

# NILES-MAINE DISTRICT LIBRARY, ILLINOIS

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## ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
JUNE 30, 2020

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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## **FINANCIAL SECTION**

This section includes:

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

## **INDEPENDENT AUDITORS' REPORT**

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



## **INDEPENDENT AUDITORS' REPORT**

October 19, 2020

Members of the Board of Trustees  
Niles-Maine District Library  
Niles, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Niles-Maine District Library, Illinois, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

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

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

### **Opinions**

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

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Niles-Maine District Library, Illinois' basic financial statements. The other supplementary information and supplemental schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

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

# **NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

## **Management's Discussion and Analysis June 30, 2020**

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Our discussion and analysis of the Niles-Maine District Library's financial performance provides an overview of the Library's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the Library's financial statements, which begin on page 11.

### **FINANCIAL HIGHLIGHTS**

- The net position increased by \$438,211 for the year ended June 30, 2020 compared to the beginning net position of \$20,257,765 on June 30, 2019.
- During the year, government-wide revenues totaled \$6,794,556, while government-wide expenses totaled \$6,356,345, resulting in an increase to net position of \$438,211.
- Total fund balance for the General Fund was \$6,022,521 at June 30, 2020 compared to \$8,298,274 in the prior year, a decrease of \$2,275,753, or 27.42 percent.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 11 - 13) provide information about the activities of the Library as a whole and present a longer-term view of the Library's finances.

Fund financial statements begin on page 14. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Library's operation in more detail than the government-wide statements by providing information about the Library's most significant funds.

### **Government-Wide Financial Statements**

The government-wide financial statements provide readers with a broad overview of the Library's finances, in a manner similar to a private-sector business. The government-wide financial statements can be found on pages 11 - 13 of this report.

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

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

# **NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

## **Management's Discussion and Analysis June 30, 2020**

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### **USING THIS ANNUAL REPORT – Continued**

#### **Government-Wide Financial Statements – Continued**

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

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

#### **Fund Financial Statements**

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

#### **Governmental Funds**

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

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

The Library maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Special Reserve Fund, both of which are considered major funds.

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

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

# NILES-MAINE DISTRICT LIBRARY, ILLINOIS

## Management's Discussion and Analysis June 30, 2020

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### USING THIS ANNUAL REPORT – Continued

#### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18 – 39 of this report.

#### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Library, assets/deferred outflows exceed liabilities/deferred liabilities by \$20,695,976.

	Net Position	
	2020	2019
Current and Other Assets	\$ 13,346,474	12,697,962
Capital Assets	10,638,145	10,920,122
Total Assets	23,984,619	23,618,084
Deferred Outflows	553,952	712,690
Total Assets/Deferred Outflows	24,538,571	24,330,774
Long-Term Debt	285,904	490,460
Other Liabilities	384,702	389,117
Total Liabilities	670,606	879,577
Deferred Inflows	3,171,989	3,193,432
Total Liabilities/Deferred Inflows	3,842,595	4,073,009
Net Postion		
Net Investment in Capital Assets	10,638,145	10,920,122
Restricted	162,375	116,216
Unrestricted	9,895,456	9,221,427
Total Net Position	20,695,976	20,257,765

A large portion of the Library's net position (\$10,638,145 or 51.4 percent) reflects its net investment in capital assets (for example, land, buildings, furniture, and equipment), less any related debt used to acquire those assets that is still outstanding. The Library uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

# NILES-MAINE DISTRICT LIBRARY, ILLINOIS

## Management's Discussion and Analysis June 30, 2020

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

An additional portion, \$162,375 or 0.8 percent, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining \$9,895,456 or 47.8 percent represents unrestricted net position and may be used to meet the government's ongoing obligations.

	Change in Net Position	
	2020	2019
Revenues		
Program Revenues		
Charges for Services	\$ 89,320	132,848
Operating Grants/Contrib.	75,605	481
General Revenues		
Property Taxes	6,253,937	6,848,157
Replacement Taxes	147,195	136,130
Other General Revenues	228,499	207,112
Total Revenues	<u>6,794,556</u>	<u>7,324,728</u>
Expenses		
Culture and Recreation	<u>6,356,345</u>	<u>6,867,630</u>
Change in Net Position	438,211	457,098
Net Position - Beginning	<u>20,257,765</u>	<u>19,800,667</u>
Net Position - Ending	<u>20,695,976</u>	<u>20,257,765</u>

Net position of the Library's governmental activities increased from \$20,257,765 to \$20,695,976.

Revenues of \$6,794,556 exceeded expenses of \$6,356,345, resulting in the increase to net position in the current year of \$438,211.

### Governmental Activities

In the current year, governmental net position increased \$438,211, an increase of 2.2 percent. Property taxes decreased \$594,220 over the prior year (\$6,253,937 in 2020 compared to \$6,848,157 in 2019) and personal property replacement taxes increased \$11,065 from the prior year (\$147,195 in 2020 compared to \$136,130 in 2019). Expenses decreased in the current year (\$6,356,345 in 2020 compared to \$6,867,630 in 2019) mainly as a result of COVID-19 shutting down Library services at the end of March 2020.

