



**RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2019



SIKICH.COM

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT AUDITOR’S REPORT	1-2
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis	MD&A 1-6
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	3
Statement of Activities	4
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	5
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position.....	6
Statement of Revenues, Expenditures and Changes in Fund Balances ...	7
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities	8
Notes to Financial Statements	9-22
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	23
Illinois Municipal Retirement Fund	
Schedule of Employer Contributions	24
Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios	25
Notes to Required Supplementary Information.....	26

RIVER FOREST PUBLIC LIBRARY, ILLINOIS
RIVER FOREST, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
SUPPLEMENTARY INFORMATION	
Schedule of Expenditures - Budget and Actual - General Fund	27-28
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Improvement Fund	29

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
River Forest Public Library
River Forest, Illinois

We have audited the accompanying financial statements of the governmental activities and the major funds of the River Forest Public Library, River Forest, Illinois (the Library) as of and for the year ended April 30, 2019, and the notes to financial statements which collectively comprise the Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of the River Forest Public Library, River Forest, Illinois as of April 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As part of our audit of the 2019 financial statements, we also audited the adjustments described in Note 10 that were applied to restate the 2018 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2018 financial statements of the Library other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2018 financial statements as a whole.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Library's basic financial statements taken as a whole. The supplementary financial information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Sikich LLP

Naperville, Illinois
December 17, 2019

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

**River Forest Public Library
Management's Discussion and Analysis
April 30, 2019**



The River Forest Public Library (the "Library") Management's Discussion and Analysis is designed to: (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Library's financial activity, (3) identify changes in the Library's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget) and (5) identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in its Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is

required to be presented in the MD&A (see tables 1 and 2 on page MD&A-4 and MD&A-5.)

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Library's financial statements (beginning on page 3.)

Financial Highlights

- This year the total revenues were \$1,338,547 while the total expenses were \$1,339,443. Last year, the total revenues were \$1,309,593 while the total expenses were \$1,378,070. Excess of expenditures over revenues for fiscal year ending April 30, 2019 was \$896.
- The Library's combined net position decreased this year by \$592,061 to \$4,093,638 as a prior period adjustment of \$591,165 was made. This amount represented a correction of revenue recognition for property taxes for 1st quarter 2019 which had not yet been levied by the Library at April 30, 2019 and therefore were not measurable. The corrected restated position of the net position as of May 1, 2018 was \$4,094,534 and the net position as of April 30, 2019 was \$4,093,638, a net decrease of \$896. Total investment in capital assets was \$2,687,567. Capital improvements this year included the installation of a new computer server and wireless access points, purchase of new patron and staff laptops, a new overhead projector for the public meeting room, energy efficient lighting upgrades on our second floor and HVAC parts replacement. In addition, the Library contracted with an architectural firm to issue a set of construction plans for remodeling the lobby and adjacent staff work areas.
- The Library's long term liabilities increased by \$288,293 this year. Net pension liability increased from \$40,046 at December 31, 2018 to \$332,223 at December 31, 2019. More information on net pension liability and GASB 68 reporting may be found in Note 8 Defined Benefit Pension Plan on pages 17-21, in the Schedule of Employer Contributions on page 24, and in the Schedule of Proportionate Share of Net Pension Liability on Disclosures on page 25.
- Property taxes levied and recognized as revenue for 2019 and 2018 were \$1,240,735 and \$1,232,650, an increase of 0.66%.
- The Library continues to have the ability to devote resources toward maintaining and improving its facilities, equipment and collections. In 2019 and 2018, \$58,358 and \$44,238 was spent on capital outlays, and \$109,188 and \$113,906 was spent on materials collections for the Library, respectively.

River Forest Public Library
Management's Discussion and Analysis
April 30, 2019

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Library's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. The Library also includes in this report additional information to supplement the basic financial statements.

Government-Wide Financial Analysis

The government-wide financial statements are prepared using the full accrual basis of accounting and are designed to provide readers with a broad overview of the Library's finances, in a manner similar to private-sector businesses.

The Library's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Library's overall status.

