

GLENCOE PUBLIC LIBRARY, ILLINOIS  
ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2023

320 Park Avenue  
Glencoe, IL 60022  
Phone: 847.835.5056  
[www.glencoelibrary.org](http://www.glencoelibrary.org)

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

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## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information

## **INDEPENDENT AUDITORS' REPORT**

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



## **INDEPENDENT AUDITORS' REPORT**

June 3, 2024

Members of the Public Library Board  
Glencoe Public Library  
Village of Glencoe, Illinois

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Glencoe Public Library (the Library), a discretely component unit of the Village of Glencoe, Illinois, as of and for the year ended December 31, 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 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 Glencoe Public Library, a discretely component unit of the Village of Glencoe, Illinois, as of December 31, 2023, 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.

### **Basis for Opinions**

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

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

### **Auditor's Responsibilities for the Audit of the Financial Statements - Continued**

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, and supplementary pension and other post-employment benefit (OPEB) schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Glencoe Public Library, Illinois  
June 3, 2024

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Glencoe Public Library, Illinois' basic financial statements. The other supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**



# GLENCOE PUBLIC LIBRARY, ILLINOIS

## Management's Discussion and Analysis

December 31, 2023

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Our discussion and analysis of the Glencoe Public Library's financial performance provides an overview of the Library's financial activities for the fiscal year ended December 31, 2023. Please read it in conjunction with the Library's financial statements. Located in the basic financial statements section of this report.

### FINANCIAL HIGHLIGHTS

- The Library's net position increased from a balance of \$3,486,770 to \$3,926,256, an increase of \$439,486 or 12.6 percent .
- During the year, the Library reported government-wide revenues of \$3,147,588 and expenses of \$2,700,482, resulting in an increase to net position of \$439,486.
- Total fund balances for the governmental funds were \$2,601,109 at December 31, 2023 compared to \$2,185,146 in the prior year, an increase of \$415,963 or 19.0 percent.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Library as a whole and present a longer-term view of the Library's finances.

Fund financial statements tell how Library services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Library's operation in more detail than the government-wide statements by providing information about the Library's funds.

### Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Library's finances, in a manner similar to a private-sector business.

The Statement of Net Position reports information on all of the Library's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Library is improving or deteriorating. Consideration of economic factors, such as changes in the Library's property tax base, is needed to assess the overall financial health of the Library.

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 with the exception of the receipt of tax revenue for the new fiscal year received during the last month of the current fiscal year. In this case the funds are held over as a deferred inflow until the start of the fiscal year for which the taxes were levied.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

# GLENCOE PUBLIC LIBRARY, ILLINOIS

## Management's Discussion and Analysis

December 31, 2023

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### USING THIS ANNUAL REPORT - Continued

#### Fund Financial Statements

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

#### Governmental Funds

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

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

The Library maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered a major fund. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules elsewhere in this report.

The Library adopts an annual levy budget for all of the governmental funds with the exception of the Restricted Gift Fund. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

#### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

# GLENCOE PUBLIC LIBRARY, ILLINOIS

## Management's Discussion and Analysis

December 31, 2023

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Library, assets/deferred outflows exceeded liabilities/deferred inflows by \$3,926,256.

|  | Net Position |           |
|--|--------------|-----------|
|  | 2023         | 2022      |
| Current Assets                         | \$ 5,675,494 | 5,106,103 |
| Capital Assets                         | 1,905,746    | 2,038,074 |
| Total Assets                           | 7,581,240    | 7,144,177 |
| Deferred Outflows                      | 541,796      | 668,237   |
| Total Assets and Deferred Outflows     | 8,123,036    | 7,812,414 |
| Long-Term Liabilities                  | 1,059,200    | 1,318,404 |
| Other Liabilities                      | 55,796       | 53,124    |
| Total Liabilities                      | 1,114,996    | 1,371,528 |
| Deferred Inflows                       | 3,081,784    | 2,954,116 |
| Total Liabilities and Deferred Inflows | 4,196,780    | 4,325,644 |
| Net Position                           |              |           |
| Net Investment in Capital Assets       | 1,415,036    | 1,501,984 |
| Restricted                             | 123,139      | 136,771   |
| Unrestricted                           | 2,388,081    | 1,848,015 |
| Total Net Position                     | 3,926,256    | 3,486,770 |

A large portion of the Library's net position (36.0 percent) reflects its investment in capital assets (for example, land, buildings and building improvements, and furniture and equipment); less any related debt used to acquire those assets that is still outstanding. The Library uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion or 3.1 percent of the Library's net position represents resources that are subject to external restrictions on how they may be used, including \$74,857 restricted for employee retirement and \$48,282 restricted for donor specified purposes. The remaining 60.8 percent represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Management's Discussion and Analysis**

**December 31, 2023**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

|                                | Changes in Net Position |                  |
|--------------------------------|-------------------------|------------------|
|                                | 2023                    | 2022             |
| Revenues                       |                         |                  |
| Program Revenues               |                         |                  |
| Charges for Services           | \$ 1,875                | 2,140            |
| Operating Grants/Contributions | 95,646                  | 95,395           |
| General Revenues               |                         |                  |
| Property and Replacement Taxes | 2,931,491               | 2,597,314        |
| Miscellaneous                  | 4,320                   | 3,457            |
| Investment Income              | 114,256                 | 32,262           |
| Total Revenues                 | <u>3,147,588</u>        | <u>2,730,568</u> |
| Expenses                       |                         |                  |
| Culture and Recreation         | 2,700,482               | 2,729,346        |
| Interest on Long-Term Debt     | 7,620                   | 19,401           |
| Total Expenses                 | <u>2,708,102</u>        | <u>2,748,747</u> |
| Change in Net Position         | 439,486                 | (18,179)         |
| Fund Balance - Beginning       | <u>3,486,770</u>        | <u>3,504,949</u> |
| Net Position - Ending          | <u>3,926,256</u>        | <u>3,486,770</u> |

Net position of the Library's governmental activities increased from a balance of \$3,486,770 to \$3,926,256.

Revenues of \$3,147,588 were more than expenses of \$2,730,568, resulting in the increase to net position in the current year of \$439,486.

**Governmental Activities**

In the current year, governmental net position increased \$439,486, an increase of 12.6%. Revenues in all categories, except charges for services, increased from the prior year, most notably property and replacement taxes which increased \$334,177 over the prior year (\$2,931,491 in December 31, 2023 compared to \$2,597,314 in December 31, 2022).

