



**WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2017

SIKICH.COM

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT AUDITOR’S REPORT	1-2
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis	MD&A 1-5
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	3
Statement of Activities	4
Fund Financial Statements	
Governmental Funds	
Balance Sheet	5
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position	6
Statement of Revenues, Expenditures and Changes in Fund Balance.....	7
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities.....	8
Notes to Financial Statements	9-24
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund.....	25
Schedule of Funding Progress and Employer Contributions Other Postemployment Benefit Plan	26
Illinois Municipal Retirement Fund Schedule of Employer Contributions	27
Schedule of the Library’s Proportionate Share of the Net Pension Liability	28
Notes to Required Supplementary Information.....	29

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
 COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
 MAJOR GOVERNMENTAL FUNDS	
General Fund	
Schedule of Revenues - Budget and Actual.....	30
Schedule of Expenditures - Budget and Actual	31-32
Schedule of Revenues, Expenditures and Changes in	
Fund Balance - Budget and Actual	
Building and Site Fund.....	33

INDEPENDENT AUDITOR'S REPORT

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

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Trustees
Woodridge Public Library
Woodridge, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Woodridge Public Library, Woodridge, Illinois (the Library), as of and for the year ended December 31, 2017 and the related notes to financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Woodridge Public Library, Woodridge, Illinois as of December 31, 2017, and the respective changes in financial position for the year then ended in conformity 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's discussion and analysis and the 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 Library's basic financial statements as a whole. The combining and individual fund financial statements and schedules 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

Sikich LLP

Naperville, Illinois
May 8, 2018

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

WOODRIDGE PUBLIC LIBRARY MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ending December 31, 2017

The discussion and analysis of the Woodridge Public Library provides a general review of the financial activities for the fiscal year ended December 31, 2017. The information presented should be considered in conjunction with additional information furnished in the notes to financial statements.

Background Statements

The Woodridge Public Library has been in existence since 1967. The form of governance of the Library and its pertinent legal basis are found in the Illinois Local Library Act as amended, currently 75 ILCS 5.

The Board of Trustees of the Woodridge Public Library is given statutory authority over the Library by the Illinois Local Library Act.

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 Library's finances, in a manner similar to a private sector business.

The Statement of Net Position presents information on the Library's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the differences between the two reported as net position. Over time, increases or decreases in net position are an indicator of whether the financial position of the Library is improving or deteriorating, respectively.

The Statement of Activities presents information showing how the Library's net position changed during the most recent fiscal year. The government-wide financial statements show functions of the library that are principally supported by taxes, fees, and other revenues (governmental activities.) The Library does not conduct functions intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Library include providing general library services and general governmental administrative services.

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

Fund Financial Statements

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

The Woodridge Public Library's two current funds are: The General Fund and the Building and Site Reserve Fund. The General Fund is used to account for funds received from general property taxes and other general revenue, and to account for expenditures made for general library purposes. The Building and Site Fund is assigned for expenditures associated with periodic activities such as computer network upgrades, building and property improvements, and other major projects.

The fund financial statements can be found on pages 5 through 8 of this report.

Notes to the Financial Statements

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

The notes to the financial statements can be found on pages 9 through 24 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Library, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$10,859,508 at December 31, 2017.

A significant portion of the Library's net position (78%) reflects investment in capital assets (e.g. land, building, and equipment). The Library uses these assets to provide service to citizens; consequently, these assets are not available for future spending.

Woodridge Public Library's Net Position at Year End

		<u>Governmental Activities</u>	
		<u>FY 2017</u>	<u>FY2016</u>
Current and Other Assets	\$	6,722,865	6,356,461
Capital Assets		8,507,241	8,513,957
Deferred Outflows		<u>675,447</u>	<u>861,656</u>
Total Assets/Deferred Outflows		15,905,553	15,732,074

Current Liabilities	\$	58,947	41,210
Long-term Liabilities		1,274,499	1,382,263
Deferred Inflows		<u>3,712,599</u>	<u>3,605,427</u>
Total Liabilities/Deferred Inflows		5,046,045	5,028,900

Net Position

Net Investment in Capital Assets		8,507,241	8,513,957
Restricted		12,407	14,701
Unrestricted		<u>2,339,860</u>	<u>2,174,516</u>
Total Net Position	\$	10,859,508	10,703,174

The restricted portion of the Library's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$2,339,860) may be used to meet the Library's ongoing obligations to citizens and creditors.

