

# ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

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## ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
JUNE 30, 2019

# **ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

## **TABLE OF CONTENTS**

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### **PAGE**

### **FINANCIAL SECTION**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1 - 2</b>
-------------------------------------	--------------

<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<b>3 - 9</b>
---	--------------

### **BASIC FINANCIAL STATEMENTS**

Government-Wide Financial Statements	
Statement of Net Position	10 - 11
Statement of Activities	12

Fund Financial Statements	
Balance Sheet – Governmental Funds	13
Reconciliation of Total Governmental Fund Balance to the	
Statement of Net Position – Governmental Activities	14
Statement of Revenues, Expenditures and Changes in	
Fund Balances – Governmental Funds	15
Reconciliation of the Statement of Revenues, Expenditures and Changes in	
Fund Balances to the Statement of Activities – Governmental Activities	16

Notes to Financial Statements	17 - 38
-------------------------------	---------

### **REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	39
Schedule of Changes in the Employer's Net Pension Liability	
Illinois Municipal Retirement Fund	40 - 41
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
General Fund	42

# **ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

## **TABLE OF CONTENTS**

---

---

### **PAGE**

#### **FINANCIAL SECTION – Continued**

#### **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

Schedule of Revenues – Budget and Actual – General Fund	43
Schedule of Expenditures – Budget and Actual – General Fund	44 - 46
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Special Reserve – Capital Project Fund	47
Building and Maintenance – Capital Project Fund	48
Combining Balance Sheet – Nonmajor Governmental Funds	49
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Nonmajor Governmental Funds	50
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Social Security – Special Revenue Fund	51
Illinois Municipal Retirement – Special Revenue Fund	52
Audit – Special Revenue Fund	53
Per Capita – Special Revenue Fund	54

#### **SUPPLEMENTAL SCHEDULE**

Property Tax Assessed Valuations, Rates, Extensions, and Collections	55
--	----

## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules
- Supplemental Schedule

## **INDEPENDENT AUDITORS' REPORT**

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



## **INDEPENDENT AUDITORS' REPORT**

October 31, 2019

Members of the Board of Trustees  
Zion-Benton Public Library District  
Zion, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Zion-Benton Public Library District, Illinois, as of and for the year ended June 30, 2019, 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 Zion-Benton Public Library District, Illinois, as of June 30, 2019, 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 Zion-Benton Public Library District, Illinois' basic financial statements. The combining and individual fund financial statements and budgetary comparison schedules, and supplemental schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and budgetary comparison schedules, 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 combining and individual fund financial statements and budgetary comparison schedules, 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**



# **ZION-BENTON PUBLIC LIBRARY DISTRICT**

## **Management's Discussion and Analysis June 30, 2019**

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Our discussion and analysis of the Zion-Benton Public Library District's financial performance provides an overview of the Library's financial activities for the fiscal year ended June 30, 2019. Please read it in conjunction with the Library's financial statements, which begin on page 10.

### **FINANCIAL HIGHLIGHTS**

- The net position decreased by \$107,510 for the year ended June 30, 2019. Net position at the end of the year was \$3,725,091 compared to the net position of \$3,832,601 on June 30, 2018.
- During the year, government-wide revenues totaled \$2,492,716, while government-wide expenses totaled \$2,600,226, resulting in a decrease to net position of \$107,510.
- Total fund balances for the governmental funds were \$1,261,286 at June 30, 2019 compared to \$1,594,549 in the prior year, a decrease of \$303,263, or 19.0 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 10 - 12) 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 13. 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 matter similar to a private-sector business. The government-wide financial statements can be found on pages 10 - 12 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. 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).

# **ZION-BENTON PUBLIC LIBRARY DISTRICT**

## **Management's Discussion and Analysis June 30, 2019**

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

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

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

#### **Fund Financial Statements**

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

#### **Governmental Funds**

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

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

The Library maintains seven individual governmental funds. 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, Special Reserve Fund, and Building and Maintenance Fund, all of which are considered major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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 10 - 16 of this report.

## ZION-BENTON PUBLIC LIBRARY DISTRICT

### Management's Discussion and Analysis June 30, 2019

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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 17 - 38 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 exceeded liabilities/deferred liabilities by \$3,725,091.

	Net Position	
	2019	2018
Current and Other Assets	\$ 3,625,088	4,359,769
Capital Assets	2,454,675	2,346,675
Total Assets	6,079,763	6,706,444
Deferred Outflows	686,477	243,290
Total Assets/Deferred Outflows	6,766,240	6,949,734
Long-Term Liabilities	578,702	48,718
Other Liabilities	38,846	73,252
Total Liabilities	617,548	121,970
Deferred Inflows	2,423,601	2,995,163
Total Liabilities/Deferred Inflows	3,041,149	3,117,133
Net Position		
Investment in Capital Assets	2,454,675	2,346,675
Restricted	183,719	178,687
Unrestricted	1,086,697	1,307,239
Total Net Position	3,725,091	3,832,601

A large portion of the Library's net position (\$2,454,675, or 65.9 percent) reflects its investment in capital assets (for example, land, buildings, machinery, 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. Although the Library's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

## ZION-BENTON PUBLIC LIBRARY DISTRICT

### Management's Discussion and Analysis June 30, 2019

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#### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

An additional portion, \$183,719, or 4.9 percent of the Library's net position represents resources that are subject to external restrictions on how they may be used. The remaining \$1,086,697, or 29.2 percent, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

	Change in Net Position	
	2019	2018
Revenues		
Program Revenues		
Charges for Services	\$ 25,708	14,622
Operating Grants/Contributions	54,003	37,894
General Revenues		
Property Taxes	2,247,118	2,141,021
Personal Property Replacement Taxes	84,392	78,009
Interest	31,577	16,624
Miscellaneous	49,918	26,187
Total Revenues	2,492,716	2,314,357
Expenses		
Culture and Recreation	2,600,226	2,649,312
Change in Net Position	(107,510)	(334,955)
Net Position-Beginning	3,832,601	4,167,556
Net Position-Ending	3,725,091	3,832,601

Net position of the Library's governmental activities decreased from \$3,832,601 to \$3,725,091.

