

Glenside Public Library District

Annual Financial Report

June 30, 2021



Glenside Public Library District
June 30, 2021

Contents

Introductory Section

Principal Officials..... i

Financial Section

Independent Auditor’s Report 1

Management’s Discussion and Analysis 4

Basic Financial Statements

 Government-Wide Financial Statements

 Statement of Net Position..... 11

 Statement of Activities 12

 Fund Financial Statements

 Balance Sheet – Governmental Funds..... 13

 Reconciliation of the Balance Sheet of Governmental Funds to the
 Statement of Net Position..... 14

 Statement of Revenues, Expenditures and Changes in Fund Balances –
 Governmental Funds 15

 Reconciliation of the Statement of Revenues, Expenditures and Changes in
 Fund Balances of Governmental Funds to the Statement of Activities..... 16

 Statement of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual – General Fund 17

 Notes to the Financial Statements 18

Required Supplementary Information

Schedule of Changes in the District’s Net Pension Liability and
 Related Ratios..... 36

Schedule of District Contributions 38

Combining and Individual Fund Statements and Schedules

Governmental Fund Types

Combining Balance Sheet – Nonmajor Governmental Funds 39

Combining Statement of Revenues, Expenditures and
 Changes in Fund Balances – Nonmajor Governmental Funds 40

Glenside Public Library District
June 30, 2021

General Fund
 Schedule of Expenditures – Budget and Actual 41

Supplemental Information

 Schedule of Assessed Valuations, Rates and Collections –
 Last Ten Levy Years..... 42
 Schedule of Insurance in Force 44

Introductory Section

Glenside Public Library District

Principal Officials

June 30, 2021

BOARD OF TRUSTEES

Saverio “Sam” Lucente, President

Isabelle Baldwin, Vice President

Constance Barreras, Secretary

Altha Milnes, Treasurer

Chodri Khokhar, Trustee

Jessica Breede, Trustee

Mariann Evans, Trustee

ADMINISTRATION

Tom Bartenfelder, Library Director

Financial Section

Independent Auditor's Report

Members of the Board of Trustees
Glenside Public Library District
Glendale Heights, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Glenside Public Library District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Glenside Public Library District as of June 30, 2021, and the respective changes in financial position and budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 1, for the year ended June 30, 2021, the District adopted Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund statements and schedules and supplemental information section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Board of Trustees
Glenside Public Library District
Page 3

The introductory and supplemental information sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

BKD, LLP

Oakbrook Terrace, Illinois
November 15, 2021

GLENSIDE PUBLIC LIBRARY DISTRICT

Management's Discussion and Analysis

As management of the Glenside Public Library District, this narrative overview and analysis is provided of the Library District's financial performance for the fiscal year ended June 30, 2021. We recommend readers consider this information in conjunction with the financial statements as a whole.

This discussion and analysis is designed to: (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Library District's financial activity, (3) identify changes in the Library District's financial position (its ability to address the next and subsequent year's challenges), (4) identify any material deviations from the financial plan (the approved budget) and (5) identify individual fund issues or concerns.

The major components of the financial statements are the Statement of Net Position and the Statement of Activities. The Statement of Net Position shows the total assets, liabilities and deferred outflows/inflows of resources of the Library District. Assets and deferred outflows that exceed liabilities and deferred inflows would be considered the net worth of the Library District. The Statement of Activities reflects the total operations of the Library District for the past year, shown first net of revenues from taxes, interest and miscellaneous items, and then in total.

Basic Financial Statements

Government-wide and fund financial statements are presented on pages 11 through 17.

The government-wide financial statements are designed to provide readers with a broad overview of the Library District's finances in a manner similar to a private-sector business. They are prepared using the full accrual basis of accounting.

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

The Statement of Activities presents information showing how the Library District's net position changed during the current fiscal year.

Fund financial statements tell how library services were paid for as well as what remains for future spending. Fund financial statements report the Library's District's operations in more detail than the government-wide statements by providing information about the Library District's major fund, the General Fund as well as its nonmajor funds.

Notes to the Financial Statements provide additional information that is essential to develop a full understanding of the information provided in the financial statements. The Required Supplementary Information consists of retirement fund Schedules of Changes in Net Pension Liability and Contributions.

GLENSIDE PUBLIC LIBRARY DISTRICT

Management's Discussion and Analysis (Cont.)

Financial Analysis

Net position may serve, over time, as a useful indicator of a government's financial position. In the case of the Glenside Public Library District, assets and deferred outflows exceeded liabilities and deferred inflows by \$6,945,802 at the close of this fiscal year. A large portion of the Library District's assets reflects its net investment in capital assets. The Library District uses these capital assets to provide services and, consequently, these assets are not available to liquidate liabilities or for other spending.

Summary of Net Position

The following table summarizes the Statement of Net Position using the full accrual basis of accounting.

	June 30, 2021		June 30, 2020	
	Balances	Percent of Total Assets	Balances	Percent of Total Assets
Assets				
Current Assets	\$ 5,770,607	59 %	\$ 5,376,815	55 %
Capital Assets	4,080,964	41	4,355,575	45
Total Assets	<u>9,851,571</u>	<u>100</u>	<u>9,732,390</u>	<u>100</u>
Deferred Outflows of Resources				
Outflows Related to Pensions (IMRF)	<u>106,680</u>	<u>1</u>	<u>216,112</u>	<u>2</u>
Liabilities				
Current Liabilities	490,833	5	499,478	5
Noncurrent Liabilities	<u>1,950,778</u>	<u>20</u>	<u>2,799,306</u>	<u>29</u>
Total Liabilities	<u>2,441,611</u>	<u>25</u>	<u>3,298,784</u>	<u>34</u>
Deferred Inflows of Resources				
Inflows Related to Pensions (IMRF)	<u>570,838</u>	<u>6</u>	<u>273,024</u>	<u>3</u>
Net Position				
Net Investment in Capital Assets	1,885,964	20	1,865,575	20
Restricted	280,151	3	165,764	2
Unrestricted	<u>4,779,687</u>	<u>49</u>	<u>4,345,355</u>	<u>45</u>
Total Net Position	<u>\$ 6,945,802</u>	<u>72 %</u>	<u>\$ 6,376,694</u>	<u>67 %</u>

GLENSIDE PUBLIC LIBRARY DISTRICT

Management's Discussion and Analysis (Cont.)

The following table summarizes the Statement of Activities using the full accrual basis of accounting. All costs incurred by the District are presented; however, the purchase of library materials and building improvements of \$249,154 is not included because this cost is capitalized and depreciated over the expected life of the assets. For the year ended June 30, 2021, the Library District's Net Position increased by \$569,108.

