Zion-Benton Public Library District

Zion, Illinois

Annual Financial Report

ZION-BENTON PUBLIC LIBRARY

For the Year Ended June 30, 2026

Zion-Benton Public Library District

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Illinois NFP Audit & Tax, LLP
Certified Public Accountants

Independent Auditors' Report

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

Opinions

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 as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Zion-Benton Public Library District's basic financial statements as listed in the table of contents.

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, as of June 30, 2026, and the respective changes in financial position and cash flows, where applicable, thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Zion-Benton Public Library District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Zion-Benton Public Library District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

• Exercise professional judgment and maintain professional skepticism throughout the audit.

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Zion-Benton Public Library District's internal control. Accordingly, no such opinion is expressed.

• Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

• Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Zion-Benton Public Library District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Zion-Benton Public Library District basic financial statements. The combining and individual fund financial statements and schedules for non-major funds, and other non-required supplemental schedules as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules for non-major funds and other non-required supplemental schedules as listed in the table of contents are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

IL NFP Audit & Tax, LLP

Chicago, Illinois
October 13, 2026

Zion-Benton Public Library District
Management Discussion & Analysis
June 30, 2026

Introduction

The Zion-Benton Public Library District (the District) presents this Management's Discussion and Analysis to provide an overview of the District's financial position, results of operations, and significant changes during the fiscal year.

The analysis compares the fiscal years ended June 30, 2026 and 2025 and should be considered together with the basic financial statements and accompanying notes.

The District's government-wide financial statements begin on page 12 of the annual financial report.

Financial Summary

- At June 30, 2026, total assets and deferred outflows were $10,237,853, compared with $9,473,216 at June 30, 2025. Total liabilities and deferred inflows were $3,336,533, compared with $3,034,081 in the prior year. Net position increased to $6,901,320 from $6,439,035. Net investment in capital assets was $2,047,921 at June 30, 2026, compared with $2,011,624 at June 30, 2025.

- Government-wide revenues for fiscal year 2026 were $3,380,321, compared with $3,477,193 in 2025, while expenses were $2,918,036, compared with $2,937,789 in 2025. Net position increased $462,285 during fiscal year 2026, compared with an increase of $539,404 in the prior year.

- Property tax revenues were $2,818,558 in fiscal year 2026, compared with $2,708,260 in fiscal year 2025. Operating grants and contributions declined to $211,250 from $400,314.

Overview of the Financial Statements

The basic financial statements consist of government-wide statements, governmental fund statements, and notes. The government-wide statements focus on the District as a whole, while the governmental fund statements emphasize current financial resources and fiscal accountability.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Zion-Benton Public Library District's finances in a manner similar to a private-sector business. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

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

The *Statement of Activities* presents information showing how the Library'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 the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., property taxes levied for general purposes).

The government-wide financial statements can be found on pages 12 - 13 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported, while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different, with fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near term.

Fund Financial Statements (Continued)

Budgetary comparison information for the General Fund is presented as required supplementary information. Budgetary schedules for other funds are included in the supplemental section of the annual financial report.

The basic governmental fund financial statements are presented on pages 14 through 17 of this report.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 18 of this report.

Additional Information

The report also presents required supplementary information, including the General Fund budgetary comparison and pension information, on pages 40 through 43. Explanations of significant budget variances belong in the notes to required supplementary information.

Combining schedules for the nonmajor governmental funds and supplementary budgetary schedules appear in the supplemental section beginning on page 44.

Detailed Analyses

At June 30, 2026, the District's net position totaled $6,901,320, an increase of $462,285 from the prior year. Net investment in capital assets totaled $2,047,921 and is not available to finance ongoing services. An additional $370,368 was reported as restricted net position, and $4,483,031 was unrestricted.

Statement of Net Position

The following comparative statement of net position summarizes the District's governmental activities for the fiscal years ended June 30, 2026 and 2025. Net position increased by $462,285 in 2026.

Statement of Net Position
Governmental Activities

	2026	2025
Current and Other Assets	$ 7,468,627	$ 7,108,208
Net Pension Asset - IMRF	480,810	42,838
Capital Assets	2,084,717	2,063,725
Total Assets	10,034,154	9,214,771
Deferred Outflows	203,699	258,445
Total Assets and Deferred Outflows	10,237,853	9,473,216
Other Liabilities	115,057	87,319
Long-Term Liabilities	98,600	110,493
Total Liabilities	213,657	197,812
Deferred Inflows	3,122,876	2,836,269
Total Liabilities and Deferred Inflows	3,336,533	3,034,081
Net Position		
Net Investment in capital assets	2,047,921	2,011,624
Restricted Amounts	370,368	248,882
Unrestricted Amounts	4,483,031	4,178,529
Total Net Position	$ 6,901,320	$ 6,439,035

Statement of Activities: A comparison of the statement of activities for the last two fiscal years is shown below.

Statement of Activities
Governmental Activities

	2026	2025
Revenues		
Program Revenues		
Charges for Services	$ 28,039	$ 25,629
Operating Grants and Contributions	211,250	400,314
General Revenues		
Property Taxes	2,818,558	2,708,260
Replacement Taxes	123,330	126,085
Interest Income	169,049	216,530
Miscellaneous	30,095	375
Total Revenue	$ 3,380,321	$ 3,477,193
Expenses		
Governmental Activities		
Library Services	2,918,036	2,937,789
Total Expense	2,918,036	2,937,789
Increase in Net Position	**$ 462,285**	**$ 539,404**
Net Position - Beginning of Year	6,439,035	5,899,631
Net Position - End of Year	$ 6,901,320	$ 6,439,035

Governmental Activities

Governmental activities increased the District's net position by $462,285 during fiscal year 2026. Significant changes in revenues and expenses are summarized below:

- The increase in net position was $462,285 in fiscal year 2026, compared with $539,404 in fiscal year 2025. Total expenses declined modestly while total revenues were lower than the prior year.

- Total revenues decreased 2.8% to $3,380,321 from $3,477,193 in the prior year. Operating grants and contributions decreased $189,064, partially offset by a $110,298 increase in property tax revenues and an increase in miscellaneous revenues.

- Property tax revenues increased $110,298, or 4.1%, to $2,818,558 in 2026 from $2,708,260 in 2025. Property taxes remained the District's primary source of revenue.

- Interest income decreased $47,481, or 21.9%, to $169,049 from $216,530 in 2025. Replacement tax revenues also declined slightly, from $126,085 to $123,330.

- Total library services expenses decreased $19,753, or 0.7%, to $2,918,036 in 2026, compared with $2,937,789 in 2025.

Governmental Funds

The District's combined governmental fund balances were $4,682,025 at June 30, 2026. Of this balance, $81,760 was nonspendable, $370,368 was restricted, and $2,496,743 was committed. The Building and Maintenance Fund and the Social Security Fund reported negative ending fund balances; these balances warrant continued monitoring.

Total governmental fund balances increased $495,208 from $4,186,817 at June 30, 2025. Operating results included a $900,000 transfer from the General Fund to the Capital Projects - Special Reserve Fund; the interfund transfer had no effect on combined governmental fund balances.

Major Governmental Funds

The General Fund ended June 30, 2026 with fund balance of $1,963,883, down $305,786 from $2,269,669 in 2025. Revenues exceeded expenditures by $594,214 before a $900,000 transfer to the Capital Projects - Special Reserve Fund.

The Building and Maintenance Fund deficit increased to $127,196 at June 30, 2026, from a deficit of $14,463 a year earlier. Expenditures exceeded revenues by $112,733 during 2026.

Major Governmental Funds (Continued)

The Capital Projects - Special Reserve Fund balance increased to $2,496,743 at June 30, 2026 from $1,605,084 at June 30, 2025, primarily reflecting the $900,000 transfer received from the General Fund, offset by capital outlay in excess of investment income.

Significant Capital Asset and Long-Term Financing Activity

The District reported net capital assets of $2,084,717 at June 30, 2026, compared with $2,063,725 at June 30, 2025. During 2026, gross capital asset additions were $441,300, while accumulated depreciation and amortization increased by $229,682 before the effect of disposals. Details of capital asset activity follow.

