

Lake Forest Library
360 East Deerpath Road, Lake Forest, IL 60045

Lake Forest Library Board – Finance Committee Meeting
Thursday, November 4, 2021, 7:30 p.m.

(Remote via Microsoft Teams)

Please be advised that the members of the Lake Forest Library Board Finance Committee will be remotely attending this meeting by electronic means, in compliance with the recent amendments to the Illinois Open Meetings Act. The Mayor of the City of Lake Forest has determined that it is not prudent or practical to conduct an in-person meeting due to the COVID-19 pandemic. The Library will be providing members of the public with the opportunity to attend this meeting virtually, as well as provide public comment during the meeting at the following public access link: [Join Microsoft Teams Meeting](#), or by calling: [+1 872-240-4516](tel:+18722404516). Conference ID: 559 185 822#. A recording of the meeting will be posted on the Library website. No prior registration is necessary.

The meeting agenda is available on the Library website. The minutes of the meeting will be available on the Library website after they are approved by the Library Board of Trustees. Current and past meeting information is available at: www.lakeforestlibrary.org/board-meetings.

Agenda

1. Call meeting to order and roll call.
2. Appointment of *secretary pro tem*.
3. Call for additions to the agenda.
4. Opportunity for the public to address the Finance Committee.
5. Review and make recommendation to Library Board regarding FY2021 audit.
6. Review and make recommendation to Library Board regarding FY2021 surplus.
7. Review and make recommendation to Library Board regarding 2021/FY2023 levy.
8. Unfinished Business.
9. New Business.
10. Adjournment.

Upcoming Meeting: Regular Board Meeting: November 9, 2021

Meetings may be called at any time with proper notice pursuant to the Library's bylaws. Individuals with disabilities who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of the meetings or the facilities are requested to contact the Library Director at 847.810.4602 promptly to allow the Library to make reasonable accommodations.

PUBLIC COMMENT AT BOARD MEETINGS POLICY

The Illinois Open Meetings Act provides in Section 2.06 that at meetings of public bodies, “any person shall be permitted an opportunity to address public officials under the rules established and recorded by the public body.” 5 ILCS 120/2.06(g).

The Board of Trustees welcomes public participation. This policy provides the following rules and guidelines for public participation at its meetings.

Individuals attending board meetings must conduct themselves with respect and civility toward others. Abusive, profane, threatening, or harassing language and/or personal attacks will not be permitted. The Board President or presiding officer may prohibit further comment at the meeting by a speaker whose remarks violate this rule.

Public comments are permitted during the time designated on the Board of Trustees meeting agenda, unless otherwise directed by the Board President.

The Board President determines the order in which speakers will be recognized.

When recognized by the Board President, the speaker should begin by stating his or her name and address.

Public comments will ordinarily be limited to three (3) minutes per speaker. The Board President shall have discretion to modify this time limit, as well as to limit repetitive comments.

Members of the public will not be allowed to speak a second time until all members of the public who wish to speak have been allowed to do so. The Board President will determine whether second public comments will be permitted, and if so, the appropriate amount of time for public discussion, and will end public comment at his/her discretion.

Board members are not obligated to respond to comments from the public. Issues requiring possible action by the board may be added to a future meeting agenda, and issues that can be addressed by library administration will be noted.

A copy of these guidelines will be placed next to the sign-in sheet made available to members of the public at the entrance to board meetings.

Petitions or written correspondence directed to the board shall be presented to the board by the Board President or Secretary at the next regularly scheduled board meeting.

Minutes are a summary of the board’s discussion and actions. Speaker requests to append written statements or correspondence to the minutes are not favored. Generally, written materials presented to the board will be included in the library’s files rather than in the minutes. The Board President shall have the authority to determine procedural matters regarding public participation not otherwise defined in these guidelines.

(Approved by the Library Board of Trustees January 9, 2018.)

Agenda Item 5

Review and Acknowledgement of receipt of the FY2021 audit.

Baker Tilly Virchow Krause, LLP, Oakbrook, IL, completed the audit of the Lake Forest Library's financial statements and issued an unmodified opinion dated as of October 21, 2021.

As a component unit, the audit of the Library's financial statements of its governmental activities and funds are undertaken in part with the audit of the City of Lake Forest. Library staff participate in and work with the City Finance Department and auditors during the audit process. After the Library Board's acceptance of the audit report, a print copy of the audit will be available upon request and an electronic copy will be available on the Library website at <https://www.lakeforestlibrary.org/financial>.

The audit process did not reveal internal accounting actions that differed from the audit findings.

The City of Lake Forest Audit Committee met on October 21 for the final review of the entire audit. On November 1, 2021, the City Council accepted and acknowledged receipt of the FY2021 audit.

Highlights from the FY2021 Audit

- The Library's total financial position increased by \$1,055,117, due to well-managed expenditures, deferred projects, and increased revenues from grants, private gifts, investment income, and a 2.3% CPI increase in property taxes.
- As of the close of the FY2021 fiscal year, the Library's governmental fund reported combined ending fund balances of \$6,150,419, an increase of \$854,928 from the prior year. This increase is due in part to increased revenues and responsible fiscal spending.
- Total revenues in FY2021 were \$4,563,401. Property taxes accounted for \$4,260,835 or 93% of all 2021 revenues. Grant awards, and contributions accounted for \$185,550 or 4% of all 2021 revenues.
- The Library generated an additional \$117,016 or 3% in investment income and other income. Overall revenues increased \$77,593 from \$4,485,808 in FY2020 to \$4,563,401 in FY2021.
- The Library received a \$50,624 reimbursement to cover selected COVID-19 Pandemic expenses from the Lake County COVID 19 Relief Fund pursuant to the Coronavirus Aid, Relief and Economic Security Act (the "CARES ACT").
- The Library received \$17,693 in impact fees in FY2021, up from \$9,470 in FY2020. The Library also received an Illinois Public Library Per Capita and Equalization Grant of \$24,219.
- Total expenditures in FY2021 were \$3,708,473. Library services accounted for \$3,305,885 or 89% of all FY2021 expenditures. The Library building accounted for \$323,945 or 9% and capital outlay accounted for \$78,643 or 2% of all 2021 expenditures.

Finance Committee Action: Recommend the Library Board accept and acknowledge receipt of the Baker Tilly Virchow Krause, LLP, FY2021 audit.

Lake Forest Library
(A Component Unit of the City of Lake Forest)

Financial Statements

April 30, 2021

Lake Forest Library

Table of Contents

April 30, 2021

	<u>Page</u>
Independent Auditors' Report	1
Required Supplementary Information	
Management's Discussion and Analysis	3
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements	
Balance Sheet – Governmental Fund	12
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Fund	14
Reconciliation of the Governmental Fund	
Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	15
Notes to Financial Statements	16
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	30
Illinois Municipal Retirement Fund – Schedule of Library's Proportionate Share of the Net Pension Liability and Library Contributions	31
Other Postemployment Benefits – Schedule of Changes in the Total OPEB Liability and Related Ratios	32
Note to Required Supplementary Information	33

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

To the Lake Forest Library Board of Trustees of
Lake Forest Library

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Lake Forest Library, a component unit of the City of Lake Forest, as of and for the year ended April 30, 2021 and the related notes to the financial statements, which collectively comprise the Lake Forest 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.

Auditors' 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 from 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 auditors' 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 Lake Forest 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 Lake Forest 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 and the major fund of the Lake Forest Library, as of April 30, 2021 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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.

Baker Tilly US, LLP

Oak Brook, Illinois
October 21, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Lake Forest Public Library

Management's Discussion and Analysis (UNAUDITED)

April 30, 2021

The discussion and analysis of the Lake Forest Library's (the "Library") financial performance provides an overall review of the Library's financial activities for the year ended April 30, 2021. The Library is a discretely presented component of the City of Lake Forest, Illinois (the "City") pursuant to GASB Statement No. 61, since the City is financially accountable for the Library. The management of the Library encourages readers to consider the information presented herein in conjunction with the basic financial statements, as well as the City's annual financial report, to enhance their understanding of the Library's financial performance. Certain comparative information between the current year and the prior is presented in the Management's Discussion and Analysis (the "MD&A").