The first of these government-wide statements is the *Statement of Net Position*. This is the Library-wide statement of position presenting information that includes all of the Library's assets, deferred outflows, liabilities, and deferred inflows with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Library as a whole is improving or deteriorating. Evaluation of the overall health of the Library would extend to other non-financial factors such as diversification of the taxpayer base or the condition of the Library's infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities* that reports how the Library's net position changed during the current fiscal year. An important purpose of the design of the statement of activities is to show the financial reliance of the Library's distinct activities or functions on revenues provided by the Library's taxpayers.

Both government-wide financial statements distinguish governmental activities of the Library that are principally supported by taxes, library fines and fees, and intergovernmental revenues, such as grants. The Library does not have any funds that would be considered business-type activities. The government-wide financial statements are presented on pages 3-4 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 Library uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Library's most significant funds rather than the Library 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 Library's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and the 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.

**River Forest Public Library
Management's Discussion and Analysis
April 30, 2019**

Fund Financial Statements (Continued)

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives.

Budgetary comparison schedules for the General Fund and the Capital Improvement Fund can be found in a later section of this report. These schedules demonstrate compliance with the Library's adopted annual appropriated budget.

The basic governmental fund financial statements are presented on pages 5-8 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 9 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The supplementary information includes the computation of the Library's IMRF Pension Disclosures. Supplementary information can be found on pages 27-29 of this report.

Financial Analysis

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the River Forest Library assets exceed liabilities by \$4,093,638 for the year ended April 30, 2019. A portion of the Library's net position reflects its net investment in capital assets of \$2,687,567. The Library uses these capital assets to provide services, and consequently these assets are not available to pay liabilities or for other spending. The unrestricted net position decreased \$204,386 to a balance of \$1,406,071 at April 30, 2019 which is available to fund future obligations.

**River Forest Public Library
Management's Discussion and Analysis
April 30, 2019**

Government-wide Financial Analysis (Continued)

**Table 1
Statement of Net Assets
Fiscal Years Ended April 30**

	2019	2018
Assets:		
Current assets	\$ 2,215,786	\$ 2,128,330
Non-current assets	2,687,567	2,758,374
Total assets	4,903,353	4,886,704
Deferred Outflows from Statement of Net position	227,860	111,468
Liabilities:		
Due in less than one year	38,372	46,959
Due in more than one year	342,153	53,860
Total Liabilities	380,525	100,809
Deferred Inflows	657,050	211,664
Net Position:		
Net Investment in Capital Assets	2,687,567	3,075,242
Restricted Amounts	0	0
Unrestricted Amount	1,406,071	1,610,457
Total Net Position	\$ 4,093,638	\$ 4,685,699

**River Forest Public Library
Management's Discussion and Analysis
April 30, 2019**

Government-wide Financial Analysis (Continued)

**Table 2
Changes in Net Position
Fiscal Years Ended April 30**

	<u>2019</u>	<u>2018</u>
Revenues:		
General Revenue		
Property taxes	\$ 1,240,735	\$ 1,232,650
Replacement taxes	12,421	12,035
Investment income	22,057	13,669
Other income	18,854	846
Charges for Services	15,027	18,855
Grants and Donations	<u>29,453</u>	<u>31,538</u>
Total Revenues	<u>1,338,948</u>	<u>1,309,593</u>
Functions/Programs		
Governmental activities		
Library Services	<u>1,339,443</u>	<u>1,378,070</u>
Total		
Functions/Programs	<u>1,339,443</u>	<u>1,378,070</u>
Change in net position	(896)	(68,477)
Net Position, beginning of year	4,685,699	4,754,176
Prior Period Adjustment	<u>591,165</u>	<u>0</u>
Net Position, Restated	<u>4,094,534</u>	<u>4,754,176</u>
Net Position, end of year	\$ <u>4,093,638</u>	\$ <u>4,685,699</u>

**River Forest Public Library
Management's Discussion and Analysis
April 30, 2019**

Budgetary Highlights – Fund Financial Statements

The General Fund on page 23 is reported as a major fund, and accounts for the operations of the Library. Revenues in the General Fund were \$1,333,948, which was \$13,052 under budget. Expenditures, including a budgeted transfer of \$31,075 to the Capital Improvement Fund, were \$1,232,830 which was \$114,170 under budget. Total excess of revenues over expenditures for the year was \$101,118.

