



AUDIT REPORT  
FOR THE YEAR ENDED JUNE 30, 2020

**Homewood Public Library District  
Audit Report  
For the Year Ended June 30, 2020**

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**Homewood Public Library District  
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For the Year Ended June 30, 2020**

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## **INDEPENDENT AUDITOR'S REPORT**

# Selden Fox

Accounting for your future

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## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Trustees  
and Management  
Homewood Public Library District  
Homewood, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Homewood Public Library District** (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Homewood Public Library District, as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

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

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules and supplemental data are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The supplemental data has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Selden Fox, Ltd.*

February 23, 2021

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

**Homewood Public Library District  
Management's Discussion and Analysis  
For the Year Ended June 30, 2020**

The Management's Discussion and Analysis (MD&A) of the Homewood Public Library District (District) is designed to 1) assist the reader in focusing on significant financial issues, 2) provide an overview of the District's financial activity, 3) identify the District's financial position and ability to address future challenges, 4) identify material deviations from the budget, and 5) identify individual fund issues or concerns.

The Homewood Public Library District has been in existence since 1927. The form of governance of the District and its pertinent legal basis are recited in the Illinois Public Library Act as amended. This is currently Chapter 75 of the Illinois Compiled Statutes.

**Financial Highlights**

- Overall, revenues for all funds this past year were \$2,470,489 and fund expenditures were \$2,278,417 for a net of \$192,072.
- Total net position decreased from beginning net position of \$3,609,142 to \$3,531,103 over the course of the year. The net pension liability reported in governmental activities decreased by \$530,450 to \$1,044,435 at June 30, 2020.
- Property tax collections for the 2020 fiscal year were \$2,269,561 for Cook County.
- The District continues to have the ability to devote resources toward maintaining and improving its facilities. In 2020, the net capital assets were \$2,540,823. Depreciation expense for 2019 – 2020 was \$359,651.
- The District derives approximately 96% of its revenues from property taxes. Other income is provided by grants, donations, fees, and fines.
- The District made a final payment of \$135,000 on its long-term debt.

**Overview of the Financial Statements**

***Government-wide Financial Statements***

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

The statement of net position presents information on all the Homewood Public Library District's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

## **Overview of the Financial Statements (cont'd)**

### ***Government-wide Financial Statements***

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., property taxes levied for general purposes).

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by taxes and intergovernmental revenues, such as grants, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges.

The government-wide financial statements can be found on pages 3-4 of this report.

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

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole and, therefore, provide additional information that won't be found in the statement of net position or the statement of activities. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

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

Because the focus of governmental funds is narrower than that of the governmental-wide financial statements, it is useful to compare the information presented for governmental funds with similar information for governmental activities in the governmental-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 this comparison between governmental funds and governmental activities.

## **Overview of the Financial Statements (cont'd)**

### ***Governmental Funds (cont'd)***

The District maintains eight 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 and the Building Reserve and Site Maintenance Fund, which are considered major funds.

The District adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 5-10 of this report.

### ***Notes to Basic Financial Statements***

The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11-31.

### ***Other Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budgetary information for the General Fund and the Building Reserve and Site Maintenance Fund, and the District's Illinois Municipal Retirement Fund employee pension obligations, and other postemployment benefit obligations. Required supplementary information can be found on pages 32-38 of this report. Nonmajor combining and Individual fund schedules can be found on pages 39-48 of this report.

### **District-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 District, assets/deferred outflows exceeded liabilities/deferred inflows by \$3,531,103 in the current year; this represents a decrease of \$78,039 from the prior year.

## District-wide Financial Analysis (cont'd)

The following table reflects the condensed statement of net position.

|                                    | June 30,<br>2020    | June 30,<br>2019    |
|------------------------------------|---------------------|---------------------|
| Assets                             |                     |                     |
| Current and other assets           | \$ 3,582,635        | \$ 3,548,619        |
| Capital assets                     | 2,540,823           | 2,783,775           |
| Total assets                       | <u>6,123,458</u>    | <u>6,332,394</u>    |
| Deferred Outflows                  | 200,512             | 600,305             |
| Total Assets/Deferred Outflows     | <u>6,323,970</u>    | <u>6,932,699</u>    |
| Long-Term Debt                     | -                   | 135,000             |
| Other Liabilities                  | 160,663             | 118,425             |
| Net Pension and OPEB Liability     | 1,143,027           | 1,673,477           |
| Total Liabilities                  | <u>1,303,690</u>    | <u>1,926,902</u>    |
| Deferred Inflows                   | 1,489,177           | 1,396,655           |
| Total Liabilities/Deferred Inflows | <u>2,792,867</u>    | <u>3,323,557</u>    |
| Net position                       |                     |                     |
| Investment in capital assets       | 2,540,823           | 2,648,775           |
| Restricted                         | 633,087             | 689,756             |
| Unrestricted                       | 357,193             | 270,611             |
| Total net position                 | <u>\$ 3,531,103</u> | <u>\$ 3,609,142</u> |

For more information see the statement of net position (page 3).

A portion of the District's net position, \$2,540,823, or 72.0 percent, reflects its investment in capital assets (for example, land, buildings, machinery, and equipment). The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion, \$633,087, or 17.9 percent, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining net position of \$357,193 represents unrestricted net position. To the extent this balance is positive, it may be used to meet the government's ongoing obligations to citizens and creditors.

## District-wide Financial Analysis (cont'd)

The following table reflects the condensed statement of changes in net position:

|  | <b>Changes in Net Assets</b> |                        |
|--|------------------------------|------------------------|
|  | Governmental Activities      |                        |
|  | For the Year<br>Ended        | For the Year<br>Months |
|  | <b>June 30,<br/>2020</b>     | June 30,<br>2019       |
| Revenues:  |                              |                        |
| Program revenues:  |                              |                        |
| Charges for services                                       | \$ 25,740                    | \$ 17,642              |
| Operating grants and donations                             | 26,083                       | 48,068                 |
| General revenues:  |                              |                        |
| Taxes  | 2,276,246                    | 2,124,668              |
| Investment income  | 27,244                       | 25,522                 |
| Insurance proceeds   | 100,000                      | 0                      |
| Other  | 15,176                       | 66,616                 |
| <b>Total revenues</b>                                      | <b>2,470,489</b>             | <b>2,282,516</b>       |
| Expenses:  |                              |                        |
| Culture and recreation                                     | 2,543,735                    | 2,365,872              |
| Interest and fiscal charges                                | 4,793                        | 9,315                  |
| <b>Total expenses</b>                                      | <b>2,548,528</b>             | <b>2,375,187</b>       |
| <b>Decrease in net position</b>                            | <b>(78,039)</b>              | <b>(92,671)</b>        |
| Net position, beginning of year,<br>as previously reported | 3,609,142                    | 4,982,005              |
| Prior period adjustment                                    |                              | (1,280,192)            |
| Net position, beginning of year,<br>as adjusted            |                              | 3,701,813              |
| <b>Net position, end of year</b>                           | <b>\$ 3,531,103</b>          | <b>\$ 3,609,142</b>    |

Net position of the District's governmental activities decreased from \$3,609,142 to \$3,531,103. This is a 2.16 percent increase. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, increased from a \$270,611 in the previous fiscal year to \$357,193 at the end of this fiscal year due to positive operating results in the funds.

## **District-wide Financial Analysis (cont'd)**

### ***Governmental Activities***

Revenues for governmental activities for the year ended June 30, 2020, compare favorably with the year ended June 30, 2019, with increases in taxes, charges for services and investment income exceeding decreases in operating grants and contributions, and miscellaneous revenue.

Expenses for governmental activities for the year ended June 30, 2020, increased by \$173,341, or 7.3%, over the year ended June 30, 2019. The majority of the increase related to personnel costs.

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

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

### **Governmental Funds**

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

As of the end of the current fiscal period, the governmental funds reported a combined ending fund balance of \$2,319,543, which is \$192,072 more than the June 30, 2019, total of \$2,127,471. The General Fund balance increased by \$280,128, which compares favorably to a budgeted increase in this Fund of \$77,926. The fund balance for the Special Reserve Fund, the other major fund, increased by \$23,805 and is at a balance of \$626,504 at June 30, 2020. The current year increase of \$23,805 was less than the budgeted income amount of \$45,000 by \$21,195.

### **Budgetary Highlights**

The budget was not amended during 2020. Revenues in the General Fund were budgeted at \$1,954,270, and the actual balance exceeded budget by \$142,198. Expenditures in the General Fund were budgeted at \$1,876,344, and the actual balance came in under budget by \$60,004.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

The District's investment in capital assets for its governmental activities as of December 31, 2020, was \$2,540,823 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture, machinery and equipment, and books and library materials. The District had \$116,699 of additions and \$133,129 of disposals to books and library materials. Current year depreciation was \$359,651, resulting in the total decrease in the District's investment in capital assets for the current fiscal year of \$242,952.

## CAPITAL ASSETS AND DEBT ADMINISTRATION (cont'd)

### Capital Assets (cont'd)

|                                    | <b>Capital Assets – Net of Depreciation</b> |                      |
|------------------------------------|---|----------------------|
|                                    | <u>June 30, 2020</u>                        | <u>June 30, 2019</u> |
| Land                               | \$ 471,740                                  | \$ 471,740           |
| Buildings and improvements         | 1,757,523                                   | 1,976,176            |
| Furniture, machinery and equipment | 12,945                                      | 23,406               |
| Books and library materials        | 298,615                                     | 312,453              |
| Total                              | <u>\$ 2,540,823</u>                         | <u>\$ 2,783,775</u>  |

Additional information on the District's capital assets can be found in Note II.C on page 20 of this report.

