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WINFIELD PUBLIC LIBRARY  
A COMPONENT UNIT OF THE  
VILLAGE OF WINFIELD, ILLINOIS

Annual Financial Report  
For the Year Ended April 30, 2021

# WINFIELD PUBLIC LIBRARY, ILLINOIS

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*For the Year Ended April 30, 2021*

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## INDEPENDENT AUDITOR'S REPORT

To the President  
and Members of the Board of Trustees  
Winfield Public Library, Illinois

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Winfield Public Library, a component unit of the Village of Winfield, Illinois as of and for the year ended April 30, 2021, which collectively comprise the Library's basic financial statements as listed in the accompanying table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Library's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement 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, the business-type activities, each major fund, and the aggregate remaining fund information of Winfield Public Library, a component unit of the Village of Winfield, Illinois as of April 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information 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.

Our audit was conducted for the purposes of forming opinions on the financial statements that collectively comprise Winfield Public Library Illinois' financial statements as a whole. The individual fund financial statements and schedules and other information listed as schedules and other supplementary information in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The individual fund financial statements and schedules and other information listed as schedules and other supplementary information in the accompanying table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

A handwritten signature in black ink that reads "George Roach & Associates, P.C." The signature is written in a cursive, flowing style.

George Roach & Associates, P.C.  
Crystal Lake, Illinois  
July 30, 2021

REQUIRED SUPPLEMENTARY INFORMATION

MANAGEMENT DISCUSSION  
AND ANALYSIS - UNAUDITED

# WINFIELD PUBLIC LIBRARY, ILLINOIS

*Management's Discussion and Analysis - Unaudited*

*For the Year Ended April 30, 2021*

As management of the Winfield Public Library (Library), we offer readers of the Library's statements this narrative overview and analysis of the financial activities of the Library for the fiscal year ended April 30, 2021.

## FINANCIAL HIGHLIGHTS

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- The assets and deferred outflows of the Library exceeded its liabilities and deferred inflows at April 30, 2021 by \$451,158 (*net position*).
- The Library's total net position increased by \$19,570.
- At April 30, 2021, the Library's governmental fund reported an ending fund balance of \$335,744, an increase of \$2,019 from the prior year.
- The Library's total net capital assets decreased by \$73,662 during the year ended April 30, 2021.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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This discussion and analysis are intended to serve as an introduction to the Library's basic financial statements. The Library's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements themselves.

### Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the Library's finances in a manner similar to a private-sector business.

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

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

### Fund financial statements

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

# WINFIELD PUBLIC LIBRARY, ILLINOIS

*Management's Discussion and Analysis - Unaudited*

*For the Year Ended April 30, 2021*

## Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Library's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

## Notes to the financial statements

Notes to the financial statements provide additional information that is essential to a full understanding of the information provided in the basic financial statements. Required supplementary information consists of more detailed data on budget to actual revenues and expenditures.

## Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Library's progress in meeting its obligation to provide as fully adequate as possible services to its residents.

The Library adopts an annual budget for all funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

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As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Library, assets and deferred outflows exceeded liabilities and deferred inflows by \$451,158 at April 30, 2021.

Of the Library's net position, \$470,541 reflects its investment in capital assets (e.g., land, construction in progress, buildings, systems and equipment); less any related outstanding debt used to acquire those assets. The Library uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Library's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis - Unaudited

For the Year Ended April 30, 2021

An additional portion of the Library's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$20,732) may be used to meet the Library's ongoing obligations to citizens and creditors.

The Library's net position increased by \$19,570 during the year ended April 30, 2021.

## Winfield Public Library's Net Position

	<u>4/30/2021</u>
Current and Other Assets	\$ 1,320,067
Fixed Assets	<u>1,085,541</u>
<b>Total Assets</b>	<b><u><u>\$ 2,405,608</u></u></b>
<b>Deferred Outflows - IMRF</b>	<b><u>\$ 123,312</u></b>
Bonds Payable	\$ 615,000
Other Liabilities	<u>212,387</u>
<b>Total Liabilities</b>	<b><u>827,387</u></b>
<b>Deferred Inflows - Property Taxes</b>	953,491
<b>Deferred Inflows - IMRF</b>	<u>296,884</u>
<b>Total Deferred Inflows</b>	<b><u>1,250,375</u></b>
Net Position:	
Net Investment in Capital Assets	470,541
Restricted - Net Position	4,349
Unrestricted - Net Position	<u>(20,732)</u>
<b>Total Liabilities</b>	<b><u><u>\$ 454,158</u></u></b>

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis - Unaudited

For the Year Ended April 30, 2021

## Governmental activities

Governmental activities increased the Library's net position by \$19,570. Key elements of the increase to net position by governmental activities are as follows:

### Winfield Public Library Changes in Net Position

	<u>4/30/2021</u>
<b>Revenues</b>	
Program Revenues:	
Program Receipts	\$ 6,364
Operating grants and contributions	18,380
General Revenues:	
Property taxes	924,284
Other	1
Interest	413
<b>Total Revenues</b>	<u>949,442</u>
<b>Expenses</b>	
General Government	907,182
Debt Service	22,690
<b>Total Expenses</b>	<u>929,872</u>
<b>Increase/(Decrease) in Net Position</b>	19,570
<b>Net Position - Beginning of Year</b>	<u>431,588</u>
<b>Net Position - End of Year</b>	<u>\$ 451,158</u>

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis - Unaudited

For the Year Ended April 30, 2021

## 2021 REVENUES

ROUNDED TO NEAREST PERCENT

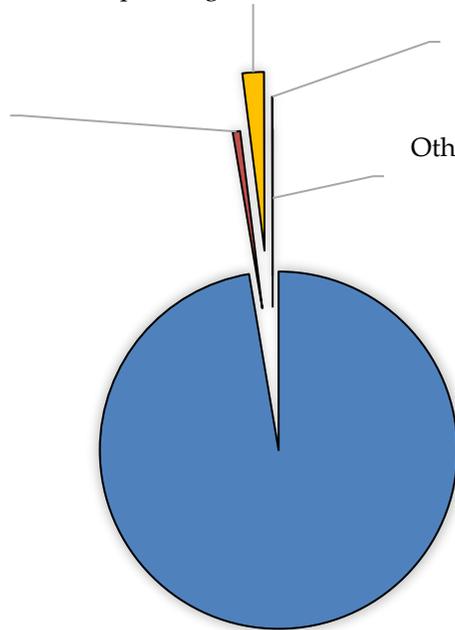
Charges for Services, \$6,364 , 1%

Operating Grants, \$18,380 , 2%

Investment Income, \$413 , 0%

Other Income, \$1 , 0%

Property Tax, \$924,284 ,  
97%

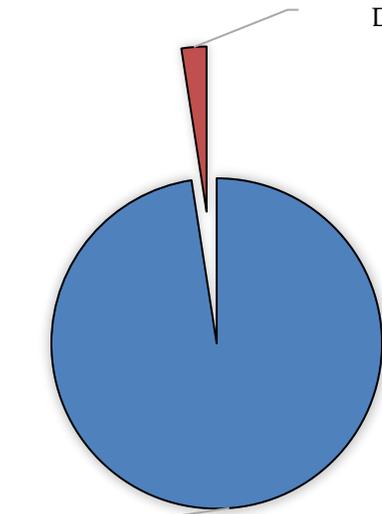


## 2021 EXPENSES

ROUNDED TO NEAREST PERCENT

General Government,  
\$907,182 , 98%

Debt Service, \$22,690 , 2%



# WINFIELD PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis - Unaudited

For the Year Ended April 30, 2021

## FINANCIAL ANALYSIS OF THE LIBRARY'S FUNDS

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

### Governmental funds

The focus of the Library's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Library's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Library's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the Library. At April 30, 2021, the fund balance of the General Fund was \$335,744. This represents an increase of \$2,019 compared to the prior fiscal year.