	Balance June 30, 2025	Additions	Retirements	Balance June 30, 2026
Governmental Activities				
Cost				
Tangible Assets Not Subject to Depreciation				
Land	$ 93,896	$ 0	$ 0	$ 93,896
Construction in Progress	190,626	61,361	(190,626)	61,361
Tangible Assets Subject to Depreciation				
Building and Improvements	6,685,551	256,402	0	6,941,953
Equipment	1,823,225	17,425	0	1,840,650
Furniture and Fixtures	109,741	0	0	109,741
Library Materials	1,533,021	106,112	(134,689)	1,504,444
Intangible Assets Subject to Amortization				
Copier Lease Right-of-Use	77,999	0	0	77,999
Subtotal	10,514,059	441,300	(325,315)	10,630,044
Less - Accumulated Depreciation & Amortization				
Tangible Assets Subject to Depreciation				
Building and Improvements	(5,674,969)	(61,825)	0	(5,736,794)
Equipment	(1,790,127)	(7,711)	0	(1,797,838)
Furniture and Fixtures	(70,648)	(2,324)	0	(72,972)
Library Materials	(885,990)	(142,222)	134,689	(893,523)
Intangible Assets Subject to Amortization				
Copier Lease Right-of-Use	(28,600)	(15,600)	0	(44,200)
Subtotal	(8,450,334)	(229,682)	134,689	(8,545,327)
Net Capital Assets	$ 2,063,725	$ 211,618	$ (190,626)	$ 2,084,717

Debt

At June 30, 2026, the outstanding copier finance lease principal was $36,796, compared with $52,102 at June 30, 2025. The disclosure schedule reports remaining principal and interest payments totaling $39,230. See Note 5 on page 31.

Currently Known Facts, Decisions, or Conditions

At the time these financial statements were prepared and audited, the District is not aware of any currently known facts, decisions, or conditions that are expected to have a significant effect on its financial position or results of operations.

Zion-Benton Public Library District
Statement of Net Position
June 30, 2026

	Governmental Activities
Assets	
Cash and Investments	$ 5,831,237
Receivables - Property Taxes	1,443,076
Receivables - Other	112,554
Prepaid Items	81,760
Net Pension Asset - IMRF	480,810
Capital Assets	
Capital Assets Not Being Depreciated	155,257
Other Capital Assets, Net of Depreciation	1,895,661
Finance Lease Right-of-Use, Net of Amortization	33,799
Total Capital Assets	2,084,717
Total Assets	10,034,154
Deferred Outflows	
Deferred Items - IMRF	203,699
Total Deferred Outflows	203,699
Liabilities	
Due Within One Year	
Accounts Payable	36,828
Accrued Payroll	78,229
Long-term Liabilities - Due Within One Year	
Compensated Absences	61,804
Finance Lease Obligation	16,202
Long-term Liabilities - Due in More than One Year	
Finance Lease Obligation	20,594
Total Liabilities	213,657
Deferred Inflows	
Deferred Property Taxes	2,671,545
Deferred Items - IMRF	451,331
Total Deferred Inflows	3,122,876
Net Position	
Net Investment in Capital Assets	2,047,921
Restricted for:	
Illinois Municipal Retirement	206,404
Audit	4,736
Per Capita	91,574
Liability Insurance	67,654
Unrestricted	4,483,031
Total Net Position	$ 6,901,320

See Accompanying Notes to the Financial Statements

Zion-Benton Public Library District
Statement of Activities
For the Year Ended June 30, 2026

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities				
Library Services	$ 2,918,036	$ 28,039	$ 211,250	$ (2,678,747)
Total Governmental Activities	$ 2,918,036	$ 28,039	$ 211,250	(2,678,747)
General Revenues				
Taxes				
Property Taxes				2,818,558
Replacement Taxes				123,330
Interest Income				169,049
Miscellaneous				30,095
Total General Revenues				3,141,032
Change in Net Position				462,285
Net Position,				
Beginning of Year				6,439,035
End of Year				$ 6,901,320

See Accompanying Notes to the Financial Statements

Zion-Benton Public Library District
Balance Sheet
Governmental Funds
June 30, 2026

	General	Building and Maintenance Fund	Capital Projects - Special Reserve Fund	Other Governmental Funds	Total
Assets					
Cash and Investments	$ 2,968,577	$ 0	$ 2,506,175	$ 356,485	$ 5,831,237
Receivables - Property Taxes	1,299,592	40,516	0	102,968	1,443,076
Receivables - Other	39,733	0	0	72,821	112,554
Due from Other Funds	90,804	0	0	0	90,804
Prepaid Expenses	57,992	2,000	0	21,768	81,760
Total Assets	4,456,698	42,516	2,506,175	554,042	7,559,431
Total Deferred Outflows	0	0	0	0	0
Total Assets and Deferred Outflows	4,456,698	42,516	2,506,175	554,042	7,559,431
Liabilities					
Accounts Payable	13,987	3,901	9,432	9,508	36,828
Accrued Payroll	72,914	0	0	5,315	78,229
Due to Other Funds	0	90,804	0	0	90,804
Total Liabilities	86,901	94,705	9,432	14,823	205,861
Deferred Inflows					
Deferred Property Taxes	2,405,914	75,007	0	190,624	2,671,545
Total Deferred Inflows	2,405,914	75,007	0	190,624	2,671,545
Fund Balances					
Nonspendable	57,992	2,000	0	21,768	81,760
Restricted	0	0	0	370,368	370,368
Committed	0	0	2,496,743	0	2,496,743
Unassigned	1,905,891	(129,196)	0	(43,541)	1,733,154
Total Fund Balances	1,963,883	(127,196)	2,496,743	348,595	4,682,025
Total Liabilities, Deferred Inflows and Fund Balances	$ 4,456,698	$ 42,516	$ 2,506,175	$ 554,042	$ 7,559,431

See Accompanying Notes to the Financial Statements

Zion-Benton Public Library District
Reconciliation of Fund Balances of the Governmental Funds to the Governmental Activities in the Statement of Net Position
June 30, 2026

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position:

Amounts reported in the Statement of Net Position are different because:	
Fund Balance - Balance Sheet of Governmental Funds	4,682,025
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	2,084,717
Pension-related amounts are recognized in the government-wide financial statements in accordance with GASB Statement No. 68 but are not reported in the governmental funds under the current financial resources measurement focus:	
Net Pension Asset – IMRF	480,810
Deferred Outflows of Resources – IMRF	203,699
Deferred Inflows of Resources – IMRF	(451,331)
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Compensated Absences	(61,804)
Finance Lease Obligation	(36,796)
Net Position of Governmental Activities	$ 6,901,320

See Accompanying Notes to the Financial Statements

Zion-Benton Public Library District
Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)
Governmental Funds
For the Year Ended June 30, 2026

	General	Building and Maintenance Fund	Capital Projects - Special Reserve Fund	Other Governmental Funds	Total
Revenues					
Property Taxes	$ 2,573,812	$ 19,489	$ 0	$ 225,257	$ 2,818,558
Replacement Taxes	123,330	0	0	0	123,330
Grants and Donations	138,429	0	0	72,821	211,250
Rental, Fines, and Fees	28,039	0	0	0	28,039
Interest	116,029	0	53,020	0	169,049
Miscellaneous	30,095	0	0	0	30,095
Total Revenues	3,009,734	19,489	53,020	298,078	3,380,321
Expenditures					
Personnel	1,699,002	0	0	168,309	1,867,311
Library Materials	196,496	0	0	0	196,496
Library Operations	368,518	132,222	0	98,701	599,441
Other Professional Services	117,940	0	0	9,000	126,940
Capital Outlay	33,564	0	61,361	0	94,925
Total Expenditures	2,415,520	132,222	61,361	276,010	2,885,113
Excess of Revenues over Expenditures	594,214	(112,733)	(8,341)	22,068	495,208
Other Financing Sources (Uses)					
Transfers In	0	0	900,000	0	900,000
Transfers Out	(900,000)	0	0	0	(900,000)
Total Other Financing Sources (Uses)	(900,000)	0	900,000	0	0
Net Change in Fund Balances	(305,786)	(112,733)	891,659	22,068	495,208
Fund Balances (Deficit), Beginning of Year	2,269,669	(14,463)	1,605,084	326,527	4,186,817
End of Year	$ 1,963,883	$ (127,196)	$ 2,496,743	$ 348,595	$ 4,682,025