### Debt Administration

As of June 30, 2020, the District had no general obligation debt outstanding as compared to \$135,000 the previous year. The final installment on the General Obligation Bonds, Series 2009 was paid in February 2020.

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

The Covid-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of the Library. While there is considerable uncertainty around the duration of the closings, District management, with the support of the Board of Trustees, have responded with adjustments to operating expenditures to stabilize District finances. However, the duration and ultimate financial impact cannot be reasonably estimated at this time.

### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District'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 Colleen Waltman at the Homewood Public Library District, 1791 Dixie Highway, Homewood, Illinois 60430 or call 708-798-0121.

## **BASIC FINANCIAL STATEMENTS**

**Homewood Public Library District**  
**Statement of Net Position**  
**June 30, 2020**

| <b>Assets and Deferred Outflows</b>             | <b>Governmental<br/>Activities</b> |
|---|------------------------------------|
| Cash and investments                            | \$ 2,338,759                       |
| Receivables                                     | 1,229,025                          |
| Prepaid expenses                                | 14,851                             |
| Capital assets not being depreciated            | 471,740                            |
| Capital assets, net of accumulated depreciation | 2,069,083                          |
| <b>Total assets</b>                             | <b>6,123,458</b>                   |
| Deferred outflows - pension                     | 200,512                            |
| <b>Total assets and deferred outflows</b>       | <b>6,323,970</b>                   |
| <b>Liabilities and Deferred Inflows</b>         |                                    |
| Accounts payable                                | 26,955                             |
| Accrued payroll                                 | 31,266                             |
| Noncurrent liabilities:                         |                                    |
| Due within one year                             | 102,442                            |
| Due in more than one year                       | 1,143,027                          |
| <b>Total liabilities</b>                        | <b>1,303,690</b>                   |
| Deferred inflows:                               |                                    |
| Deferred revenue - property taxes               | 1,204,871                          |
| Pension items - IMRF                            | 284,306                            |
| <b>Total deferred inflows</b>                   | <b>1,489,177</b>                   |
| <b>Total liabilities and deferred inflows</b>   | <b>2,792,867</b>                   |
| <b>Net Position</b>                             |                                    |
| Net investment in capital assets                | 2,540,823                          |
| Restricted:                                     |                                    |
| Insurance                                       | 25,812                             |
| Employee retirement                             | 607,275                            |
| Unrestricted                                    | 357,193                            |
| <b>Net position</b>                             | <b>\$ 3,531,103</b>                |

See independent auditor's report and accompanying notes.

**Homewood Public Library District  
Statement of Activities  
For the Year Ended June 30, 2020**

| Functions/Programs                   | Expenses            | Program Revenues           |  |  | Net (Expenses)<br>Revenue and<br>Changes in<br>Net Position -<br>Governmental<br>Activities |
|--------------------------------------|---------------------|----------------------------|--|--|---|
|                                      |                     | Charges<br>for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions |   |
| Governmental activities:             |                     |                            |  |  |   |
| Culture and recreation               | \$ 2,543,735        | \$ 25,740                  | \$ 26,083                                | \$ -                                   | \$ (2,491,912)  |
| Interest and fiscal charges          | 4,793               | -                          | -  | -                                      | (4,793)   |
| <b>Total governmental activities</b> | <b>\$ 2,548,528</b> | <b>\$ 25,740</b>           | <b>\$ 26,083</b>                         | <b>\$ -</b>                            | <b>(2,496,705)</b>  |
| General revenues:                    |                     |                            |  |  |   |
| Taxes:                               |                     |                            |  |  |   |
|                                      |                     |                            |  |  | 2,269,561   |
|                                      |                     |                            |  |  | 6,685   |
|                                      |                     |                            |  |  | 27,244  |
|                                      |                     |                            |  |  | 100,000   |
|                                      |                     |                            |  |  | 15,176  |
|                                      |                     |                            |  |  | <b>2,418,666</b>  |
|                                      |                     |                            |  |  | <b>(78,039)</b>   |
|                                      |                     |                            |  |  | <b>3,609,142</b>  |
|                                      |                     |                            |  |  | <b>\$ 3,531,103</b>   |

See independent auditor's report and accompanying notes.

**Homewood Public Library District  
Combining Balance Sheet  
Governmental Funds  
June 30, 2020**

| <b>Assets</b>  | <u>General</u>      | <u>Special Reserve</u> |
|--|---------------------|------------------------|
| Cash and investments   | \$ 1,736,654        | \$ 602,105             |
| Receivables:   |                     |                        |
| Property taxes   | 1,071,504           | -                      |
| Grant  | 24,154              | -                      |
| Prepaid expenses   | 662                 | -                      |
| Due from other funds   | 174,974             | 24,399                 |
| <b>Total assets</b>  | <b>\$ 3,007,948</b> | <b>\$ 626,504</b>      |
| <b>Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances (Deficit)</b>       |                     |                        |
| Liabilities:   |                     |                        |
| Accounts payable   | \$ 19,977           | -                      |
| Accrued payroll  | 31,266              | -                      |
| Due to other funds   | 657,486             | -                      |
| <b>Total liabilities</b>   | 708,729             | -                      |
| Deferred inflows - property taxes  | 1,071,504           | -                      |
| <b>Total liabilities and deferred inflows</b>  | <b>1,780,233</b>    | <b>-</b>               |
| Fund balances (deficit):   |                     |                        |
| Nonspendable   | 662                 | -                      |
| Restricted:  |                     |                        |
| Insurance  | -                   | -                      |
| Employee retirement  | -                   | -                      |
| Unrestricted:  |                     |                        |
| Assigned - special reserve   | -                   | -                      |
| Unassigned   | 1,227,053           | 626,504                |
| <b>Total fund balances (deficit)</b>   | <b>1,227,715</b>    | <b>626,504</b>         |
| <b>Total liabilities, deferred inflows<br/>of resources, and fund balances (deficit)</b> | <b>\$ 3,007,948</b> | <b>\$ 626,504</b>      |

See independent auditor's report and accompanying notes.

| Nonmajor<br>Governmental | Total               |
|--------------------------|---------------------|
| \$ -                     | \$ 2,338,759        |
| 133,367                  | 1,204,871           |
| -                        | 24,154              |
| 14,189                   | 14,851              |
| 633,087                  | 832,460             |
| <b>\$ 780,643</b>        | <b>\$ 4,415,095</b> |

|          |           |
|----------|-----------|
| \$ 6,978 | \$ 26,955 |
| -        | 31,266    |
| 174,974  | 832,460   |

|         |           |
|---------|-----------|
| 181,952 | 890,681   |
| 133,367 | 1,204,871 |
| 315,319 | 2,095,552 |

|           |           |
|-----------|-----------|
| 14,189    | 14,851    |
| 25,812    | 25,812    |
| 607,275   | 607,275   |
| (164,639) | (164,639) |
| (17,313)  | 1,836,244 |
| 465,324   | 2,319,543 |

|                   |                     |
|-------------------|---------------------|
| <b>\$ 780,643</b> | <b>\$ 4,415,095</b> |
|-------------------|---------------------|

**Homewood Public Library District  
Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Position  
June 30, 2020**

---

|   |                     |
|---|---------------------|
| Total fund balance - governmental fund (page 6)   | <b>\$ 2,319,543</b> |
| 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 fund.            | <b>2,540,823</b>    |
| Liabilities as defined under modified accrual accounting, not due and payable in the current period, are not reported in the funds. |                     |
| Compensated absences payable  | <b>(102,442)</b>    |
| Net OPEB liability  | <b>(98,592)</b>     |
| Net pension liability   | <b>(1,044,435)</b>  |
| Difference in pension-related items on deferred outflows  | <b>200,512</b>      |
| Difference in pension-related items on deferred inflows   | <b>(284,306)</b>    |
|   | <hr/>               |
| Net position of governmental activities (page 3)  | <b>\$ 3,531,103</b> |

See independent auditor's report and accompanying notes.

**Homewood Public Library District**  
**Combining Statement of Revenues, Expenditures and Changes in**  
**Fund Balances (Deficit) - Governmental Funds**  
**June 30, 2020**

|  | General             | Special Reserve   |
|--|---------------------|-------------------|
| Revenues:  |                     |                   |
| Taxes  | \$ 2,026,030        | \$ -              |
| Intergovernmental  | 26,083              | -                 |
| Fines and fees   | 25,740              | -                 |
| Investment income  | 3,439               | 23,805            |
| Donations  | 14,888              | -                 |
| Miscellaneous  | 288                 | -                 |
|  | <u>2,096,468</u>    | <u>23,805</u>     |
| <b>Total revenues</b>  | <b>2,096,468</b>    | <b>23,805</b>     |
| Expenditures:  |                     |                   |
| Current:   |                     |                   |
| Culture and recreation   | 1,676,547           | -                 |
| Debt service:  |                     |                   |
| Principal expense  | 135,000             | -                 |
| Interest expense   | 4,793               | -                 |
|  | <u>1,816,340</u>    | <u>-</u>          |
| <b>Total expenditures</b>  | <b>1,816,340</b>    | <b>-</b>          |
| <b>Revenues over (under) expenditures before other financing sources</b> | <b>280,128</b>      | <b>23,805</b>     |
| Other financing sources - insurance proceeds                             | -                   | -                 |
|  | <u>-</u>            | <u>-</u>          |
| <b>Net changes in fund balances</b>                                      | <b>280,128</b>      | <b>23,805</b>     |
| Fund balances (deficit), beginning of the year                           | 947,587             | 602,699           |
|  | <u>947,587</u>      | <u>602,699</u>    |
| Fund balances (deficit), end of the year                                 | <b>\$ 1,227,715</b> | <b>\$ 626,504</b> |
|  | <u>\$ 1,227,715</u> | <u>\$ 626,504</u> |

See independent auditor's report and accompanying notes.

