

VILLAGE OF WOODRIGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2020

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 8
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	9 - 10
Statement of Activities	11
Fund Financial Statements	
Balance Sheet	12
Reconciliation of Total Fund Balance to the Statement of Net Position - Governmental Funds	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities – Governmental Activities	15
Notes to Financial Statements	16 - 34
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	35
Schedule of Library's Proportionate Share of the Net Pension Liability	
Illinois Municipal Retirement Fund	36 - 37
Schedule of Revenues, Expenditure and Changes in Fund Balance – Budget and Actual – General Fund	38
OTHER SUPPLEMENTARY INFORMATION	
Schedule of Revenues - Budget and Actual - General Fund	39
Schedule of Expenditures – Budget and Actual – General Fund	40 - 41
Schedule of Revenues, Expenditure and Changes in Fund Balance – Budget and Actual – Building and Site – Capital Projects Fund	42

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

June 2, 2021

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, Illinois, as of and for the year ended December 31, 2020, and the related notes to the 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, Illinois, as of December 31, 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's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as 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 Woodridge Public Library, Illinois' basic financial statements. The individual fund budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund budgetary comparison 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 individual fund budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

**WOODRIDGE PUBLIC LIBRARY
MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the Fiscal Year Ending December 31, 2020

The discussion and analysis of the Woodridge Public Library provides a general review of the financial activities for the fiscal year ended December 31, 2020. 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 in the financial section 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 can be found in the financial section 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 in the financial section 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 \$11,796,010 at December 31, 2020.

A significant portion of the Library's net position (61%) 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

	2020	2019
Current and Other Assets	\$ 9,311,642	8,358,577
Capital Assets	7,175,008	7,610,950
Total Assets	16,486,650	15,969,527
Deferred Outflows	428,367	1,109,603
Total Assets/Deferred Outflows	16,915,017	17,079,130
Long-Term Debt Outstanding	717,401	1,800,820
Other Liabilities	70,175	68,811
Total Liabilities	787,576	1,869,631
Deferred Inflows	4,331,431	4,036,645
Total Liabilities/Deferred Inflows	5,119,007	5,906,276
Net Position		
Investment in Capital Assets	7,175,008	7,610,950
Restricted	12,398	37,567
Unrestricted	4,608,604	3,524,337
Total Net Position	11,796,010	11,172,854

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, \$4,608,604, may be used to meet the Library's ongoing obligations to citizens and creditors.

The Library's net position increased by \$623,156 during the year ended December 31, 2020.

The key elements of this increase are as follows:

Woodridge Public Library's Change in Net Position

	2020	2019
Revenues		
Program Revenues		
Charges for Services	\$ 22,951	38,535
Operating Grants/Contributions	56,214	41,214
General Revenues		
Property Taxes	3,867,493	3,786,106
Replacement Taxes	6,266	6,966
Interest	29,856	78,648
Miscellaneous	73,025	62,583
Total Revenues	4,055,805	4,014,052
Expenses		
General Government	3,432,649	3,728,600
Change in Net Position	623,156	285,452
Net Position-Beginning	11,172,854	10,887,402
Net Position-Ending	11,796,010	11,172,854

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, 2020 the Library's governmental funds reported ending unassigned fund balance of \$4,965,134.

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 \$6,556 (unfavorable) due mainly to all revenues coming in below budget, except for intergovernmental.

The difference between the estimated expenditures and the actual expenditures was \$818,181 (favorable) due to all expenditures coming in below budget, in all functions.