Effects of the COVID-19 Pandemic

Although the Library's physical building was closed for the month of May 2020, and the level of physical access to the Library fluctuated throughout the fiscal year in compliance with directives from the State of Illinois, the Library's commitment to deliver the highest level of library services to the Lake Forest community never wavered. Signature events were held, new programs developed, and significant technology projects advanced. All in keeping with the Library's history of delivering outstanding service and programs earning the Library once again a national three-star award ranking from *Library Journal* in January 2021.

Library management remained diligent and moved quickly to modify the Library's COVID 19 Pandemic Response Plan as needed to deliver virtual and in-person contactless services within the changing guidance issued by the State of Illinois and City of Lake Forest. The Library pivoted to meet patron needs by allocating significant funds to enhance its technological resources with remote access options and additional e-materials; creating technology help lines for patrons; adding virtual options for patrons to reach librarians with questions and requests; reimagining its website as a resource for accurate and up-to-date COVID information and easier access to Library news; offering on-line library card applications; creating personalized services; and delivering high quality virtual programming and other services for children, teens, and adults. At each phase, the Library re-evaluated and re-engaged the Library's physical space reflecting latest guidelines and research available, ensuring the health and safety of patrons and staff.

During the fiscal year, Library management closely monitored incoming revenue streams and prepared alternative operating plans in the event revenue lines did not produce as forecast. Similarly, expenditures were evaluated. Positions were not filled and the FY2021 personnel pay plan was not implemented until August 2020. At FY2021 year end, the Library realized an increase in revenue by 3%, and a 16% decrease in expenses of the total forecasted budget.

Lake Forest Public Library

Management's Discussion and Analysis (UNAUDITED)

April 30, 2021

FY2021 Financial Highlights

- > The Library's total financial position increased by \$1,055,117, due to well-managed expenditures, deferred projects, and increased revenues from grants, private gifts, investment income, and a 2.3% CPI increase in property taxes.
- > As of the close of the current fiscal year, the Library's governmental fund reported combined ending fund balances of \$6,150,419, an increase of \$854,928 from the prior year. This increase is due in part to increased revenues, and responsible fiscal spending.
- > Total revenues in 2021 were \$4,563,401. Property taxes accounted for \$4,260,835 or 93% of all 2021 revenues. Grant awards, and contributions accounted for \$185,550 or 4% of all 2021 revenues. The Library generated an additional \$117,016 or 3% in investment income and other income. Overall revenues increased \$77,593 from \$4,485,808 in 2020 to \$4,563,401 in 2021.
- > The Library received a \$50,624 reimbursement to cover selected COVID-19 Pandemic expenses from the Lake County COVID 19 Relief Fund pursuant to the Coronavirus Aid, Relief and Economic Security Act (the "CARES ACT").
- > The Library received \$17,693 in impact fees in 2021, up from \$9,470 in 2020. The Library also received an Illinois Public Library Per Capita and Equalization Grant of \$24,219.
- > Total expenditures in 2021 were \$3,708,473. Library services accounted for \$3,305,885 or 89% of all 2021 expenditure. The Library building accounted for \$323,945 or 9% and capital outlay accounted for \$78,643 or 2% of all 2021 expenditure.

Overview of the Financial Statements

This discussion is intended to serve as an introduction to the Library's basic financial statements. The Library's basic financial statements are comprised of three components:

- > Government-wide financial statements,
- > Fund financial statements, and
- > Notes to the financial statements.

This report also contains the required supplementary information in addition to the basic financial statements themselves.

Lake Forest Public Library

Management's Discussion and Analysis (UNAUDITED)

April 30, 2021

Government-Wide Financial Statements

The government-wide financial statements (see pages 10 to 11) are designed to be corporate-like in that all governmental activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Position (the Unrestricted Net Position) is designed to be similar to bottom line results for the Library and its activities. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see page 11) is focused on both the gross and net cost of various activities, which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services of Library activities. The Governmental Activities reflect the Library's operations. Property taxes finance the majority of these operations.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements (see pages 12-15) presentation more familiar.

While the General Fund column on the Governmental Fund Financial Statements is essentially the same as the Governmental Activities column on the Government-Wide Financial Statement, the Governmental Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement. The flow of current financial resources will reflect capital expenditures as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations (pension and others) into the Governmental Activities column (in the Government-wide statements).

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to understanding the government-wide financial statements and the various fund financial statements.

Other Information

Other information is also included in this report. The other information includes the pension information of the Illinois Municipal Retirement Fund and budget to actual comparisons.

Government-Wide Financial Analysis

The Library's combined net position increased \$1,055,117 from \$7,014,045 in 2020 to \$8,069,162 in 2021. Total assets increased \$1,220,541 from \$12,528,222 in 2020 to \$13,748,763. Liabilities reduced \$670,105 from \$1,119,775 in 2020 to \$449,650 in year 2021. Table 1 reflects the condensed Statement of Net Position as compared to FY20.

Lake Forest Public Library

Management's Discussion and Analysis (UNAUDITED)

April 30, 2021

Table 1
Financial Statement
As of April 30, 2020 and 2021

	2020	2021
Current And Other Assets	\$ 9,679,961	\$ 10,613,011
Net Pension Asset	-	451,219
Capital Assets, Net	2,848,261	2,684,533
Total Assets	<u>12,528,222</u>	<u>13,748,763</u>
Deferred Outflows of Resources	<u>316,108</u>	<u>140,772</u>
Total	<u>\$ 12,844,330</u>	<u>\$ 13,889,535</u>
Total Liabilities	<u>\$ 1,119,755</u>	<u>\$ 449,650</u>
Deferred Inflows of Resources	<u>4,710,530</u>	<u>5,370,723</u>
Net Investment in Capital Assets	2,765,786	2,636,468
Restricted for Employee Retirement	-	451,219
Unrestricted	4,248,259	4,981,475
Total Net Position	<u>7,014,045</u>	<u>8,069,162</u>
Total	<u>\$ 12,844,330</u>	<u>\$ 13,889,535</u>

The Library's total revenues increased \$77,593 from \$4,485,808 in 2020 to \$4,563,401 in 2021. The total expenditures in 2021 were \$3,708,473. Library services accounted \$3,305,885 or 89% of all 2021 expenditures. Overall expenditure increased \$35,369 from \$3,673,104 in 2020 to \$3,708,473 in 2021, mainly due to inflation and other factors. Table 2 reflects the changes in revenues and expenses compared to 2020.

Lake Forest Public Library

Management's Discussion and Analysis (UNAUDITED)

April 30, 2021

Table 2
Changes in Fund Balance
For the Fiscal Year Ended April 30, 2020 and 2021