Overview of the Statement of Activities

	Fiscal Year 2021		Fiscal Year 2020	
	Balances	Percent of Total Revenues	Balances	Percent of Total Revenues
Revenues				
Taxes	\$ 3,691,177	97 %	\$ 3,603,077	96 %
Fines	18,140	0	24,199	1
Grants	78,310	2	61,318	2
Interest	3,169	0	49,055	1
Miscellaneous	1,762	0	21,659	1
Total Revenues	3,792,558	100	3,759,308	100
Expenses				
Culture	2,741,579	72	3,071,852	82
Interest	56,464	1	128,154	3
Depreciation	425,407	11	423,671	11
Total Expenses	3,223,450	85	3,623,677	96
Change in Net Position	569,108	<u>15 %</u>	135,631	<u>4 %</u>
Net Position, Beginning of Year	<u>6,376,694</u>		<u>6,241,063</u>	
Net Position, End of Year	<u>\$ 6,945,802</u>		<u>\$ 6,376,694</u>	

Revenue

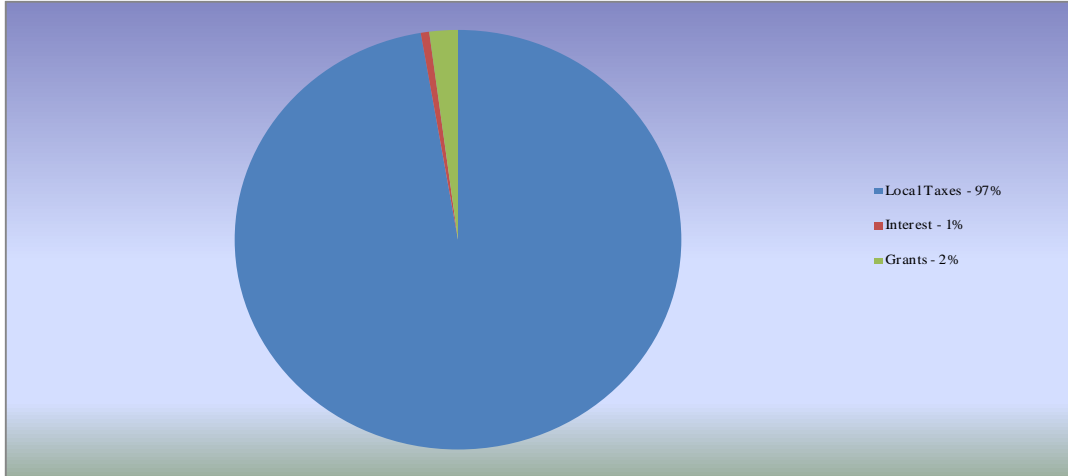
The Library District receives 97% of its operating revenue from property taxes, while the remaining amount is comprised of overdue fines and miscellaneous fees revenue, state per capita grant, interest income and other miscellaneous items.

During the year ended June 30, 2021, the Library District received the Illinois Library Per Capita Grant in the amount of \$45,324. Per Capita Grant funds are spent on library materials.

GLENSIDE PUBLIC LIBRARY DISTRICT

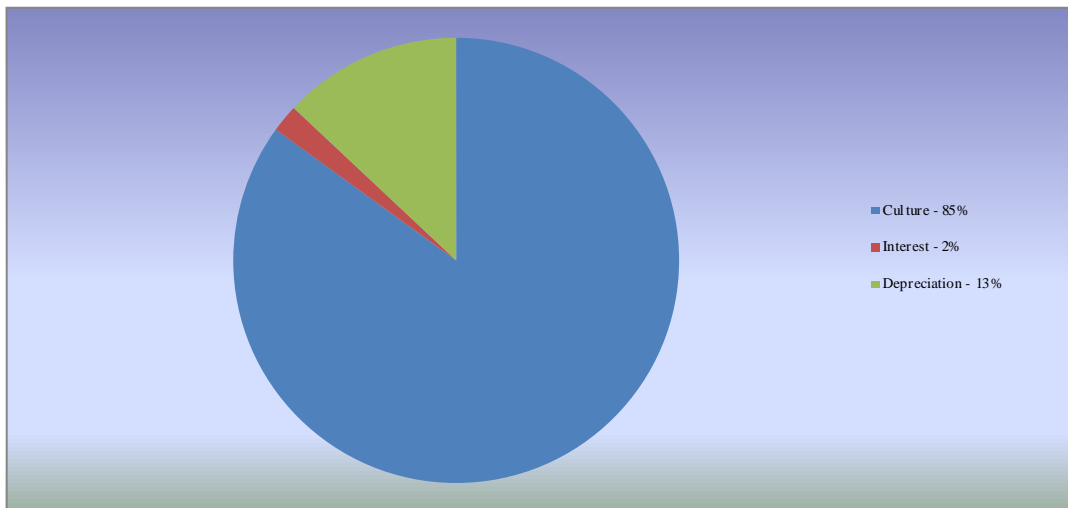
Management's Discussion and Analysis (Cont.)

Revenue by Source – Governmental Activities



Expenses

For the fiscal year ended June 30, 2021, expenses for the District totaled \$3,223,450, a decrease of \$400,227 from the prior year amount of \$3,623,677. Culture expenses make up the majority of expenses - \$2,741,579 or 85% of total expenses and decreased from the prior year by \$418,849. Depreciation expense is the second largest expense and totaled \$425,407, an increase of \$1,736 from the prior year.



GLENSIDE PUBLIC LIBRARY DISTRICT

Management's Discussion and Analysis (Cont.)

Governmental Funds

On June 30, 2021, the governmental funds reported a combined fund balance of \$1,941,433. Of this amount, the General Fund (a major fund) maintains a balance of \$1,838,846, an increase of \$310,783 over the previous year's fund balance, nearly all of which is attributable to reduced expenses. The ending General Fund unrestricted, unassigned fund balance on June 30, 2021, amounted to \$1,599,885.

General Fund Budgetary Highlights

The General Fund had revenues of \$3,708,792, which was \$4,882 over budget, and expenditures of \$3,398,009, which was \$103,749 under budget. The result was a net income budget variance of \$108,631.

Expenses were under budget mainly due to the following:

- 1) The utility budgets are typically overestimated to accommodate possible fluctuations in energy and other costs. \$28,823 went unspent in this category.
- 2) \$39,935 went unspent in the Capital Improvement Budget. The study room construction project timeline was extended and there were concerns it could possibly go over anticipated costs so other capital projects were placed on hold.
- 3) \$10,879 went unspent in programming due to continued COVID safety guidelines.
- 4) \$25,951 went unspent in health insurance premiums due to over estimating the possible increase of health insurance rates.

Amendments decreasing the expense budget by \$108,058 were approved in fiscal year 2021. These amendments consisted primarily of:

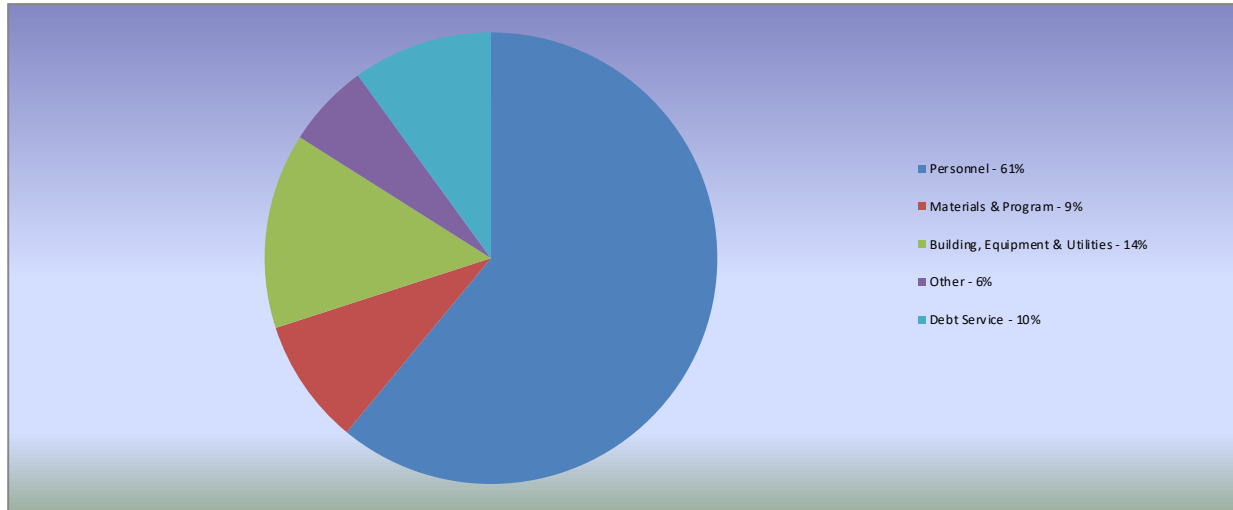
- 5) Multiple positions remained vacant during pandemic related restrictions in services, resulting in a salary savings of \$61,504.
- 6) The COVID pandemic safety guidelines limited the library from carrying out in-person programs netting an expense savings of supplies, contracted performers and quarterly newsletters: \$54,500.

