

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
JUNE 30, 2022

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

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FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITOR'S REPORT

Date

Members of the Board of Trustees
Palatine Public Library District
Palatine, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Palatine Public Library District, Illinois, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Palatine Public Library District, Illinois, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Palatine Public Library District, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information and the supplemental schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

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.

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Statement of Net Position

June 30, 2022

See Following Page

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Statement of Net Position

June 30, 2022

ASSETS

Current Assets

Cash and Investments	\$ 12,821,582
Receivables - Net of Allowances	
Property Taxes	4,715,266
Due from Other Governments	184,157
Prepays	52,279
Total Current Assets	<u>17,773,284</u>

Noncurrent Assets

Capital Assets

Nondepreciable Capital Assets	6,632,769
Depreciable Capital Assets	23,249,565
Accumulated Depreciation	<u>(15,062,846)</u>
	14,819,488

Other Assets

Net Pension Asset - IMRF	<u>1,522,426</u>
Total Noncurrent Assets	<u>16,341,914</u>
Total Assets	34,115,198

DEFERRED OUTFLOWS OF RESOURCES

Deferred Items - IMRF	<u>432,491</u>
Total Assets and Deferred Outflows of Resources	<u>34,547,689</u>

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

LIABILITIES

Current Liabilities	
Accounts Payable	\$ 379,138
Accrued Payroll	62,430
Current Portion of Long-Term Liabilities	434,070
Total Current Liabilities	<u>875,638</u>
Noncurrent Liabilities	
Compensated Absences	116,279
General Obligation Alternate Revenue Source Bonds Payable - Net	4,749,322
Total Noncurrent Liabilities	<u>4,865,601</u>
Total Liabilities	<u>5,741,239</u>

DEFERRED INFLOWS OF RESOURCES

Deferred Items - IMRF	3,148,393
Property Taxes	4,715,266
Total Deferred Inflows of Resources	<u>7,863,659</u>
Total Liabilities and Deferred Inflows of Resources	<u>13,604,898</u>

NET POSITION

Net Investment in Capital Assets	9,665,166
Restricted	
Property Tax Levies	
Audit	9,959
Illinois Municipal Retirement	176,321
Social Security	290,487
Building Maintenance	336,976
Unemployment Reserve	48,415
Tort Immunity	6,787
Capital Projects	1,914,906
Unrestricted	<u>8,493,774</u>
Total Net Position	<u><u>20,942,791</u></u>

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

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Statement of Activities

For the Fiscal Year Ended June 30, 2022

		Program Revenues			Net
	Expenses	Charges for Services	Operating Grants	Capital Grants	(Expenses)/ Revenues and Changes in Net Position
Primary Government					
Culture and Recreation	\$ 6,561,465	59,010	179,195	736,760	(5,586,500)
Interest on Long-Term Debt	132,165	-	-	-	(132,165)
Total Primary Government	<u>6,693,630</u>	<u>59,010</u>	<u>179,195</u>	<u>736,760</u>	<u>(5,718,665)</u>
		General Revenues			
		Taxes			
		Property Taxes			9,426,574
		Intergovernmental - Unrestricted			
		Replacement Taxes			190,915
		Investment Income			31,311
		Miscellaneous			<u>3,300</u>
					<u>9,652,100</u>
		Change in Net Position			3,933,435
		Net Position - Beginning			<u>17,009,356</u>
		Net Position - Ending			<u><u>20,942,791</u></u>

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

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Balance Sheet - Governmental Funds

June 30, 2022

See Following Page

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Balance Sheet - Governmental Funds
June 30, 2022**

	General	Special Revenue Special Reserve
ASSETS		
Cash and Investments	\$ 8,869,591	1,095,755
Receivables - Net of Allowances		
Property Taxes	4,213,066	-
Due from Other Governments	-	-
Due from Other Funds	561,850	
Prepays	52,279	-
	<u>13,696,786</u>	<u>1,095,755</u>
Total Assets		
LIABILITIES		
Accounts Payable	122,596	-
Accrued Payroll	62,430	-
Due to Other Funds	-	
Total Liabilities	<u>185,026</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	4,213,066	-
Total Liabilities and Deferred Inflows of Resources	<u>4,398,092</u>	<u>-</u>
FUND BALANCES		
Nonspendable	52,279	-
Restricted	-	-
Assigned	-	1,095,755
Unassigned	9,246,415	-
Total Fund Balances	<u>9,298,694</u>	<u>1,095,755</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>13,696,786</u>	<u>1,095,755</u>

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

Debt Service	Capital Projects	Nonmajor	Totals
-	1,974,101	882,135	12,821,582
-	-	502,200	4,715,266
-	184,157	-	184,157
-	-	-	561,850
-	-	-	52,279
-	2,158,258	1,384,335	18,335,134
-	243,352	13,190	379,138
-	-	-	62,430
561,850	-	-	561,850
561,850	243,352	13,190	1,003,418
-	-	502,200	4,715,266
561,850	243,352	515,390	5,718,684
-	-	-	52,279
-	1,914,906	868,945	2,783,851
-	-	-	1,095,755
(561,850)	-	-	8,684,565
(561,850)	1,914,906	868,945	12,616,450
-	2,158,258	1,384,335	18,335,134