General Fund Revenues and Expenditures

	2020		2019
	Budget	Actual	Actual
Revenues			
Taxes	\$ 3,916,968	3,867,493	3,786,106
Intergovernmental	45,000	131,184	48,180
Charges for Services	21,500	11,731	20,369
Fines and Penalties	20,000	11,220	18,166
Interest	50,000	27,963	74,642
Miscellaneous	7,000	4,321	62,583
Total Revenues	4,060,468	4,053,912	4,010,046
Expenditures			
Personnel Services	2,339,000	2,036,739	2,099,011
Commodities	559,000	444,648	472,457
Contractual Services	915,283	602,971	641,523
Capital Outlay	105,000	15,744	667
Total Expenditures	3,918,283	3,100,102	3,213,658
Excess (Deficiency) of Revenues			
Over Expenditures	142,185	953,810	796,388
Other Financing Sources (Uses)			
Transfers In (Out)	(160,000)	(160,000)	(120,000)
Net Change in Fund Balance	(17,815)	793,810	676,388

Capital Assets

At the end of FY20, Woodridge Public Library had total capital assets, net of depreciation, of \$7,175,008 invested in a large collection of library materials, computers and other electronics and the building which houses the Library operations.

Debt Administration

At December 31, 2020, the Library had no outstanding notes or other contractual debt.

Financial Outlook

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.

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

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

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

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Statement of Net Position
December 31, 2020**

ASSETS	
Current Assets	
Cash and Investments	\$ 5,407,385
Receivables - Net of Allowances	
Property Taxes	3,808,940
Other	21,226
Accrued Interest	65,000
Prepays	9,091
Total Current Assets	<u>9,311,642</u>
Noncurrent Assets	
Capital Assets	
Land	389,420
Depreciable Capital Assets	14,143,603
Accumulated Depreciation	<u>(7,358,015)</u>
Total Noncurrent Assets	<u>7,175,008</u>
Total Assets	<u>16,486,650</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>428,367</u>
Total Assets and Deferred Outflows of Resources	<u>16,915,017</u>

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

LIABILITIES

Current Liabilities	
Accrued Payroll	59,679
Compensated Absences Payable	10,496
Total Current Liabilities	<u>70,175</u>
Long-Term Liabilities	
Compensated Absences Payable	41,986
Net Pension Liability - IMRF	675,415
Total Long-Term Liabilities	<u>717,401</u>
Total Liabilities	<u>787,576</u>

DEFERRED INFLOWS OF RESOURCES

Property Taxes	3,808,940
Deferred Items - IMRF	522,491
Total Deferred Inflows of Resources	<u>4,331,431</u>
Total Liabilities and Deferred Inflows of Resources	<u>5,119,007</u>

NET POSITION

Investment in Capital Assets	7,175,008
Restricted for IMRF	12,398
Unrestricted	<u>4,608,604</u>
Total Net Position	<u>11,796,010</u>

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

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Statement of Activities
For the Year Ended December 31, 2020**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants	
Public Library	\$ 3,432,649	22,951	56,214	(3,353,484)
General Revenues				
Taxes				
Property Taxes				3,867,493
Intergovernmental				
Replacement Taxes				6,266
TIF Distribution				68,704
Interest				29,856
Miscellaneous				4,321
				<u>3,976,640</u>
Change in Net Position				623,156
Net Position - Beginning				<u>11,172,854</u>
Net Position - Ending				<u><u>11,796,010</u></u>

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

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Balance Sheet
December 31, 2020**

	General	Capital Projects Building and Site	Total
ASSETS			
Cash and Investments	\$ 4,950,985	456,400	5,407,385
Receivables - Net of Allowances			
Property Taxes	3,808,940	-	3,808,940
Other	21,226	-	21,226
Deposits	65,000	-	65,000
Prepays	9,091	-	9,091
Total Assets	<u>8,855,242</u>	<u>456,400</u>	<u>9,311,642</u>
LIABILITIES			
Liabilities			
Accrued Payroll	59,679	-	59,679
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	<u>3,808,940</u>	-	<u>3,808,940</u>
Total Liabilities and Deferred Inflows of Resources	<u>3,868,619</u>	-	<u>3,868,619</u>
FUND BALANCES			
Fund Balances			
Nonspendable	9,091	-	9,091
Restricted	12,398	-	12,398
Assigned	-	456,400	456,400
Unassigned	4,965,134	-	4,965,134
Total Fund Balances	<u>4,986,623</u>	<u>456,400</u>	<u>5,443,023</u>
Total Liabilities and Liabilities	<u>8,855,242</u>	<u>456,400</u>	<u>9,311,642</u>