Expenditures for all library materials and programming were \$291,560. Continuing to provide excellent library services to our residents of all ages requires a dedicated, professional, and trained staff. Staff-related expenditures are 61% of the District's total expenditures and include salaries and wages, health insurance benefits, training and development, unemployment and workers' compensation insurance, and employee retirement benefits.

GLENSIDE PUBLIC LIBRARY DISTRICT

Management’s Discussion and Analysis (Cont.)

Expenditures – General Fund



Capital Assets

At the end of fiscal year 2021, the Library District had total capital assets (net of accumulated depreciation) of \$4,080,964 invested in computers, a large collection of books and other library materials, building improvements, and the land and building which houses the library operations.

	June 30,	
	2021	2020
Land	\$ 175,000	\$ 175,000
Building and Improvements	6,834,635	6,755,065
Furniture and Equipment	428,564	607,397
Books and Library Materials	1,321,446	1,331,115
Cost of Capital Assets	8,759,645	8,868,577
Less Accumulated Depreciation	(4,678,681)	(4,513,002)
Net Capital Assets	<u>\$ 4,080,964</u>	<u>\$ 4,355,575</u>

Additional information about capital assets can be found in Note 3.

GLENSIDE PUBLIC LIBRARY DISTRICT

Management's Discussion and Analysis (Cont.)

Long-Term Debt

The Library District maintains \$2,195,000 in long-term debt. In the prior year, the Library District refunded their outstanding bonds and issued \$2,635,000 in new bonds. The district reduced its bonds by \$295,000 in the current year.

Additional information about long-term debt can be found in Note 6.

Economic Factors

The District receives a significant portion of revenue through property taxes along with over revenues such as fines and fees and grants. Although the District completed the fiscal year in a better position than anticipated, economic conditions remain uncertain due to the COVID-19 pandemic that was just beginning to affect the District at the end of the fiscal year. Regulating expenses while monitoring trends in the District's EAV will be an important priority over the next 2 to 3 fiscal years.

CONTACTING THE GLENSIDE PUBLIC LIBRARY DISTRICT'S ADMINISTRATION

This financial report is designed to provide a general overview of the Glenside Public Library District's finances for those with an interest in the District's operations. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Tom Bartenfelder
Library Director
25 East Fullerton Avenue
Glendale Heights, Illinois 60139

Glenside Public Library District
Statement of Net Position
June 30, 2021

Assets

	Governmental Activities
Current Assets	
Cash and investments	\$ 3,860,156
Receivables	
Property taxes	1,849,874
Prepays	60,577
Total current assets	5,770,607
Noncurrent Assets	
Capital assets	
Capital assets not being depreciated	175,000
Other capital assets, net of depreciation	3,905,964
Total noncurrent assets	4,080,964
Total assets	9,851,571

Deferred Outflows of Resources

Deferred outflows of resources related to pensions (IMRF)	106,680
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Liabilities

Current Liabilities	
Accounts payable	67,148
Accrued liabilities	70,279
Current portion of accrued vacation and sick pay	58,406
Current portion of bonds payable	295,000
Total current liabilities	490,833
Noncurrent Liabilities	
Accrued vacation and sick pay	6,490
Bonds payable, less current portion	1,900,000
Net pension liability	44,288
Total noncurrent liabilities	1,950,778
Total liabilities	2,441,611

Deferred Inflows of Resources

Deferred inflows of resources related to pensions (IMRF)	570,838
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Net Position

Net investment in capital assets	1,885,964
Restricted for	
IMRF	9,159
Liability insurance	8,047
Audit	921
Workers' compensation insurance	6,440
Unemployment	14,518
Building and equipment maintenance	13,769
FICA	125,530
Working cash - permanent (nonexpendable)	101,767
Unrestricted	4,779,687
Total net position	\$ 6,945,802

Glenside Public Library District
Statement of Activities
Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Governmental Activities				
Culture	\$ 3,166,986	\$ 18,140	\$ 78,310	\$ (3,070,536)
Interest charges on long-term debt	56,464	-	-	(56,464)
Total governmental activities	<u>\$ 3,223,450</u>	<u>\$ 18,140</u>	<u>\$ 78,310</u>	<u>(3,127,000)</u>
General Revenues				
Taxes				
Property taxes				3,682,148
Replacement taxes				9,029
Interest				3,169
Miscellaneous				<u>1,762</u>
Total general revenues				<u>3,696,108</u>
Increase in Net Position				569,108
Net Position, Beginning of Year				<u>6,376,694</u>
Net Position, End of Year				<u>\$ 6,945,802</u>

Glenside Public Library District
Balance Sheet – Governmental Funds
June 30, 2021

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 3,757,569	\$ 102,587	\$ 3,860,156
Receivables			
Property taxes	1,849,874	-	1,849,874
Prepays	60,577	-	60,577
	<u>5,668,020</u>	<u>102,587</u>	<u>5,770,607</u>
Total assets	<u>\$ 5,668,020</u>	<u>\$ 102,587</u>	<u>\$ 5,770,607</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	\$ 67,148	\$ -	\$ 67,148
Accrued payroll and related taxes	70,279	-	70,279
	<u>137,427</u>	<u>-</u>	<u>137,427</u>
Total liabilities	<u>137,427</u>	<u>-</u>	<u>137,427</u>
Deferred Inflows of Resources			
Unavailable revenue - property taxes	3,691,747	-	3,691,747
	<u>3,691,747</u>	<u>-</u>	<u>3,691,747</u>
Fund Balances			
Nonspendable			
Prepaid items	60,577	-	60,577
Working cash - permanent	-	101,767	101,767
Restricted			
Audit	921	-	921
IMRF	9,159	-	9,159
Liability insurance	8,047	-	8,047
Workers' compensation insurance	6,440	-	6,440
Unemployment	14,518	-	14,518
Building and equipment maintenance	13,769	-	13,769
FICA	125,530	-	125,530
Assigned			
Special reserve	-	820	820
Unassigned	1,599,885	-	1,599,885
	<u>1,599,885</u>	<u>-</u>	<u>1,599,885</u>
Total fund balances	<u>1,838,846</u>	<u>102,587</u>	<u>1,941,433</u>
	<u>\$ 5,668,020</u>	<u>\$ 102,587</u>	<u>\$ 5,770,607</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,668,020</u>	<u>\$ 102,587</u>	<u>\$ 5,770,607</u>

Glenside Public Library District
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2021