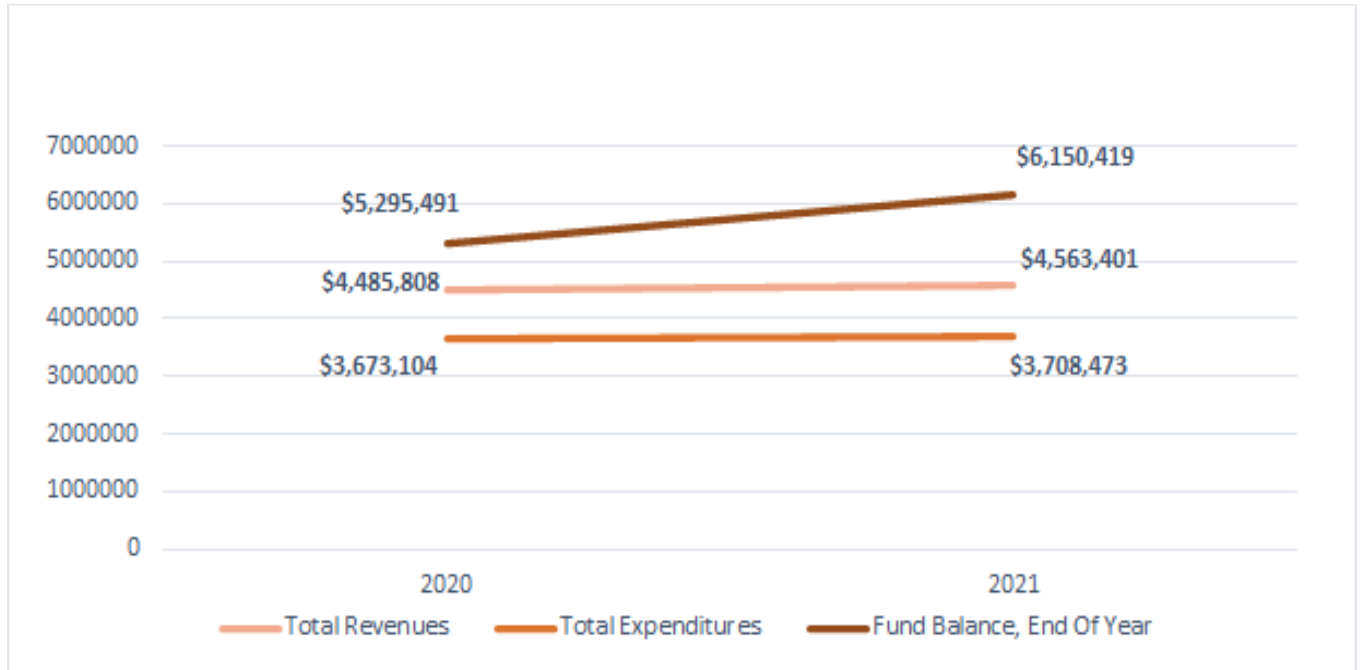
	2020	2021
Revenues		
Property Taxes	\$ 4,158,792	\$ 4,260,835
Intergovernmental	39,040	48,298
Grants and Contributions	138,661	185,550
Charges for Services (Including Impact Fees)	28,880	38,536
Fines and Penalties	8,959	1,715
Investment Income	111,476	28,467
Total Revenues	4,485,808	4,563,401
Expenditures		
Library Services	3,205,783	3,305,885
Library Building	319,161	323,945
Capital Outlay	123,058	78,643
Debt Service	25,102	-
Total Expenditures	3,673,104	3,708,473
Excess of Revenues Over Expenditures	812,704	854,928
Total Other Financing Sources	105,225	-
Net Change In Fund Balance	917,929	854,928
Fund Balance, Beginning of Year	4,377,562	5,295,491
Fund Balance, End of Year	\$ 5,295,491	\$ 6,150,419

Lake Forest Public Library

Management's Discussion and Analysis (UNAUDITED)

April 30, 2021

The graph below shows revenues and expenditures for this year in comparison to the last fiscal year.



Financial Analysis of the Government Funds

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types.

The Governmental Fund presentation is presented on a source and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statement allows the demonstration of sources and uses and/or budgeting compliance associated therewith.

General Fund Budgetary Highlights

The actual revenues were 3% greater than projected revenues by \$128,664 in the General Fund for the year ended April 30, 2021. This is due to the Library receiving more grants and contributions, including the CARES ACT COVID-19 reimbursement, than forecasted.

The actual expenditures for fiscal year 2021 were 24% less than the budget by \$1,165,746, a result of Library's management prudently evaluating the value of every dollar. As a result, the Library Fund balance as of April 30, 2021 is \$6,150,419.

Lake Forest Public Library

Management's Discussion and Analysis (UNAUDITED)

April 30, 2021

Capital Assets

At the end of fiscal 2021, the Library had total capital assets (net of accumulated depreciation) of \$2,684,533 invested in a broad range of capital assets including art, equipment, buildings, land, land improvements, and library materials.

The total decrease in the Library's cost value of capital assets for the current year was \$70,920. Most of the capital asset acquisitions in fiscal 2021 related to replacement of equipment and the purchase of library materials. All retirements in fiscal 2021 related to library materials and equipment. Additional information on capital assets can be found in Note 3 of the basic financial statements (page 22).

Table 3				
Capital Assets (Net of Depreciation)				
	2020		2021	
Land	\$	70,000	\$	70,000
Art		168,500		168,500
Building		413,978		394,265
Improvements Other than Buildings		664,652		601,037
Machinery and Equipment		1,531,131		1,450,731
Total	\$	2,848,261	\$	2,684,533

Debt Outstanding

The Library has no bonded indebtedness currently outstanding.

Requests for Information

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Library's finances and to demonstrate the Library's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Catherine A. Lemmer, Executive Director, Lake Forest Library, 360 East Deerpath Road, Lake Forest, IL 60045

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 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.

Lake Forest Library

Statement of Net Position

April 30, 2021

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 6,269,624
Receivables (net of allowance for uncollectibles):	
Property taxes	4,329,806
Other taxes	13,581
Net pension asset	451,219
Capital assets not being depreciated	238,500
Capital assets being depreciated (net of accumulated depreciation)	<u>2,446,033</u>
 Total assets	 <u>13,748,763</u>
Deferred Outflows of Resources	
Deferred outflows of resources related to pensions	134,645
Deferred outflows related to total OPEB liability	<u>6,127</u>
 Total deferred outflows of resources	 <u>140,772</u>
Liabilities	
Accounts payable	77,795
Accrued liabilities	54,991
Long-term obligations:	
Due within one year	39,756
Due in more than one year	<u>277,108</u>
 Total liabilities	 <u>449,650</u>
Deferred Inflows of Resources	
Property taxes levied for future periods	4,329,806
Deferred inflows of resources related to pensions	1,020,954
Deferred inflows related to total OPEB liability	<u>19,963</u>
 Total deferred inflows of resources	 <u>5,370,723</u>
Net Position	
Net investment in capital assets	2,636,468
Restricted for employee retirement	451,219
Unrestricted	<u>4,981,475</u>
 Total net position	 <u>\$ 8,069,162</u>

See notes to financial statements

Lake Forest Library

Statement of Activities
Year Ended April 30, 2021

Functions/Programs	Expenses	Program Revenues		Net
		Charges for Services	Operating Grants and Contribution	(Expense) Revenue and Changes in Net Position
Governmental activities				
Library services	\$ 3,508,284	\$ 40,251	\$ 185,550	\$ (3,282,483)
Total governmental activities	<u>\$ 3,508,284</u>	<u>\$ 40,251</u>	<u>\$ 185,550</u>	<u>(3,282,483)</u>
General revenues:				
Property taxes				4,260,835
Replacement taxes				48,298
Investment income				<u>28,467</u>
Total general revenues				<u>4,337,600</u>
Change in net position				1,055,117
Net Position, Beginning				<u>7,014,045</u>
Net Position, Ending				<u>\$ 8,069,162</u>

See notes to financial statements

Lake Forest Library

Governmental Fund

Balance Sheet

April 30, 2021

	General Fund
Assets	
Cash and cash equivalents	\$ 6,269,624
Receivables (net of allowance for doubtful accounts):	
Property taxes	4,329,806
Other taxes	<u>13,581</u>
Total assets	<u>\$ 10,613,011</u>
Liabilities Deferred Inflows of Resources and Fund Balance	
Liabilities	
Accounts payable	\$ 77,795
Accrued liabilities	<u>54,991</u>
Total liabilities	<u>132,786</u>
Deferred Inflows of Resources	
Property taxes levied for future periods	<u>4,329,806</u>
Total deferred inflows of resources	<u>4,329,806</u>
Fund Balance	
Unassigned	<u>6,150,419</u>
Total fund balance	<u>6,150,419</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 10,613,011</u>

See notes to financial statements

Lake Forest Library

Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position
April 30, 2021

Total Fund Balances - Governmental Funds \$ 6,150,419

Amounts reported for governmental activities in the Statement of Net position are different because:

The cost of capital assets (buildings and improvements, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the Library as a whole.

Cost of capital assets	\$ 7,512,304	
Depreciation expense to date	<u>(4,827,771)</u>	2,684,533

Deferred outflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet. 134,645

Deferred outflows of resources related to OPEB liability do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet. 6,127

Deferred inflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet. (1,020,954)

Deferred inflows of resources related to OPEB liability do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet. (19,963)

Long-term assets/liabilities applicable to the Library's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. All liabilities - both current and long-term, are reported in the Statement of Net Position.