| Nonmajor<br>Governmental | Total        |
|--------------------------|--------------|
| \$ 250,216               | \$ 2,276,246 |
| -                        | 26,083       |
| -                        | 25,740       |
| -                        | 27,244       |
| -                        | 14,888       |
| -                        | 288          |
| 250,216                  | 2,370,489    |
| 462,077                  | 2,138,624    |
| -                        | 135,000      |
| -                        | 4,793        |
| 462,077                  | 2,278,417    |
| (211,861)                | 92,072       |
| 100,000                  | 100,000      |
| (111,861)                | 192,072      |
| 577,185                  | 2,127,471    |
| \$ 465,324               | \$ 2,319,543 |

**Homewood Public Library District  
Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balance (Deficit)  
of Governmental Fund to the Statement of Activities  
For the Year Ended June 30, 2020**

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Amounts reported for governmental activities in the statement of activities (page 4) are different because:

|   |                           |
|---|---------------------------|
| Net changes in fund balances (deficit) - total governmental fund (page 9)   | <b>\$ 192,072</b>         |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. |                           |
| Current year additions to capital assets  | 116,699                   |
| Depreciation expense  | (359,651)                 |
| The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities.  |                           |
|   | 135,000                   |
| The change in compensated absences does not require the use of current financial resources and, therefore, is not reported as an expenditures in governmental funds.  |                           |
|   | (70,689)                  |
| The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities.   |                           |
|   | 530,450                   |
| The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities.  |                           |
|   | <u>(621,920)</u>          |
| Changes in net position of governmental activities (page 4)   | <b><u>\$ (78,039)</u></b> |

See independent auditor's report and accompanying notes.

**Homewood Public Library District  
Homewood, Illinois  
Notes to the Financial Statements**

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**I. Summary of Significant Accounting Policies**

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

**A. The Reporting Entity**

The District is governed by a seven-member elected board. These financial statements present the District's reporting entity as required by GAAP. The District is considered to be a primary government since its board is separately elected and the District is fiscally independent.

Based on the criteria of GASB Statement No. 61, *The Financial Reporting Entity; Omnibus – an amendment of GASB Statements No. 14 and No. 34*, there are no component units for which the District is considered to be financially accountable.

**B. Fund Accounting**

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

All funds are considered governmental funds. Governmental funds are used to account for all of the government's general activities, including the collection and disbursement of restricted, committed, or assigned monies (special revenue funds) and restricted, committed or assigned for the servicing of general long-term debt (debt service funds). Permanent funds are used to account for resources when the interest of the corpus (principal) can be used by the District. The General Fund is used to account for all activities of the general government not accounted for in some other fund.

**C. Government-wide and Fund Financial Statements**

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

**Homewood Public Library District**  
**Homewood, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**C. Government-wide and Fund Financial Statements (cont'd)**

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

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

The District reports the following major governmental funds:

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

The Special Reserve Fund is used to fund expense building enhancements and upgrades as needed.

**D. Measurement Focus, Basis of Accounting and Basis of Presentation**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after year end. Expenditures are generally recorded when the related fund liability is incurred. However, expenditures related to debt service, compensated absences and claims and judgments, are recorded only when payment is due.

**Homewood Public Library District**  
**Homewood, Illinois**  
**Notes to the Financial Statements (cont'd)**

---

**I. Summary of Significant Accounting Policies (cont'd)**

**D. Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)**

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and have therefore been recognized as revenues of the current fiscal period. Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

The District reports deferred/unavailable revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned/unavailable revenues also arise when resources are received by the District before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both the revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred/unavailable revenue is removed from the financial statements and revenue is recognized.

**E. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity**

**1. Deposits and Investments**

Investments with maturity greater than one year at time of purchase, if any, are stated at fair value.

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Deposits are not subject to fair value and are valued at cost or amortized cost.

**2. Short-term Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans, if any, are classified as "interfund receivables/payables."

Advances between funds, if any, are offset by a fund balance nonspendable account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

**Homewood Public Library District  
Homewood, Illinois  
Notes to the Financial Statements (cont'd)**

---

**I. Summary of Significant Accounting Policies (cont'd)**

**E. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)**

**3. Prepaid Items/Expenses**

Payments made to vendors for services that will benefit periods beyond the date of the financial statements are recorded as prepaid items/expenses.

**4. Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost in excess of \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at cost where historical records are available or at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their acquisition value on the date received.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets in governmental activities is not capitalized. Capital assets are depreciated using the straight-line method, using the following estimated useful lives:

|                                     |             |
|-------------------------------------|-------------|
| Buildings and building improvements | 30 years    |
| Furniture, machinery and equipment  | 5 – 7 years |
| Books and library materials         | 5 years     |

**5. Compensated Absences**

The District accrues a liability for vacation benefits as these benefits are earned. At June 30, 2020, the liabilities for these accumulated unpaid benefits are accounted for in the governmental activities column in the government-wide financial statements. In the governmental fund financial statements, a liability has been accrued for amounts owed to employees who have retired or terminated employment by the end of the year.

**Homewood Public Library District**  
**Homewood, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**E. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)**

**6. Long-term Obligations**

In the government-wide financial statements, long-term debt, and other long-term obligations are reported as liabilities in the governmental activities. In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing source.

**7. Deferred Outflows and Inflows of Resources**

Deferred outflows of resources are defined as a consumption of net assets by the government that is applicable to a future reporting period; they increase net position, similar to assets. Note IV provides further detail on the components of deferred outflows of resources in the statement of net position.

Deferred inflows of resources are defined as an acquisition of net assets by the government that is applicable to a future reporting period; they decrease net position, similar to liabilities. Note IV provides further detail on the components of deferred inflows of resources in the statement of net position.

On the government-wide and governmental fund financial statements, the District reports as a deferred inflow of resources attributable to property taxes due from the County for the 2019 levy that had not been received within 60 days of the fiscal year end.

**8. Interfund Transactions**

Interfund transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

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

**Homewood Public Library District**  
**Homewood, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**E. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)**

**9. Fund Equity and Net Position**

Equity in the government-wide statements is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on its use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Remaining net position that does not meet the definitions of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

In the governmental fund financial statements, governmental funds report fund balance as either nonspendable or spendable. Spendable fund balance is further classified as restricted, committed, assigned or unassigned, based on the relative strength of the constraints that control how specific amounts can be spent.

Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the District.

Committed fund balance is constrained by formal actions of the District’s Board of Trustees, which is considered the District’s highest level of decision making authority. Formal action is in the form of an ordinance approved at a Board meeting. The District has no committed fund balance.

**Homewood Public Library District**  
**Homewood, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**E. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)**

**9. Fund Equity and Net Position (cont'd)**

Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance is at the Board level. Assignment of fund balance does not require passage of an ordinance. The residual fund balance in the General Fund is reported as unassigned.

The District assumes that funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Unrestricted funds are considered spent in the following order as available - committed funds, assigned funds, and then unassigned funds.

**10. Use of Estimates**

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

**II. Detailed Notes For All Fund Types and Account Groups**

**A. Deposits and Investments**

Illinois Compiled Statutes (ILCS) authorize the District to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and The Illinois Funds.

In addition, the District's Board of Trustees has adopted an investment policy which provides further restrictions on the investment of District funds. It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy, in order of priority are: safety, liquidity, return on investment, and local preference.

**Homewood Public Library District**  
**Homewood, Illinois**  
**Notes to the Financial Statements (cont'd)**

**II. Detailed Notes For All Fund Types and Account Groups**

**A. Deposits and Investments (cont'd)**

**Deposits** – Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District’s deposits may not be returned to it. The District’s investment policy requires all deposits with financial institutions in excess of federal depository insurance be with collateral held by the Federal Reserve Bank, the District’s agent or by the trust department or escrow agent of the pledging institution, evidenced by a written collateral agreement.

At year end, the carrying amount of the Library’s deposits with financial institutions was \$19,107 and the bank balance was \$50,000, which was covered by federal depository insurance. In addition, the Library had cash on hand of \$1,058.

**Investments** – As of June 30, 2020, the District had the following investments and maturities:

| Investment Type          | Fair Value          | Investment Maturities (in Years) |                   |             |                 |
|--------------------------|---------------------|----------------------------------|-------------------|-------------|-----------------|
|                          |                     | Less Than 1                      | 1-5               | 6-10        | Greater Than 10 |
| Fixed income mutual fund | \$ 604,814          | \$ -                             | \$ 604,814        | \$ -        | \$ -            |
| Repurchase agreements    | <u>1,713,780</u>    | <u>1,713,780</u>                 | <u>-</u>          | <u>-</u>    | <u>-</u>        |
| Total                    | <u>\$ 2,318,594</u> | <u>\$ 1,713,780</u>              | <u>\$ 604,814</u> | <u>\$ -</u> | <u>\$ -</u>     |

The District has the following recurring fair value measurements as of June 30, 2020: the fixed income mutual fund is valued daily using quoted market prices (Level 1 input) and the repurchase agreements invest in a pool of U.S. treasury and agency securities (Level 2 inputs).

**Interest Rate Risk** – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment; generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District addresses interest rate risk, as stated in its investment policy, by investing in demand investments that yield a maximum amount of interest.

**Credit Risk** – Generally, credit risk is the risk that an issuer of a debt-type instrument will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. The District addresses credit risk, as stated in its investment policy, by primarily investing in obligations guaranteed by the United States Government that are explicitly or implicitly guaranteed but the United States Government.