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

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

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

June 30, 2022

Total Fund Balances	\$ 12,616,450
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.	14,819,488
Deferred Outflows of Resources related to IMRF not reported in the funds. Deferred Items - IMRF	(2,715,902)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences	(145,349)
Net Pension (Asset) - IMRF	1,522,426
General Obligation Alternate Revenue Source Bonds Payable - Net	<u>(5,154,322)</u>
Net Position	<u><u>20,942,791</u></u>

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

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2022**

See Following Page

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2022**

	<u>General</u>
Revenues	
Taxes	\$ 8,441,189
Charges for Services	59,010
Intergovernmental	370,110
Interest	26,913
Miscellaneous	3,300
Total Revenues	<u>8,900,522</u>
Expenditures	
Culture and Recreation	5,745,060
Capital Outlay	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>5,745,060</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,155,462</u>
Other Financing Sources (Uses)	
Transfers In	-
Transfers Out	-
	<u>-</u>
Net Change in Fund Balance	3,155,462
Fund Balances - Beginning	<u>6,143,232</u>
Fund Balances - Ending	<u><u>9,298,694</u></u>

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

Special Revenue				
Special Reserve	Debt Service	Capital Projects	Nonmajor	Totals
-	-	-	985,385	9,426,574
-	-	-	-	59,010
-	-	736,760	-	1,106,870
-	-	4,398	-	31,311
-	-	-	-	3,300
-	-	741,158	985,385	10,627,065
-	-	-	1,012,176	6,757,236
1,187,334	-	1,962,414	-	3,149,748
-	385,000	-	-	385,000
-	176,850	-	-	176,850
1,187,334	561,850	1,962,414	1,012,176	10,468,834
(1,187,334)	(561,850)	(1,221,256)	(26,791)	158,231
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(1,187,334)	(561,850)	(1,221,256)	(26,791)	158,231
2,283,089	-	3,136,162	895,736	12,458,219
1,095,755	(561,850)	1,914,906	868,945	12,616,450

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

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

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

For the Fiscal Year Ended June 30, 2022

Net Change in Fund Balances	\$ 158,231
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	3,260,810
Depreciation Expense	(725,366)
Disposal - Cost	(911,155)
Disposal - Accumulated Depreciation	863,400
The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	(1,084,417)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
Change in Compensated Absences	1,095
Change in Net Pension Liability/(Asset) - IMRF	1,941,152
Principal Retirement - Net	<u>429,685</u>
Changes in Net Position	<u><u>3,933,435</u></u>

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

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Palatine Public Library District (District) of Illinois is located in the Village of Palatine and is governed by a Board of Trustees. The District is primarily funded through a tax levy, fines and fees, and charitable donations. Revenue is used to operate and staff the District.

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

REPORTING ENTITY

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the District. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide and Fund Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). The District only reports governmental activities.

In the government-wide Statement of Net Position, the governmental activities are (a) presented on a consolidated basis, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of the District's functions. The District's activities are supported by general government revenues (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.). 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 discretely 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.

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide and Fund Financial Statements – Continued

The financial transactions of the District 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 comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. The District accounts for all of its activities in governmental funds, with the emphasis in the fund financial statements being on the major funds.

Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures of either fund category) for the determination of major funds.

The following fund types are used by the District:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

General Fund is the general operating fund of the District. It is used to account for all financial resources, except for those required to be accounted for in another fund.

Special revenues funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The District maintains seven special revenue funds. The Special Reserve Fund, a major fund, is used to account for the resources and expenditures for capital projects.

Debt Service Funds is used to for funds restricted, committed, or assigned for principal retirement, interest, and fiscal charges for debt obligations. The Debt Service Fund is treated as a major fund.

Capital Projects Funds is used to account for capital improvement expenditures. The Capital Projects Fund is treated as a major fund.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

The District’s funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities 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.

Basis of Accounting

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

In the fund financial statements, funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The District 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/deferred inflow 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.

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

Cash and Investments

For the purpose of the Statement of Net Position, 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.

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Cash and Investments – Continued

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District 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.

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

Prepays are valued at cost, which approximates market. The cost of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased. 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.

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.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Capital assets are recorded at 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.

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Capital Assets – Continued

General capital assets are long-lived assets of the District 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.