### General Fund Budgetary Highlights

There were no differences between the original budget and the final budget for the year ended April 30, 2021. Total differences between the final amended budget and the actual revenues and expenditures are summarized as follows:

- The General Fund actual expenditures were less than estimated expenditures by \$1,070,352.

## FIXED ASSETS

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The Library's fixed assets for its governmental activities as of April 30, 2021 amount to \$1,085,541 (net of accumulated depreciation). This investment in fixed assets includes land, buildings, furniture, fixtures, and equipment.

Major capital asset events during the current fiscal year included the following:

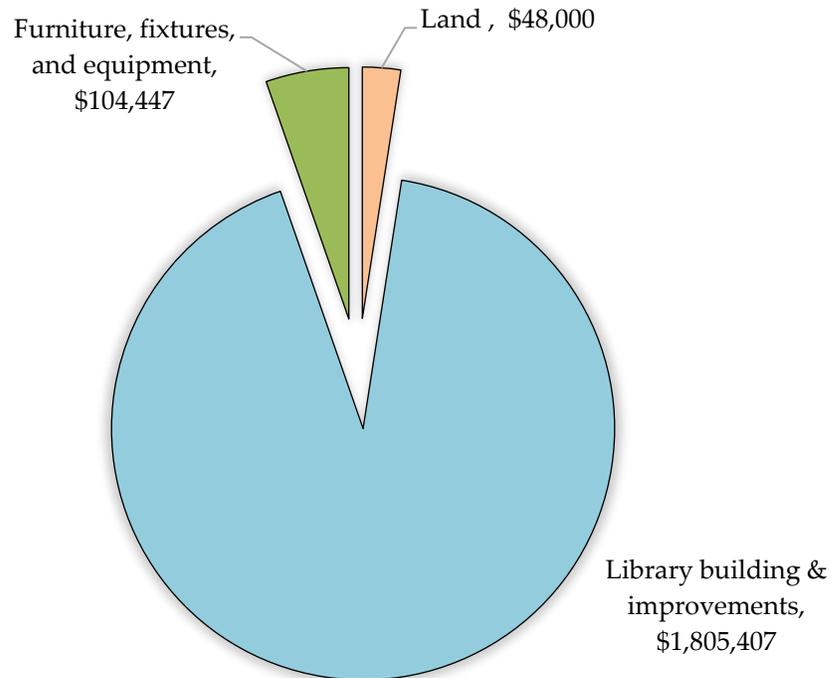
	Balance May 1, 2020	Additions	Balance April 30, 2021
Land	\$ 48,000	\$ -	\$ 48,000
Library building & improvements	1,805,407	-	1,805,407
Furniture, fixtures, and equipment	104,447	-	104,447
<b>Total</b>	<b>1,957,854</b>	<b>-</b>	<b>1,957,854</b>
Accumulated depreciation	798,651	73,662	872,313
<b>Net Assets</b>	<b>\$ 1,159,203</b>	<b>\$ (73,662)</b>	<b>\$ 1,085,541</b>

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis - Unaudited

For the Year Ended April 30, 2021

## CAPITAL ASSETS, AT COST



# WINFIELD PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis - Unaudited

For the Year Ended April 30, 2021

## ECONOMIC FACTORS AND PROPERTY TAXES

The equalized assessed valuation (EAV) of the Library for 2020 is \$410,633,401. That represents an increase in EAV of \$18,046,62 over the prior year's EAV. Taxes recorded in these financial statements are distributions received from the second half of the 2018 levy and the first half of the 2019 levy. A summary of the assessed valuations and extensions for tax years 2020, 2019, and 2018 is as follows:

### ASSESSED VALUATIONS, EXTENDED TAX RATE PERCENTAGE ALLOCATIONS, EXTENDED TAX RATES AND TAX EXTENSIONS

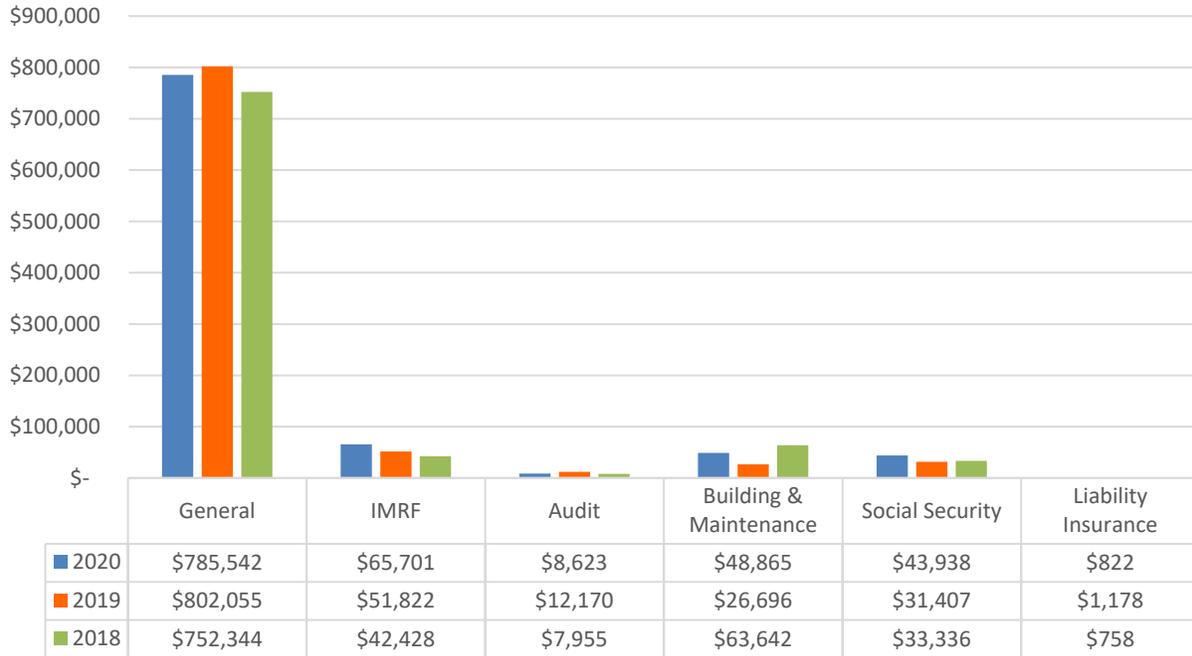
TAX LEVY YEAR	2020		2019		2018	
<b>Assessed Valuation</b>						
Dupage County	\$	410,633,401	\$	392,587,339	\$	378,823,420
<b>Tax Rates and Percentage Allocations by Fund</b>						
<b>Funds</b>	<b>Rate</b>	<b>Percentage</b>	<b>Rate</b>	<b>Percentage</b>	<b>Rate</b>	<b>Percentage</b>
General	0.1913	82.39	0.2043	86.67	0.1986	83.56
IMRF	0.0160	6.89	0.0132	5.60	0.0112	4.71
Audit	0.0021	0.90	0.0031	1.32	0.0021	0.88
Building and maintenance	0.0119	5.12	0.0068	2.89	0.0168	7.07
Liability Insurance	0.0002	0.09	0.0003	0.13	0.0002	0.08
Social Security	0.0107	4.61	0.0080	3.39	0.0088	3.70
<b>Totals</b>	<b>0.2322</b>	<b>100.00</b>	<b>0.2357</b>	<b>100.00</b>	<b>0.2377</b>	<b>100.00</b>
<b>Property Tax Extensions</b>						
<b>Funds</b>	<b>2020</b>		<b>2019</b>		<b>2018</b>	
General	\$	785,542	\$	802,055	\$	752,344
IMRF		65,701		51,822		42,428
Audit		8,623		12,170		7,955
Building and maintenance		48,865		26,696		63,642
Liability Insurance		822		1,178		758
Social Security		43,938		31,407		33,336
<b>Totals</b>	<b>\$</b>	<b>953,491</b>	<b>\$</b>	<b>925,328</b>	<b>\$</b>	<b>900,463</b>