**Homewood Public Library District**  
**Homewood, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**II. Detailed Notes For All Fund Types and Account Groups (cont'd)**

**A. Deposits and Investments (cont'd)**

**Investments (cont'd)**

**Custodial Credit Risk** – For deposits, this is the risk that, in the event of a bank failure, a government will not be able to recover its deposits. The District's investment policy requires all deposits with financial institutions in excess of federal depository insurance be with insured with collateral held by the Federal Reserve Bank, the District's agent or by the trust department or escrow agent of the pledging institution, evidenced by a written collateral agreement. For investments, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. To limit its exposure, the District's investment policy requires pledging of collateral of all bank balances in excess of federal depository insurance with the collateral held by a third party in the District's name.

**Concentration of Credit Risk** – For investments, this is the risk that the District has too high a percentage of their investments invested in one type of investment. The District's investment policy does not require diversification of investment to avoid unreasonable risk.

**B. Receivables – Taxes**

Property taxes for 2019 attach as an enforceable lien on January 1, 2019, on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1, 2020 and August 1, 2020, and are payable in two installments, on or about March 1, 2020 and September 1, 2020. The County collects such taxes and remits them periodically. The second half of the 2019 tax levy collections are intended to finance the 2021 fiscal year and are not considered available for current operations and are, therefore, shown as unearned/unavailable revenue. The 2020 tax levy has not been recorded as a receivable at June 30, 2020, as the tax attached as a lien on property as of January 1, 2020; however, the tax will not be levied until December 2020 and, accordingly, is not measurable at June 30, 2020.

**Homewood Public Library District  
Homewood, Illinois  
Notes to the Financial Statements (cont'd)**

**II. Detailed Notes For All Fund Types and Account Groups (cont'd)**

**C. Capital Assets**

Capital asset activity for the year ended June 30, 2020, was as follows:

|  | Balances<br>July 1  | Additions           | Retirements    | Balances<br>June 30 |
|--|---------------------|---------------------|----------------|---------------------|
| Capital assets not being depreciated:              |                     |                     |                |                     |
| Land   | \$ 471,740          | \$ -                | \$ -           | \$ 471,740          |
| <b>Total capital assets not being depreciated</b>  | <b>471,740</b>      | <b>-</b>            | <b>-</b>       | <b>471,740</b>      |
| Capital assets being depreciated:                  |                     |                     |                |                     |
| Buildings and improvements                         | 5,726,406           | -                   | -              | 5,726,406           |
| Furniture, machinery and equipment                 | 1,678,426           | -                   | -              | 1,678,426           |
| Books and library materials                        | 606,739             | 116,699             | 133,129        | 590,309             |
|  | <u>8,011,571</u>    | <u>116,699</u>      | <u>133,129</u> | <u>7,995,141</u>    |
| Less accumulated depreciation for:                 |                     |                     |                |                     |
| Buildings and improvements                         | 3,750,230           | 218,653             | -              | 3,968,883           |
| Furniture, machinery and equipment                 | 1,655,020           | 10,461              | -              | 1,665,481           |
| Books and library materials                        | 294,286             | 130,537             | 133,129        | 291,694             |
|  | <u>5,699,536</u>    | <u>359,651</u>      | <u>133,129</u> | <u>5,926,058</u>    |
| <b>Total capital assets being depreciated, net</b> | <b>2,312,035</b>    | <b>(242,952)</b>    | <b>-</b>       | <b>2,069,083</b>    |
| Governmental activities, capital assets, net       | <u>\$ 2,783,775</u> | <u>\$ (242,952)</u> | <u>\$ -</u>    | <u>\$ 2,540,823</u> |

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

Culture and recreation           \$ 359,651

**Homewood Public Library District  
Homewood, Illinois  
Notes to the Financial Statements (cont'd)**

**II. Detailed Notes For All Fund Types and Account Groups (cont'd)**

**D. Interfund Assets/Liabilities**

Due from/to other funds are as follows:

| Due From                    | Due To                      | Amount     |
|-----------------------------|-----------------------------|------------|
| General Fund                | Nonmajor Governmental Funds | \$ 174,974 |
| Special Reserve Fund        | General Fund                | 24,399     |
| Nonmajor Governmental Funds | General Fund                | 633,087    |
|                             |                             | \$ 832,460 |

The purpose of these advances were for cash loans due to budgetary and operating shortfalls.

**E. Long-term Debt**

The changes in the long-term liabilities for the year ended June 30, 2020, are as follows:

| Issue   | Funded Debt Retired By | Balances July 1, | Issuances  | Retirements | Balances June 30 | Current Portion |
|---|------------------------|------------------|------------|-------------|------------------|-----------------|
| \$1,300,000 General Obligation Bonds, Series 2009, dated February 25, 2009 with interest at 2.25% to 3.55%. | General                | \$ 135,000       | \$ -       | \$ 135,000  | \$ -             | \$ -            |
| Compensated absences  | General                | 31,753           | 102,442    | 31,753      | 102,442          | 102,442         |
| Net pension liability   | General                | 1,574,885        | -          | 530,450     | 1,044,435        | -               |
| Other postemployment benefit liability  | General                | 98,592           | -          | -           | 98,592           | -               |
| Total   |                        | \$ 1,840,230     | \$ 102,442 | \$ 697,203  | \$ 1,245,469     | \$ 102,442      |

The legal debt margin at June 30, 2020, is as follows

|   |                |
|---|----------------|
| Assessed valuation                              | \$ 358,598,079 |
| Legal debt limit – 2.875% of assessed valuation | \$ 10,309,695  |
| Amount of debt applicable of debt limit         | -              |
| Legal debt margin                               | \$ 10,309,695  |

**Homewood Public Library District**  
**Homewood, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**II. Detailed Notes For All Fund Types and Account Groups (cont'd)**

**E. Long-Term Debt (cont'd)**

Chapter 50, Section 405/1 of the ILCS provides: "no township, school district, or other municipal corporation having a population of less than 300,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 2.875% on the value of the taxable property therein, to be ascertained by the last assessment for the state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying such governmental unit's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

The limitations prescribed shall not apply to any indebtedness of any library district incurred for acquiring or improving sites; constructing, extending, or improving and equipping sites for public library purposes; or for the establishment, support, and maintenance of a public library, under the provisions of the Illinois Public Library District Act.

**F. Individual Fund Disclosures**

The following funds have a deficit fund balance at June 30, 2020:

| <u>Fund</u>                           | <u>Amount</u> |
|---------------------------------------|---------------|
| Building Reserve and Site Maintenance | \$ 162,803    |
| Audit                                 | 54            |
| Liability Insurance                   | 4,906         |

**III. Other Information**

**A. Risk Management**

The District is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; or acts of God. The District has purchased commercial insurance coverage to cover possible liabilities related to these risks. Risks covered include general liability, worker' compensation, medical, and other. Settlements have not exceeded insurance coverage in each of the past three years.

**B. Grants**

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

**Homewood Public Library District  
Homewood, Illinois  
Notes to the Financial Statements (cont'd)**

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**III. Other Information (cont'd)**

**C. Defined Benefit Pension Plan**

**General Information About the Pension Plan**

**Plan Description** – The District’s defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments, and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. A summary of IMRF’s pension benefits is provided in the following “Benefits Provided” section. Benefit provisions are established by statute and may only be amended by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements, detailed information about the pension plan’s fiduciary net position and required supplementary information (RSI). That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

At December 31, 2019, the IMRF Plan membership consisted of:

|                               |                  |
|-------------------------------|------------------|
| Retirees and beneficiaries    | 41               |
| Inactive, non-retired members | 32               |
| Active members                | <u>22</u>        |
| <b>Total</b>                  | <b><u>95</u></b> |

**Benefits Provided** – IMRF provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011, who retire at or after age 60 with 8 years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent of each year thereafter. For participating members hired on or after January 1, 2011, who retire at or after age 67 with 10 years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$114,952 at January 1, 2019, and \$115,929 at January 1, 2020. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits.

**Homewood Public Library District**  
**Homewood, Illinois**  
**Notes to the Financial Statements (cont'd)**

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III. **Other Information** (cont'd)

C. **Defined Benefit Pension Plan** (cont'd)

**General Information About the Pension Plan** (cont'd)

**Contributions** – Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by State statute. The District is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution and annual required contribution rate for calendar year 2019 and 2020 was 13.61 percent and 16.73 percent, respectively. The District's annual required contribution and actual contribution to the Plan in the fiscal year ended June 30, 2020, totaled \$130,506. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Net Pension Liability**

The District's net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the date.

**Actuarial Valuation and Assumptions** – The actuarial assumptions used in the December 31, 2019, valuation were based on an actuarial experience study of the period 2014-2016, using the entry age normal actuarial cost method. The total pension liability in the December 31, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                                   |  |
|-----------------------------------|--|
| Inflation                         | 2.50%                                      |
| Salary increases                  | 3.35% to 14.25%                            |
| Investment rate of return         | 7.25%                                      |
| Post-retirement benefit increase: |  |
| Tier 1                            | 3.0%-simple                                |
| Tier 2                            | lesser of 3.0%-simple or ½ increase in CPI |

The actuarial value of IMRF assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at December 31, 2019, was 24 years.

**Homewood Public Library District  
Homewood, Illinois  
Notes to the Financial Statements (cont'd)**

**III. Other Information (cont'd)**

**C. Defined Benefit Pension Plan (cont'd)**

**Net Pension Liability (cont'd)**

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

**Long-term Expected Rate of Return** – The long-term expected rate of return was determined using a building-block method in which best-estimate ranges for 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 weighing the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

| Asset Class            | Target Allocation | Long-term Expected Real Rate of Return |
|------------------------|-------------------|--|
| Equities               | 37%               | 5.75%                                  |
| International equities | 18%               | 6.50%                                  |
| Fixed income           | 28%               | 3.25%                                  |
| Real estate            | 9%                | 5.20%                                  |
| Alternatives:          | 7%                |  |
| Private equity         |                   | 7.60%                                  |
| Hedge funds            |                   | N/A                                    |
| Commodities            |                   | 3.60%                                  |
| Cash equivalents       | 1%                | 1.85%                                  |

**Homewood Public Library District**  
**Homewood, Illinois**  
**Notes to the Financial Statements (cont'd)**

III. **Other Information** (cont'd)

C. **Defined Benefit Pension Plan** (cont'd)

**Net Pension Liability** (cont'd)

**Single Discount Rate** – Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects: (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 2.75%, and the resulting single discount rate used to measure the total pension liability is 7.25%.