Compensated absences	(108,922)	
Capital Lease	(48,065)	
Total OPEB liability	(159,877)	
Net pension asset	<u>451,219</u>	134,355

Net Position of Governmental Activities \$ 8,069,162

Lake Forest Library

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Fund
Year Ended April 30, 2021

	General Fund
Revenues	
Property taxes	\$ 4,260,835
Intergovernmental	48,298
Grants and contributions	185,550
Charges for services	38,536
Fines and penalties	1,715
Investment income	<u>28,467</u>
 Total revenues	 <u>4,563,401</u>
 Expenditures	
Library services	
Personnel services	2,081,133
Other	1,224,752
Library building	
Personnel services	124,663
Other	199,282
Capital outlay	
Building and office	<u>78,643</u>
 Total expenditures	 <u>3,708,473</u>
 Net change in fund balance	 854,928
 Fund Balance, Beginning	 <u>5,295,491</u>
 Fund Balance, Ending	 <u><u>\$ 6,150,419</u></u>

See notes to financial statements

Lake Forest Library

Reconciliation of the Governmental Fund

Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities

Year Ended April 30, 2021

Net Change in Fund Balances - Total Governmental Funds \$ 854,928

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period.

Depreciation expense	\$ (443,752)	
Capital outlay	<u>280,024</u>	
		(163,728)

In the Statement of Activities, operating expenses are measured by the amounts incurred during the year. However, several of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources:

Compensated absences	40,480	
Capital leases	34,410	
Total OPEB liability	40,703	
Net pension liability	521,685	
Net pension asset	451,219	
Deferred outflows of resources related to pensions	(174,510)	
Deferred outflows of resources related to total OPEB liability	(826)	
Deferred inflows of resources related to pensions	(529,281)	
Deferred inflows of resources related to total OPEB liability	<u>(19,963)</u>	
		<u>363,917</u>

Change in Net Position - Governmental Activities \$ 1,055,117

Lake Forest Library

Notes to Financial Statements
April 30, 2021

1. Summary of Significant Accounting Policies

The financial statements of the Lake Forest Library (the Library), Illinois have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units (hereinafter referred to as general 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.

Reporting Entity

The Library is a discretely presented component of the City of Lake Forest, Illinois (the City) pursuant to GASB Statement No. 61, since the City is financially accountable for the Library.

Basis of Presentation

Government-wide 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. Governmental activities generally are financed through property taxes. The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues instead.

Fund Financial Statements

The accounts of the Library in the governmental fund financial statements 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 that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues and expenditures. 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 is maintained consistent with legal and managerial requirements. Separate financial statements are provided for the governmental (General) fund, the only fund of the Library.

Measurement Focus, Basis of Accounting and Financial Statement Preparation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied and intended to be utilized. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are used to account for the Library's general government activities. 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 are both measurable and available.

Lake Forest Library

Notes to Financial Statements
April 30, 2021

Measurable means that 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. The Library considers all revenues, except for property taxes, available if they are collected within 90 days after year-end. Revenues for property taxes are considered to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due and certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, replacement taxes and interest on investments associated with the current fiscal period are susceptible to accrual and are recognized as revenues of the current fiscal period. Other receipts become measurable and available when cash is received by the Library and are recognized as revenue at that time.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant and accordingly, when such funds are received they are recorded as unearned revenues until earned.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows of resources 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.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Deposits and Investments

The Library considers all highly liquid investments with a maturity date within three months of the date acquired to be cash equivalents.

The Library is authorized to invest in the following types of securities under Illinois law:

- Bonds, notes, certificates of indebtedness, treasury bills or other securities which are guaranteed by the full faith and credit of the United States of America;
- Bonds, notes, debentures or other similar obligations of the U.S. government or its agencies;
- Interest-bearing bonds of any county, township, city, incorporated town, municipal corporation or school district and the bonds shall be registered in the name of the Library or held under a custodial agreement at a bank, provided the bonds shall be rated at the time of purchase within the four highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and their political subdivisions;
- Interest-bearing savings accounts, interest-bearing certificates of deposit, interest-bearing deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act (205 ILCS 5/1 et. seq.), provided, however, that such investments may be made only in banks which are insured by the Federal Deposit Insurance Corporation (FDIC);

Lake Forest Library

Notes to Financial Statements
April 30, 2021

- Commercial paper – issuer must be a United States corporation with more than \$500 million in assets, rating must be within the highest tier (e.g., A-1, P-1, F-1, D-1 or higher) by two standard rating services, must mature within 180 days of purchase, such purchases cannot exceed 10 percent of the corporation's outstanding obligations and such purchases cannot exceed one-third of funds;
- Money Market Mutual Funds – registered under the Investment Company Act of 1940 (15 U.S.C.A. § 80a-1 et. seq.), provided the portfolio is limited to bonds, notes, certificates, treasury bills or other securities which are guaranteed by the full faith and credit of the federal government as to principal and interest;
- Short-term discount obligations of the Federal National Mortgage Association (established by or under the National Housing Act (1201 U.S.C. 1701 et. seq.)) or in shares or other forms of securities legally issuable by savings banks or savings and loans associations incorporated under the laws of Illinois or any other state or under the laws of the United States, provided, however, that the shares or investment certificates of such savings banks or savings and loans associations are insured by the Federal Deposit Insurance Corporation;
- Dividend-bearing share accounts, share certificate accounts or class of share accounts of a credit union chartered under the law of the State of Illinois or the laws of the United States; provided, however, the principal office of the credit unions must be located within the State of Illinois; and, provided further, that such investments may be made only in those credit union accounts of which are insured by applicable law;
- The Public Treasurer's Investment Pool created under Section 17 of the State Treasurer Act (15 ILCS 505/17) or in a fund managed, operated and administered by a bank subsidiary of a bank or subsidiary of a bank holding company or use the services of such an entity to hold and invest or advice regarding the investment of any public funds; and
- Repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986 (15 U.S.C.A § 780-5) subject to the provisions of that Act and the regulations issued thereunder, provided, however, that such government securities, unless registered or inscribed in the name of the Library, shall be purchased through banks or trust companies authorized to do business in the State of Illinois; and such other repurchase agreements as are authorized in subsection (h) of Section 2 of the Public Funds Investment Act (30 ILCS 235/2). Repurchase agreements may be executed only with approved financial institutions or broker/dealers meeting the Library's established standards, which shall include mutual execution of a Master Repurchase Agreement adopted by the Library.

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that in the event of a financial institution failure, the Library's deposits may not be returned to the Library. The Library's investments are made on its behalf by the City in accordance with the Public Funds Investment Act (30 ILCS 235/1) (the Act) and the City's investment policy. The City's investment policy requires that deposits that exceed the amount insured by FDIC, NCUA and/or SIPC insurance protection be collateralized, at the rate of 110 percent of such deposits, by U.S. Government securities, obligations of Federal instrumentalities, obligations of the State of Illinois or general obligation bonds of the City.

Lake Forest Library

Notes to Financial Statements
April 30, 2021

Credit Risk

Credit risk is the risk that an issuer or other counterparty will not fulfill its obligation. The Library's investment policy limits the Library's exposure to credit risk by limiting investments to the safest types as described above.

Property Tax Receivable

Tax bills for levy year 2020 are prepared by Lake County and issued in May 2021 and are payable in two installments, on or about June 1, 2021 and September 1, 2021 or within 30 days of the tax bills being issued.

The county collects such taxes and remits them periodically. The 2020 property tax levy is recognized as a receivable and deferral in fiscal 2021, net the 1.5 percent allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At April 30, 2021, the property taxes receivable and property taxes levied for future periods consisted of the estimated amount collectible from the 2020 levy.

Property taxes for levy year 2021 attaches as an enforceable lien on January 1, 2021, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). The 2021 tax levy, which attached as an enforceable lien on the property as of January 1, 2021, has not been recorded as a receivable as of April 30, 2021, as the tax has not yet been levied by the City and will not be levied until December 2021 and therefore, the levy is not measurable at April 30, 2021.