Total Fund Balances - Governmental Funds	\$ 1,941,433
Amounts reported for governmental activities in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	4,080,964
Property tax revenue from current levies is reported in the statement of net position, but is deferred in the governmental funds.	3,691,747
Bonds payable do not require the use of current financial resources and therefore, are not reported as liabilities in governmental funds.	(2,195,000)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the governmental funds.	(44,288)
The IMRF deferred outflows of resources do not require the use of current financial resources and, therefore, are not reported as asset in governmental funds.	106,680
The IMRF deferred inflows of resources do not require the use of current financial resources and, therefore, are not reported as liability in governmental funds.	(570,838)
Accrued vacation and sick pay are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(64,896)
Net Position of Governmental Activities	<u><u>\$ 6,945,802</u></u>

Glenside Public Library District
Statement of Revenues, Expenditures and Changes in
Fund Balances – Governmental Funds
Year Ended June 30, 2021

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Property taxes	\$ 3,598,487	\$ -	\$ 3,598,487
Replacement taxes	9,029	-	9,029
Grants	78,310	-	78,310
Interest	3,064	105	3,169
Fines and other	18,140	-	18,140
Miscellaneous	1,762	-	1,762
Total revenues	<u>3,708,792</u>	<u>105</u>	<u>3,708,897</u>
Expenditures			
Culture	3,046,545	-	3,046,545
Debt service			
Principal	295,000	-	295,000
Interest, issuance costs and fees	56,464	-	56,464
Total expenditures	<u>3,398,009</u>	<u>-</u>	<u>3,398,009</u>
Net Change in Fund Balances	310,783	105	310,888
Fund Balances			
Beginning	<u>1,528,063</u>	<u>102,482</u>	<u>1,630,545</u>
Ending	<u>\$ 1,838,846</u>	<u>\$ 102,587</u>	<u>\$ 1,941,433</u>

Glenside Public Library District
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2021

Net Change in Fund Balances - Governmental Funds \$ 310,888

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the difference between capital outlays of \$249,154, depreciation of \$425,407, and loss on disposal of capital asset of \$98,358. (274,611)

Property tax revenues in the statement of activities that do not provide current financial resources are reported as deferred property tax revenue in the fund financial statements. 83,661

Long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments on general obligation bonds 295,000

Changes in the net pension liability and the IMRF deferred outflows and inflows of resources do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds. 145,407

The change in compensated absences is not a source or use of a financial resource. 8,763

Change in Net Position of Governmental Activities \$ 569,108

Glenside Public Library District
Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
General Fund
Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues				
Property taxes				
Corporate	\$ 3,204,257	\$ 3,199,757	\$ 3,195,730	\$ (4,027)
Property taxes special levies				
Audit	11,195	11,195	11,166	(29)
Social Security	123,148	123,148	122,821	(327)
Illinois municipal retirement	123,948	123,948	123,618	(330)
Liability insurance	3,998	3,998	3,988	(10)
Workers' compensation insurance	4,798	4,798	4,785	(13)
Unemployment insurance	1,599	1,599	1,595	(4)
Building and equipment maintenance	135,143	135,143	134,784	(359)
Replacement taxes	-	4,500	9,029	4,529
Grants	45,324	78,324	78,310	(14)
Interest	5,000	2,500	3,064	564
Fines and other	11,500	15,000	18,140	3,140
Miscellaneous	-	-	1,762	1,762
Total revenues	<u>3,669,910</u>	<u>3,703,910</u>	<u>3,708,792</u>	<u>4,882</u>
Expenditures				
Culture	3,271,422	3,150,164	3,046,545	(103,619)
Debt service	338,394	351,594	351,464	(130)
Total expenditures	<u>3,609,816</u>	<u>3,501,758</u>	<u>3,398,009</u>	<u>(103,749)</u>
Net Change in Fund Balance	<u>\$ 60,094</u>	<u>\$ 202,152</u>	310,783	<u>\$ 108,631</u>
Fund Balance				
Beginning			<u>1,528,063</u>	
Ending			<u>\$ 1,838,846</u>	

Glenside Public Library District

Notes to the Financial Statements

June 30, 2021

Note 1: Summary of Significant Accounting Policies

The accounting and reporting policies of the Glenside Public Library District (District) relating to the accompanying basic financial statements conform to generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Reporting Entity

The District follows the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, as amended. As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate, tax-exempt entities and meet all of the following criteria:

- The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
- The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
- The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The District has concluded that no entities meet the criteria of Statement No. 14, as amended, for inclusion as a component unit. Likewise, the District is not required to be included as a component unit of any other entity.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The financial activities of the District consist entirely of governmental activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The District allocates indirect expenses to functions in the statement of activities in cases where a clear and direct connection exists. Program revenues include charges to residents who purchase, use or directly benefit from goods, services or privileges provided by a given function, and grants and contributions that are restricted to

Glenside Public Library District

Notes to the Financial Statements

June 30, 2021

meeting the operational and capital requirements of a particular function. Taxes and other income items that are not specifically related to a function are reported as general revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into individual funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, deferred inflows of resources, fund balance, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

Funds are organized as major funds or nonmajor funds within the governmental statements.

Governmental fund types are those through which the governmental functions of the District are financed. The District's expendable financial resources are accounted for through governmental funds. The measurement focus is based upon determination of changes in financial position rather than upon net income determination.

The District administers the following major governmental fund:

General Fund

This is the District's primary operating fund. It accounts for all financial resources of the general government except those required, legally or by sound financial management, to be accounted for in another fund.

The District reports the following nonmajor governmental funds:

Special Reserve Fund

This fund is used to account for the acquisition and construction of major capital facilities, equipment and capital asset replacements.

Working Cash Fund (Permanent Fund)

This fund is used to account for financial resources held by the District to be used for temporary interfund loans to certain other funds.

Basis of Accounting

The government-wide statement of net position and statement of activities are presented using the economic resources measurement focus and 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 the economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year in which they are

Glenside Public Library District

Notes to the Financial Statements

June 30, 2021

levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The current financial resources measurement focus and the modified accrual basis of accounting are followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, *i.e.*, both measurable and available to finance the District's operations. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Property taxes, investment earnings and charges for services are the primary revenue sources susceptible to accrual. All other revenues are recognized when cash is received. Expenditures are recorded when the related fund liability is incurred.

The District reports unearned/unavailable revenues on its government funds balance sheet. For governmental fund financial statements, unearned/unavailable revenues occur when potential revenue either does not meet both the "measurable" and "available" criteria for recognition in the current period, or when resources are received by the District before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned/unavailable revenue is removed from the governmental funds balance sheet and revenue is recognized accordingly.

Measurement Focus

On the government-wide statement of net position and statement of activities, governmental activities are presented using the flow of economic resources measurement focus, which means all assets and liabilities (whether current or noncurrent) are included in the statement of net position and the operating statements present increases and decreases in net total assets.

The measurement focus of all governmental funds is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions, which will not be currently liquidated using expendable available financial resources are included as liabilities in the government-wide financial statements, but are excluded from the governmental funds financial statements. The related expenditures are recognized in the governmental fund financial statements when the liabilities are liquidated.

Accounting Estimates

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

Glenside Public Library District

Notes to the Financial Statements

June 30, 2021

Budgetary Data and Budgetary Accounting

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

1. The Board of Trustees passes a motion approving an operating budget.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to the fourth Tuesday of September, the budget is legally adopted.
4. The budget may be amended by the Board of Trustees.
5. Budgets are adopted on a basis consistent with GAAP.