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Capital assets are recorded at 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 District 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	15 - 40 Years
Equipment, Furniture, and Fixtures	5 - 10 Years

Deferred Outflows/Inflows of Resources

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

Net Position

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

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

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

BUDGETARY INFORMATION

The accounting policies of the District include the preparation of financial statements on the modified accrual basis of accounting. The District also prepares its budget on the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recorded when receivable and expenditures are recorded when payable. General capital assets acquisitions are reported as expenditures in the governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

Budgets are adopted at the function level in the General Fund and total General Fund expenditures disbursed may not legally exceed the budgeted amount. Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to September 15th the District Board receives a proposed operating budget (appropriation ordinance) for the fiscal year commencing on preceding July 1st. The operating budget includes proposed expenditures and the means of financing them.
- A public hearing is conducted at a public meeting to obtain taxpayers comments.
- The budget is legally enacted through passage of an ordinance prior to September 30th.
- The District Treasurer, in consultation with the Board of Trustees, is authorized to expend the un-expensed balance of any item or items of any general appropriation in making up any deficiency in any item or items of the same general appropriation.
- The original budget was adopted on September 21, 2021 and was not amended during the fiscal year.
- Formal budgetary integration is not employed as a management control device during the year for any fund.

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2022**

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY - Continued

BUDGETARY INFORMATION - Continued

- Budgetary comparisons presented in the accompanying financial statements are prepared on the modified accrual basis of accounting. All funds utilize the same basis of accounting for both budgetary purposes and actual results.
- Expenditures cannot legally exceed appropriations at the fund level.
- All appropriations lapse at year-end.
- There was one budget amendment during the fiscal year.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

Fund	Excess
Special Reserve	\$ 64,078
Debt Service	300
Unemployment Reserve	594

DEFICIT FUND BALANCE

The following fund had a deficit fund balance as of the date of this report:

Fund	Deficit
Debt Service	\$ 561,850

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The District 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 financial statements as "cash and investments."

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

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

The Illinois Public Reserves Investment Management Trust (iPrime) is an investment opportunity and cash management service for Illinois Municipal Treasurers acting on behalf of counties, townships, cities, towns, villages, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, and all other political corporations or subdivisions of the State of Illinois. Participation in iPrime is voluntary. iPrime is not registered with the SEC as an Investment Company. Investments in iPrime 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 of Credit Risk

Deposits. At year-end, the carrying amount of the District's deposits totaled \$7,871,287 and the bank balances totaled \$7,922,309. In addition, the District has \$4,950,295 invested in iPrime 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. The District's investment policy states that the District's investment portfolio must remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably projected.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. It is the policy of the of the District to invest all funds under the District's control in a manner that will provide the highest investment return using authorized instruments, while meeting the District's daily cash flow demands and in conformance with all State statutes governing the invest of public funds. At year-end, the District's investments in iPrime are all rated AAA by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy states that in order to meet the objective of safety of capital, the District will require deposits in excess of the federally insured amount to be collateralized to the extent of 110% and evidenced by an approved written agreement. 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 District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy does not specifically address custodial credit risk for investments.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy states that the investment portfolio will be diversified to eliminate the risk of loss resulting from concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. At year-end, the District 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).

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2022**

NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

PROPERTY TAXES

Property taxes for the 2021 levy attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are collected in two installments in March and August. The County collects such taxes and remits them periodically.

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
		\$

Transfers are used to (1) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

INTERFUND BALANCES

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages.

The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Debt Service	<u>\$ 561,850</u>

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2022**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 926,032	-	-	926,032
Construction in Progress	4,038,603	1,835,531	167,397	5,706,737
	<u>4,964,635</u>	<u>1,835,531</u>	<u>167,397</u>	<u>6,632,769</u>
Depreciable Capital Assets				
Buildings and Improvements	21,178,750	1,148,746	-	22,327,496
Equipment, Furniture, and Fixtures	1,389,294	443,930	911,155	922,069
	<u>22,568,044</u>	<u>1,592,676</u>	<u>911,155</u>	<u>23,249,565</u>
Less Accumulated Depreciation				
Buildings and Improvements	14,184,149	679,994	-	14,864,143
Equipment, Furniture, and Fixtures	1,016,731	45,372	863,400	198,703
	<u>15,200,880</u>	<u>725,366</u>	<u>863,400</u>	<u>15,062,846</u>
Total Depreciable Capital Assets	<u>7,367,164</u>	<u>867,310</u>	<u>47,755</u>	<u>8,186,719</u>
Total Capital Assets	<u>12,331,799</u>	<u>2,702,841</u>	<u>215,152</u>	<u>14,819,488</u>

Depreciation expense of \$725,366 was charged to the culture and recreation function.