See Accompanying Notes to the Financial Statements

Zion-Benton Public Library District
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Governmental Activities in the Statement of Activities
For the Year Ended June 30, 2026

Net Change in Fund Balances - Total Governmental Funds	$	495,208
Amounts reported for governmental activities 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		250,673
Depreciation expense		(214,082)
Amortization expense on Right-of-Use Assets		(15,600)
Governmental funds report finance lease principal payments as expenditures. However, in the government-wide financial statements, these payments are reported as reductions of the related finance lease liability rather than expenses.		
Principal Payments of Finance Lease Obligation		15,306
Governmental funds report employer pension contributions as expenditures when due. In the government-wide Statement of Activities, pension expense is recognized in accordance with GASB Statement No. 68. The following changes in the net pension liability (asset) and related deferred outflows and inflows of resources represent reconciling differences:		
Change in Net Pension Liability (Asset)		437,972
Change in Deferred Outflows – Pension		(54,746)
Change in Deferred Inflows – Pension		(449,034)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Change in Compensated Absences		(3,412)
Change in Net Position of Governmental Activities	$	462,285

See Accompanying Notes to the Financial Statements

1. Summary of Significant Accounting Policies

The District is incorporated in Zion, Illinois. The mission of the District is to maintain excellence in providing the best possible materials in regard to educational, technological, and recreational use for its community. The District's focus is to continue to research, evaluate, and generate outreach programs for the benefit of the Zion community.

The financial statements of the Zion-Benton Public Library District (the "District") have been prepared in conformity with Generally Accepted Accounting Principles as applied to local governments. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below:

Financial Reporting Entity

The accompanying financial statements present the District's primary government and any component units over which the District exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the District (as distinct from legal relationships). Management has considered all potential component units and has determined that there are no entities outside of the primary government that should be blended into or discretely presented with the District's financial statements.

Government-Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the District as a whole (except for fiduciary activities) and distinguish between the governmental and business-type activities of the District. Governmental activities, which are normally supported by taxes and governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's library services and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

1. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

Separate fund financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds include other Special Revenue funds. The combined amounts for these funds are reflected in a single column titled "Other Governmental Funds" in the fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for non-major funds are presented with Combining and Individual Fund Statements and Schedules in the supplemental schedules of the financial statements.

Funds are organized as major funds or non-major funds within the governmental statements. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

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

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

Measurement Focus and Basis of Accounting

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

Governmental funds are those which governmental functions of the District finance. The acquisition, use, and balances of the District's expendable resources and the related liabilities are accounted for through governmental funds. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Available means collectible within the current period or within sixty days after year-end. Expenditures generally are recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are reported only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

1. Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting (Continued)

Property taxes, sales taxes, franchise taxes, licenses, charges for service, amounts due from other governments, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period if applicable. Charges for sales and services and miscellaneous revenues are generally recorded as revenue when received in cash because they are generally not measurable until actually received.

Basis of Presentation

The accounts of the District are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. The various funds are summarized by type within the financial statements. The District reports the following major governmental funds:

The *General Fund* is the primary operating fund. It accounts for all financial resources of the general government. Expenditures from this fund provide basic District services, such as finance and data processing, personnel, and general administration of the District. Revenue sources include taxes, which include property taxes, replacement taxes, interest income, and other income.

The *Building and Maintenance Fund* is used to account for the purchase of sites and buildings, for the construction and equipment of buildings required for Library purposes, and for maintenance, repairs, and alterations of Library buildings and equipment, and the annual property taxes specifically levied to fund those costs.

The *Capital Projects – 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.

Additional governmental fund types, which are combined as non-major funds, are as follows:

Non-major Special Revenue Funds: These funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. These specific revenue sources are expected to comprise a substantial portion of the inflows reported in the funds. The District reports the *Social Security Fund*, *Illinois Municipal Retirement Fund*, *Audit Fund*, *Per Capita Fund*, and *Public Liability Insurance Fund* as non-major special revenue funds.

Permanent Funds: These funds are used to report that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry. The District reports no permanent funds.

Proprietary fund level financial statements are used to account for activities that are similar to those found in the private sector. The measurement focus is upon the determination of net income, financial position, and cash flows. The District reports no proprietary funds.

1. Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

When applicable, on the proprietary fund financial statements, operating revenues are those that flow directly from the operations of the activity, i.e., charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide those goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict the guidance of the Governmental Accounting Standards Board.

Fiduciary fund level financial statements are custodial in nature and are merely clearing accounts for assets held by the District as an agent for individuals, private organizations, or other governments. Fiduciary funds are excluded from government-wide financial statements. The District reports no fiduciary funds.

Cash and Investments

For the purpose of the Statement of Net Position, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with a fiscal agent. Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Pooled Cash

Cash resources of the individual governmental fund types are combined to form a pool of cash and, when applicable, investments. At June 30, 2026, the District's cash was deposited in demand accounts and money market savings accounts.

Interfund Activity

During the course of normal operations, the District has transactions between funds, including expenditures and transfers of resources to provide services and construct assets. Legally authorized transfers are treated as transfers and are included in the results of operations of Governmental Funds and, when applicable, Proprietary Funds. Transactions between funds that are representative of cash overdrafts from pooled cash and investing are reported as interfund receivables or payables. Short-term amounts owed between funds are classified as "Due to/from other funds."

1. Summary of Significant Accounting Policies (Continued)

Receivables

Receivables consist of all revenues earned at year-end that are not yet received as of June 30, 2026. Major receivable balances for governmental activities include property taxes and replacement taxes. The District carries its receivables at cost less an allowance for doubtful accounts. On a periodic basis, the District evaluates its receivables and establishes the amount of its allowance for doubtful accounts based on a history of past write-offs and collections. The allowance for doubtful accounts amounts to $0 for property taxes receivable.

Prepaid Items and Prepaid Expenditures

Payments made to vendors for services that will benefit periods beyond June 30, 2026, are recorded as prepaid items/expenditures using the consumption method of recognition.

Inventory

Inventory is valued at a cost that approximates the lower of cost or net realizable value using the first-in/first-out (FIFO) method. The District reports no inventory as of June 30, 2026.

Deferred Inflows of Resources and Unearned Revenue

In the governmental fund financial statements, revenues that are measurable but not available under the modified accrual basis of accounting are reported as deferred inflows of resources. Such amounts are recognized as revenue when the applicable revenue recognition criteria are met. Deferred inflows of resources also include amounts related to nonexchange transactions that apply to a future reporting period.

Amounts received before the District has satisfied applicable eligibility or earning requirements are reported as unearned revenue liabilities. Unearned revenue is recognized as revenue when the applicable eligibility or earning requirements have been satisfied.

Compensated Absences

Accumulated vacation and sick leave that is expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay it.

District employees are entitled to paid vacation time and sick leave in varying amounts based on years of service. Upon termination, employees are paid for unused vacation leave but are not paid for unused sick leave. Vacation leave payable upon separation is accrued as earned. Accumulated sick leave is evaluated based on the District's leave policies, historical usage, and other relevant factors.

1. Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and, when applicable, infrastructure assets (e.g., roads and bridges), are reported in the applicable government or business-type activities columns in the government-wide statements. Capital assets are defined as assets with a cost of $5,000 or more. Capital assets are recorded at historical cost if purchased or constructed or at estimated historical cost if the actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service arrangement are reported at acquisition value rather than fair value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Depreciable capital assets are depreciated using the straight-line method over their estimated useful lives. Lease right-to-use assets are amortized over the shorter of the lease term or the useful life of the underlying asset. Land is not depreciated.

Buildings	25 years
Furniture and Fixtures	25 years
Equipment	10 years
Library Materials	10 years

Leases

Leases that span more than twelve months that are material in nature to the financial statements and that do not transfer ownership are recognized as a right-of-use asset and finance lease liability. The right-of-use assets are measured at an amount equal to the present value of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-of-use assets are amortized on a straight-line basis over the life of the related lease. Finance leases that transfer ownership that are material in nature to the financial statements are recognized as capital assets at cost and a related lease liability.

