

WILMINGTON PUBLIC LIBRARY DISTRICT

Wilmington, Illinois

ANNUAL FINANCIAL REPORT

For the Year Ended
June 30, 2023

WILMINGTON PUBLIC LIBRARY DISTRICT

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BRANDT & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the President and Board of Trustees
Wilmington Public Library District
Wilmington, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of governmental activities, each major fund, and the aggregate remaining fund information of the Wilmington Public Library District (the Library), as of and for the year ended June 30, 2023, and the related notes to the financial statements which collectively comprise the Library's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Wilmington Public Library District, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 the 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 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.

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 the Library'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 GAAS and Government 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 GAAS and *Government 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 the Library'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 the Library'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.

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

Other Information

Management is responsible for the other information included in the annual report. The other information is comprised of the Property Tax Assessed Valuations, Rates, Extensions, and Collections but does not include the Wilmington Public Library District’s basic financial statements and our auditor’s report thereon. other information comprises the Wilmington Public Library’s basic financial statements but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 10, 2023 on our consideration of the Wilmington Public Library District internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.

The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Wilmington Public Library District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wilmington Public Library District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Brandt & Associates, P.C." in a cursive, flowing script.

Brandt & Associates, P.C.
Certified Public Accountants
Morris, Illinois
November 10, 2023

WILMINGTON PUBLIC LIBRARY DISTRICT

Management's Discussion and Analysis (unaudited)

June 30, 2023

As management of the Wilmington Public Library District (Library), we offer readers of the Library's statements this narrative overview and analysis of the financial activities of the Library for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information found in the notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the Library exceeded its liabilities and deferred inflows at June 30, 2023 by \$1,385,833 (net position). Of this amount, \$815,903 (unrestricted net position) may be used to meet the Library's ongoing obligations to citizens and creditors.
- The Library's total net position increased by \$101,437. The stable financial situation was due to a concerted effort to reduce costs in all aspect of the District's operations in addition to obtaining more funding.
- At June 30, 2023, the Library's governmental funds reported combined ending fund balances of \$863,170, an increase of \$47,735 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Library's basic financial statements. The Library's basic financial statements comprise three components:

- 1) Government-Wide Financial Statements
- 2) Fund Financial Statements
- 3) Notes to the Financial Statements.

This report also contains other supplementary information in addition to the basic financial statements themselves. This Management's Discussion and Analysis is intended to explain the significant changes in financial position and differences in operation between the current and prior years.

Government-Wide Financial Statements are designed to provide readers with a broad overview of the Library's finances, in a manner similar to private-sector business.

The Statement of Net Position includes all of the Library's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position are an indicator of whether its financial position is improving or deteriorating, respectively.

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

The government-wide financial statement show functions of the Library that are principally supported by taxes, fees, and other revenues (governmental activities). The Library does not conduct functions intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Library include providing general library services and general governmental administrative services. The governmental-wide financial statement can be found on pages 5 through 7 of this report.

WILMINGTON PUBLIC LIBRARY DISTRICT

Management's Discussion and Analysis (unaudited)

June 30, 2023

Fund Financial Statements are a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Library, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Library can be allocated into single category: governmental funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Library's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Library maintains one individual major governmental fund. The General Fund (Corporate Fund) is used to account for funds received from general property taxes and other general revenue, and to account for expenditures made for general Library purposes.

Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, which is considered to be a major fund.

The basic governmental fund financial statements can be found on pages 7 through 10 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 11 through 28 of this report.

Other Information is in addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Library's progress in meeting its obligation to provide library services to all of its residents.

The Library adopts an annual budget and appropriation ordinance that includes the General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the adopted budget and appropriation ordinance.

The budgetary comparison statement and related notes can be found on pages 29 through 30 of this report.

WILMINGTON PUBLIC LIBRARY DISTRICT

Management's Discussion and Analysis (unaudited)

June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the government's financial position. In the case of the Library, assets and deferred outflows exceeded liabilities and deferred inflows by \$1,385,833 at June 30, 2023.

The District's net position increased by \$101,437 during the year ended June 30, 2023.

Wilmington Public Library District's Net Position at Year End

	Governmental Activities	
	FY 2023	FY 2022
Current and other assets	\$ 1,185,087	\$ 1,127,055
Noncurrent and capital assets	410,293	731,451
Total Assets	<u>1,595,380</u>	<u>1,858,506</u>
Deferred outflows of resources	<u>299,783</u>	<u>44,734</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,895,163</u>	<u>\$ 1,903,240</u>
Current liabilities	\$ 22,434	\$ 5,753
Long-term liabilities	-	-
Total Liabilities	<u>22,434</u>	<u>5,753</u>
Deferred inflows of resources	<u>486,896</u>	<u>613,092</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>509,330</u>	<u>618,845</u>
Invested in capital assets, net of related debt	372,654	364,042
Restricted	233,438	212,147
Unrestricted	<u>779,741</u>	<u>708,207</u>
NET POSITION AS OF JUNE 30	<u>\$ 1,385,833</u>	<u>\$ 1,284,396</u>

WILMINGTON PUBLIC LIBRARY DISTRICT

Management's Discussion and Analysis (unaudited)

June 30, 2023

A significant portion of the District's net position (27%) reflects investment in capital assets (e.g., land, buildings, library collection and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Library's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The portion of the Library's net position (44%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$779,741, maybe used to meet the Library's ongoing obligations to citizens and creditors.

At June 30, 2023, the Library is able to report positive balances in all three categories of net position. The same situation held true for the prior fiscal year.

Governmental Activities- Governmental activities increased the Library's net position by \$101,437. The key elements of this increase are as follows:

Wilmington Public Library District's Change in Net Assets

	Governmental Activities	
	FY 2023	FY 2022
REVENUES		
Program Revenues		
Charges for services	\$ 9,816	\$ 2,625
Grants and contributions	65,398	33,541
General Revenues		
Property taxes	781,408	759,956
Replacement Taxes	66,961	49,224
Landfill Fees	18,125	15,530
Interest Income	16,730	545
Miscellaneous	649	8,929
TOTAL REVENUES	<u>959,087</u>	<u>870,350</u>
EXPENSES		
General government	<u>857,650</u>	<u>684,018</u>
TOTAL EXPENSES	<u>857,650</u>	<u>684,018</u>
Increase in Net Assets	<u>101,437</u>	<u>186,332</u>
BEGINNING NET ASSETS, JULY 1	<u>\$ 1,284,396</u>	<u>\$ 1,098,064</u>
ENDING NET ASSETS, JUNE 30	<u>\$ 1,385,833</u>	<u>\$ 1,284,396</u>

WILMINGTON PUBLIC LIBRARY DISTRICT

Management's Discussion and Analysis (unaudited)

June 30, 2023

Program revenues of \$75,214 comprised of charges for services and grants and contributions, represent 7.8% of total revenues and covers 8.8% of government expenses. As expected, general revenues of \$883,873 represent 92.16% of all revenues and provide the required support and coverage for expenses. The largest component of general revenues is represented by property taxes, which increased by \$21,452 this year. Total revenues increased by \$88,737 during the current year.