The Library's net position increased by \$156,334 during the year ended December 31, 2017. The key elements of this increase are as follows:

Woodridge Public Library's Change in Net Position

		<u>Governmental Activities</u>	
		<u>FY2017</u>	<u>FY2016</u>
Revenues			
<i>Program Revenues</i>			
Charges for Services	\$	44,604	\$58,036
Grants and Contributions		25,600	25,416
<i>General Revenues</i>			
Property and Replacement Taxes		3,641,495	3,616,840
Investment Income		26,385	11,004
Miscellaneous		<u>15,065</u>	<u>27,454</u>
Total Revenues		3,753,149	3,738,750
Expenses			
Public Library		<u>3,596,815</u>	<u>3,683,728</u>
Total Expenses		3,596,815	3,683,728
Increase (Decrease) in Net Position	\$	156,334	55,022

Financial Analysis of the Library's Funds

As noted earlier, the Library uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the Library's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Library's financing requirements. In particular, unassigned fund balances may serve as a useful measure of the Library's net resources available for spending at the end of the fiscal year.

As of December 31, 2017 the Library's governmental funds reported ending unassigned fund balance of \$2,801,314.

General Fund Appropriation and Actual Comparison

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

The difference between the estimated revenues and the actual revenues was \$11,453 (favorable).

The difference between the estimated expenditures and the actual expenditures was \$648,225 (favorable).

Condensed General Fund Revenues and Expenditures

		FY2017		FY2016
		Budgeted	Actual	Actual
Revenues				
Property and Replacement Taxes	\$	3,606,427	3,641,495	3,616,840
Grant Income		25,400	25,600	25,416
Investment Income		6,000	22,816	8,195
Charges for Services		23,500	18,430	22,530
Fines		35,000	26,174	35,506
Miscellaneous		<u>41,800</u>	<u>15,065</u>	<u>27,454</u>
Total Revenues		3,738,127	3,749,580	3,735,941
Expenditures				
Personnel Services		2,307,000	2,068,316	2,058,309
Materials/Commodities		454,900	430,028	458,877
Operations		<u>991,698</u>	<u>607,029</u>	<u>735,960</u>
Total Expenditures	\$	3,753,598	3,105,373	3,253,146

Excess (Deficiency) of Revenues Over Expenditures

(15,471)	644,207	482,795
----------	---------	---------

Financial Outlook

At December 31, 2017, the Library had no outstanding notes or other contractual debt.

The Library's fiscal year is January – December, which affects cash flow. No tax revenue is received for the first five months of each fiscal year, meaning an appropriate fund balance must be maintained to fund operations for January through May. Tax receipts begin to come in during June of each year.

Capital Assets

At the end of FY17, Woodridge Public Library had total capital assets, net of depreciation, of \$8,507,241 invested in a large collection of library materials, computers and other electronics and the building which houses the Library operations.

Requests for Information

This financial report is designed to provide a general overview of the Library's finances. If you have questions concerning any of the information provided in this report or requests for additional information, contact the Library.

Pamela Dubé, Director
Woodridge Public Library
3 Plaza Drive
Woodridge, IL 60517

**WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS**

STATEMENT OF NET POSITION

December 31, 2017

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 2,972,639
Receivables (net, where applicable, of allowance for uncollectibles)	
Property taxes	3,644,330
Due from Village	32,471
Deposits	65,000
Prepaid items	3,454
Net other postemployment benefit asset	4,971
Capital assets not being depreciated	389,420
Capital assets being depreciated (net of accumulated depreciation)	<u>8,117,821</u>
Total assets	<u>15,230,106</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension items - IMRF	<u>675,447</u>
Total deferred outflows of resources	<u>675,447</u>
Total assets and deferred outflows of resources	<u>15,905,553</u>
LIABILITIES	
Accounts payable	12,255
Accrued payroll	46,692
Noncurrent liabilities	
Due within one year	7,296
Due in more than one year	<u>1,267,203</u>
Total liabilities	<u>1,333,446</u>
DEFERRED INFLOWS OF RESOURCES	
Pension items - IMRF	68,269
Deferred revenue - property taxes	<u>3,644,330</u>
Total deferred inflows of resources	<u>3,712,599</u>
Total liabilities and deferred inflows of resources	<u>5,046,045</u>
NET POSITION	
Investment in capital assets	8,507,241
Restricted	
Employee retirement	12,407
Unrestricted	<u>2,339,860</u>
TOTAL NET POSITION	<u><u>\$ 10,859,508</u></u>

See accompanying notes to financial statements.

**WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2017

FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT	Program Revenues				Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Public Library	\$ 3,596,815	\$ 44,604	\$ 25,600	\$ -	\$ (3,526,611)
Total governmental activities	3,596,815	44,604	25,600	-	(3,526,611)
TOTAL PRIMARY GOVERNMENT	\$ 3,596,815	\$ 44,604	\$ 25,600	\$ -	(3,526,611)
General Revenues					
Taxes					
Property and replacement					
					3,641,495
Investment income					
					26,385
Miscellaneous					
					15,065
Total					3,682,945
CHANGE IN NET POSITION					156,334
NET POSITION, JANUARY 1					10,703,174
NET POSITION, DECEMBER 31					\$ 10,859,508

See accompanying notes to financial statements.

**WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS**

**BALANCE SHEET
GOVERNMENTAL FUNDS**

December 31, 2017

	General	Building and Site	Total Governmental Funds
ASSETS			
Cash and investments	\$ 2,773,027	\$ 199,612	\$ 2,972,639
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	3,644,330	-	3,644,330
Due from Village	32,471	-	32,471
Deposits	65,000	-	65,000
Prepaid items	3,454	-	3,454
TOTAL ASSETS	\$ 6,518,282	\$ 199,612	\$ 6,717,894
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 1,085	\$ 11,170	\$ 12,255
Accrued payroll	46,692	-	46,692
Total liabilities	47,777	11,170	58,947
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	3,644,330	-	3,644,330
Total deferred inflows of resources	3,644,330	-	3,644,330
Total liabilities and deferred inflows of resources	3,692,107	11,170	3,703,277
FUND BALANCES			
Nonspendable			
Prepaid items	3,454	-	3,454
Restricted			
Employee retirement	12,407	-	12,407
Assigned			
Subsequent year budget	9,000	-	9,000
Building and equipment costs	-	188,442	188,442
Unassigned	2,801,314	-	2,801,314
Total fund balances	2,826,175	188,442	3,014,617
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 6,518,282	\$ 199,612	\$ 6,717,894

See accompanying notes to financial statements.

**WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS**

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

December 31, 2017

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 3,014,617
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	8,507,241
The net other postemployment benefit asset is not a financial resource and, therefore, is not reported in the governmental funds	4,971
Differences between expected and actual experiences, assumption changes, net difference between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources on the statement of net position	675,447
Differences between expected and actual experiences, assumption changes and net difference between projected and actual earnings for the Illinois Municipal Retirement Fund are recognized as deferred inflows of resources on the statement of net position	(68,269)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Net pension liability	(1,238,020)
Compensated absences payable	(36,479)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 10,859,508</u>

See accompanying notes to financial statements.

**WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS**

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

For the Year Ended December 31, 2017

	General	Building and Site	Total Governmental Funds
REVENUES			
Taxes	\$ 3,641,495	\$ -	\$ 3,641,495
Intergovernmental	25,600	-	25,600
Charges for services	18,430	-	18,430
Fines and penalties	26,174	-	26,174
Investment income	22,816	3,569	26,385
Miscellaneous	15,065	-	15,065
Total revenues	3,749,580	3,569	3,753,149
EXPENDITURES			
Current			
Public Library			
Personnel	2,068,316	-	2,068,316
Commodities	430,028	-	430,028
Contractual services	603,536	-	603,536
Capital outlay	3,493	340,674	344,167
Total expenditures	3,105,373	340,674	3,446,047
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	644,207	(337,105)	307,102
OTHER FINANCING SOURCES (USES)			
Transfers in	-	(1,997)	(1,997)
Transfers (out)	1,997	-	1,997
Total other financing sources (uses)	1,997	(1,997)	-
NET CHANGES IN FUND BALANCES	646,204	(339,102)	307,102
FUND BALANCES, JANUARY 1	2,179,971	527,544	2,707,515
FUND BALANCES, DECEMBER 31	\$ 2,826,175	\$ 188,442	\$ 3,014,617

See accompanying notes to financial statements.

