

VILLA PARK PUBLIC LIBRARY, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2020

VILLA PARK PUBLIC LIBRARY, ILLINOIS

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FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

June 25, 2021

Members of the Board of Trustees
Villa Park Public Library
Villa Park, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Villa Park Public Library, Illinois, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Villa Park Public Library, Illinois, as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Villa Park Public Library, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information and supplemental 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 other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

As the management of the Villa Park Public Library (the "Library"), we offer readers of the Library's financial statements this narrative overview and analysis of the financial activities of the Library for the year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the Library's Financial Statements.

This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Library's financial activity, (3) identify changes in the Library'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.

USING THE FINANCIAL SECTION OF THIS ANNUAL REPORT

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 focus of the *Statement of Net Position* presents information on all of the Library's assets and deferred outflows and liabilities and deferred inflows, with the difference reported as net position. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus. 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 the 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., earned but unused compensated absences).

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

Fund Financial Statements

Fund financial statements will be more familiar to traditional users of governmental financial statements. The focus of the presentation is on major funds rather than fund types. 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.

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 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 government's near-term financing decisions. Both the governmental fund *Balance Sheet* and the governmental fund *Statement of Revenues, Expenditures, and Changes in Fund Balance* provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Library maintains four governmental funds. The General Fund is used to account for all of the Library's general activities not accounted for in another fund. The Special Reserve Fund is used to account for resources restricted to capital improvements at the Library. The Bond Proceeds Fund is used to account for resources restricted from the issuance of bonds for capital improvements. The Debt Service Fund is used to account for resources restricted for the repayment of the principal and interest on the bonds.

The Library adopts an annual budget for each of its governmental funds, as well as adopting an annual appropriation.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Library's I.M.R.F. employee pension liability and budgetary comparison schedule for the General Fund.

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

GOVERNMENT-WIDE STATEMENTS

Net Position

The Library changed its fiscal year to December 31 as of December 31, 2018. Therefore, certain comparisons are not as relevant in this years MD&A. The following table reflects the condensed Statement of Net Position as of December 31, 2020 and December 31, 2019.

Table 1
Statement of Net Position - Comparative Summaries

	December 31, 2020	December 31, 2019
Assets and Deferred Outflows		
Current and Other Assets	\$ 8,271,435	9,330,229
Capital Assets	11,148,033	10,554,715
Total Assets	19,419,468	19,884,944
Deferred Outflows	95,444	139,230
Total Assets/Deferred Outflows	19,514,912	20,024,174
Liabilities and Deferred Inflows		
Current Liabilities	733,792	1,723,122
Non-Current Liabilities	9,920,126	10,966,852
Total Liabilities	10,653,918	12,689,974
Deferred Inflows	3,647,042	2,609,691
Total Liabilities/Deferred Inflows	14,300,960	15,299,665
Net Position		
Net Investment in Capital Assets	1,590,917	1,918,593
Restricted - IMRF	23,776	108,490
Projects	1,835,312	566,991
Restricted - Debt Service	23,886	23,710
Unrestricted (Deficit)	1,740,061	2,106,725
Total Net Position	5,213,952	4,724,509

The Library's net position increased by \$489,443 during the year. The main reason for this is the significant capital project for the library renovation and was recorded as construction in progress. For more detailed information, see the Statement of Net Position.

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

GOVERNMENT-WIDE STATEMENTS (Continued)

Activities

The following table summarizes the revenue and expenses of the Library's activities for the eight months ended December 31, 2020 compared to the year ended December 31, 2019.

Table 2
Changes in Net Position

Governmental Activities

	December 31, 2020	December 31, 2019
Revenues		
Program Revenues		
Charges for Services	\$ 27,086	42,706
Operating Grants/Contrib.	37,469	420,271
General Revenues		
Property Taxes	2,235,748	3,002,843
Replacement Taxes	56,871	63,632
Interest Income	49,387	240,744
Miscellaneous	9,865	25,508
Total Revenues	<u>2,416,426</u>	<u>3,795,704</u>
Expenses		
Public Library	1,545,601	1,964,070
Interest	381,382	395,673
Total Expenses	<u>1,926,983</u>	<u>2,359,743</u>
Change in Net Position	489,443	1,435,961
Net Position - Beginning	<u>4,724,509</u>	<u>3,288,548</u>
Net Position - Ending	<u>5,213,952</u>	<u>4,724,509</u>

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

FINANCIAL OVERVIEW - FUND LEVEL
VILLA PARK PUBLIC LIBRARY

REVENUE SOURCES

	<u>2020</u>
Local Property and Other Taxes	94.88%
Charges for Services	1.12%
Grants and Donations	1.55%
Miscellaneous	0.41%
Interest Income	2.04%
Total Revenue:	2,416,426

EXPENDITURES BY CATEGORY

	<u>2020</u>
Personnel Services	41.59%
Commodities	6.05%
Contractual Services	8.63%
Capital	18.74%
Debt Service	24.98%
Total Expenditures:	3,359,130

IMPACTS

Normal Impacts

Revenues

Property Tax Rate. The Library, based on its organization under Illinois statutes, approves an annual tax levy request which is forwarded to the Village of Villa Park Board of Trustees for final adoption. The Library's 2019 tax rate (property taxes received in the year ended December 31, 2020) was .3350 (plus .0083 for bond and interest). The decrease in the operating tax rate was caused by the increase in assessed valuation from \$608,972,058 for the 2019 tax year to \$655,522,290 for the 2020 tax year. The bond and interest tax rate was reduced due to the Library Board's determination to abate portions of the 2019 and 2020 Library Bond tax levies in the total amount of the bond premium received at the issuance of the library bonds in 2017 and 2018.