Revenues of \$2,492,716 were short of expenses of \$2,600,226, resulting in the decrease to net position in the current year of \$107,510.

#### Governmental Activities

In the current year, governmental net position decreased \$107,510, a decrease of 2.8 percent. Property taxes increased \$106,097 over the prior year (\$2,141,021 in 2018 compared to \$2,247,118 in 2019) and personal property replacement taxes increased \$6,383 from the prior year (\$78,009 in 2018 compared to \$84,392 in 2019). Expenses decreased in the current year (\$2,649,312 in 2018 compared to \$2,600,226 in 2019) mainly as a result of changes in the IMRF net pension liability and related deferred items.

# ZION-BENTON PUBLIC LIBRARY DISTRICT

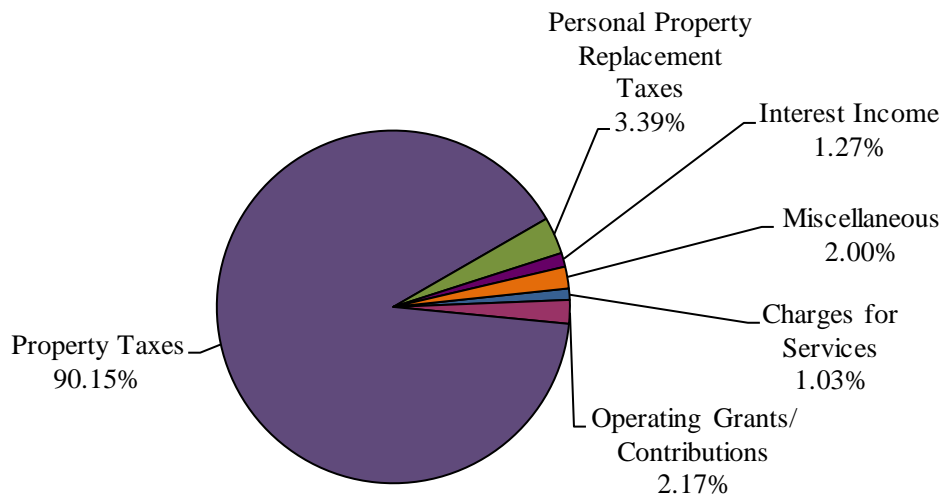
## Management's Discussion and Analysis June 30, 2019

### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

#### Governmental Activities – Continued

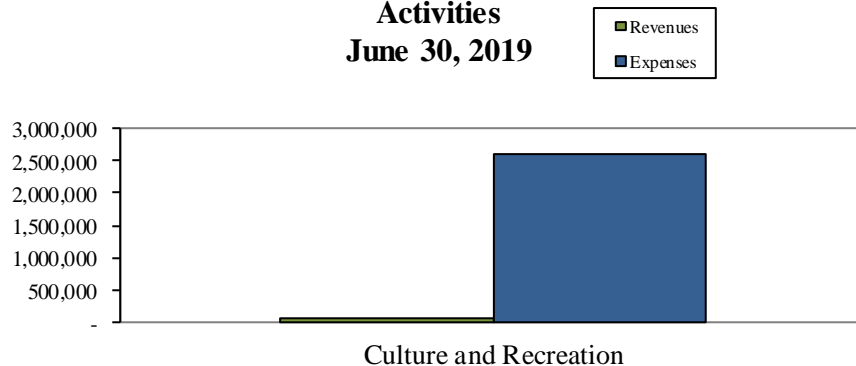
The following table graphically depicts the major revenue sources of the Library. It depicts very clearly the reliance of property taxes to fund governmental activities.

**Revenues by Source - Governmental Activities June 30, 2019**



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  
June 30, 2019**



## **ZION-BENTON PUBLIC LIBRARY DISTRICT**

### **Management's Discussion and Analysis June 30, 2019**

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

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$1,291,286 which is 19.0 percent lower than last year's ending fund balance of \$1,594,549.

In the current year, governmental fund balances decreased by \$303,263. The General Fund reported a decrease of \$1,026,158, due to a transfer of \$1,200,000 to the Special Reserve Fund which will be used for future capital spending. The Special Reserve Fund reported an increase of \$733,281, due to the transfer from the General Fund being more than capital outlay during the year. The Building and Maintenance Fund reported a decrease of \$29,956 due to additional capital expenditures that were not budgeted for.

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

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

The General Fund actual revenues were higher than budgeted revenues. Actual revenues for the current year were \$2,156,527, compared to budgeted revenues of \$2,086,687. This resulted from higher than expected interest income and miscellaneous revenues.

The General Fund actual expenditures were lower than budgeted expenditures. Actual expenditures totaled \$1,979,245 while budgeted expenditures totaled \$2,064,430. This resulted primarily from lower than anticipated spending in personnel services expenditures in the current year.

#### **CAPITAL ASSETS**

The Library's investment in capital assets for its governmental activities as of June 30, 2019 was \$2,454,675 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, equipment, furniture and fixtures, and library materials.

## ZION-BENTON PUBLIC LIBRARY DISTRICT

### Management's Discussion and Analysis June 30, 2019

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#### CAPITAL ASSETS – Continued

The total increase in the Library's investment in capital assets for the current fiscal year was \$108,000.

	Capital Assets - Net of Depreciation	
	2019	2018
Land	\$ 93,896	93,896
Construction in Progress	20,068	176,559
Buildings	1,480,954	1,081,795
Equipment	86,416	112,709
Furniture and Fixtures	16,775	18,911
Library Materials	756,566	862,805
Total	2,454,675	2,346,675

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

Buildings	\$ 466,719
Library Materials	137,136
	<u>603,855</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 2020 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 as many of the other local municipalities are faced with, including inflation and unemployment rates.

