8,055
Total professional development	57,200	57,200	28,187	34,968
PROGRAMS AND COMMUNICATIONS				
Programming	70,500	70,500	44,292	58,082
PR/marketing	67,900	67,900	60,361	54,433
Total programs and communications	138,400	138,400	104,653	112,515
OTHER OPERATING EXPENDITURES				
Supplies	102,175	102,175	80,860	78,235
Hardware	50,000	50,000	40,426	44,163
Furniture/equipment	15,000	15,000	-	10,000
Reciprocal borrowing	1,000	1,000	624	915
Recording for cable broadcast	4,800	4,800	4,000	3,200
Friends of the library	20,000	20,000	13,048	3,319
FUNshine committee	4,000	4,000	4,040	2,751
Contingency	100	100	3	-
PLA digital literacy workshop incentive	7,000	7,000	2,421	-
Gifts	500	500	350	400
Total other operating expenditures	204,575	204,575	145,772	142,983
GRANTS				
Per capita grant	73,958	73,958	73,958	33,523
Libraries lead with digital skills grant	-	-	-	102
Getting Addison back to work (again)	-	-	-	8,406
Total grants	73,958	73,958	73,958	42,031
INSURANCE				
Liability insurance	5,000	5,000	(883)	6,920
Unemployment compensation	13,000	13,000	7,899	10,454
Workers' compensation insurance	55,000	55,000	50,316	49,221
Total insurance	73,000	73,000	57,332	66,595
TOTAL EXPENDITURES	\$ 5,856,283	\$ 5,856,283	\$ 4,876,153	\$ 4,776,726

(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, 2023
(with prior year actual)

	2023			2022 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Investment income (loss)	\$ -	\$ -	\$ 35,110	\$ (6,892)
Total revenues	-	-	35,110	(6,892)
EXPENDITURES				
Culture and recreation				
Contractual services	5,018,500	5,018,500	286,244	217,103
Capital outlay	250,000	250,000	-	76,289
Total expenditures	5,268,500	5,268,500	286,244	293,392
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,268,500)	(5,268,500)	(251,134)	(300,284)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	3,500,000	500,000
Total other financing sources (uses)	-	-	3,500,000	500,000
NET CHANGE IN FUND BALANCE	<u>\$ (5,268,500)</u>	<u>\$ (5,268,500)</u>	3,248,866	199,716
FUND BALANCE, MAY 1			12,547,228	12,347,512
FUND BALANCE, APRIL 30			<u>\$ 15,796,094</u>	<u>\$ 12,547,228</u>

(See independent auditor's report.)

**ADDISON PUBLIC LIBRARY
ADDISON, ILLINOIS**

SCHEDULE OF RESTRICTIONS OF FUND BALANCE FOR SPECIAL LEVIES

April 30, 2023

Fund	Beginning Balances	Increases	Decreases	Ending Balances
FICA	\$ (10,384)	\$ 219,478	\$ 186,640	\$ 22,454
IMRF	198,382	60,966	187,663	71,685
Unemployment compensation	8,302	3,592	-	11,894
Liability insurance	(5,574)	55,547	50,316	(343)
Audit	5,293	9,484	7,685	7,092
Workers' compensation	29,183	2,710	7,899	23,994
TOTAL ALL FUNDS	\$ 225,202	\$ 351,777	\$ 440,203	\$ 136,776

(See independent auditor's report.)

SUPPLEMENTARY INFORMATION

**ADDISON PUBLIC LIBRARY
ADDISON, ILLINOIS**

PROPERTY TAX ASSESSED VALUATIONS, RATES, EXTENSIONS, AND COLLECTIONS

Last Ten Levy Years

Tax Levy Year	2022		2021		2020		2019	
ASSESSED VALUATION	\$	1,433,589,209	\$	1,363,387,488	\$	1,308,308,708	\$	1,267,426,126
	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount
TAX EXTENSIONS								
General library	0.3798	\$ 5,444,772	0.3863	\$ 5,281,763	0.4102	\$ 5,239,776	0.4102	\$ 5,192,057
IMRF	0.0161	230,808	0.0045	61,532	0.0080	23,550	0.0080	101,259
Social Security tax	0.0053	75,980	0.0162	220,869	0.0100	202,788	0.0100	126,574
Audit	0.0004	5,734	0.0007	9,544	0.0008	9,158	0.0008	10,126
Unemployment insurance	0.0004	5,734	0.0002	2,727	0.0002	2,617	0.0002	2,531
Workers' compensation insurance	0.0004	5,734	0.0002	2,727	0.0004	2,617	0.0004	5,063
Liability insurance	0.0042	60,211	0.0041	55,899	0.0032	56,257	0.0032	40,504
TOTAL TAX EXTENSIONS	0.4066	\$ 5,828,973	0.4122	\$ 5,635,061	0.4328	\$ 5,536,763	0.4328	\$ 5,478,114
TOTAL COLLECTIONS		\$ -		\$ 5,599,387		\$ 5,520,543		\$ 5,458,939
PERCENT COLLECTED		0.00%		99.37%		99.71%		99.65%

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

2018		2017		2016		2015		2014		2013	
\$	1,194,498,063	\$	1,141,152,957	\$	1,061,279,248	\$	984,832,704	\$	955,289,150	\$	972,414,422
Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount
0.4054	\$ 4,838,530	0.4199	\$ 4,789,575	0.4509	\$ 4,759,948	0.4684	\$ 4,591,846	0.4514	\$ 4,300,419	0.4312	\$ 4,141,377
0.0222	264,961	0.0229	261,208	0.0244	257,580	0.0261	255,865	0.0260	247,698	0.0258	247,791
0.0087	103,836	0.0090	102,658	0.0096	101,343	0.0078	76,465	0.0160	152,430	0.0158	151,748
0.0007	8,355	0.0007	7,985	0.0005	5,278	0.0003	980	0.0003	2,858	0.0003	2,881
0.0002	2,387	0.0002	2,281	0.0004	4,223	0.0004	3,921	0.0005	4,763	0.0005	4,802
0.0017	20,290	0.0025	28,516	0.0023	24,280	0.0021	20,587	0.0014	13,338	0.0013	12,486
0.0021	25,064	0.0014	15,969	0.0001	1,056	0.0002	1,961	0.0032	30,486	0.0028	26,892
0.441	\$ 5,263,423	0.4566	\$ 5,208,192	0.4882	\$ 5,153,708	0.5053	\$ 4,951,625	0.4988	\$ 4,751,992	0.4777	\$ 4,587,977
	<u>\$ 5,242,664</u>		<u>\$ 5,200,323</u>		<u>\$ 5,143,872</u>		<u>\$ 4,937,082</u>		<u>\$ 4,713,494</u>		<u>\$ 4,567,919</u>
	<u>99.61%</u>		<u>99.85%</u>		<u>99.81%</u>		<u>99.71%</u>		<u>99.19%</u>		<u>99.56%</u>

(See independent auditor's report.)