Management's Discussion and Analysis

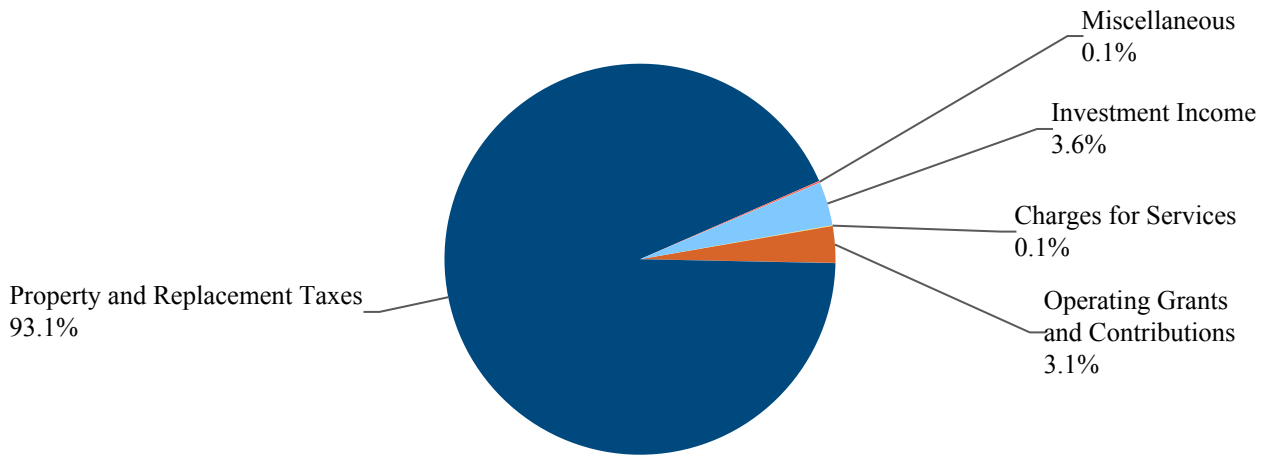
December 31, 2023

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

**Governmental Activities - Continued**

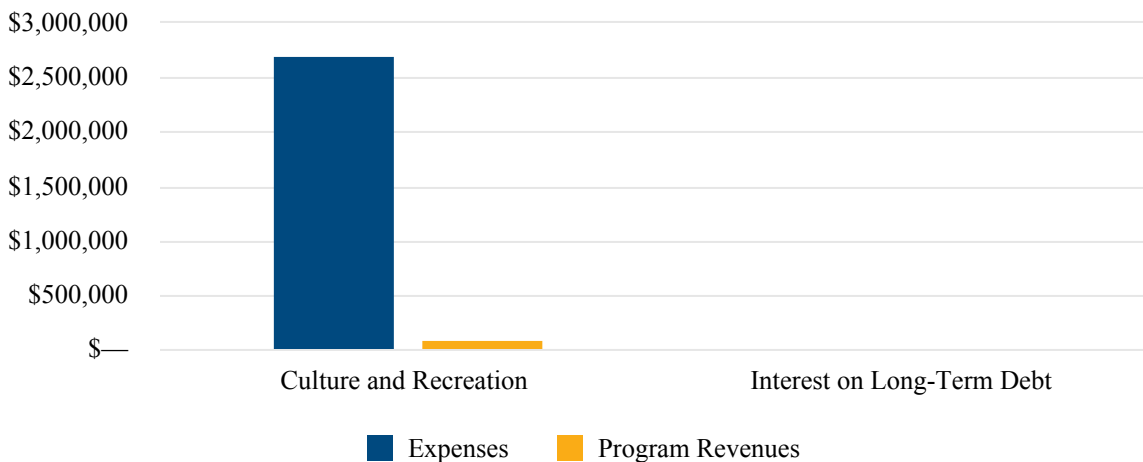
The following table graphically depicts the major revenue sources of the Library. It depicts very clearly the reliance of property and personal property replacement taxes to fund governmental activities.

**Revenue by Source - Governmental Activities**



The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues. The Library Board has adopted policies in previous years to no longer charge library users for DVD checkouts or late fines. The Executive Director and Library Board have adjusted operating expenses to absorb the loss of those minor revenue streams without negatively impacting available materials and services to the community. The budget lines for materials and programs continue to be supplemented directly through donations from the Friends of the Library and unrestricted and other restricted gifts

**Expenses and Program Revenues - Governmental Activities**



**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Management's Discussion and Analysis**

**December 31, 2023**

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**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

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

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$2,601,109 which is 19.0 percent higher than last year's ending fund balance of \$2,185,146. In the current year, governmental fund balances increased by \$415,963. The General Fund reported an increase of \$429,595, due to personal property replacement tax and interest income revenues exceeding their respective forecasts. Late receipts of Property Tax revenues from the prior year's second installment also impacted the ending fund balance.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

During the year, no supplemental amendments were made to the budget for the General Fund. The General Fund actual revenues were higher than budgeted revenues. Actual revenues for the current year were \$2,945,163, compared to budgeted revenues of \$2,895,433. Increases were seen in all revenue categories, except for property taxes and charges for services.

The General Fund actual expenditures were lower than budgeted expenditures. Actual expenditures totaled \$2,515,568, while budgeted expenditures totaled \$2,719,233. This was due primarily to all categories coming in under budget for the current year.

**CAPITAL ASSETS**

The Library's investment in capital assets for its governmental activities as of December 31, 2023 was \$1,905,746 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and building improvements, and equipment and furniture.

|                                    | Capital Assets<br>Net of Depreciation |                  |
|------------------------------------|---------------------------------------|------------------|
|                                    | 2023                                  | 2022             |
| Land                               | \$ 75,772                             | 75,772           |
| Building and Building Improvements | 1,823,439                             | 1,962,302        |
| Furniture and Equipment            | 6,535                                 | —                |
| Totals                             | <u>1,905,746</u>                      | <u>2,038,074</u> |

This year's major additions included:

|                         |               |
|-------------------------|---------------|
| Building and Building   | \$ 7,228      |
| Furniture and Equipment | <u>7,764</u>  |
|                         | <u>14,992</u> |

Additional information on the Library's capital assets can be found in Note 3 of this report.

# **GLENCOE PUBLIC LIBRARY, ILLINOIS**

## **Management's Discussion and Analysis**

**December 31, 2023**

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### **DEBT OUTSTANDING**

The Library's total debt outstanding for its construction loan/line of credit as of December 31, 2023 was \$490,710, which was a decrease of \$45,380 from prior year debt outstanding balance of \$536,090.

Additional information on the Library's debt outstanding can be found in Note 3 of this report.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The Library Board approved the Library's new strategic plan in 2023, which provides a clear direction through December 2028. The plan consists of four goals that are to improve the building, invest in staff and its development, continue enhancements to patron services and resources, and increase community outreach efforts.

Progress to improve the library building began in earnest in February 2024 with the Library Board issuing a Request for Qualifications for Architectural Services. The Board's goal was to select an architectural firm to lead in its master space planning project, which to precede and direct any potential building renovation. The Board targets the approval of a master space plan by December 2024.

To help fund any potential building renovation, the Board established a Special Reserve Fund in December 2023 for future capital projects. The first deposit into the Special Reserve Fund is tentatively targeted for the first quarter of 2025.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Library's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Library Director, Glencoe Public Library, 320 Park Avenue, Glencoe, IL 60022.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

### Governmental Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.



**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Statement of Net Position**

**December 31, 2023**

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**See Following Page**

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Statement of Net Position**

**December 31, 2023**

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**ASSETS**

Current Assets

|                                 |                  |
|---------------------------------|------------------|
| Cash and Investments            | \$ 2,652,005     |
| Receivables - Net of Allowances | <u>3,023,489</u> |
| Total Current Assets            | <u>5,675,494</u> |

Noncurrent Assets

Capital Assets

|                          |                    |
|--------------------------|--------------------|
| Nondepreciable           | 75,772             |
| Depreciable              | 4,320,644          |
| Accumulated Depreciation | <u>(2,490,670)</u> |
| Total Noncurrent Assets  | <u>1,905,746</u>   |
| Total Assets             | <u>7,581,240</u>   |

**DEFERRED OUTFLOWS OF RESOURCES**

|   |                  |
|---|------------------|
| Deferred Items - IMRF                           | 468,620          |
| Deferred Items - RBP                            | <u>73,176</u>    |
| Total Deferred Outflows of Resources            | <u>541,796</u>   |
| Total Assets and Deferred Outflows of Resources | <u>8,123,036</u> |

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

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**LIABILITIES**

|                              |                  |
|------------------------------|------------------|
| Current Liabilities          |                  |
| Accounts Payable             | \$ 23,154        |
| Accrued Payroll              | 32,642           |
| Notes Payable                | 490,710          |
| Total Current Liabilities    | <u>546,506</u>   |
| Noncurrent Liabilities       |                  |
| Net Pension Liability - IMRF | 359,796          |
| Total OPEB Liability - RBP   | 208,694          |
| Total Noncurrent Liabilities | <u>568,490</u>   |
| Total Liabilities            | <u>1,114,996</u> |