#### 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 Zion-Benton Public Library District, 2400 Gabriel Avenue, Zion, IL 60099.

## **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

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.



# **ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

## **Statement of Net Position June 30, 2019**

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<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 2,465,953
Receivables - Net of Allowances	
Property Taxes	1,157,369
Accrued Interest	<u>1,766</u>
Total Current Assets	<u>3,625,088</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	113,964
Depreciable Capital Assets	9,763,193
Accumulated Depreciation	<u>(7,422,482)</u>
Total Noncurrent Assets	<u>2,454,675</u>
Total Assets	6,079,763
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	<u>686,477</u>
Total Assets and Deferred Outflows of Resources	<u>6,766,240</u>

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

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## LIABILITIES

Current Liabilities	
Accounts Payable	\$ 6,515
Accrued Payroll	24,016
Current Portion of Long-Term Debt	<u>8,315</u>
Total Current Liabilities	<u>38,846</u>
Noncurrent Liabilities	
Compensated Absences Payable	33,262
Net Pension Liability - IMRF	<u>545,440</u>
Total Noncurrent Liabilities	<u>578,702</u>
Total Liabilities	<u>617,548</u>

## DEFERRED INFLOWS OF RESOURCES

Property Taxes	2,303,271
Deferred Items - IMRF	<u>120,330</u>
Total Deferred Inflows of Resources	<u>2,423,601</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>3,041,149</u>

## NET POSITION

Investment in Capital Assets	2,454,675
Restricted	
Liability Insurance	33,367
Social Security	26,026
Illinois Municipal Retirement	76,922
Per Capita	2,019
Building and Maintenance	45,385
Unrestricted	<u>1,086,697</u>
 Total Net Position	 <u><u>3,725,091</u></u>

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

# ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

## Statement of Activities

For the Fiscal Year Ended June 30, 2019

	Expenses	Program Revenues Charges for Services	Operating Grants	Net (Expenses)/ Revenues and Changes in Net Position
Governmental Activities				
Culture and Recreation	\$ 2,600,226	25,708	54,003	(2,520,515)
		General Revenues		
		Taxes		
		Property Taxes		2,247,118
		Personal Property Replacement		84,392
		Interest		31,577
		Miscellaneous		49,918
				<u>2,413,005</u>
		Change in Net Position		(107,510)
		Net Position - Beginning		<u>3,832,601</u>
		Net Position - Ending		<u><u>3,725,091</u></u>

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

**ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS****Balance Sheet - Governmental Funds  
June 30, 2019**

	Capital Projects				
	General	Special Reserve	Building and Maintenance	Nonmajor	Totals
<b>ASSETS</b>					
Cash and Investments	\$ 1,333,634	843,618	104,491	184,210	2,465,953
Receivables - Net of Allowances					
Property Taxes	1,024,208	-	55,274	77,887	1,157,369
Accrued Interest	1,766	-	-	-	1,766
Total Assets	2,359,608	843,618	159,765	262,097	3,625,088
<b>LIABILITIES</b>					
Accounts Payable	-	-	4,380	2,135	6,515
Accrued Payroll	24,016	-	-	-	24,016
Total Liabilities	24,016	-	4,380	2,135	30,531
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes	2,038,267	-	110,000	155,004	2,303,271
Total Liabilities and Deferred Inflows of Resources	2,062,283	-	114,380	157,139	2,333,802
<b>FUND BALANCES</b>					
Restricted	33,367	-	45,385	104,967	183,719
Committed	-	843,618	-	-	843,618
Unassigned	263,958	-	-	(9)	263,949
Total Fund Balances	297,325	843,618	45,385	104,958	1,291,286
Total Liabilities, Deferred Inflows of Resources and Fund Balances	2,359,608	843,618	159,765	262,097	3,625,088

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

**ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

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

**June 30, 2019**

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<b>Total Fund Balances</b>	\$ 1,291,286
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.	2,454,675
Deferred Outflows (Inflows) of Resources related to IMRF not reported in the funds. Deferred Items - IMRF	566,147
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Compensated Absences Payable	(41,577)
Net Pension Liability - IMRF	<u>(545,440)</u>
<b>Net Position</b>	<u><u>3,725,091</u></u>

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

**ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended June 30, 2019**

	Capital Projects				
	General	Special Reserve	Building and Maintenance	Nonmajor	Totals
Revenues					
Taxes	\$ 2,048,324	-	103,792	179,394	2,331,510
Charges for Services	21,170	-	-	-	21,170
Intergovernmental	1,000	-	-	53,003	54,003
Fines and Forfeitures	4,538	-	-	-	4,538
Interest	31,577	-	-	-	31,577
Miscellaneous	49,918	-	-	-	49,918
Total Revenues	2,156,527	-	103,792	232,397	2,492,716
Expenditures					
Current					
Culture and Recreation	1,979,245	-	60,465	161,544	2,201,254
Capital Outlay	-	466,719	73,283	54,723	594,725
Total Expenditures	1,979,245	466,719	133,748	216,267	2,795,979
Excess (Deficiency) of Revenues Over (Under) Expenditures	177,282	(466,719)	(29,956)	16,130	(303,263)
Other Financing Sources (Uses)					
Transfers In	-	1,200,000	-	3,440	1,203,440
Transfers Out	(1,203,440)	-	-	-	(1,203,440)
	(1,203,440)	1,200,000	-	3,440	-
Net Change in Fund Balances	(1,026,158)	733,281	(29,956)	19,570	(303,263)
Fund Balances - Beginning as Restated	1,323,483	110,337	75,341	85,388	1,594,549
Fund Balances - Ending	297,325	843,618	45,385	104,958	1,291,286

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

## ZION-BENTON PUBLIC LIBRARY DISTRICT, 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, 2019

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<b>Net Change in Fund Balances</b>	<b>\$ (303,263)</b>
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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	603,855
Depreciation Expense	(495,855)
Disposals - Cost	(187,801)
Disposals - Accumulated Depreciation	187,801

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

Change in Deferred Items - IMRF	1,066,314
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The issuance of long-term debt provides current financial resources to  
governmental funds, while the repayment of the principal on long-term  
debt consumes the current financial resources of the governmental funds.