The Library began to reserve money in a Capital Improvement Fund in 2014 to save for future capital needs. Per Board resolution, a minimum of 2.5% of projected annual tax receipts will be budgeted for transfer to the Capital Improvement Fund from the General Fund on an annual basis. In March 2019, \$31,075 of FY 2018-19 tax receipts was moved to the Capital Improvement Fund.

In addition, any excess operating funds from the prior year may also be transferred to the Capital Improvement Fund at the discretion of the Board. \$107,658 of excess revenues from FY 2017-18 were transferred by Board authority to the Capital Improvement fund in November 2018. This amount represented the entire excess of operating revenues over operating expenditures for FY 2017-18.

The net budget variance in the General Fund for the fiscal year ending April 30, 2019 was an unfavorable \$6,540 due to the transfer of \$138,733 total to the Capital Improvement Fund.

Capital Assets/Debt Service

The Library's investment in capital assets, net of depreciation, as of April 30, 2019 amounts to \$2,687,567. The investment in capital assets includes land, buildings, leasehold improvements, and library materials. Capital assets decreased in 2019 by \$70,807.

The library has no long term debt on which to report at this time.

Additional information on the capital assets can be found in the Note 4-Capital Assets to financial statements on page 16.

Description of Current or Expected Conditions

At the time these financial statements were prepared and audited, the Library was not aware of any existing circumstances that would adversely affect its financial health in the near future.

Requests for Information

This financial report is designed to provide a general overview of the Library's finances, comply with finance related laws and regulations and demonstrate the Library's commitment to public accountability. If you have any questions about this report or would like to request additional information, please contact:

Susan Quinn, Library Director
River Forest Public Library
735 Lathrop Ave
River Forest, Illinois 60305
708-366-5205

**RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS**

STATEMENT OF NET POSITION

April 30, 2019

	Governmental Activities
	<u> </u>
ASSETS	
Cash and investments	\$ 1,565,529
Receivables	
Property taxes	626,044
Grants	13,965
Prepaid expenses	10,248
Capital assets not being depreciated	24,058
Capital assets (net of accumulated depreciation)	<u>2,663,509</u>
 Total assets	 <u>4,903,353</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension items - IMRF	<u>227,860</u>
 Total deferred outflows of resources	 <u>227,860</u>
 Total assets and deferred outflows of resources	 <u>5,131,213</u>
EXCESS (DEFICIENCY) OF REVENUES	
Accounts payable	5,528
Accrued payroll	31,741
Noncurrent liabilities	
Due within one year	1,103
Due in more than one year	<u>342,153</u>
 Total other financing sources (uses)	 <u>380,525</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred revenue - property taxes	626,044
Pension items - IMRF	<u>31,006</u>
 Total deferred inflows of resources	 <u>657,050</u>
 Total liabilities and deferred inflows of resources	 <u>1,037,575</u>
NET POSITION	
Net investment in capital assets	2,687,567
Unrestricted	<u>1,406,071</u>
 TOTAL NET POSITION	 <u><u>\$ 4,093,638</u></u>

See accompanying notes to financial statements.

**RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2019

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating	Capital	
			Grants and	Grants and Contributions	
					Governmental Activities
Governmental activities					
Library Services	\$ 1,339,443	\$ 15,027	\$ 29,453	\$ -	\$ (1,294,963)
Total governmental activities	1,339,443	15,027	29,453	-	(1,294,963)
TOTAL	\$ 1,339,443	\$ 15,027	\$ 29,453	\$ -	(1,294,963)

General Revenues

Taxes

Property

1,240,735

Replacement

12,421

Donation

1,988

Investment income

22,057

Miscellaneous

16,866

Total

1,294,067

CHANGE IN NET POSITION

(896)

NET POSITION, MAY 1

4,685,699

Prior period adjustment

(591,165)

NET POSITION, MAY 1, RESTATED

4,094,534

NET POSITION, APRIL 30

\$ 4,093,638

See accompanying notes to financial statements.

**RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS**

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2019

	General	Capital Improvement	Total
ASSETS			
Cash and investments	\$ 1,177,082	\$ 388,447	\$ 1,565,529
Receivables			
Property taxes	626,044	-	626,044
Grants	13,965	-	13,965
Prepaid items	10,248	-	10,248
TOTAL ASSETS	\$ 1,827,339	\$ 388,447	\$ 2,215,786
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 5,528	\$ -	\$ 5,528
Accrued payroll	31,741	-	31,741
Total liabilities	37,269	-	37,269
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues - property taxes	626,044	-	626,044
Total liabilities and deferred inflows of resources	663,313	-	663,313
FUND BALANCES			
Not Total other financing sources (uses)			
Prepaid items	10,248	-	10,248
Assigned			
Capital projects	-	388,447	388,447
Unassigned	1,153,778	-	1,153,778
Total fund balances	1,164,026	388,447	1,552,473
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,827,339	\$ 388,447	\$ 2,215,786

See accompanying notes to financial statements.

**RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS**

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

April 30, 2019

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 1,552,473
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	2,687,567
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	196,854
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Net pension liability - IMRF	(332,223)
Compensated absences payable	(11,033)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 4,093,638</u></u>

See accompanying notes to financial statements.

**RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2019

	General	Capital Improvement	Total
REVENUES			
Taxes	\$ 1,253,156	\$ -	\$ 1,253,156
Grant income	29,453	-	29,453
Fines and fees	15,027	-	15,027
Donations	1,988	-	1,988
Investment income	17,458	4,599	22,057
Miscellaneous	16,866	-	16,866
Total revenues	1,333,948	4,599	1,338,547
EXPENDITURES			
Current			
Library services	1,188,813	-	1,188,813
Capital outlay	12,942	71,754	84,696
Total expenditures	1,201,755	71,754	1,273,509
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	132,193	(67,155)	65,038
OTHER FINANCING SOURCES (USES)			
Transfers in	-	138,733	138,733
Transfers (out)	(138,733)	-	(138,733)
Total other financing sources (uses)	(138,733)	138,733	-
NET CHANGE IN FUND BALANCE	(6,540)	71,578	65,038
FUND BALANCES, MAY 1	1,170,566	316,869	1,487,435
FUND BALANCES, APRIL 30	\$ 1,164,026	\$ 388,447	\$ 1,552,473

See accompanying notes to financial statements.

**RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2019

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 65,038
Amounts reported for governmental activities in the statement of activities are different because:	
The purchase of capital assets are shown as an expenditure in governmental funds but are capitalized and depreciated over their useful life on the statement of activities	167,546
Depreciation expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(238,353)
The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(292,177)
The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	<u>297,050</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (896)</u></u>

See accompanying notes to financial statements.

**RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

April 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the River Forest Public Library, River Forest, Illinois (the Library) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Library's accounting policies are described below.

a. Reporting Entity

The Library is a library corporation governed by a seven-member Board of Trustees. As required by GAAP, these financial statements present the Library and any existing component units.

The River Forest Public Library Foundation

The Library has determined that the River Forest Public Library Foundation (the Foundation) meets the requirements of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement 14*, and GASB Statement No. 61, *The Financial Reporting Entity – Omnibus*. However, as the Foundation is not significant to the Library and, therefore, is not included in this report.

The Oak Park River Forest Community Foundation holds assets on behalf of the Library as an endowment for the Library. The Library does not have access to the assets and only receives annual distributions of investment income from the endowment. Because the Library does not have access to or the ability to spend the endowment, those assets have not been recorded as Library assets.

b. Fund Accounting

The accounts of the Library 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 that comprise its assets, liabilities, fund balance, revenues and expenditures, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

The Library's expendable resources are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The Library reports two governmental funds, the General Fund, which is used to account for all of the Library's general activities and the Capital Improvement Fund, which is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Library. Governmental activities are normally supported by taxes and intergovernmental revenues.

c. Government-Wide and Fund Financial Statements

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Library reports the following major governmental funds:

The General Fund is the Library's primary operating fund. It accounts for all financial resources of the Library.