The Library's tax rate is limited by tax cap legislation. This means that the Library's taxes from year to year cannot increase more than the lesser of the cost of living adjustments as identified by the State of Illinois or 5%. The tax rate is based on the Equalized Assessed Valuation (EAV) of real property within the district, value of new construction within the district, and the CPI (all urban consumers).

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring.)

Certain recurring revenues (State per capita grant, State replacement taxes, etc.) may experience significant changes periodically while non-recurring or one-time grants are less predictable and often distort their impact on year-to-year comparisons.

Market impacts on investment income. The Library's investment portfolio is concentrated in local bank and money market funds similar to many other governments. Market conditions may cause investment income to fluctuate. Most funds are invested in the Illinois Funds and in local bank deposits and certificates of deposit accounts with PMA investments, which offer a competitive return, liquidity, and safety, as required by the Library's investment policy.

Expenses

Introduction of new programs. Within functional expense categories, individual programs may be added or deleted in order to meet the changing needs of the Library.

Changes in authorized personnel. Changes in service demand may cause the Library Board to increase or decrease staffing levels. Personnel costs are the Library's most significant operating cost.

Salary increases (annual adjustments). The ability to attract and retain quality personnel requires the Library to strive to have competitive salary ranges and pay practices.

Inflation. While overall inflation has increased slowly, some of the Library's functions and services may experience unusual commodity-specific increases.

Current Year Impacts

Revenues

For the year months ended December 31, 2020, revenues totaled \$2,416,426. Property taxes, the Library's largest single revenue source, amounted to \$2,235,748 representing 92.52% of total revenues. Property taxes decreased by \$767,095, a decrease of 25.55%. The 2019 levy was the first to include the voter approved referendum for the library renovation project. As mentioned previously, property taxes for bond and interest payments were reduced in 2020 due to the abatement of taxes in the amount of \$784,751.

Expenses

The Library's expenses were \$1,926,983 for the year ended December 31, 2020. As required by GASB Statement No. 34, the expense totals include depreciation expense of \$25,461 for governmental activities.

The Library had \$618,779 in capital expenditures this year that were capitalized on the statement of net position. This was due to the continuing of the renovation and expansion of the Library building.

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

FINANCIAL ANALYSIS OF THE LIBRARY'S FUNDS

As noted earlier, the Library uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As of December 31, 2020, the governmental funds had combined fund balances of \$4,893,750. The General Fund had a fund balance of \$3,034,552. This is a decrease of \$157,885 reflecting the General Fund is structurally in balance. The Library Board also approved a transfer of \$600,000 to the Special Reserve Fund to fund future capital projects. The ending fund balance of the Special Reserve Fund was \$1,166,991. During the year ended April 30, 2018, the Village issued General Obligation Bonds Series 2017C and 2018B for a total of \$10,600,000 to be used for renovation and expansion of the Library building. The Library created a new Capital Projects Fund, the Bond Proceeds Fund, that had an ending fund balance of \$668,321. This is a reduction from the prior year of \$1,384,995 related to the expenditures for the library expansion.

Table 3
General Fund Budgetary Highlights
For the Year Ended December 31, 2020

	<u>Final Budget</u>	<u>Actual</u>
Revenues		
Property Taxes	\$ 2,181,238	2,181,316
Replacement Taxes	40,000	56,871
Charges for Services	24,600	27,086
Grants and Donations	6,700	37,469
Interest Income	27,000	35,913
Miscellaneous	9,800	9,865
Total Revenues	<u>2,289,338</u>	<u>2,348,520</u>
Expenditures		
Personnel Services	1,542,900	1,397,230
Commodities	227,980	203,211
Contractual Services	392,200	290,022
Capital Outlay	41,259	15,942
Total Expenditures	<u>2,204,339</u>	<u>1,906,405</u>
Revenues over Expenditures	84,999	442,115
Transfers Out	—	(600,000)
Net Change in Fund Balance	<u>84,999</u>	<u>(157,885)</u>

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

FINANCIAL ANALYSIS OF THE LIBRARY'S FUNDS (Continued)

The 2020 budget had one amendment during the year. General Fund revenues concluded the year over the budgeted amount by \$59,182. This was mainly due to a significant unanticipated donation. Expenditures were below the final budgeted amount by \$297,934. This result was accomplished through close monitoring of expenditures by management.

Capital Assets

The following schedule reflects the Library's capital asset balances as of December 31, 2020:

Table 4
Capital Assets
As of December 31, 2020

Capital Assets Not Being Depreciated	
Land	\$ 361,490
Capital Assets Being Depreciated	
Buildings and Improvements	10,876,619
Equipment	902,837
Total Capital Assets Being Depreciated	<u>11,779,456</u>
Less accumulated depreciation for	
Buildings and Improvements	709,935
Equipment	282,978
Total Accumulated Depreciation	<u>992,913</u>
Total Capital Assets Being Depreciated, Net	<u>10,786,543</u>
Governmental Activity - Library Capital Assets, Net	<u><u>11,148,033</u></u>

At year-end, the Library's net investment in capital assets (net of accumulated depreciation) for its governmental-type activities was \$11,148,033. There was \$618,779 of capital asset additions during the year. See Note 3 for further information regarding capital assets.

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

FINANCIAL ANALYSIS OF THE LIBRARY'S FUNDS (Continued)

Long-Term Debt

The Library was successful in passing a bond referendum on April 4, 2017. The first bond issuance occurred on August 1, 2017.

The Village issued General Obligation Bonds Series 2017C and 2018B on behalf of the Library for a total of \$10,600,000 for the costs to remodel, improve and build an addition to the existing Library building, to furnish equipment and acquire library materials such as books, periodicals, films and recordings and electronic data and storage facilities as well as any payment of incidental expenses thereto. As of December 31, 2020, the outstanding debt balance was \$9,425,000. See Note 3 for further information related to long term debt.