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis - Unaudited

For the Year Ended April 30, 2021

## Property Tax Extensions



### Description of Current or Expected Conditions

Currently, management is not aware of any other significant changes in conditions that could have a significant effect on the financial position or results of activities of the Library in the near future. However, management continues to monitor items that may impact future receipts, especially noting a potential decline in state funds as well as losses due to the tax cap.

### Requests for Information

This financial report is designed to provide a general overview of the Library's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Library Director, Winfield, IL.

# BASIC FINANCIAL STATEMENTS

# WINFIELD PUBLIC LIBRARY, ILLINOIS

## Statement of Net Position - Government-wide

April 30, 2021

<b>Assets</b>		
Cash, at cost		\$ 365,111
Property Tax Receivable		953,491
Prepays		1,465
Fixed Assets		1,085,541
<b>Total Assets</b>		<b>\$ 2,405,608</b>
<b>Deferred Outflows</b>		
IMRF Pension Fund		\$ 123,312
<b>Total Deferred Outflows</b>		<b>\$ 123,312</b>
<b>Liabilities</b>		
Accounts Payable and Accruals		\$ 11,779
Accrued Payroll & Taxes		19,053
Bonds Payable - current portion		40,000
Bonds Payable - noncurrent		575,000
Unamortized Bond Premium		22,648
Deferred Compensation - noncurrent		43,840
Net Pension Liability - IMRF		97,709
Net OPEB Liability		17,358
<b>Total Liabilities</b>		<b>827,387</b>
<b>Deferred Inflows</b>		
Property Taxes		953,491
IMRF Pension Fund		296,884
<b>Total Deferred Inflows</b>		<b>1,250,375</b>
<b>Net Position</b>		
Net Investment in Capital Assets		470,541
Restricted		4,349
Unrestricted		(23,732)
<b>Total Net Position</b>		<b>\$ 451,158</b>

The accompanying notes are an integral part of these financial statements.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

## Statement of Activities and Changes in Net Position - Government-wide

For the Year Ended April 30, 2021

Functions/Programs	Program Revenues			Net Revenue (Expense)/Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
General Government	\$ 907,182	\$ 6,364	\$ 18,380	\$ (882,438)
Debt Service - interest payments	22,690	-	-	(22,690)
<b>Total Governmental Activities</b>	<b>\$ 929,872</b>	<b>\$ 6,364</b>	<b>\$ 18,380</b>	<b>(905,128)</b>
<b>General Revenues</b>				
				924,284
				414
				<b>924,698</b>
				19,570
				431,588
				<b>\$ 451,158</b>
				Changes in Net Position
				Net Position Beginning of Year
				<b>Total Net Position</b>

The accompanying notes are an integral part of these financial statements.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Combined Balance Sheet - Governmental Funds

April 30, 2021

	<u>General</u>
<b>Assets</b>	
Cash and investments, at cost	\$ 365,111
Prepays	1,465
Property tax receivable	953,491
<b>Total Assets</b>	<u>\$ 1,320,067</u>
<b>Liabilities</b>	
Accounts payable	\$ 11,779
Accrued payroll	19,053
<b>Total Liabilities</b>	<u>30,832</u>
<b>Deferred Inflows - property taxes</b>	<u>953,491</u>
<b>Fund Balance</b>	
Nonspendable	-
Restricted - Audit	4,716
Restricted - Building and Maintenance	18,692
Restricted - Liability Insurance	1,107
Restricted - IMRF	12,996
Restricted - Social Security	22,089
Restricted - Special Reserve	4,349
Committed	-
Assigned	-
Unassigned	271,795
<b>Total Fund Balance</b>	<u>335,744</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 1,320,067</u>

The accompanying notes are an integral part of these financial statements.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balance - Governmental Funds  
For the Year Ended April 30, 2021

	<b>Revenue</b>	<b>General</b>
Property taxes - current year		\$ 924,284
Fines and fees		6,364
Grants and gifts		18,380
Interest		414
<b>Total Revenue</b>		<b>949,442</b>
	<b>Expenditures</b>	
Salaries and benefits		606,120
Contractual services		36,174
Equipment		19,866
Materials		117,634
Operating expenses		10,323
Telecommunications		18,658
Library programs		16,993
Public Information		5,469
Grants and donations		4,263
Building and maintenance		35,400
Other capital investments		9,923
Debt service		66,600
<b>Total Expenditures</b>		<b>947,423</b>
<b>Net Change in Fund Balance</b>		<b>2,019</b>
<b>Balance, beginning of year</b>		<b>333,725</b>
<b>Total Fund Balance</b>		<b>\$ 335,744</b>

The accompanying notes are an integral part of these financial statements.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

## Reconciliation of the Governmental Fund Balance to the Statement of Net Position and the Statement of Activities and Changes in Net Position

For the Year Ended April 30, 2021

### Reconciliation of the Governmental Fund Balance to the Statement of Net Position

<b>Total Fund Balances - Total Governmental Funds</b>	\$ 335,744
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	1,085,541
Bond outstanding are not shown as liabilities in the funds	(637,648)
Net pension liability is not shown as a liability for funds	(115,067)
Deferred pension outflows/inflows are not shown as in the funds	(173,572)
Deferred compensation is not reported in the funds	(43,840)
<b>Net Position of Government</b>	<u>\$ 451,158</u>

### Reconciliation of the Governmental Fund Statement of Revenue, Expenditures, and Changes in Fund Balance to The Statement of Activities and Changes in Net Position

<b>Net Change in Fund Balance - Governmental Funds</b>	\$ 2,019
Amounts reported for governmental activities in the Statement of Revenues, Expenditures, and Changes in Fund Balance are different because:	
Depreciation is shown as an expense in the Statement of Activities and not in the governmental funds	(73,662)
Debt repayment is not an expense in the Statement of Activities but is an expense the in governmental funds	41,955
Deferred compensation increase is not recorded as an expense in governmental funds but is included in the Statement of Activities	(197)
Pension expense increase is not recorded as an expense in governmental funds but is included in the Statement of Activities	49,455
<b>Changes in Net Position</b>	<u>\$ 19,570</u>

The accompanying notes are an integral part of these financial statements.