Subscription-Based Information Technology Arrangements

A subscription-based information technology arrangement (“SBITA”) is a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction. SBITAs that span more than twelve months that are material in nature to the financial statements are recognized as a subscription right-of-use asset and subscription liability. The right-of-use assets are measured at an amount equal to the present value of the related subscription liability. The right-of-use assets are amortized on a straight-line basis over the life of the related subscription. The District reports no material long-term SBITAs.

1. Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods. The District reports deferred outflows of resources related to the Illinois Municipal Retirement Fund (IMRF), including differences between expected and actual pension experience and contributions made subsequent to the pension measurement date. These amounts are recognized in future periods as pension expense or as adjustments to the net pension asset, as applicable.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as revenue until that time.

The District reports deferred inflows of resources related to property taxes levied to finance a subsequent fiscal year. These amounts are reported as deferred inflows of resources in both the governmental fund and government-wide financial statements and are recognized as revenue in the fiscal year for which the taxes were levied. At June 30, 2026, the District reported deferred property taxes of $2,671,545.

The District also reports deferred inflows of resources related to the Illinois Municipal Retirement Fund (IMRF), including differences between projected and actual earnings on pension plan investments. At June 30, 2026, these deferred inflows totaled $451,331.

Long-Term Liabilities

Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources.

Non-spendable fund balance - The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form - prepaid items or inventories; or (b) legally or contractually required to be maintained intact. The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

1. Summary of Significant Accounting Policies (Continued)

Fund Balances (Continued)

Committed fund balance - Amounts can only be used for specific purposes pursuant to constraints imposed by ordinances of the District Board of Trustees - the government's highest level of decision-making authority. These committed amounts cannot be used for any other purpose unless the District Board of Trustees removes the specified use by ordinance. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance - This classification reflects assets constrained by the expressed written intent of the District Board of Trustees for capital equipment and/or capital projects.

Unassigned fund balance - This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds. When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources - committed, assigned, and unassigned - in order as needed. The District does not have a stabilization policy established.

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. If different levels of unrestricted funds are available for spending, the District considers committed funds to be expended first, followed by assigned, and, lastly, unassigned funds.

Net Position Classifications

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

Net investment in capital assets - These amounts consist of capital assets net of accumulated depreciation and are reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Net investment in capital assets excludes unspent bonds or other debt proceeds.

Restricted net position - These amounts consist of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. It is the District's policy to consider the restricted net position to have been depleted before the unrestricted net position is applied.

Unrestricted net position - These amounts consist of all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

1. Summary of Significant Accounting Policies (Continued)

Budgets

The Board of Trustees follows these procedures in establishing the budget:

1. The Director and budget committee prepare a proposed operating budget, which is submitted to the Board of Trustees for their approval. The budget document is made available for public inspection for at least 30 days prior to Board action.
2. The Board of Trustees is required to hold at least one public hearing prior to the passage of the annual Budget and Appropriation Ordinance. The budget is an estimate of actual expenditures, and the appropriation represents the legal spending limit.
3. The Budget and Appropriation Ordinance must be enacted into law prior to the end of the first quarter of the fiscal year.
4. The Board of Trustees has the power to: Amend the Budget and Appropriation Ordinance in the same manner as its enactment, transfer between line items of any fund an amount not exceeding in the aggregate 10% of the total amount appropriated for that fund, and after six months of the fiscal year, by a two-thirds vote, transfer any appropriation item it anticipates being unexpended to any other appropriation item.
5. Expenditures legally may not exceed the total appropriations at the fund level. All unspent budgetary amounts lapse at year-end. The budget information in the financial statements includes adjustments made during the year.

The budget is prepared for all funds on the same basis as the basic financial statements and is consistent with GAAP. The budget is derived from the annual Budget and Appropriation Ordinance of the District. All budgetary funds are controlled by an integrated budgetary accounting system in accordance with various legal requirements which govern the District.

Use of Estimates

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

Property Taxes

The County Collector collects property taxes and remits them periodically to the District. The 2025 property tax levy is intended to finance the fiscal year ending June 30, 2027. Accordingly, amounts collected or recorded as receivables from the 2025 levy as of June 30, 2026, are reported as deferred inflows of resources in both the governmental fund and government-wide financial statements. These amounts will be recognized as property tax revenue in the fiscal year ending June 30, 2027.

Property tax revenues recognized during the fiscal year ended June 30, 2026, relate to the 2024 levy and applicable prior-year levies.

2. Deposits

Deposits

At June 30, 2026, the carrying amount of the District's demand deposits in financial institutions was $3,240,907, and the bank balance was $3,327,208.

Custodial Credit Risk - Deposits

In the case of cash deposits, there is the risk that, in the event of a bank failure, the District's deposits may not be returned. The District's investment policy requires all deposits with financial institutions in excess of federal depository insurance to be collateralized with collateral held by an independent third-party institution in the name of the District. The District had no uninsured and uncollateralized deposits as of June 30, 2026.

3. Investments

Policies for Investments

It is the policy of the District to invest public funds in a manner that conforms to all state and local statutes governing the investment of public funds; ensure prudent money management, provide for daily cash flow requirements; and meet the objectives in priority order, of safety, liquidity, return on investment and public trust. The District's general credit risk policy is to apply the prudent person rule: Investments shall be made with the exercise of judgment and care, under circumstances then prevailing, which individuals of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived.

The District's investment policy permits the District to invest in: bonds, notes, certificates of indebtedness, treasury bills or other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest, bonds, notes debentures or similar obligations of the agencies of the United States of America; interest-bearing savings accounts, certificates of deposit, time deposits or other investment constituting direct obligations of a bank as defined by the Illinois Banking Act; short-term obligations (maturing within 180 days of dates of purchase) of corporations with assets exceeding $500 million (such obligations must be rated at the time of purchase as AAA by at least two standard rating services); money market mutual funds registered under the Investment Company Act of 1940 which invest only in bonds, notes, certificates of indebtedness, treasury bills and other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest and agrees to repurchase such obligations; state and local government obligations or operated and administered by a bank and other securities as allowed by the Illinois Public Funds Investment Act.

3. Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that a change in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the District limits its exposure to interest rate risk by structuring its investment portfolio to provide sufficient liquidity to meet anticipated operating requirements and by investing in securities with varying maturities. The District's investment policy provides that no investment will have a maturity longer than five years from the date of purchase.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District limits its exposure to credit risk by investing in securities authorized under the Illinois Public Funds Investment Act and by diversifying its investments among different types of securities and issuers. The District's investment portfolio includes obligations of the United States government, municipal bonds, and certificates of deposit.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In accordance with the District's investment policy, the District limits its exposure to custodial credit risk by utilizing an independent third-party institution to act as a custodian for its securities and collateral.

Concentration of Credit Risk

This is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy requires diversification of investments to the best of its ability based on the type of funds invested and the cash flow needs of those funds. Diversification can be by type of investment, number of institutions invested in, and length of maturity.

3. Investments (Continued)

Fair Value Measurements

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

The District investments subject to fair value measurements are as follows:

Investment Type	Value as of June 30, 2026	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Municipal Bonds	$ 1,762,021	$ 0	$ 1,762,021	$ 0
US Treasury Securities	489,795	0	489,795	0
Total Investments Measured at Fair Value	$ 2,251,816	$ 0	$ 2,251,816	$ 0

Reconciliation to the Government-wide Statement of Net Position	
Certificates of Deposits not Measured at Fair Value	338,514
Total Investment Value	$ 2,590,330

4. Capital Assets

Capital asset activity for the year ended June 30, 2026, consisted of the following:

	Balance June 30, 2025	Additions	Retirements	Balance June 30, 2026
Governmental Activities				
Cost				
Tangible Assets Not Subject to Depreciation				
Land	$ 93,896	$ 0	$ 0	$ 93,896
Construction in Progress	190,626	61,361	(190,626)	61,361
Tangible Assets Subject to Depreciation				
Building and Improvements	6,685,551	256,402	0	6,941,953
Equipment	1,823,225	17,425	0	1,840,650
Furniture and Fixtures	109,741	0	0	109,741
Library Materials	1,533,021	106,112	(134,689)	1,504,444
Intangible Assets Subject to Amortization				
Copier Lease Right-of-Use	77,999	0	0	77,999
Subtotal	10,514,059	441,300	(325,315)	10,630,044
Less - Accumulated Depreciation & Amortization				
Tangible Assets Subject to Depreciation				
Building and Improvements	(5,674,969)	(61,825)	0	(5,736,794)
Equipment	(1,790,127)	(7,711)	0	(1,797,838)
Furniture and Fixtures	(70,648)	(2,324)	0	(72,972)
Library Materials	(885,990)	(142,222)	134,689	(893,523)
Intangible Assets Subject to Amortization				
Copier Lease Right-of-Use	(28,600)	(15,600)	0	(44,200)
Subtotal	(8,450,334)	(229,682)	134,689	(8,545,327)
Net Capital Assets	$ 2,063,725	$ 211,618	$ (190,626)	$ 2,084,717