The District passed a budget for the General Fund. Within the annual financial report, the budgeted amounts represent the working budget figures of the District. The legally enacted appropriated amounts differ from these amounts.

Excess of Expenditures Over Budget

No funds had an excess of actual expenditures over amended budget for the year ended June 30, 2021.

Accrued Vacation and Sick Pay

Vested or accumulated vacation pay and sick leave that is expected to be paid from expendable available financial resources is reported as an expenditure and fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation pay and sick leave that are not expected to be paid from expendable available financial resources are reported only on the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured as a result of employee resignations, terminations or retirements, and are payable with expendable resources.

Capital Assets

In the government-wide financial statements, the District has adopted a capitalization threshold of \$25,000 (except for library materials) for capital asset additions. All capital assets are valued at historical cost, or estimated historical cost if actual cost is unavailable. Donated capital assets are stated at their acquisition value as of the date donated.

Glenside Public Library District
Notes to the Financial Statements
June 30, 2021

Depreciation of capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. This range of estimated useful lives by type of asset is as follows:

Building and improvements	15 to 40 years
Furniture and equipment	5 to 20 years
Library materials	3 to 7 years

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

Deferred Outflows/Inflows of Resources

The District reports deferred inflows of resources on its statement of net position and governmental funds balance sheet. Deferred inflows of resources arise when resources are received by the District that represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. For governmental funds, in subsequent periods, when the District has a legal claim to the resources, the deferred inflow of resources is removed from the balance sheet and revenue is recognized. The District has two items that qualify for reporting in this category; the deferred inflows of resources related to the Illinois Municipal Retirement Fund (IMRF) plan reported in the government-wide statement of net position and the unavailable revenue relating to property taxes in the governmental funds balance sheet. The deferred inflows of resources result from the following: pension items disclosed in Note 9 and property tax revenues that do not provide for current financial resources.

The District reports deferred outflows of resources on its statement of net position. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The District has one item that qualifies for reporting in this category; the deferred outflows of resources related to the IMRF plan reported in the government-wide statement of net position. The deferred outflows of resources result from pension items disclosed in Note 9.

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term liabilities are reported as liabilities. Bond premiums and discounts, if any, are deferred and amortized over the life of the bonds using the outstanding bonds method. Issuance costs are expensed when paid.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Glenside Public Library District
Notes to the Financial Statements
June 30, 2021

Long-term debt is recognized as a liability in a governmental fund when due, or when resources have been accumulated for payment early in the following year.

Property Taxes

Property taxes attach as an enforceable lien on January 1. They are levied the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, and are payable in two installments, on or about June 1 and on or about September 1. The library receives significant distributions of tax receipts within one month after these due dates. It is the library’s policy to consider proceeds from a given tax levy as being available to finance operations of the fiscal year for which it is budgeted. Accordingly, the 2020 levy proceeds are not considered “available” as defined earlier in Note 1 and are, therefore, considered deferred inflows at June 30, 2021. In the entity-wide financial statements, property taxes are recognized when levied.

The following are the tax rates applicable to the various levies per \$100 of assessed valuations:

	Maximum 2020 Levy	Actual 2020 Levy	Actual 2019 Levy
Library	0.3964	0.3964	0.4061
Illinois municipal retirement	0.0169	0.0169	0.0181
Audit	0.0015	0.0015	0.0014
Building and equipment maintenance	0.0165	0.0165	0.0169
Tort judgments	0.0005	0.0005	0.0007
Social Security	0.0170	0.0170	0.0154
Unemployment insurance	0.0002	0.0002	0.0004
Workers’ compensation insurance	0.0006	0.0006	0.0007
	0.4496	0.4496	0.4597

Equity Classifications

Government-Wide Financial Statements

Equity is classified as net position and displayed in three components:

Net investment in capital assets – consists of capital assets, net of accumulated depreciation and net of related debt.

Restricted net position – consists of net position with constraints placed on their use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provisions or enabling legislation.

Unrestricted net position – consists of all other net position that does not meet the definition of restricted or invested in capital assets.

Glenside Public Library District
Notes to the Financial Statements
June 30, 2021

Fund Financial Statements

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* defines how fund balances of governmental funds are presented in the financial statements. Fund balances are classified as follows:

Nonspendable Fund Balance – amounts that are not in nonspendable form (such as prepaid items) or are required to be maintained intact.

Restricted Fund Balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions or by enabling legislation.

Committed Fund Balance – amounts constrained to specific purposes by the library itself, using its highest level of decision-making authority (*i.e.*, Board of Trustees). To be reported as committed, amounts cannot be used for any other purpose unless the library takes the same highest level action to remove or change the constraint.

Assigned Fund Balance – amounts the library intends to use for a specific purpose. Intent can be expressed by the Board of Trustees or by an official or body to which the Board of Trustees delegates the authority.

Unassigned Fund Balance – amounts that are available for any purpose. Positive amounts are reported only in the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

The following details the changes in restricted fund balances during the year ended June 30, 2021, within the General Fund:

	Balance July 1, 2020	Property Tax Revenues	Expenditures	Balance June 30, 2021
Audit	\$ 1,525	\$ 11,166	\$ 11,770	\$ 921
Social Security	2,709	122,821	-	125,530
Illinois municipal retirement	23,964	123,618	138,423	9,159
Liability insurance	8,888	3,988	4,829	8,047
Workers' compensation insurance	4,728	4,785	3,073	6,440
Unemployment insurance	12,923	1,595	-	14,518
Building and equipment maintenance	9,352	134,784	130,367	13,769
	<u>\$ 64,089</u>	<u>\$ 402,757</u>	<u>\$ 288,462</u>	<u>\$ 178,384</u>

Defined Benefit Pension Plan

The District provides pension benefits to its employees through an agent multiple-employer defined benefit pension plan (agent pension plan), the Illinois Municipal Retirement Fund (Plan).

Glenside Public Library District

Notes to the Financial Statements

June 30, 2021

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Change in Accounting Principle

The District adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, for fiscal year ended June 30, 2021. Implementation of the standard had no material impact on the financial statement presentation and disclosures, or on the District's fund balance or net position.

Note 2: 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 balance sheet as "Cash and Investments." In addition, investments are separately held by several of the District's funds. Cash on hand of \$480 has been excluded from the amounts shown below.

Permitted Deposits and Investments

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

Deposits

At year end, the carrying amount of the District's deposits totaled \$142,923 and the bank balances totaled \$185,489. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for credit risk. As of June 30, 2021, all of the District's cash accounts were insured or fully collateralized by investments held by an independent third party in the District's name.

Investments

The District's investments are maintained within the Illinois Funds Money Market Fund (Fund). This investment is not subject to risk categorization as the fund provides perfected collateral for the entire balance. The carrying amount and fair value of the Illinois Funds Money Market Fund at June 30, 2021, was \$3,716,753.

Glenside Public Library District
Notes to the Financial Statements
June 30, 2021

The Fund is an external investment pool developed and implemented in 1975 by the Illinois General Assembly under the jurisdiction of the Treasurer, who has regulatory oversight for the pool. The Fund is not registered with the SEC but does operate in a manner consistent with Rule 2a7 of the *Investment Company Act of 1940*, and has an affirmed rating of AAA from Standard and Poor's. The fair value of the position of this pool is the same as the value of the pool shares. The Fund offers two separate investment vehicles to public entities. The average yield on the Fund for the year ending June 30, 2021, was .0956%. The Fund issues a publicly available financial report. That report may be obtained by writing to Office of the State Treasurer, Illinois Funds Administrative Office, 400 W. Monroe Street, Springfield, Illinois 62702.