The Capital Improvement Fund is used to account for and report financial resources that are assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred.

The modified accrual basis of accounting is followed by the governmental funds on the fund financial statements. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Library considers property taxes and other revenues as available if they are collected within 60 days after year end in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Those revenues susceptible to accrual are property taxes and investment income. Fine revenue is not susceptible to accrual because generally it is not measurable until received in cash.

The Library reports unearned revenue and deferred/unavailable revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet the availability criteria for recognition in the current period, under the modified accrual basis of accounting.

Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the Library before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Library has a legal claim to the resources, the liability and deferred inflows of resource for unearned and deferred/unavailable revenue are removed from the financial statements and revenue is recognized.

e. Cash and Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Capital Assets

Capital assets, which include land, buildings and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Library as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Buildings and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	15-50
Machinery and equipment	3-7
Library materials	5

g. Compensated Absences

Library employees earn vacation at a rate of 5/6 equivalent days per pay period. Employees may accumulate up to 20 equivalent days at a time. Vested or accumulated vacation and compensatory time, including related Social Security and Medicare, that is owed retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated vacation and compensatory time of governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to active employees. The Library allows accumulation of sick leave hours but these may only be applied towards retirement and are not paid out at termination, thus no liability has been recorded for sick leave.

h. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Fund Equity/Net Position

Governmental funds' equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned or unassigned. Nonspendable fund balance is reported for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the Library Board of Trustees, which is considered the Library's highest level of decision-making authority. Formal actions include resolutions approved by the Library Board of Trustees.

Assigned fund balance represents amounts constrained by the Library's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Library Director or the Director's designee through the approved fund balance policy of the Library. Additionally, the Library has established a minimum fund balance policy which states a minimum of three months operating expense is maintained in the Operating Fund. Any expenditure that would bring the Operating Fund below this threshold must be approved by Board of Trustees resolution and accompanied by a written plan to return the Operating Fund to the appropriate level of reserves. Any residual fund balance of the General Fund and any deficits in other funds, if any, are reported as unassigned.

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

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. At April 30, 2019, no net position restrictions were the result of enabling legislation adopted by the Library. Net investment in capital assets represents the Library's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset. Unrestricted net position consists of net position that does not meet the definition of restricted or net investments in capital assets.

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Use of Estimates

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

2. DEPOSITS AND INVESTMENTS

a. Deposits with Financial Institutions

The Library categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Deposits and investments are governed by the Library's investment policy.

b. Investments

It is the policy of the Library to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Library and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are legality, safety (preservation of capital and protection of investment principal), liquidity, yield and simplicity of management.

The Illinois Compiled Statutes (ILCS) and the Library's investment policy permit investments in commercial banks and savings and loan institutions (if a member of FDIC or NCUA), certificates of deposit, securities guaranteed by the United States Government, money market mutual funds registered under the Investment Company Act of 1940 and any other investments allowed under state law that satisfy the investment objectives of the Library.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Library's deposits may not be returned to it. The Library's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held by an agent of the Library in the Library's name.

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

The following table presents the investments and maturities of the Library’s debt securities as of April 30, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Negotiable CD’s	\$ 538,036	\$ 291,933	\$ 246,103	\$ -	\$ -
TOTAL	\$ 539,036	\$ 291,933	\$ 246,103	\$ -	\$ -

In accordance with its investment policy, the Library limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a seven-month period. Investment maturities should not exceed five years.

The Library limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government and The Illinois Funds. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in possession of an outside party. The Library’s investments are not exposed to custodial credit and the Library’s investment policy is silent in regards to custodial credit risk.