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

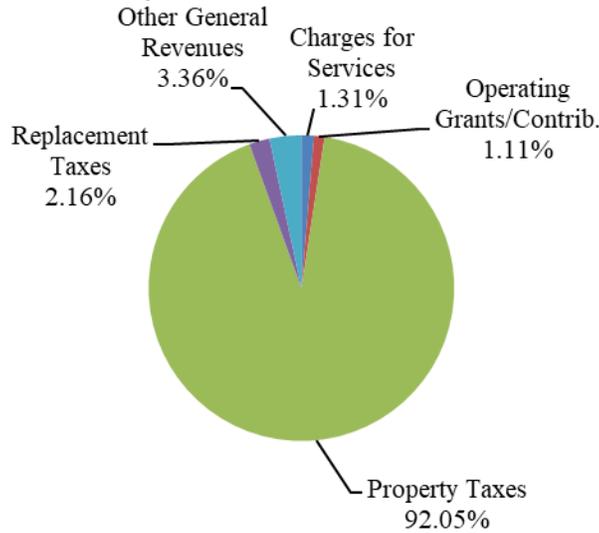
**Management’s Discussion and Analysis  
June 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

**Governmental Activities – Continued**

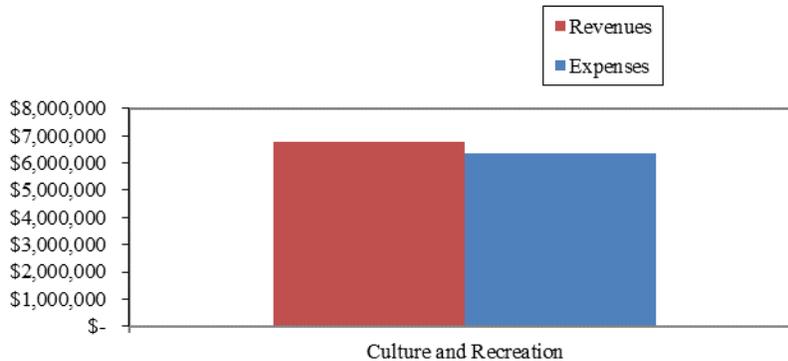
The following table graphically depicts the major revenue sources of the Library. It depicts very clearly the reliance of property taxes to fund governmental activities.

**Revenues by Source - Governmental Activities**



The ‘Expenses and Program Revenues’ Table identifies those governmental functions where program expenses greatly exceed revenues. The public library functions charge user fees for services provided. The user fees charged do not cover the expenses, which furthermore signifies the Library’s reliance on general revenues such as property taxes and personal property replacement taxes.

**Expenses and Program Revenues - Governmental Activities**



# **NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

## **Management's Discussion and Analysis June 30, 2020**

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### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

#### **Governmental funds**

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

As of the end of the current fiscal year, the General Fund reported ending fund balance of \$6,022,521 which is 27.4 percent lower than last year's ending fund balance of \$8,298,274.

In the current year, the General Fund fund balance decreased by \$2,275,753. This is a result of a revenue decrease of \$511,073 which is due to COVID-19 shutting down Library services at the end of March 2020 and a transfer out of \$3,000,000 to the Special Reserve Fund to fund future capital projects for the Library.

The Special Reserve Fund increased by \$2,786,508. This increase was due to the transfer in of \$3,000,000 from the General Fund to fund future capital projects.

#### **GENERAL FUND BUDGETARY HIGHLIGHTS**

During the year, no supplemental amendments were made to the budget for the General Fund.

Actual revenues for the current year were \$6,203,663, which was \$292,462 lower than budgeted revenues, mainly due to property taxes and charges for services.

The General Fund actual expenditures were lower than budgeted expenditures. Actual expenditures totaled \$5,479,416 while budgeted expenditures totaled \$5,860,160. This resulted primarily from lower personnel expenditures and lower contractual services.

# NILES-MAINE DISTRICT LIBRARY, ILLINOIS

## Management's Discussion and Analysis June 30, 2020

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### CAPITAL ASSETS

The Library's investment in capital assets for its governmental activities as of June 30, 2020 was \$10,638,145 (net of accumulated depreciation). This net investment in capital assets includes land, building and improvements, furniture and fixtures, equipment, vehicles, and collections. The total decrease in the Library's net investment in capital assets for the current fiscal year was \$281,977.

	Capital Assets Net of Depreciation	
	2020	2019
Land	\$ 943,374	943,374
Building and Improvements	7,347,893	7,688,084
Furniture and Fixtures	619,921	672,088
Equipment	220,194	97,559
Vehicles	6,480	10,802
Collections	1,500,283	1,508,215
Total	<u>10,638,145</u>	<u>10,920,122</u>

This year's additions to capital assets included additions to the following:

Furniture and Fixtures	\$ 3,431
Equipment	178,213
Collections	<u>403,730</u>
	<u>585,374</u>

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

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Library's elected and appointed officials considered many factors when setting the fiscal-year 2021 budget, including tax rates, and fees that will be charged for its various activities. One of those factors is the economy. The Library is faced with a similar economic environment that many other local governmental agencies are faced with, including inflation, unemployment rates, and increasing payroll expenses.

As of the date of this report, the extent of the impact of COVID-19 on the Library's operations and financial position cannot be determined.

## **NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

### **Management's Discussion and Analysis June 30, 2020**

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#### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Library's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Executive Director, Niles-Maine District Library, 6960 Oakton Street, Niles, Illinois 60714.