**DEFERRED INFLOWS OF RESOURCES**

|   |                  |
|---|------------------|
| Property Taxes                                      | 3,018,589        |
| Deferred Items - IMRF                               | 3,571            |
| Deferred Items - RBP                                | 59,624           |
| Total Deferred Inflows of Resources                 | <u>3,081,784</u> |
| Total Liabilities and Deferred Inflows of Resources | <u>4,196,780</u> |

**NET POSITION**

|                                  |                  |
|----------------------------------|------------------|
| Net Investment in Capital Assets | 1,415,036        |
| Restricted                       |                  |
| Employee Retirement              | 74,857           |
| Donor Specified Purposes         | 48,282           |
| Unrestricted                     | <u>2,388,081</u> |
| Total Net Position               | <u>3,926,256</u> |

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

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Statement of Activities**

**For the Fiscal Year Ended December 31, 2023**

|                               | Expenses         | Program Revenues           |                                       |                                     | Net<br>(Expenses)/<br>Revenues and<br>Changes in<br>Net Position |
|-------------------------------|------------------|----------------------------|---------------------------------------|-------------------------------------|--|
|                               |                  | Charges<br>for<br>Services | Operating<br>Grants/<br>Contributions | Capital<br>Grants/<br>Contributions |  |
| Governmental Activities       |                  |                            |                                       |                                     |  |
| Culture and Recreation        | \$ 2,700,482     | 1,875                      | 95,646                                | —                                   | (2,602,961)  |
| Interest on Long-Term Debt    | 7,620            | —                          | —                                     | —                                   | (7,620)  |
| Total Governmental Activities | <u>2,708,102</u> | <u>1,875</u>               | <u>95,646</u>                         | <u>—</u>                            | <u>(2,610,581)</u>   |

|                                  |                         |
|----------------------------------|-------------------------|
| General Revenues                 |                         |
| Taxes                            |                         |
| Property Tax                     | 2,889,976               |
| Intergovernmental - Unrestricted |                         |
| Replacement Tax                  | 41,515                  |
| Investment Income                | 114,256                 |
| Miscellaneous                    | 4,320                   |
|                                  | <u>3,050,067</u>        |
| Change in Net Position           | 439,486                 |
| Net Position - Beginning         | <u>3,486,770</u>        |
| Net Position - Ending            | <u><u>3,926,256</u></u> |

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

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Balance Sheet - Governmental Funds**

**December 31, 2023**

|  | General          | Nonmajor       | Totals           |
|--|------------------|----------------|------------------|
| <b>ASSETS</b>  |                  |                |                  |
| Cash and Investments   | \$ 2,528,866     | 123,139        | 2,652,005        |
| Receivables - Net of Allowances                                    |                  |                |                  |
| Property Taxes   | 2,813,889        | 204,700        | 3,018,589        |
| Accounts   | 4,900            | —              | 4,900            |
| Total Assets   | <u>5,347,655</u> | <u>327,839</u> | <u>5,675,494</u> |
| <b>LIABILITIES</b>   |                  |                |                  |
| Accounts Payable   | 23,154           | —              | 23,154           |
| Accrued Payroll  | 32,642           | —              | 32,642           |
| Total Liabilities  | <u>55,796</u>    | <u>—</u>       | <u>55,796</u>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                               |                  |                |                  |
| Property Taxes   | 2,813,889        | 204,700        | 3,018,589        |
| Total Liabilities and Deferred Inflows of Resources                | <u>2,869,685</u> | <u>204,700</u> | <u>3,074,385</u> |
| <b>FUND BALANCES</b>   |                  |                |                  |
| Restricted   | —                | 123,139        | 123,139          |
| Unassigned   | 2,477,970        | —              | 2,477,970        |
| Total Fund Balances  | <u>2,477,970</u> | <u>123,139</u> | <u>2,601,109</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>5,347,655</u> | <u>327,839</u> | <u>5,675,494</u> |

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

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

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

**December 31, 2023**

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|  |                         |
|--|-------------------------|
| <b>Total Governmental Fund Balances</b>  | \$ 2,601,109            |
| 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 funds. | 1,905,746               |
| Deferred outflows (inflows) of resources related to the pensions not reported in the funds.                              |                         |
| Deferred Items - IMRF  | 465,049                 |
| Deferred Items - RBP   | 13,552                  |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.         |                         |
| Net Pension Liability - IMRF   | (359,796)               |
| Total OPEB Liability - RBP   | (208,694)               |
| Notes Payable  | <u>(490,710)</u>        |
| <b>Net Position of Governmental Activities</b>   | <u><u>3,926,256</u></u> |

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

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended December 31, 2023**

|                                      | General                 | Nonmajor              | Totals                  |
|--------------------------------------|-------------------------|-----------------------|-------------------------|
| <b>Revenues</b>                      |                         |                       |                         |
| Taxes                                | \$ 2,748,414            | 141,562               | 2,889,976               |
| Intergovernmental                    | 62,553                  | —                     | 62,553                  |
| Charges for Services                 | 392                     | —                     | 392                     |
| Fines and Penalties                  | 1,483                   | —                     | 1,483                   |
| Investment Income                    | 114,256                 | —                     | 114,256                 |
| Miscellaneous                        |                         |                       |                         |
| Contributions                        | 13,745                  | 60,863                | 74,608                  |
| Miscellaneous                        | 4,320                   | —                     | 4,320                   |
| Total Revenues                       | <u>2,945,163</u>        | <u>202,425</u>        | <u>3,147,588</u>        |
| <b>Expenditures</b>                  |                         |                       |                         |
| Culture and Recreation               |                         |                       |                         |
| Library Operations                   | 2,256,034               | 41,661                | 2,297,695               |
| Building and Grounds Maintenance     | 175,346                 | —                     | 175,346                 |
| Employer IMRF and FICA Contributions | —                       | 174,396               | 174,396                 |
| Capital Outlay                       | 31,188                  | —                     | 31,188                  |
| Debt Service                         |                         |                       |                         |
| Principal Retirement                 | 45,380                  | —                     | 45,380                  |
| Interest and Fiscal Charges          | 7,620                   | —                     | 7,620                   |
| Total Expenditures                   | <u>2,515,568</u>        | <u>216,057</u>        | <u>2,731,625</u>        |
| Net Change in Fund Balances          | 429,595                 | (13,632)              | 415,963                 |
| Fund Balances - Beginning            | <u>2,048,375</u>        | <u>136,771</u>        | <u>2,185,146</u>        |
| Fund Balances - Ending               | <u><u>2,477,970</u></u> | <u><u>123,139</u></u> | <u><u>2,601,109</u></u> |

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

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities  
For the Fiscal Year Ended December 31, 2023**

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|   |                   |
|---|-------------------|
| <b>Net Change in Fund Balances - Total Governmental Funds</b> | <b>\$ 415,963</b> |
|---|-------------------|

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

Governmental funds report capital outlays as expenditures. however, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

|                                      |           |
|--------------------------------------|-----------|
| Capital Outlays                      | 14,992    |
| Depreciation Expense                 | (147,320) |
| Disposals - Cost                     | (27,313)  |
| Disposals - Accumulated Depreciation | 27,313    |

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

|                                 |           |
|---------------------------------|-----------|
| Change in Deferred Items - IMRF | (171,628) |
| Change in Deferred Items - RBP  | 68,275    |

The issuance of long-term debt provides current financial resources to governmental funds, While the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.

|  |               |
|--|---------------|
| Change in Net Pension Liability - IMRF | 268,414       |
| Change in Total OPEB Liability - RBP   | (54,590)      |
| Retirement of Long-Term Debt           | <u>45,380</u> |

|   |                              |
|---|------------------------------|
| <b>Changes in Net Position of Governmental Activities</b> | <b><u><u>439,486</u></u></b> |
|---|------------------------------|



# GLENCOE PUBLIC LIBRARY, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Glencoe Public Library (the Library) operates and maintains the public library within the Village of Glencoe. The basic financial statements are prepared in accordance with generally accepted accounting principles in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP in the United States for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Library's accounting policies established in GAAP in the United States and used by the Library are described below.