3. PROPERTY TAXES

Property taxes for the 2018 levy year attach as an enforceable lien on January 1, 2018, on property values assessed as of the same date. Taxes are levied by December of the same year by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued and are payable in two installments, on or about April 1, 2019 and August 1, 2019. The County collects such taxes and remits them periodically. The Library recognizes property tax revenues when they become both measurable and available in the fiscal year that the tax levy is intended to finance. The 2019 tax levy, which attached as an enforceable lien on property as of January 1, 2019, has not been recorded as a receivable as of April 30, 2019 as the tax has not yet been levied by the Library and will not be levied until December 2019 and, therefore, the levy is not measurable at April 30, 2019.

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

The following is a summary of changes in capital assets during the fiscal year:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Construction in progress	\$ -	\$ 24,058	\$ -	\$ 24,058
Total capital assets not being depreciated	-	24,058	-	24,058
Capital assets being depreciated				
Building and improvements	4,355,687	-	-	4,355,687
Machinery and equipment	405,090	34,300	-	439,390
Library materials	1,791,593	109,188	(259,697)	1,641,084
Total capital assets being depreciated	6,552,370	143,488	(259,697)	6,436,161
Less accumulated depreciation for				
Building and improvements	1,915,820	84,229	-	2,000,049
Machinery and equipment	310,661	42,865	-	353,526
Library materials	1,567,515	111,259	(259,697)	1,419,077
Total accumulated depreciation	3,793,996	238,353	(259,697)	3,772,652
Total capital assets being depreciated, net	2,758,374	(94,865)	-	2,663,509
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 2,758,374	\$ (70,807)	\$ -	\$ 2,687,567

5. RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

6. LONG-TERM DEBT

The following is a summary of changes in long-term liabilities for the fiscal year:

	Beginning Balances	Additions	Retirements	Ending Balances	Current Portion
Compensated absences	\$ 11,033	\$ -	\$ -	\$ 11,033	\$ 1,103
IMRF net pension liability	40,046	292,177	-	332,223	-
TOTAL LONG-TERM LIABILITIES	\$ 51,079	\$ 292,177	\$ -	\$ 343,256	\$ 1,103

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INTERFUND TRANSACTIONS

Transfers

Transfers between funds during the year (none of which will be repaid) were as follows:

	Transfers In	Transfers Out
Building and equipment maintenance	\$ -	\$ 138,733
Capital reserve	138,733	-
TOTAL ALL FUNDS	\$ 138,733	\$ 138,733

The purposes of significant interfund transfers are as follows:

- \$107,658 transferred from the General Fund to the Capital Improvement Fund represents the excess of revenues over expenditures for fiscal year 2018 to be reserved for future capital projects.

8. DEFINED BENEFIT PENSION PLAN

The Library contributes, through the Village of River Forest (the Village), to the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. However, the Library's participation in IMRF is equivalent to a cost-sharing, multiple-employer pension plan since only one actuarial valuation is performed for both the Village and the Library combined. All disclosures for an agent plan can be found in the Village's comprehensive annual financial report.

Illinois Municipal Retirement Fund

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

8. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village and Library are required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the fiscal years ended April 30, 2018 and 2019 was 11.14% and 9.69% of covered payroll, respectively. For the year ended April 30, 2019, salaries totaling \$473,497 were paid that required employer contributions of \$45,885, which was equal to the Library's actual contributions.

Net Pension Liability

At April 30, 2019, the Library reported a liability of \$332,223 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability was based in the Library's actual contribution to the plan for the year ended December 31, 2019 relative to the contributions of the Village, actuarially determined. At April 30, 2019, the Library's proportion was 14.61% of the total contribution.