Depreciation expense was charged to the functions/programs of the primary government as follows:

Governmental Activities – Library Services	$ 229,682

5. Long-term Liabilities

The following debt commitment exists as of June 30, 2026:

	Balance June 30, 2025	Additions	Retirements	Balance June 30, 2026	Within One Year
Finance Lease Obligation					
Copier Lease	$ 52,102	$ 0	$ (15,306)	$ 36,796	$ 16,202
Total Finance Lease Obligations	$ 52,102	$ 0	$ (15,306)	$ 36,796	$ 16,202

Finance Lease, Copier - The District has a 60-month lease for a copier machine, which calls for monthly principal and interest payments of $1,490 through August 2028.

The District's future minimum debt payments are as follows:

Fiscal Year (s)	Principal	Interest	Total
Year ending June 30, 2027	$ 16,202	$ 1,678	$ 17,880
Year ending June 30, 2028	17,150	730	17,880
Year ending June 30, 2029	3,444	26	3,470
	0	0	0
	$ 36,796	$ 2,434	$ 39,230

Other Long-term liabilities activity is as follows:

	Balance June 30, 2025	Additions and Other Changes	Retirements	Balance June 30, 2026	Amount Due Within One Year
Other Long-term Liabilities					
Net Pension Asset	$ (42,838)	$ (437,972)	$ 0	$ (480,810)	$ 0
Compensated Absences (*)	58,392	3,412	0	61,804	61,804
Total Liabilities	$ 58,392	$ 3,412	$ 0	$ 61,804	$ 61,804

* Compensated absences reflect net annual change; net pension asset is presented separately in Note 13.

6. Compliance and Accountability

At June 30, 2026, the following District's funds reported deficit fund balances:

Funds	Deficit
Building and Maintenance Fund	$ (127,196)
Social Security Fund	(43,541)

At June 30, 2026, the following fund reports actual expenditures over the working budget but under the legally enacted budgeted amount:

Funds	Working Budget	Actual	Legal Appropriation
Illinois Municipal Retirement	$ 30,000	$ 56,872	$ 125,000

7. Interfund Transactions

In general, transfers are used to (1) move revenues from the fund that collects the money to the fund that expends the money, (2) move receipts restricted or earmarked for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in a fund to provide operating advances to other funds in accordance with budgetary authorizations.

At June 30, 2026, the following interfund receivables and payables exist:

Fund	Due from Other Funds	Due to Other Funds
General	$ 90,804	$ 0
Building and Maintenance Fund	0	90,804
	$ 90,804	$ 90,804

During the year ended June 30, 2026, interfund transfers were as follows:

Fund	Transfer from Other Funds	Transfer to Other Funds
General	$ 0	$ 900,000
Capital Projects - Special Reserve	900,000	0
	$ 900,000	$ 900,000

8. Commitments and Contingencies

As of June 30, 2026, the District had no material commitments and no contingencies.

9. Risk Management

The District is exposed to various risks of loss to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; natural disasters; and employee health. These risks are covered by commercial insurance purchased from independent third parties.

10. Evaluation of Subsequent Events

The District has evaluated subsequent events through October 13, 2026, the date which the financial statements were available to be issued.

11. Implementation of New GASB (Governmental Accounting Standards Board) Pronouncements

Statement No. 103, *Financial Reporting Model Improvements*, issued in April 2024, was implemented by the District during the year ended June 30, 2026. This Statement includes improvements to the financial reporting model, including revised requirements for Management's Discussion and Analysis and budgetary comparison information. The Statement requires budgetary comparison information to present variances between the original and final budget amounts and between the final budget and actual amounts and requires explanations of significant budget variances to be presented in the notes to required supplementary information.

Statement No. 104, *Disclosure of Certain Capital Assets*, issued in September 2024, was implemented by the District during the year ended June 30, 2026. This Statement requires certain types of capital assets, including lease assets, subscription assets, intangible right-to-use assets, and capital assets held for sale, to be disclosed separately in the notes to the financial statements. Implementation of this Statement did not have a material effect on the District's financial statements.

Statement No. 105, *Subsequent Events*, issued in December 2025, will be implemented by the District during the year ended June 30, 2027. This statement defines the timeframe for subsequent events and establishes reporting requirements for recognized and non-recognized events.

The District has not yet determined the effect Statement No. 105 will have on its financial statements.

12. Other Post-Employment Benefits (OPEB)

The District has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the District are required to pay 100% of the current premium. However, no former employees have chosen to stay in the District's health insurance plan. Therefore, there has been 0% utilization and, therefore, no implicit subsidy to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Additionally, the District had no former employees for which the District was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the District has not recorded any post-employment benefits liability as of June 30, 2026.

13. Retirement Fund Commitments

Illinois Municipal Retirement Fund

Plan Description. The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained online at www.imrf.org.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). 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). All three IMRF benefit plans have two tiers. 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 ten 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 after the member has reached age 67 or received 12 months of pension payments, whichever is later, by the lesser of 3% of the original pension amount or one-half of the increase in the Consumer Price Index (Urban) for the preceding year, applied to the original pension amount.

Funding Policy. As set by statute, the District Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's employer contributions for fiscal year 2026 were $56,872, or 4.67 percent of covered payroll. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

13. Retirement Fund Commitments (Continued)

Illinois Municipal Retirement Fund (Continued)

Required Employer Contributions. The required contribution for the fiscal year 2026 was $56,872.

Actuarial Valuation Date	December 31, 2025
Measurement Date of the Net Pension Liability	December 31, 2025
Fiscal Year End	June 30, 2026
Membership	
Number of	
- Retirees and Beneficiaries	48
- Inactive, Non-Retired Members	29
- Active Members	25
- Total	102
Covered Valuation Payroll	$ 1,216,546
Net Pension Liability	
Total Pension Liability/(Asset)	$ 7,863,155
Plan Fiduciary Net Position	8,343,965
Net Pension Liability/(Asset)	$ (480,810)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	106.11%
Net Pension Liability as a Percentage of Covered Valuation Payroll	-39.52%
Development of the Single Discount Rate as of December 31, 2025	
Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	4.83%
Last year December 31 in the 2026 to 2125 projection period for which projected benefit payments are fully funded	2125
Resulting Single Discount Rate based on the above development	7.25%
Single Discount Rate calculated using December 31, 2024 Measurement Date	7.25%
Total Pension Expense/(Income)	$ 122,678

13. Retirement Fund Commitments (Continued)

Illinois Municipal Retirement Fund (Continued)

Deferred Outflows and Deferred Inflows of Resources by Source
(to be recognized in Future Pension Expenses)

	Deferred Outflows of Resources	Deferred Inflows of Resources
1. Difference between expected and actual experience	$ 176,385	$ 0
2. Assumption Changes	0	0
3. Net Difference between projected and actual earnings on pension plan investments	0	451,331
4. Subtotal	176,385	451,331
5. Pension contributions made subsequent to the measurement date	27,314	0
6. Total	$ 203,699	$ 451,331

Deferred outflows and deferred inflows of resources will be recognized in future pension expense as follows:

Plan Year Ending December 31	Net Deferred Outflows of Resources
2026	$ 242,269
2027	(194,613)
2028	(186,149)
2029	(136,453)
2030	0
Thereafter	0
	$ (274,946)

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 real geometric rates of return for each major asset class are summarized in the following table as of December 31, 2025.