Capital Assets

Capital assets, which include property, buildings, equipment, art and intangible assets (software) are reported in the government-wide financial statements. Capital assets are defined by the Library as assets with an initial individual cost of more than \$10,000 and a useful life greater than 1 year, with the exception of books and materials. 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 cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building	30 – 50
Improvements other than buildings	40 – 80
Vehicles, machinery, equipment and software	3 – 20
Books and materials	6

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements. All vested vacation and sick leave pay is accrued when incurred in the government-wide statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements and are payable with expendable resources.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Equity Classifications

Fund Balances

GAAP establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. Within the governmental fund types, the Library's fund balances are reported in one of the following classifications:

Nonspendable – includes amounts that cannot be spent because they are either: a) not in spendable form; or b) legally or contractually required to be maintained intact.

Restricted – includes amounts 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 – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Library's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Library removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The Library's highest level of decision-making authority rests with the Library Board of Trustees. The Library passes formal resolutions to commit their fund balances.

Assigned – includes amounts that are constrained by the Library's *intent* to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the Library Board itself; or b) a body or official to which the Board has delegated the authority to assign amounts to be used for specific purposes. The Board has not delegated this to anyone at this time.

Unassigned – includes the residual fund balance that has not been restricted, committed or assigned.

In the General Fund, it is the Library's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e. committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are only used after the other resources have been used.

Lake Forest Library

Notes to Financial Statements
April 30, 2021

Net Position

In the government-wide financial statements, equity is being displayed in three components as follows:

Net Investment in Capital Assets

This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted

This consists of net position that is legally restricted by outside parties or by law through constitutional provisions of enabling legislation. When both restricted and unrestricted resources are available for use, generally it is the Library's policy to use restricted resources first, then unrestricted resources when they are needed.

Unrestricted

This consists of net position that does not meet the definition of restricted or net investment in capital assets.

2. Deposits and Investments

For disclosure purposes, for the Lake Forest Library, cash and cash equivalents are segregated into the following components:

	<u>Cash and Cash Equivalents</u>
Cash on hand	\$ 350
Deposits with financial institutions	<u>6,269,274</u>
Total	<u>\$ 6,269,624</u>

Custodial Credit Risk - Deposits

As of April 30, 2021, the Library's bank balances were not subject to custodial credit risk as they were either insured or collateralized with investments held by the Library or its agent, in the Library's name.

Lake Forest Library

Notes to Financial Statements
April 30, 2021

3. Capital Assets

The Library's capital asset activity for the year ended April 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 70,000	\$ -	\$ -	\$ 70,000
Art	168,500	-	-	168,500
Total capital assets not being depreciated	<u>238,500</u>	<u>-</u>	<u>-</u>	<u>238,500</u>
Capital assets being depreciated:				
Buildings	1,180,907	-	-	1,180,907
Improvements other than buildings	2,271,093	-	-	2,271,093
Machinery and equipment	3,892,724	280,024	350,944	3,821,804
Total capital assets being depreciated	<u>7,344,724</u>	<u>280,024</u>	<u>350,944</u>	<u>7,273,804</u>
Less accumulated depreciation for:				
Buildings	766,929	19,713	-	786,642
Improvements other than buildings	1,606,441	63,615	-	1,670,056
Machinery and equipment	2,361,593	360,424	350,944	2,371,073
Total accumulated depreciation	<u>4,734,963</u>	<u>443,752</u>	<u>350,944</u>	<u>4,827,771</u>
Net capital assets being depreciated	<u>2,609,761</u>	<u>(163,728)</u>	<u>-</u>	<u>2,446,033</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 2,848,261</u>	<u>\$ (163,728)</u>	<u>\$ -</u>	<u>\$ 2,684,533</u>

Lake Forest Library

Notes to Financial Statements

April 30, 2021

4. Long-Term Liabilities

During the year ended April 30, 2021, the following is the long-term liability activity for the Library:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental activities:					
Capital lease	\$ 82,475	\$ -	\$ 34,410	\$ 48,065	\$ 34,756
Total OPEB liability	200,580	6,843	47,546	159,877	-
Net pension liability	521,685	890,795	1,412,480	-	-
Compensated absences	149,402	99,187	139,667	108,922	5,000
Total long-term liabilities	<u>\$ 954,142</u>	<u>\$ 996,825</u>	<u>\$ 1,634,103</u>	<u>\$ 316,864</u>	<u>\$ 39,756</u>

The Library's long-term obligations will be liquidated by the Library's General Fund.

Lessee – Capital Leases

In 2020 the Library acquired capital assets through a lease/purchase agreement. The gross amount of these assets under capital leases is \$105,225, which are included in capital assets. The future minimum lease obligations and the net present value on these minimum lease payments as of April 30, 2021, are as follows:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 34,756	\$ 322	\$ 35,078
2023	13,309	30	13,339
Total	<u>\$ 48,065</u>	<u>\$ 352</u>	<u>\$ 48,417</u>

5. Retirement Systems Illinois Municipal Retirement Fund

The Library contributes to the Illinois Municipal Retirement Fund (IMRF) an agent multiple employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois through the City of Lake Forest. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

The employees of the Library are pooled with the employees of the City of Lake Forest for purposes of actuarial valuation. As the Library is participating under the City's employer number, IMRF is considered to be a cost-sharing plan for the Library.

Plan Description - All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 years of service. Participating members who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate of earnings (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 3 percent for each year thereafter.

Lake Forest Library

Notes to Financial Statements
April 30, 2021

For Tier 2 participants, pension benefits vest after 10 years of service. Participating members who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service after 15 years to a maximum of 75 percent 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 every year after retirement, upon reaching age 67, by the lesser of 3 percent of the original pension amount or 1/2 of the increase in the Consumer Price Index of the original pension amount.

Contributions - As set by statute, Library employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The statute requires the Library to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Library's actuarially determined contribution rate for calendar year 2020 was 11.92 percent of annual covered payroll. The Library also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Fiduciary Net Position - Detailed information about the IMRF fiduciary net position as of December 31, 2020 is available in the separately issued City of Lake Forest, Illinois Comprehensive Annual Financial Report as of and for the year ended April 30, 2021.

Net Pension Liability - At April 30, 2021, the Library reported an asset for its proportionate share of the net pension asset that reflected the Library's portion of the total net pension asset associated with the City's employer number. The amount recognized by the Library as its proportionate share of the net pension asset, the City's share of the net pension asset and the total net pension asset associated with the City's employer number were as follows:

Library's proportionate share of the collective net pension asset	\$ 451,219
City's proportionate share of the collective net pension asset	<u>4,353,929</u>
Total	<u>\$ 4,805,148</u>

The net pension asset was measured as of December 31, 2020. The Library's proportion of the net pension asset was based on the Library's share of contributions to IMRF for the fiscal year ended April 30, 2021, relative to the total contributions of the Library and the City during that period. At April 30, 2021, the Library's proportion was 9.39 percent. The Library's proportion at April 30, 2020 was 9.76 percent.

Summary of Significant Accounting Policies - For purposes of measuring the collective net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of IMRF and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Actuarial Assumptions - The assumptions used to measure the total pension asset in the December 31, 2020 annual actuarial valuation included a 7.25 percent investment rate of return, (b) projected salary increases from 2.85 percent to 13.75 percent, including inflation and (c) price inflation of 2.25 percent. The retirement age is based on experience-based table of rates that are specific to the type of eligibility condition. The tables were last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.

Lake Forest Library

Notes to Financial Statements

April 30, 2021

Mortality - For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106 percent) and Female (adjusted 105 percent) 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.