#### REPORTING ENTITY

The Library is administered by a publicly elected seven-member board of trustees. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are no blended nor discretely component units required to be included in this report and has determined that the Library be presented as a discretely presented component unit of the Village of Glencoe, Illinois.

#### BASIS OF PRESENTATION

##### Government-Wide and Fund Financial Statements

The government-wide Statement of Activities reports both the gross and net cost of the Library's functions. The Library's activities are supported by taxes and intergovernmental revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

A fund is a separate accounting entity with a self-balancing set of accounts. The Library only maintains governmental funds. Separate financial statements are provided for the General Fund, the Library's only major fund, and two nonmajor special revenue funds, the Illinois Municipal Retirement and Social Security Fund and the Restricted Gift Fund. The General Fund is the Library's primary operating fund. It accounts for all financial resources of the Library, except those required to be accounted for in another fund.

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

# GLENCOE PUBLIC LIBRARY, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

##### Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

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

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

##### Basis of Accounting

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

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

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

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

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

**Cash and Investments**

For the purpose of the Statement of Net Position, the Library's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of purchase.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Library categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Library has no investments at year-end.

**Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances include property taxes.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Library as a whole. When purchased, such assets are recorded as expenditures in the governmental fund and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

|                                     |               |
|-------------------------------------|---------------|
| Buildings and Building Improvements | 10 - 40 Years |
| Furniture and Equipment             | 5 - 10 Years  |

**Deferred Outflows/Inflows of Resources**

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

# GLENCOE PUBLIC LIBRARY, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

##### Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities.

##### Net Position

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

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, if applicable.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

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

##### Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption 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 expenditures/expenses during the reporting period. Actual results could differ from those estimates.

### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General Fund and Illinois Municipal Retirement and Social Security Fund. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level for all funds.

All annual appropriations lapse at fiscal year-end. The Library Board approves the budget for the Public Library; the Village Board approves the tax levy. State statutes and local ordinances require that the budget be approved before the beginning of the fiscal year. During the fiscal year, no supplementary appropriations were necessary.

# GLENCOE PUBLIC LIBRARY, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 3 - DETAIL NOTES ON ALL FUNDS

#### DEPOSITS AND INVESTMENTS

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

Permitted Deposits and Investments - Statutes authorize the Library to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, and commercial paper rated within the three highest classifications by at least two standard rating services.

A portion of the Library's funds are held in a Max Safe Money Market account originated through North Shore Community Bank and Trust held through the Wintrust system. The funds in this account are distributed among as many as fourteen banks in order to secure full FDIC insurance.

*Deposits.* At year-end, the carrying amount of the Library's deposits totaled \$2,652,005 and the bank balances totaled \$2,719,763.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Library's investment policy attempts to match its investments with anticipated cash flow requirements. The Treasurer establishes a maximum maturity limit for securities.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in instruments authorized under State Statute, the Library's investment policy does not further limit credit risk.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library's investment policy requires that funds on deposit in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement and held at an independent third party institution in the name of the Library. At December 31, 2023 the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance. For an investment, this is the risk that in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library's use of the Wintrust system limits custodial credit risk by distributing sums in excess of FDIC limits throughout as many as 15 banks in order to secure full insurance in compliance with the changes in the 2009 law.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the Library's investment in a single issuer. The Library's investment policy places no limit on the amount that may be invested in any one issuer, stating only that the Library diversify its investments to the best of its ability based on the nature of the funds invested and the cash flow needs of those funds. At December 31, 2023 the Library does not have any investments over 5 percent of cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**PROPERTY TAXES**

Property taxes for 2022 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1 and August 1. The County collects such taxes and remits them periodically to the Library. The allowance for uncollectible taxes has been stated at 0% of the tax levy, because uncollected taxes are treated as deferred inflows of resources.

**CAPITAL ASSETS**

Governmental capital asset activity for the year was as follows:

|                                      | Beginning<br>Balances | Increases        | Decreases     | Ending<br>Balances |
|--------------------------------------|-----------------------|------------------|---------------|--------------------|
| <b>Nondepreciable Capital Assets</b> |                       |                  |               |                    |
| Land                                 | \$ 75,772             | —                | —             | 75,772             |
| <b>Depreciable Capital Assets</b>    |                       |                  |               |                    |
| Buildings and Building Improvements  | 4,275,201             | 7,228            | 14,024        | 4,268,405          |
| Furniture and Equipment              | 57,764                | 7,764            | 13,289        | 52,239             |
|                                      | <u>4,332,965</u>      | <u>14,992</u>    | <u>27,313</u> | <u>4,320,644</u>   |
| <b>Less Accumulated Depreciation</b> |                       |                  |               |                    |
| Buildings and Building Improvements  | 2,312,899             | 146,091          | 14,024        | 2,444,966          |
| Furniture and Equipment              | 57,764                | 1,229            | 13,289        | 45,704             |
|                                      | <u>2,370,663</u>      | <u>147,320</u>   | <u>27,313</u> | <u>2,490,670</u>   |
| Total Net Depreciable Capital Assets | <u>1,962,302</u>      | <u>(132,328)</u> | <u>—</u>      | <u>1,829,974</u>   |
| Total Net Capital Assets             | <u>2,038,074</u>      | <u>(132,328)</u> | <u>—</u>      | <u>1,905,746</u>   |

Depreciation expense of \$147,320 was charged to the culture and recreation function.

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT**

**Notes Payable**

The Library has an unsecured tax-exempt loan that, together with other funds, was used to finance the renovation and addition to the Library building.

| Issue   | Beginning<br>Balances | Issuances | Retirements | Ending<br>Balances |
|---|-----------------------|-----------|-------------|--------------------|
| Notes Payable (\$725,000) dated May 24, 2017 due in monthly installments of \$4,417 including interest at 2.75% through June 1, 2024. | \$ 536,090            | —         | 45,380      | 490,710            |

**Long-Term Liability Activity**

Changes in long-term liabilities during the fiscal year were as follows:

| Type of Debt                 | Beginning<br>Balances | Additions     | Deductions     | Ending<br>Balances | Amounts<br>Due within<br>One Year |
|------------------------------|-----------------------|---------------|----------------|--------------------|-----------------------------------|
| Net Pension Liability - IMRF | \$ 628,210            | —             | 268,414        | 359,796            | —                                 |
| Total OPEB Liability - RBP   | 154,104               | 54,590        | —              | 208,694            | —                                 |
| Note Payable                 | 536,090               | —             | 45,380         | 490,710            | 490,710                           |
|                              | <u>1,318,404</u>      | <u>54,590</u> | <u>313,794</u> | <u>1,059,200</u>   | <u>490,710</u>                    |

Payments on the net pension liability, total OPEB liability, and the note payable are made by the General Fund.

**Debt Service Requirements to Maturity**

The annual debt service requirements to maturity, including principal and interest, are as follows:

| Fiscal<br>Year | Notes Payable     |              |
|----------------|-------------------|--------------|
|                | Principal         | Interest     |
| 2024           | <u>\$ 490,710</u> | <u>8,643</u> |

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**FUND BALANCE CLASSIFICATIONS**

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

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

|                               | General   | Nonmajor | Totals    |
|-------------------------------|-----------|----------|-----------|
| Fund Balances                 |           |          |           |
| Restricted                    |           |          |           |
| Illinois Municipal Retirement | \$ —      | 74,857   | 74,857    |
| Donor Specified Purposes      | —         | 48,282   | 48,282    |
|                               | —         | 123,139  | 123,139   |
| Unassigned*                   | 2,477,970 | —        | 2,477,970 |
| Total Fund Balances           | 2,477,970 | 123,139  | 2,601,109 |

\*Unassigned fund balance is used for anticipated future building needs, as well as for the 25% operating reserve.