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS

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

For the Year Ended December 31, 2017

NET CHANGES IN FUND BALANCES -
TOTAL GOVERNMENTAL FUNDS

\$ 307,102

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

Governmental funds report capital outlay as expenditures; however,
they are capitalized and depreciated in the statement of activities

831,332

Some expenses in the statement of activities (e.g., depreciation) do
not require the use of current financial resources and, therefore, are
not reported as expenditures in governmental funds

(791,399)

The loss on disposal of capital assets is reported as an expense
on the statement of activities

(46,649)

The change in the net other postemployment benefit asset is not a
source or use of a financial resource

2,662

The change in the Illinois Municipal Retirement Fund net pension
liability is not a source or use of a financial resource

88,776

The change in deferred outflows for the Illinois Municipal Retirement
Fund is reported only on the statement of activities

(186,209)

The change in deferred inflows for the Illinois Municipal Retirement
Fund is reported only on the statement of activities

(68,269)

The change in compensated absences payable is shown as an expense
on the statement of activities

18,988

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 156,334

See accompanying notes to financial statements.

**WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

The Library is governed by a seven-member Library Board of Trustees that is separately elected. The Library Board of Trustees selects management staff and directs the affairs of the Library. As required by GAAP, these financial statements include all funds of the Library. Management has also considered all potential component units. Criteria for including a component unit in the Library's reporting entity principally consist of the potential component unit's financial interdependency and accountability to the Library. Based upon those criteria, there are no potential component units to be included in the reporting entity.

b. Fund Accounting

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

Funds are classified into the following categories: governmental, proprietary and fiduciary. The Library reports only governmental funds.

Governmental funds are used to account for all or most of a Library's general activities including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds) and the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the Library, except those accounted for in the Building and Site Fund.

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 of the Library. The effect of material interfund activity, if any, has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, if any, which rely to a significant extent on fees and charges for support.

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

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

The Library reports the following major governmental funds:

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

The Building and Site Fund is used to account for financial resources assigned for the acquisition or construction of the Library's assets and construction of the Library's improvements. The Building and Site Fund did not meet the criteria for inclusion as a major fund; however, the Library has elected to report it as such.

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

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

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Library considers revenues to be available if they are collected within 90 days of the end of the current fiscal period (60 days for property taxes and six months for the per capita grant). Expenditures generally are recorded when a fund liability is incurred.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Library.

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

e. Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Library's investments include the Illinois Funds Investment Pool, Illinois Metropolitan Investment Fund, money market mutual funds and certificates of deposit.

f. Capital Assets

Capital assets, which include property, equipment and books are reported in the applicable governmental columns in the government-wide financial statements.

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Capital Assets (Continued)

Capital assets are defined by the Library as assets with an initial, individual cost in excess of \$10,000 (except that all books are capitalized) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

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

Assets	Years
Buildings and improvements	20-50
Furniture and fixtures	5-15
Library materials	5-10

g. Compensated Absences

Vested or accumulated vacation leave and vested sick leave in governmental activities is recorded as an expense and liability on the statement of net position as the benefits accrue to employees. The General Fund has been used in prior years to liquidate the liability for compensated absences.

h. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact, unless conversion of the nonspendable asset to a spendable asset would result in a restriction or commitment on the spendable asset, in which case reporting the restriction or commitment takes precedent.

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 or from enabling legislation adopted by the Library. Committed fund balance is constrained by formal actions of the Library's Board of Trustees, which is considered the Library's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees.

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Fund Balance/Net Position (Continued)

Assigned fund balance represents amounts constrained by the Library's intent to use them for a specific purpose. The authority to assign fund balance resides with the Library Director. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

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

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. None of the Library's net positions are restricted as a result of enabling legislation adopted by the Library. Net investments in capital assets represents the Library's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital assets.

i. Deferred Outflows/Inflows of Resources

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

j. Accounting 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 deferred outflows of resources and liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The Library's investment policy authorizes the Library to make deposits/invest in insured 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 obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds.

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

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Library's deposits may not be returned to it.