ECONOMIC FACTORS

Efforts to complete the library renovation and complete the punch list items were disrupted by the COVID-19 coronavirus outbreak in the United States during the first and second quarters of 2020. The mandated closings of facilities disrupted the operation of the library which itself closed from March 17 to June 15. The closing reduced building and salary expenses and miscellaneous revenues during this timeframe. The Library remained open through the remainder of 2020 with decreased use of the building due to the ongoing pandemic. Many services were transitioned to an online environment. The long term impact of the pandemic remains to be seen.

CONTACTING THE LIBRARY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens with a general overview of the Library's finances and to demonstrate accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Sandra Hill, Director, Villa Park Public Library, 305 S. Ardmore Ave., Villa Park, Illinois, 60181.

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Statement of Net Position

December 31, 2020

See Following Page

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Statement of Net Position

December 31, 2020

ASSETS	
Current Assets	
Cash and Investments	\$ 5,132,014
Receivables - Net of Allowances	2,965,663
Prepays	<u>27,247</u>
Total Current Assets	<u>8,124,924</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	361,490
Depreciable Capital Assets	11,779,456
Accumulated Depreciation	<u>(992,913)</u>
Total Capital Assets	11,148,033
Other Assets	
Net Pension Asset - IMRF	<u>146,511</u>
Total Noncurrent Assets	<u>11,294,544</u>
Total Assets	<u>19,419,468</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>95,444</u>
Total Assets and Deferred Outflows of Resources	<u>19,514,912</u>

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

LIABILITIES

Current Liabilities

Accounts Payable	\$ 248,753
Accrued Payroll	19,206
Accrued Interest Payable	17,160
Current Portion of Long-Term Debt	<u>448,673</u>
Total Current Liabilities	<u>733,792</u>

Noncurrent Liabilities

Compensated Absences	114,690
General Obligation Bonds Payable - Net	<u>9,805,436</u>
Total Noncurrent Liabilities	<u>9,920,126</u>
Total Liabilities	<u>10,653,918</u>

DEFERRED INFLOWS OF RESOURCES

Property Taxes	2,963,215
Deferred Items - IMRF	<u>683,827</u>
Total Deferred Inflows of Resources	<u>3,647,042</u>
Total Liabilities and Deferred Inflows of Resources	<u>14,300,960</u>

NET POSITION

Investment in Capital Assets	1,590,917
Restricted	
IMRF	23,776
Future Capital Projects	1,835,312
Debt Service	23,886
Unrestricted	<u>1,740,061</u>
Total Net Position	<u><u>5,213,952</u></u>

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Statement of Activities

For the Fiscal Year Ended December 31, 2020

	Expenses	Program Revenues Charges for Services	Operating Grants	Net (Expenses) Revenues and Changes in Net Position
Functions/Programs				
Public Library	\$ 1,545,601	27,086	37,469	(1,481,046)
Interest on Long-Term Debt	381,382	—	—	(381,382)
Total Governmental Activities	1,926,983	27,086	37,469	(1,862,428)
		General Revenues		
		Taxes		
			Property Taxes	2,235,748
			Replacement Taxes	56,871
			Miscellaneous	9,865
			Investment Income	49,387
				2,351,871
			Change in Net Position	489,443
			Net Position - Beginning	4,724,509
			Net Position - Ending	5,213,952

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Balance Sheet - Governmental Funds

December 31, 2020

	General	Debt Service	Capital Projects Special Reserve	Bond Proceeds	Totals
ASSETS					
Cash and Investments	\$ 3,049,985	23,496	1,166,991	891,542	5,132,014
Receivables - Net of Allowances					
Taxes	2,287,155	678,508	—	—	2,965,663
Prepays	27,247	—	—	—	27,247
Total Assets	5,364,387	702,004	1,166,991	891,542	8,124,924
LIABILITIES					
Accounts Payable	25,532	—	—	223,221	248,753
Accrued Payroll	19,206	—	—	—	19,206
Total Liabilities	44,738	—	—	223,221	267,959
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	2,285,097	678,118	—	—	2,963,215
Total Liabilities and Deferred Inflows of Resources	2,329,835	678,118	—	223,221	3,231,174
FUND BALANCES					
Nonspendable	27,247	—	—	—	27,247
Restricted	23,776	23,886	1,166,991	668,321	1,882,974
Unassigned	2,983,529	—	—	—	2,983,529
Total Fund Balances	3,034,552	23,886	1,166,991	668,321	4,893,750
Total Liabilities, Deferred Inflows of Resources and Fund Balances	5,364,387	702,004	1,166,991	891,542	8,124,924

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

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

December 31, 2020

Total Fund Balances	\$ 4,893,750
Amounts reported in the Statement of Net Position are different because:	
Capital assets are not financial resources and therefore, are not reported in the funds.	11,148,033
Deferred outflows of resources related to the pension not reported in the funds. Deferred Items - IMRF	(588,383)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(143,363)
Net Pension Asset - IMRF	146,511
General Obligation Bonds Payable - Net	(10,225,436)
Accrued Interest Payable	<u>(17,160)</u>
Net Position	<u><u>5,213,952</u></u>