The library services function is the only expense function of the District. Salaries, employee retirement costs, and benefits for personnel of \$591,454 are the largest expense type at 68.96% of total expenses, which represents a \$34,916 (6.27%) increase over the prior year.

FINANCIAL ANALYSIS OF THE LIBRARY'S FUNDS

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

Governmental Funds are to provide information on the Library's near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Library's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Library's net resources available for spending at the end of the fiscal year.

The continuous favorable financial performance of the District as a whole is reflected in its governmental funds. At the end of the fiscal year, the District's governmental funds reported combined ending fund balances of \$863,170. \$629,732 of this amount constitutes unassigned fund balance of the General Fund that is available as of the end of the fiscal year for spending on future operations. The fund balance of the General Fund increased by \$32,080 during the year end June 30, 2023.

GENERAL FUND BUDGETARY HIGHLIGHTS

Significant differences between the final budget and the actual revenues and expenditures are summarized as follows:

- The difference between the estimated revenues and the actual revenues was \$51,929 (favorable).
- The difference between the estimated expenditures and the actual expenditures was \$128,346 (favorable).

WILMINGTON PUBLIC LIBRARY DISTRICT

Management's Discussion and Analysis (unaudited)

June 30, 2023

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets- The Library's investment in capital assets for its governmental activities as of June 30, 2023, amount to \$372,654 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, and equipment.

Net capital assets increased by \$8,612 for the 2023 fiscal year. The District expended available resources to acquire \$44,788 in capital asset additions during the year. The additions to capital assets, in the amount of \$44,788 consisted improvements to the parking lot and building and other furniture and office equipment. These additions are reduced by the current year's depreciation expense of \$36,176.

Wilmington Public Library District's Capital Assets (Net of Depreciation)

	Governmental Activities	
	June 30, 2023	June 30, 2022
Land	\$ 121,565	\$ 121,565
Building & Improvements	186,502	201,808
Land improvements	40,894	18,762
Furniture, Fixtures, and Equipment	23,693	21,907
Total	<u>\$ 372,654</u>	<u>\$ 364,042</u>

Additional information on the District's capital assets can be found in Note 4 on page 19 of this report.

Long-Term Debt- At June 30, 2023, the District had no debt outstanding.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The equalized assessed valuation (EAV) for the Library for 2022 is \$852,147,732. That represents an increase in EAV of \$52,320,722 over the prior year's EAV.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Library's finances for all those with an interest in the Library's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Board of Trustees, Wilmington Public Library District, 201 S. Kankakee St., Wilmington, IL 60481.

BASIC FINANCIAL STATEMENTS

WILMINGTON PUBLIC LIBRARY DISTRICT

Statement of Net Position

June 30, 2023

ASSETS	
Cash and Investments	\$ 701,389
Property Taxes Receivable	391,683
Other Receivables	43,541
Prepaid Expenses	6,384
Restricted Cash and Cash Equivalents	42,090
Net Pension Asset	37,639
Capital Assets (net of accumulated depreciation)	372,654
Total Assets	<u>1,595,380</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows, IMRF	299,783
Total Deferred Outflows of Resources	<u>299,783</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,895,163</u>
LIABILITIES	
Accounts Payable and Accrued Expenses	\$ 22,434
Total Liabilities	<u>22,434</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable Property Taxes	299,483
Deferred Inflow, IMRF	187,413
Total Deferred Inflows of Resources	<u>486,896</u>
Total Liabilities and Deferred Inflows of Resources	<u>509,330</u>
NET POSITION	
Net Investment in Capital Assets	372,654
Restricted	
Nonspendable Restricted Cash Balance	48,474
Special Revenue Funds	184,964
Unrestricted	<u>779,741</u>
Total Net Position	<u>1,385,833</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 1,895,163</u>

The Notes to Basic Financial Statements are an integral part of this statement.

WILMINGTON PUBLIC LIBRARY DISTRICT

Statement of Activities

June 30, 2023

	Program Revenues			
Expenses	Charges for Services	Operating Grants and Contributions	Total	
FUNCTIONS/PROGRAMS				
Governmental Activities				
General Government - Library Services	\$ 857,650	\$ 9,816	\$ 65,398	\$ (782,436)
TOTAL PRIMARY GOVERNMENT	857,650	9,816	65,398	(782,436)
General Revenues				
Taxes				
Property taxes				781,408
Replacement taxes				66,961
Landfill fees				18,125
Interest income				16,730
Miscellaneous income				649
Transfers				-
Total				883,873
CHANGE IN NET POSITION				101,437
NET POSITION, JULY 1 (RESTATED)				1,284,396
NET POSITION, JUNE 30				\$ 1,385,833

The Notes to Basic Financial Statements are an integral part of this statement.

WILMINGTON PUBLIC LIBRARY DISTRICT

Balance Sheet—Governmental Funds

June 30, 2023

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 568,674	\$ 132,715	\$ 701,389
Other receivables	43,541	-	43,541
Property tax receivables	318,864	72,819	391,683
Prepaid expenses	-	6,384	6,384
Restricted cash and cash equivalents	-	42,090	42,090
Total Assets	<u>\$ 931,079</u>	<u>\$ 254,008</u>	<u>\$ 1,185,087</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable and accrued expenses	<u>\$ 20,380</u>	<u>\$ 2,054</u>	<u>\$ 22,434</u>
Total Liabilities	<u>20,380</u>	<u>2,054</u>	<u>22,434</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Property Taxes	<u>243,805</u>	<u>55,678</u>	<u>299,483</u>
Total Deferred Inflows of Resources	<u>243,805</u>	<u>55,678</u>	<u>299,483</u>
Total Liabilities and Deferred Inflows of Resources	<u>264,185</u>	<u>57,732</u>	<u>321,917</u>
FUND BALANCES			
Nonspendable	-	48,474	48,474
Restricted			
Special Revenues	-	147,802	147,802
Committed	37,162	-	37,162
Unrestricted			
Unassigned	<u>629,732</u>	<u>-</u>	<u>629,732</u>
Total Fund Balances	<u>666,894</u>	<u>196,276</u>	<u>863,170</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 931,079</u>	<u>\$ 254,008</u>	<u>\$ 1,185,087</u>

The Notes to Basic Financial Statements are an integral part of this statement.