Deductions to Compensated Absences Payable	7,141
(Additions) to Net Pension Liability - IMRF	<u>(985,702)</u>

<b>Changes in Net Position</b>	<b><u>(107,510)</u></b>
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## **ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

### **Notes to the Financial Statements June 30, 2019**

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

The Zion-Benton Public Library District (Library) of Illinois organized under Chapter 75 of the Illinois Compiled Statutes. It operates under the direction of a Board of Trustees and provides library facilities in the Zion area.

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

#### **REPORTING ENTITY**

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

#### **BASIS OF PRESENTATION**

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

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

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

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



## **ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

### **Notes to the Financial Statements June 30, 2019**

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

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

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

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.).

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

##### **Fund Financial Statements**

The financial transactions of the Library are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Library electively added funds, as major funds, which either have debt outstanding or a specific or community focus. The nonmajor funds are combined in a single column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Library or meets the following criteria:

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

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

## **ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

### **Notes to the Financial Statements June 30, 2019**

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

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

###### **Governmental Funds**

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

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

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

*Capital Projects Funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Library maintains two major capital projects fund. The Special Reserve Fund is used to account for the costs of capital as the Board designates. Funding is generally from excess fund transfers from the General Fund. The Building and Maintenance Fund is used to account for special receipts and transfers from other Library funds used to pay for capital improvement, repair projects, and capital equipment not funded by other Library funds.

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

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

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

On the government-wide Statement of Net Position and the Statement of Activities, governmental funds 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.

## **ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

### **Notes to the Financial Statements June 30, 2019**

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

##### **Measurement Focus – Continued**

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

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

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

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

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

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

## **ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

### **Notes to the Financial Statements June 30, 2019**

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

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District 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.

##### **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.

##### **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.

**ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements**  
**June 30, 2019**

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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 \$1,000, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are 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 funds and capitalized. The valuation basis for general capital assets is 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	25 Years
Equipment	10 Years
Furniture and Fixtures	25 Years
Library Materials	10 Years

**Compensated Absences**

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

All vacation pay is accrued when incurred in the government-wide 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.

## **ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

### **Notes to the Financial Statements June 30, 2019**

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

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

##### **Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

##### **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.

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 legislations.

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

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

##### **BUDGETARY INFORMATION**

Annual budgets are legally adopted and separately reported for all funds of the Library. The budget was passed on September 25, 2018.

## **ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

### **Notes to the Financial Statements June 30, 2019**

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

##### **BUDGETARY INFORMATION – Continued**

The Library follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Library Director requests draft budget proposals from the Management Team for staffing, materials, equipment, furnishing, supplies and services for their departments and prepares a budget proposal for library-wide items and the administration department.
2. The Library Director compiles this information and creates a preliminary budget.
3. The Library Director and Management Team go over the preliminary budget and make any necessary adjustments.
4. A second draft budget is prepared and is reviewed by the Library Director and Management Team.
5. The revised budget is then submitted to the budget committee, who goes over it and make any changes with the Library Director.
6. The budget is then presented to and reviewed by the Board at a public hearing, and will make any final changes before approving the budget.

##### **EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS**

The following funds had an excess of actual expenditures over budget as of the date of this report:

<u>Fund</u>	<u>Excess</u>
Building and Maintenance	\$ 37,248
Audit	1,800
Per Capita	55,434

##### **DEFICIT FUND BALANCE**

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

<u>Fund</u>	<u>Deficit</u>
Audit	\$ 9

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2019

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

##### PROPERTY TAXES

Property taxes for the 2018 levy attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are collected in two installments in June and September. The County collects such taxes and remits them periodically.

##### DEPOSITS AND INVESTMENTS

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

Permitted Deposits and Investments – Statutes authorize the District 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, and Illinois Funds.

Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

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

*Deposits and Investments.* At year-end, the carrying amount of the Library's deposits totaled \$2,017,423 and the bank balances totaled \$2,035,665.

*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. Treasury Securities	\$ 304,450	304,450	-	-	-
Illinois Funds	144,080	144,080	-	-	-
	448,530	448,530	-	-	-



## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2019

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

#### DEPOSITS AND INVESTMENTS – Continued

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

*Investments – Continued.* The Village has the following recurring fair value measurements as of June 30, 2019:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level	Totals			
Debt Securities				
U.S. Treasury Securities	\$ 304,450	304,450	-	-
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	144,080			
Total Investments Measured at Fair Value	448,530			

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

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Library's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*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 helps limit its exposure to credit risk by limiting investments to the types of securities permitted under Illinois Public Funds Investment Act, 30 ILCS 235/1 *et. seq.* and diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized. At year-end, the Library's investments in the Illinois Funds were rated AAAM by Standard & Poor's.

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2019

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

##### DEPOSITS AND INVESTMENTS – Continued

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

*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 does not mitigate concentration risk. 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).

*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 safety of principal is the foremost objective of the Fund. The Library will maintain a list of public depositories, financial institutions, investment advisers and broker/dealers authorized to provide deposit and investment services. All public depositories, financial institutions, investment advisers and broker/dealers authorized to provide deposit and investment services must supply as appropriate, if requested, audited financial statements demonstrating compliance with state and federal capital adequacy guidelines.

At year-end, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Library will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. At year-end, the Library's investments in the Illinois Funds are not subject to custodial credit risk.

##### INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Special Reserve	General	\$ 1,200,000
Nonmajor Governmental	General	<u>3,440</u>
		<u><u>1,203,440</u></u>

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

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2019

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

##### CAPITAL ASSETS

##### Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 93,896	-	-	93,896
Construction in Progress	176,559	-	156,491	20,068
	<u>270,455</u>	<u>-</u>	<u>156,491</u>	<u>113,964</u>
Depreciable Capital Assets				
Buildings	5,478,074	623,210	-	6,101,284
Equipment	1,762,965	-	-	1,762,965
Furniture and Fixtures	71,598	-	-	71,598
Library Materials	1,878,011	137,136	187,801	1,827,346
	<u>9,190,648</u>	<u>760,346</u>	<u>187,801</u>	<u>9,763,193</u>
Less Accumulated Depreciation				
Buildings	4,396,279	224,051	-	4,620,330
Equipment	1,650,256	26,293	-	1,676,549
Furniture and Fixtures	52,687	2,136	-	54,823
Library Materials	1,015,206	243,375	187,801	1,070,780
	<u>7,114,428</u>	<u>495,855</u>	<u>187,801</u>	<u>7,422,482</u>
Total Net Depreciable Capital Assets	<u>2,076,220</u>	<u>264,491</u>	<u>-</u>	<u>2,340,711</u>
Total Net Capital Assets	<u>2,346,675</u>	<u>264,491</u>	<u>156,491</u>	<u>2,454,675</u>

Depreciation expense of \$495,855 was charged to the culture and recreation function.

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2019

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

##### LONG-TERM DEBT – Continued

##### Long-Term Liability Activity

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Compensated Absences	\$ 48,718	7,141	14,282	41,577	8,315
Net Pension Liability/(Asset) - IMRF	(440,262)	985,702	-	545,440	-
	(391,544)	992,843	14,282	587,017	8,315

The compensated absences are generally liquidated by the General Fund. Payments for the net pension liability/(asset) are generally liquidated by the Illinois Municipal Retirement Fund.

##### Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 2.875% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2018	<u>\$ 601,421,993</u>
Legal Debt Limit - 2.875% of Assessed Value	17,290,882
Amount of Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>17,290,882</u>

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2019

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

#### NET POSITION/FUND BALANCES

##### Net Investment in Capital Assets

Net investment in capital assets was comprised of the following as of June 30, 2019:

Governmental Activities	
Investment in Capital Assets	<u>\$ 2,454,675</u>

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

	General	Capital Projects		Nonmajor	Totals
		Special Reserve	Building and Maintenance		
Fund Balances					
Restricted					
Liability Insurance	\$ 33,367	-	-	-	33,367
Social Security	-	-	-	26,026	26,026
Illinois Municipal Retirement	-	-	-	76,922	76,922
Per Capita	-	-	-	2,019	2,019
Building and Maintenance	-	-	45,385	-	45,385
	<u>33,367</u>	<u>-</u>	<u>45,385</u>	<u>104,967</u>	<u>183,719</u>
Committed					
Capital Projects	-	843,618	-	-	843,618
Unassigned	<u>263,958</u>	<u>-</u>	<u>-</u>	<u>(9)</u>	<u>263,949</u>
Total Fund Balances	<u>297,325</u>	<u>843,618</u>	<u>45,385</u>	<u>104,958</u>	<u>1,291,286</u>

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

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2019

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

##### NET POSITION/FUND BALANCES – 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 District'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 policy manual states that the General Fund should maintain minimum unassigned fund balance of 60% of the previous year's total final actual expenditures.

##### Fund Balance Restatement

Beginning fund balance was restated due to an error in recognition of prior year compensated absences. The following is a summary of the fund balance as originally reported and as restated:

Fund Balance	As Reported	As Restated	Increase
General Fund	\$ 1,274,765	1,323,483	48,718

## **ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

### **Notes to the Financial Statements June 30, 2019**

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#### **NOTE 4 – OTHER INFORMATION**

##### **CONTINGENT LIABILITIES**

###### **Litigation**

The Library is not involved in any lawsuits.

###### **Grants**

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

##### **RISK MANAGEMENT**

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

##### **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 Fund (IMRF)**

###### **Plan Descriptions**

*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.

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2019

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#### NOTE 4 – OTHER INFORMATION – Continued

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

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

##### Plan Description – Continued

*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).

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, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	42
Inactive Plan Members Entitled to but not yet Receiving Benefits	18
Active Plan Members	<u>25</u>
Total	<u><u>85</u></u>



## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2019

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#### NOTE 4 – OTHER INFORMATION – Continued

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

#### Illinois Municipal Retirement Fund (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, 2019, the Library's contribution was 6.70% of covered payroll.

*Net Pension Liability.* The Library's net pension liability was measured as of December 31, 2018. 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, 2018, 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	3.39% - 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). 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 tables was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2019

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#### NOTE 4 – OTHER INFORMATION – Continued

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

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

#### Plan Description – Continued

*Actuarial Assumptions – Continued.* 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%	3.75%
Domestic Equities	37.00%	7.15%
International Equities	18.00%	7.25%
Real Estate	9.00%	6.25%
Blended	7.00%	3.20% - 8.50%
Cash and Cash Equivalents	1.00%	2.50%

#### Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the prior year discount rate was 7.50%. 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 District 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.