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

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Reconciliation of Total Fund Balances to the
Statement of Net Position**

December 31, 2020

Total Fund Balances	\$ 5,443,023
Amounts reported in the Statement of Net Position are different because:	
Capital assets are not financial resources and therefore, are not reported in the funds.	7,175,008
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	(94,124)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Compensated Absences Payable	(52,482)
Net Pension Liability - IMRF	<u>(675,415)</u>
Net Position	<u><u>11,796,010</u></u>

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

VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2020

	General	Capital Projects Building and Site	Total
Revenues			
Taxes	\$ 3,867,493	-	3,867,493
Intergovernmental	131,184	-	131,184
Charges for Services	11,731	-	11,731
Fines and Penalties	11,220	-	11,220
Interest	27,963	1,893	29,856
Miscellaneous	4,321	-	4,321
Total Revenues	<u>4,053,912</u>	<u>1,893</u>	<u>4,055,805</u>
Expenditures			
Public Library			
Personnel Services	2,036,739	-	2,036,739
Commodities	444,648	-	444,648
Contractual Services	602,971	-	602,971
Capital Outlay	15,744	-	15,744
Total Expenditures	<u>3,100,102</u>	<u>-</u>	<u>3,100,102</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>953,810</u>	<u>1,893</u>	<u>955,703</u>
Other Financing Sources (Uses)			
Transfers In	-	160,000	160,000
Transfer Out	(160,000)	-	(160,000)
	<u>(160,000)</u>	<u>160,000</u>	<u>-</u>
Net Change in Fund Balances	793,810	161,893	955,703
Fund Balances - Beginning	<u>4,192,813</u>	<u>294,507</u>	<u>4,487,320</u>
Fund Balances - Ending	<u><u>4,986,623</u></u>	<u><u>456,400</u></u>	<u><u>5,443,023</u></u>

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

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities**

For the Year Ended December 31, 2020

Net Change in Fund Balances	\$ 955,703
------------------------------------	-------------------

Amounts reported in the Statement of Activities
are different because:

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

Capital Outlays	251,253
Depreciation Expense	(687,195)
Disposals - Cost	(457,987)
Disposals - Accumulated Depreciation	457,987

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

Change in Deferred Items - IMRF	(976,022)
---------------------------------	-----------

The increases to long-term liabilities provides current financial resources to
governmental funds, while the reduction of the balances
consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	(20,012)
Change in Net Pension Liability - IMRF	1,012,075
Change in Total OPEB Liability - RBP	87,354

Changes in Net Position	<u>623,156</u>
--------------------------------	-----------------------

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

REPORTING ENTITY

The Library is 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.

BASIS OF PRESENTATION

Government–Wide and Fund Financial Statements

The Library's basic financial statements include both government-wide (reporting the Library as a whole) and fund financial statements. The Library reports only governmental activities, which include the provision of library services and general administrative services.

The government-wide Statement of Net Position is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Library's net assets are reported in three parts: invested in capital assets, net of related debt, restricted net assets, and unrestricted net assets. The Library first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of the Library's functions. The Library's activities are supported by taxes and intergovernmental revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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. The net costs are then normally covered by general revenues.

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government–Wide and Fund Financial Statements – Continued

The government-wide focus is more on the sustainability of the Library as an entity and the change in the Library’s net assets resulting from the current year’s activities.

The financial transactions of the Library are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures.