## **BASIC FINANCIAL STATEMENTS**

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

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Fiduciary Fund

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

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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**See Following Page**

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 10,909,006
Receivables - Net of Allowances	
Property Taxes	2,274,532
Other	52,231
Prepays	<u>110,705</u>
Total Current Assets	<u>13,346,474</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	943,374
Depreciable Capital Assets	19,703,914
Accumulated Depreciation	<u>(10,009,143)</u>
Total Noncurrent Assets	<u>10,638,145</u>
Total Assets	<u>23,984,619</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	<u>553,952</u>
Total Assets and Deferred Outflows of Resources	<u>24,538,571</u>

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

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**LIABILITIES**

Current Liabilities	
Accounts Payable	\$ 290,222
Accrued Liabilities	51,131
Compensated Absences Payable	<u>43,349</u>
Total Current Liabilities	<u>384,702</u>
Noncurrent Liabilities	
Compensated Absences Payable	173,395
Net Pension Liability - IMRF	<u>112,509</u>
Total Noncurrent Liabilities	<u>285,904</u>
Total Liabilities	<u>670,606</u>

**DEFERRED INFLOWS OF RESOURCES**

Deferred Items - IMRF	208,087
Property Taxes	<u>2,963,902</u>
Total Deferred Inflows of Resources	<u>3,171,989</u>
Total Liabilities and Deferred Inflows of Resources	<u>3,842,595</u>

**NET POSITION**

Investment in Capital Assets	10,638,145
Restricted	
Property Tax Levies	
Audit	4,056
Liability Insurance	57,621
Workers' Compensation	6,549
Unemployment Compensation	24,027
Building and Site	70,122
Unrestricted	<u>9,895,456</u>
Total Net Position	<u><u>20,695,976</u></u>

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

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Statement of Activities  
For the Fiscal Year Ended June 30, 2020**

	Expenses	Program Revenues Charges for Services	Operating Grants	Net (Expenses)/ Revenues and Changes in Net Position
Functions/Programs				
Culture and Recreation	<u>\$ 6,356,345</u>	<u>89,320</u>	<u>75,605</u>	<u>(6,191,420)</u>
		General Revenues		
		Taxes		
		Property Taxes		6,253,937
		Replacement Taxes		147,195
		Miscellaneous		3,558
		Investment Income		<u>224,941</u>
				<u>6,629,631</u>
		Change in Net Position		438,211
		Net Position - Beginning		<u>20,257,765</u>
		Net Position - Ending		<u>20,695,976</u>

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

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Balance Sheet - Governmental Funds  
June 30, 2020**

	General	Capital Projects Special Reserve	Nonmajor	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 6,801,879	3,860,585	246,542	10,909,006
Receivables - Net of Allowances				
Property Taxes	2,043,540	-	230,992	2,274,532
Replacement Taxes	20,988	-	-	20,988
Other	31,243	-	-	31,243
Prepays	110,705	-	-	110,705
 Total Assets	 9,008,355	 3,860,585	 477,534	 13,346,474
<b>LIABILITIES</b>				
Accounts Payable	271,768	2,578	15,876	290,222
Accrued Liabilities	51,164	-	(33)	51,131
Total Liabilities	322,932	2,578	15,843	341,353
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	2,662,902	-	301,000	2,963,902
Total Liabilities and Deferred Inflows of Resources	2,985,834	2,578	316,843	3,305,255
<b>FUND BALANCES</b>				
Nonspendable	110,705	-	-	110,705
Restricted	-	-	162,375	162,375
Committed	-	3,858,007	-	3,858,007
Unassigned	5,911,816	-	(1,684)	5,910,132
Total Fund Balances	6,022,521	3,858,007	160,691	10,041,219
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 9,008,355	 3,860,585	 477,534	 13,346,474

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

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

**June 30, 2020**

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<b>Total Fund Balances</b>	\$ 10,041,219
Amounts reported in the Statement of Net Position are different because:	
Capital assets are not financial resources and therefore, are not reported in the funds.	10,638,145
Deferred Outflows of Resources related to IMRF not reported in the funds. Deferred Items - IMRF	345,865
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Compensated Absences Payable	(216,744)
Net Pension Liability - IMRF	<u>(112,509)</u>
<b>Net Position</b>	<u><u>20,695,976</u></u>

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

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended June 30, 2020**

	General	Capital Projects Special Reserve	Nonmajor	Totals
<b>Revenues</b>				
Property Taxes	\$ 5,663,044	-	590,893	6,253,937
Replacement Taxes	147,195	-	-	147,195
Charges for Services	89,320	-	-	89,320
Grants and Donations	75,605	-	-	75,605
Interest	224,941	-	-	224,941
Miscellaneous	3,558	-	-	3,558
<b>Total Revenues</b>	<b>6,203,663</b>	<b>-</b>	<b>590,893</b>	<b>6,794,556</b>
<b>Expenditures</b>				
<b>Current</b>				
Culture and Recreation	5,479,416	-	499,673	5,979,089
Capital Outlay	-	213,492	-	213,492
<b>Total Expenditures</b>	<b>5,479,416</b>	<b>213,492</b>	<b>499,673</b>	<b>6,192,581</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>				
	724,247	(213,492)	91,220	601,975
<b>Other Financing Sources (Uses)</b>				
Transfers In		3,000,000	-	3,000,000
Transfers Out	(3,000,000)	-	-	(3,000,000)
	(3,000,000)	3,000,000	-	-
<b>Net Change in Fund Balance</b>				
	(2,275,753)	2,786,508	91,220	601,975
<b>Fund Balances - Beginning</b>				
	8,298,274	1,071,499	69,471	9,439,244
<b>Fund Balances - Ending</b>				
	6,022,521	3,858,007	160,691	10,041,219

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

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

**For the Fiscal Year Ended June 30, 2020**

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**Net Change in Fund Balances** \$ 601,975

Amounts reported in the Statement of Activities  
are different because:

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

Capital Outlays	585,374
Depreciation Expense	(867,351)
Disposals - Cost	(728,879)
Disposals - Accumulated Depreciation	728,879

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

Change in Deferred Items - IMRF	(251,697)
Change in Deferred Items - RBP	47,043

The issuance of long-term debt provides current financial resources to  
governmental funds, while the repayment of the principal on long-term  
debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	(55,084)
Change in Net Pension Liability - IMRF	285,273
Change in OPEB Liability - RBP	92,678

**Changes in Net Position** 438,211

## **NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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

The Niles-Maine District Library (Library) of Illinois was established in 1956, and is located in Niles, Illinois. The Library is governed by an elected seven-member board, who serve six-year terms. Through long-range planning, the Board of Trustees ensures that high quality services and materials are available to patrons of the district.