LONG-TERM DEBT

General Obligation Alternate Revenue Source Bonds

The District issues bonds to provide funds for the acquisition and construction of major capital facilities. Alternate revenue source bonds provide for the collection, segregation and distribution of certain income taxes received by the District for the payment of principal and interest on the alternate revenue source bonds. Alternate revenue source bonds outstanding are as follows:

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2022**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT - Continued

General Obligation Alternate Revenue Source Bonds – Continued

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Alternate Revenue Source Bonds of 2020 - Due in annual installments of \$210,000 to \$515,000 plus interest at 3.00% to 5.00% through December 1, 2039.	\$ 4,735,000	-	385,000	4,350,000

Long-Term Liability Activity

Payments on the compensated absences and the net pension liability/(asset) are made by the General Fund. The Debt Service Fund makes payments on the general obligation alternate revenue source bonds. 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	\$ 146,444	1,095	2,190	145,349	29,070
Net Pension Liability/(Asset) - IMRF	418,726	-	1,941,152	(1,522,426)	-
General Obligation Alternate Revenue Source Bonds	4,735,000	-	385,000	4,350,000	405,000
Unamortized Premium	849,007	-	44,685	804,322	-
	<u>6,149,177</u>	<u>1,095</u>	<u>2,373,027</u>	<u>3,777,245</u>	<u>434,070</u>

Legal Debt Margin

Chapter 50, Section 405/1 of the Illinois Compiled Statutes provides “...no county having a population of less than 500,000 and no township, school district or other municipal corporation having a population of less than 300,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 2.875% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the governmental unit’s 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979.”

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2022**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Assessed Valuation - 2020*	<u>\$ 2,612,161,752</u>
Legal Debt Limit - 2.875% of Assessed Value	75,099,650
Amount of Debt Applicable to Limit - None	<u>-</u>
Legal Debt Margin	<u>75,099,650</u>

*The 2021 tax levy extension is not available as of the date of this report.

Debt Service Requirements to Maturity

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

Year	Governmental Activities	
	General Obligation	Alternate Revenue Source Bonds
	Principal	Interest
2023	\$ 405,000	160,750
2024	250,000	146,400
2025	250,000	133,900
2026	245,000	121,525
2027	245,000	109,275
2028	245,000	97,025
2029	240,000	84,900
2030	240,000	72,900
2031	240,000	63,300
2032	235,000	56,175
2033	230,000	49,200
2034	230,000	42,300
2035	225,000	35,475
2036	220,000	28,800
2037	215,000	22,275
2038	215,000	15,825
2039	210,000	9,450
2040	210,000	3,150
Total	<u>4,350,000</u>	<u>1,252,625</u>

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE

Fund Balance Classification

In the governmental funds' financial statements, the District 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 District 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.

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 District'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 District's policy manual states that the General Fund should maintain a minimum fund balance equal to 50% of budgeted operating expenditures.

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2022**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE – Continued

Fund Balance Classification – Continued

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

	General	Special Revenue Special Reserve	Debt Service	Capital Projects	Nonmajor	Totals
Fund Balances						
Nonspendable						
Prepays	\$ 52,279	-	-	-	-	52,279
Restricted						
Property Tax Levies						
Audit	-	-	-	-	9,959	9,959
Illinois Municipal Retirement	-	-	-	-	176,321	176,321
Social Security	-	-	-	-	290,487	290,487
Building Maintenance	-	-	-	-	336,976	336,976
Unemployment Reserve	-	-	-	-	48,415	48,415
Tort Immunity	-	-	-	-	6,787	6,787
Capital Projects	-	-	-	1,914,906	-	1,914,906
	-	-	-	1,914,906	868,945	2,783,851
Assigned						
Capital Projects	-	1,095,755	-	-	-	1,095,755
Unassigned	9,246,415	-	(561,850)	-	-	8,684,565
Total Fund Balances	9,298,694	1,095,755	(561,850)	1,914,906	868,945	12,616,450

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2022**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE – Continued

Net Position Classifications

Net investment in capital assets was comprised of the following as of June 30, 2022:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 14,819,488
Less: Capital Related Debt	
General Obligation Alternate Revenue Source Bonds of 2020	(4,350,000)
Unamortized Premium	<u>(804,322)</u>
Net Investment in Capital Assets	<u><u>9,665,166</u></u>

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 District expects such amounts, if any, to be immaterial.

Litigation

The District is currently not involved in any litigation.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

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

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

Illinois Municipal Retirement System

Plan Description

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:

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2022**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement System – Continued

Plan Description – 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, 2021, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	148
Inactive Plan Members Entitled to but not yet Receiving Benefits	123
Active Plan Members	<u>74</u>
Total	<u>345</u>

Contributions. As set by statute, the District’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 June 30 2022, the District’s contribution was 12.70% of covered payroll.

Net Pension Liability/(Asset). The District’s net pension liability/(asset) was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability/(asset) 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, 2021, using the following actuarial methods and assumptions:

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

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2022**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement System – Continued

Plan Description – Continued

Actuarial Assumptions - Continued. For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	25.00%	2.00%
Domestic Equities	39.00%	4.50%
International Equities	15.00%	5.75%
Real Estate	10.00%	5.90%
Blended	10.00%	4.30% - 8.10%
Cash and Cash Equivalents	1.00%	1.70%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District 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.