The following governmental funds are used by the Library:

General Fund is the general operating fund of the Library. It is used to account for all financial resources except those required to be accounted for in another fund and is accounted for as a major fund.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and assets. The Library maintains one major capital projects fund, the Building and Site Fund, which is used to account for the financial resources to be used for acquisition, construction, equipment purchases and maintenance of library facilities.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

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

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

Basis of Accounting

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

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

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

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

**ASSETS AND DEFERRED OUTFLOWS, LIABILITIES AND DEFERRED INFLOWS, AND
NET POSITION**

Cash and Investments

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

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Library categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the Library’s investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

Capital Assets

Capital assets purchases or acquired with an original cost of \$10,000 or more (except that all books are capitalized) are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Library as a whole. When purchased, such assets are recorded as expenditures in the governmental fund and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

Buildings and Improvements	20 - 50 Years
Furniture and Fixtures	5 - 15 Years
Library Materials	5 - 10 Years

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

**ASSETS AND DEFERRED OUTFLOWS, LIABILITIES AND DEFERRED INFLOWS, AND
NET POSITION – Continued**

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Receivables

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

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepays are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

Deferred Outflows/Inflows of Resources

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

Compensated Absences

The Library accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts are reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

**ASSETS AND DEFERRED OUTFLOWS, LIABILITIES AND DEFERRED INFLOWS, AND
NET POSITION – Continued**

Long-Term Obligations

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

Net Position

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

Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation.

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

BUDGETARY INFORMATION

The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested budgets for the next fiscal year. The proposed budget is presented to the Library Board of Trustees for review. The governing body holds public meetings and may add to, subtract from, or change budgeted amounts, but may not change the form of the budget. Any revisions that alter the total expenditures of any fund must be approved by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. All appropriations lapse at fiscal year-end.

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

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

Illinois Funds is an investment pool managed by the Illinois public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. The Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end the carrying amount of the Library's deposits totaled \$86,974 and the bank balances totaled \$148,824. The Library also had funds invested in the Illinois Funds of \$5,316 and \$5,315,095 invested in the IMET at year-end.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. 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. The Library's investment in the Illinois Funds and IMET have an average maturity of less than one year.

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Library limits its exposure to credit risk 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. At year-end, the Library’s investment in the Illinois Funds is rated AAAM by Standard and Poor’s and the Library’s investment in the IMET Convenience Fund is not rated.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Library’s investment in a single issuer. The Library’s investment policy states that funds shall be reasonably diversified to avoid incurring unreasonable risks from concentrating investments in specific security types and/or particular financial institutions. At year-end, the Library’s does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Library’s deposits may not be returned to it. The Library’s investment policy requires that collateral be provided at a fair market value of not less than 100% of the net amount of public funds secured. Furthermore, pledged collateral will be held by an independent third party in the name of the Library. At year-end, the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year-end, the Library’s investment in the Illinois Funds and IMET are not subject to custodial credit risk.

PROPERTY TAXES

Property taxes for 2019 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by DuPage County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically to the Library. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 389,420	-	-	389,420
Depreciable Capital Assets				
Buildings and Improvements	9,150,655	-	-	9,150,655
Furniture and Fixtures	1,504,622	-	-	1,504,622
Library Materials	3,695,060	251,253	457,987	3,488,326
	<u>14,350,337</u>	<u>251,253</u>	<u>457,987</u>	<u>14,143,603</u>
Less Accumulated Depreciation				
Buildings and Improvements	3,908,355	307,735	-	4,216,090
Furniture and Fixtures	1,444,900	9,954	-	1,454,854
Library Materials	1,775,552	369,506	457,987	1,687,071
	<u>7,128,807</u>	<u>687,195</u>	<u>457,987</u>	<u>7,358,015</u>
Total Net Depreciable Capital Assets	<u>7,221,530</u>	<u>(435,942)</u>	<u>-</u>	<u>6,785,588</u>
Total Net Capital Assets	<u><u>7,610,950</u></u>	<u><u>(435,942)</u></u>	<u><u>-</u></u>	<u><u>7,175,008</u></u>

Depreciation expense of \$687,195 was charged to governmental activities.

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

	Transfers In	Transfers Out	Amount
Building and Site		General	<u><u>\$ 160,000</u></u>

The transfer from the General Fund to the Building and Site Fund relates to the transferring of unrestricted revenues collected in the General Fund to finance various capital improvements and asset acquisitions in the Building and Site Fund in accordance with budgetary authorizations.