WILMINGTON PUBLIC LIBRARY DISTRICT

Reconciliation of the Balance Sheet
Governmental Funds to the Statement of Net Position
June 30, 2023

FUND BALANCES OF GOVERNMENTAL FUNDS	\$	863,170
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in		372,654
Net pension liabilities/assets are not due and payable in the current period and, therefore, are not reported		37,639
Pension-related deferred outflow of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:		
Deferred outflows of resources-pensions		299,483
Deferred inflows of resources-pensions		<u>(187,413)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>1,385,533</u>

The Notes to Basic Financial Statements are an integral part of this statement.

WILMINGTON PUBLIC LIBRARY DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds

June 30, 2023

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Property taxes	\$ 638,314	\$ 143,094	\$ 781,408
Replacement taxes	66,961	-	66,961
Grant income	63,039	-	63,039
Landfill fees	18,125	-	18,125
Charges for library services	-	-	-
Fines	3,629	-	3,629
Fees	6,187	-	6,187
Donations and memorials	2,359	-	2,359
Interest income	12,521	4,209	16,730
Miscellaneous revenues	649	-	649
	811,784	147,303	959,087
EXPENDITURES			
Current			
Library services			
Personnel	533,502	57,952	591,454
Contractual	60,414	78,696	139,110
Library materials/services	100,947	-	100,947
Administrative	34,269	-	34,269
Capital outlay	45,572	-	45,572
Debt service	-	-	-
	774,704	136,648	911,352
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	37,080	10,655	47,735
OTHER FINANCING SOURCES (USES)			
Transfers	(5,000)	5,000	-
	(5,000)	5,000	-
NET CHANGE IN FUND BALANCES	32,080	15,655	47,735
FUND BALANCE, JULY 1 (RESTATED)	634,814	180,621	815,435
FUND BALANCE, JUNE 30	\$ 666,894	\$ 196,276	\$ 863,170

The Notes to Basic Financial Statements are an integral part of this statement.

WILMINGTON PUBLIC LIBRARY DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances—Governmental Funds to the Statement of Activities
June 30, 2023

NET CHANGE IN FUND BALANCES TOTAL GOVERNMENTAL FUNDS	\$ 47,735
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures, however, they are capitalized and	44,788
The increase in long-term liabilities for compensated absences is reported as an expenditure when due in governmental funds but as an increase of liabilities in the statement of activities	1,506
The change in the net pension liability is reported as an expense on the statement of activities	(329,770)
The change in the deferred outflow is reported as an expense on the statement of activities	373,354
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(36,176)</u>
CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 101,437</u>

The Notes to Basic Financial Statements are an integral part of this statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Wilmington Public Library District (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 Library was organized under the laws of the State of Illinois. The Library is governed by a Board of Trustees (the Board) and the rules and regulations for Library districts.

The accounting policies of the Library conform to GAAP as applicable to governmental units. The following is a summary of the more significant policies.

A. Reporting Entity

As defined by generally accepted accounting principles established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government.

The financial statements consist of only the operations of the Library, since management determined that no other organizations meet the criteria for inclusion.

B. Fund Accounting

The Library uses funds to report on its financial position and the changes in financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental and fiduciary. The Library reports only governmental funds.

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

Governmental funds are used to account for all or most of the Library's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of capital assets (capital project funds). The general fund is used to account for all activities of the Library not accounted for in some other fund. The Library has no fiduciary funds.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The District reports Special Revenue and Permanent Funds in the "Nonmajor Governmental Funds" column.

C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statements of net position and the statement of activities) report information on all of the non-fiduciary activities of the District. The effect of material interfund activity has been eliminated from these financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, if any, which rely to a significant extent on fees and charges for support. The District has no business-type activities.

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.

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Government-Wide and Fund Financial Statements (continued)

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

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable, available and earned). “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 District recognizes property taxes when they become both measurable and available in the year intended to finance. The District considers revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due. Those revenues susceptible to accrual are property taxes, interest revenue and charges for services. Fines and fees revenues are not susceptible to accrual because generally they are not measurable until received in cash. In applying susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The District reports unearned/unavailable revenue on its financial statements. Unearned/unavailable revenues arise when potential revenue does not meet the measurable, available, and earned criteria for recognition in the current period.

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (cont.)

Unearned/unavailable revenues also arise when resources are received by the government before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both the revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unearned/unavailable revenue is removed from the financial statements and revenue is recognized.

E. Prepaid Item/Expenses

Payments made to vendors for services that will benefit periods beyond the draft of this report are recorded as prepaid items/expenses.

F. Restricted Cash

Restricted cash and cash equivalents are only available from the Working Cash Fund for loans to other funds to provide capital needed for operations.

G. Capital Assets

Capital assets, which include property, plant, and equipment are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Library as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20-50
Furniture, fixtures and equipment	5-10
Library Collection	3-5

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Compensated Absences

Vested or accumulated vacation, compensatory, and holiday time are reported as expenditures and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation, compensatory, or holiday time of proprietary funds and governmental activities are recorded as an expense and liability as the benefits accrue to employees. In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as “terminal leave” prior to retirement.

The District provides paid time off (PTO) to eligible employees for periods of time away from work. PTO benefit time encompasses the traditional vacation, personal days, administrative days and sick pay. During year one through two of employment, a full-time employee accrues thirteen days of paid time off (PTO), and from three through six years of employment, nineteen days of paid time off per year are accrued. After five years of employment, an employee accrues twenty-four days of paid time off per year. Paid time off leave will be granted on the anniversary of the date of hire and does not carry over at the end of the anniversary year. Accumulated amounts as of June 30, 2023, in the amount of \$188 are reflected in the financial statements.

The District also provides employees with an extended illness bank (EIB) account to assist in rendering payment for the time missed due to long-term illnesses. EIB hours accrue to full-time employees in the amount of 80 hours on the anniversary of the date of hire each year up to a maximum of 240 hours. EIB balances are not forfeited and are not paid at the time for vacation leave and other compensated absences with similar characteristics; GASB Statement No. 16 requires the accrual of a liability as the benefits are earned by the employees, if both of these conditions are met:

1. The employees’ right to receive compensation is attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

As of June 30, 2023, the accumulated potential liability for accumulated extended illness bank is approximately \$20,568. Because employees do not receive compensation for unused sick leave at termination, no liability is recorded in the financial statements.