13. Retirement Fund Commitments (Continued)

Illinois Municipal Retirement Fund (Continued)

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Equities	32.50%	7.35%
International Equities	18.00%	7.45%
Fixed Income	24.00%	4.75%
Real Estate	10.50%	6.25%
Alternatives	14.00%	See Below
Private Equity		8.50%
Hedge Funds		N/A
Commodities		3.90%
Cash Equivalents	1.00%	3.00%
	100.00%	

The single discount rate is calculated in accordance with GASB Statement No. 68. GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses, and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a "risk-free" rate is required, as described in the following paragraph. The single discount rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as published by The Bond Buyer in its 20-Bond GO Index as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.83%; the resulting single discount rate is 7.25%.

13. Retirement Fund Commitments (Continued)

Illinois Municipal Retirement Fund (Continued)

Sensitivity of Net Pension Liability/(Asset) to the Single Discount Rate Assumption

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	$ 8,656,085	$ 7,863,155	$ 7,228,860
Plan Fiduciary Net Position	8,343,965	8,343,965	8,343,965
Net Pension Liability/(Asset)	$ 312,120	$ (480,810)	$ (1,115,105)

Summary of Actuarial Methods and Assumptions Used in the Calculation of the Total Pension Liability

Methods and Assumptions Used to Determine Total Pension Liability:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
Other Information:	There were no benefit changes during the year.

13. Retirement Fund Commitments (Continued)

Illinois Municipal Retirement Fund (Continued)

Schedule of Changes in Net Pension Liability and Related Ratios
Current Period
Calendar Year Ended December 31, 2025

A. Total pension liability		
1.Service cost	$	94,638
2.Interest on the total pension liability		526,899
3.Changes of benefit terms		0
4.Difference between expected and actual experience of the total pension liability		283,892
5.Changes of assumptions		0
6.Benefit payments, including refunds of employee contributions		(525,049)
7.Net change in total pension liability		380,380
8.Total pension liability– beginning		7,482,775
9.Total pension liability – ending	$	7,863,155
B. Plan fiduciary net position		
1.Contributions – employer	$	55,232
2.Contributions – employee		54,745
3.Net investment income		1,213,538
4.Benefit payments, including refunds of employee contributions		(525,049)
5.Other (net transfer)		19,886
6.Net change in plan fiduciary net position		818,352
7.Plan fiduciary net position – beginning		7,525,613
8.Plan fiduciary net position – ending	$	8,343,965
C. Net pension liability/(asset)	$	(480,810)
D. Plan fiduciary net position as a percentage of the total pension liability		106.11%
E. Covered Valuation Payroll	$	1,216,546
F. Net pension liability as a percentage of covered valuation payroll		-39.52%

Zion-Benton Public Library District
IMRF Pension Disclosures
For the Year Ended June 30, 2026

REQUIRED SUPPLEMENTARY INFORMATION

Multiyear Schedule of Contributions
Last 10 Fiscal Years

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2017	$ 85,517	$ 85,516	$ 1	$ 947,029	9.03%
2018	82,873	82,874	(1)	980,750	8.45%
2019	49,185	49,186	(1)	995,648	4.94%
2020	76,143	76,142	1	982,494	7.75%
2021	76,493	76,492	1	995,997	7.68%
2022	47,498	47,495	3	1,034,810	4.59%
2023	32,591	32,591	0	1,040,989	3.13%
2024	25,432	25,432	0	1,086,259	2.34%
2025	42,895	42,895	0	1,075,788	3.99%
2026	56,872	56,872	0	1,216,546	4.67%

Notes to the Multiyear Schedule of Contributions:

Actuarially determined contribution rates are calculated as of December 31 each year, 12 months prior to the beginning of the calendar year in which contributions are reported. The actuarial cost method used to determine the contribution rate was the Aggregate Entry Age Normal method. The amortization method was Level Percentage of Payroll, Closed, with an 18-year closed amortization period for taxing bodies. The asset valuation method was five-year smoothed market value with a 20% corridor. Significant actuarial assumptions included wage growth of 2.75%, price inflation of 2.25%, salary increases ranging from 2.85% to 13.75%, including inflation, and an investment rate of return of 7.25%.

Zion-Benton Public Library District
IMRF Pension Disclosures (Continued)
For the Year Ended June 30, 2026

REQUIRED SUPPLEMENTARY INFORMATION

Multiyear Schedule of Changes in Net Pension Liability and Related Ratios

Last 10 Plan Years

Plan Year Ending December 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability ("TPL")										
Service cost	$ 94,638	$ 91,510	$ 86,640	$ 87,942	$ 82,181	$ 104,136	$ 92,692	$ 87,557	$ 97,913	$ 109,731
Interest on the TPL	526,899	516,451	505,087	489,219	477,981	491,550	474,331	463,037	473,921	460,888
Changes of benefit terms	0	0	0	0	0	0	0	0	0	0
Difference between expected and actual experience of the TPL	283,892	52,231	62,124	146,259	129,177	(165,423)	163,149	112,086	(79,567)	(1,433)
Changes of assumptions	0	0	(8,549)	0	0	(77,080)	0	164,939	(191,907)	(6,022)
Benefit payments, including refunds of employee contributions	(525,049)	(510,258)	(471,726)	(536,057)	(538,386)	(520,330)	(476,463)	(446,559)	(434,056)	(349,311)
Net change in total pension liability	380,380	149,934	173,576	187,363	150,953	(167,147)	253,709	381,060	(133,696)	213,853
Total pension liability– beginning	7,482,775	7,332,841	7,159,265	6,971,902	6,820,949	6,988,096	6,734,387	6,353,327	6,487,023	6,273,170
Total pension liability – ending	$ 7,863,155	$ 7,482,775	$ 7,332,841	$ 7,159,265	$ 6,971,902	$ 6,820,949	$ 6,988,096	$ 6,734,387	$ 6,353,327	$ 6,487,023
Plan fiduciary net position										
Contributions – employer	$ 55,232	$ 33,833	$ 16,822	$ 47,495	$ 76,492	$ 76,142	$ 49,186	$ 82,874	$ 85,516	$ 119,981
Contributions – employee	54,745	48,956	47,607	46,561	44,818	44,210	44,801	44,134	42,616	44,917
Net investment income	1,213,538	760,093	792,627	(1,225,663)	1,362,336	1,050,067	1,253,081	(459,448)	1,108,912	394,569
Benefit payments, including refunds of employee contributions	(525,049)	(510,258)	(471,726)	(536,057)	(538,386)	(520,330)	(476,463)	(446,559)	(434,056)	(349,311)
Other (net transfer)	19,886	(154,559)	69,742	57,273	25,755	(185,443)	7,654	174,357	(157,782)	79,535
Net change in plan fiduciary net position	818,352	178,065	455,072	(1,610,391)	971,015	464,646	878,259	(604,642)	645,206	289,691
Plan fiduciary net position - Beginning	7,525,613	7,347,548	6,892,476	8,502,867	7,531,852	7,067,206	6,188,947	6,793,589	6,148,383	5,858,692
Plan fiduciary net position - Ending	$ 8,343,965	$ 7,525,613	$ 7,347,548	$ 6,892,476	$ 8,502,867	$ 7,531,852	$ 7,067,206	$ 6,188,947	$ 6,793,589	$ 6,148,383
Net pension liability / (asset)	$ (480,810)	$ (42,838)	$ (14,707)	$ 266,789	$ (1,530,965)	$ (710,903)	$ (79,110)	$ 545,440	$ (440,262)	$ 338,640
Plan fiduciary net position as a percent of the TPL	106.11%	100.57%	100.20%	96.27%	121.96%	110.42%	101.13%	91.90%	106.93%	94.78%
Covered Valuation Payroll ("CVP")	$ 1,216,546	$ 1,087,908	$ 1,058,002	$ 1,034,810	$ 995,997	$ 982,494	$ 995,648	$ 980,750	$ 947,029	$ 998,484
Net pension liability as a % of CVP	-39.52%	-3.94%	-1.39%	25.78%	-153.71%	-72.36%	-7.95%	55.61%	-46.49%	33.92%

Zion-Benton Public Library District
General Fund
Budgetary Comparison Schedule
Schedule of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2026