Based on the assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees for the next 99 years.

**Changes in Net Pension Liability**

|   | Total<br>Pension<br>Liability | Plan<br>Fiduciary<br>Net Position | Net Pension<br>(Asset)<br>Liability |
|---|-------------------------------|-----------------------------------|-------------------------------------|
| Balances 12/31/18   | \$ 7,061,318                  | \$ 5,486,433                      | \$ 1,574,885                        |
| Changes for the year:   |                               |                                   |                                     |
| Service cost  | 99,561                        | -                                 | 99,561                              |
| Interest  | 499,901                       | -                                 | 499,901                             |
| Differences between<br>expected and actual<br>experience            | 115,810                       | -                                 | 115,810                             |
| Changes in assumptions  | -                             | -                                 | -                                   |
| Contributions - employer  | -                             | 113,229                           | (113,229)                           |
| Contributions - employee  | -                             | 37,438                            | (37,438)                            |
| Net investment income   | -                             | 1,066,155                         | (1,066,155)                         |
| Benefit payments,<br>including refunds of<br>employee contributions | (431,818)                     | (431,818)                         | -                                   |
| Other changes   | -                             | 28,900                            | (28,900)                            |
|   | \$ 7,344,772                  | \$ 6,300,337                      | \$ 1,044,435                        |
| Balances 12/31/19   |                               |                                   |                                     |

**Homewood Public Library District  
Homewood, Illinois  
Notes to the Financial Statements (cont'd)**

**III. Other Information (cont'd)**

**C. Defined Benefit Pension Plan (cont'd)**

**Net Pension Liability (cont'd)**

**Discount Rate Sensitivity** – The following presents the net pension liability of the District, calculated using the discount rate of 7.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate.

|                       | 1% Decrease<br>(6.25%) | Current<br>Discount Rate<br>(7.25%) | 1% Increase<br>(8.25%) |
|-----------------------|------------------------|-------------------------------------|------------------------|
| Net pension liability | \$ 1,852,359           | \$ 1,044,435                        | \$ 366,862             |

**Pension Plan Fiduciary Net Position** – Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial report.

**Net Pension Liability, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Library**

For the year ended June 30, 2020, the District recognized pension expense of \$221,976 in the government-wide financial statements. At June 30, 2020, the District reported deferred inflows and outflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources | Net Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|---|
| Differences between expected and actual experience                               | \$ 75,984                            | \$ -                                | \$ 75,984                               |
| Changes in assumptions   | 52,757                               | -                                   | 52,757                                  |
| Net difference between projected and actual earnings on pension plan investments | -                                    | 284,306                             | (284,306)                               |
| Subtotal   | 128,741                              | 284,306                             | (155,565)                               |
| Contributions made subsequent to them measurement date                           | 71,771                               | -                                   | 71,771                                  |
| Total  | \$ 200,512                           | \$ 284,306                          | \$ (83,794)                             |

**Homewood Public Library District  
Homewood, Illinois  
Notes to the Financial Statements (cont'd)**

**III. Other Information (cont'd)**

**C. Defined Benefit Pension Plan (cont'd)**

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

| <u>Year Ending December 31,</u> |                     |
|---------------------------------|---------------------|
| 2020                            | \$ 27,688           |
| 2021                            | (71,020)            |
| 2022                            | 23,272              |
| 2023                            | <u>(135,505)</u>    |
| Total                           | <u>\$ (155,565)</u> |

**D. Other Post-Employment Benefits**

**Plan Description** – The District provides post-employment health care benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual, except for the implicit subsidy which is governed by State Legislature and the ILCS. No assets have been accumulated in a trust that meets the criteria of GASB Statement No. 75. The plan does not issue a separate report. The activity of the plan is reported in the District's governmental activities.

**Benefits Provided** – The District provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under the District's retirement plan. Upon a retiree reaching age 65 years, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from the District's insurance provider.

**Membership** – On June 30, 2019, date of last actuarial valuation, membership consisted of:

|  |                  |
|--|------------------|
| Retirees and beneficiaries currently receiving benefits              | 1                |
| Terminated employees entitled to benefits but not yet receiving them | -                |
| Active plan members  | <u>22</u>        |
| <b>Total</b>   | <u><b>23</b></u> |

**Homewood Public Library District  
Homewood, Illinois  
Notes to the Financial Statements (cont'd)**

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**III. Other Information (cont'd)**

**D. Other Post-Employment Benefits (cont'd)**

**Net OPEB Liability** – An actuarial valuation was performed on the District's total OPEB liability as of June 30, 2019. The total OPEB liability was used to calculate the net OPEB liability as of June 30, 2020.

|                             |    |        |
|-----------------------------|----|--------|
| Total OPEB liability        | \$ | 98,592 |
| Plan fiduciary net position |    | -      |
| Net OPEB liability          | \$ | 98,592 |

**Retiree Lapse Rates** – Current retirees were assumed to continue their current plan elections.

**Election at Retirement** – 20% of active employees are assumed to elect coverage at retirement.

**Marital Status** – Of those future retirees who are assumed to elect to continue their coverage at retirement, 15% were assumed to have an eligible spouse who also opts for health coverage at that time. Males are assumed to be three years older than females. Actual spouse data was used for current retirees.

**Actuarial Valuation and Assumptions** – The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

|                       |                  |
|-----------------------|------------------|
| Actuarial Cost Method | Entry Age Normal |
| Salary increases      | 4.00%            |
| Discount rate         | 2.79%            |

The health care trend rate for the PPO–HSA Plan is 7.00% for medical graded to 4.50% over seventeen years, and 5.00% for the HMO Plan graded to 4.50% over eighteen years. The mortality rates for healthy individuals were based on the PubS.H-2010-General Mortality Table.

**Discount Rate** – The discount rate used to measure the total OPEB liability is based on the ability of the fund to meet benefit obligations in the future. Because the District does not have a dedicated trust to pay retiree healthcare benefits, the discount rate used was based on the S&P Municipal Bond 20-year high-grade index rate for tax-exempt general obligation municipal bonds rated AA or better at June 30, 2019.

**Homewood Public Library District  
Homewood, Illinois  
Notes to the Financial Statements (cont'd)**

**III. Other Information (cont'd)**

**D. Other Post-Employment Benefits (cont'd)**

**Changes in Net OPEB Liability**

|                           | Total<br>OPEB<br>Liability | Plan<br>Fiduciary<br>Net Position | Net OPEB<br>(Asset)<br>Liability |
|---------------------------|----------------------------|-----------------------------------|----------------------------------|
| Balance 6/30/18           | \$ 108,668                 | \$ -                              | \$ 108,668                       |
| Changes for the year:     |                            |                                   |                                  |
| Service cost              | 4,254                      | -                                 | 4,254                            |
| Interest                  | 2,972                      | -                                 | 2,972                            |
| Changes in assumptions    | 489                        | -                                 | 489                              |
| Implicit benefit payments | (17,855)                   | -                                 | (17,855)                         |
| Other changes             | 64                         | -                                 | 64                               |
| Net changes               | (10,076)                   | -                                 | (10,076)                         |
| Balances at 6/30/19       | \$ 98,592                  | \$ -                              | \$ 98,592                        |

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate** – The following presents the net OPEB liability of the District, calculated using the discount rate of 2.79%, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

|                    | 1% Decrease<br>(1.79%) | Current<br>Discount Rate<br>(2.79%) | 1% Increase<br>(3.79%) |
|--------------------|------------------------|-------------------------------------|------------------------|
| Net OPEB Liability | \$ 101,216             | \$ 98,592                           | \$ 96,054              |

**Homewood Public Library District  
Homewood, Illinois  
Notes to the Financial Statements (cont'd)**

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**III. Other Information (cont'd)**

**D. Other Post-Employment Benefits (cont'd)**

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rates –**

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point higher or lower than the current rate:

|                    | 1% Decrease<br>(Varies) | Current<br>Discount Rate<br>(Varies) | 1% Increase<br>(Varies) |
|--------------------|-------------------------|--------------------------------------|-------------------------|
| Net OPEB Liability | \$ 95,111               | \$ 98,592                            | \$ 102,271              |