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The Library's net pension liability was measured as of December 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31,2018
Actuarial cost method	Entry-age normal
Assumptions inflation	2.50%
Salary increases	3.39% to 14.25%
Discount rate	7.25%
Cost of living adjustments	3.00%
Asset valuation method	Market value

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

Discount Rate

The discount rate used to measure the IMRF total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Library's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate (Continued)

Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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

For the year ending April 30, 2019, the Library recognized pension expense of \$6,156. At April 30, 2019, the Library reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Difference between expected and actual experience	\$ 34,550	\$ 31,074
Changes in assumption	47,839	34
Contributions made after measurement date	16,762	-
Net difference between projected and actual Earnings on Pension Plan investments	<u>128,709</u>	<u>-</u>
TOTAL	<u>\$ 227,860</u>	<u>\$ 31,108</u>

The contributions of \$23,600 were made after the plan's measurement date and will be recognized in pension expense for the fiscal year ending April 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2020	\$ 62,441
2021	42,425
2022	20,799
2023	54,325
2024	-
Thereafter	<u>-</u>
TOTAL	<u>\$ 179,990</u>

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.50%)	1% Increase (8.25%)
Net pension liability	\$ 630,432	\$ 332,211	\$ 89,439

9. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Library provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and any employer contributions are governed by the Library and can be amended by the Library through its personnel manual and union contracts. The plan does not issue a separate report. The activity of the plan is reported in the Library's governmental activities. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

b. Benefits Provided

The Library provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under the Library's retirement plan or meet COBRA requirements.

All health care benefits are provided through the Library's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Eligibility in library sponsored health care plans is discontinued upon eligibility for federally sponsored health care benefits.

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Total OPEB Liability

Based on the size of the Library, the number of active plan members, the lack of any retirees participating in the plan and actuarial valuations the Library's total OPEB liability as of April 30, 2019 is immaterial and, therefore, not recorded by the Library and no further disclosure is deemed necessary.

10. PRIOR PERIOD ADJUSTMENT

Net position has been restated as described below. The details of these restatements are as follows:

	<u>Governmental Activities</u>
Net position/fund balance - April 30, 2018 (as reported)	\$ 4,685,699
Correction of revenue recognition - property taxes	(604,979)
Removal of immaterial OPEB liability	<u>13,814</u>
Net position/fund balance - April 30, 2019 (as restated)	<u><u>\$ 4,094,534</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

**RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND

For the Year Ended April 30, 2019

	Final Budget	Actual	Variance Over (Under) Budget
REVENUES			
Taxes			
Property taxes	\$ 1,270,000	\$ 1,240,735	\$ (29,265)
Replacement taxes	14,000	12,421	(1,579)
Intergovernmental			
State grants	8,600	13,975	5,375
Other grants	11,100	15,478	4,378
Fines and fees	14,800	15,027	227
Donations	16,000	1,988	(14,012)
Investment income	12,000	17,458	5,458
Miscellaneous	500	16,866	16,366
Total revenues	1,347,000	1,333,948	(13,052)
EXPENDITURES			
Library services			
Personnel	857,400	785,197	(72,203)
Library materials	171,000	167,571	(3,429)
Library operations	129,700	113,416	(16,284)
Building maintenance and operations	86,800	90,405	3,605
Professional services	40,600	32,224	(8,376)
Capital outlay	16,500	12,942	(3,558)
Total expenditures	1,302,000	1,201,755	(100,245)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	45,000	132,193	87,193
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(45,000)	(138,733)	(87,193)
Total other financing sources (uses)	(45,000)	(138,733)	(87,193)
NET CHANGE IN FUND BALANCE	\$ -	(6,540)	\$ -
FUND BALANCE, MAY 1		1,170,566	
FUND BALANCE, APRIL 30		\$ 1,164,026	

(See independent auditor's report.)

**RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS**

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Fiscal Years

	2016	2017	2018	2019
Actuarially determined contribution	\$ 48,305	\$ 48,278	\$ 54,042	\$ 50,507
Contributions in relation to the actuarially determined contribution	48,305	48,278	54,042	
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ 50,507
Covered-employee payroll	\$ 415,851	\$ 425,939	\$ 469,275	\$ 473,497
Contributions as a percentage of covered-employee payroll	11.62%	11.33%	11.52%	-

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 25 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually, and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS**