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

#### **REPORTING ENTITY**

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

#### **BASIS OF PRESENTATION**

##### **Government-Wide and Fund Financial Statements**

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

In the government-wide Statement of Net Position, the governmental activities is (a) presented on a consolidated basis. The Library's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Library first utilizes restricted resources to finance qualifying activities.

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

## **NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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

##### **BASIS OF PRESENTATION – Continued**

##### **Government-Wide and Fund Financial Statements – Continued**

The financial transactions of the Library are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. The Library accounts for all of its activities in governmental funds, with the emphasis in the fund financial statements being on the major funds.

Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures of either fund category) for the determination of major funds.

The following fund types are used by the Library:

##### **Governmental Funds**

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

*General fund* is the general operating fund of the Library. It is used to account for all financial resources, except for those required to be accounted for in another fund.

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

*Capital projects funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Library reports the Special Reserve Fund as a major fund.

##### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

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

## **NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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

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

###### **Measurement Focus**

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

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

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

###### **Basis of Accounting**

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

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

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

# **NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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

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

##### **Cash and Investments**

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and certificates of deposit with a five year or less maturity. Investments include amounts on deposit in money market mutual funds, negotiable certificates of deposit, and U.S. Government agency securities.

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

##### **Receivables**

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

##### **Prepays**

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

##### **Interfund Receivables, Payables and Activity**

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

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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

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

**Capital Assets**

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

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

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

Buildings and Improvements	40 Years
Furniture and Fixtures	20 Years
Equipment	5 Years
Vehicles	5 Years
Collections	7 Years

**Deferred Outflows/Inflows of Resources**

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

## **NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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

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

##### **Compensated Absences**

The Library accrues accumulated unpaid vacation and sick pay. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

##### **Net Position**

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

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

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

Unrestricted – All other net position that do not meet the definition of “restricted” or “investment in capital assets.”

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**BUDGETARY INFORMATION**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Special Revenue and Capital Projects Funds. All annual appropriations lapse at fiscal year end. The following procedures are used to establish the budgets:

- The budget is prepared by fund, 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 governing body for review. The governing body holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget.
- The budget may be amended by the governing body. The budget was not amended during the fiscal year.
- Expenditures may not legally exceed the budgeted appropriations at the fund level. All appropriations lapse at fiscal year-end.
- The columns labeled as budget presented in these financial statements is the working budget.

**DEFICIT FUND BALANCE**

The following fund had deficit fund balance as of the date of this report:

<u>Fund</u>	<u>Deficit</u>
Social Security	\$ 1,684

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

**DEPOSITS AND INVESTMENTS**

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

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

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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

**DEPOSITS AND INVESTMENTS – Continued**

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

*Deposits.* At year-end, the carrying amount of the Library’s deposits totaled \$6,031,039 and the bank balances totaled \$6,341,830. In addition, the Library has \$4,480,899 invested in Equity Mutual Funds at year-end.

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasuries	\$ 397,068	397,068	-	-	-

The Library has the following recurring fair value measurements as of June 30, 2020:

- U.S. Treasury Securities of \$397,068 are valued using quoted market prices (Level 1 inputs)

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Library’s investment policy states the investment portfolio shall remain sufficiently liquid to enable the Library to meet all operating requirements which might be reasonably projected.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Library’s investment policy lists authorized investments that include bonds, notes, certificates of indebtedness, treasury bills, or other securities now or hereafter issued, that are guaranteed by the full faith and credit of the United States of America as to principal and interest. Additionally, the list includes interest-bearing savings accounts, interest-bearing certificates or deposit, interest-bearing time deposits, or any other investments constituting direct obligations (with assets exceeding \$500,000,000) and municipal bonds.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Library’s deposits may not be returned to it. The Library’s investment policy requires that the deposit collateralization market value equal to at least 105% of deposits in excess of \$250,000 per institution shall be required. The collateral shall be marked to market and adjusted, if necessary, to the 105% level on at least a weekly basis. Insured certificates of deposit, share certificates, surety bonds and letters of credit with a value of at least 105% of deposits in excess of \$250,000 per institution shall be required. Direct treasury securities with a market value equal to at least 102% of the value of the repurchase agreement shall be maintained at all times. Repurchase agreement collateral shall be marked to market at the time of execution and daily thereafter. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

## **NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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

##### **DEPOSITS AND INVESTMENTS – Continued**

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

*Custodial Credit Risk – Continued.* For an investment, this is the risk that in the event of the failure of the counterparty, the Library will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Library's investment policy does not mitigate custodial credit risk for investments. At year end, the Library's investments in U.S. Government Agencies are all insured or registered with the Library or its agent in the Library's name.

*Concentration Risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of the Library's investment in a single issuer. The Library's investment policy requires deversification to eliminate the risk of loss resulting from concentration of assets in a specific maturity, a specific issuer or a specific class of securities. At year-end, the Library does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

##### **PROPERTY TAXES**

Property taxes for the 2019 levy attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by November of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are collected in two installments in March and August. The County collects such taxes and remits them periodically.