To guard against credit risk for deposits with financial institutions, the Library's investment policy requires that deposits with financial institutions in excess of FDIC insurance be collateralized with collateral held by an independent third party in the name of the Library.

b. Investments

In accordance with its investment policy, the Library limits its exposure to interest rate risk by diversifying its investment portfolio to the best of its ability based on the nature of the funds invested and the cash flow needs of those funds. A variety of financial instruments and maturities, properly balanced, will help to ensure liquidity and reduce risk or interest rate volatility and loss of principal.

Diversifying investments and maturities will avoid incurring unreasonable risks in the investment portfolio regarding specific security types, issuers or individual financial institutions. The Library's investment policy does not specifically limit the maximum maturity length of investments.

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

The Library limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government. However, the Library's investment policy does not specifically limit the Library to these types of investments.

Investments in Illinois Funds, a money market pool created by the Illinois State Legislature under the control of the Illinois State Treasurer, is reported at \$1 per share value, which equals the Library's fair value of the pool.

Illinois Metropolitan Investment Fund (IMET) is a governmental investment fund created under the Illinois Municipal Code. IMET actively manages two investment funds for municipal treasurers, official custodians of municipal funds and other public agencies in the state. IMET's offerings consist of the 1-3 Year Series and the convenience series.

The 1-3 Year Series invests exclusively in United States Government backed securities (Treasury and agencies) and has a fluctuating net asset value and an average portfolio maturity of one to three years. The 1-3 Year Series is rated Aaa/MR1 by Moody's. The convenience series is a short-term money market instrument collateralized via FDIC Insurance, the FHLB LOC Program, United States Government securities at 110% on bank deposits and United States Government securities in the repurchase agreement program. The relationship between the Library and the investment agent is a direct contractual relationship and the investments are not supported by a transferable instrument that evidences ownership or creditorship.

The Library's investment policy is silent on custodial credit risk for investments.

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES - TAXES

The Library's property tax becomes a lien on real property on January 1 of the year it is levied. The 2017 levy was adopted in December 2017 and attached as an enforceable lien as of January 1, 2017. Property taxes are deposited with the County Treasurers who remit to the Library its respective share of collections. Taxes levied in one year become due and payable in two installments during the following year, on or about June 1 and September 1. The 2017 levy is intended to finance the 2018 fiscal year and, therefore, is reported as deferred/unavailable revenue at December 31, 2017.

4. INTERFUND TRANSACTIONS

Transfers between funds are as follows:

Fund	Transfers In	Transfers Out
General	\$ 1,997	\$ -
Building and Site	-	1,997
TOTAL ALL FUNDS	\$ 1,997	\$ 1,997

The purposes of the significant transfers in/out are as follows:

- \$1,997 transferred from the Building and Site Fund to the General Fund for future capital projects.

5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2017 was as follows:

	Balances January 1	Increases	Decreases	Balances December 31
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 389,420	\$ -	\$ -	\$ 389,420
Total capital assets not being depreciated	389,420	-	-	389,420
Capital assets being depreciated				
Buildings and improvements	8,867,102	340,674	57,121	9,150,655
Furniture and fixtures	1,504,622	-	-	1,504,622
Library materials	4,062,277	490,658	457,987	4,094,948
Total capital assets being depreciated	14,434,001	831,332	515,108	14,750,225

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS (Continued)

	Balances January 1	Increases	Decreases	Balances December 31
GOVERNMENTAL ACTIVITIES (Continued)				
Less accumulated depreciation for				
Buildings and improvements	\$ 2,986,172	\$ 310,885	\$ 10,472	\$ 3,286,585
Furniture and fixtures	1,415,038	9,954	-	1,424,992
Library materials	1,908,254	470,560	457,987	1,920,827
Total accumulated depreciation	6,309,464	791,399	468,459	6,632,404
Total capital assets being depreciated, net	8,124,537	39,933	46,649	8,117,821
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	\$ 8,513,957	\$ 39,933	\$ 46,649	\$ 8,507,241

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

GOVERNMENTAL ACTIVITIES

Library	<u>\$ 791,399</u>
---------	-------------------

6. LONG-TERM OBLIGATIONS

During the year, the following changes occurred in liabilities reported in long-term obligations:

	Balances January 1, Restated	Additions	Retirements	Balances December 31	Due Within One Year
Compensated absences*	\$ 55,467	\$ -	\$ 18,988	\$ 36,479	\$ 7,296
Net pension liability*	1,326,796	-	88,776	1,238,020	-
TOTAL	\$ 1,382,263	\$ -	\$ 107,764	\$ 1,274,499	\$ 7,296

*Compensated absences and the net pension liability have historically been retired by the General Fund.