NOTES TO THE BASIC  
FINANCIAL STATEMENTS

# WINFIELD PUBLIC LIBRARY, ILLINOIS

*Notes to The Basic Financial Statements*

*Year Ended April 30, 2021*

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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The accounting policies of Winfield Public Library conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the significant accounting policies:

In April 1999, the GASB issued Statement No. 34, Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments. Certain of the significant changes in the Statement include the following:

- A Management’s Discussion and Analysis (MD&A) section providing an analysis of the Library’s overall financial position and results of operations
- Financial statements prepared using modified accrual accounting for all of the Library’s activities
- A change in the fund financial statements to focus on the major funds

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

### REPORTING ENTITY -

The Library is located in the Winfield, Illinois and is governed by an elected board. The Library is primarily funded through a tax levy, fines and fees, and charitable donations. Revenue is used to operate and staff the Library. The accompanying general purpose financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. Based on the significance of any operational or financial relationships with the Library, they are considered a component unit of the Village of Winfield, Illinois.

### MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION -

The Library’s basic financial statements include both government-wide (reporting the Library as a whole) and fund financial statements (reporting the Library’s major funds).

### GOVERNMENT-WIDE FINANCIAL STATEMENTS -

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

The statement of net position includes and recognizes all long-term assets and receivables as well as long-term debt and obligations. The Library’s net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

*Notes to The Basic Financial Statements*

*Year Ended April 30, 2021*

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Statement of Activities and Changes in Net Position demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes (1) charges to library patrons who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meet the operational or capital requirements of a particular function or segment. Taxes and other items are not properly included among program revenues, and are reported instead as general revenue.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Library considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The primary sources of revenue are property taxes, state-shared revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the Library.

### **THE LIBRARY REPORTS THE FOLLOWING MAJOR GOVERNMENTAL FUNDS –**

The General Fund is the Library's primary operating fund. It accounts for all financial resources of the Library.

### **FINANCIAL STATEMENT AMOUNTS -**

Bank Deposits and Investments - The Library has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. The Library maintains a cash and investment pool which is available for use by the General and Special Revenue Funds.

The Library's investment policies are governed by state statutes. All funds are deposited in federally insured banks and savings and loans. The cash and investments reflected in the combined balance sheet consist of demand accounts and deposits in the Illinois Funds.

Receivables and Payables - In general, outstanding balances between funds are reported as "due to/from other funds." Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds."

All trade and property taxes receivable are shown net of an allowance for uncollectible amounts. Property taxes are levied on December 1st based on the taxable valuation of the property as of the preceding December 31st.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Notes to The Basic Financial Statements

Year Ended April 30, 2021

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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Capital Assets - Capital assets are defined by the Library as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost. Donated assets are reported at estimated fair market value at the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance is expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building and improvements	20-40 years
Equipment, furniture and fixtures	5-10 years

### COMPENSATED ABSENCES -

(Vacation and Sick Leave) - It is the Library's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. There is no liability for unpaid accumulated sick leave since the Library does not have a policy to pay any amounts when employees separate from service with the Library. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental fund - General Fund only for employee terminations as of year-end.

Long-term Obligations - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

Fund Equity - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designation of fund balance represents tentative management plans that are subject to change.

The Library has a pension plan covering substantially all the full-time employees and part-time employees working 1,000 or more hours per year. Employees are covered by the Illinois Municipal Retirement Fund.

The budget represents departmental appropriations as authorized by the Library's appropriation ordinance and includes revisions authorized by the Library Board to reflect changes in departmental programs. At April 30, 2020, unexpended appropriations of the budgetary funds (general fund and special revenue funds) automatically lapse. The budget is prepared on the modified accrual basis. The 2020-21 appropriations ordinance was adopted February 12, 2020.

### GOVERNMENTAL FUND BALANCES –

Fund Balance Classification - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Library is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

#### NONSPENDABLE –

This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The Library has classified no items as being Nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

*Notes to The Basic Financial Statements*

*Year Ended April 30, 2021*

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

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### GOVERNMENTAL FUND BALANCES – (CONCLUDED)

#### RESTRICTED –

This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the revenue note and are restricted through debt covenants.

#### COMMITTED –

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Library Board of Trustees. These amounts cannot be used for any other purpose unless the Library Board of Trustees removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Library did not have any committed resources as of April 30, 2021.

#### ASSIGNED –

This classification includes amounts that are constrained by the Library's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Library Board of Trustees or through the Library Board delegating this responsibility to the Library manager through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

#### UNASSIGNED –

This classification includes the residual fund balance for the General Fund and the amount established for minimum funding which represents the portion of the General Fund balance that has been established by the board and management, to be used for debt service or in emergency situations. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Library would typically use Restricted Fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

## NOTE 2 – CASH AND INVESTMENTS

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The Library's investment policies are governed by state statutes whereby Library money must be deposited in FDIC - insured banks located within the state. Permissible investments include demand accounts and certificates of deposits.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Notes to The Basic Financial Statements

Year Ended April 30, 2021

## NOTE 2 – CASH AND INVESTMENTS (CONCLUDED)

The Library's pooled and non-pooled deposits are categorized to give an indication of the level of risk assumed by the Library at April 30, 2021. The categories are described as follows:

- Category 1 Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3 Uncollateralized.

	Category			Bank Balance	Carrying Value
	1	2	3		
<b>Pooled deposits</b>					
Checking/Savings	\$ 158,959	\$ -	\$ -	\$ 158,959	\$ 145,557
Illinois Funds	-	-	-	219,554	219,554
<b>Totals</b>	<u>\$ 158,959</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 378,513</u>	<u>\$ 365,111</u>

## NOTE 3 – CHANGES IN FIXED ASSETS

Governmental Type Activities:	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable capital assets</b>				
Land	\$ 48,000	\$ -	\$ -	\$ 48,000
<b>Depreciable capital assets</b>				
Building	725,859	-	-	725,859
Building Improvements	1,079,548	-	-	1,079,548
Furniture & Equipment	104,447	-	-	104,447
<b>Total depreciable assets</b>	<u>1,909,854</u>	<u>-</u>	<u>-</u>	<u>1,909,854</u>
<b>Less accumulated depreciation</b>				
Building	532,908	46,026	-	578,934
Building Improvements	161,296	16,950	-	178,246
Furniture & Equipment	104,447	10,686	-	115,133
<b>Total depreciation</b>	<u>798,651</u>	<u>73,662</u>	<u>-</u>	<u>872,313</u>
<b>Total net depreciable capital assets</b>	<u>1,111,203</u>	<u>\$ (73,662)</u>	<u>\$ -</u>	<u>1,037,541</u>
<b>Total net capital assets</b>	<u>\$ 1,159,203</u>			<u>\$ 1,085,541</u>

# WINFIELD PUBLIC LIBRARY, ILLINOIS

*Notes to The Basic Financial Statements*

*Year Ended April 30, 2021*

## NOTE 4– DEFERRED COMPENSATION PLAN

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The Library maintains for its employees a deferred compensation plan structured and operated in accordance with the provisions of Internal Revenue Code 457. The plan, available to all Library employees, permits them to defer a portion of their salary until future years. The deferred compensation and accumulated earnings thereon are not available to employees until termination, retirement, death, or unforeseeable emergency.