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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

**CAPITAL ASSETS**

Capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 943,374	-	-	943,374
<b>Depreciable Capital Assets</b>				
Buildings and Improvements	13,607,599	-	-	13,607,599
Furniture and Fixtures	1,263,040	3,431	-	1,266,471
Equipment	1,381,548	178,213	403,300	1,156,461
Vehicles	37,595	-	-	37,595
Collections	3,557,637	403,730	325,579	3,635,788
	<u>19,847,419</u>	<u>585,374</u>	<u>728,879</u>	<u>19,703,914</u>
<b>Nondepreciable Capital Assets Less Accumulated Depreciation</b>				
Buildings and Improvements	5,919,515	340,191	-	6,259,706
Furniture and Fixtures	590,952	55,598	-	646,550
Equipment	1,283,989	55,578	403,300	936,267
Vehicles	26,793	4,322	-	31,115
Collections	2,049,422	411,662	325,579	2,135,505
	<u>9,870,671</u>	<u>867,351</u>	<u>728,879</u>	<u>10,009,143</u>
Total Depreciable Capital Assets	<u>9,976,748</u>	<u>(281,977)</u>	<u>-</u>	<u>9,694,771</u>
Total Capital Assets	<u>10,920,122</u>	<u>(281,977)</u>	<u>-</u>	<u>10,638,145</u>

Depreciation expense of \$867,351 was charged to the culture and recreation function.

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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

**INTERFUND TRANSFERS**

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Special Reserve	General	<u>\$ 3,000,000</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

**LONG-TERM DEBT**

**Long-Term Liability Activity**

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Compensated Absences	\$ 161,660	110,168	55,084	216,744	43,349
Net Pension Liability - IMRF	397,782	-	285,273	112,509	-
Total OPEB Liability - RBP	92,678	-	92,678	-	-
	<u>652,120</u>	<u>110,168</u>	<u>433,035</u>	<u>329,253</u>	<u>43,349</u>

Payments on the compensated absences, net pension liability, and the total OPEB liability are made by the General Fund.

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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

**FUND BALANCE CLASSIFICATIONS**

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

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

	General	Capital Projects Special Reserve	Nonmajor	Totals
Fund Balances				
Nonspendable				
Prepays	\$ 110,705	-	-	110,705
Restricted				
Property Tax Levies				
Audit	-	-	4,056	4,056
Liability Insurance	-	-	57,621	57,621
Workers' Compensation	-	-	6,549	6,549
Unemployment Compensation	-	-	24,027	24,027
Building and Site	-	-	70,122	70,122
	-	-	162,375	162,375
Committed				
Special Reserve	-	3,858,007	-	3,858,007
Unassigned	5,911,816	-	(1,684)	5,910,132
Total Fund Balances	6,022,521	3,858,007	160,691	10,041,219

## **NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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

##### **FUND BALANCE CLASSIFICATIONS – Continued**

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

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

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

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

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

*Minimum Fund Balance Policy.* The Library's policy manual states that the General Fund should maintain a minimum fund balance equal to 50% of operating expenditures less capital outlay.

#### **NOTE 4 – OTHER INFORMATION**

##### **RISK MANAGEMENT**

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Library carries commercial insurance for all risks of loss including worker's compensation and employee health insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past three fiscal years.

# NILES-MAINE DISTRICT LIBRARY, ILLINOIS

## Notes to the Financial Statements June 30, 2020

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### NOTE 4 – OTHER INFORMATION

#### CONTINGENT LIABILITIES

##### Grants

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

##### Litigation

The Library is currently not involved in any litigation.

##### Financial Impact from COVID-19

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

#### COMMITMENTS

##### Operating Lease

The Library is committed under a lease with the School Library for parking spaces that will expire in 2037. This lease is considered for accounting purposes to be an operating lease.

Future minimum lease payments are as follows:

Fiscal Year	Total Lease Payment
2021	\$ 10,572
2022	10,572
2023	10,572
2024	10,572
2025 - 2029	52,860
2030 - 2034	52,860
2035 - 2037	<u>31,716</u>
Total	<u><u>179,724</u></u>

## **NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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#### **NOTE 4 – OTHER INFORMATION – Continued**

##### **JOINTLY GOVERNED ORGANIZATION**

The Library participates in Cooperative Computer Services (CCS). CCS is an intergovernmental instrumentality formed by library members of the former North Suburban Library System and exists to administer a jointly owned integrated library automation system. CCS's governing board is comprised of one member from each participating library. No participant has any obligation, entitlement, or residual interest in CCS. In order to terminate membership in CCS, member libraries must provide one-year notice of termination. The Library's expenditures to CCS for the year ended June 30, 2020 were \$76,681.

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

The Library contributes to one defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

##### **Illinois Municipal Retirement System (IMRF)**

###### **Plan Description**

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

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

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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**NOTE 4 – OTHER INFORMATION – Continued**

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

**Illinois Municipal Retirement System (IMRF – Continued**

**Plan Description – Continued**

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

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

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

*Plan Membership.* As of December 31, 2019, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	7
Inactive Plan Members Entitled to but not yet Receiving Benefits	12
Active Plan Members	<u>61</u>
Total	<u><u>80</u></u>

# NILES-MAINE DISTRICT LIBRARY, ILLINOIS

## Notes to the Financial Statements June 30, 2020

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### NOTE 4 – OTHER INFORMATION – Continued

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

##### Illinois Municipal Retirement System (IMRF) – Continued

##### Plan Description – Continued

*Contributions.* As set by statute, the Library’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year ended June 30 2020, the Library’s contribution was 5.73% of covered payroll.