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

*Nonspendable Fund Balance.* Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

*Restricted Fund Balance.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

*Assigned Fund Balance.* Consists of amounts that are constrained by the Board's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board itself or b) a body or official to which the Board has delegated the authority to assign amounts to be used for specific purposes. The Library's highest level of decision-making authority is the Board, who is authorized to assign amounts to a specific purpose.



**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**FUND BALANCE CLASSIFICATIONS - Continued**

*Unassigned Fund Balance.* Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

*Minimum Fund Balance.* The Library maintains a minimum unrestricted fund balance in the General Fund equal to 25% of budgeted operating expenditures as an operating reserve.

**NET POSITION CLASSIFICATION**

Net investment in capital assets was comprised of the following as of December 31, 2023:

|  |                         |
|--|-------------------------|
| Governmental Activities                          |                         |
| Capital Assets - Net of Accumulated Depreciation | \$ 1,905,746            |
| Less Capital Related Debt:                       |                         |
| Notes Payable                                    | <u>(490,710)</u>        |
| Net Investment in Capital Assets                 | <u><u>1,415,036</u></u> |

**NOTE 4 - OTHER INFORMATION**

**RISK MANAGEMENT**

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the library's employees. These risks are provided for through insurance from private insurance companies. The library currently reports all its risk management activities in the General Fund. There were no significant changes in insurance coverages from the prior year and no claims were made.

**CONTINGENT LIABILITIES**

**Litigation**

From time to time, the Library is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Library attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Library's financial position or results of operations. *The library faced no legal actions in 2023 and has no pending litigation currently.*

**Grants**

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

# GLENCOE PUBLIC LIBRARY, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

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

The Library contributes to one defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

##### Plan Descriptions

*Plan Administration.* All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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

IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

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

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN**

**Illinois Municipal Retirement Fund (IMRF)**

**Plan Descriptions - Continued**

*Plan Membership.* As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

|  |                  |
|--|------------------|
| Inactive Plan Members Currently Receiving Benefits               | —                |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | —                |
| Active Plan Members  | <u>17</u>        |
| Total  | <u><u>17</u></u> |

*Contributions.* As set by statute, the Library's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended December 31, 2023, the Library's contribution was 6.31% of covered payroll.

*Net Pension Liability.* The Library's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2023, using the following actuarial methods and assumptions:

|                            |                     |
|----------------------------|---------------------|
| Actuarial Cost Method      | Entry Age<br>Normal |
| Asset Valuation Method     | Fair Value          |
| Actuarial Assumptions      |                     |
| Interest Rate              | 7.25%               |
| Salary Increases           | 2.85% to 13.75%     |
| Cost of Living Adjustments | 2.75%               |
| Inflation                  | 2.25%               |

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Actuarial Assumptions - Continued.* For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

| <u>Asset Class</u>        | <u>Target</u> | <u>Long-Term<br/>Expected Real<br/>Rate of Return</u> |
|---------------------------|---------------|---|
| Fixed Income              | 25.50%        | 4.90%   |
| Domestic Equities         | 35.50%        | 6.50%   |
| International Equities    | 18.00%        | 7.60%   |
| Real Estate               | 10.50%        | 6.20%   |
| Blended                   | 9.50%         | 6.25% - 9.90%   |
| Cash and Cash Equivalents | 1.00%         | 4.00%   |

**Discount Rate**

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. 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 Library contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Discount Rate Sensitivity**

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

|                                  | 1% Decrease<br>(6.25%) | Current<br>Discount Rate<br>(7.25%) | 1% Increase<br>(8.25%) |
|----------------------------------|------------------------|-------------------------------------|------------------------|
| Net Pension Liability/(Asset) \$ | 1,106,765              | 359,796                             | (246,655)              |

**Changes in the Net Pension Liability**

|   | Total<br>Pension<br>Liability<br>(A) | Plan Fiduciary<br>Net Position<br>(B) | Net Pension<br>Liability<br>(A) - (B) |
|---|--------------------------------------|---------------------------------------|---------------------------------------|
| Balances at December 31, 2022   | \$ 6,961,586                         | 6,333,376                             | 628,210                               |
| Changes for the Year:   |                                      |                                       |                                       |
| Service Cost  | 82,775                               | —                                     | 82,775                                |
| Interest on the Total Pension Liability   | 458,102                              | —                                     | 458,102                               |
| Changes of Benefit Terms  | —                                    | —                                     | —                                     |
| Difference Between Expected and Actual<br>Experience of the Total Pension Liability | 86,743                               | —                                     | 86,743                                |
| Changes of Assumptions  | (5,052)                              | —                                     | (5,052)                               |
| Contributions - Employer  | —                                    | 60,535                                | (60,535)                              |
| Contributions - Employees   | —                                    | 43,251                                | (43,251)                              |
| Net Investment Income   | —                                    | 650,977                               | (650,977)                             |
| Benefit Payments, Including Refunds<br>of Employee Contributions                    | (392,666)                            | (392,666)                             | —                                     |
| Other (Net Transfer)  | —                                    | 136,219                               | (136,219)                             |
| Net Changes   | 229,902                              | 498,316                               | (268,414)                             |
| Balances at December 31, 2023   | 7,191,488                            | 6,831,692                             | 359,796                               |

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

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

For the year ended December 31, 2023, the Library recognized pension revenue of \$36,251. At December 31, 2023, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources | Totals         |
|---|--------------------------------------|-------------------------------------|----------------|
| Difference Between Expected and Actual Experience                                   | \$ 129,107                           | —                                   | 129,107        |
| Change in Assumptions   | —                                    | (3,571)                             | (3,571)        |
| Net Difference Between Projected and Actual<br>Earnings on Pension Plan Investments | 339,513                              | —                                   | 339,513        |
| Total Deferred Amounts Related to IMRF  | <u>468,620</u>                       | <u>(3,571)</u>                      | <u>465,049</u> |

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

| Fiscal<br>Year | Net Deferred<br>Outflows/<br>(Inflows)<br>of Resources |
|----------------|--|
| 2024           | \$ 111,610   |
| 2025           | 154,176  |
| 2026           | 246,779  |
| 2027           | (47,516)   |
| 2028           | —  |
| Thereafter     | —  |
| Total          | <u>465,049</u>   |

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS**

**General Information about the OPEB Plan**

*Plan Description.* The Library's defined benefit OPEB plan, Village of Glencoe Retiree Benefit Plan (RBP), provides OPEB for all permanent full-time general employees of the Library. RBP is a single-employer defined benefit OPEB plan administered by the Library. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Library Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided.* RBP provides medical benefits for full-time IMRF retirees and their dependent/spouse. Retirees pay the full cost of health insurance continuation at the employer rate until they reach age 65. Dependent/spousal coverage may continue should retiree coverage end due to coverage termination, death, or Medicare eligibility with dependent/spouse using COBRA for up to 18 months after the event., There is no coverage offered to retirees once Medicare eligible, except through COBRA. Retirees are not eligible for vision or life insurance in retirement. There is no dental coverage offered to Retirees once Medicare eligible, except through COBRA.

*Plan Membership.* As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

|  |                  |
|--|------------------|
| Inactive Plan Members Currently Receiving Benefits               | 4                |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | —                |
| Active Plan Members  | <u>17</u>        |
| Total  | <u><u>21</u></u> |

**Total OPEB Liability**

The Library's total OPEB liability was measured as of December 31, 2023, and was determined by an actuarial valuation as of December 31, 2023.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|  |   |
|--|---|
| Inflation                                | 4.00%   |
| Salary Increases                         | 4.00%   |
| Discount Rate                            | 4.00%   |
| Healthcare Cost Trend Rates              | 6.00% in Fiscal Year 2023 and an Ultimate Trend Rate of 4.50% in 2039 |
| Retirees' Share of Benefit-Related Costs | 100% of Projected Health Insurance Premiums for Retirees              |

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Total OPEB Liability - Continued**

*Actuarial Assumptions and Other Inputs - Continued.* The discount rate was based on the S&P Municipal Bond 20-year high-grade rate index as of December 31, 2023.