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

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

	General	Debt Service	Capital Projects		Totals
			Special Reserve	Bond Proceeds	
Revenues					
Property Taxes	\$ 2,181,316	54,432	—	—	2,235,748
Replacement Taxes	56,871	—	—	—	56,871
Charges for Services	27,086	—	—	—	27,086
Grants and Donations	37,469	—	—	—	37,469
Interest	35,913	143	—	13,331	49,387
Miscellaneous	9,865	—	—	—	9,865
Total Revenues	2,348,520	54,575	—	13,331	2,416,426
Expenditures					
Public Library					
Personnel Services	1,397,230	—	—	—	1,397,230
Commodities	203,211	—	—	—	203,211
Contractual Services	290,022	—	—	—	290,022
Capital Outlay	15,942	—	—	613,575	629,517
Debt Service					
Principal Retirement	—	410,000	—	—	410,000
Interest and Fiscal Charges	—	429,150	—	—	429,150
Total Expenditures	1,906,405	839,150	—	613,575	3,359,130
Excess (Deficiency) of Revenues Over (Under) Expenditures					
	442,115	(784,575)	—	(600,244)	(942,704)
Other Financing Sources (Uses)					
Transfers In	—	784,751	600,000	—	1,384,751
Transfers Out	(600,000)	—	—	(784,751)	(1,384,751)
	(600,000)	784,751	600,000	(784,751)	—
Net Change in Fund Balance	(157,885)	176	600,000	(1,384,995)	(942,704)
Fund Balances - Beginning	3,192,437	23,710	566,991	2,053,316	5,836,454
Fund Balances - Ending	3,034,552	23,886	1,166,991	668,321	4,893,750

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the
Governmental Funds to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended December 31, 2020**

Net Change in Fund Balances \$ (942,704)

Amounts reported in the Statement of Activities
are different because:

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

Capital Outlays	618,779
Depreciation Expense	(25,461)

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

Change in Deferred Items - IMRF	(328,961)
Change in Deferred Items - RBP	(16,865)

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	3,678
Change in Net Pension Asset - IMRF	548,615
Change in Total OPEB Liability - RBP	174,594
Retirement of Debt	457,085
Change in Accrued Interest Payable	683

Changes in Net Position 489,443

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Villa Park Public Library (the Library), Illinois provides services primarily to citizens of the Village of Villa Park, Illinois, including lending or renting materials to adults and children to meet their informational, recreations, and educational needs. The government-wide financial statements are prepared in accordance with generally accepted accounting principles in the United States (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP in the United States for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Library's accounting policies established in GAAP in the United States and used by the Library are described below.

REPORTING ENTITY

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

BASIS OF PRESENTATION

Basic Financial Statements

The Library's basic financial statements include both government-wide (reporting the Library as a whole) and fund financial statements (reporting the Library's governmental funds). The Library's public library services are classified as governmental activities.

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

The government-wide Statement of Activities reports both the gross and net cost of the Library's functions. The Library's activities are supported by taxes and intergovernmental revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements

The financial transactions of the Library are reported in an individual fund in the fund financial statements. The fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, reserves, fund equity, revenues and expenditures/expenses. The Library's fund is reported in the: governmental category. The emphasis in fund financial statements is on the major fund and is summarized into a single column.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses) for the determination of major funds.

A fund is considered major if it is the primary operating fund of the Library or total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund are at least 10 percent of the corresponding total for all governmental funds combined.

The various funds are reported by generic classification within the financial statements. The following fund type is used by the Library:

Governmental Funds

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

General Fund is the general operating fund of the Library. It accounts for all revenues and expenditures of the Library which are not accounted for in other funds. The General Fund is a major fund.

Debt Service Fund is used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and records all of the Library's general obligation debt activity.

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds. The Library maintains two major capital projects funds. The Special Reserve Fund is used to account for library capital projects not accounted for in the Bond Proceeds Fund. The Bond Proceeds Fund is used to account for the payment of costs to remodel, improve and build an addition to the existing Library building, to furnish equipment and acquire library materials such as books, periodicals, films and recordings and electronic data and storage facilities as well as any payment of incidental expenses thereto.

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

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

Basis of Accounting

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

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting - Continued

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

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

Cash and Investments

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

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

Receivables

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

Prepays

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000, or more, are reported at historical cost or estimated historical cost. Capital is estimated at historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Library as a whole. When purchased, such assets are recorded as expenditures in the governmental fund and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

Buildings and Improvements	10 - 45 Years
Equipment	2 - 30 Years

Deferred Outflows/Inflows of Resources

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

Compensated Absences

The Library accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types 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.

Net Position

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

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

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

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The Library has established the fiscal year as the twelve-month period beginning January 1.

The Library annually submits a budget, levy and appropriation to the Village of Villa Park, Illinois using the following procedures:

- Library department heads present their budgeted expenditures to the Director.
- After their requests are approved, they are integrated into a tentative budget along with the budgeted revenues.
- The Library Director submits a tentative budget for all Funds, except for the Special Reserve Fund, to the Finance Committee for their review.
- The Finance Committee submits the tentative budget to the Library Board for approval.
- Once approved, the Library Board submits the budget to the Village Board of Trustees of the Village of Villa Park, Illinois for the fiscal year.
- Public meetings are conducted to obtain taxpayer comments.

Unexpended budget amounts lapse at the end of the budget year. Spending controls for the fund is established by the amount of expenditures budgeted for the fund, but management control is exercised at budgetary line level items. All budget revisions at this level are subject to final review by the Village. Within these control levels, management may transfer appropriations without Village approval. During the fiscal year there was one budget amendment.

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Library maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments."

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

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

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

Deposits. At year-end, the carrying amount of the Library's deposits totaled \$4,824,875 and the bank balances totaled \$4,851,759. Additionally, at year-end the Library has \$307,139 invested in the Illinois Funds.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment portfolio shall be designed to obtain the highest available return, taking into account the Library's investment risk constraints and cash flow needs and the Library's desire to promote fiscal responsibility. The portfolio shall seek to obtain the highest investment return using authorized investments during budgetary and economic cycles as mandated in the investment policy. The Library's investment in the Illinois Funds has an average maturity of less than one year.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in instruments authorized under State Statute, it is the policy of the Library to invest all funds under the Library's control in a manner which will provide the highest investment return using authorized instruments, while meeting the Library's daily cash flow demands. At year-end, the Library's investment in the Illinois Funds is rated AAAM by Standard & Poor's.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Library's investment in a single issuer. The Library's investment policy states funds should be diversified appropriately to the nature and amount of the funds. At year-end, the Library does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library's investment policy states deposit accounts in banks or savings and loan institutions will not exceed the amount insured by FDIC coverage unless adequately collateralized pursuant to Regulations of the Federal Reserve regarding custody and safekeeping of collateral. At year-end, the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance.