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Long-Term Obligations

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

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

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Library has no items that qualify for reporting in this category. 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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of time, which arises under a modified accrual basis of accounting that qualifies for reporting in this category. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

K. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance 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. None of the restricted fund balance result from enabling legislation adopted by the District.

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Fund Balances/Net Position (continued)

Committed fund balance is constrained by formal actions of the Library's Board, which is considered the Library's highest level of decision-making authority. Formal actions include ordinances approved by the Library Board. 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's Administrator. Any residual fund balance of the General Fund is 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.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. None of the Library's restricted net positions are restricted as a result of enabling legislation adopted by the Library. Invested in capital assets, net of related debt is the book value of the capital assets less the outstanding principal balance of long-term debt issued to construct or acquire the capital assets.

L. Interfund Transactions

Interfund transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made that are properly applicable to another fund are recorded as expenditures/expenses in the fund that is reimbursed.

All other interfund transaction, except interfund services and reimbursements, are reported as transfers.

M. Accounting 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 expenditure/expenses during the reporting period. Actual results could differ from those estimates.

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

2. DEPOSITS AND INVESTMENTS

The District is allowed to invest funds pursuant to the Public Funds Investment Act. Under the act, the District is authorized to make deposits in interest bearing depository accounts in federally insured and/or state chartered banks and savings and loan associations. Allowed investments include U.S. Government obligations and its agencies or instrumentalities, money market mutual funds registered under the Investment Company Act of 1940 that invest in allowable securities and fully collateralized repurchase agreements.

A. Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

B. Custodial Credit Risk

This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Public Funds Investment Act requires that all deposits in financial institutions not insured by the Federal Deposit Insurance Corporation or other approved state insurer be fully collateralized by securities or mortgages that have a market value of not less than the principal amount of the deposits.

As of June 30, 2023, the carrying amount of the Library's bank deposits was \$743,479 and the bank balance was \$748,394. \$250,000 of bank balances was covered by federal depository insurance, with \$498,394 of the remaining balance covered by specific pledged collateral in the name of the District.

3. RECEIVABLE – TAXES

The District levies its property tax for the subsequent year in December. This levy is certified to the County of Will, as they are the collection agency for taxes within the county. Taxes are recognized as receivables in the current year when the District is notified by the County of the amount. Property taxes attach as an enforceable lien on property on January 1 and are payable in two installments on June 1 and September 1, and collections are remitted to the District from May through December. When the receivable for taxes is recognized by the District, an amount of one-half of one percent is estimated to be uncollectible in the year of the levy.

Under current procedures, the County Treasurer distributes all property taxes received to the District including amounts paid by taxpayers that have filed tax objections in the circuit court that such taxes are illegal and excessive. Any tax objections that are sustained in the subsequent legal proceedings are deducted from future property tax distributions that are due to the District.

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

3. RECEIVABLE – TAXES (Continued)

Under current procedures, the County Treasurer distributes all property taxes received to the District including amounts paid by taxpayers that have filed tax objections in the circuit court that such taxes are illegal and excessive. Any tax objections sustained in the subsequent legal proceedings are deducted from future property tax distributions that are due to the District. In the Fund Financial Statements property tax revenues are recognized under the modified accrual basis of accounting so that (a) taxes relating to the current budget and collected within 60 days after the end of the fiscal year be recognized as revenue currently; and (b) a property tax assessment made during the current year for the purpose of financing the budget of the following fiscal period be recorded as receivable and unavailable revenue to be recognized as revenue in the future period for which it was levied. Therefore, property tax revenue reflected in the statement of revenues, expenditures and changes in fund balances includes that portion (approximately 51%) of the 2022 property tax levy due and received by or expected to be received within 60 days after June 30, 2023. The portion of the 2022 property tax levy not currently available is reported as a receivable and deferred inflow of resources in the balance sheet. Property taxes receivable for prior years are considered to be uncollectible.

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 121,565	\$ -	\$ -	\$ 121,565
Capital assets being depreciated				
Building and improvements	597,294	6,574	-	603,868
Land improvements	58,189	24,950	-	83,139
Furniture & equipment	211,707	13,264	-	224,971
Total capital assets being depreciated	<u>867,190</u>	<u>44,788</u>	<u>-</u>	<u>911,978</u>
Less accumulated depreciation for				
Building and improvements	395,486	21,880	-	417,366
Land improvements	39,427	2,818	-	42,245
Furniture and equipment	189,800	11,478	-	201,278
Total accumulated depreciation	<u>624,713</u>	<u>36,176</u>	<u>-</u>	<u>660,889</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 364,042</u>	<u>\$ 8,612</u>	<u>\$ -</u>	<u>\$ 372,654</u>

Depreciation expense on the government-wide financials is the following:

GOVERNMENTAL ACTIVITIES	
General Government	<u>\$ 36,176</u>

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

5. INDIVIDUAL FUND DISCLOSURES

For the fiscal year ended June 30, 2023, no fund had an excess of expenditures over appropriations. There was an interfund transfer of \$5,000 from the General fund to the Social Security fund approved by the board at the May 2023 board meeting.

6. RISK MANAGEMENT

The District 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

For the fiscal year ended June 30, 2023, the District had no long-term liabilities

7. DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Defined Benefit Pension Plan (IMRF):

The District's defined benefit pension plan provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

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

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

7. DEFINED BENEFIT PLAN (Continued)

Illinois Municipal Retirement Defined Benefit Pension Plan (Continued)

Benefits Provided (Continued)

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 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

1. 3% of the original pension amount, or
2. ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2022, the following employees were covered by the benefit terms:

Retirees and beneficiaries	13
Inactive, and non-retired members	19
Active plan members	<u>13</u>
 TOTAL	 <u>45</u>

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

7. DEFINED BENEFIT PLAN (Continued)

Illinois Municipal Retirement Defined Benefit Pension Plan (Continued)

Contributions (Continued)

As set by Statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate in 2021 was 9.23% of 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Plan member required contribution rate	4.50%
District required contribution rate for 2022	6.82%
District required contribution rate for 2023	3.11%
District actual contributions for 2022	\$ 29,892
District actual contributions for fiscal year 2022	\$ 173,499

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 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. The final rate of earnings is the highest total earnings during any consecutive 96 months within the last 10 years of IMRF service, divided by 96.