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2022**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement System – Continued

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 District calculated using the discount rate as well as what the District’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)	\$ 1,081,773	(1,522,426)	(3,639,106)

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2020	\$ 22,282,336	21,863,610	418,726
Changes for the Year:			
Service Cost	284,926	-	284,926
Interest on the Total Pension Liability	1,574,211	-	1,574,211
Differences Between Expected and Actual			
Experience of the Total Pension Liability	408,658	-	408,658
Changes of Assumptions	-	-	-
Contributions - Employer	-	427,999	(427,999)
Contributions - Employees	-	159,380	(159,380)
Net Investment Income	-	3,849,220	(3,849,220)
Benefit Payments, including Refunds			
of Employee Contributions	(1,423,100)	(1,423,100)	-
Other (Net Transfer)	-	(227,652)	227,652
Net Changes	844,695	2,785,847	(1,941,152)
Balances at December 31, 2021	23,127,031	24,649,457	(1,522,426)

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2022**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement System – Continued

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

For the year ended June 30, 2022, the District recognized pension revenue of \$447,215. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience Change in Assumptions	\$ 241,255	-	241,255
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(41,050)	(41,050)
Total Pension Expense to be Recognized in Future Periods	-	(3,107,343)	(3,107,343)
Pension Contributions Made Subsequent to the Measurement Date	241,255	(3,148,393)	(2,907,138)
	191,236	-	191,236
Total Deferred Amounts Related to Pensions	432,491	(3,148,393)	(2,715,902)

\$191,236 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/(asset) in the reporting year ended June 30, 2023. 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 (Inflows) of Resources
2023	\$ (518,283)
2024	(1,163,591)
2025	(764,732)
2026	(460,532)
2027	-
Thereafter	-
Total	(2,907,138)

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Palatine Public Library District has evaluated its potential other postemployment benefits liability. Former employees who choose to retain their rights to health insurance through the Palatine Public Library District are required to pay 100% of the current premium. Based upon a review of census data and plan provisions, as well as minimal utilization rates, it has been determined that any liability is immaterial to the financial statements in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Additionally, the Palatine Public Library District provides no explicit benefit. Therefore, the Palatine Public Library District has not recorded a liability as of June 30, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule of Employer Contributions
 Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
 Illinois Municipal Retirement Fund
- Budgetary Comparison Schedule
 General Fund
 Special Reserve – Special Revenue Fund

Notes to the Required Supplementary Information

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

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
June 30, 2022**

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	\$ 339,939	\$ 359,636	\$ 19,697	\$ 2,710,838	13.27%
2016	361,506	361,506	-	2,880,524	12.55%
2017	390,610	390,609	(1)	2,895,551	13.49%
2018	376,788	376,789	1	2,882,849	13.07%
2019	361,653	361,653	-	2,938,006	12.31%
2020	377,847	377,847	-	2,989,625	12.64%
2021	417,709	417,709	-	3,003,541	13.91%
2022	409,520	409,520	-	3,224,578	12.70%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	5-Year Smoothed Fair Market, 20% Corridor
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	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.

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

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

June 30, 2022

	December 31, 2014	December 31, 2015
Total Pension Liability		
Service Cost	\$ 338,111	307,597
Interest	1,154,512	1,278,726
Differences Between Expected and Actual Experience	260,271	148,829
Change of Assumptions	717,562	21,921
Benefit Payments, Including Refunds of Member Contributions	(702,586)	(804,258)
	<u>1,767,870</u>	<u>952,815</u>
Net Change in Total Pension Liability	1,767,870	952,815
Total Pension Liability - Beginning	15,575,733	17,343,603
	<u>17,343,603</u>	<u>18,296,418</u>
Total Pension Liability - Ending		
Plan Fiduciary Net Position		
Contributions - Employer	\$ 359,636	361,506
Contributions - Members	129,056	131,133
Net Investment Income	889,681	76,466
Benefit Payments, Including Refunds of Member Contributions	(702,586)	(804,258)
Other (Net Transfer)	81,400	206,864
	<u>757,187</u>	<u>(28,289)</u>
Net Change in Plan Fiduciary Net Position	757,187	(28,289)
Plan Net Position - Beginning	14,691,887	15,449,074
	<u>15,449,074</u>	<u>15,420,785</u>
Plan Net Position - Ending		
Employer's Net Pension Liability/(Asset)	\$ 1,894,529	2,875,633
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	89.08%	84.28%
Covered Payroll	\$ 2,710,838	2,880,524
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	69.89%	99.83%

Note:

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

Changes of Assumptions. Changes in assumptions related to the demographics were made in 2014 to 2021.