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

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

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

# NILES-MAINE DISTRICT LIBRARY, ILLINOIS

## Notes to the Financial Statements June 30, 2020

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### NOTE 4 – OTHER INFORMATION – Continued

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

##### Illinois Municipal Retirement System (IMRF) – Continued

###### Plan Description – Continued

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

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

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

# NILES-MAINE DISTRICT LIBRARY, ILLINOIS

## Notes to the Financial Statements June 30, 2020

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### NOTE 4 – OTHER INFORMATION – Continued

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

##### Illinois Municipal Retirement System (IMRF) – Continued

##### Plan Description – Continued

##### Discount Rate

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

##### Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 907,840	112,509	(500,166)

## NILES-MAINE DISTRICT LIBRARY, ILLINOIS

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

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#### NOTE 4 – OTHER INFORMATION – Continued

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

#### Illinois Municipal Retirement System (IMRF) – Continued

#### Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2018	\$ 5,591,574	5,193,792	397,782
Changes for the Year:			
Service Cost	267,122	-	267,122
Interest on the Total Pension Liability	410,415	-	410,415
Difference Between Expected and Actual Experience of the Total Pension Liability	259,070	-	259,070
Changes of Assumptions	-	-	-
	-	152,574	(152,574)
Contributions - Employees	-	142,653	(142,653)
Net Investment Income	-	855,986	(855,986)
Benefit Payments, including Refunds of Employee Contributions	(128,483)	(128,483)	-
Other (Net Transfer)	-	70,667	(70,667)
Net Changes	808,124	1,093,397	(285,273)
Balances at December 31, 2019	6,399,698	6,287,189	112,509

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

For the year ended June 30, 2020, the Library recognized pension expense of \$131,634. At June 30, 2020, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

**NOTE 4 – OTHER INFORMATION – Continued**

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

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 352,394	(31,527)	320,867
Change in Assumptions	112,771	(59,360)	53,411
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(117,200)	(117,200)
Total Pension Expense			
to be Recognized in Future Periods	465,165	(208,087)	257,078
Pension Contributions Made Subsequent to the Measurement Date	88,787	-	88,787
Total Deferred Amounts Related to Pensions	<u>553,952</u>	<u>(208,087)</u>	<u>345,865</u>

\$88,787 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2021	\$ 51,452
2022	24,071
2023	69,449
2024	(38,164)
2025	56,002
Thereafter	<u>94,268</u>
Total	<u><u>257,078</u></u>

## **NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

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

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#### **NOTE 4 – OTHER INFORMATION – Continued**

##### **OTHER POST-EMPLOYMENT BENEFITS**

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

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Schedule of Employer Contributions  
Teacher's Health Insurance Security Fund
- Schedule of Employer's Proportionate Share of the Collective Net OPEB Liability  
Teacher's Health Insurance Security Fund
- Schedule of Changes in the Employer's Total OPEB Liability and Related Ratios  
Retiree's Health Plan
- Schedule of Employer's Proportionate Share of the Net Pension Liability and Employer Contributions  
Teachers' Retirement System
- Schedule of Employer Contributions  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability  
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedule  
General Fund  
Operations and Maintenance – Special Revenue Fund  
Transportation – Special Revenue Fund  
Municipal Retirement/Social Security – Special Revenue Fund

### Notes to the Required Supplementary Information

Budgetary Information – Except for the exclusion of on-behalf payments from other governments, the budgeted amounts are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
June 30, 2020**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2017	\$ 94,661	\$ 2,094,661	\$ 2,000,000	\$ 1,165,771	179.68%
2018	233,715	765,715	532,000	2,878,263	26.60%
2019	183,975	183,975	-	2,899,756	6.34%
2020	165,210	165,210	-	2,883,523	5.73%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	24 Years
Asset Valuation Method	5-Year Smoothed Market, 20% Corridor
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMFR specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Note:

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

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Changes in the Employer's Net Pension Liability  
June 30, 2020**

	December 31, 2016
Total Pension Liability	
Service Cost	\$ 245,259
Interest	9,197
Changes in Benefit Terms	3,985,362
Differences Between Expected and Actual Experience	(56,287)
Change of Assumptions	-
Benefit Payments, Including Refunds of Member Contributions	-
	<hr/>
Net Change in Total Pension Liability	4,183,531
Total Pension Liability - Beginning	-
	<hr/>
Total Pension Liability - Ending	<u>4,183,531</u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 2,094,661
Contributions - Members	1,522,084
Net Investment Income	-
Benefit Payments, Including Refunds of Member Contributions	-
Other (Net Transfer)	34,284
	<hr/>
Net Change in Plan Fiduciary Net Position	3,651,029
Plan Net Position - Beginning	-
	<hr/>
Plan Net Position - Ending	<u>3,651,029</u>
Employer's Net Pension Liability/(Asset)	<u>\$ 532,502</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.27%
Covered Payroll	\$ 1,165,771
Employer's Net Pension Liability as a Percentage of Covered Payroll	45.68%

Note:

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

December 31, 2017	December 31, 2018	December 31, 2019
268,159	264,525	267,122
323,617	367,008	410,415
-	-	-
107,512	74,182	259,070
(91,070)	149,807	-
(5,447)	(50,250)	(128,483)
602,771	805,272	808,124
4,183,531	4,786,302	5,591,574
4,786,302	5,591,574	6,399,698
765,715	211,280	152,574
211,602	131,444	142,653
533,671	(147,894)	855,986
(5,447)	(50,250)	(128,483)
(93,474)	(13,884)	70,667
1,412,067	130,696	1,093,397
3,651,029	5,063,096	5,193,792
5,063,096	5,193,792	6,287,189
(276,794)	397,782	112,509
105.78%	92.89%	98.24%
2,878,263	2,890,277	2,878,758
(9.62%)	13.76%	3.91%