Actuarial Assumptions

The District's net pension liability was measured as of December 31, 2021 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, 2022
Actuarial cost method Aggregate Entry Age Normal
Assumptions
Inflation 2.25%
Salary 2.85% to 13.75%
Investment rate of return 7.25%
Asset valuation method 5-year smoothed market; 20% corridor

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

7. DEFINED BENEFIT PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

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

Discount Rate

The discount rate used to measure the 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 District's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 164,538	\$ (37,639)	\$ (191,422)

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

7. DEFINED BENEFIT PENSION PLAN (Continued)

For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Changes in Net Pension Liability

	(a)	(b)	(a) - (b)
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	<u>\$ 1,500,381</u>	<u>\$ 1,867,790</u>	<u>\$ (367,409)</u>
Service cost	40,259	-	40,259
Interest	108,173	-	108,173
Difference between expected and actual experience	8,165	-	8,165
Changes in assumptions	-	-	-
Employer contributions	-	29,892	(29,892)
Employee contributions	-	19,724	(19,724)
Net investment income	-	(223,861)	223,861
Benefit payments and refunds	(56,932)	(56,932)	-
Other	-	1,072	(1,072)
Net changes	<u>99,665</u>	<u>(230,105)</u>	<u>329,770</u>
	<u>\$ 1,600,046</u>	<u>\$ 1,637,685</u>	<u>\$ (37,639)</u>

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

7. DEFINED BENEFIT PENSION PLAN (Continued)

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

For the year ended December 31, 2022 the District recognized pension income at a loss of (\$21,805). At June 30, 2023, The District 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	\$ 5,580	\$ 34,739
Changes in assumption	-	-
Net difference between projected and actual earnings		
on pension plan investments	287,239	152,674
Contributions after measurement date	6,964	-
Total Deferred Outflows/Inflows of Resources	<u>\$ 299,783</u>	<u>\$ 187,413</u>

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

Year Ending December 31:	Net Deferred Outflows of Resources
2023	(34,021)
2024	25,819
2025	41,799
2026	71,808
Thereafter	<u>-</u>
TOTAL	<u>\$ 105,405</u>

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

9. FUND BALANCES

A. Classifications

Amounts for specific purposes by fund and fund balance classifications for the year ended June 30, 2023, are as follows:

Classification/Fund	Purpose	Amount
Nonspendable:		
Insurance Fund	Prepaid insurance	6,384
Working Cash Fund (legally required)	Emergency working cash	42,090
Total Nonspendable		<u>48,474</u>
Restricted:		
Building Maintenance Fund	Building maintenance costs	27,576
IMRF Fund	IMRF retirement costs	74,285
Social Security Fund	Social Security retirement costs	16,561
Audit Fund	Audit costs	2,995
Insurance Fund	Insurance and risk management costs	26,385
Total Restricted		<u>147,802</u>
Committed:		
General Fund	Reserve for repair & improvements	37,162
Unassigned		
General Fund		<u>629,732</u>
Total Fund Balance		<u>863,170</u>

B. Commitments

On June 21, 1993, the District established a special reserve pursuant to the provisions of the Illinois Revised Statutes for repair, remodeling, or improvement of the existing library building and to acquire library material, electronic data storage and retrieval facilities and other related library equipment in connection with any planned expansion of the existing library building. On April 15, 2002, the plan was amended to include major renovations and future expansion.

The Board may transfer to the special reserve, each year, the unexpended balances of the proceeds received annually from public library taxes not in excess of statutory limits or interest earnings from certain special revenue funds.

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

9. FUND BALANCES (Continued)

B. Commitments (Continued)

During the year ended June 30, 2023 the activity of the special reserve, which is reflected as a committed classification of the fund balance of the General Fund, was as follows:

Balance, July 1, 2022	\$ 31,526
Revenue - interest earned	246
Expenditures - Capital im- provements	24,610
Other financing sources - transfers in/(out)	<u>30,000</u>
Balance, June 30, 2023	<u>\$ 37,162</u>

10. RESTRICTED NET POSITION

Restricted net position represents net position whose use is subject to constraints that are either: (1) externally imposed by creditors, grantors, or laws or regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation.

Restricted net position at June 30, 2023 is \$233,438 in the Statement of Net Position. \$42,090 of this sum represents the amount of previous property tax money collected under the Working Cash Fund for the sole purpose of enabling the District to have in its funds, at all times, sufficient money to meet demands for ordinary, necessary and committed expenditures for library purposes. The principal of the Working Cash Fund may be

transferred to the General Fund in anticipation of the collection of taxes lawfully levied for general library purposes. These taxes, when collected, shall be drawn upon to reimburse the Working Cash Fund.

The special revenue fund, which is part of the General Fund is \$37,162 of the restricted balance and the remainder, \$154,186, represents funds from separate dedicated tax levies that can only be used for the specific purpose for which they were levied. Those levies were deposited in the following special revenue funds: Building Maintenance Fund, IMRF Fund, Social Security Fund, Audit Fund and Insurance Fund.

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements

June 30, 2023

11. SUBSEQUENT EVENT

Subsequent events have been evaluated through the date of the Auditors' Report, the date the District's financial statements for the year ended June 30, 2023 were available to be issued. There were no items of significance.

REQUIRED SUPPLEMENTARY INFORMATION

WILMINGTON PUBLIC LIBRARY DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual—General Fund (page 1 of 2)
June 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 630,000	\$ 630,000	\$ 638,314
Replacement taxes	35,000	35,000	66,961
Per capita grant	15,000	15,000	13,231
Other grant income	40,000	40,000	49,808
Landfill fees	19,000	19,000	18,125
Charges for library services			
Fines	3,500	3,500	3,629
Fees	8,000	8,000	6,187
Donations and memorials	8,000	8,000	2,359
Interest income	355	355	12,521
Miscellaneous revenues	1,000	1,000	649
Total Revenues	759,855	759,855	811,784
EXPENDITURES			
Current			
Library services			
Personnel			
Salaries	500,000	500,000	490,062
Employee insurance	63,000	63,000	43,440
Total personnel	563,000	563,000	533,502
Contractual			
Equipment maintenance	\$ 13,000	\$ 13,000	\$ 12,902
Technology support	21,000	21,000	20,735
Automation services	15,000	15,000	12,938
Payroll expenses	6,000	6,000	4,609
Professional fees	12,000	12,000	9,230
Total contractual	67,000	67,000	60,414
Library materials/services			
Materials	\$ 85,000	\$ 85,000	\$ 75,738
Programs	35,000	35,000	25,209
Total library materials/services	120,000	120,000	100,947