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

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

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

PROPERTY TAXES

The Library submits its tax levy to the Village Board of the Village of Villa Park, Illinois for approval. Once approved, the Village submits the Library's tax levy to the DuPage County Clerk's office. The Library's property taxes are levied each calendar year on all taxable real property located within the Library District and accrued as unearned revenue in the fiscal year of levy. Property taxes due within the current fiscal year and collected within 60 days subsequent to year-end are recorded as revenue. The DuPage County Assessor is responsible for assessment of all taxable real property within DuPage County

The DuPage County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the DuPage County Collector as the basis for issuing tax bills to DuPage County taxpayers. The DuPage County Collector collects all property taxes and submits them to the County Treasurer, who remits them to the Library. Taxes must be levied by the last Tuesday in December and are payable in two installments, on March 1 and August 1 of the following year. Property taxes attach as an enforceable lien on property as of January 1 of the levy year.

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Special Reserve	General	\$ 600,000 (1)
Debt Service	Bond Proceeds	<u>784,751 (2)</u>
		<u><u>1,384,751</u></u>

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 361,490	—	—	361,490
Construction in Progress	9,782,830	—	9,782,830	—
	<u>10,144,320</u>	<u>—</u>	<u>9,782,830</u>	<u>361,490</u>
Depreciable Capital Assets				
Buildings and Improvements	1,007,613	9,869,006	—	10,876,619
Equipment	370,234	532,603	—	902,837
	<u>1,377,847</u>	<u>10,401,609</u>	<u>—</u>	<u>11,779,456</u>
Less Accumulated Depreciation				
Buildings and Improvements	693,571	16,364	—	709,935
Equipment	273,881	9,097	—	282,978
	<u>967,452</u>	<u>25,461</u>	<u>—</u>	<u>992,913</u>
Total Net Depreciable Capital Assets	<u>410,395</u>	<u>10,376,148</u>	<u>—</u>	<u>10,786,543</u>
Total Net Capital Assets	<u>10,554,715</u>	<u>10,376,148</u>	<u>9,782,830</u>	<u>11,148,033</u>

Depreciation expense of \$25,461 was charged to the public library function.

LONG-TERM DEBT

General Obligation Bonds

The Village issues general obligation bonds on behalf of the Library to provide funds for the acquisition and construction of major capital facilities. General obligations bonds are direct obligations and pledge the full faith and credit of the Village. However, the tax levy for repayment of the bonds is on the Library's tax levy and therefore the Library will make all principal and interest payments on the bonds. General obligation bonds currently outstanding are as follows:

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

General Obligation Bonds - Continued

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2017C - Due in annual installments of \$115,000 to \$370,000 plus interest at 3.00% to 4.00% through December 15, 2036.	\$ 4,685,000	—	200,000	4,485,000
General Obligation Bonds of 2018B - Due in annual installments of \$205,000 to \$430,000 plus interest at 3.00% to 5.00% through December 15, 2036.	5,150,000	—	210,000	4,940,000
	<u>9,835,000</u>	<u>—</u>	<u>410,000</u>	<u>9,425,000</u>

Long-term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Compensated Absences	\$ 147,041	3,678	7,356	143,363	28,673
Net Pension Liability/(Asset) - IMRF	402,104	—	548,615	(146,511)	—
Total OPEB Liability - RBP	174,594	—	174,594	—	—
General Obligation Bonds	9,835,000	—	410,000	9,425,000	420,000
Plus: Unamortized Premium	847,521	—	47,085	800,436	—
	<u>11,406,260</u>	<u>3,678</u>	<u>1,187,650</u>	<u>10,222,288</u>	<u>448,673</u>

The General Fund makes payments on the compensated absences, the net pension liability, and the total OPEB liability. The Debt Service Fund makes payments on the general obligation bonds.

VILLA PARK PUBLIC LIBRARY, ILLINOIS

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

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

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

Fiscal Year	General Obligation Bonds		
	Principal	Interest	Total
2021	\$ 420,000	411,850	831,850
2022	445,000	395,050	840,050
2023	465,000	377,250	842,250
2024	475,000	358,650	833,650
2025	495,000	339,650	834,650
2026	515,000	319,850	834,850
2027	540,000	299,250	839,250
2028	560,000	274,850	834,850
2029	585,000	249,550	834,550
2030	615,000	223,100	838,100
2031	640,000	195,300	835,300
2032	670,000	166,350	836,350
2033	700,000	136,000	836,000
2034	735,000	104,300	839,300
2035	765,000	71,000	836,000
2036	800,000	36,300	836,300
Totals	<u>9,425,000</u>	<u>3,958,300</u>	<u>13,383,300</u>

VILLA PARK PUBLIC LIBRARY, ILLINOIS

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

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION/FUND BALANCES

Net Position Classifications

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

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 11,148,033
Plus: Unspent Bond Proceeds	668,320
Less Capital Related Debt:	
General Obligation Bonds of 2017C	(4,485,000)
General Obligation Bonds of 2018B	(4,940,000)
Unamortized Premium	<u>(800,436)</u>
Net Investment in Capital Assets	<u><u>1,590,917</u></u>

Fund Balance Classifications

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

	General	Debt Service	Capital Projects		Totals
			Special Reserve	Bond Proceeds	
Fund Balances					
Nonspendable					
Prepays	\$ 27,247	—	—	—	27,247
Restricted					
IMRF	23,776	—	—	—	23,776
Future Capital Projects	—	—	1,166,991	—	1,166,991
Bond Proceeds	—	—	—	668,321	668,321
Debt Service	—	23,886	—	—	23,886
	<u>23,776</u>	<u>23,886</u>	<u>1,166,991</u>	<u>668,321</u>	<u>1,882,974</u>
Unassigned	<u>2,983,529</u>	—	—	—	<u>2,983,529</u>
Total Fund Balances	<u><u>3,034,552</u></u>	<u><u>23,886</u></u>	<u><u>1,166,991</u></u>	<u><u>668,321</u></u>	<u><u>4,893,750</u></u>

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION/FUND BALANCES - Continued

Fund Balance Classifications - Continued

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

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

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

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

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

Minimum Fund Balance Policy. The Library's policy manual states that the General Fund should maintain a minimum fund balance equal to 25% of budgeted operating expenditures.