The plan is fully funded by the Library as the deferred compensation is earned by employees. Payroll withholdings and payments to a trustee are accounted for in the Employees' Deferred Compensation Fund, an agency fund. The investments are held by the Library's Employees' Deferred Compensation Fund.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are, until paid or made available to the employee or other beneficiary, solely the property and rights of the Library and are not restricted to the provision of benefits under the plan. Plan assets are subject to the claims of the Library's general creditors. Participant's rights under the plan are equal to those of general creditors of the Library in an amount equal to the fair market value of the deferred amount for each participant.

In the Library's opinion, it has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. The Library believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

## NOTE 5 – ILLINOIS MUNICIPAL RETIREMENT

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### PROFILE OF IMRF –

Certain Library employees are participating members of the Illinois Municipal Retirement Fund, (IMRF) which is administered by the Village. Actuarial data related to only the Library employees is not available. The Library is required to contribute to IMRF. The information following pertains to the entire Village, although we have obtained limited breakouts of the Library portion. The amounts have been accrued in the government-wide financial statements. Library-only amounts have been disclosed where available.

### PLAN DESCRIPTION –

The Village's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Village's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

# WINFIELD PUBLIC LIBRARY, ILLINOIS

*Notes to The Basic Financial Statements*

*Year Ended April 30, 2021*

## NOTE 5 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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### FUNDING POLICY –

As set by statute, the Village’s Regular plan members are required to contribute 4.50 percent 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 Library’s contribution rate for calendar year 2020 was 13.81 percent of annual covered payroll. The Library 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Notes to The Basic Financial Statements

Year Ended April 30, 2021

## NOTE 5 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

### Executive Summary as of December 31, 2020

Actuarial Valuation Date	December 31, 2020
Measurement Date of the Net Pension Liability	December 31, 2020
Fiscal Year End	April 30, 2021

#### Membership

Number of	
-Retirees and Beneficiaries	44
-Inactive, Non-Retired Members	17
-Active Members	28
-Total	89
Covered Valuation Payroll*	\$ 1,980,602

#### Net Pension Liability

Total Pension Liability/(Assets)	\$ 11,947,994
Plan Fiduciary Net Position	11,459,449
Net Pension Liability/(Assets)	\$ 488,545
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	95.91%
Net Pension Liability as a Percentage of Covered Valuation Payroll	24.67%

#### Development of the Single Discount Rate as of December 31, 2020

Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate**	2.00%
Last year ending December 31 in the 2021 to 2120 projection period of which projected benefit payments are fully funded	2120
Resulting Single Discount Rate based on the above development	7.25%

Single Discount Rate calculated using December 31, 2019 Measurement Date 7.25%

**Total Pension Expense/(Income)** \$ 42,471

#### Deferred Outflows and deferred Inflows of Resources by Source to be recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 105,695	\$ 43,736
Changes in assumptions	52,866	131,550
Net Difference between projected and actual earnings on pension plan investments	458,000	1,309,133
<b>Total</b>	<b>\$ 616,561</b>	<b>\$ 1,484,419</b>

\*Source: \* Does not necessarily represent Covered Employee Payroll as defined in GASB Statement No. 68.

\*\* Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds are reported in Fidelity Index's "20-Year Municipal GO AA Index" as of December 31, 2020. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax exempt securities.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Notes to The Basic Financial Statements

Year Ended April 30, 2021

## NOTE 5 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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

For the year ended April 31, 2021, the Village recognized pension expense of \$42,471. At April 31, 2021, the Library reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

<b>Deferred Amounts Related to Pensions</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<i>Deferred Amounts to be Recognized in pension Expense in Future Periods</i>		
Difference between expected and actual experiences	\$ 21,139	\$ 8,747
Changes of assumptions	10,573	26,310
Net difference between projected and actual earnings on penion plan investments	91,600	261,827
Total Deferred Amounts to be recognized in penion expense in future periods	<u>\$ 123,312</u>	<u>\$ 296,884</u>
<b>Total Deferred Amounts Related to Pensions</b>	<u><u>\$ 123,312</u></u>	<u><u>\$ 296,884</u></u>

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

<b>Year Ending December 31</b>	<b>Net Deferred Outflows of</b>
2021	\$ (210,112)
2022	(162,574)
2023	(353,973)
2024	(141,199)
2025	-
Thereafter	-
Total	<u>\$ (867,858)</u>

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Notes to The Basic Financial Statements

Year Ended April 30, 2021

## NOTE 5 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

### Schedule of Changes in Net Pension Liability and Related Ratios

#### Current Period

Calendar Year Ended December 31, 2020

<b>A. Total pension liability</b>	
1. Service Cost	\$ 200,857
2. Interest on the Total Pension Liability	834,870
3. Changes of benefit terms	-
4. Difference between expected and actual experience of the Total Pension Liability	(63,557)
5. Changes in assumptions	(191,166)
6. Benefit payments, including refunds of employee contributions	(496,057)
7. Net change in total pension liability	\$ 284,947
8. Total pension liability - beginning	11,663,047
9. Total pension liability - ending	<u>\$ 11,947,994</u>
<b>B. Plan fiduciary net position</b>	
1. Contributions - employer	\$ 273,521
2. Contributions - employee	89,127
3. Net investment income	1,436,842
4. Benefit payments, including refunds of employee contributions	(496,057)
5. Other (Net Transfer)	17,557
6. Net change in plan fiduciary net position	\$ 1,320,990
7. Plan fiduciary net position - beginning	10,138,459
8. Plan fiduciary net position - ending	<u>\$ 11,459,449</u>
<b>C. Net pension liability/(asset)</b>	<u>\$ 488,545</u>
<b>D. Plan fiduciary net position as a percentage of the total pension liability</b>	95.91%
<b>E. Covered Valuation payroll</b>	\$ 1,980,602
<b>F. Net pension liability as a percentage of covered valuation payroll</b>	24.67%

### Sensitivity of Net Pension Liability/(Asset) to the Single Discount Rate

#### Assumption

	Current Single Discount		
	1% Decrease 6.25%	Rate Assumption 7.25%	1% increase 8.25%
Total Pension Liability	\$ 13,600,637	\$ 11,947,994	\$ 10,657,166
Plan Fiduciary Net Position	11,459,449	11,459,449	11,459,449
Net Pension Liability/(Asset)	<u>\$ 2,141,188</u>	<u>\$ 488,545</u>	<u>\$ (802,283)</u>

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Notes to The Basic Financial Statements

Year Ended April 30, 2021

## NOTE 5 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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### Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2020 Contribution Rate

**Valuation Date:**

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine 2020 Contribution Rates:**

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 23-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon a adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 18 years for most employers (two employers were financed over 27 years).
Asset Valuation Method	5-Year smoothed market, 20% corridor
Wage growth	3.25%
Price Inflation	2.50% - approximate; No explicit price inflation assumption is used in this valuation
Salary Increases	3.35% to 14.25% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**Other Information:**

Notes There were no benefit changes during the year.