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 6,068,670	6,068,670	5,663,044
Replacement Taxes	125,000	125,000	147,195
Charges for Services	103,500	103,500	89,320
Grants and Donations	72,605	72,605	75,605
Interest	125,000	125,000	224,941
Miscellaneous	1,350	1,350	3,558
Total Revenues	<u>6,496,125</u>	<u>6,496,125</u>	<u>6,203,663</u>
Expenditures			
Culture and Recreation			
Personnel Services	4,230,209	4,230,209	4,090,809
Commodities	787,973	787,973	784,669
Contractual Services	768,373	768,373	548,013
Miscellaneous	73,605	73,605	55,925
Total Expenditures	<u>5,860,160</u>	<u>5,860,160</u>	<u>5,479,416</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	635,965	635,965	724,247
Other Financing (Uses)			
Transfers Out	-	-	(3,000,000)
Net Change in Fund Balance	<u>635,965</u>	<u>635,965</u>	(2,275,753)
Fund Balance - Beginning			<u>8,298,274</u>
Fund Balance - Ending			<u><u>6,022,521</u></u>

## **OTHER SUPPLEMENTARY INFORMATION**

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

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – General Fund Subfunds
- Budgetary Comparison Schedules – General Fund Subfunds
- Schedule of Changes in Assets and Liabilities – Agency Fund
- Consolidated Year-End Financial Report

# INDIVIDUAL FUND DESCRIPTIONS

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## GENERAL FUND

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

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## SPECIAL REVENUE FUNDS

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

### Operations and Maintenance Fund

The Operations and Maintenance Fund is used to account for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes.

### Transportation Fund

The Transportation Fund is used to account for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

### Municipal Retirement/Social Security Fund

The Municipal Retirement/Social Security Fund is used to account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for non-certified employees. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

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## DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources that are restricted, committed, or assigned for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service.

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# INDIVIDUAL FUND DESCRIPTIONS

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## CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

### **Fire Protection and Life Safety Fund**

The Fire Protection and Life Safety Fund is used to account for State-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes.

### **Site and Construction Fund**

The Site and Construction Fund is used to account for the financial resources to be used for the acquisition or construction of, and/or addition to, major capital facilities.

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## FIDUCIARY FUND

The Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds.

## AGENCY FUND

### **Student Activity, Convenience Accounts, and Other Agency Funds**

The Student Activity Fund is used to account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational, or cultural purposes. The Convenience Accounts Fund is used to account for assets that are normally maintained by a local educational agency as a convenience for its faculty, staff, etc.

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**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**General Fund**

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

	Budget		Actual
	Original	Final	
<b>Culture and Recreation</b>			
<b>Personnel Services</b>			
Administrator	\$ 136,451	136,451	134,022
Department Managers	190,526	190,526	192,391
Division Supervisors	834,056	834,056	815,212
Librarian I	992,808	992,808	1,004,586
Library Grade V	751,316	751,316	727,639
Library Grade VI	438,237	438,237	449,519
Library Pages	42,222	42,222	32,649
Sundays and Extra Service	119,975	119,975	72,427
Deferred Compensation and IMRF	165,362	165,362	165,210
Group Health Insurance	452,256	452,256	427,299
Health Reimbursement	66,000	66,000	37,348
Dental, Vision, Disability	41,000	41,000	18,945
Life	-	-	13,562
	<u>4,230,209</u>	<u>4,230,209</u>	<u>4,090,809</u>
<b>Commodities</b>			
Books and Periodical	305,423	305,423	271,230
Downloadables	80,000	80,000	70,959
Audio/Visual	172,550	172,550	155,069
Online Databases	230,000	230,000	240,724
Janitorial Supplies	-	-	43,250
Library Supplies	-	-	3,437
	<u>787,973</u>	<u>787,973</u>	<u>784,669</u>
<b>Contractual Services</b>			
CCS Charges	93,154	93,154	76,681
Processing and Supplies	82,850	82,850	32,662
Internet Charges	18,400	18,400	4,397
Software and Licenses	120,426	120,426	60,151
Printing	53,100	53,100	40,466
Programming and Support	85,785	85,785	59,295
Volunteers	4,000	4,000	148
Public Performance Rights	-	-	2,800

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**General Fund**

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

	Budget		Actual
	Original	Final	
Culture and Recreation - Continued			
Contractual Services - Continued			
Miscellaneous	\$ -	-	2,714
Copiers	10,500	10,500	6,663
Professional Development	54,046	54,046	33,746
Mileage Reimbursement	3,650	3,650	2,899
Legal Fees	7,015	7,015	9,524
Consulting	18,600	18,600	15,329
Promotional Expenditure	20,800	20,800	22,296
Postage and Freight	23,950	23,950	22,618
Publication of Notices - Legal	1,200	1,200	595
Subscriptions and Dues	8,943	8,943	6,971
Collection Services	-	-	3,276
Telephone	17,000	17,000	19,062
Trustee Expenditure	5,000	5,000	1,541
Payroll Service	20,050	20,050	16,231
Bank Fees	2,500	2,500	1,762
Parking Lease Agreement	10,572	10,572	10,572
Utilities	103,750	103,750	93,469
Vehicles	3,082	3,082	2,145
	<u>768,373</u>	<u>768,373</u>	<u>548,013</u>
Miscellaneous			
Per Capita Grant	73,605	73,605	51,925
Other Grants	-	-	4,000
	<u>73,605</u>	<u>73,605</u>	<u>55,925</u>
 Total Expenditures	 <u>5,860,160</u>	 <u>5,860,160</u>	 <u>5,479,416</u>

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Special Reserve - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	-
Expenditures			
Capital Outlay	1,971,648	1,971,648	213,492
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,971,648)	(1,971,648)	(213,492)
Other Financing Sources			
Transfers In	-	-	3,000,000
Net Change in Fund Balance	<u>(1,971,648)</u>	<u>(1,971,648)</u>	2,786,508
Fund Balance - Beginning			<u>1,071,499</u>
Fund Balance - Ending			<u><u>3,858,007</u></u>