Mortality rates were based on the December 31, 2022 IMRF Actuarial Valuation Report and the Village of Glencoe Police Pension Fund Actuarial Valuation Report as of January 1, 2023.

**Change in the Total OPEB Liability**

|   | Total<br>OPEB<br>Liability |
|---|----------------------------|
| Balances at December 31, 2022                     | \$ 154,104                 |
| Changes for the Year:                             |                            |
| Service Cost                                      | 5,090                      |
| Interest on the Total OPEB Liability              | 4,564                      |
| Changes of Benefit Terms                          | —                          |
| Difference Between Expected and Actual Experience | 49,491                     |
| Changes of Assumptions or Other Inputs            | 15,230                     |
| Benefit Payments                                  | (19,785)                   |
| Other Changes                                     | —                          |
| Net Changes                                       | <u>54,590</u>              |
| Balances at December 31, 2023                     | <u><u>208,694</u></u>      |

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability, calculated using a Single Discount Rate of 4.00%, compared to last year's rate of 4.31%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

|                      | 1% Decrease<br>(3.00%) | Current<br>Discount Rate<br>(4.00%) | 1% Increase<br>(5.00%) |
|----------------------|------------------------|-------------------------------------|------------------------|
| Total OPEB Liability | \$ 223,886             | 208,694                             | 195,103                |



**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability, calculated using the Healthcare Trend Rates, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

|                      |                         | Healthcare<br>Cost Trend |                         |
|----------------------|-------------------------|--------------------------|-------------------------|
|                      | 1% Decrease<br>(Varies) | Rates<br>(Varies)        | 1% Increase<br>(Varies) |
| Total OPEB Liability | \$ 193,102              | 208,694                  | 226,612                 |

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2023, the Library recognized OPEB expense of \$6,100. At December 31, 2023, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources | Totals  |
|---|--------------------------------------|-------------------------------------|---------|
| Difference Between Expected and Actual Experience                                   | \$ 45,000                            | (25,087)                            | 19,913  |
| Change in Assumptions   | 28,176                               | (34,537)                            | (6,361) |
| Net Difference Between Projected and Actual<br>Earnings on Pension Plan Investments | —                                    | —                                   | —       |
| Total Deferred Amounts Related to OPEB  | 73,176                               | (59,624)                            | 13,552  |

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - Continued**

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

| Fiscal<br>Year | Net Deferred<br>Outflows/<br>(Inflows)<br>of Resources |
|----------------|--|
| 2024           | \$ (2,863)   |
| 2025           | (1,043)  |
| 2026           | 471  |
| 2027           | 1,545  |
| 2028           | 1,462  |
| Thereafter     | <u>13,980</u>  |
| Total          | <u><u>13,552</u></u>                                   |

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability  
Retiree Benefit Plan
- Budgetary Comparison Schedule  
General Fund

Notes to the Required Supplementary Information

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

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Illinois Municipal Retirement Fund  
Schedule of Employer Contributions  
December 31, 2023**

| Fiscal Year | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Excess/ (Deficiency) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|-------------|-------------------------------------|--|-----------------------------------|-----------------|--|
| 2/29/2016   | \$ 89,845                           | \$ 89,845  | \$ —                              | \$ 759,465      | 11.83%   |
| 2/28/2017   | 91,706                              | 91,706   | —                                 | 767,418         | 11.95%   |
| 2/28/2018   | 91,726                              | 91,726   | —                                 | 767,814         | 11.95%   |
| 2/28/2019   | 103,715                             | 114,200  | 10,485                            | 880,623         | 12.97%   |
| 2/29/2020   | 90,180                              | 90,180   | —                                 | 906,134         | 9.95%  |
| 12/31/2020  | 99,823                              | 99,823   | —                                 | 877,946         | 11.37%   |
| 12/31/2021  | 107,796                             | 107,796  | —                                 | 919,764         | 11.72%   |
| 12/31/2022  | 76,222                              | 88,441   | 12,219                            | 878,133         | 10.07%   |
| 12/31/2023  | 59,502                              | 60,535   | 1,033                             | 959,714         | 6.31%  |

Notes to the Required Supplementary Information:

|                               |  |
|-------------------------------|--|
| Actuarial Cost Method         | Aggregate Entry Age Normal   |
| Amortization Method           | Level % Pay (Closed)   |
| Remaining Amortization Period | 20 Years   |
| Asset Valuation Method        | 5-Year Smoothed Fair Value   |
| Inflation                     | 2.25%  |
| Salary Increases              | 2.75% 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.   |
| Mortality                     | For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. |

Note:

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

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Schedule of Changes in the Employer's Net Pension Liability/(Asset)**

**December 31, 2023**

|  | 12/31/2015 | 12/31/2016 | 12/31/2017 |
|--|------------|------------|------------|
| Total Pension Liability  |            |            |            |
| Service Cost   | \$ 87,098  | 81,516     | 79,119     |
| Interest   | 370,043    | 362,820    | 365,170    |
| Differences Between Expected and Actual Experience<br>and Actual Experience    | 17,654     | 68,976     | 21,886     |
| Change of Assumptions  | 12,735     | (19,318)   | (174,524)  |
| Benefit Payments, Including Refunds<br>of Member Contributions                 | (234,855)  | (252,574)  | (272,216)  |
| Net Change in Total Pension Liability  | 252,675    | 241,420    | 19,435     |
| Total Pension Liability - Beginning  | 5,014,367  | 5,267,042  | 5,508,462  |
| Total Pension Liability - Ending   | 5,267,042  | 5,508,462  | 5,527,897  |
| Plan Fiduciary Net Position  |            |            |            |
| Contributions - Employer   | \$ 89,845  | 91,706     | 90,979     |
| Contributions - Members  | 34,176     | 34,810     | 34,346     |
| Net Investment Income  | 23,319     | 308,574    | 812,032    |
| Benefit Payments, Including Refunds<br>of Member Contributions                 | (234,855)  | (252,574)  | (272,216)  |
| Other (Net Transfer)   | (19,729)   | 62,818     | (94,662)   |
| Net Change in Plan Fiduciary Net Position                                      | (107,244)  | 245,334    | 570,479    |
| Plan Net Position - Beginning  | 4,719,262  | 4,612,018  | 4,857,352  |
| Plan Net Position - Ending   | 4,612,018  | 4,857,352  | 5,427,831  |
| Employer's Net Pension Liability/(Asset)                                       | \$ 655,024 | 651,110    | 100,066    |
| Plan Fiduciary Net Position as a Percentage<br>of the Total Pension Liability  | 87.56%     | 88.18%     | 98.19%     |
| Covered Payroll  | \$ 759,465 | 767,418    | 763,262    |
| Employer's Net Pension Liability/(Asset) as a<br>Percentage of Covered Payroll | 86.25%     | 84.84%     | 13.11%     |

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017.