\* Based on Valuation Assumptions used in December 31, 2018 actuarial valuation

# WINFIELD PUBLIC LIBRARY, ILLINOIS

*Notes to The Basic Financial Statements*

*Year Ended April 30, 2021*

## NOTE 5 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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### CALCULATION OF THE SINGLE DISCOUNT RATE

GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

### CALCULATION OF THE SINGLE DISCOUNT RATE

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. 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) 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 this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 2.00%; and the resulting single discount rate is 7.25%.

Expected Contributions are developed based on the following:

- Member Contributions for current members
- Normal Cost contributions for current members
- Unfunded Liability contributions for current and future members

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Notes to The Basic Financial Statements

Year Ended April 30, 2021

## NOTE 5 – ILLINOIS MUNICIPAL RETIREMENT (CONCLUDED)

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### Summary of Actuarial Methods and Assumptions Used in the Calculation of the Total Pension Liability

#### Methods and Assumptions Used to Determine Total Pension Liability:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	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.

#### Other Information:

Notes There were no benefit changes during the year.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2020 Illinois Municipal Retirement Fund Annual actuarial Valuation report.

## NOTE 6 – OTHER POST EMPLOYMENT BENEFITS

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### GENERAL INFORMATION ABOUT THE OPEB PLAN

The Library's Retiree Health Care Plan (OPEB Plan) is a single-employer defined benefit post-employment health care plan that covers eligible retired employees of the Library. The OPEB Plan, which is administered by the Village, allows employees who retire and meet retirement eligibility requirements under the applicable retirement plan to continue medical insurance coverage as a participant in the Village's OPEB plan. For purposes of applying Paragraph 4 under Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the OPEB Plan does not meet the requirements for an OPEB Plan administered through a trust.

Benefits Provided. RBP provides healthcare and dental benefits for retirees and their dependents. The retiree is responsible for the full costs of coverage. Dependent coverage ends at the same time as the retiree.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Notes to The Basic Financial Statements

Year Ended April 30, 2021

## NOTE 6 – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

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Plan Membership. As of April 30, 2021, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	-
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>5</u>
Total	<u>5</u>

### TOTAL OPEB LIABILITY

The Library's total OPEB liability was measured as of April 30, 2021, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the April 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

#### *Actuarial Assumptions and Other Inputs – Continued.*

Inflation	2.50%
Salary Increases	2.50%
Discount Rate	1.83%
Initial Trend Rate	7.50%
Ultimate Trend Rate	4.00%
Years to Ultimate	53

For all lives, mortality rates were PubG-2010 Mortality Tables projected to the valuation date using Projection Scale MP-2019.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Notes to The Basic Financial Statements

Year Ended April 30, 2021

## NOTE 6 – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

### CHANGE IN THE TOTAL OPEB LIABILITY

Balance at April 30, 2020	\$ 21,494
Changes for the Year:	
Service Cost	449
Interest on the Total Pension Liability	618
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	997
Changes of Assumptions or Other Inputs	(5,635)
Benefit Payments	(565)
Other Changes	-
Net Changes	<u>(4,136)</u>
Balance at April 30, 2021	<u>\$ 17,358</u>

Changes of assumptions reflect a change in the discount rate from 2.85% for the fiscal year ending April 30, 2020 to 1.83% for the fiscal year ending April 30, 2021. Also reflected as assumption changes are updated mortality rates, updated health care costs and premiums, and updated health care cost trend rates.

### SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the total OPEB liability, calculated using a Single Discount Rate of 3.21%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease 0.83%	Current Discount Rate 1.83%	1% Increase 2.83%
Total OPEB Liability (Asset)	\$ 19,914	\$ 17,358	\$ 15,185

### SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE HEALTHCARE COST TREND RATES:

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

	1% Decrease 3.00%-6.50%	Healthcare Cost Trend Rates 4.00%-7.50%	1% Increase 5.00%-8.50%
Total OPEB Liability (Asset)	\$ 15,141	\$ 17,358	\$ 19,938

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Notes to The Basic Financial Statements

Year Ended April 30, 2021

## NOTE 6 – OTHER POST EMPLOYMENT BENEFITS (CONCLUDED)

### SCHEDULE OF CHANGES IN THE LIBRARY'S TOTAL OPEB LIABILITY AND RELATED RATIOS

Reporting Period Ending	4/30/2021	4/30/2020
Measurement Date	<u>4/30/2021</u>	<u>4/30/2020</u>
<b>Total OPEB Liability</b>		
Service Cost	\$ 449	\$ 408
Interest	618	645
Differences between Expected and Actual Experience	997	-
Changes of benefit terms	-	-
Changes of Assumptions	(5635)	1,018
Benefit Payments	<u>(565)</u>	<u>(523)</u>
Net Change in Total OPEB Liability	(4,136)	1,548
Total OPEB Liability - Beginning	<u>21,494</u>	<u>19,946</u>
Total OPEB Liability - Ending	<u>\$ 17,358</u>	<u>\$ 21,494</u>
Covered Employee Payroll	\$ 313,039	\$ 298,767
Total OPEB Liability as a percentage of Covered Employee Payroll	5.54%	7.19%

#### Notes to Schedule:

##### *Changes of assumptions:*

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending April 30, 2021:	1.83%
Fiscal Year Ending April 30, 2020:	2.85%
Fiscal Year Ending April 30, 2019:	3.21%

Also reflected as assumption changes are updated mortality rates, updated health care costs and premiums, and updated health care cost trend rates.

##### *Benefit Payments:*

The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on April 30, 2021. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

Notes to The Basic Financial Statements

Year Ended April 30, 2021

## NOTE 7 – GENERAL OBLIGATION BONDS

The Library has issued general obligation debt certificates to provide funds to alter, repair, improve and equip the Winfield Public Library Building.