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2019

#### NOTE 4 – OTHER INFORMATION – Continued

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

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

##### Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Library calculated using the discount rate as well as what the Library's net pension liability 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)	\$ 1,288,555	545,440	(72,559)

##### 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, 2017	\$ 6,353,327	6,793,589	(440,262)
Changes for the year:			
Service Cost	87,557	-	87,557
Interest on the Total Pension Liability	463,037	-	463,037
Difference Between Expected and Actual Experience of the Total Pension Liability	112,086	-	112,086
Changes of Assumptions	164,939	-	164,939
Contributions - Employer	-	82,874	(82,874)
Contributions - Employees	-	44,134	(44,134)
Net Investment Income	-	(459,448)	459,448
Benefit Payments, including Refunds of Employee Contributions	(446,559)	(446,559)	-
Other (Net Transfer)	-	174,357	(174,357)
Net Changes	381,060	(604,642)	985,702
Balances at December 31, 2018	6,734,387	6,188,947	545,440

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Notes to the Financial Statements June 30, 2019

#### NOTE 4 – OTHER INFORMATION – Continued

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

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

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

For the year ended June 30, 2019, the Library recognized pension revenue of \$15,883. At June 30, 2019, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ 78,417	(35,156)	43,261
Changes in Assumptions	115,394	(85,174)	30,220
Net difference between projected and actual Earnings on Pension Plan Investments	468,918	-	468,918
Total Expenses to be Recognized in Future Periods	662,729	(120,330)	542,399
Pension Contributions Made Subsequent to the Measurement Date	23,748	-	23,748
Total Deferred Amounts Related to IMRF	686,477	(120,330)	566,147

\$23,748 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, 2020.

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 of Resources
2020	\$ 154,662
2021	107,980
2022	87,051
2023	192,706
2024	-
Thereafter	-
Total	542,399

## **ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS**

### **Notes to the Financial Statements June 30, 2019**

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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, 2019.

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

Notes to the Required Supplementary Information

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

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Illinois Municipal Retirement Fund

#### Required Supplementary Information

#### Schedule of Employer Contributions

June 30, 2019

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 124,456	\$ 126,833	\$ 2,377	\$ 994,854	12.75%
2016	118,378	368,378	250,000	1,028,482	35.82%
2017	120,018	119,981	(37)	998,484	12.02%
2018	85,517	85,516	(1)	947,029	9.03%
2019	64,729	64,729	-	965,714	6.70%

#### Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 Years
Asset Valuation Method	5-Year Smoothed Market, 20% Corridor
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012).

#### Note:

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

**ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS****Illinois Municipal Retirement Fund****Required Supplementary Information  
Schedule of Changes in the Employer's Net Pension Liability  
June 30, 2019**

	December 31, 2014
Total Pension Liability	
Service Cost	\$ 123,030
Interest	407,963
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	18,145
Change of Assumptions	272,644
Benefit Payments, Including Refunds of Member Contributions	<u>(231,200)</u>
Net Change in Total Pension Liability	590,582
Total Pension Liability - Beginning	<u>5,493,596</u>
Total Pension Liability - Ending	<u><u>6,084,178</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 126,833
Contributions - Members	54,321
Net Investment Income	330,258
Benefit Payments, Including Refunds of Member Contributions	(231,200)
Other (Net Transfer)	<u>1,058</u>
Net Change in Plan Fiduciary Net Position	281,270
Plan Net Position - Beginning	<u>5,439,082</u>
Plan Net Position - Ending	<u><u>5,720,352</u></u>
Employer's Net Pension Liability	<u><u>\$ 363,826</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.02%
Covered Payroll	\$ 994,854
Employer's Net Pension Liability as a Percentage of Covered Payroll	36.57%

**Note:**

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



December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018
116,564	109,731	97,913	87,557
449,032	460,888	473,921	463,037
-	-	-	-
(81,869)	(1,433)	(79,567)	112,086
-	(6,022)	(191,907)	164,939
(294,735)	(349,311)	(434,056)	(446,559)
188,992	213,853	(133,696)	381,060
6,084,178	6,273,170	6,487,023	6,353,327
6,273,170	6,487,023	6,353,327	6,734,387
368,378	119,981	85,516	82,874
46,282	44,917	42,616	44,134
28,902	394,569	1,108,912	(459,448)
(294,735)	(349,311)	(434,056)	(446,559)
(10,487)	79,535	(157,782)	174,357
138,340	289,691	645,206	(604,642)
5,720,352	5,858,692	6,148,383	6,793,589
5,858,692	6,148,383	6,793,589	6,188,947
414,478	338,640	(440,262)	545,440
93.39%	94.78%	106.93%	91.90%
1,028,482	998,484	947,029	980,750
40.30%	33.92%	(46.49%)	55.61%

**ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS****General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2019**

	Budget Original and Final	Actual
Revenues		
Taxes	\$ 2,038,987	2,048,324
Charges for Services	16,700	21,170
Intergovernmental	5,000	1,000
Fines and Forfeitures	12,000	4,538
Interest	10,000	31,577
Miscellaneous	4,000	49,918
Total Revenues	2,086,687	2,156,527
Expenditures		
Culture and Recreation		
Personnel Services	1,405,750	1,310,381
Contractual Services	271,330	282,656
Materials, Supplies and Repairs	142,550	128,608
Library Materials	244,800	252,802
Miscellaneous	-	4,798
Total Expenditures	2,064,430	1,979,245
Excess (Deficiency) of Revenues Over (Under) Expenditures	22,257	177,282
Other Financing (Uses)		
Transfers Out	-	(1,203,440)
Net Change in Fund Balance	22,257	(1,026,158)
Fund Balance - Beginning as Restated		1,323,483
Fund Balance - Ending		297,325

## **OTHER SUPPLEMENTARY INFORMATION**

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

Such statements and schedules include:

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

# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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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**

Special Revenue Fund 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.

### **Social Security Fund**

The Social Security Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for payment of the employer's portion of Federal Social Security and Medicare taxes.

### **Illinois Municipal Retirement Fund**

The Illinois Municipal Retirement Fund is used to account for the Library's participation in the Illinois Municipal Retirement Fund. Financing is provided by a specific annual property tax levy which produces a sufficient amount to pay the Library's contributions to the fund on behalf of its employees.

### **Audit Fund**

The Audit Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for the annual audit of the Library.

### **Per Capita Fund**

The Per Capita Fund is used to account for grant funds received from the Illinois State Library based on the population of the City of Zion.

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# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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## **CAPITAL PROJECTS FUNDS**

Capital Projects Funds account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary and Trust Funds.