Note 3: Capital Assets

A summary of changes in capital assets for governmental activities of the District is as follows:

	Balance July 1	Additions	Deletions	Balance June 30
Capital assets not being depreciated				
Land	\$ 175,000	\$ -	\$ -	\$ 175,000
Capital assets being depreciated				
Building and improvements	6,755,065	79,570	-	6,834,635
Furniture and equipment	607,397	-	178,833	428,564
Library materials	1,331,115	169,584	179,253	1,321,446
	<u>8,693,577</u>	<u>249,154</u>	<u>358,086</u>	<u>8,584,645</u>
Less accumulated depreciation for				
Building and improvements	3,612,183	204,462	-	3,816,645
Furniture and equipment	187,199	32,167	80,475	138,891
Library materials	713,620	188,778	179,253	723,145
	<u>4,513,002</u>	<u>425,407</u>	<u>259,728</u>	<u>4,678,681</u>
Total capital assets being depreciated, net	<u>4,180,575</u>	<u>(176,253)</u>	<u>98,358</u>	<u>3,905,964</u>
Governmental activities capital assets, net	<u>\$ 4,355,575</u>	<u>\$ (176,253)</u>	<u>\$ 98,358</u>	<u>\$ 4,080,964</u>

Total depreciation expense for the year charged to library services was \$425,407.

Glenside Public Library District
Notes to the Financial Statements
June 30, 2021

Note 4: Common Bank Account

Separate bank accounts are not maintained for all library funds; instead, certain funds maintain their uninvested cash and investment balances in common checking and money market accounts, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

Note 5: Risk Management

The library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omission; injuries to employees and natural disasters. The library has purchased commercial insurance from private insurance companies to cover these risks. Risks covered include general liability, workers' compensation, medical and other. Premiums have been recorded as expenditures in appropriate funds. The amount of coverage has not been decreased nor have the amount of settlements exceeded coverage in any of the past three fiscal years. A detailed listing of insurance coverage is included in the statistical section.

Note 6: Long-Term Debt

The following is a summary of the changes in long-term debt:

	<u>Balance July 1</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Balance June 30</u>	<u>Due Within One Year</u>
Series 2019 - \$2,635,000 General Obligation Refunding Library Bonds, due in semi-annual installments beginning June 30, 2020 through June 30, 2028; interest payable semi-annually on June 30 and December 30 at 1.795%. Proceeds were used to refund the 2006 General Obligation Bonds outstanding.	\$ 2,490,000	\$ -	\$ 295,000	\$ 2,195,000	\$ 295,000
Accrued vacation and sick pay	<u>73,659</u>	<u>57,530</u>	<u>66,293</u>	<u>64,896</u>	<u>58,406</u>
	<u>\$ 2,563,659</u>	<u>\$ 57,530</u>	<u>\$ 361,293</u>	<u>\$ 2,259,896</u>	<u>\$ 353,406</u>

Glenside Public Library District
Notes to the Financial Statements
June 30, 2021

The annual requirements on all general obligation debt to maturity as of June 30, 2021, are as follows:

Year Ended June 30	Principal	Interest	Total
2022	\$ 295,000	\$ 38,054	\$ 333,054
2023	305,000	32,714	337,714
2024	310,000	27,239	337,239
2025	310,000	21,675	331,675
2026	320,000	16,065	336,065
2027-2029	655,000	14,674	669,674
	<u>\$ 2,195,000</u>	<u>\$ 150,421</u>	<u>\$ 2,345,421</u>

Note 7: Litigation

The District is not involved in any litigation nor is it aware of any contemplated litigation for which the potential liability would be expected to exceed insurance coverage.

Note 8: Deferred Compensation

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The District's deferred compensation plan has been placed in a trust through its administrators. Since amounts held in trust are for the exclusive benefit of all participants, the District does not report the assets in its financial statements.

Note 9: Employee Retirement System - Illinois Municipal Retirement Fund

Plan Description

The District's agent multiple-employer defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the IMRF, the administrator of a multiemployer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" described below. Details of all benefits are available from IMRF. Benefit

Glenside Public Library District
Notes to the Financial Statements
June 30, 2021

provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan’s fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

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 8 years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 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 10 years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of: 3% of the original pension amount, or one-half of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2020, the measurement date for the net pension liability, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	30
Inactive plan members entitled to but not yet receiving benefits	35
Active plan members	21
Total	86

Glenside Public Library District

Notes to the Financial Statements

June 30, 2021

Contributions

As set by statute, the District's plan members are required to contribute 4.5% 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. The District's annual contribution rate for calendar years 2020 and 2021 was 11.07% and 11.89%, respectively. For the fiscal year ended June 30, 2021, the District contributed \$138,423 to the plan. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The District's net pension liability at June 30, 2021, was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine the total pension liability as of December 31, 2020:

- The actuarial cost method was entry-age normal.
- The asset valuation method was market value of assets.
- The inflation rate was assumed to be 2.25%.
- Salary increases were expected to be 2.85% to 13.75%, average, including inflation.
- The investment rate of return was assumed to be 7.25%, net of pension plan expense, including inflation.
- Projected retirement age was from the Experienced-Based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study of the period 2017 to 2019.
- For nondisabled 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.

Glenside Public Library District
Notes to the Financial Statements
June 30, 2021

- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2020:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	5.00%
International Equity	18%	6.00%
Fixed Income	28%	1.30%
Real Estate	9%	6.20%
Alternative Investments	7%	2.85-6.95%
Cash Equivalents	1%	0.70%
Total	<u>100%</u>	

Discount Rate

A single discount rate (SDR) of 7.25% (same in prior year) was used to measure the total pension liability. The projection of cash flow used to determine the SDR assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). For the purpose of the recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.00% and the resulting SDR is 7.25%.

Glenside Public Library District
Notes to the Financial Statements
June 30, 2021

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, beginning of year	\$ 6,533,542	\$ 5,936,601	\$ 596,941
Changes for the year			
Service cost	129,161	-	129,161
Interest	466,708	-	466,708
Differences between expected and actual experience	(203)	-	(203)
Changes in assumptions	(95,224)	-	(95,224)
Contributions - employer	-	133,886	(133,886)
Contributions - employee	-	54,425	(54,425)
Net investment income	-	855,065	(855,065)
Benefit payments, including refunds of employees contributions	(321,531)	(321,531)	-
Other (net transfer)	-	9,719	(9,719)
Net changes	<u>178,911</u>	<u>731,564</u>	<u>(552,653)</u>
Balance, end of year	<u>\$ 6,712,453</u>	<u>\$ 6,668,165</u>	<u>\$ 44,288</u>

Change in assumption related to investment rate of return was made since the prior measurement date.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's net pension liability, calculated using a single discount rate of 7.25%, as well as what the District's net pension liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25)	1% Increase (8.25)
Net pension liability	\$ 889,531	\$ 44,288	\$ (600,096)

Glenside Public Library District
Notes to the Financial Statements
June 30, 2021

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

For the year ended June 30, 2021, the District recognized pension income of \$6,985. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 35,619	\$ 131
Changes in assumptions	-	61,628
Net differences between projected and actual earnings on plan investments	<u>-</u>	<u>509,079</u>
Total deferred amounts to be recognized in pension expense in future periods	35,619	570,838
Pension contributions made subsequent to the measurement date	<u>71,061</u>	<u>-</u>
Total	<u>\$ 106,680</u>	<u>\$ 570,838</u>