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Property Taxes	$ 2,560,496	$ 2,560,496	$ 2,573,812	$ 13,316
Replacement Taxes	27,477	27,477	123,330	95,853
Grants and Donations	91,900	91,900	138,429	46,529
Rental, Fines, and Fees	18,700	18,700	28,039	9,339
Interest	115,500	115,500	116,029	529
Miscellaneous	750	750	30,095	29,345
Total Revenues	2,814,823	2,814,823	3,009,734	194,911
Expenditures				
Personnel	1,851,900	1,851,900	1,699,002	152,898
Library Materials	228,650	228,650	196,496	32,154
Library Operations	421,900	421,900	368,518	53,382
Other Professional Services	155,200	155,200	117,940	37,260
Capital Outlay	93,000	93,000	33,564	59,436
Total Expenditures	2,750,650	2,750,650	2,415,520	335,130
Excess (Deficiency) of Revenues over Expenditures	64,173	64,173	594,214	530,041
Other Financing Uses				
Transfers Out	(900,000)	(900,000)	(900,000)	0
Total Other Financing Uses	(900,000)	(900,000)	(900,000)	0
Net Change in Fund Balance	$ (835,827)	$ (835,827)	(305,786)	$ 530,041
Fund Balance,				
Beginning of Year			2,269,669	
End of Year			$ 1,963,883	

Zion-Benton Public Library District
Notes to Required Supplementary Information
For the Year Ended June 30, 2026

Budgetary Information

The operating budget is prepared on a basis consistent with generally accepted accounting principles. The annual Budget and Appropriation Ordinance is legally enacted and establishes the legal level of control at the fund level.

Significant Budget Variances

The original and final operating budget amounts were identical for the year ended June 30, 2026.

General Fund

Actual General Fund revenues exceeded the final budget by $194,911, primarily due to higher-than-budgeted replacement tax revenues, grants and donations, and miscellaneous revenues.

Actual General Fund expenditures were $335,130 below the final budget, primarily due to lower-than-budgeted personnel expenses, capital outlay expenditures, and building, technology, and equipment expenditures. The underlying reasons for these favorable expenditure variances should be confirmed with management.

The General Fund also transferred $900,000 to the Capital Projects – Special Reserve Fund during the year. The transfer was not included in the original or final operating budget.

Zion-Benton Public Library District
General Fund
Budgetary Comparison Schedule
Schedule of Expenditures
For the Year Ended June 30, 2026

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Expenditures				
Personnel				
Salaries	$ 1,650,000	$ 1,650,000	$ 1,496,620	$ 153,380
Group Health and Life Insurance	190,000	190,000	192,342	(2,342)
HSA Employer	2,300	2,300	1,443	857
Employee & Volunteer Recognition	1,600	1,600	781	819
Communication Stipend	5,500	5,500	5,250	250
Staff Association	2,500	2,500	2,566	(66)
Total Personnel	1,851,900	1,851,900	1,699,002	152,898
Professional Development				
Professional Dues	9,700	9,700	5,374	4,326
Education	15,500	15,500	10,962	4,538
Meeting Supplies (Hospitality)	500	500	997	(497)
Tuition Reimbursement	2,500	2,500	1,050	1,450
Total Professional Development	28,200	28,200	18,383	9,817
Utilities				
Electric	54,000	54,000	50,083	3,917
Gas	15,000	15,000	17,371	(2,371)
Water	1,500	1,500	2,653	(1,153)
Waste	6,500	6,500	7,323	(823)
Telephone	2,500	2,500	1,976	524
Internet	14,000	14,000	9,954	4,046
Total Utilities	93,500	93,500	89,360	4,140
Professional Services				
Legal Services	8,000	8,000	8,190	(190)
Accounting Services	13,300	13,300	13,200	100
Payroll Services	6,000	6,000	6,273	(273)
Investment Services	3,200	3,200	5,392	(2,192)
Collection Services	1,500	1,500	1,463	37
Consulting Services	9,500	9,500	204	9,296
Legal Notices	1,000	1,000	942	58
CCS	75,000	75,000	52,687	22,313
OCLC	7,000	7,000	7,825	(825)
Bank and Credit Card Fees	1,000	1,000	860	140
Fax Service Fees	1,500	1,500	2,521	(1,021)
Total Professional Services	127,000	127,000	99,557	27,443
Subtotal Forward	$ 2,100,600	$ 2,100,600	$ 1,906,302	$ 194,298

Zion-Benton Public Library District
General Fund
Budgetary Comparison Schedule
Schedule of Expenditures (Continued)
For the Year Ended June 30, 2026

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Expenditures (Continued)				
Subtotal Forwarded	$ 2,100,600	$ 2,100,600	$ 1,906,302	$ 194,298
Programing/Publicity				
Publicity Library	12,000	12,000	13,598	(1,598)
Newsletter Printing	17,000	17,000	19,040	(2,040)
Web Development	250	250	291	(41)
Programming	50,800	50,800	47,663	3,137
Total Programing/Publicity	80,050	80,050	80,592	(542)
Supplies				
Supplies Library	8,000	8,000	8,886	(886)
Supplies Circulation	5,000	5,000	4,661	339
Supplies Tech Services	3,000	3,000	2,497	503
Supplies Maintenance	6,000	6,000	5,792	208
Supplies Outreach	750	750	509	241
Total Supplies	22,750	22,750	22,345	405
Postage				
Postage Library	7,000	7,000	6,792	208
Newsletter Postage	8,000	8,000	12,355	(4,355)
Total Postage	15,000	15,000	19,147	(4,147)
Building, Tech, Equipment				
Other Building, Technology, and Equipment	65,100	65,100	28,340	36,760
Network Maintenance Contract	100,000	100,000	98,385	1,615
Network Software and Licenses	45,500	45,500	30,349	15,151
Total Building, Tech, Equipment	210,600	210,600	157,074	53,526
Grant Expense				
Grants - Capital Outlay	93,000	93,000	33,564	59,436
Total Grant Expense	93,000	93,000	33,564	59,436
Library Materials				
eResources Platform Fees	52,000	52,000	41,952	10,048
Hoopla	21,000	21,000	26,204	(5,204)
eBooks/eAudiobooks (Adult)	20,000	20,000	18,870	1,130
Video Games (Adult/Teen/Youth)	2,000	2,000	3,258	(1,258)
Total Library Materials	95,000	95,000	90,284	4,716
Subtotal Forward	$ 2,617,000	$ 2,617,000	$ 2,309,308	$ 307,692

Zion-Benton Public Library District
General Fund
Budgetary Comparison Schedule
Schedule of Expenditures (Continued)
For the Year Ended June 30, 2026

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Expenditures (Continued)				
Subtotal Forwarded	$ 2,617,000	$ 2,617,000	$ 2,309,308	$ 307,692
Print Materials-Adult				
Print Fiction	22,850	22,850	20,278	2,572
Print non-fiction	15,200	15,200	13,499	1,701
Print Spanish	2,000	2,000	779	1,221
Total Print Materials-Adult	40,050	40,050	34,556	5,494
Non-Print Materials-Adult				
DVD/Blu-Ray Films	16,000	16,000	16,362	(362)
Music	2,200	2,200	2,245	(45)
Audiobooks	5,000	5,000	4,777	223
Total Non-Print Materials-Adult	23,200	23,200	23,384	(184)
Periodicals (Print)				
Periodicals	14,200	14,200	13,452	748
Total Periodicals (Print)	14,200	14,200	13,452	748
Print Materials-Children				
Fiction Print-Picture and Beginner Reader	10,000	10,000	6,079	3,921
Fiction print for Middle Grades	10,000	10,000	7,248	2,752
Non-fiction for Birth to Grade 5	12,500	12,500	6,307	6,193
Spanish for Birth to Grade 5	3,000	3,000	1,906	1,094
Print Materials for Teens	5,000	5,000	3,317	1,683
Total Print Materials-Children	40,500	40,500	24,857	15,643
Non-Print Materials-Children				
DVD/Blu-Ray Films	5,500	5,500	4,191	1,309
Audiobooks for Birth to Grade 5	250	250	0	250
Kits, Puzzles, Games to Grade 5	3,500	3,500	282	3,218
Other non-print materials	3,100	3,100	2,345	755
Devices for lending	3,350	3,350	3,145	205
Total Non-Print Materials-Children	15,700	15,700	9,963	5,737
Total Expenditures	$ 2,750,650	$ 2,750,650	$ 2,415,520	$ 335,130