### **Special Reserve Fund**

The Special Reserve Fund is used to account for the costs of capital as the Board designates. Funding is generally from excess fund transfers from the General Fund.

### **Building and Maintenance Fund**

The Building and Maintenance Fund is used to account for special receipts and transfers from other Library funds used to pay for capital improvement, repair projects, and capital equipment not funded by other Library funds.

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## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### General Fund

#### Schedule of Revenues - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget Original and Final	Actual
Taxes		
Property Taxes	\$ 1,989,695	1,985,640
Replacement Taxes	49,292	62,684
	<u>2,038,987</u>	<u>2,048,324</u>
Charges for Services		
Book Sales	5,000	4,063
Photocopy Income	3,000	10,340
Supplies	2,500	598
Vending Income	2,000	936
Public Fax Income	1,000	3,629
Partners in Reading	3,000	1,500
Meeting Room Income	200	104
	<u>16,700</u>	<u>21,170</u>
Intergovernmental		
State Grants	5,000	1,000
	<u>5,000</u>	<u>1,000</u>
Fines and Forfeitures	12,000	4,538
	<u>12,000</u>	<u>4,538</u>
Interest	10,000	31,577
	<u>10,000</u>	<u>31,577</u>
Miscellaneous		
Donations	2,000	6,324
Rebates	1,000	4,579
Other	1,000	39,015
	<u>4,000</u>	<u>49,918</u>
Total Revenues	<u>2,086,687</u>	<u>2,156,527</u>

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### General Fund

#### Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended June 30, 2019

	<u>Budget</u>	
	<u>Original</u>	
	<u>and Final</u>	<u>Actual</u>
Culture and Recreation		
Personnel Services		
Salaries	\$ 1,200,000	1,127,558
Recruitment	500	880
Group Health and Dental Insurance	155,000	137,757
Group Life Insurance	6,000	5,518
Unemployment Insurance	3,500	3,770
Workers Compensation Insurance	7,000	6,672
Liability Insurance	1,600	210
Employee, Volunteer and Other Recognition	3,150	2,728
Staff Association	1,500	1,083
Staff Training	10,200	7,758
Trustee Expenses	3,950	2,130
Travel - Staff	8,000	8,933
Travel - Director	1,000	1,599
Professional Dues	4,350	3,785
	<u>1,405,750</u>	<u>1,310,381</u>
Contractual Services		
Outside Professional Services		
Legal Services	8,000	9,656
Accounting Services	10,000	8,785
Payroll Services	5,500	3,129
Investment Services	3,000	2,407
Collection Services	2,750	976
Consulting Services	6,500	22,916
Legal Notices	500	380
CCS	70,000	69,839
OCLC	5,000	4,809
Bank Fees	1,050	1,178
Credit Card Processing Fees	500	-
Fax Service Fees	1,000	696
Business Insurance	15,000	13,149

**ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS****General Fund****Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended June 30, 2019**

	<u>Budget</u>	
	<u>Original</u>	<u>Actual</u>
	<u>and Final</u>	
Culture and Recreation - Continued		
Contractual Services - Continued		
Utilities		
Electricity	\$ 52,000	45,240
Gas	10,500	9,653
Water	900	1,777
Waste	630	567
Telephone	1,500	2,127
Internet Services	16,000	14,561
Promotion and Publicity		
General	14,500	18,230
Adult	6,000	5,881
Young Adult	6,000	6,491
Youth	12,000	12,307
After School Project	1,000	986
Newsletter and Web Development	21,500	26,916
	<u>271,330</u>	<u>282,656</u>
Materials, Supplies and Repairs		
Meeting Supplies	750	809
General Library Supplies	17,600	15,999
Services Adults Supplies	2,200	2,172
Circulation and Outreach Supplies	6,000	7,970
Materials Processing Supplies	2,200	2,230
Services Birth - Grade 5 Supplies	4,000	3,537
Maintenance Supplies	9,500	4,409
Services Teens Supplies	5,000	4,933
Security Staff Supplies	500	1,073
Postage and Shipping	9,300	9,988
Repairs - Other Building, Technology, and Equipment	31,500	22,836
Repairs - Building Maintenance	-	334
Repairs - Equipment Maintenance	-	4,463
Repairs - LAN	54,000	47,855
	<u>142,550</u>	<u>128,608</u>



## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### General Fund

#### Schedule of Expenditures - Budget and Actual - Continued For the Fiscal Year Ended June 30, 2019

	<u>Budget</u> <u>Original</u> <u>and Final</u>	<u>Actual</u>
Culture and Recreation - Continued		
Library Materials		
Books and Publications	\$ 244,800	252,802
Miscellaneous		
Other	-	4,798
Total Expenditures	<u>2,064,430</u>	<u>1,979,245</u>

# ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

## Special Reserve - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	<u>Budget</u> <u>Original</u> <u>and Final</u>	<u>Actual</u>
Revenues		
Interest	\$ -	-
Expenditures		
Capital Outlay	<u>500,000</u>	<u>466,719</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(500,000)	(466,719)
Other Financing Sources		
Transfers In	<u>-</u>	<u>1,200,000</u>
Net Change in Fund Balance	<u>(500,000)</u>	733,281
Fund Balance - Beginning		<u>110,337</u>
Fund Balance - Ending		<u>843,618</u>

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Building and Maintenance - Capital Projects Fund

#### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	<u>Budget</u> <u>Original</u> <u>and Final</u>	<u>Actual</u>
Revenues		
Property Taxes	\$ 104,004	103,792
Expenditures		
Culture and Recreation		
Contractual Services	50,500	60,465
Capital Outlay	46,000	73,283
Total Expenditures	96,500	133,748
Net Change in Fund Balance	<u>7,504</u>	(29,956)
Fund Balance - Beginning		<u>75,341</u>
Fund Balance - Ending		<u>45,385</u>

**ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS****Nonmajor Governmental - Special Revenue Funds****Combining Balance Sheet****June 30, 2019**

	Social Security	Illinois Municipal Retirement	Audit	Per Capita	Totals
<b>ASSETS</b>					
Cash and Investments	\$ 74,218	100,855	4,967	4,170	184,210
Receivables - Net of Allowances					
Property Taxes	41,810	31,051	5,026	-	77,887
Total Assets	116,028	131,906	9,993	4,170	262,097
<b>LIABILITIES</b>					
Accounts Payable	-	(16)	-	2,151	2,135
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes	90,002	55,000	10,002	-	155,004
Total Liabilities and Deferred Inflows of Resources	90,002	54,984	10,002	2,151	157,139
<b>FUND BALANCES</b>					
Restricted	26,026	76,922	-	2,019	104,967
Unassigned	-	-	(9)	-	(9)
Total Fund Balances	26,026	76,922	(9)	2,019	104,958
Total Liabilities, Deferred Inflows of Resources and Fund Balances	116,028	131,906	9,993	4,170	262,097

**ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS****Nonmajor Governmental - Special Revenue Funds****Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended June 30, 2019**

	Social Security	Illinois Municipal Retirement	Audit	Per Capita	Totals
Revenues					
Property Taxes	\$ 84,870	86,536	7,988	-	179,394
Grant Income	-	-	-	53,003	53,003
Total Revenues	84,870	86,536	7,988	53,003	232,397
Expenditures					
Culture and Recreation					
Personnel Services	-	64,729	-	-	64,729
Contractual Services	86,004	-	10,100	-	96,104
Library Materials	-	-	-	711	711
Capital Outlay	-	-	-	54,723	54,723
Total Expenditures	86,004	64,729	10,100	55,434	216,267
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,134)	21,807	(2,112)	(2,431)	16,130
Other Financing Sources					
Transfers In	-	-	3,440	-	3,440
Net Change in Fund Balances	(1,134)	21,807	1,328	(2,431)	19,570
Fund Balances - Beginning	27,160	55,115	(1,337)	4,450	85,388
Fund Balances - Ending	26,026	76,922	(9)	2,019	104,958

# ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

## Social Security - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	<u>Budget</u> <u>Original</u> <u>and Final</u>	<u>Actual</u>
Revenues		
Property Taxes	\$ 74,002	64,870
Replacement Taxes	20,000	20,000
Total Revenues	<u>94,002</u>	<u>84,870</u>
Expenditures		
Culture and Recreation		
Contractual Services		
FICA	<u>92,000</u>	<u>86,004</u>
Net Change in Fund Balance	<u>2,002</u>	(1,134)
Fund Balance - Beginning		<u>27,160</u>
Fund Balance - Ending		<u>26,026</u>

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Illinois Municipal Retirement - Special Revenue Fund

#### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	<u>Budget</u> <u>Original</u> <u>and Final</u>	<u>Actual</u>
Revenues		
Property Taxes	\$ 96,001	84,828
Replacement Taxes	1,708	1,708
Total Revenues	<u>97,709</u>	<u>86,536</u>
Expenditures		
Culture and Recreation		
Personnel Services		
District Share - IMRF	<u>82,500</u>	<u>64,729</u>
Net Change in Fund Balance	<u>15,209</u>	21,807
Fund Balance - Beginning		<u>55,115</u>
Fund Balance - Ending		<u>76,922</u>

## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Audit - Special Revenue Fund

#### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	<u>Budget</u> <u>Original</u> <u>and Final</u>	<u>Actual</u>
Revenues		
Property Taxes	\$ 8,004	7,988
Expenditures		
Culture and Recreation		
Contractual Services		
Audit	<u>8,300</u>	<u>10,100</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(296)	(2,112)
Other Financing Sources		
Transfers In	<u>-</u>	<u>3,440</u>
Net Change in Fund Balance	<u>(296)</u>	1,328
Fund Balance - Beginning		<u>(1,337)</u>
Fund Balance - Ending		<u>(9)</u>



## ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS

### Per Capita - Special Revenue Fund

#### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	<u>Budget</u> <u>Original</u> <u>and Final</u>	<u>Actual</u>
Revenues		
Grant Income	\$ 53,004	53,003
Expenditures		
Culture and Recreation		
Library Materials	-	711
Capital Outlay	-	54,723
Total Expenditures	-	55,434
Net Change in Fund Balance	<u>53,004</u>	(2,431)
Fund Balance - Beginning		<u>4,450</u>
Fund Balance - Ending		<u>2,019</u>

## **SUPPLEMENTAL SCHEDULE**

**ZION-BENTON PUBLIC LIBRARY DISTRICT, ILLINOIS****Property Tax Assessed Valuations, Rates, Extensions, and Collections  
June 30, 2019**

Tax Levy Year	2015	2016	2017	2018
Assessed Valuation - Cook County	\$ 472,160,253	521,729,267	569,292,609	601,421,993
Tax Extensions - Rates				
Corporate	0.3816	0.3606	0.3486	0.3348
Social Security	0.0139	0.0160	0.0114	0.0150
IMRF	0.0256	0.0169	0.0149	0.0091
Library Building and Sites	0.0193	0.0173	0.0183	0.0183
Audit	0.0011	0.0009	0.0014	0.0017
Liability Insurance	0.0032	0.0023	0.0009	0.0042
Total Tax Extensions - Rates	0.4448	0.4139	0.3955	0.3830
Tax Extensions - Amounts				
Corporate	\$ 1,801,792	1,881,538	1,984,691	2,013,266
Social Security	65,777	83,247	65,002	90,003
IMRF	120,916	88,146	85,001	55,000
Library Building and Sites	91,344	90,103	104,004	110,000
Audit	5,099	4,899	8,004	10,002
Liability Insurance	15,303	11,755	5,004	25,001
Total Tax Extensions - Amounts	2,100,231	2,159,688	2,251,706	2,303,272