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Compensated Absences	\$ 32,470	40,024	20,012	52,482	10,496
Net Pension Liability - IMRF	1,687,490	-	1,012,075	675,415	-
Total OPEB Liability - RBP	87,354	-	87,354	-	-
	<u>1,807,314</u>	<u>40,024</u>	<u>1,119,441</u>	<u>727,897</u>	<u>10,496</u>

Compensated absences, net pension liability and total OPEB liability are generally liquidated by the General Fund.

NET POSITION CLASSIFICATIONS

Investment in capital assets was comprised of the following as of December 31, 2020:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	<u>\$ 7,175,008</u>

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

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

	General	Capital Projects <u>Building and Site</u>	Total
Fund Balances			
Nonspendable	\$ 9,091	-	9,091
Restricted			
Property Tax Levies			
IMRF	12,398	-	12,398
Assigned			
Building and Equipment Costs	-	456,400	456,400
Unassigned	4,965,134	-	4,965,134
Total Fund Balances	4,986,623	456,400	5,443,023

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

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

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

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

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS – Continued

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

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

Minimum Fund Balance Policy. The Library's policy manual states that the General Fund should maintain a minimum fund balance equal to 40% - 60% of budgeted operating expenditures.

NOTE 4 – OTHER INFORMATION

CONTINGENT LIABILITIES

Grants

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

Financial Impact from COVID-19

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the Library's operations and financial position cannot be determined.

Risk Management

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Library's employees. These risks are provided for through insurance from private insurance companies. The Library currently reports all its risk management activities in the General Fund. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – 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 (IMRF)

Plan Descriptions

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

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

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

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

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Benefits Provided – Continued.

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

Plan Membership. As of December 31, 2019, the measurement date, the following employees were covered by the benefit terms:

Active Plan Members	<u>41</u>
---------------------	-----------

Contributions. As set by statute, the Library’s Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended December 31, 2020, the Library’s contribution was 12.06% of covered payroll.

Net Pension Liability. The Library’s net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2019, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.35% to 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions – Continued. For non-disabled retirees, 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 were 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 current IMRF experience.

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.25%
Domestic Equities	37.00%	5.75%
International Equities	18.00%	6.50%
Real Estate	9.00%	5.20%
Blended	7.00%	3.60% - 7.60%
Cash and Cash Equivalents	1.00%	1.85%

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate

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

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 2,177,145	675,415	(556,001)

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2019	\$ 10,542,734	8,855,244	1,687,490
Changes for the Year:			
Service Cost	163,455	-	163,455
Interest on the Total Pension Liability	776,117	-	776,117
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	93,059	-	93,059
Changes of Assumptions	-	-	-
Contributions - Employer	-	159,667	(159,667)
Contributions - Employees	-	75,085	(75,085)
Net Investment Income	-	1,732,969	(1,732,969)
Benefit Payments, including Refunds of Employee Contributions	(504,208)	(504,208)	-
Other (Net Transfer)	-	76,985	(76,985)
Net Changes	528,423	1,540,498	(1,012,075)
Balances at December 31, 2020	11,071,157	10,395,742	675,415

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

For the year ended December 31, 2020, the Library recognized pension expense of \$152,808. At December 31, 2020, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 98,770	(35,074)	63,696
Change in Assumptions	141,145	(61,987)	79,158
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(425,430)	(425,430)
	<u>239,915</u>	<u>(522,491)</u>	<u>(282,576)</u>
Payments Subsequent to Measurement Date	<u>188,452</u>	<u>-</u>	<u>188,452</u>
Total Deferred Amounts Related to IMRF	<u><u>428,367</u></u>	<u><u>(522,491)</u></u>	<u><u>(94,124)</u></u>

\$188,452 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended December 31, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2021	\$ (55,715)
2022	(65,457)
2023	52,384
2024	(213,788)
2025	-
Thereafter	<u>-</u>
Total	<u><u>(282,576)</u></u>

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements
December 31, 2020**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Library has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Library are required to pay 100% of the current premium. However, there is minimal participation. As the Library provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Therefore, the Library has not recorded a liability as of December 31, 2020.