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

| 12/31/2018 | 12/31/2019 | 12/31/2020 | 12/31/2021 | 12/31/2022  | 12/31/2023 |
|------------|------------|------------|------------|-------------|------------|
| 87,298     | 95,934     | 88,891     | 84,196     | 76,027      | 82,775     |
| 455,025    | 501,815    | 433,663    | 463,156    | 528,019     | 458,102    |
| (90,878)   | 243,212    | (83,077)   | 124,938    | 145,384     | 86,743     |
| 171,767    | —          | (42,893)   | —          | —           | (5,052)    |
| (322,284)  | (371,951)  | (385,506)  | (389,538)  | (379,509)   | (392,666)  |
| 300,928    | 469,010    | 11,078     | 282,752    | 369,921     | 229,902    |
| 5,527,897  | 5,828,825  | 6,297,835  | 6,308,913  | 6,591,665   | 6,961,586  |
| 5,828,825  | 6,297,835  | 6,308,913  | 6,591,665  | 6,961,586   | 7,191,488  |
| 107,773    | 89,075     | 99,823     | 107,796    | 88,441      | 60,535     |
| 39,136     | 41,495     | 39,508     | 41,389     | 39,516      | 43,251     |
| (323,955)  | 1,055,505  | 883,383    | 1,160,526  | (920,706)   | 650,977    |
| (322,284)  | (371,951)  | (385,506)  | (389,538)  | (379,509)   | (392,666)  |
| 36,622     | 142,409    | (22,046)   | 33,440     | 15,203      | 136,219    |
| (462,708)  | 956,533    | 615,162    | 953,613    | (1,157,055) | 498,316    |
| 5,427,831  | 4,965,123  | 5,921,656  | 6,536,818  | 7,490,431   | 6,333,376  |
| 4,965,123  | 5,921,656  | 6,536,818  | 7,490,431  | 6,333,376   | 6,831,692  |
| 863,702    | 376,179    | (227,905)  | (898,766)  | 628,210     | 359,796    |
| 85.18%     | 94.03%     | 103.61%    | 113.63%    | 90.98%      | 95.00%     |
| 869,692    | 922,101    | 877,946    | 919,764    | 878,133     | 959,714    |
| 99.31%     | 40.80%     | (25.96%)   | (97.72%)   | 71.54%      | 37.49%     |

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Retiree Benefit Plan**

**Schedule of Changes in the Employer's Total OPEB Liability**

**December 31, 2023**

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|   | <u>2/28/2018</u>      |
|---|-----------------------|
| Total OPEB Liability  |                       |
| Service Cost  | \$ 3,921              |
| Interest  | 8,839                 |
| Changes in Benefit Terms  | —                     |
| Differences Between Expected and Actual Experience                  | 10,304                |
| Change of Assumptions or Other Inputs                               | (14,562)              |
| Benefit Payments  | (17,566)              |
| Other Changes   | (12,509)              |
| Net Change in Total OPEB Liability                                  | <u>(21,573)</u>       |
| Total OPEB Liability - Beginning                                    | <u>254,340</u>        |
| Total OPEB Liability - Ending                                       | <u><u>232,767</u></u> |
| Covered-Employee Payroll  | \$ 786,364            |
| Total OPEB Liability as a Percentage of<br>Covered-Employee Payroll | 29.60%                |

Notes:

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

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2018 through 2023.

| 2/28/2019 | 2/29/2020 | 12/31/2020 | 12/31/2021 | 12/31/2022 | 12/31/2023 |
|-----------|-----------|------------|------------|------------|------------|
| 4,264     | 6,292     | 4,643      | 6,084      | 5,858      | 5,090      |
| 8,653     | 9,580     | (76,620)   | (61,206)   | 7,085      | 4,564      |
| —         | —         | —          | —          | —          | —          |
| —         | (34,643)  | —          | (22,743)   | —          | 49,491     |
| 18,261    | 7,476     | 9,474      | (5,449)    | (26,576)   | 15,230     |
| (19,194)  | (21,837)  | (22,805)   | (11,128)   | (18,502)   | (19,785)   |
| (304)     | 38,752    | 57,930     | 57,992     | —          | —          |
| 11,680    | 5,620     | (27,378)   | (36,450)   | (32,135)   | 54,590     |
| 232,767   | 244,447   | 250,067    | 222,689    | 186,239    | 154,104    |
| 244,447   | 250,067   | 222,689    | 186,239    | 154,104    | 208,694    |
| 844,432   | 1,105,380 | 1,003,191  | 942,986    | 958,353    | 948,512    |
| 28.95%    | 22.62%    | 22.20%     | 19.75%     | 16.08%     | 22.00%     |



**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended December 31, 2023**

|                                  | Original<br>Budget | Final<br>Budget  | Actual           | Budget<br>Variance<br>Over<br>(Under) |
|----------------------------------|--------------------|------------------|------------------|---------------------------------------|
| <b>Revenues</b>                  |                    |                  |                  |                                       |
| Taxes                            |                    |                  |                  |                                       |
| Property Tax                     | \$ 2,827,833       | 2,827,833        | 2,748,414        | 79,419                                |
| Intergovernmental                |                    |                  |                  |                                       |
| Replacement Tax                  | 18,000             | 18,000           | 41,515           | (23,515)                              |
| Per Capita Grant                 | —                  | —                | 13,052           | (13,052)                              |
| Other Grants                     | 22,000             | 22,000           | 7,986            | 14,014                                |
| Charges for Services             | 600                | 600              | 392              | 208                                   |
| Fines and Penalties              | —                  | —                | 1,483            | (1,483)                               |
| Investment Income                | 20,000             | 20,000           | 114,256          | (94,256)                              |
| Miscellaneous                    |                    |                  |                  |                                       |
| Contributions                    | 7,000              | 7,000            | 13,745           | (6,745)                               |
| Miscellaneous                    | —                  | —                | 4,320            | (4,320)                               |
| Total Revenues                   | <u>2,895,433</u>   | <u>2,895,433</u> | <u>2,945,163</u> | <u>(49,730)</u>                       |
| <b>Expenditures</b>              |                    |                  |                  |                                       |
| Culture and Recreation           |                    |                  |                  |                                       |
| Library Operations               | 2,381,802          | 2,381,802        | 2,256,034        | (125,768)                             |
| Building Grounds and Maintenance | 206,100            | 206,100          | 175,346          | (30,754)                              |
| Capital Outlay                   | 78,331             | 78,331           | 31,188           | (47,143)                              |
| Debt Service                     |                    |                  |                  |                                       |
| Principal Retirement             | 34,791             | 34,791           | 45,380           | 10,589                                |
| Interest and Fiscal Charges      | 18,209             | 18,209           | 7,620            | (10,589)                              |
| Total Expenditures               | <u>2,719,233</u>   | <u>2,719,233</u> | <u>2,515,568</u> | <u>(203,665)</u>                      |
| Net Change in Fund Balance       | <u>176,200</u>     | <u>176,200</u>   | 429,595          | <u>(253,395)</u>                      |
| Fund Balance - Beginning         |                    |                  | <u>2,048,375</u> |                                       |
| Fund Balance - Ending            |                    |                  | <u>2,477,970</u> |                                       |

## **OTHER SUPPLEMENTARY INFORMATION**

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

Such statements and schedules include:

- Budgetary Comparison Schedule - Major Governmental Fund
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedule - Nonmajor Governmental Fund

## **INDIVIDUAL FUND DESCRIPTIONS**

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### **GENERAL FUND**

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

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### **SPECIAL REVENUE FUND**

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

#### **Illinois Municipal Retirement and Social Security Fund**

The Illinois Municipal Retirement and Social Security Fund is used to account for the proceeds of employer contributions to a pension plan for qualified employees.

#### **Restricted Gift Fund**

The Restricted Gift Fund is used to account for proceeds from donations made to the Library with specific criteria for expenditure.