Long-Term Expected Real Rate of Return - The long-term expected rate of return on pension plan investments was determined using an asset allocation study in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Projected Returns/Risk	
		One Year Arithmetic	Ten Year Geometric
Equities	37.00 %	6.35 %	5.00 %
International equities	18.00	7.65	6.00
Fixed income	28.00	1.40	1.30
Real estate	9.00	7.10	6.20
Alternatives	7.00	-	-
Private equity	-	10.35	6.95
Hedge funds	-	N/A	N/A
Commodities	-	3.90	2.85
Cash equivalents	1.00	0.70	0.70

Discount Rate - The discount rate used to measure the total collective pension liability for IMRF was 7.25 percent. The discount rate calculated using the December 31, 2019 measurement date was 7.25 percent. 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 City's and Library's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the 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 investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease	Current Discount Rate	1% Increase
Library's proportionate share of the collective net pension liability (asset)	\$ 1,045,558	\$ (451,219)	\$ (1,650,372)

Lake Forest Library

Notes to Financial Statements
April 30, 2021

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended April 30, 2021, the Library recognized pension expense of \$(83,546). The Library reported deferred outflows and inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 59,717	\$ 55,446
Changes in assumptions	15,181	56,651
Net difference between projected and actual earnings on pension plan investments	-	908,857
Contributions subsequent to the measurement date	<u>59,747</u>	<u>-</u>
Total	<u>\$ 134,645</u>	<u>\$ 1,020,954</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending April 30, 2022. The remaining amounts reported as deferred outflows and inflows of resources related to pensions \$(946,056) will be recognized in pension expense as follows:

<u>Year Ending December 31</u>	<u>Amount</u>
2021	\$ (272,726)
2022	(158,474)
2023	(364,854)
2024	<u>(150,002)</u>
Total	<u>\$ (946,056)</u>

6. Other Postemployment Benefits

Plan Description - In addition to providing the pension benefits described in Note 5, the Library (through the City) provides post-employment health care benefits (OPEB) for retired employees. Hereinafter, the medical and dental plan benefits offered are referred to as the Plan. The Plan offers several medical and dental insurance benefit options to eligible retirees and their dependents. The benefits, benefit levels, employee contributions and employer contributions are governed by the Board and can only be amended by the Board. The Plan is not accounted for as a trust fund and an irrevocable trust has not been established. The Library does not issue a Plan report.

Contributions and Benefits Provided - The Plan provides healthcare and dental coverage for retirees and their dependents. Employees before the age of 65 may remain on the Library's insurance plan & pay the full cost of coverage. Dependent coverage may continue under COBRA should the Retiree coverage terminate. Once a retiree turns 65, they may elect a separate policy that is not administered by the Library.

Lake Forest Library

Notes to Financial Statements

April 30, 2021

Employees covered by benefit terms. At April 30, 2021, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	5
Inactive plan members entitled to but not yet receiving benefit payments	-
Active plan members	<u>24</u>
Total	<u><u>29</u></u>

Total OPEB Liability - The Library's total OPEB liability of \$159,877 was measured as of April 30, 2021 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the April 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	2.50%
Healthcare participation rate	Currently participating – 16%
Healthcare cost trend rates	Initial – 6.00%; Ultimate – 5.50%

The discount rate was based on the Bond Buyer 20-Bond G.O Index. Bond Rate as of April 30, 2021.

Mortality rates were based on the RP-2014 Study, with rates improved generationally using MP-2016 Improvement Rates.

The actuarial assumptions used in the April 30, 2021 valuation were based on the results of an actuarial experience study conducted by the independent actuary.

Discount Rate - At April 30, 2021, the discount rate used to measure the total OPEB liability was a rate of 2.27 percent, which was a change from the April 30, 2020 rate of 2.56 percent. The rate was decreased for a better reflection of the current high-quality fixed income environment. The underlying index used was the Bond Buyer 20-Bond G.O. Index.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at April 30, 2020	\$ 200,580
Service cost	2,014
Interest	4,829
Difference between expected and actual experience	(19,803)
Changes in assumptions or other inputs	(3,818)
Benefit payments	<u>(23,925)</u>
Balances at April 30, 2021	<u><u>\$ 159,877</u></u>

Lake Forest Library

Notes to Financial Statements

April 30, 2021

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.27 percent) or 1-percentage-point higher (3.27 percent) than the current discount rate:

	<u>1% Decrease (1.27%)</u>	<u>Discount Rate (2.27%)</u>	<u>1% Increase (3.27%)</u>
Total OPEB liability	\$ 162,859	\$ 159,877	\$ 156,965

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB liability	\$ 156,041	\$ 159,877	\$ 163,922

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

Related to OPEB - For the year ended April 30, 2021, the Library recognized OPEB expense of \$4,011. At April 30, 2021, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 16,737
Changes of assumptions	6,127	3,226
Total	<u>\$ 6,127</u>	<u>\$ 19,963</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending April 30:	
2022	\$ (2,832)
2023	(2,832)
2024	(2,832)
2025	(2,832)
2026	(2,832)
Thereafter	<u>324</u>
Total	<u>\$ (13,836)</u>

7. 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 purchases commercial insurance to cover its risks. The Library has not had significant reductions in insurance coverage during the year nor did settlements exceed insurance coverage in any of the last three years.

8. Effect of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 87, *Leases*
- Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans -- An Amendment of GASB Statements No. 14 and No. 84 and a Supersession of GASB Statement No. 32*

When they become effective, application of these standards may restate portions of these financial statements

REQUIRED SUPPLEMENTARY INFORMATION

Lake Forest Library

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Year Ended April 30, 2021

	<u>Original and Final Budget</u>	<u>2021 Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Property taxes	\$ 4,253,537	\$ 4,260,835	\$ 7,298
Intergovernmental	25,000	48,298	23,298
Grants and contributions	100,000	185,550	85,550
Charges for services	16,200	38,536	22,336
Fines and penalties	-	1,715	1,715
Investment income	40,000	28,467	(11,533)
	<u>4,434,737</u>	<u>4,563,401</u>	<u>128,664</u>
Total revenues			
Expenditures			
Library services			
Personnel services	2,471,114	2,081,133	389,981
Other	1,391,303	1,224,752	166,551
Library building			
Personnel services	193,691	124,663	69,028
Other	240,000	199,282	40,718
Capital outlay			
Building and office	125,000	78,643	46,357
Capital improvements	10,000	-	10,000
Contingency	443,111	-	443,111
	<u>4,874,219</u>	<u>3,708,473</u>	<u>1,165,746</u>
Total expenditures			
Net change in fund balance	<u>\$ (439,482)</u>	854,928	<u>\$ 1,294,410</u>
Fund Balance, Beginning		<u>5,295,491</u>	
Fund Balance, Ending		<u>\$ 6,150,419</u>	

See notes to required supplementary information

Lake Forest Library

Illinois Municipal Retirement Fund

Schedule of Library's Proportionate Share of the Net Pension Liability and Library Contributions

Six Most Recent Fiscal Years

	<u>2016</u>	<u>2017</u>	<u>2018</u>
Library's proportion of the net pension liability	11.84%	10.90%	10.66%
Library's proportionate share of the net pension liability	\$ 1,526,764	\$ 1,320,867	\$ 127,514
City's proportionate share of the net pension liability	<u>11,368,286</u>	<u>10,802,554</u>	<u>1,068,344</u>
Total net pension liability	<u>\$ 12,895,050</u>	<u>\$ 12,123,421</u>	<u>\$ 1,195,858</u>
Covered payroll	\$ 1,585,497	\$ 1,431,183	\$ 1,412,607
Library's proportionate share of the net pension liability as a percentage of covered payroll	96.30%	92.29%	9.03%
Plan fiduciary net position as a percentage of the total pension liability	86.95%	88.04%	98.83%
Contractually required contribution	\$ 233,902	\$ 177,896	\$ 172,745
Contributions in relation to the contractually required contribution	<u>(235,978)</u>	<u>(182,795)</u>	<u>(177,258)</u>
Contribution deficiency (excess)	<u>\$ (2,077)</u>	<u>\$ (4,899)</u>	<u>\$ (4,513)</u>
Contributions as a percentage of covered payroll	14.88%	12.77%	12.55%
	<u>2019</u>	<u>2020</u>	<u>2021</u>
Library's proportion of the net pension liability (asset)	9.38%	9.76%	9.39%
Library's proportionate share of the net pension liability (asset)	\$ 1,415,574	\$ 521,685	\$ (451,219)
City's proportionate share of the net pension liability (asset)	<u>13,677,279</u>	<u>4,821,513</u>	<u>(4,353,929)</u>
Total net pension liability	<u>\$ 15,092,853</u>	<u>\$ 5,343,198</u>	<u>\$ (4,805,148)</u>
Covered payroll	\$ 1,268,262	\$ 1,382,814	\$ 1,326,186
Library's proportionate share of the net pension liability as a percentage of covered payroll	111.62%	37.73%	34.02%
Plan fiduciary net position as a percentage of the total pension liability (asset)	86.17%	95.31%	104.16%
Contractually required contribution	\$ 156,757	\$ 131,782	\$ 158,082
Contributions in relation to the contractually required contribution	<u>(158,885)</u>	<u>(132,449)</u>	<u>(158,100)</u>
Contribution deficiency (excess)	<u>\$ (2,128)</u>	<u>\$ (667)</u>	<u>\$ (18)</u>
Contributions as a percentage of covered payroll	12.53%	9.58%	11.92%

Note: The Library implemented GASB 68 in 2016. Information for fiscal years prior to 2016 is not applicable.