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION

CONTINGENT LIABILITIES

Litigation

The Library is not a defendant in any lawsuits.

Grants

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

Financial Impact from COVID-19

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

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

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

Plan Descriptions

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

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

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

Plan Membership. As of December 31, 2020, the measurement date, the following employees were covered by the benefit terms:

Active Plan Members

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A detailed breakdown of IMRF membership for the Village and the Library combined is available in the Village of Villa Parks' comprehensive annual financial report.

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Contributions. As set by statute, the Library's Regular 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. For the year-ended December 31, 2020, the Library's contribution was 11.94% of covered payroll.

Net Pension Liability. The Library's net pension liability was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2020, using the following actuarial methods and assumptions:

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

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.

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Description - Continued

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

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Description - Continued

Discount Rate

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

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 748,179	(146,511)	(857,948)

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2019	\$ 7,295,259	6,893,155	402,104
Changes for the Year:			
Service Cost	93,754	—	93,754
Interest	517,278	—	517,278
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	90,439	—	90,439
Changes of Assumptions	(65,949)	—	(65,949)
Contributions - Employer	—	118,415	(118,415)
Contributions - Employees	—	43,358	(43,358)
Net Investment Income	—	995,167	(995,167)
Benefit Payments, Including Refunds of Employee Contributions	(414,530)	(414,530)	—
Other (Net Transfer)	—	27,197	(27,197)
Net Changes	220,992	769,607	(548,615)
Balances at December 31, 2020	7,516,251	7,662,762	(146,511)

VILLA PARK PUBLIC LIBRARY, ILLINOIS

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended December 31, 2020, the Library recognized pension revenue of \$103,423. At December 31, 2020, the Library reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 72,330	(15,548)	56,782
Change in Assumptions	23,114	(44,896)	(21,782)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	(623,383)	(623,383)
Total Deferred Amounts Related to IMRF	<u>95,444</u>	<u>(683,827)</u>	<u>(588,383)</u>

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

Fiscal Year	Net Deferred (Inflows) of Resources
2021	\$ (171,006)
2022	(69,494)
2023	(247,137)
2024	(100,746)
2025	—
Thereafter	—
Total	<u>(588,383)</u>

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

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

NOTE 5 - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

DuPage Foundation Agency Account

Investments held with the DuPage Foundation, totaling \$43,196 and \$40,136 at December 31, 2020 and 2019 respectively, are classified as beneficial interest in assets held by others in the Statement of Financial Position. Under terms of the agreement, the Foundation granted variance power to the DuPage Foundation at the time of the transfer. This power allows the DuPage Foundation to comingle the Foundation's investment with other DuPage Foundation assets in accordance with their investment policy.

On an annual basis, the distributable income, defined as the percentage of the fair value of the assets the DuPage Foundation is currently distributing from its own unrestricted funds to the designated charities, less usual and customary fees, is distributed to the Foundation.

The Foundation can elect to withdraw any money transferred in to the DuPage Foundation, plus any interest accrued and appreciation earned, provided that such withdrawal power, as well as the purpose for which the funds may be used, be subject to DuPage Foundation bylaws. The Foundation must give written notice of its intent to withdraw funds designating a date not less than one month in advance of the intended withdrawal date.

The beneficial interest in assets held by others is recorded at its fair value. For financial accounting purposes, there is a three-level valuation hierarchy for fair value measurements. The hierarchy is broken down into three levels based on the reliability of observable and unobservable inputs as follows:

Level 1 – Valuations are based on quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date.

Level 2 – Valuations are based on quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in market that are not active; and model-derived valuations whose significant inputs are observable.

Level 3 – Valuations are based on unobservable inputs for the asset or liability that reflect the reporting entity's own data and assumptions that market participants would use in pricing the assets or liability.

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 5 - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS - Continued

DuPage Foundation Agency Account - Continued

Following is a description of the valuation methodologies used for beneficial interest in assets held by others measured at fair value, as well as their general classification pursuant to the valuation hierarchy:

Investments held with the DuPage Foundation are comingled by the DuPage Foundation in an investment pool for all its funds which consists primarily of marketable equity securities, mutual funds, United States government and agency securities, and corporate debt securities. No specific securities are designated for a specific fund. Realized gains/losses, unrealized gains/losses, and dividend and interest income are divided monthly on a prorated basis across all activities of the Foundation. Accordingly, these assets are categorized in Level 2 of the fair value hierarchy.