**REQUIRED SUPPLEMENTARY INFORMATION**

**Homewood Public Library District  
General Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

|                                     | Original and<br>Final<br>Budget | Actual              | Variance<br>Positive<br>(Negative) |
|-------------------------------------|---------------------------------|---------------------|------------------------------------|
| <b>Revenues:</b>                    |                                 |                     |                                    |
| Taxes:                              |                                 |                     |                                    |
| Property                            | \$ 1,862,816                    | <b>\$ 2,019,345</b> | \$ 156,529                         |
| Replacement                         | 10,000                          | <b>6,685</b>        | (3,315)                            |
| Intergovernmental:                  |                                 |                     |                                    |
| State grants                        | 24,154                          | <b>26,083</b>       | 1,929                              |
| Fines                               | 36,200                          | <b>25,740</b>       | (10,460)                           |
| Investment income                   | 3,000                           | <b>3,439</b>        | 439                                |
| Donations                           | 18,100                          | <b>14,888</b>       | (3,212)                            |
| Miscellaneous                       | -                               | <b>288</b>          | 288                                |
| <b>Total revenues</b>               | <b>1,954,270</b>                | <b>2,096,468</b>    | 142,198                            |
| <b>Expenditures:</b>                |                                 |                     |                                    |
| Culture and recreation:             |                                 |                     |                                    |
| Personnel                           | 1,281,213                       | <b>1,252,828</b>    | 28,385                             |
| Outside professional services       | 42,000                          | <b>37,937</b>       | 4,063                              |
| Library books and materials         | 195,500                         | <b>173,205</b>      | 22,295                             |
| Promotion and publicity             | 14,500                          | <b>9,424</b>        | 5,076                              |
| Library operation                   | 88,538                          | <b>85,133</b>       | 3,405                              |
| Utilities                           | 82,450                          | <b>90,035</b>       | (7,585)                            |
| Administrative charges              | 16,650                          | <b>12,474</b>       | 4,176                              |
| Miscellaneous                       | 15,700                          | <b>15,511</b>       | 189                                |
| Debt service:                       |                                 |                     |                                    |
| Principal expense                   | 135,000                         | <b>135,000</b>      | -                                  |
| Interest expense                    | 4,793                           | <b>4,793</b>        | -                                  |
| <b>Total expenditures</b>           | <b>1,876,344</b>                | <b>1,816,340</b>    | 60,004                             |
| <b>Net changes in fund balance</b>  | <b>\$ 77,926</b>                | <b>280,128</b>      | <b>\$ 202,202</b>                  |
| Fund balance, beginning of the year |                                 | <b>947,587</b>      |                                    |
| Fund balance, end of the year       |                                 | <b>\$ 1,227,715</b> |                                    |

See independent auditor's report and accompanying notes.

**Homewood Public Library District  
Special Reserve Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

|                                     | Original and<br>Final<br>Budget | Actual            | Variance<br>Positive<br>(Negative) |
|-------------------------------------|---------------------------------|-------------------|------------------------------------|
| Revenues:                           |                                 |                   |                                    |
| Investment income                   | \$ 45,000                       | \$ 23,805         | \$ (21,195)                        |
| Expenditures - none                 | -                               | -                 | -                                  |
| <b>Net changes in fund balance</b>  | <u>\$ 45,000</u>                | <u>23,805</u>     | <u>\$ (21,195)</u>                 |
| Fund balance, beginning of the year |                                 | <u>602,699</u>    |                                    |
| Fund balance, end of the year       |                                 | <u>\$ 626,504</u> |                                    |

See independent auditor's report and accompanying notes.

**Homewood Public Library District  
Illinois Municipal Retirement Fund  
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios  
Last Six Calendar Years**

|   | <u>2019</u>                | <u>2018</u>                |
|---|----------------------------|----------------------------|
| <b>Total pension liability:</b>   |                            |                            |
| Service cost  | \$ 99,561                  | \$ 107,754                 |
| Interest on the total pension liability                                       | 499,901                    | 487,192                    |
| Changes of benefit terms  | -                          | -                          |
| Difference between expected and actual experience                             | 115,810                    | 28,741                     |
| Changes of assumptions  | -                          | 177,023                    |
| Benefit payments and refunds  | <u>(431,818)</u>           | <u>(362,809)</u>           |
| <b>Net change in total pension liability</b>                                  | <b>283,454</b>             | <b>437,901</b>             |
| <b>Total pension liability - beginning</b>                                    | <b><u>7,061,318</u></b>    | <b><u>6,623,417</u></b>    |
| <b>Total pension liability - ending</b>                                       | <b><u>\$ 7,344,772</u></b> | <b><u>\$ 7,061,318</u></b> |
| <b>Plan fiduciary net position:</b>   |                            |                            |
| Employer contributions  | \$ 113,229                 | \$ 150,419                 |
| Employee contributions  | 37,438                     | 42,706                     |
| Net investment income   | 1,066,155                  | (355,569)                  |
| Benefit payments and refunds  | (431,818)                  | (362,809)                  |
| Other   | <u>28,900</u>              | <u>164,887</u>             |
| <b>Net change in plan fiduciary net position</b>                              | <b>813,904</b>             | <b>(360,366)</b>           |
| <b>Plan fiduciary net position - beginning</b>                                | <b><u>5,486,433</u></b>    | <b><u>5,846,799</u></b>    |
| <b>Plan fiduciary net position - ending</b>                                   | <b><u>\$ 6,300,337</u></b> | <b><u>\$ 5,486,433</u></b> |
| <b>Net pension (asset) liability</b>  | <b><u>\$ 1,044,435</u></b> | <b><u>\$ 1,574,885</u></b> |
| <b>Plan fiduciary net position as a percentage of total pension liability</b> | <b><u>85.78%</u></b>       | <b><u>77.70%</u></b>       |
| <b>Covered valuation payroll</b>  | <b><u>\$ 831,950</u></b>   | <b><u>\$ 949,017</u></b>   |
| <b>Net pension liability as a percentage of covered valuation payroll</b>     | <b><u>125.54%</u></b>      | <b><u>165.95%</u></b>      |

Note - Changes of assumptions related to the discount rate occurred between the 2018 and 2017 valuation.

Note: The Library will build a ten-year history prospectively.

See independent auditor's report.

| 2017                | 2016                | 2015                | 2014                |
|---------------------|---------------------|---------------------|---------------------|
| \$ 111,971          | \$ 138,357          | \$ 144,964          | \$ 147,421          |
| 480,635             | 445,617             | 427,118             | 391,405             |
| -                   | -                   | -                   | -                   |
| 39,966              | 212,810             | (51,865)            | (88,663)            |
| (190,084)           | (29,018)            | 7,332               | 257,631             |
| (343,103)           | (295,952)           | (241,247)           | (201,698)           |
| 99,385              | 471,814             | 286,302             | 506,096             |
| 6,524,032           | 6,052,218           | 5,765,916           | 5,259,820           |
| <u>\$ 6,623,417</u> | <u>\$ 6,524,032</u> | <u>\$ 6,052,218</u> | <u>\$ 5,765,916</u> |
| \$ 136,109          | \$ 146,560          | \$ 160,678          | \$ 149,680          |
| 45,511              | 52,192              | 52,662              | 53,799              |
| 944,324             | 323,390             | 23,879              | 277,263             |
| (343,103)           | (295,952)           | (241,247)           | (201,698)           |
| (106,170)           | 97,136              | 61,135              | (33,759)            |
| 676,671             | 323,326             | 57,107              | 245,285             |
| 5,170,128           | 4,846,802           | 4,789,695           | 4,544,410           |
| <u>\$ 5,846,799</u> | <u>\$ 5,170,128</u> | <u>\$ 4,846,802</u> | <u>\$ 4,789,695</u> |
| <u>\$ 776,618</u>   | <u>\$ 1,353,904</u> | <u>\$ 1,205,416</u> | <u>\$ 976,221</u>   |
| <u>88.27%</u>       | <u>79.25%</u>       | <u>80.08%</u>       | <u>83.07%</u>       |
| <u>\$ 1,012,125</u> | <u>\$ 1,068,221</u> | <u>\$ 1,170,274</u> | <u>\$ 1,226,489</u> |
| <u>76.73%</u>       | <u>126.74%</u>      | <u>103.00%</u>      | <u>79.59%</u>       |

**Homewood Public Library District  
Illinois Municipal Retirement Fund  
Required Supplementary Information -  
Multiyear Schedule of Contributions  
Last 6 Fiscal Years**

| Fiscal Year<br>Ended<br>June 30, | Actuarially<br>Determined<br>Contribution | Actual<br>Contribution | Contribution<br>Deficiency<br>(Excess) | Covered<br>Valuation<br>Payroll | Actual Contribution<br>as a Percentage<br>of Covered<br>Valuation Payroll |
|----------------------------------|---|------------------------|--|---------------------------------|---|
| <b>2020</b>                      | <b>\$ 130,506</b>                         | <b>\$ 130,506</b>      | <b>\$ -</b>                            | <b>\$ 860,552</b>               | <b>15.17 %</b>  |
| 2019                             | 126,915                                   | 126,915                | -                                      | 857,312                         | 14.80   |
| 2018*                            | 136,232                                   | 136,109                | 123                                    | 1,012,125                       | 13.45   |
| 2017*                            | 146,560                                   | 146,560                | -                                      | 1,068,221                       | 13.72   |
| 2016*                            | 160,679                                   | 160,678                | 1                                      | 1,170,274                       | 13.73   |
| 2015*                            | 153,556                                   | 149,680                | 3,876                                  | 1,226,489                       | 12.20   |

\* - The years marked were reported as the calendar year ended. The District began reporting employer contributions on the fiscal year ended in 2019.

Notes to Required Supplementary Information:

|                               |  |
|-------------------------------|--|
| Actuarial Cost Method         | Aggregate Entry Age Normal   |
| Amortization Method           | Level % of Pay (Closed)  |
| Remaining Amortization Period | 24 Years   |
| Asset Valuation Method        | 5-Year Smoothed Market; 20% Corridor   |
| Inflation                     | 2.50%  |
| Salary Increases              | 3.35% to 14.25% 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 2017 valuation pursuant to an experience study of the period 2014-2016.   |
| Mortality                     | For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that was applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match the current IMRF experience. |

Note: The Library will build a ten-year history prospectively.

See independent auditor's report.

**Homewood Public Library District  
Multiyear Schedule of Changes in the Employer's Total OPEB Liability  
and Related Ratios - Other Postemployment Plan  
Last Two Fiscal Years**

|   | 2019       |
|---|------------|
| <b>Total pension liability:</b>   |            |
| Service cost  | \$ 4,254   |
| Interest on the total pension liability                                   | 2,972      |
| Changes of benefit terms  | -          |
| Difference between expected and actual experience                         | -          |
| Changes of assumptions  | 489        |
| Benefit payments and refunds  | (17,855)   |
| Other   | 64         |
| <b>Net change in total pension liability</b>                              | (10,076)   |
| <b>Total OPEB liability - beginning</b>                                   | 108,668    |
| <b>Total OPEB liability - ending</b>                                      | \$ 98,592  |
| <b>Covered valuation payroll</b>  | \$ 693,893 |
| <b>Employer's total OPEB liability as a percentage of covered payroll</b> | 14.21%     |

Note: The Library did not have a valuation in the current year. The Library will build a ten-year history prospectively.