Notes to Schedule:

Amounts reported in 2021 reflect an investment rate of return of 7.25 percent, an inflation rate of 2.25 percent and real return of 5 percent, and a salary increase assumption of 2.85 percent to 13.75 percent including inflation.

See notes to required supplementary information

Lake Forest Library

Other Postemployment Benefit Plan

Schedule of Changes in the Total OPEB Liability and Related Ratios

Three Most Recent Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability			
Service cost	\$ 2,014	\$ 1,718	\$ 1,620
Interest	4,829	7,379	8,019
Differences between expected and actual experience	(19,803)	-	-
Changes of assumptions	(3,818)	6,686	1,221
Benefit payments, including refunds of member contributions	<u>(23,925)</u>	<u>(19,768)</u>	<u>(16,545)</u>
Net change in total OPEB liability	(40,703)	(3,985)	(5,685)
Total OPEB liability, beginning	<u>200,580</u>	<u>204,565</u>	<u>210,250</u>
Total OPEB liability, ending (a)	<u>\$ 159,877</u>	<u>\$ 200,580</u>	<u>\$ 204,565</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%
Covered payroll	\$ 1,458,298	\$ 1,382,150	\$ 1,467,746
Library's total pension liability as a percentage of covered payroll	10.96%	14.51%	13.94%

Notes to Schedule:

The District implemented GASB Statement No. 75 in fiscal year 2019. Information prior to fiscal year 2019 is not available.

Lake Forest Library

Notes to Required Supplementary Information
Year Ended April 30, 2021

1. Budgets and Budgetary Accounting

Budget Process

The budget amounts represent the operating budget for the Library and the appropriations represent the Library's legal expenditure limit. The budget amounts are principally prepared on the cash basis of accounting. The difference from accounting principles generally accepted in the United States of America is not material. The Library Board follows these procedures in establishing the budgetary and appropriations data reflected in the financial statements.

- 1) The Library's Finance Committee (two members) submits to the Library Board (nine members) a proposed operating budget in February for the following fiscal year beginning May 1st. The operating budget includes proposed expenditures and estimated revenues.
- 2) Public budget and appropriations meetings are conducted by the Library to obtain taxpayer comments.
- 3) The budget is legally enacted through action of the Library Board at its March meeting. Once enacted, the budget cannot be amended without approval from the Library Board. Funds may have expenditures in excess of budgeted amounts, but legally may not have expenditures in excess of appropriations. As has been the practice of the Library Board to be included in what the City of Lake Forest does, every July, the Library's budget that was approved in March is increased by 10 percent and is included in the Appropriation Ordinance. The Appropriation Ordinance provides for a 10 percent contingency for all City funds and is approved by the City Council.
- 4) The legal level of budgetary control is the fund level. Management may make transfers of appropriations within a fund. Any expenditures that exceed the total appropriations at the fund level must be approved by the Library Board. No supplemental appropriations were made during the year.

Discussion and recommendation with respect to FY2021 Surplus.

The Lake Forest Library fiscal policy requires a minimum reserve of 35% of operating expenditures in its unassigned operating fund. Although the City is increasing its reserves as a specific effort to insulate the City from reductions in state-shared revenue, the City did not recommend that the Library make a similar move. Maintaining the Library's reserves in its unassigned operating fund at 35% is fiscally sound.

The balance in the Library's unassigned operating fund is \$2,750,419 as of the conclusion of the FY2021 audit by Baker Tilly Virchow Krause, LLP. The FY2023 operating and capital expenditures account is forecasted to be \$4,439,235. An unassigned operating fund of \$2,750,419 is 61.95% of the forecasted FY2023 operating expenditures.

The Library may transfer all or some of its operating surplus to the capital improvement accounts while still maintaining fiscally appropriate operating reserves. The capital improvements reserve is available for repairs to the building, including the dome repair and restoration project.

A transfer of \$1,200,000 to the capital improvements reserve would result in capital and technology reserves of \$4,600,000 as follows:

- \$4,000,000 capital improvements
- \$300,000 capital equipment
- \$300,000 technology improvements

A \$1,550,419 cash on hand unassigned operating fund would result.

Finance Committee Action: Recommend the Library Board transfer \$1,200,000 to the capital improvement account leaving a reserve of 35% in the unassigned operating fund.

Discussion and recommendation with respect to FY2023/2021 levy.

Proposed: FY2023/2021 levy of 1.4% CPI and estimated growth of \$27,310:

Levy	Operations	Site	Growth	Total Levy	Change
2021	\$4,022,273	\$435,009	\$27,310	\$4,484,592	\$88,681

Notes for 2021 Levy for Fiscal Year 2023

The levy is subject to the 1991 Property Tax Extension Limitation Act. The Act limits the annual increase in property tax extensions to the lesser of 5% or the increase in the CPI, plus allowances for new construction and voter-approved increases. The PTELL limit is 1.4% for the 2021 levies. The CPI is published by the Illinois Department of Revenue.

The 2021 Proposed levy is a 1.4% CPI **\$4,457,282** and **\$27,310** growth estimate. A **1.4%** CPI reflects an increase of **\$88,681** inclusive of the growth-estimate from Lake County (growth not applied to SS/IMRF portion of levy). The proposed 2021 increase in the levy provides sufficient funding for a well-managed Library to maintain its operations. Increased revenues from investment income, grant funds, and impact fees offset the loss of library-generated income from fines and other services.

Personnel costs continue to rise; increasing due primarily to the need to provide competitive salaries to attract and retain staff and the rising costs of benefits. Salary information from other area libraries and peers reflect FY2023 COLA increases of 4%-5%. The Bureau of Labor estimate for the Library’s geographical area and occupation is a salary adjustment of 3.0% as of the end of June 2021. Estimating increases in the range of 3%-5% will enable the Library to award merit-based increases to bring staff into the mid-point of salary ranges. A 2.5% increase is anticipated for health benefits. Although the Library is still awaiting the 2023 IMRF rate, 12.5% is a conservative but sound estimate. Last, the Library is faced with significant expenses to maintain the physical facility. In FY2023 the Library will likely undertake the Dome Prioritization and Repair Project approved by the Library Board in August 2021. The funds for this project will come from the identified capital reserves.

The Library has prepared a preliminary forecast of revenues and expenditures for FY2023 using the proposed FY2023/2021 levy. A preliminary budget will be reviewed with the Library Board in February 2022 and the final budget will be brought for discussion and approval in March or April 2022.

The Library currently has cash on hand and identified reserves for capital equipment, capital improvements, and technology improvements. The audited FY2022 reserves are: \$6,150,419; consisting of cash on hand of \$2,750,419 and \$3,400,000 in restricted reserves (\$2,800,000 capital improvements; \$300,000 capital equipment; \$300,000 technology improvements). The City recommends an operating reserve of 35% of annual operating costs. The FY2023 estimated operating costs are forecasted at \$4,439,235. The Library meets the 35% reserve recommendation.

Finance Committee Action: Recommend that the Library Board approve a FY2023/2021 levy of 1.4% 1.4% CPI plus growth [forecasted to produce revenues of \$4,457,273 and \$27,310 in growth estimate] an increase of \$88,681 inclusive of the growth-estimate from Lake County (growth not applied to SS/IMRF portion of levy).