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule of Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Library's Proportionate Share of the Net Pension Liability
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedule
General Fund

Notes to the Required Supplementary Information

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

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
December 31, 2020**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 187,170	\$ 187,170	\$ -	\$ 1,472,620	12.71%
2016	192,545	192,545	-	1,542,829	12.48%
2017	185,375	185,375	-	1,518,223	12.21%
2018	189,421	189,421	-	1,594,449	11.88%
2019	161,567	161,567	-	1,618,908	9.98%
2020	188,861	188,861	-	1,566,016	12.06%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	24 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015)

Note:

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

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Library's Proportionate Share of the Net Pension Liability
December 31, 2020**

	<u>12/31/2014</u>
Employer's Proportion of Net Pension Liability	19.41%
Employer's Proportionate Share of Net Pension Liability	\$ 733,590
Employer's Covered Payroll	\$ 1,398,968
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	52.44%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.43%

Note:

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

12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019
19.41%	19.41%	20.40%	20.41%	42.22%
1,326,796	1,238,020	340,680	1,687,490	675,415
1,472,620	1,518,223	1,535,215	1,594,965	1,599,866
90.10%	81.54%	22.19%	105.80%	42.22%
85.40%	86.96%	96.54%	83.99%	93.90%

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 3,916,968	3,916,968	3,867,493
Intergovernmental	45,000	45,000	131,184
Charges for Services	21,500	21,500	11,731
Fines and Penalties	20,000	20,000	11,220
Interest	50,000	50,000	27,963
Miscellaneous	7,000	7,000	4,321
Total Revenues	<u>4,060,468</u>	<u>4,060,468</u>	<u>4,053,912</u>
Expenditures			
Public Library			
Personnel Services	2,339,000	2,339,000	2,036,739
Commodities	559,000	559,000	444,648
Contractual Services	915,283	915,283	602,971
Capital Outlay	105,000	105,000	15,744
Total Expenditures	<u>3,918,283</u>	<u>3,918,283</u>	<u>3,100,102</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	142,185	142,185	953,810
Other Financing (Uses)			
Transfers Out	<u>(160,000)</u>	<u>(160,000)</u>	<u>(160,000)</u>
Net Change in Fund Balance	<u>(17,815)</u>	<u>(17,815)</u>	793,810
Fund Balance - Beginning			<u>4,192,813</u>
Fund Balance - Ending			<u><u>4,986,623</u></u>

OTHER SUPPLEMENTARY INFORMATION

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

Such schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds

INDIVIDUAL FUND SCHEDULES

GENERAL FUND

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

CAPITAL PROJECTS FUND

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital assets (other than those financed by business-type/proprietary funds).

BUILDING AND SITE FUND

The Building and Site Fund is used to account for the financial resources to be used for acquisition, construction, equipment purchases and maintenance of library facilities.

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

General Fund

**Schedule of Revenues - Budget and Actual
For the Year Ended December 31, 2020**

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 3,916,968	3,916,968	3,867,493
Intergovernmental			
Illinois State Replacement Tax	5,000	5,000	6,266
TIF Distribution	-	-	68,704
Grants	40,000	40,000	56,214
	<u>45,000</u>	<u>45,000</u>	<u>131,184</u>
Charges for Services			
Fees - Non-Resident	4,000	4,000	3,636
Fees - Collection	1,000	1,000	280
Fees - Printing	10,000	10,000	6,119
Fees - Makerspace	500	500	160
Photocopier	6,000	6,000	1,536
	<u>21,500</u>	<u>21,500</u>	<u>11,731</u>
Fines and Forfeitures			
Fines and Penalties	20,000	20,000	11,220
Interest			
Investment Income	50,000	50,000	27,963
Miscellaneous			
Contributions	1,000	1,000	668
Reimbursements	4,000	4,000	2,945
Other	2,000	2,000	708
	<u>7,000</u>	<u>7,000</u>	<u>4,321</u>
Total Revenues	<u>4,060,468</u>	<u>4,060,468</u>	<u>4,053,912</u>