See independent auditor's report.

**Homewood Public Library District  
Homewood, Illinois  
Notes to Required Supplementary Information**

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**Budgets**

The District annually adopts a budget for the General, Special Reserve, and Special Revenue Funds. The budget amounts presented in this report represent the originally adopted budget. The following procedures are used to establish the budget:

- Estimated revenues are based on amounts expected to be received during the fiscal year. Such estimates do not differ materially from a modified accrual basis of accounting.
- Appropriations are estimated based on anticipated cash needs for specifically identified projects.
- Appropriation amendments require the approval of the Board of Trustees.
- Unused appropriations lapse at year-end.
- State law requires that “expenditures be made in conformity with the appropriation/budget ordinance”. According to the Budget Act, transfers between line items, departments and funds may be made by Board action. Actual expenditures may not legally exceed budgeted amounts for each fund.

Actual expenditures of \$122,498 exceeded the budget of \$22,030 by \$100,468 in the Liability Insurance Fund.

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

**Homewood Public Library District  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2020**

|   | Illinois<br>Municipal<br>Retirement | Social<br>Security |
|---|-------------------------------------|--------------------|
| <b>Assets</b>   |                                     |                    |
| Cash and investments  | \$ -                                | \$ -               |
| Receivables:  |                                     |                    |
| Property taxes  | 43,836                              | 43,836             |
| Prepaid expenses  | -                                   | -                  |
| Due from other funds  | 241,633                             | 365,642            |
| <b>Total assets</b>   | <b>\$ 285,469</b>                   | <b>\$ 409,478</b>  |
| <b>Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances (Deficits)</b>       |                                     |                    |
| Liabilities:  |                                     |                    |
| Accounts payable  | \$ -                                | \$ -               |
| Due to other funds  | -                                   | -                  |
| <b>Total liabilities</b>  | -                                   | -                  |
| Deferred inflows - property taxes   | 43,836                              | 43,836             |
| <b>Total liabilities and deferred inflows</b>   | 43,836                              | 43,836             |
| Fund balances (deficits):   |                                     |                    |
| Nonspendable  | -                                   | -                  |
| Restricted:   |                                     |                    |
| Insurance   | -                                   | -                  |
| Employee retirement   | 241,633                             | 365,642            |
| Unrestricted - assigned:  |                                     |                    |
| Special reserve   | -                                   | -                  |
| Unassigned  | -                                   | -                  |
| <b>Total fund balances (deficits)</b>   | 241,633                             | 365,642            |
| <b>Total liabilities, deferred inflows of<br/>resources, and fund balances (deficits)</b> | <b>\$ 285,469</b>                   | <b>\$ 409,478</b>  |

See independent auditor's report.

| Audit           | Liability Insurance | Workers' Compensation and Unemployment Insurance | Building Reserve and Site Maintenance | Total             |
|-----------------|---------------------|--|---------------------------------------|-------------------|
| \$ -            | \$ -                | \$ -   | \$ -                                  | \$ -              |
| 2,565           | 7,694               | -  | 35,436                                | 133,367           |
| -               | 12,353              | -  | 1,836                                 | 14,189            |
| -               | -                   | 25,812   | -                                     | 633,087           |
| <b>\$ 2,565</b> | <b>\$ 20,047</b>    | <b>\$ 25,812</b>                                 | <b>\$ 37,272</b>                      | <b>\$ 780,643</b> |
| \$ -            | \$ -                | \$ -   | \$ 6,978                              | \$ 6,978          |
| 54              | 17,259              | -  | 157,661                               | 174,974           |
| 54              | 17,259              | -  | 164,639                               | 181,952           |
| 2,565           | 7,694               | -  | 35,436                                | 133,367           |
| 2,619           | 24,953              | -  | 200,075                               | 315,319           |
| -               | 12,353              | -  | 1,836                                 | 14,189            |
| -               | -                   | 25,812   | -                                     | 25,812            |
| -               | -                   | -  | -                                     | 607,275           |
| -               | -                   | -  | (164,639)                             | (164,639)         |
| (54)            | (17,259)            | -  | -                                     | (17,313)          |
| (54)            | (4,906)             | 25,812   | (162,803)                             | 465,324           |
| <b>\$ 2,565</b> | <b>\$ 20,047</b>    | <b>\$ 25,812</b>                                 | <b>\$ 37,272</b>                      | <b>\$ 780,643</b> |

**Homewood Public Library District**  
**Combining Statement of Revenues, Expenditures and Changes in**  
**Fund Balances (Deficits) - Nonmajor Governmental Funds**  
**June 30, 2020**

|   | <u>Illinois<br/>Municipal<br/>Retirement</u> | <u>Social<br/>Security</u> |
|---|--|----------------------------|
| Revenues:   |  |                            |
| Taxes:  |  |                            |
| Property  | \$ 82,277                                    | \$ 82,277                  |
| Investment income   | -  | -                          |
|   | <u>82,277</u>                                | <u>82,277</u>              |
| <b>Total revenues</b>   | <b>82,277</b>                                | <b>82,277</b>              |
| Expenditures:   |  |                            |
| Culture and recreation  | <u>130,506</u>                               | <u>84,504</u>              |
| <b>Total expenditures</b>   | <b>130,506</b>                               | <b>84,504</b>              |
| <b>Revenues under expenditures before<br/>    other financing sources</b> | <b>(48,229)</b>                              | <b>(2,227)</b>             |
| Other financing sources - insurance proceeds                              | <u>-</u>                                     | <u>-</u>                   |
| <b>Net changes in fund balances (deficits)</b>                            | <b>(48,229)</b>                              | <b>(2,227)</b>             |
| Fund balances (deficits), beginning of the year                           | <u>289,862</u>                               | <u>367,869</u>             |
| Fund balances (deficits), end of the year                                 | <b><u>\$ 241,633</u></b>                     | <b><u>\$ 365,642</u></b>   |

See independent auditor's report.

| Audit                 | Liability<br>Insurance   | Workers'<br>Compensation<br>and<br>Unemployment<br>Insurance | Building<br>Reserve<br>and Site<br>Maintenance | Total                    |
|-----------------------|--------------------------|--|--|--------------------------|
| \$ 4,740              | \$ 14,559                | \$ -   | \$ 66,363                                      | \$ 250,216               |
| -                     | -                        | -  | -  | -                        |
| <u>4,740</u>          | <u>14,559</u>            | <u>-</u>   | <u>66,363</u>                                  | <u>250,216</u>           |
| <u>7,500</u>          | <u>122,498</u>           | <u>474</u>   | <u>116,595</u>                                 | <u>462,077</u>           |
| <u>7,500</u>          | <u>122,498</u>           | <u>474</u>   | <u>116,595</u>                                 | <u>462,077</u>           |
| (2,760)               | (107,939)                | (474)  | (50,232)                                       | (211,861)                |
| -                     | 100,000                  | -  | -  | 100,000                  |
| (2,760)               | (7,939)                  | (474)  | (50,232)                                       | (111,861)                |
| <u>2,706</u>          | <u>3,033</u>             | <u>26,286</u>  | <u>(112,571)</u>                               | <u>577,185</u>           |
| <b><u>\$ (54)</u></b> | <b><u>\$ (4,906)</u></b> | <b><u>\$ 25,812</u></b>                                      | <b><u>\$ (162,803)</u></b>                     | <b><u>\$ 465,324</u></b> |

**Homewood Public Library District  
 Illinois Municipal Retirement Fund  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Balance - Budget and Actual  
 For the Year Ended June 30, 2020**

|                                     | Original and<br>Final<br>Budget | Actual            | Variance<br>Positive<br>(Negative) |
|-------------------------------------|---------------------------------|-------------------|------------------------------------|
| Revenues:                           |                                 |                   |                                    |
| Taxes                               |                                 |                   |                                    |
| Property                            | \$ 132,810                      | \$ 82,277         | \$ (50,533)                        |
| Expenditures:                       |                                 |                   |                                    |
| Culture and recreation:             |                                 |                   |                                    |
| Welfare-pension - IMRF              | 146,208                         | 130,506           | 15,702                             |
| <b>Net changes in fund balance</b>  | <b>\$ (13,398)</b>              | <b>(48,229)</b>   | <b>\$ (34,831)</b>                 |
| Fund balance, beginning of the year |                                 | <b>289,862</b>    |                                    |
| Fund balance, end of the year       |                                 | <b>\$ 241,633</b> |                                    |

See independent auditor's report.

**Homewood Public Library District  
Social Security Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

|                                     | Original and<br>Final<br>Budget | Actual            | Variance<br>Positive<br>(Negative) |
|-------------------------------------|---------------------------------|-------------------|------------------------------------|
| Revenues:                           |                                 |                   |                                    |
| Taxes:                              |                                 |                   |                                    |
| Property                            | \$ 71,078                       | \$ 82,277         | \$ 11,199                          |
| Expenditures:                       |                                 |                   |                                    |
| Culture and recreation:             |                                 |                   |                                    |
| Welfare-pension - FICA              | 87,122                          | 84,504            | 2,618                              |
| <b>Net changes in fund balance</b>  | <b>\$ (16,044)</b>              | <b>(2,227)</b>    | <b>\$ 13,817</b>                   |
| Fund balance, beginning of the year |                                 | <b>367,869</b>    |                                    |
| Fund balance, end of the year       |                                 | <b>\$ 365,642</b> |                                    |

See independent auditor's report.