Long-term liability activity for the year ended April 30, 2021 follows:

	Balance May 1, 2020	Additions	Retirements	Balance April 30, 2021	Amounts Due Within One Year
<b>Governmental Activities: Long-Term Debt</b>					
2013 Series Debt Certificates	\$ 655,000	\$ -	\$ 40,000	\$ 615,000	\$ 40,000
<b>Total Long-Term Debt</b>	655,000	-	40,000	615,000	40,000
<b>Other Long Term Liabilities</b>					
Compensated Absences	43,643	-	-	43,643	-
<b>Total Governmental Long Term Obligations</b>	<u>\$ 698,643</u>	<u>\$ -</u>	<u>\$ 40,000</u>	<u>\$ 658,643</u>	<u>\$ 40,000</u>
	Maturity Dates	Interest Rates	Face Amount	Carrying Amount	
<b>Long-term liabilities at April 30, 2021</b>					
<b>Governmental Activities:</b>					
2013 Series Debt Certificates	4/30/2033	Variable	\$ 920,000	\$ 615,000	

### Debt Certificates Series Dated March 20, 2013

Fiscal Year Ended Date	Outstanding April 30, 2021	
	Principal	Interest
4/30/2022	40,000	24,600
4/30/2023	40,000	23,000
4/30/2024	45,000	21,400
4/30/2025	45,000	19,600
4/30/2026	50,000	17,800
4/30/2027	50,000	15,800
4/30/2028	50,000	13,800
4/30/2029	55,000	11,800
4/30/2030	55,000	9,600
4/30/2031	60,000	7,400
4/30/2032	60,000	5,000
4/30/2033	65,000	2,600
	<u>\$ 615,000</u>	<u>\$ 172,400</u>

# WINFIELD PUBLIC LIBRARY, ILLINOIS

*Notes to The Basic Financial Statements*

*Year Ended April 30, 2021*

## NOTE 8 – FUND BALANCE

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The Library has adopted GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

### NONSPENDABLE –

Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

### RESTRICTED –

Amounts that can be spent only for specific purposes because of the Library Charter, Library Code, state or federal laws, or externally imposed conditions by grantors or creditors.

### COMMITTED –

Amounts that can be used only for specific purposes determined by a formal action by the Library Board of Trustees ordinance or resolution. This includes the budget reserve account.

### ASSIGNED –

Amounts that are designated by the Library manager for a specific purpose but are not spendable until a budget ordinance is passed by the Library Board of Trustees.

### UNASSIGNED –

All amounts not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Combined Balance Sheet. As discussed in Note 1, restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted or the Assignment has been changed by the Library management. Decreases to fund balance first reduce Unassigned Fund balance. In the event that Unassigned Fund Balance becomes zero, then Assigned and Committed Fund Balances are used in that order.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

*Notes to The Basic Financial Statements*

*Year Ended April 30, 2021*

## NOTE 9 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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As of these financial statements, the Library has adopted GASB Statement No. 65 & 68, which redefined how certain financial statement elements are presented in the statement of financial position. The elements are classified as follows:

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows reported in the government-wide statements are for future outflows relating to the IMRF pension in the amount of \$123,312.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources and expenses. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of \$1,250,375 reported in the government-wide statements are for unavailable revenues from property taxes and IMRF pension activity.

## NOTE 10 – RISK MANAGEMENT

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Significant losses are covered by commercial insurance for all major programs. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

## NOTE 11 – CONTINGENCIES

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The Library is not aware of any pending litigation or potential non-disclosed liabilities that management believes would have a material adverse effect on the financial statements.

## NOTE 11 – SUBSEQUENT EVENTS

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Subsequent events are events or transactions that occur after the Statement of Net Position date but before the financial statements are issued, or are available to be issued. There are two types of subsequent events: recognized (events that relate to conditions present at the balance sheet date) and non-recognized (events or conditions that did not exist at the balance sheet date but arose after that date).

There have been no other recognized or non-recognized subsequent events that have occurred between April 30, 2021 and the date of this audit report requiring disclosure in the financial statements.

## REQUIRED SUPPLEMENTARY INFORMATION

# WINFIELD PUBLIC LIBRARY, ILLINOIS

General Fund - Schedule of Expenditures - Budget and Actual

For the Year Ended April 30, 2021

	Appropriations		Actual
	Original	Final	Amounts
<b>Salaries</b>			
Professional staff	\$ 350,000	\$ 350,000	\$ 284,953
Support staff	250,000	250,000	176,543
Temporary staff	10,000	10,000	-
Unemployment insurance	2,000	2,000	764
Worker's compensation insurance	5,000	5,000	1,060
Employee health insurance	70,000	70,000	53,084
IMRF	65,000	65,000	54,652
Payroll taxes	45,000	45,000	35,064
Contingency	2,000	2,000	-
<b>Total Salaries</b>	<b>799,000</b>	<b>799,000</b>	<b>606,120</b>
<b>Contractual Services</b>			
Accounting services	10,000	10,000	7,030
Audit	15,000	15,000	9,845
Legal service	6,000	6,000	900
Service contracts	15,000	15,000	2,755
Officer's bond	1,000	1,000	1,000
Liability insurance	5,000	5,000	983
Property insurance	12,000	12,000	7,595
Payroll services	4,000	4,000	2,353
Security	2,500	2,500	1,020
Contingency	3,000	3,000	623
Computer maintenance	10,000	10,000	2,070
<b>Total Contractual Services</b>	<b>83,500</b>	<b>83,500</b>	<b>36,174</b>
<b>Equipment</b>			
Furniture and fixtures	10,000	10,000	-
Office and Computers	20,000	20,000	9,479
Buildings and sites	500	500	-
Equipment/Digital services	10,000	10,000	10,387
<b>Total Equipment</b>	<b>40,500</b>	<b>40,500</b>	<b>19,866</b>
<b>Materials</b>			
Adult books	42,000	42,000	27,760
Children's books	30,000	30,000	12,573
Young adult books	8,000	8,000	3,920
Reference	10,000	10,000	-
E-book	20,000	20,000	16,100
Adult AV	20,000	20,000	9,474
Children's AV	9,000	9,000	2,308

# WINFIELD PUBLIC LIBRARY, ILLINOIS

General Fund - Schedule of Expenditures - Budget and Actual

For the Year Ended April 30, 2021

	Appropriations		Actual
	Original	Final	Amounts
<b>Materials (continued)</b>			
Young adult AV	\$ 2,000	\$ 2,000	\$ 222
Adult periodicals	15,000	15,000	8,328
Youth periodicals	1,500	1,500	804
Young adult periodicals	1,000	1,000	229
Professional collections	5,000	5,000	20
Binding and microforms	1,000	1,000	-
Electronic resources	50,000	50,000	31,627
Book AV leasing	15,000	15,000	4,269
Circulation equipment	5,000	5,000	-
<b>Total Materials</b>	<b>234,500</b>	<b>234,500</b>	<b>117,634</b>
<b>Operating Expenses</b>			
Processing supplies	15,000	15,000	7,786
Copies supplies	4,000	4,000	-
Continuing education	10,000	10,000	-
Legal notices	2,000	2,000	336
Postage	2,000	2,000	459
Dues and memberships	2,000	2,000	840
Lost Books	1,000	1,000	52
Cataloging expenses	1,000	1,000	427
Interlibrary loan	1,000	1,000	278
Contingency	1,000	1,000	145
<b>Total Operating Expenses</b>	<b>39,000</b>	<b>39,000</b>	<b>10,323</b>
<b>Telecommunications</b>			
Internet	15,000	15,000	10,819
Telephone	8,000	8,000	7,839
<b>Total Telecommunications</b>	<b>23,000</b>	<b>23,000</b>	<b>18,658</b>
<b>Library Programs</b>			
Story hour	2,500	2,500	376
Youth summer reading	10,000	10,000	5,283
Youth programs	5,000	5,000	2,371
YA summer reading	5,000	5,000	2,838
Young adult programs	2,000	2,000	582
Adult summer reading	5,000	5,000	2,099
Adult programs	5,000	5,000	3,444
<b>Total Library Programs</b>	<b>34,500</b>	<b>34,500</b>	<b>16,993</b>