Zion-Benton Public Library District
Building and Maintenance Fund
Budgetary Comparison Schedule
Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the Year Ended June 30, 2026

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Property Taxes	$ 19,606	$ 19,606	$ 19,489	$ (117)
Total Revenues	19,606	19,606	19,489	(117)
Expenditures				
Library Operations				
Material, Supplies, and Repairs	134,500	134,500	132,222	2,278
Total Expenditures	134,500	134,500	132,222	2,278
Net Change in Fund Balance	$ (114,894)	$ (114,894)	(112,733)	$ 2,161
Fund Balance (Deficit),				
Beginning of Year			(14,463)	
End of Year			$ (127,196)	

Zion-Benton Public Library District
Capital Projects - Special Reserve Fund
Budgetary Comparison Schedule
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2026

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Interest	$ 0	$ 0	$ 53,020	$ 53,020
Total Revenues	0	0	53,020	53,020
Expenditures				
Capital Outlay	1,595,655	1,595,655	61,361	1,534,294
Total Expenditures	1,595,655	1,595,655	61,361	1,534,294
Excess (Deficiency) of Revenues over Expenditures	(1,595,655)	(1,595,655)	(8,341)	1,587,314
Other Financing Sources				
Transfers In	900,000	900,000	900,000	0
Total Other Financing Sources	900,000	900,000	900,000	0
Net Change in Fund Balance	$ (695,655)	$ (695,655)	891,659	$ 1,587,314
Fund Balance,				
Beginning of Year			1,605,084	
End of Year			$ 2,496,743	

Individual Fund Descriptions

Social Security Fund

The Social Security Fund is used to account for the Library's portion of Social Security and Medicare paid on behalf of its employees. Financing is provided by a specific annual property tax levy which produces a sufficient amount to pay the Library's portion.

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 audit fees and the annual property taxes specifically levied to fund those costs.

Per Capita

The Per Capita Fund is used to account for expenditures that assist the Library to improve and increase library services within its service areas. Financing is provided by State grants which are based on the population of the library's service area.

Public Liability Insurance Fund

The Public Liability Insurance Fund is used to account for the Library's annual liability insurance costs and the annual property taxes specifically levied to fund those costs.

Zion-Benton Public Library District
Combining Fund Schedule - Non-major Funds
Combining Balance Sheet
June 30, 2026

	Special Revenue Funds					
	Social Security	Illinois Municipal Retirement	Audit	Per Capita	Public Liability Insurance	Total
Assets						
Cash and Cash Equivalents	$ 5,462	$ 220,106	$ 9,350	$ 18,753	$ 102,814	$ 356,485
Receivables						
Property Taxes	51,320	4,926	5,421	0	41,301	102,968
Other Receivables	0	0	0	72,821	0	72,821
Prepaid Expenses	0	0	0	0	21,768	21,768
Total Assets	56,782	225,032	14,771	91,574	165,883	554,042
Total Deferred Outflows	0	0	0	0	0	0
Total Assets and Deferred Outflows	56,782	225,032	14,771	91,574	165,883	554,042
Liabilities						
Accounts Payable	0	9,508	0	0	0	9,508
Accrued Payroll	5,315	0	0	0	0	5,315
Total Liabilities	5,315	9,508	0	0	0	14,823
Deferred Inflows						
Deferred Property Taxes	95,008	9,120	10,035	0	76,461	190,624
Total Deferred Inflows	95,008	9,120	10,035	0	76,461	190,624
Fund Balances						
Nonspendable	0	0	0	0	21,768	21,768
Restricted	0	206,404	4,736	91,574	67,654	370,368
Unassigned	(43,541)	0	0	0	0	(43,541)
Total Fund Balances	(43,541)	206,404	4,736	91,574	89,422	348,595
Total Liabilities, Deferred Inflows, and Fund Balances	$ 56,782	$ 225,032	$ 14,771	$ 91,574	$ 165,883	$ 554,042

Zion-Benton Public Library District
Combining Fund Schedule - Non-major Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficit)
For the Year Ended June 30, 2026

	Special Revenue Funds					
	Social Security	Illinois Municipal Retirement	Audit	Per Capita	Public Liability Insurance	Total
Revenues						
Property Taxes	$ 82,888	$ 71,960	$ 10,731	$ 0	$ 59,678	$ 225,257
Grants and Donations	0	0	0	72,821	0	72,821
Total Revenues	82,888	71,960	10,731	72,821	59,678	298,078
Expenditures						
Fringe Benefits						
Social Security	111,437	0	0	0	0	111,437
IMRF	0	56,872	0	0	0	56,872
Library Operations	0	0	0	52,249	46,452	98,701
Other Professional Services						
Audit Fee	0	0	9,000	0	0	9,000
Total Expenditures	111,437	56,872	9,000	52,249	46,452	276,010
Net Change in Fund Balances	(28,549)	15,088	1,731	20,572	13,226	22,068
Fund Balance (Deficit),						
Beginning of Year	(14,992)	191,316	3,005	71,002	76,196	326,527
End of Year	$ (43,541)	$ 206,404	$ 4,736	$ 91,574	$ 89,422	$ 348,595

Zion-Benton Public Library District
Social Security Fund
Budgetary Comparison Schedule
Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the Year Ended June 30, 2026

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Property Taxes	$ 83,342	$ 83,342	$ 82,888	$ (454)
Total Revenues	83,342	83,342	82,888	(454)
Expenditures				
Fringe Benefits				
FICA Employer Contributions	170,000	170,000	111,437	58,563
Total Expenditures	170,000	170,000	111,437	58,563
Net Change in Fund Deficit	$ (86,658)	$ (86,658)	(28,549)	$ 58,109
Fund Balance Deficit,				
Beginning of Year			(14,992)	
End of Year			$ (43,541)	

Zion-Benton Public Library District
Illinois Municipal Retirement Fund
Budgetary Comparison Schedule
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2026

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Property Taxes	$ 72,355	$ 72,355	$ 71,960	$ (395)
Total Revenues	72,355	72,355	71,960	(395)
Expenditures				
Fringe Benefits				
IMRF Employer Contribution	30,000	30,000	56,872	(26,872)
Total Expenditures	30,000	30,000	56,872	(26,872)
Net Change in Fund Balance	$ 42,355	$ 42,355	15,088	$ (27,267)
Fund Balance,				
Beginning of Year			191,316	
End of Year			$ 206,404	

Zion-Benton Public Library District
Audit Fund
Budgetary Comparison Schedule
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2026

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Property Taxes	$ 10,789	$ 10,789	$ 10,731	$ (58)
Total Revenues	10,789	10,789	10,731	(58)
Expenditures				
Other Professional Services				
Audit Fee	12,000	12,000	9,000	3,000
Total Expenditures	12,000	12,000	9,000	3,000
Net Change in Fund Balance	$ (1,211)	$ (1,211)	1,731	$ 2,942
Fund Balance,				
Beginning of Year			3,005	
End of Year			$ 4,736	

Zion-Benton Public Library District
Per Capita Fund
Budgetary Comparison Schedule
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2026

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Grants and Donations	$ 63,183	$ 63,183	$ 72,821	$ 9,638
Total Revenues	63,183	63,183	72,821	9,638
Expenditures				
Library Operations				
Material, Supplies, and Repairs	63,183	63,183	52,249	10,934
Total Expenditures	63,183	63,183	52,249	10,934
Net Change in Fund Balance	$ 0	$ 0	20,572	$ 20,572
Fund Balance,				
Beginning of Year			71,002	
End of Year			$ 91,574	

Zion-Benton Public Library District
Public Liability Insurance Fund
Budgetary Comparison Schedule
Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2026

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Property Taxes	$ 60,007	$ 60,007	$ 59,678	$ (329)
Total Revenues	60,007	60,007	59,678	(329)
Expenditures				
Library Operations				
Liability Insurance	51,000	51,000	35,246	15,754
Treasurer's Bond	2,700	2,700	2,626	74
Unemployment Compensation	6,000	6,000	0	6,000
Workers' Compensation	8,000	8,000	8,580	(580)
Total Expenditures	67,700	67,700	46,452	21,248
Net Change in Fund Balance	$ (7,693)	$ (7,693)	13,226	$ 20,919
Fund Balance,				
Beginning of Year			76,196	
End of Year			$ 89,422	