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

General Fund

**Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2020**

	Budget		Actual
	Original	Final	
Public Library			
Personnel Services			
Professional Managerial	\$ 1,089,000	1,089,000	916,091
Support Staff	820,000	820,000	746,635
Pages	95,000	95,000	59,963
IMRF	190,000	190,000	188,862
FICA	145,000	145,000	125,188
Total Personnel Services	<u>2,339,000</u>	<u>2,339,000</u>	<u>2,036,739</u>
Commodities			
Books - AD and YA	185,000	185,000	155,813
Books - CD	110,000	110,000	95,440
Digital Content	50,000	50,000	66,244
Electronic Reference	80,000	80,000	78,802
Programs - AD and YA	35,000	35,000	5,513
Programs - CD	25,000	25,000	4,659
Periodicals	20,000	20,000	13,482
Supplies - Office and Cataloging	22,000	22,000	10,024
Supplies - Toner and Software	10,000	10,000	5,072
Supplies - Custodial	10,000	10,000	9,343
Supplies - Makerspace	12,000	12,000	256
Total Commodities	<u>559,000</u>	<u>559,000</u>	<u>444,648</u>
Contractual Services			
SWAN Computer Fund	64,000	64,000	49,645
Reimbursement Expense	1,000	1,000	510
Email Service	3,000	3,000	-
Comcast Internet	5,000	5,000	4,190
Bank Charges	2,500	2,500	1,256
Audit Fees	7,000	7,000	4,970
Telephone	13,000	13,000	14,594
Postage	10,000	10,000	9,077
Photocopier	18,000	18,000	16,852
Custodial Services	43,000	43,000	32,887
Data Processing	12,000	12,000	9,261
Water	4,500	4,500	2,372

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Year Ended December 31, 2020**

	Budget		Actual
	Original	Final	
Public Library - Continued			
Contractual Services - Continued			
Sewer	\$ 1,500	1,500	772
Printing	18,000	18,000	9,299
LAN Maintenance	40,000	40,000	28,710
Web Site Services	7,000	7,000	4,312
Technology	95,000	95,000	100,306
Maintenance and Repair	175,000	175,000	41,855
Maintenance Contracts - Building and Equipment	45,000	45,000	27,920
Maintenance - Office	10,000	10,000	10,468
Landscaping Services	14,000	14,000	6,875
Health Insurance	210,000	210,000	180,345
Insurance - Building	16,000	16,000	18,481
Workers Compensations	10,000	10,000	3,894
Unemployment Compensation	3,000	3,000	2,105
Surety Bonds	2,000	2,000	1,700
Officer's Liability	2,500	2,500	1,566
Conference and Training	20,000	20,000	2,731
Dues	8,000	8,000	4,435
Board Expenses	1,500	1,500	766
Staff Supplies	3,500	3,500	1,229
Legal Notice	7,000	7,000	889
Recruitment	1,500	1,500	514
Public Information	15,000	15,000	4,250
Community Outreach	20,000	20,000	3,340
Other	5,283	5,283	(631)
Collection Agency Fee	1,500	1,500	1,226
Total Contractual Services	915,283	915,283	602,971
Total Public Library	3,813,283	3,813,283	3,084,358
Capital Outlay			
Furniture	105,000	105,000	15,744
Total Expenditures	3,918,283	3,918,283	3,100,102

**VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY**

Building and Site - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	1,893
Expenditures			
Capital Outlay			
Maintenance and Repair	300,000	300,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(300,000)	(300,000)	1,893
Other Financing Sources			
Transfers In	300,000	300,000	160,000
Net Change in Fund Balance	-	-	161,893
Fund Balance - Beginning			294,507
Fund Balance - Ending			456,400