# WINFIELD PUBLIC LIBRARY, ILLINOIS

## General Fund - Schedule of Expenditures - Budget and Actual

For the Year Ended April 30, 2021

	Appropriations		Actual Amounts
	Original	Final	
<b>Public Information (concluded)</b>			
Newsletter	\$ 15,000	\$ 15,000	\$ 5,350
Printing	2,000	2,000	-
Advertising	1,000	1,000	119
<b>Total Public Information</b>	<b>18,000</b>	<b>18,000</b>	<b>5,469</b>
<b>Grants and Donations</b>			
Per Capita Grant	20,000	20,000	2,044
Prior year Per Capita Grant	12,275	12,275	2,219
Designated donations	25,000	25,000	-
Miscellaneous donations	5,000	5,000	-
Friends donations	20,000	20,000	-
Other grants	250,000	250,000	-
Designated for donations	25,000	25,000	-
<b>Total Grants and Donations</b>	<b>357,275</b>	<b>357,275</b>	<b>4,263</b>
<b>Building and Maintenance</b>			
Building and maintenance	75,000	75,000	21,287
Outside maintenance	20,000	20,000	10,976
Equipment maintenance	20,000	20,000	2,663
Contingency	15,000	15,000	474
<b>Total Building and Maintenance</b>	<b>130,000</b>	<b>130,000</b>	<b>35,400</b>
<b>Other Capital Investments</b>			
Repairs and replacements	35,000	35,000	-
Access improvements	100,000	100,000	-
Parking improvements	10,000	10,000	9,923
<b>Total Other Capital Investments</b>	<b>145,000</b>	<b>145,000</b>	<b>9,923</b>
<b>Debt Service</b>			
Debt payments	93,000	93,000	66,200
Bond fees	500	500	400
<b>Total Debt Service</b>	<b>93,500</b>	<b>93,500</b>	<b>66,600</b>
<b>Special Reserve</b>	<b>20,000</b>	<b>20,000</b>	<b>-</b>
<b>Total Expenditures General Fund</b>	<b>\$ 2,017,775</b>	<b>\$ 2,017,775</b>	<b>\$ 947,423</b>

**WINFIELD PUBLIC LIBRARY, ILLINOIS**  
**Schedule of Required Supplemental Information**  
**Multi-year Schedule of Changes in Net Pension Liability and Related Ratios**  
**Last 10 Calendar Years**

*(Schedule to be built prospectively from 2015)*

Village of Winfield Totals Calendar Year Ending	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Total Pension Liability</b>										
Service Cost	\$ 200,857	\$ 193,928	\$ 178,972	\$ 185,900	\$ 190,858	\$ 182,324				
Interest on the Total Pension Liability	834,870	786,787	736,547	718,217	694,802	646,122				
Benefit Changes	-	-	-	-	-	-				
Difference between Expected and Actual Experience	(63,557)	164,732	228,208	129,442	(199,478)	169,067				
Assumption Changes	(191,166)	-	356,580	(358,355)	(41,339)	13,705				
Benefit Payments and Refunds	(496,057)	(475,349)	(477,004)	(377,679)	(357,057)	(347,419)				
<b>Net Change in Total Pension Liability</b>	284,947	670,098	1,023,303	297,525	287,786	663,799				
<b>Total Pension Liability - Beginning</b>	11,663,047	10,992,949	9,969,646	9,672,121	9,384,335	8,720,536				
<b>Total Pension Liability - Ending (a)</b>	\$ 11,947,994	\$ 11,663,047	\$ 10,992,949	\$ 9,969,646	\$ 9,672,121	\$ 9,384,335				
<b>Plan Fiduciary Net Position</b>										
Employer Contributions	273,521	213,721	235,224	238,414	232,388	237,809				
Employee Contributions	89,127	85,947	82,761	80,485	78,041	78,977				
Pension Plan Net Investment Income	1,436,842	1,604,262	(461,721)	1,363,995	517,202	36,556				
Benefit Payments and Refunds	(496,057)	(475,349)	(477,004)	(377,679)	(357,057)	(347,419)				
Other	17,557	72,815	135,887	(98,492)	53,698	58,427				
<b>Net Change in Plan Fiduciary Net Position</b>	1,320,990	1,501,396	(484,853)	1,206,723	524,272	64,350				
<b>Plan Fiduciary Net Position - Beginning</b>	10,138,459	8,637,063	9,121,916	7,915,193	7,390,921	7,326,571				
<b>Plan Fiduciary Net Position - Ending (b)</b>	\$ 11,459,449	\$ 10,138,459	\$ 8,637,063	\$ 9,121,916	\$ 7,915,193	\$ 7,390,921				
<b>Net Pension Liability/(Asset) - Ending (a) - (b)</b>	488,545	1,524,588	2,355,886	847,730	1,756,928	1,993,414				
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	95.91%	86.93%	78.57%	91.50%	81.84%	78.76%				
<b>Covered Valuation Payroll</b>	\$ 1,980,602	\$ 1,909,927	\$ 1,839,133	\$ 1,788,556	\$ 1,729,077	\$ 1,755,047				
<b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>	24.67%	79.82%	128.10%	47.40%	101.61%	113.58%				

**WINFIELD PUBLIC LIBRARY, ILLINOIS**  
**Schedule of Required Supplemental Information**  
**Multi-year Schedule of Contributions**  
**Last 10 Calendar Years**

**Village of Winfield Totals**

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 237,809	\$ 237,809	-	\$ 1,755,047	13.55%
2016	\$ 232,388	\$ 232,388	-	\$ 1,729,077	13.44%
2017	\$ 238,415	\$ 238,414	1	\$ 1,788,556	13.33%
2018	\$ 235,225	\$ 235,224	1	\$ 1,839,133	12.79%
2019	\$ 213,721	\$ 213,721	-	\$ 1,909,927	11.19%
2020	\$ 273,521 *	\$ 273,521	-	\$ 1,980,602	13.81%

\* Estimated based on a contribution rate of 13.81% and covered valuation payroll of \$1,980,602.

NOTES TO REQUIRED  
SUPPLEMENTARY INFORMATION

# WINFIELD PUBLIC LIBRARY, ILLINOIS

## *Notes to Required Supplemental Information*

*Year Ended April 30, 2021*

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

Under the modified accrual basis of accounting, revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However; expenditures relating to compensated absences, debt service expenditures, and claims and judgments are recognized only when payment is due.

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 Library procedures in establishing the budgetary data reflected in the General Fund Financial Statements are presented below:

- Prior to July 15<sup>th</sup> the Library Board receives a proposed operating budget (appropriation ordinance) for the fiscal year commencing on preceding May 1<sup>st</sup>. 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 July 30<sup>th</sup>.
- The Library Treasurer with Board review and approval 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 passed on February 12, 2020 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.
- 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.

# WINFIELD PUBLIC LIBRARY, ILLINOIS

*Notes to Required Supplemental Information*

*Year Ended April 30, 2021*

- Expenditures cannot legally exceed appropriations at the fund level.
- All appropriations lapse at year-end.