December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021
307,304	307,368	276,020	292,400	310,328	284,926
1,344,590	1,418,122	1,419,448	1,478,505	1,550,264	1,574,211
282,263	20,304	383,488	520,355	149,899	408,658
(69,375)	(649,751)	566,372	-	(275,284)	-
(900,399)	(1,012,374)	(1,113,018)	(1,259,606)	(1,361,305)	(1,423,100)
964,383	83,669	1,532,310	1,031,654	373,902	844,695
18,296,418	19,260,801	19,344,470	20,876,780	21,908,434	22,282,336
19,260,801	19,344,470	20,876,780	21,908,434	22,282,336	23,127,031
390,609	376,789	396,886	334,973	415,293	427,999
130,882	138,696	133,582	134,109	136,742	159,380
1,035,790	2,983,231	(1,145,691)	3,355,020	2,925,891	3,849,220
(900,399)	(1,012,374)	(1,113,018)	(1,259,606)	(1,361,305)	(1,423,100)
202,858	(399,820)	415,815	198,519	(70,647)	(227,652)
859,740	2,086,522	(1,312,426)	2,763,015	2,045,974	2,785,847
15,420,785	16,280,525	18,367,047	17,054,621	19,817,636	21,863,610
16,280,525	18,367,047	17,054,621	19,817,636	21,863,610	24,649,457
2,980,276	977,423	3,822,159	2,090,798	418,726	(1,522,426)
84.53%	94.95%	81.69%	90.46%	98.12%	106.58%
2,895,551	2,882,849	2,968,480	2,980,192	2,949,517	3,114,983
102.93%	33.90%	128.76%	70.16%	14.20%	(48.87%)

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 8,453,055	8,453,055	8,441,189
Charges for Services	45,800	45,800	59,010
Intergovernmental	176,229	176,229	370,110
Interest	12,453	12,453	26,913
Miscellaneous	2,000	2,000	3,300
Total Revenues	<u>8,689,537</u>	<u>8,689,537</u>	8,900,522
Expenditures			
Culture and Recreation	<u>6,177,105</u>	<u>6,177,105</u>	5,745,060
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,512,432	2,512,432	3,155,462
Other Financing (Uses)			
Transfers Out	<u>(1,315,550)</u>	<u>(1,315,550)</u>	-
Net Change in Fund Balance	<u>1,196,882</u>	<u>1,196,882</u>	3,155,462
Fund Balance - Beginning			<u>6,143,232</u>
Fund Balance - Ending			<u>9,298,694</u>

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Special Reserve - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	-
Expenditures			
Capital Outlay	1,123,256	1,123,256	1,187,334
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,123,256)	(1,123,256)	(1,187,334)
Other Financing Sources			
Transfers In	700,000	700,000	-
Net Change in Fund Balance	<u>(423,256)</u>	<u>(423,256)</u>	(1,187,334)
Fund Balance - Beginning			<u>2,283,089</u>
Fund Balance - Ending			<u><u>1,095,755</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 statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Fund
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Special Reserve Fund

The Special Reserve Fund is used to account for the resources and expenditures for capital projects.

Audit Fund

The Audit Fund is used to account for expenditures related to the annual audit.

Illinois Municipal Retirement Fund

The Illinois Municipal Retirement Fund is used to account for the District's participation in the Illinois Municipal Retirement Fund. Financing is provided by a specific annual property tax levy which produces a sufficient amount to pay the District's contributions to the fund on behalf of its employees.

Social Security Fund

The Social Security Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for payment of the employer's portion of Federal Social Security and Medicare taxes.

Building Maintenance Fund

The Building Maintenance Fund is used to account for expenditures related to the maintenance of the building and grounds.

Unemployment Reserve Fund

The Unemployment Reserve Fund is used to account for expenditures related to unemployment.

Tort Immunity Fund

The Tort Immunity Fund is used to account for revenue derived from a specific annual property tax levy to provide liability insurance for the District's operations and risk management activities.

INDIVIDUAL FUND DESCRIPTIONS

DEBT SERVICE FUND

The Debt Service Fund is used to account for funds restricted, committed or assigned for principal retirements, interest and fiscal charges for debt obligations.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for capital improvement expenditures.

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 8,453,055	8,453,055	8,441,189
Charges for Services			
Fines	100	100	46
Replacement Fees	7,600	7,600	16,580
Book Recovery Service	5,000	5,000	2,720
Copier Fees	7,000	7,000	5,758
Printing Fees	12,000	12,000	10,434
Vending Machines	1,000	1,000	1,477
Meeting Room Fees	5,000	5,000	4,525
Interlibrary Loans	100	100	-
Nonresident Fees	8,000	8,000	15,084
Sale of Supplies	-	-	2,386
Total Charges for Services	45,800	45,800	59,010
Intergovernmental			
Replacement Taxes	50,000	50,000	190,915
Per Capita Grants	111,229	111,229	131,250
Other Grants	-	-	6,790
Gifts and Donations	15,000	15,000	41,155
Total Grants and Donations	176,229	176,229	370,110
Interest	12,453	12,453	26,913
Miscellaneous			
Sale of Equipment	1,500	1,500	1,866
Miscellaneous	500	500	1,434
Total Miscellaneous	2,000	2,000	3,300
Total Revenues	8,689,537	8,689,537	8,900,522