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule of Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability
Retiree Benefit Plan
- Budgetary Comparison Schedules
General Fund

Notes to the Required Supplementary Information

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
December 31, 2020**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
4/30/2016	\$ 119,211	\$ 119,211	\$ —	\$ 865,101	13.78%
4/30/2017	123,189	123,189	—	880,077	14.00%
4/30/2018	114,565	114,565	—	922,855	12.41%
12/31/2018	115,945	115,884	(61)	926,819	12.50%
12/31/2019	92,122	92,122	—	928,653	9.92%
12/31/2020	116,231	116,231	—	973,765	11.94%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	23 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

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

VILLA PARK PUBLIC LIBRARY, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability
December 31, 2020**

	<u>12/31/2015</u>
Total Pension Liability	
Service Cost	\$ 86,895
Interest	460,786
Changes in Benefit Terms	—
Difference Between Expected and Actual Experience	40,213
Change of Assumptions	7,688
Benefit Payments, Including Refunds of Member Contributions	<u>(346,538)</u>
Net Change in Total Pension Liability	249,044
Total Pension Liability - Beginning	<u>6,281,835</u>
Total Pension Liability - Ending	<u><u>6,530,879</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 119,211
Contributions - Members	41,644
Net Investment Income	28,042
Benefit Payments, Including Refunds of Member Contributions	(346,538)
Other (Net Transfer)	<u>134,601</u>
Net Change in Plan Fiduciary Net Position	(23,040)
Plan Net Position - Beginning	<u>5,701,287</u>
Plan Net Position - Ending	<u><u>5,678,247</u></u>
Employer's Net Pension Liability	<u><u>\$ 852,632</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.94%
Covered Payroll	\$ 865,101
Employer's Net Pension Liability as a Percentage of Covered Payroll	98.56%

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

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/30/2020
90,591	91,810	87,922	93,390	93,754
478,691	487,538	488,792	506,274	517,278
—	—	—	—	—
(96,549)	23,991	87,981	(41,420)	90,439
(15,517)	(210,805)	191,342	—	(65,949)
(353,113)	(360,748)	(387,021)	(398,769)	(414,530)
104,103	31,786	469,016	159,475	220,992
6,530,879	6,634,982	6,666,768	7,135,784	7,295,259
6,634,982	6,666,768	7,135,784	7,295,259	7,516,251
123,189	111,019	115,884	92,122	118,415
44,307	41,894	42,376	42,050	43,358
389,072	1,046,306	(381,799)	1,165,632	995,167
(353,113)	(360,748)	(387,021)	(398,769)	(414,530)
(94,804)	(121,949)	184,450	(85,190)	27,197
108,651	716,522	(426,110)	815,845	769,607
5,678,247	5,786,898	6,503,420	6,077,310	6,893,155
5,786,898	6,503,420	6,077,310	6,893,155	7,662,762
848,084	163,348	1,058,474	402,104	(146,511)
87.22%	97.55%	85.17%	94.49%	94.49%
880,077	903,331	926,819	928,653	973,765
96.36%	18.08%	114.21%	43.30%	(15.05%)

VILLA PARK PUBLIC LIBRARY, ILLINOIS

General Fund

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

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Property Taxes	\$ 2,189,932	2,181,238	2,181,316
Replacement Taxes	40,000	40,000	56,871
Charges for Services			
Oakbrook Terrace Fees	18,000	14,600	14,635
Fines and Proceeds	27,000	10,000	12,451
Grants and Donations			
Grants	—	—	27,380
Book Donations	2,500	1,700	1,709
Gifts	5,000	5,000	8,380
Interest Income	27,000	27,000	35,913
Miscellaneous	20,000	9,800	9,865
Total Revenues	<u>2,329,432</u>	<u>2,289,338</u>	<u>2,348,520</u>
Expenditures			
Public Library			
Personnel Services	1,541,900	1,542,900	1,397,230
Commodities	309,000	227,980	203,211
Contractual Services	438,282	392,200	290,022
Capital Outlay	40,250	41,259	15,942
Total Expenditures	<u>2,329,432</u>	<u>2,204,339</u>	<u>1,906,405</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	—	84,999	442,115
Other Financing (Uses)			
Transfers Out	—	—	(600,000)
Net Change in Fund Balance	<u>—</u>	<u>84,999</u>	<u>(157,885)</u>
Fund Balance - Beginning			<u>3,192,437</u>
Fund Balance - Ending			<u><u>3,034,552</u></u>

OTHER SUPPLEMENTARY INFORMATION

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit.

Special Reserve Fund

The Special Reserve Fund is used to account for the Library's capital projects not accounted for in the Bond Proceeds Fund.

Bond Proceeds Fund

The Bond Proceeds Fund is used to account for the payment of costs to remodel, improve and build an addition to the existing Library building, to furnish equipment and acquire library materials such as books, periodicals, films and recordings and electronic data and storage facilities as well as any payment of incidental expenses thereto.

VILLA PARK PUBLIC LIBRARY, ILLINOIS

General Fund

Scheduling of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Public Library			
Personnel Services			
Salaries	\$ 1,188,000	1,189,000	1,076,153
IMRF	122,700	122,700	116,231
FICA	73,700	73,700	65,036
Medicare	17,300	17,300	15,210
Employee Benefits	140,200	140,200	124,600
	<u>1,541,900</u>	<u>1,542,900</u>	<u>1,397,230</u>
Commodities			
Janitorial Supplies and Services	22,500	22,816	12,352
Office Supplies	18,500	18,500	13,143
Books			
Adult	70,600	8,817	35,735
Youth	54,300	54,300	23,539
Audio/Visual			
Adult	23,000	—	11,591
Youth	10,500	10,500	3,762
Periodicals			
Adult	13,000	13,000	10,493
Youth	1,100	1,100	937
Online Resources			
Adult	87,000	90,447	86,961
Youth	8,500	8,500	4,698
	<u>309,000</u>	<u>227,980</u>	<u>203,211</u>
Contractual Services			
Contingency			
Buildings and Grounds	108,514	49,354	38,165
Miscellaneous	4,756	4,756	2,482
Postage	9,000	9,000	7,056
Staff Recognition	1,200	2,104	2,104
Heating and A/C Maintenance	14,000	14,000	—
Water and Sewer Service	3,000	3,000	2,869
Printing	14,000	14,000	8,781
Collection Agency	1,700	1,700	277