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Balance Sheet**

**June 30, 2020**

	Audit	Liability Insurance
<b>ASSETS</b>		
Cash and Investments	\$ 6,079	57,823
Receivables - Net of Allowances		
Property Taxes	6,676	668
Total Assets	12,755	58,491
<b>LIABILITIES</b>		
Accounts Payable	-	-
Accrued Liabilities	-	-
Total Liabilities	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	8,699	870
Total Liabilities and Deferred Inflows of Resources	8,699	870
<b>FUND BALANCES</b>		
Restricted	4,056	57,621
Unassigned	-	-
Total Fund Balances	4,056	57,621
Total Liabilities, Deferred Inflows of Resources and Fund Balances	12,755	58,491

Social Security	Workers' Compensation	Unemployment Compensation	Building and Site	Totals
28,265	9,989	26,216	118,170	246,542
98,806	11,349	7,344	106,149	230,992
127,071	21,338	33,560	224,319	477,534
-	-	-	15,876	15,876
3	-	(36)	-	(33)
3	-	(36)	15,876	15,843
128,752	14,789	9,569	138,321	301,000
128,755	14,789	9,533	154,197	316,843
-	6,549	24,027	70,122	162,375
(1,684)	-	-	-	(1,684)
(1,684)	6,549	24,027	70,122	160,691
127,071	21,338	33,560	224,319	477,534

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended June 30, 2020**

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	Audit	Liability Insurance
Revenues		
Property Taxes	\$ 15,873	1,587
Expenditures		
Culture and Recreation	9,000	34,840
Net Change in Fund Balances	6,873	(33,253)
Fund Balances - Beginning	(2,817)	90,874
Fund Balances - Ending	4,056	57,621

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Social Security	Workers' Compensation	Unemployment Compensation	Building and Site	Totals
248,576	24,109	18,898	281,850	590,893
254,947	24,240	8,846	167,800	499,673
(6,371)	(131)	10,052	114,050	91,220
4,687	6,680	13,975	(43,928)	69,471
(1,684)	6,549	24,027	70,122	160,691

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Audit - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2020**

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	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 15,873	15,873	15,873
Expenditures			
Culture and Recreation			
Audit	9,000	9,000	9,000
Net Change in Fund Balance	<u>6,873</u>	<u>6,873</u>	6,873
Fund Balance - Beginning			<u>(2,817)</u>
Fund Balance - Ending			<u>4,056</u>

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Liability Insurance - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2020**

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	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 1,587	1,587	1,587
Expenditures			
Culture and Recreation			
Liability Insurance	35,000	35,000	34,840
Net Change in Fund Balance	<u>(33,413)</u>	<u>(33,413)</u>	(33,253)
Fund Balance - Beginning			<u>90,874</u>
Fund Balance - Ending			<u>57,621</u>

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Social Security - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2020**

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	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 248,576	248,576	248,576
Expenditures			
Culture and Recreation			
Social Security	265,271	265,271	254,947
Net Change in Fund Balance	<u>(16,695)</u>	<u>(16,695)</u>	(6,371)
Fund Balance - Beginning			<u>4,687</u>
Fund Balance - Ending			<u>(1,684)</u>

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Workers' Compensation - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2020**

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	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 24,109	24,109	24,109
Expenditures			
Culture and Recreation			
Workers' Compensation	27,000	27,000	24,240
Net Change in Fund Balance	<u>(2,891)</u>	<u>(2,891)</u>	(131)
Fund Balance - Beginning			<u>6,680</u>
Fund Balance - Ending			<u>6,549</u>

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Unemployment Compensation - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2020**

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	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 18,898	18,898	18,898
Expenditures			
Culture and Recreation			
Unemployment Tax Expenditures	20,000	20,000	8,846
Net Change in Fund Balance	<u>(1,102)</u>	<u>(1,102)</u>	10,052
Fund Balance - Beginning			<u>13,975</u>
Fund Balance - Ending			<u>24,027</u>

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Building and Site - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2020**

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	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 281,850	281,850	281,850
Expenditures			
Culture and Recreation			
Building and Site	228,593	228,593	167,800
Net Change in Fund Balance	<u>53,257</u>	<u>53,257</u>	114,050
Fund Balance - Beginning			<u>(43,928)</u>
Fund Balance - Ending			<u>70,122</u>

## **SUPPLEMENTAL SCHEDULES**

**NILES-MAINE DISTRICT LIBRARY, ILLINOIS**

**Schedule of Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections - Last Three Years  
June 30, 2020**

	2017	2018	2019
Assessed Valuations	\$ 1,581,007,349	1,539,568,821	1,808,364,497
<b>Tax Rates</b>			
General	0.4064	0.4180	0.3061
Audit	0.0008	0.0010	0.0010
Liability Insurance	0.0001	0.0001	0.0001
Social Security	0.0163	0.0167	0.0148
Workers' Compensation	0.0015	0.0013	0.0017
Unemployment Insurance	0.0016	0.0013	0.0011
Building Maintenance	0.0200	0.0200	0.0159
<b>Total Tax Rates</b>	<b>0.4467</b>	<b>0.4584</b>	<b>0.3407</b>
<b>Tax Extensions</b>			
General	6,424,689	6,436,019	5,535,967
Audit	12,360	15,450	18,540
Liability Insurance	1,030	1,030	1,030
Social Security	257,500	257,500	267,800
Workers' Compensation	23,690	20,600	30,900
Unemployment Insurance	25,750	20,600	20,600
Building Maintenance	315,440	307,914	288,400
<b>Total Tax Extensions</b>	<b>7,060,459</b>	<b>7,059,113</b>	<b>6,163,237</b>
Collections	6,849,758	7,050,878	3,648,209
Percent Collected	97.02%	99.88%	59.19%

Data Source: Office of the County Clerk

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