(See Independent Auditor's Report)

WILMINGTON PUBLIC LIBRARY DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual—General Fund (page 2 of 2)
June 30, 2023

	Original Budget	Final Budget	Actual
EXPENDITURES (Continued)			
Current			
Library services			
Administrative expenses			
Library hospitality	1,500	1,500	666
Library/office supplies	11,000	11,000	10,297
Printing and publishing	8,000	8,000	6,983
Board expenses	1,250	1,250	1,172
Administrative expenses	1,000	1,000	888
Professional memberships	4,800	4,800	3,493
Postage	1,000	1,000	534
Continuing education	10,500	10,500	10,236
	39,050	39,050	34,269
Total administrative expenses			
	\$ 159,050	\$ 159,050	\$ 135,216
Capital outlay			
Furniture and equipment	10,000	10,000	14,388
Land acquisition and expansion	25,000	25,000	24,610
Capital improvements	70,000	70,000	6,574
Technology	9,000	9,000	-
	114,000	114,000	45,572
Total capital outlay			
	903,050	903,050	774,704
Total Expenditures			
	(143,195)	(143,195)	37,080
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
OTHER FINANCING SOURCES (USES)			
Transfers	(20,000)	(20,000)	(5,000)
	(163,195)	(163,195)	32,080
NET CHANGE IN FUND BALANCES			
	\$ (163,195)	\$ (163,195)	32,080
FUND BALANCE, JULY 1 (RESTATED)			634,814
FUND BALANCE, JUNE 30			\$ 666,894

(See Independent Auditor's Report)

WILMINGTON PUBLIC LIBRARY DISTRICT

Schedule of Employer Contributions

Illinois Municipal Retirement Fund

December 31, 2022*

TOTAL PENSION LIABILITY	2022	2021	2020	2019	2018	2017	2016	2015	2014
Service cost	\$ 40,259	\$ 35,757	\$ 37,456	\$ 31,463	\$ 33,744	\$ 34,590	\$ 31,422	\$ 31,068	\$ 31,323
Interest	108,173	109,463	105,307	100,746	96,799	92,895	85,766	80,118	77,316
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	8,165	(109,057)	(5,470)	(25,924)	26,527	7,223	9,315	(8,203)	(83,537)
Changes of assumptions	-	-	(27,510)	-	40,969	(41,891)	(4,661)	1,424	41,272
Benefit payments, including refunds of member contributions	(56,932)	(55,486)	(47,722)	(45,023)	(44,767)	(35,918)	(30,010)	(25,074)	(29,735)
Net change in total pension liability	99,665	(19,323)	62,061	61,262	100,218	56,899	91,832	79,333	36,639
Total Pension Liability-Beginning	1,500,381	1,519,704	1,457,643	1,396,381	1,296,163	1,239,264	1,147,432	1,068,099	1,031,460
Total Pension Liability-Ending	<u>\$1,600,046</u>	<u>\$1,500,381</u>	<u>\$1,519,704</u>	<u>\$1,457,643</u>	<u>\$1,396,381</u>	<u>\$1,296,163</u>	<u>\$1,239,264</u>	<u>\$1,147,432</u>	<u>\$1,068,099</u>
PLAN FIDUCIARY NET POSITION									
Contribution - employer	\$ 29,892	\$ 37,911	\$ 41,751	\$ 34,287	\$ 38,741	\$ 38,894	\$ 38,101	\$ 36,014	\$ 35,530
Contribution - member	19,724	18,483	16,525	15,444	15,133	14,358	14,100	12,965	12,433
Net investment income	(223,861)	267,941	191,641	209,240	(59,008)	175,360	61,203	4,589	54,732
Benefit payments, including refunds of member contributions	(56,932)	(55,486)	(47,722)	(45,023)	(44,767)	(35,918)	(30,010)	(25,074)	(29,735)
Other	1,072	3,087	15,852	22,324	11,153	(13,130)	10,402	(27,389)	(55,269)
Net change in fiduciary net position	(230,105)	271,936	218,047	236,272	(38,748)	179,564	93,796	1,105	17,691
Plan Fiduciary Net Position-Beginning	1,867,790	1,595,854	1,377,807	1,141,535	1,180,283	1,000,719	906,923	905,818	888,127
Plan Fiduciary Net Position-Ending	<u>\$1,637,685</u>	<u>\$1,867,790</u>	<u>\$1,595,854</u>	<u>\$1,377,807</u>	<u>\$1,141,535</u>	<u>\$1,180,283</u>	<u>\$1,000,719</u>	<u>\$ 906,923</u>	<u>\$ 905,818</u>
Employer's Net Pension Liability (Asset)	<u>\$ (37,639)</u>	<u>\$ (367,409)</u>	<u>\$ (76,150)</u>	<u>\$ 79,836</u>	<u>\$ 254,846</u>	<u>\$ 115,880</u>	<u>\$ 238,545</u>	<u>\$ 240,509</u>	<u>\$ 162,281</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	102.35%	124.49%	105.01%	94.52%	81.75%	91.06%	80.75%	79.04%	84.81%
Covered-employee payroll	\$ 438,303	\$ 410,727	\$ 367,215	\$ 342,941	\$ 336,294	\$ 319,065	\$ 313,329	\$ 288,120	\$ 273,853
Employer's net pension liability as a percentage of covered-employee payroll	-8.59%	-89.45%	-20.74%	23.28%	75.78%	36.32%	76.13%	83.48%	59.26%

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

*IMRF's measurement date is December 31, 2022; therefore information above is presented for the calendar year ended December 31, 2022.

(See independent auditor's report.)