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**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual**

**For the Fiscal Year Ended December 31, 2023**

|                                  | Original<br>Budget | Final<br>Budget  | Actual           | Budget<br>Variance<br>Over<br>(Under) |
|----------------------------------|--------------------|------------------|------------------|---------------------------------------|
| Culture and Recreation           |                    |                  |                  |                                       |
| Library Operations               |                    |                  |                  |                                       |
| Salaries                         | \$ 1,479,000       | 1,479,000        | 1,456,773        | (22,227)                              |
| Medical Insurance                | 189,000            | 189,000          | 187,294          | (1,706)                               |
| Unemployment Taxes               | 5,000              | 5,000            | 4,085            | (915)                                 |
| Books                            | 126,600            | 126,600          | 102,216          | (24,384)                              |
| Audio Materials                  | 14,600             | 14,600           | 12,071           | (2,529)                               |
| Video Materials                  | 13,250             | 13,250           | 9,893            | (3,357)                               |
| Periodicals                      | 17,300             | 17,300           | 15,161           | (2,139)                               |
| Web Hosting                      | 5,500              | 5,500            | 2,930            | (2,570)                               |
| Internet Access                  | 24,000             | 24,000           | 22,922           | (1,078)                               |
| O.C.L.C                          | 7,740              | 7,740            | 6,549            | (1,191)                               |
| Automated Resources              | 57,000             | 57,000           | 63,662           | 6,662                                 |
| Digital                          | 25,800             | 25,800           | 10,879           | (14,921)                              |
| Downloadable Content and Players | 98,500             | 98,500           | 93,637           | (4,863)                               |
| Staff Continuing Education       | 21,730             | 21,730           | 16,908           | (4,822)                               |
| Programs and Publicity           | 58,782             | 58,782           | 27,960           | (30,822)                              |
| Information Technology           | 38,500             | 38,500           | 19,600           | (18,900)                              |
| Children's Learning Kits         | 1,100              | 1,100            | 502              | (598)                                 |
| Communications                   | —                  | —                | 17,533           | 17,533                                |
| Supplies - General               | —                  | —                | 33,856           | 33,856                                |
| Cooperative Computer Services    | 58,320             | 58,320           | 56,687           | (1,633)                               |
| Postage                          | 3,000              | 3,000            | 2,529            | (471)                                 |
| Auditing                         | 5,250              | 5,250            | 2,322            | (2,928)                               |
| Bookkeeping                      | 17,000             | 17,000           | 13,678           | (3,322)                               |
| Trustee Expenditures             | 1,000              | 1,000            | 973              | (27)                                  |
| Insurance                        | 31,130             | 31,130           | 31,590           | 460                                   |
| Legal Fees                       | 4,400              | 4,400            | 1,013            | (3,387)                               |
| Recruitment                      | 200                | 200              | 524              | 324                                   |
| Service and Resource Development | 40,000             | 40,000           | 1,460            | (38,540)                              |
| Copier                           | 6,100              | 6,100            | 7,945            | 1,845                                 |
| Contract Services                | 32,000             | 32,000           | 32,882           | 882                                   |
|                                  | <u>2,381,802</u>   | <u>2,381,802</u> | <u>2,256,034</u> | <u>(125,768)</u>                      |

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**

**For the Fiscal Year Ended December 31, 2023**

|                                    | Original<br>Budget      | Final<br>Budget         | Actual                  | Budget<br>Variance<br>Over<br>(Under) |
|------------------------------------|-------------------------|-------------------------|-------------------------|---------------------------------------|
| Culture and Recreation - Continued |                         |                         |                         |                                       |
| Building Grounds and Maintenance   |                         |                         |                         |                                       |
| Building Maintenance and Repairs   | \$ 140,400              | 140,400                 | 91,402                  | (48,998)                              |
| Equipment Repairs                  | 65,700                  | 65,700                  | 83,944                  | 18,244                                |
|                                    | <u>206,100</u>          | <u>206,100</u>          | <u>175,346</u>          | <u>(30,754)</u>                       |
| Total Culture and Recreation       | <u>2,587,902</u>        | <u>2,587,902</u>        | <u>2,431,380</u>        | <u>(156,522)</u>                      |
| Capital Outlay                     | <u>78,331</u>           | <u>78,331</u>           | <u>31,188</u>           | <u>(47,143)</u>                       |
| Debt Service                       |                         |                         |                         |                                       |
| Principal Retirement               | 34,791                  | 34,791                  | 45,380                  | 10,589                                |
| Interest and Fiscal Charges        | 18,209                  | 18,209                  | 7,620                   | (10,589)                              |
|                                    | <u>53,000</u>           | <u>53,000</u>           | <u>53,000</u>           | <u>—</u>                              |
| Total Expenditures                 | <u><u>2,719,233</u></u> | <u><u>2,719,233</u></u> | <u><u>2,515,568</u></u> | <u><u>(203,665)</u></u>               |

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds  
Combining Balance Sheet  
December 31, 2023**

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|   | Illinois<br>Municipal<br>Retirement<br>and Social<br>Security | Restricted<br>Gifts | Totals  |
|---|---|---------------------|---------|
| <b>ASSETS</b>   |   |                     |         |
| Cash and Investments                                  | \$ 74,857   | 48,282              | 123,139 |
| Receivables - Net of Allowances                       |   |                     |         |
| Property Taxes  | 204,700   | —                   | 204,700 |
| Total Assets  | 279,557   | 48,282              | 327,839 |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                  |   |                     |         |
| Property Taxes  | 204,700   | —                   | 204,700 |
| <b>FUND BALANCES</b>                                  |   |                     |         |
| Restricted  | 74,857  | 48,282              | 123,139 |
| Total Deferred Inflows of Resources and Fund Balances | 279,557   | 48,282              | 327,839 |

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

**For the Fiscal Year Ended December 31, 2023**

|                                      | Illinois<br>Municipal<br>Retirement<br>and Social<br>Security | Restricted<br>Gift | Totals   |
|--------------------------------------|---|--------------------|----------|
| Revenues                             |   |                    |          |
| Taxes                                | \$ 141,562  | —                  | 141,562  |
| Miscellaneous                        |   |                    |          |
| Contributions                        | —   | 60,863             | 60,863   |
| Total Revenues                       | 141,562   | 60,863             | 202,425  |
| Expenditures                         |   |                    |          |
| Culture and Recreation               |   |                    |          |
| Library Operations                   | —   | 41,661             | 41,661   |
| Employer IMRF and FICA Contributions | 174,396   | —                  | 174,396  |
| Total Expenditures                   | 174,396   | 41,661             | 216,057  |
| Net Change in Fund Balances          | (32,834)  | 19,202             | (13,632) |
| Fund Balances - Beginning            | 107,691   | 29,080             | 136,771  |
| Fund Balances - Ending               | 74,857  | 48,282             | 123,139  |

**GLENCOE PUBLIC LIBRARY, ILLINOIS**

**Illinois Municipal Retirement and Social Security - Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended December 31, 2023**

|                                      | Original<br>Budget | Final<br>Budget  | Actual               | Budget<br>Variance<br>Over<br>(Under) |
|--------------------------------------|--------------------|------------------|----------------------|---------------------------------------|
| Revenues                             |                    |                  |                      |                                       |
| Taxes                                |                    |                  |                      |                                       |
| Property Tax                         | \$ —               | —                | 141,562              | (141,562)                             |
| Expenditures                         |                    |                  |                      |                                       |
| Employer IMRF and FICA Contributions |                    |                  |                      |                                       |
| Social Security                      | 109,000            | 109,000          | 88,223               | (20,777)                              |
| Medicare                             | —                  | —                | 20,633               | 20,633                                |
| Illinois Municipal Retirement        | 67,200             | 67,200           | 65,540               | (1,660)                               |
| Total Expenditures                   | <u>176,200</u>     | <u>176,200</u>   | 174,396              | (1,804)                               |
| Net Change in Fund Balance           | <u>(176,200)</u>   | <u>(176,200)</u> | (32,834)             | <u>(143,366)</u>                      |
| Fund Balance - Beginning             |                    |                  | <u>107,691</u>       |                                       |
| Fund Balance - Ending                |                    |                  | <u><u>74,857</u></u> |                                       |