SCHEDULE OF EMPLOYERS PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018
Employer's proportion of the net pension liability	14.18%	13.73%	14.55%	14.48%
Employer's proportionate share of the net pension liability	\$ 265,099	\$ 225,375	\$ 40,046	
Employer's covered payroll	415,851	425,939	485,120	473,497
Employer's proportionate share of the net pension liability as a percentage of it's covered payroll	63.75%	52.91%	8.25%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	87.29%	87.85%	97.25%	84.80%

Notes to Required Supplementary Information

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2019

BUDGETS

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted (at the fund level) for the General Fund and Capital Projects Fund on the modified accrual basis. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

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

- a. Prior to March 1, the Library Director submits to the Library Board of Trustees a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- b. The budget is made available to the public for at minimum 30 days.
- c. Prior to May 1, the budget is presented to the Village Board of Trustees and legally enacted by Village Board of Trustees action. This is the amount reported as original budget.
- d. The Library Director is authorized to transfer budgeted amounts up to \$5,000 between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by vote of the Library Board of Trustees and communicated the Village or River Forest for inclusion in their amended budget.
- e. Budgets are adopted and formal budgetary integration is employed as a management control device during the year for the General Fund and the Capital Improvement Fund.
- f. State law requires that “expenditures be made in conformity with appropriations/budget.” As under the budget act, transfers between line items, departments and funds may be made by administrative action. The fund budget reflects all amendment needs.

Expenditures did not exceed final budget in the current year.

SUPPLEMENTARY INFORMATION

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2019

	Original and Final Budget	Actual
LIBRARY SERVICES		
Personnel		
Staff salaries	\$ 685,000	\$ 641,426
Health insurance	56,000	40,255
Staff development	6,400	5,060
FICA	53,000	47,949
IMRF	57,000	50,507
Total personnel	857,400	785,197
Library materials		
Books	72,250	70,229
Periodicals - subscriptions	6,500	5,983
Audio books and eBooks	87,250	86,911
Supplies	5,000	4,448
Total library materials	171,000	167,571
Library operations		
Automation	62,500	55,901
Advertisement	3,000	2,896
Interlibrary loan	800	(118)
Office supplies	13,000	11,465
Payroll service	3,000	3,227
Printing	5,000	4,450
P. Total other financing sources (uses)	38,800	31,995
Postage	3,600	3,600
Total library operations	129,700	113,416

(See independent auditor's report.)

RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2019

	Original and Final Budget	Actual
LIBRARY SERVICES (Continued)		
Building maintenance and operations		
Utilities - heating and electricity	\$ 9,000	\$ 8,476
Water and sewer	2,000	1,565
Custodial supplies	4,800	3,680
Insurance	11,000	10,149
Services	60,000	66,535
	<hr/>	<hr/>
Total building maintenance and operations	86,800	90,405
	<hr/>	<hr/>
Professional services		
Legal fees	6,000	5,654
Professional fees	27,600	19,820
Audit	7,000	6,750
	<hr/>	<hr/>
Total professional services	40,600	32,224
	<hr/>	<hr/>
CAPITAL OUTLAY	16,500	12,942
	<hr/>	<hr/>
TOTAL EXPENDITURES	\$ 1,302,000	\$ 1,201,755
	<hr/> <hr/>	<hr/> <hr/>

**RIVER FOREST PUBLIC LIBRARY
RIVER FOREST, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
CAPITAL IMPROVEMENT FUND

For the Year Ended April 30, 2019

	Original and Final Budget	Actual	Variance Over (Under) Budget
REVENUES			
Interest income	\$ -	\$ 4,599	\$ 4,599
Total revenues	-	4,599	4,599
EXPENDITURES			
Capital outlay	436,000	71,754	364,246
Total expenditures	436,000	71,754	364,246
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	(436,000)	(67,155)	368,845
OTHER FINANCING SOURCES (USES)			
Transfers in	45,000	138,733	93,733
Total other financing sources (uses)	45,000	138,733	93,733
NET CHANGE IN FUND BALANCE	\$ (391,000)	71,578	\$ 462,578
FUND BALANCE, MAY 1		316,869	
FUND BALANCE, APRIL 30		\$ 388,447	

(See independent auditor's report.)