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Culture and Recreation			
Personnel			
Salaries	\$ 3,677,634	3,677,634	3,525,331
Employer Health Insurance	282,900	282,900	300,046
Miscellaneous Fringe Benefits	12,591	12,591	5,478
	<u>3,973,125</u>	<u>3,973,125</u>	<u>3,830,855</u>
Materials			
Books/Audio-Visual	323,450	323,450	280,492
Electronic References	612,745	612,745	507,395
	<u>936,195</u>	<u>936,195</u>	<u>787,887</u>
Utilities			
Gas	25,000	25,000	25,996
Electricity	160,000	160,000	139,228
Water	8,000	8,000	9,740
	<u>193,000</u>	<u>193,000</u>	<u>174,964</u>
Equipment Purchases			
Furniture	80,000	80,000	5,559
Computers	208,900	208,900	208,441
	<u>288,900</u>	<u>288,900</u>	<u>214,000</u>
Contractual Services			
Copier Maintenance	23,828	23,828	25,549
Technology Support	77,510	77,510	95,629
Postage Machines	1,841	1,841	1,848
LAN Management	69,840	69,840	67,518
Library Information Services	86,621	86,621	96,065
Internet Service	23,844	23,844	24,832
Bibliographic Support	700	700	-
Book Recovery Services	4,500	4,500	2,701
Accounting	12,500	12,500	14,683
Consultants	71,300	71,300	42,921
Leases (Branch, Telephone and Copiers)	62,986	62,986	62,201
	<u>435,470</u>	<u>435,470</u>	<u>433,947</u>

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Culture and Recreation - Continued			
Supplies			
Human Resources	\$ 1,000	1,000	151
Communications Department	11,000	11,000	10,652
Copier and Printer	13,000	13,000	17,375
Library Services	57,186	57,186	53,133
Program	48,000	48,000	38,119
	<u>130,186</u>	<u>130,186</u>	<u>119,430</u>
Operating Expenditures			
Interlibrary Loan/Reprints	8,200	8,200	4,839
Telephone	3,270	3,270	3,199
Postage	6,800	6,800	1,649
Cultural and Educational Training	42,300	42,300	32,017
In-Services Training	40,242	40,242	28,353
Memberships	11,417	11,417	13,360
Community Information	14,000	14,000	10,563
Legal	6,350	6,350	13,380
Want Ads/Legal Notices	1,200	1,200	1,650
Expenditures of Public Gifts	10,000	10,000	116
Sales Tax	150	150	-
Shared Administrative Costs	10,000	10,000	10,000
	<u>153,929</u>	<u>153,929</u>	<u>119,126</u>
Auxiliary Projects			
Newsletters	63,500	63,500	63,309
Volunteer Programs	2,800	2,800	1,542
	<u>66,300</u>	<u>66,300</u>	<u>64,851</u>
Total Expenditures	<u><u>6,177,105</u></u>	<u><u>6,177,105</u></u>	<u><u>5,745,060</u></u>

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Debt Service Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	-
Expenditures			
Debt Service			
Principal Retirement	385,000	385,000	385,000
Interest and Fiscal Charges	176,550	176,550	176,850
Total Expenditures	561,550	561,550	561,850
Excess (Deficiency) of Revenues Over (Under) Expenditures	(561,550)	(561,550)	(561,850)
Other Financing Sources			
Transfers In	561,550	561,550	-
Net Change in Fund Balance	-	-	(561,850)
Fund Balance - Beginning			-
Fund Balance - Ending			(561,850)

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grants	\$ -	-	736,760
Interest	-	-	4,398
Total Revenues	-	-	741,158
Expenditures			
Capital Outlay	6,998,438	7,415,502	1,962,414
Debt Service			
Interest and Fiscal Charges	97,283	97,283	-
Total Expenditures	7,095,721	7,512,785	1,962,414
Net Change in Fund Balance	<u>(7,095,721)</u>	<u>(7,512,785)</u>	(1,221,256)
Fund Balance - Beginning			<u>3,136,162</u>
Fund Balance - Ending			<u>1,914,906</u>

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

June 30, 2022

	Audit	Illinois Municipal Retirement
ASSETS		
Cash and Investments	\$ 9,959	176,321
Receivables - Net of Allowances		
Property Taxes	244	195,333
Total Assets	10,203	371,654
LIABILITIES		
Accounts Payable	-	-
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	244	195,333
Total Liabilities and Deferred Inflows of Resources	244	195,333
FUND BALANCES		
Restricted	9,959	176,321
Total Liabilities, Deferred Inflows of Resources and Fund Balances	10,203	371,654