WILMINGTON PUBLIC LIBRARY DISTRICT
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund
December 31, 2022*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 29,892	\$ 37,910	\$ 41,752	\$ 34,260	\$ 38,741	\$ 38,894	\$ 38,101	\$ 36,015	\$ 35,217
Contributions in relation to the actuarially determined contribution	29,892	37,911	41,751	34,287	38,741	38,894	38,101	36,014	35,530
Contribution Deficiency (Excess)	\$ -	\$ (1)	\$ 1	\$ (27)	\$ -	\$ -	\$ -	\$ 1	\$ (313)
Covered-employee payroll	\$ 438,303	\$ 410,727	\$ 367,215	\$ 342,941	\$ 336,294	\$ 319,065	\$ 313,329	\$ 288,120	\$ 273,853
Contribution as a percentage of covered-employee payroll	6.82%	9.23%	11.37%	10.00%	11.52%	12.19%	12.16%	12.50%	12.97%

***This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contribution Rate

Actuarial Cost method:	aggregate entry age normal
Amortization Method:	level percentage of payroll, open
Remaining Amortization Period:	21-year closed period
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	2.75%
Price Inflation:	2.25% approximate; no explicit price inflation assumption is used in the valuation
Salary Increases:	2.85% to 13.75%, including inflation
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 2020 valuation pursuant to an experience study of the period 2017-2019

*IMRF's measurement date is December 31, 2022; therefore, information above is presented for the calendar year ended December 31, 2022.

(See independent auditor's report.)

WILMINGTON PUBLIC LIBRARY DISTRICT

Notes to Required Supplemental Information

June 30, 2023

LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted (at the fund level) for the General, Special Revenue, and Capital Reserve Funds. All annual appropriations lapse at fiscal year end.

Budgetary Information - The District follows these procedures in establishing the budgetary data reflected in the required supplementary information:

1. Prior to September 1, the District Board prepares a tentative annual budget and appropriation ordinance for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Within the first three months of the fiscal year the annual budget and appropriation ordinance is legally adopted through passage of an ordinance after a public hearing.
3. The District Board may, by two-thirds vote, transfers from any appropriation item its anticipated unexpended funds to any other item of appropriation thereto made.
4. Formal budgetary integration in the form of legally adopted budgets is employed as a management control device for all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles.

The District prepares its budget for all governmental fund types in conformity with practices prescribed or permitted by applicable statutes of the State of Illinois.

(See Independent Auditor's Report)

NON-MAJOR GOVERNMENTAL FUNDS

WILMINGTON PUBLIC LIBRARY DISTRICT

Combining Balance Sheet—Special Revenue Funds

June 30, 2023

	Special Revenue					Permanent	Total
	Building Maintenance	IMRF	Social Security	Audit	Insurance	Working Cash	
ASSETS							
Cash and cash equivalents	\$ 21,610	\$ 69,619	\$ 13,392	\$ 2,500	\$ 25,594	\$ -	\$ 132,715
Property taxes receivable	25,346	22,266	19,745	2,101	3,361	-	72,819
Prepaid expenses	-	-	-	-	6,384	-	6,384
Restricted cash and cash equivalents	-	-	-	-	-	42,090	42,090
TOTAL ASSETS	\$ 46,956	\$ 91,885	\$ 33,137	\$ 4,601	\$ 35,339	\$ 42,090	\$ 254,008
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts payable and accrued expenses	\$ -	\$ 575	\$ 1,479	\$ -	\$ -	\$ -	\$ 2,054
Total Liabilities	-	575	1,479	-	-	-	2,054
DEFERRED INFLOWS OF RESOURCES							
Unavailable Property Taxes	19,380	17,025	15,097	1,606	2,570	-	55,678
Total Deferred Inflows of Resources	19,380	17,025	15,097	1,606	2,570	-	55,678
Total Liabilities and Deferred Inflows of Resources	19,380	17,600	16,576	1,606	2,570	-	57,732
FUND BALANCES							
Nonspendable	-	-	-	-	6,384	42,090	48,474
Special Revenues	27,576	74,285	16,561	2,995	26,385	-	147,802
Total Fund Balances	27,576	74,285	16,561	2,995	32,769	42,090	196,276
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 46,956	\$ 91,885	\$ 33,137	\$ 4,601	\$ 35,339	\$ 42,090	\$ 254,008

(See independent auditor's report.)

WILMINGTON PUBLIC LIBRARY DISTRICT
Combining Statement of Revenues, Expenditures, and Changes
in the Fund Balances—Special Revenue Funds
June 30, 2023

	Special Revenue					Permanent	Total
	Building Maintenance	IMRF	Social Security	Audit	Insurance	Working Cash	
REVENUES							
Property taxes	\$ 51,517	\$ 45,198	\$ 32,968	\$ 3,837	\$ 9,574	\$ -	\$ 143,094
Interest income	942	1,333	121	30	723	1,060	4,209
Miscellaneous	-	-	-	-	-	-	-
Total Revenues	<u>52,459</u>	<u>46,531</u>	<u>33,089</u>	<u>3,867</u>	<u>10,297</u>	<u>1,060</u>	<u>147,303</u>
EXPENDITURES							
Current							
Library services							
Contractual	63,968	-	-	3,850	10,878	-	78,696
Personnel	-	22,155	35,797	-	-	-	57,952
Total Expenditures	<u>63,968</u>	<u>22,155</u>	<u>35,797</u>	<u>3,850</u>	<u>10,878</u>	<u>-</u>	<u>136,648</u>
EXCESS (DEFICIENCIES) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(11,509)</u>	<u>24,376</u>	<u>(2,708)</u>	<u>17</u>	<u>(581)</u>	<u>1,060</u>	<u>10,655</u>
Other financing sources (uses):							
Transfers from (to) general fund	-	-	5,000	-	-	-	5,000
NET CHANGE IN FUND BALANCE	<u>(11,509)</u>	<u>24,376</u>	<u>2,292</u>	<u>17</u>	<u>(581)</u>	<u>1,060</u>	<u>15,655</u>
FUND BALANCES, JULY 1 (RESTATED)	<u>39,085</u>	<u>49,909</u>	<u>14,269</u>	<u>2,978</u>	<u>33,350</u>	<u>41,030</u>	<u>180,621</u>
FUND BALANCES, JUNE 30	<u>\$ 27,576</u>	<u>\$ 74,285</u>	<u>\$ 16,561</u>	<u>\$ 2,995</u>	<u>\$ 32,769</u>	<u>\$ 42,090</u>	<u>\$ 196,276</u>

(See independent auditor's report.)