**Homewood Public Library District  
Audit Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance (Deficit) - Budget and Actual  
For the Year Ended June 30, 2020**

|   | Original and<br>Final<br>Budget | Actual         | Variance<br>Positive<br>(Negative) |
|---|---------------------------------|----------------|------------------------------------|
| Revenues:                               |                                 |                |                                    |
| Taxes:                                  |                                 |                |                                    |
| Property                                | \$ 14,129                       | \$ 4,740       | \$ (9,389)                         |
| Expenditures:                           |                                 |                |                                    |
| Culture and recreation:                 |                                 |                |                                    |
| Contractual services                    | 7,500                           | 7,500          | -                                  |
| <b>Net changes in fund balance</b>      | <b>\$ 6,629</b>                 | <b>(2,760)</b> | <b>\$ (9,389)</b>                  |
| Fund balance, beginning of the year     |                                 | <b>2,706</b>   |                                    |
| Fund balance (deficit), end of the year |                                 | <b>\$ (54)</b> |                                    |

See independent auditor's report.

**Homewood Public Library District  
Liability Insurance Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance (Deficit) - Budget and Actual  
For the Year Ended June 30, 2020**

|   | Original and<br>Final<br>Budget | Actual            | Variance<br>Positive<br>(Negative) |
|---|---------------------------------|-------------------|------------------------------------|
| Revenues:   |                                 |                   |                                    |
| Taxes   |                                 |                   |                                    |
| Property  | \$ 33,257                       | \$ 14,559         | \$ (18,698)                        |
| Expenditures:   |                                 |                   |                                    |
| Culture and recreation:                               |                                 |                   |                                    |
| Insurance   | 22,030                          | 122,498           | (100,468)                          |
| <b>Revenues over (under)<br/>        expenditures</b> | 11,227                          | <b>(107,939)</b>  | (119,166)                          |
| Other financing sources - insurance<br>proceeds       | -                               | 100,000           | 100,000                            |
| <b>Net changes in fund balance</b>                    | <b>\$ 11,227</b>                | <b>(7,939)</b>    | <b>\$ (19,166)</b>                 |
| Fund balance, beginning of the year                   |                                 | 3,033             |                                    |
| Fund balance (deficit), end of the year               |                                 | <b>\$ (4,906)</b> |                                    |

See independent auditor's report.

**Homewood Public Library District  
Workers' Compensation and Unemployment Insurance Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

|                                     | Original and<br>Final<br>Budget | Actual           | Variance<br>Positive<br>(Negative) |
|-------------------------------------|---------------------------------|------------------|------------------------------------|
| Revenues:                           |                                 |                  |                                    |
| Taxes                               |                                 |                  |                                    |
| Property                            | \$ -                            | \$ -             | \$ -                               |
| Expenditures:                       |                                 |                  |                                    |
| Culture and recreation:             |                                 |                  |                                    |
| Insurance                           | 2,500                           | 474              | 2,026                              |
| <b>Net changes in fund balance</b>  | <b>\$ (2,500)</b>               | <b>(474)</b>     | <b>\$ 2,026</b>                    |
| Fund balance, beginning of the year |                                 | <b>26,286</b>    |                                    |
| Fund balance, end of the year       |                                 | <b>\$ 25,812</b> |                                    |

See independent auditor's report.

**Homewood Public Library District  
 Building Reserve and Site Maintenance Fund  
 Schedule of Revenues, Expenditures and Changes in  
 Fund Deficit - Budget and Actual  
 For the Year Ended June 30, 2020**

|                                     | Original and<br>Final<br>Budget | Actual              | Variance<br>Positive<br>(Negative) |
|-------------------------------------|---------------------------------|---------------------|------------------------------------|
| Revenues:                           |                                 |                     |                                    |
| Taxes:                              |                                 |                     |                                    |
| Property                            | \$ 59,558                       | \$ 66,363           | \$ 6,805                           |
| <b>Total revenues</b>               | <b>59,558</b>                   | <b>66,363</b>       | <b>6,805</b>                       |
| Expenditures:                       |                                 |                     |                                    |
| Culture and recreation:             |                                 |                     |                                    |
| Maintenance                         | 75,150                          | 62,716              | 12,434                             |
| Custodial and supplies              | 49,450                          | 43,943              | 5,507                              |
| Capital outlay                      | 210,000                         | 9,936               | 200,064                            |
| <b>Total expenditures</b>           | <b>334,600</b>                  | <b>116,595</b>      | <b>218,005</b>                     |
| <b>Net changes in fund deficit</b>  | <b>\$ (275,042)</b>             | <b>(50,232)</b>     | <b>\$ 224,810</b>                  |
| Fund deficit, beginning of the year |                                 | <b>(112,571)</b>    |                                    |
| Fund deficit, end of the year       |                                 | <b>\$ (162,803)</b> |                                    |

See independent auditor's report and accompanying notes.

**SUPPLEMENTAL DATA**

**Homewood Public Library District  
Property Tax Assessed Valuations, Rate and Extensions  
Last Ten Levy Years**

|                             | 2019                  |                     | 2018                  |               | 2017                  |               | 2016                  |               | 2015                  |               |
|-----------------------------|-----------------------|---------------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---------------|
| <b>Assessed Valuation</b>   | <b>\$ 358,598,079</b> |                     | <b>\$ 361,124,411</b> |               | <b>\$ 372,186,168</b> |               | <b>\$ 336,484,951</b> |               | <b>\$ 317,131,679</b> |               |
|                             | <b>Rate*</b>          | <b>Amount</b>       | <b>Rate*</b>          | <b>Amount</b> | <b>Rate*</b>          | <b>Amount</b> | <b>Rate*</b>          | <b>Amount</b> | <b>Rate*</b>          | <b>Amount</b> |
| <b>Tax Extensions:</b>      |                       |                     |                       |               |                       |               |                       |               |                       |               |
| Corporate                   | <b>0.6000</b>         | <b>\$ 2,151,588</b> | 0.5964                | \$ 2,153,745  | 0.5437                | \$ 2,023,494  | 0.5674                | \$ 1,909,364  | 0.6000                | \$ 1,902,790  |
| IMRF                        | <b>0.0245</b>         | <b>88,022</b>       | 0.0243                | 87,753        | 0.0387                | 144,200       | 0.0627                | 211,062       | 0.0705                | 223,684       |
| Social Security             | <b>0.0245</b>         | <b>88,023</b>       | 0.0243                | 87,753        | 0.0208                | 77,250        | 0.0394                | 132,409       | 0.0437                | 138,705       |
| Audit                       | <b>0.0014</b>         | <b>5,150</b>        | 0.0014                | 5,055         | 0.0042                | 15,450        | 0.0034                | 11,536        | 0.0000                | -             |
| Liability Insurance         | <b>0.0043</b>         | <b>15,450</b>       | 0.0043                | 15,528        | 0.0097                | 36,050        | 0.0011                | 36,050        | 0.0000                | -             |
| Building and sites          | <b>0.0198</b>         | <b>71,155</b>       | 0.0196                | 70,780        | 0.0174                | 64,658        | 0.0189                | 69,526        | 0.0200                | 63,426        |
| Unemployment insurance      | <b>0.0000</b>         | <b>-</b>            | 0.0000                | -             | 0.0000                | -             | 0.0011                | 3,605         | 0.0000                | -             |
| <b>Total Tax Extensions</b> | <b>0.6745</b>         | <b>\$ 2,419,388</b> | 0.6703                | \$ 2,420,614  | 0.6345                | \$ 2,361,102  | 0.6940                | \$ 2,373,552  | 0.7342                | \$ 2,328,605  |

\* Property tax rates per \$100 of assessed valuation.

See independent auditor's report.

| 2014                       |              | 2013                       |              | 2012                       |              | 2011                       |              | 2010                       |              |
|----------------------------|--------------|----------------------------|--------------|----------------------------|--------------|----------------------------|--------------|----------------------------|--------------|
| <u>\$ 327,584,466</u>      |              | <u>\$ 343,351,423</u>      |              | <u>\$ 367,955,809</u>      |              | <u>\$ 407,376,980</u>      |              | <u>\$ 492,145,641</u>      |              |
| Rate*                      | Amount       |
| 0.6000                     | \$ 1,965,507 | 0.6000                     | \$ 2,060,109 | 0.5925                     | \$ 2,180,138 | 0.5249                     | \$ 2,138,321 | 0.4358                     | \$ 2,144,770 |
| 0.0566                     | 185,400      | 0.0540                     | 185,400      | 0.0498                     | 183,241      | 0.0332                     | 135,249      | 0.0232                     | 114,177      |
| 0.0566                     | 185,400      | 0.0540                     | 185,400      | 0.0498                     | 183,241      | 0.0332                     | 135,249      | 0.0232                     | 114,177      |
| 0.0000                     | -            | 0.0000                     | -            | 0.0000                     | -            | 0.0022                     | 8,962        | 0.0015                     | 7,382        |
| 0.0000                     | -            | 0.0000                     | -            | 0.0000                     | -            | 0.0066                     | 26,886       | 0.0046                     | 22,638       |
| 0.0200                     | 65,517       | 0.0200                     | 68,670       | 0.0198                     | 72,855       | 0.0175                     | 71,290       | 0.0145                     | 71,361       |
| 0.0000                     | -            | 0.0000                     | -            | 0.0000                     | -            | 0.0045                     | 18,331       | 0.0031                     | 15,256       |
| <u>0.7332 \$ 2,401,824</u> |              | <u>0.7280 \$ 2,499,579</u> |              | <u>0.7119 \$ 2,619,475</u> |              | <u>0.6221 \$ 2,534,288</u> |              | <u>0.5059 \$ 2,489,761</u> |              |