VILLA PARK PUBLIC LIBRARY, ILLINOIS

General Fund

Scheduling of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Public Library - Continued			
Contractual Services - Continued			
Bank Service Fees	\$ 1,500	1,500	1,688
Other Insurance	35,000	36,244	35,023
Office Equipment Maintenance	10,500	10,500	4,431
Rent/Lease Equipment	5,100	5,100	2,821
Other Contractual Services			
Automation Services	11,100	16,232	16,132
Accounting Services	24,700	24,700	23,125
Technology Services	9,000	10,957	8,565
Cleaning Services	50,000	50,000	37,769
Other	21,300	21,300	14,846
Automation Monthly Charge	35,762	37,073	37,073
Programs			
Adult	15,000	15,000	9,770
Youth	8,000	8,000	1,019
Professional Development	14,300	14,390	7,677
Board Development	1,350	1,350	775
Utilities	10,000	10,000	5,439
Telephone	7,000	9,440	9,440
Community Relations	14,500	14,500	8,583
Legal Services	8,000	8,000	4,112
	438,282	392,200	290,022
Capital Outlay	40,250	41,259	15,942
Total Expenditures	2,329,432	2,204,339	1,906,405

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Debt Service Fund

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

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 53,499	54,043	54,432
Interest	1,000	143	143
Total Revenues	<u>54,499</u>	<u>54,186</u>	<u>54,575</u>
Expenditures			
Debt Service			
Principal Retirement	410,000	410,000	410,000
Interest and Fiscal Charges	429,250	429,150	429,150
Total Expenditures	<u>839,250</u>	<u>839,150</u>	<u>839,150</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(784,751)	(784,964)	(784,575)
Other Financing Sources			
Transfers In	<u>784,751</u>	<u>784,751</u>	<u>784,751</u>
Net Change in Fund Balance	<u>—</u>	<u>(213)</u>	176
Fund Balance - Beginning			<u>23,710</u>
Fund Balance - Ending			<u><u>23,886</u></u>

VILLA PARK PUBLIC LIBRARY, ILLINOIS

Bond Proceeds - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Interest	\$ 27,000	13,331	13,331
Expenditures			
Capital Outlay	762,000	1,591,830	613,575
Excess (Deficiency) of Revenues Over (Under) Expenditures	(735,000)	(1,578,499)	(600,244)
Other Financing (Uses)			
Transfers Out	—	(784,751)	(784,751)
Net Change in Fund Balance	<u>(735,000)</u>	<u>(2,363,250)</u>	(1,384,995)
Fund Balance - Beginning			<u>2,053,316</u>
Fund Balance - Ending			<u><u>668,321</u></u>

SUPPLEMENTAL SCHEDULES

VILLA PARK PUBLIC LIBRARY, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2017C
December 31, 2020**

Date of Issue	August 1, 2017
Date of Maturity	December 15, 2036
Authorized Issue	\$5,000,000
Denomination of Bonds	\$5,000
Interest Rate	3.00% - 4.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	U.S. Bank National Association, Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 15	Amount	Dec. 15	Amount
2021	\$ 200,000	179,400	379,400	2021	89,700	2021	89,700
2022	215,000	171,400	386,400	2022	85,700	2022	85,700
2023	225,000	162,800	387,800	2023	81,400	2023	81,400
2024	230,000	153,800	383,800	2024	76,900	2024	76,900
2025	240,000	144,600	384,600	2025	72,300	2025	72,300
2026	250,000	135,000	385,000	2026	67,500	2026	67,500
2027	260,000	125,000	385,000	2027	62,500	2027	62,500
2028	270,000	114,600	384,600	2028	57,300	2028	57,300
2029	280,000	103,800	383,800	2029	51,900	2029	51,900
2030	295,000	92,600	387,600	2030	46,300	2030	46,300
2031	305,000	80,800	385,800	2031	40,400	2031	40,400
2032	315,000	68,600	383,600	2032	34,300	2032	34,300
2033	330,000	56,000	386,000	2033	28,000	2033	28,000
2034	345,000	42,800	387,800	2034	21,400	2034	21,400
2035	355,000	29,000	384,000	2035	14,500	2035	14,500
2036	370,000	14,800	384,800	2036	7,400	2036	7,400
	<u>4,485,000</u>	<u>1,675,000</u>	<u>6,160,000</u>		<u>837,500</u>		<u>837,500</u>

VILLA PARK PUBLIC LIBRARY, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2018B
December 31, 2020**

Date of Issue	February 27, 2018
Date of Maturity	December 15, 2036
Authorized Issue	\$5,600,000
Denomination of Bonds	\$5,000
Interest Rate	3.00% - 5.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	U.S. Bank National Association, Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 15	Amount	Dec. 15	Amount
2021	\$ 220,000	232,450	452,450	2021	116,225	2021	116,225
2022	230,000	223,650	453,650	2022	111,825	2022	111,825
2023	240,000	214,450	454,450	2023	107,225	2023	107,225
2024	245,000	204,850	449,850	2024	102,425	2024	102,425
2025	255,000	195,050	450,050	2025	97,525	2025	97,525
2026	265,000	184,850	449,850	2026	92,425	2026	92,425
2027	280,000	174,250	454,250	2027	87,125	2027	87,125
2028	290,000	160,250	450,250	2028	80,125	2028	80,125
2029	305,000	145,750	450,750	2029	72,875	2029	72,875
2030	320,000	130,500	450,500	2030	65,250	2030	65,250
2031	335,000	114,500	449,500	2031	57,250	2031	57,250
2032	355,000	97,750	452,750	2032	48,875	2032	48,875
2033	370,000	80,000	450,000	2033	40,000	2033	40,000
2034	390,000	61,500	451,500	2034	30,750	2034	30,750
2035	410,000	42,000	452,000	2035	21,000	2035	21,000
2036	430,000	21,500	451,500	2036	10,750	2036	10,750
	<u>4,940,000</u>	<u>2,283,300</u>	<u>7,223,300</u>		<u>1,141,650</u>		<u>1,141,650</u>