\$71,061 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) in future periods as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ (158,024)
2023	(90,453)
2024	(200,916)
2025	<u>(85,826)</u>
	<u>\$ (535,219)</u>

Glenside Public Library District
Notes to the Financial Statements
June 30, 2021

Note 10: Recent Accounting Pronouncements

GASB Statement No. 87, Leases (GASB 87)

In June 2017, GASB published Statement No. 87, *Leases*. The standard was the result of a multi-year project to reexamine the accounting and financial reporting for leases. The new standard establishes a single model for lease accounting based on the principle that leases represent the financing of the right to use an underlying asset. Specifically, GASB 87 includes the following accounting guidance for lessees and lessors:

Lessee Accounting – A lessee will recognize a liability measured at the present value of payments expected to be made for the lease term, and an intangible asset measured at the amount of the initial lease liability, plus any payments made to the lessor at or before the beginning of the lease and certain indirect costs. A lessee will reduce the liability as payments are made and recognize an outflow of resources for interest on the liability. The asset will be amortized by the lessee over the shorter of the lease term or the useful life of the asset.

Lessor Accounting – A lessor will recognize a receivable measured at the present value of the lease payments expected for the lease term and a deferred inflow of resources measured at the value of the lease receivable plus any payments received at or prior to the beginning of the lease that relate to future periods. The lessor will reduce the receivable as payments are received and recognize an inflow of resources from the deferred inflow of resources in a systematic and rational manner over the term of the lease. A lessor will not derecognize the asset underlying the lease. There is an exception for regulated leases for which certain criteria are met, such as airport-aeronautical agreements.

The lease term used to measure the asset or liability is based on the period in which the lessee has the noncancelable right to use the underlying asset. The lease term also contemplates any lease extension or termination option that is reasonably certain of being exercised.

GASB 87 does not apply to leases for intangible assets, biological assets (*i.e.*, timber and living plants and animals), service concession agreements or leases in which the underlying asset is financed with conduit debt that is reported by the lessor. Additionally, leases with a maximum possible term of 12 months or less are excluded.

The effective date is for periods beginning after June 15, 2021. The provisions of this statement are effective for financial statements for the District’s fiscal year ending June 30, 2022.

GASB Statement No. 92, Omnibus 2020 (GASB 92)

GASB 92 addresses practice issues that have been identified during implementation and application of certain GASB statements. The statement addresses a variety of topics including issues related to leases, intra-entity transfers, fiduciary activities and fair value disclosures.

GASB 92 is effective for reporting periods based on individual topics discussed therein. Earlier application is encouraged and is permitted by individual topic to the extent that all requirements associated with an individual topic are implemented simultaneously.

Glenside Public Library District
Notes to the Financial Statements
June 30, 2021

GASB Statement No. 95, Postponement of Effective Dates of Certain Authoritative Guidance (GASB 95)

In response to the challenges arising from COVID-19, on May 7, 2020, GASB approved Statement 95. GASB approved an 18-month postponement for Statement 87, *Leases*. All statements and implementation guides with a current effective date of reporting periods beginning after June 15, 2018, and later have a one-year postponement. This change is effective immediately. Early application is still encouraged. The effective dates on GASBs discussed above have already been adjusted to account for the postponements issued in GASB 95.

GASB Statement No. 96, Subscription - Based Information Technology Arrangements (GASB 96)

GASB 96 provides guidance on governments are utilizing more cloud-based solutions for their information technology (IT) needs and paying for the use of third-parties' IT software on a subscription basis. The accounting and financial reporting for what the Governmental Accounting Standards Board refers to as subscription-based information technology arrangements (SBITAs) has been inconsistent because of a lack of authoritative guidance. The statement is effective for reporting periods after June 15, 2022, and all reporting periods thereafter, with early implementation encouraged. The provisions of this statement are effective for financial statements for the District's fiscal year ending June 30, 2023. The statement would be applied retroactively, using the facts and circumstances that exist at the beginning of the fiscal year of implementation. Due to the COVID-19 pandemic, the effective date was delayed one year from that originally proposed.

Management has not currently determined what impact, if any, these Statements may have on its financial statements.

Required Supplementary Information

Glenside Public Library District
Required Supplementary Information
Schedule of Changes in the District's Net Pension Liability and Related Ratios
June 30, 2021

Calendar Year Ended December 31,	2020	2019	2018	2017	2016
Total pension liability					
Service cost	\$ 129,161	\$ 131,434	\$ 124,715	\$ 131,198	\$ 137,645
Interest	466,708	440,114	425,935	412,978	375,454
Changes in benefit terms					
Differences between expected and actual experience	(203)	114,167	(46,739)	91,242	203,378
Change of assumptions	(95,224)	-	187,045	(192,156)	(14,647)
Benefit payments, including refunds of member contributions	(321,531)	(313,986)	(291,845)	(242,676)	(180,663)
Net change in total pension liability	178,911	371,729	399,111	200,586	521,167
Total pension liability - beginning	6,533,542	6,161,813	5,762,702	5,562,116	5,040,949
Total pension liability - ending	<u>\$ 6,712,453</u>	<u>\$ 6,533,542</u>	<u>\$ 6,161,813</u>	<u>\$ 5,762,702</u>	<u>\$ 5,562,116</u>
Plan fiduciary net position					
Contributions - District	\$ 133,886	\$ 122,725	\$ 140,792	\$ 131,943	\$ 141,954
Contributions - members	54,425	61,612	56,019	56,709	58,605
Net investment income	855,065	942,665	(286,445)	836,515	282,184
Benefit payments, including refunds of member contributions	(321,531)	(313,986)	(291,845)	(242,676)	(180,663)
Other (net transfer)	9,719	(12,705)	105,147	(85,998)	61,422
Net change in plan fiduciary net position	731,564	800,311	(276,332)	696,493	363,502
Plan net position - beginning	5,936,601	5,136,290	5,412,622	4,716,129	4,352,627
Plan net position - ending	<u>\$ 6,668,165</u>	<u>\$ 5,936,601</u>	<u>\$ 5,136,290</u>	<u>\$ 5,412,622</u>	<u>\$ 4,716,129</u>
District's net pension liability	<u>\$ 44,288</u>	<u>\$ 596,941</u>	<u>\$ 1,025,523</u>	<u>\$ 350,080</u>	<u>\$ 845,987</u>
Plan fiduciary net position as a percentage of the total pension liability	99.34%	90.86%	83.36%	93.93%	84.79%
Covered payroll	1,209,453	1,247,205	1,244,858	1,260,209	1,302,335
Net pension liability as a percentage of covered employee payroll	3.66%	47.86%	82.38%	27.78%	64.96%

Change in assumption related to investment rate of return was made since the prior measurement date.