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN

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

Illinois Municipal Retirement Fund

Plan Administration

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

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

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village and Library are required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the years ended December 31, 2017 and 2016 were 12.21% and 12.48%, respectively.

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Net Pension Liability

At December 31, 2016 (most recent available), the Library reported a liability of \$1,238,020 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability was based in the Library's actual contribution to the plan for the year ended December 31, 2016 relative to the contributions of the Village, actuarially determined. At December 31, 2016, the Library's proportionate share was 19.41% of the total contribution.

Actuarial Assumptions

The Library's net pension liability was measured as of December 31, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2016
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	3.50%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market value

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Discount Rate

The discount rate used to measure the IMRF total pension liability at December 31, 2016 was 7.50%. The discount rate used to measure the IMRF total pension liability at December 31, 2015 was 7.48%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Library portion of the contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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

For the year ended December 31, 2017, the Library recognized pension expense of \$165,192. At December 31, 2017, the Library reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 19,971	\$ 50,161
Changes in assumption	63,182	18,108
Net difference between projected and actual earnings on pension plan investments	406,919	-
Contributions subsequent to the measurement date	185,375	-
TOTAL	\$ 675,447	\$ 68,269

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

\$185,375 reported as deferred outflows of resources related to pensions resulting from Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized as pension expense by the Library as follows:

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

<u>Year Ending December 31,</u>	
2018	\$ 188,482
2019	123,580
2020	100,035
2021	9,706
2022	-
Thereafter	-
	<hr/>
TOTAL	<u>\$ 421,803</u>

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Library calculated using the discount rate of 7.50% as well as what the Library's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability	\$ 2,575,010	\$ 1,238,020	\$ 149,049

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Library provides other postemployment health care (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Library and can be amended by the Library through its personnel manual. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Library's General Fund. Substantially all of the Library's employees may become eligible for those benefits if they reach normal retirement age while working for the Library. The cost of retiree health care is fully paid by the retirees.

b. Benefits Provided

The Library provides postemployment health care to its retirees. To be eligible for benefits, an employee must qualify for retirement under the Library's retirement plan (IMRF).

All health care benefits are provided through the Library's insurance plan. The benefit levels are the same as those afforded to active employees.

c. Membership

At December 31, 2016 (most recent available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	1
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>12</u>
 TOTAL	 <u><u>13</u></u>
 Participating employers	 <u><u>1</u></u>

d. Funding Policy

The Library sets the contribution percentages between the Library and employees through the personnel policy. All retirees contribute 100% of the actuarially determined premium to the plan to cover the cost of providing the benefits to current members via the insured plan (pay-as-you-go) which results in an implicit subsidy to the Library as defined by GASB Statement No. 45.

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Funding Policy (Continued)

The Library is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

e. Annual OPEB Costs and Net OPEB Obligation

The Library's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2016	\$ 2,618	\$ 4,927	188.20%	\$ (2,309)
2017	2,609	5,271	202.07%	(4,971)

The net OPEB obligation (asset) (NOPEBO/A) as of December 31, 2017 was calculated as follows:

Annual required contribution	\$ 2,618
Interest on net OPEB obligation	(81)
Adjustment to annual required contribution	<u>72</u>
Annual OPEB cost	2,609
Contributions made	<u>5,271</u>
Increase (decrease) in net OPEB obligation	(2,662)
Net OPEB obligation, beginning of year	<u>(2,309)</u>
NET OPEB OBLIGATION (ASSET), END OF YEAR	<u><u>\$ (4,971)</u></u>

Funded Status and Funding Progress. The funded status of the plan as of December 31, 2016 (most recent available) was as follows:

Actuarial accrued liability (AAL)	\$ 42,358
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	42,358
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 787,609
UAAL as a percentage of covered payroll	5.38%

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2016 (most recent available) actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included a 3.50% investment rate of return (net of administrative expenses) and an initial healthcare cost trend rate of 7.60% decreasing to an ultimate rate of 5.00%. Both rates include a 3.00% inflation assumption. The actuarial value of assets was not determined as the Library has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2016 was 30 years.

9. RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; employee health insurance; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in the current fiscal year or the two prior fiscal years.

REQUIRED SUPPLEMENTARY INFORMATION

**WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS**

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

For the Year Ended December 31, 2017

	Original and Final Budget	Actual
REVENUES		
Taxes	\$ 3,606,427	\$ 3,641,495
Intergovernmental	25,400	25,600
Charges for services	23,500	18,430
Fines and penalties	35,000	26,174
Investment income	6,000	22,816
Miscellaneous	41,800	15,065
Total revenues	<u>3,738,127</u>	<u>3,749,580</u>
EXPENDITURES		
Current		
Public Library		
Personnel	2,307,000	2,068,316
Commodities	454,900	430,028
Contractual services	916,698	603,536
Capital outlay	75,000	3,493
Total expenditures	<u>3,753,598</u>	<u>3,105,373</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		
	<u>(15,471)</u>	<u>644,207</u>
OTHER FINANCING SOURCES (USES)		
Prior year budgeted surplus	15,471	-
Transfers (out)	-	1,997
Total other financing sources (uses)	<u>15,471</u>	<u>1,997</u>
NET CHANGES IN FUND BALANCE		
	<u>\$ -</u>	646,204
FUND BALANCE, JANUARY 1		
		<u>2,179,971</u>
FUND BALANCE, DECEMBER 31		
		<u><u>\$ 2,826,175</u></u>

(See independent auditor's report.)

**WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFIT PLAN

December 31, 2017

Schedule of Funding Progress

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2016	\$ -	\$ 42,358	0.00%	\$ 42,358	\$ 787,603	5.38%
2017	N/A	N/A	N/A	N/A	N/A	N/A

N/A - no actuarial valuation was performed for this year

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	Net OPEB Obligation (Asset)
2016	\$ 4,927	\$ 2,618	188.20%	\$ (2,309)
2017	5,271	2,618	201.34%	(4,971)

Note: The Library was first required to have an actuarial valuation performed as of December 31, 2016. Information for prior years is not available.

(See independent auditor's report.)

**WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Three Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017
Contractually required contribution	\$ 187,170	\$ 192,545	\$ 185,375
Contributions in relation to the contractually required contribution	187,170	192,545	185,375
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 1,472,620	\$ 1,542,829	\$ 1,518,223
Contributions as a percentage of covered-employee payroll	12.71%	12.48%	12.21%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 27 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 3.00% compounded annually.

This information is presented as of the Library's fiscal year end, rather than the measurement date of the plan as presented.

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

(See independent auditor's report.)

**WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS**

SCHEDULE OF THE LIBRARY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Three Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016
Employer's proportion of net pension liability	19.41%	19.41%	19.41%
Employer's proportionate share of net pension liability	\$ 733,590	\$ 1,326,796	\$ 1,238,020
Employer's covered-employee payroll	1,398,968	1,472,620	1,518,223
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	52.44%	90.10%	81.54%
Plan fiduciary net position as a percentage of the total pension liability	91.43%	85.40%	86.96%

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

(See independent auditor's report.)

**WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2017

BUDGETS

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General and Capital Projects Funds.

The budget is prepared by fund, function and activity and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget.

The budget may be amended by the governing body.

Expenditures may not legally exceed budgeted appropriations at the fund level. All appropriations lapse at fiscal year end.

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

MAJOR GOVERNMENTAL FUNDS

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2017

	Original and Final Budget	Actual
REVENUES		
Taxes		
Property taxes	\$ 3,606,427	\$ 3,635,275
Personal property replacement tax	-	6,220
Total taxes	3,606,427	3,641,495
Intergovernmental	25,400	25,600
Charges for services		
Fees		
Nonresident	6,500	3,828
Interlibrary loan	500	559
Collection agency	1,000	796
Public computer	12,000	8,726
Photocopier revenue	3,500	4,521
Total charges for services	23,500	18,430
Fines and penalties	35,000	26,174
Investment income	6,000	22,816
Miscellaneous		
Donations	1,000	603
Other receipts	800	515
Reimbursements	40,000	13,947
Total miscellaneous	41,800	15,065
TOTAL REVENUES	\$ 3,738,127	\$ 3,749,580

(See independent auditor's report.)

**WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2017

	Original and Final Budget	Actual
EXPENDITURES		
Personnel services		
Professional managerial	\$ 1,089,000	\$ 957,931
Support staff	777,000	722,870
Pages	101,000	72,976
IMRF	200,000	185,375
FICA	140,000	129,164
Total personnel services	<u>2,307,000</u>	<u>2,068,316</u>
Commodities		
Books - AD and YA	160,000	152,555
Books - CD	80,000	76,179
Electronic reference	100,000	101,615
Periodicals	24,000	23,159
Per capita materials	25,400	25,600
Professional materials	500	391
Supplies - office and cataloging	30,000	20,978
Supplies - toner and software	20,000	20,892
Supplies - custodial	15,000	8,659
Total commodities	<u>454,900</u>	<u>430,028</u>
Contractual services		
Programs - AD and YA	25,000	23,802
Programs - CD	15,000	13,091
SWAN Computer Fund	60,000	42,101
Reimbursement expense	1,000	945
Email service	6,000	4,819
Comcast internet	5,000	4,431
Bank fees/charges	2,000	2,169
Audit fees	5,700	7,044
Telephones	12,000	13,652
Postage	12,000	7,002
Natural Gas	1,000	-
Photocopier	22,000	19,509
Custodial services	40,000	36,675
Data processing	15,000	11,050
Utilities - water	4,000	2,124

(This schedule is continued on the following page.)

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS

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

For the Year Ended December 31, 2017

	Original and Final Budget	Actual
EXPENDITURES (Continued)		
Contractual services (Continued)		
Utilities - sewer	\$ 1,500	\$ 2,094
Printing	16,000	11,120
Postage meter	2,500	765
LAN maintenance	66,000	65,000
Web site services	5,000	4,628
Maintenance and repair	230,998	72,023
Maintenance contracts - building and equipment	50,000	35,511
Maintenance - office	15,000	15,488
Landscaping services - Village	10,000	-
Insurance - employee	170,000	148,633
Insurance - building	22,000	15,833
Insurance - workers' compensation	12,000	7,619
Insurance - unemployment compensation	4,000	2,267
Insurance - surety bonds	2,500	1,700
Insurance - officer's liability	3,000	984
E&O employment practices	3,000	582
Conference and training	15,000	10,201
Dues	7,000	4,553
Reimburse employee transportation	1,500	212
Board expense	2,500	1,151
Staff supplies	5,000	3,470
Legal	7,000	4,254
Recruitment	2,000	1,005
Public information	15,000	3,693
Other	20,000	-
Collection agency fees	2,000	1,470
Interlibrary loan	500	866
	<hr/>	<hr/>
Total contractual services	916,698	603,536
	<hr/>	<hr/>
Capital outlay		
Furniture	75,000	3,493
	<hr/>	<hr/>
Total capital outlay	75,000	3,493
	<hr/>	<hr/>
TOTAL EXPENDITURES	\$ 3,753,598	\$ 3,105,373
	<hr/>	<hr/>

(See independent auditor's report.)

WOODRIDGE PUBLIC LIBRARY
WOODRIDGE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUILDING AND SITE FUND**

For the Year Ended December 31, 2017

	Original and Final Budget	Actual
REVENUES		
Investment income	\$ -	\$ 3,569
Total revenues	<u>-</u>	<u>3,569</u>
EXPENDITURES		
Capital outlay		
Maintenance and repair	<u>400,000</u>	<u>340,674</u>
Total expenditures	<u>400,000</u>	<u>340,674</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(400,000)</u>	<u>(337,105)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in (out)	<u>-</u>	<u>(1,997)</u>
Total other financing sources (uses)	<u>-</u>	<u>(1,997)</u>
NET CHANGES IN FUND BALANCE	<u><u>\$ (400,000)</u></u>	<u>(339,102)</u>
FUND BALANCE, JANUARY 1		<u>527,544</u>
FUND BALANCE, DECEMBER 31		<u><u>\$ 188,442</u></u>

(See independent auditor's report.)