WILMINGTON PUBLIC LIBRARY DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual –*Building & Maintenance Fund*
June 30, 2023

	Original Budget	Final Budget	Actual
REVENUE			
Property taxes	\$ 50,000	\$ 50,000	\$ 51,517
Interest income	35	35	942
Total Revenues	50,035	50,035	52,459
EXPENDITURES			
Current			
Library Services			
Contractual			
Utilities	16,000	16,000	15,509
Janitorial	8,000	8,000	7,805
Building and repairs	36,000	36,000	35,734
Grounds maintenance	3,000	3,000	2,500
Maintenance and supplies	2,500	2,500	2,420
Total expenditures	65,500	65,500	63,968
NET CHANGE IN FUND BALANCES	\$ (15,465)	\$ (15,465)	(11,509)
FUND BALANCE, JULY 1 (RESTATED)			39,085
FUND BALANCE, JUNE 30			\$ 27,576

(See Independent Auditor's Report)

WILMINGTON PUBLIC LIBRARY DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – IMRF Fund
June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUE			
Property taxes	\$ 44,000	\$ 44,000	\$ 45,198
Interest income	<u>10</u>	<u>10</u>	<u>1,333</u>
Total Revenues	<u>44,010</u>	<u>44,010</u>	<u>46,531</u>
EXPENDITURES			
Current			
Library Services			
Personnel			
IMRF expense	<u>48,000</u>	<u>48,000</u>	<u>22,155</u>
Total expenditures	<u>48,000</u>	<u>48,000</u>	<u>22,155</u>
NET CHANGE IN FUND BALANCES	<u>\$ (3,990)</u>	<u>\$ (3,990)</u>	24,376
FUND BALANCE, JULY 1 (RESTATED)			<u>49,909</u>
FUND BALANCE, JUNE 30			<u>\$ 74,285</u>

(See Independent Auditor's Report)

WILMINGTON PUBLIC LIBRARY DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – *Social Security*
June 30, 2023

	Original Budget	Final Budget	Actual
REVENUE			
Property taxes	\$ 22,000	\$ 22,000	\$ 32,968
Interest income	8	8	121
Total Revenues	22,008	22,008	33,089
EXPENDITURES			
Current			
Library Services			
Personnel			
FICA expense	40,000	40,000	35,797
Total expenditures	40,000	40,000	35,797
Other financing sources (uses):			
Transfers from (to) general fund	-	-	5,000
NET CHANGE IN FUND BALANCES	\$ (17,992)	\$ (17,992)	2,292
FUND BALANCE, JULY 1 (RESTATED)			14,269
FUND BALANCE, JUNE 30			\$ 16,561

(See Independent Auditor's Report)

WILMINGTON PUBLIC LIBRARY DISTRICT
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual – *Audit Fund*
 June 30, 2023

	Original Budget	Final Budget	Actual
REVENUE			
Property taxes	\$ 3,000	\$ 3,000	\$ 3,837
Interest income	5	5	30
Total Revenues	3,005	3,005	3,867
EXPENDITURES			
Current			
Library Services			
Personnel			
Audit expense	4,200	4,200	3,850
Total expenditures	4,200	4,200	3,850
NET CHANGE IN FUND BALANCES	\$ (1,195)	\$ (1,195)	17
FUND BALANCE, JULY 1 (RESTATED)			2,978
FUND BALANCE, JUNE 30			\$ 2,995

(See Independent Auditor's Report)

WILMINGTON PUBLIC LIBRARY DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – *Insurance Fund*
June 30, 2023

	Original Budget	Final Budget	Actual
REVENUE			
Property taxes	\$ 13,000	\$ 13,000	\$ 9,574
Interest income	10	10	723
Total Revenues	13,010	13,010	10,297
EXPENDITURES			
Current			
Library Services			
Contractual			
General insurance	8,000	8,000	5,505
Public officials bonds	1,800	1,800	1,201
Unemployment insurance	1,500	1,500	786
Workmen's compensation	2,000	2,000	921
Risk management	7,000	7,000	2,465
Total expenditures	20,300	20,300	10,878
NET CHANGE IN FUND BALANCES	\$ (7,290)	\$ (7,290)	(581)
FUND BALANCE, JULY 1 (RESTATED)			33,350
FUND BALANCE, JUNE 30			\$ 32,769

(See Independent Auditor's Report)

WILMINGTON PUBLIC LIBRARY DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – *Working Cash Fund*
June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUE			
Property taxes	\$ -	\$ -	\$ -
Interest income	<u>10</u>	<u>10</u>	<u>1,060</u>
Total Revenues	<u>10</u>	<u>10</u>	<u>1,060</u>
EXPENDITURES			
Current			
Library Services			
Miscellaneous expense	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ 10</u>	<u>\$ 10</u>	1,060
FUND BALANCE, JULY 1			<u>41,030</u>
FUND BALANCE, JUNE 30			<u>\$ 42,090</u>

(See Independent Auditor's Report)

SUPPLEMENTAL INFORMATION

WILMINGTON PUBLIC LIBRARY DISTRICT

Property Tax Assessed Valuations, Rates, Extensions, and Collections

June 30, 2023

	<u>2022</u>		<u>2021</u>	
Assessed Valuation	Will County 277,195,480		Will County 259,012,764	
	Rate	Amount	Rate	Amount
Tax Extensions				
Corporate	0.22770	\$ 631,174	0.23210	\$ 601,169
Building Maintenance	0.01810	50,172	0.01930	49,989
IMRF	0.01590	44,074	0.01690	43,773
Social Security	0.01410	39,085	0.00840	21,757
Audit	0.00150	4,158	0.00120	3,108
Insurance	0.00240	6,653	0.00510	13,210
Prior period adjustment	<u>0.00150</u>	<u>3,604</u>	<u>0.00150</u>	<u>3,885</u>
	<u>0.28120</u>	778,920	<u>0.28450</u>	736,891
Total Will Extension		<u>\$ 778,920</u>		<u>\$ 736,891</u>
Tax collections:				
Year ended June 30, 2023		\$ 383,633		\$ 334,128
Previous years		<u>-</u>		<u>397,281</u>
		<u>\$ 383,633</u>		<u>\$ 731,410</u>
Percent collected		<u>49.3%</u>		<u>99.3%</u>

(See Independent Auditor's Report)

OTHER REQUIRED REPORTING



BRANDT & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

401 LIBERTY STREET | MORRIS, ILLINOIS 60450 | 815.513.9184 | WWW.BRANDTCPA.COM | OFFICE@BRANDTCPA.COM

To the President and Board of Trustees of:
Wilmington Public Library District
Wilmington, Illinois

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wilmington Public Library District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Wilmington Public Library District's basic financial statements, and have issued our report thereon dated November 10, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Wilmington Public Library District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Wilmington Public Library District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Wilmington Public Library District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged

with governance. Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Wilmington Public Library District financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Brandt & Associates, P.C.
Certified Public Accountants
Morris, Illinois
November 10, 2023