Social Security	Building Maintenance	Unemployment Reserve	Tort Immunity	Totals
290,487	350,166	48,415	6,787	882,135
153,859	128,438	244	24,082	502,200
444,346	478,604	48,659	30,869	1,384,335
-	13,190	-	-	13,190
153,859	128,438	244	24,082	502,200
153,859	141,628	244	24,082	515,390
290,487	336,976	48,415	6,787	868,945
444,346	478,604	48,659	30,869	1,384,335

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2022**

	Audit	Illinois Municipal Retirement
Revenues		
Taxes	\$ 515	385,696
Expenditures		
Culture and Recreation	5,575	409,521
Net Change in Fund Balances	(5,060)	(23,825)
Fund Balances - Beginning	15,019	200,146
Fund Balances - Ending	9,959	176,321

Social Security	Building Maintenance	Unemployment Reserve	Tort Immunity	Totals
302,206	252,094	515	44,359	985,385
263,451	232,604	1,094	99,931	1,012,176
38,755	19,490	(579)	(55,572)	(26,791)
251,732	317,486	48,994	62,359	895,736
290,487	336,976	48,415	6,787	868,945

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Audit - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 500	500	515
Expenditures			
Culture and Recreation			
Accounting	5,575	5,575	5,575
Net Change in Fund Balance	<u>(5,075)</u>	<u>(5,075)</u>	(5,060)
Fund Balance - Beginning			<u>15,019</u>
Fund Balance - Ending			<u>9,959</u>

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Illinois Municipal Retirement - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 388,691	388,691	385,696
Expenditures			
Culture and Recreation			
Illinois Municipal Retirement	416,675	416,675	409,521
Net Change in Fund Balance	<u>(27,984)</u>	<u>(27,984)</u>	(23,825)
Fund Balance - Beginning			<u>200,146</u>
Fund Balance - Ending			<u>176,321</u>

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Social Security - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 306,161	306,161	302,206
Expenditures			
Culture and Recreation			
Employer Contribution	281,339	281,339	263,451
Net Change in Fund Balance	<u>24,822</u>	<u>24,822</u>	38,755
Fund Balance - Beginning			<u>251,732</u>
Fund Balance - Ending			<u>290,487</u>

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Building Maintenance - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 255,580	255,580	252,094
Expenditures			
Culture and Recreation			
Cleaning Service	100,000	100,000	68,922
Equipment Repair	500	500	3,885
Trash	4,200	4,200	3,243
Landscaping and Lawn Service	36,000	36,000	18,220
Fire and Security	12,000	12,000	8,040
Elevator	10,000	10,000	7,048
Building Maintenance	26,500	26,500	6,188
Snow Removal	12,000	12,000	8,413
Heating, Ventilating and Air Conditioning	55,000	55,000	61,334
Parking Areas	20,000	20,000	-
Van Maintenance	500	500	85
Roof Maintenance	7,000	7,000	9,557
Van Fuel	1,300	1,300	1,339
Maintenance Supplies	35,000	35,000	36,330
Total Expenditures	320,000	320,000	232,604
Net Change in Fund Balance	(64,420)	(64,420)	19,490
Fund Balance - Beginning			317,486
Fund Balance - Ending			336,976

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Unemployment Reserve- Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 500	500	515
Expenditures			
Culture and Recreation			
Unemployment Compensation	500	500	1,094
Net Change in Fund Balance	<u>-</u>	<u>-</u>	(579)
Fund Balance - Beginning			<u>48,994</u>
Fund Balance - Ending			<u><u>48,415</u></u>

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Tort Immunity - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 47,972	47,972	44,359
Expenditures			
Culture and Recreation			
Insurance	108,503	108,503	99,931
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,531)	(60,531)	(55,572)
Other Financing Sources			
Transfers In	54,000	54,000	-
Net Change in Fund Balance	<u>(6,531)</u>	<u>(6,531)</u>	(55,572)
Fund Balance - Beginning			<u>62,359</u>
Fund Balance - Ending			<u><u>6,787</u></u>

SUPPLEMENTAL SCHEDULE

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

Long-Term Debt Requirements

**General Obligation Alternate Revenue Source Bonds of 2020
June 30, 2022**

Date of Issue	August 20, 2020
Date of Maturity	December 1, 2039
Authorized Issue	\$5,250,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2023	\$ 405,000	160,750	565,750
2024	250,000	146,400	396,400
2025	250,000	133,900	383,900
2026	245,000	121,525	366,525
2027	245,000	109,275	354,275
2028	245,000	97,025	342,025
2029	240,000	84,900	324,900
2030	240,000	72,900	312,900
2031	240,000	63,300	303,300
2032	235,000	56,175	291,175
2033	230,000	49,200	279,200
2034	230,000	42,300	272,300
2035	225,000	35,475	260,475
2036	220,000	28,800	248,800
2037	215,000	22,275	237,275
2038	215,000	15,825	230,825
2039	210,000	9,450	219,450
2040	210,000	3,150	213,150
	<u>4,350,000</u>	<u>1,252,625</u>	<u>5,602,625</u>