GASB Statements No. 67 and No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

<u>2015</u>	<u>2014</u>
\$ 139,931	\$ 155,288
353,699	326,705
(26,488)	(137,562)
6,618	184,906
<u>(170,264)</u>	<u>(140,613)</u>
303,496	388,724
<u>4,737,453</u>	<u>4,348,729</u>
<u>\$ 5,040,949</u>	<u>\$ 4,737,453</u>
\$ 141,257	\$ 138,619
58,371	58,298
21,827	252,190
(170,264)	(140,613)
<u>(49,354)</u>	<u>(63,815)</u>
1,837	244,679
<u>4,350,790</u>	<u>4,106,111</u>
<u>\$ 4,352,627</u>	<u>\$ 4,350,790</u>
<u>\$ 688,322</u>	<u>\$ 386,663</u>
86.35%	91.84%
1,297,128	1,234,700
53.07%	31.32%

Combining and Individual Fund Statements and Schedules

Governmental Fund Types

Glenside Public Library District
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2021

	<u>Capital Projects Special Reserve Fund</u>	<u>Permanent Working Cash</u>	<u>Total Nonmajor Governmental Funds</u>
Assets			
Cash and investments	\$ 820	\$ 101,767	\$ 102,587
Liabilities	\$ -	\$ -	\$ -
Fund Balance			
Nonspendable - Permanent Fund	-	101,767	101,767
Assigned - Special Reserve Fund	820	-	820
Total fund balances	820	101,767	102,587
 Total liabilities and fund balances	 \$ 820	 \$ 101,767	 \$ 102,587

Glenside Public Library District
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Year Ended June 30, 2021

	<u>Capital Projects Special Reserve Fund</u>	<u>Permanent Working Cash</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues			
Interest	\$ 13	\$ 92	\$ 105
Expenditures	-	-	-
Excess of Revenues Over Expenditure	13	92	105
Net Change in Fund Balance	13	92	105
Fund Balance			
Beginning of year	807	101,675	102,482
End of year	<u>\$ 820</u>	<u>\$ 101,767</u>	<u>\$ 102,587</u>

Glenside Public Library District
General Fund
Schedule of Expenditures – Budget and Actual
Year Ended June 30, 2021

	Original Budget	Final Budget	Actual
Culture			
Salaries	\$ 1,710,802	\$ 1,649,298	\$ 1,635,103
Benefits	481,500	471,500	445,409
Staff training, travel and recognition	44,750	20,250	15,578
Library information	47,000	24,000	20,492
Public programs and community outreach	57,500	26,000	15,152
Library materials			
Print	131,400	106,900	110,144
Audio/visual	67,750	53,996	53,266
Digital items and online services	93,770	93,770	92,506
Department and office supplies	34,000	34,500	29,522
Professional services	47,750	42,750	44,416
Technology hardware, software and support	91,000	91,000	89,833
Materials processing and automation	67,500	82,500	81,996
Custodial contract and supplies	20,000	20,000	20,760
Building and maintenance	156,200	157,200	152,421
Capital improvements	45,000	101,000	99,098
Utilities	139,000	139,000	111,029
Contingency	-	-	1,442
Insurance	36,500	36,500	28,378
Total culture	<u>3,271,422</u>	<u>3,150,164</u>	<u>3,046,545</u>
Debt Service			
Principal	295,000	295,000	295,000
Interest, issuance cost and fees	43,394	56,594	56,464
Total debt service	<u>338,394</u>	<u>351,594</u>	<u>351,464</u>
 Total expenditures	 <u>\$ 3,609,816</u>	 <u>\$ 3,501,758</u>	 <u>\$ 3,398,009</u>

Supplemental Information

Glenside Public Library District
Schedule of Assessed Valuations, Rates and
Collections – Last Ten Levy Years
Year Ended June 30, 2021

Tax Levy Year	2020	2019	2018	2017
Equalized Assessed Valuation	<u>\$ 821,118,029</u>	<u>\$ 799,664,849</u>	<u>\$ 718,109,532</u>	<u>\$ 666,572,389</u>
Tax Rates				
General corporate	0.3964	0.4061	0.4124	0.4124
Bond & interest	-	-	0.0519	0.0519
Audit	0.0169	0.0181	0.0195	0.0195
Social Security	0.0015	0.0014	0.0016	0.0016
Illinois municipal retirement	0.0165	0.0169	0.0190	0.0190
Liability insurance	0.0005	0.0007	0.0008	0.0008
Workers' compensation insurance	0.0170	0.0154	0.0173	0.0173
Building and equipment maintenance	0.0002	0.0004	0.0011	0.0011
Unemployment insurance	0.0006	0.0007	0.0007	0.0007
Total	<u>0.4496</u>	<u>0.4597</u>	<u>0.5243</u>	<u>0.5243</u>
Tax Collections				
2005	\$ -	\$ -	\$ -	\$ -
2006	-	-	-	-
2007	-	-	-	-
2008	-	-	-	-
2009	-	-	-	-
2010	-	-	-	-
2011	-	-	-	-
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	2,019,082
2018	-	-	1,900,089	1,880,895
2019	-	1,800,078	1,851,901	-
2020	1,841,873	1,798,408	-	-
Total collections	<u>\$ 1,841,873</u>	<u>\$ 3,598,486</u>	<u>\$ 3,751,990</u>	<u>\$ 3,899,977</u>
Percent Collected	<u>51.05%</u>	<u>95.58%</u>	<u>96.10%</u>	<u>100.20%</u>

2016	2015	2014	2013	2012	2011
<u>\$ 624,417,561</u>	<u>\$ 583,590,501</u>	<u>\$ 597,427,177</u>	<u>\$ 618,464,489</u>	<u>\$ 674,912,922</u>	<u>\$ 763,584,348</u>
0.4716	0.5167	0.5033	0.4736	0.4229	0.3983
0.0559	0.0636	0.0629	0.0604	-	-
0.0195	0.0014	0.0012	0.0012	0.0010	-
0.0017	0.0200	0.0236	0.0241	0.0221	-
0.0200	0.0251	0.0254	0.0248	0.0224	-
0.0003	0.0012	0.0012	0.0014	0.0013	-
0.0150	0.0013	0.0012	0.0010	0.0009	-
0.0010	0.0200	0.0200	0.0200	0.0200	0.0200
0.0007	0.0011	0.0010	0.0005	0.0002	-
<u>0.5857</u>	<u>0.6504</u>	<u>0.6398</u>	<u>0.6070</u>	<u>0.4908</u>	<u>0.4183</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,526,850
-	-	-	-	1,500,812	1,587,336
-	-	-	1,813,909	1,663,716	-
-	-	1,825,753	1,857,315	-	-
-	1,913,675	1,908,355	-	-	-
1,944,611	1,869,373	-	-	-	-
1,870,567	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,815,178</u>	<u>\$ 3,783,048</u>	<u>\$ 3,734,108</u>	<u>\$ 3,671,224</u>	<u>\$ 3,164,528</u>	<u>\$ 3,114,186</u>
<u>98.82%</u>	<u>97.99%</u>	<u>97.69%</u>	<u>110.83%</u>	<u>100.26%</u>	<u>98.66%</u>

Glenside Public Library District
Schedule of Insurance in Force
June 30, 2021

Policy Type	Limit	Effective Date	Insurance Company	Policy Number
Package	Blanket Property - \$15,856,470 General Liability - \$1,000,000/\$2,000,000 Fire Damage - \$1,000,000 Medical Expense - \$10,000	7/1/20 - 6/30/2021	Hanover/Citizens	OBCA612696
Workers' Compensation	\$500,000/\$500,000/\$500,000 Employee Benefits - General Aggregate	7/1/20 - 7/1/2021	Hanover/All American	W2CA612689
Directors and Officers	\$4,000,000 D&O and \$2,000,000 EPL	7/1/20 - 7/1/2021	Travelers	107269760
Crime	\$1,933,315	7/1/19-7/1/2022	Hanover	BDC1851994