Recent Levy History

FY22/20 levy increase of **2.3% CPI** \$3,952,561 and growth \$14,176 or \$112,267 to \$4,395,731
FY21/19 levy increase of **1.9%** CPI and growth of \$29,533 or \$108,918 to \$4,283,070
FY20/18 levy increase of **2.1%** CPI and growth (.45%) of \$16,575 or \$101,837 to \$4,174,152
FY19/17 levy increase of **2.1%** CPI and growth (.65%) of \$23,500 or \$106,776 to \$4,072,315
FY18/16 levy increase of **1.26%** (.7 CPI/.56 growth) or \$46,775 to \$3,965,539
FY17/15 levy increase of **1.0%** or \$38,957 to \$3,918,764
FY16/14 levy increase of **1.8%** or \$70,974 to \$3,879,470
FY15/13 levy increase of **1.95%** or \$72,872 to \$3,806,406
FY14/12 levy increase of **5.44%** or \$183,309 to \$3,723,276
FY13/11 levy increase of **2.1%** or \$72,657 to \$3,532,508
FY12/10 levy increase of **3.3%** or \$113,072 to \$3,452,510
FY11/09 levy increase of **1.15%** or \$35,636 to \$3,339,438 (includes IMRS/SS)
FY10/08 levy increase of **4.86%** or \$158,901 to \$3,303,802 (includes IMRF/SS)
FY09/07 levy increase of **3.41%** or \$102,970 to \$3,144,901 (includes \$233,700 IMRF/SS)
FY08/06 levy increase of **4.6%** or \$130,532 to \$2,968,180 (includes \$218,374 IMRF/SS)
FY07/05 levy increase of **4.6%** or \$121,333 to \$2,809,525 (includes \$152,550 IMRF/SS)
FY06/04 levy increase of **3.2%** or \$118,778 to \$2,688,192 (includes \$186,584 IMRF/SS)
FY05/03 levy increase of **4.4%** or \$100,498 to \$2,424,491 (+ \$144,923 IMRF/SS= \$2,569,414)
FY04/02 levy increase of **3.9%** or \$86,185 to \$2,296,030
FY03/01 levy increase of **6.2%** or \$129,976 to \$2,186,500
FY02/00 levy increase of **5.5%** or \$108,234 to \$2,049,442
FY01/99 levy increase of **5.1%** or \$93,738 to \$1,931,745
FY00/98 levy: increase of **4.2%** or \$73,453 to \$1,822,347
FY99/97 levy: increase of **4.8%** or \$80,102 to \$1,748,894

Lake Forest Library Preliminary Forecasting 2021/FY2023 Levy Evaluation

	FY15 Audited	FY16 Audited	FY17 Audited	FY18 Audited	FY19 Audited	FY20 Audited	FY21 Audited	FY22 Budget	FY22 As of Sep 30	FY23 Budget	% Change	\$ Change
Funds on Hand 5/1	\$1,395,132	\$1,831,118	\$1,456,774	\$1,348,747	\$1,727,562	\$1,537,906	\$1,895,491	\$1,895,491	\$2,750,419	\$2,750,419	45.1%	\$854,928
Current Revenue												
Tax-Based*	\$3,793,925	\$3,871,122	\$3,910,955	\$3,948,139	\$4,063,010	\$4,158,792	\$4,260,835	\$4,307,816	\$3,409,139	\$4,394,900	2.0%	\$87,084
TIF Payout	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%	\$0
Other Revenue	\$71,245	\$48,377	\$57,471	\$87,701	\$82,936	\$72,729	\$90,210	\$59,000	\$53,314	\$58,578	-0.7%	(\$422)
Library Revenue	\$61,551	\$97,792	\$73,167	\$106,880	\$157,169	\$139,846	\$101,646	\$18,450	\$29,463	\$23,000	24.7%	\$4,550
Gifts	\$168,142	\$26,400	\$20,075	\$167,773	\$28,939	\$41,442	\$36,707	\$1,250	\$1,435	\$1,250	0.0%	\$0
Grant Funds (Includes Friends of LF Library)	\$0	\$0	\$0	\$0	\$62,000	\$73,000	\$74,000	\$1,250	\$1,435	\$1,250	0.0%	\$0
Total Revenues	\$4,094,863	\$4,043,691	\$4,061,668	\$4,310,493	\$4,394,054	\$4,485,809	\$4,563,398	\$4,387,766	\$3,494,786	\$4,478,978	2.1%	\$91,212
Total Funds Available	\$5,489,995	\$5,874,809	\$5,518,442	\$5,659,240	\$6,121,616	\$6,023,715	\$6,458,889	\$6,283,257	\$6,245,205	\$7,229,397	15.1%	\$946,140
Operating Expenditures												
Personnel Services	\$2,425,292	\$2,515,137	\$2,440,428	\$2,476,257	\$2,280,774	\$2,357,340	\$2,191,668	\$2,618,842	\$763,875	\$2,570,746	-1.8%	(\$48,096)
Collections: Print, A/V, E-Resources	\$546,466	\$474,950	\$524,186	\$516,348	\$578,759	\$548,618	\$502,430	\$595,000	\$229,151	\$617,000	3.7%	\$22,000
Contractual Services	\$225,081	\$232,856	\$215,363	\$198,220	\$217,701	\$231,453	\$250,193	\$286,400	\$139,347	\$351,800	22.8%	\$65,400
Special Projects	\$0	\$0	\$0	\$43,357	\$83,388	\$60,107	\$293,532	\$200,000	\$97,658	\$200,000	0.0%	\$0
Other Expenditures	\$128,706	\$158,066	\$141,076	\$112,725	\$190,983	\$192,112	\$192,755	\$218,157	\$57,914	\$238,364	9.3%	\$20,207
Building & Grounds	\$126,924	\$139,675	\$121,572	\$127,333	\$148,771	\$160,449	\$199,282	\$268,000	\$101,477	\$286,325	6.8%	\$18,325
Total Operating Expenditures	\$3,452,469	\$3,520,684	\$3,442,625	\$3,474,240	\$3,500,376	\$3,550,079	\$3,629,860	\$4,186,399	\$1,389,422	\$4,264,235	1.9%	\$77,836
Total Capital and Technology												
Capital Equipment	\$93,698	\$66,918	\$5,443	\$3,009	\$104,056	\$1,073	\$0	\$40,000	\$0	\$40,000	0.0%	\$0
Technology Upgrades	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125,000	\$16,476	\$75,000	-40.0%	(\$50,000)
Capital Improvements	\$112,739	\$50,272	\$47,491	\$51,923	\$0	\$16,760	\$78,643	\$30,000	\$0	\$60,000	100.0%	\$30,000
Total Capital and Technology	\$206,437	\$117,190	\$52,934	\$54,932	\$104,056	\$17,833	\$78,643	\$195,000	\$16,476	\$175,000	-10.3%	(\$20,000)
Total Expenditures	\$3,658,906	\$3,637,874	\$3,495,559	\$3,529,172	\$3,604,432	\$3,567,912	\$3,708,503	\$4,381,399	\$1,405,898	\$4,439,235	1.3%	\$57,836
Difference in Revenues and Expenditures*	\$435,957	\$405,817	\$566,109	\$781,321	\$789,622	\$917,897	\$854,895	\$6,367	\$2,088,888	\$39,743		
Committed Funds			\$1,100,000	\$1,450,000	\$2,650,000	\$2,650,000	\$2,650,000	\$2,650,000	\$3,400,000	\$3,400,000	28.3%	\$750,000
Funds on Hand	\$1,395,132	\$1,831,118	\$1,456,774	\$1,348,747	\$1,727,562	\$1,537,906	\$1,895,491	\$1,895,491	\$2,750,419	\$2,750,419	45.1%	\$854,928
Total Funds	\$1,831,089	\$2,236,935	\$3,122,883	\$3,580,068	\$5,167,184	\$5,105,803	\$5,400,386	\$4,551,858	\$8,239,307	\$6,190,162	36.0%	\$1,638,304

*Tax reserve applied mid-year FY2021