

**St. Charles Public Library District  
(Located within the State of Illinois)**

**Annual Financial Report**

**Year Ended June 30, 2021**

**(with Independent Auditor's Report thereon)**

**St. Charles Public Library District  
Financial Statements  
For the Year Ended June 30, 2021**

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## **Financial Section**



## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other 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 District's basic financial statements. The combining and individual fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund schedules, and other supplementary information, as listed in the 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 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 financial statements themselves, and other additional procedures in accordance with auditing basic standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information, as stated in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*Tighe Kress & Orr, PC*

Tighe, Kress, & Orr, P.C.  
Elgin, Illinois  
August 30, 2021

**St. Charles Public Library District  
Management's Discussion and Analysis  
For the Year Ended June 30, 2021**

As the management of the St. Charles Public Library District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the District's Financial Statements (beginning on page 12).

This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the District's financial activity, (3) identify changes in the District's financial position (its ability to address the next and subsequent year 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 District'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 District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. This statement combines and consolidates the 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 District is improving or deteriorating.

The Statement of Activities presents information showing how the District'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).

The government-wide financial statements (see pages 12-13) describe functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District reflect the District's basic services, including materials (print and digital) collections, reference and reader services, programming, interlibrary loan, and outreach services.

#### **Fund Financial Statements**

The focus of this section represents the District's major funds. 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 District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are in one category: governmental funds.

**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 balances

**St. Charles Public Library District  
Management's Discussion and Analysis  
For the Year Ended June 30, 2021**

provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Reserve Fund and Illinois Municipal Retirement and Social Security Fund which are considered to be "major" funds. Data from the other four governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual budget for each of its governmental funds. A budgetary comparison statement has been provided elsewhere in this report to demonstrate compliance with the budget. The basic governmental fund financial statements are on pages 14 through 17 of this report.

**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. The notes to the financial statements are on pages 18 through 36 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide benefits to its employees. Required supplementary information can be found on pages 37 through 43 of this report.

The Government Accounting Standards Board (GASB) statement number 75 requires the Library to recognize the liability, deferred inflows and outflows of resources, and expenditures related to post-employment benefits. This would include both the explicit and implicit cost of providing post-employment benefits to former employees. This information and related footnotes can be found on pages 42-43.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules are on pages 44 – 51 of this report.

The other information is presented immediately after the supplementary information. Property tax assessed valuations, ratios, extensions and collects are presented for the last ten years on pages 52-53.

**St. Charles Public Library District  
Management's Discussion and Analysis  
For the Year Ended June 30, 2021**

**GOVERNMENT-WIDE STATEMENTS**

**Net Position**

The following table reflects the condensed Statement of Net Position.

**Table 1**

**Statement of Net Position  
Governmental Activities**

	As of June 30, 2021	As of June 30, 2020
Current and Other Assets	\$ 12,663,239	\$ 25,938,066
Capital Assets	23,844,064	10,925,071
Deferred Outflows	765,718	943,515
<b>Total Assets and Deferred Outflows</b>	<b>\$ 37,273,021</b>	<b>\$ 37,806,652</b>
Current Liabilities	\$ 1,738,242	\$ 1,635,723
Long-Term Liabilities	5,975,559	7,501,018
Deferred Inflows	9,514,624	8,797,478
<b>Total Liabilities and Deferred Inflows</b>	<b>\$ 17,228,425</b>	<b>\$ 17,934,219</b>
Net Position		
Net Investment in Capital Assets	\$ 19,491,596	\$ 10,561,295
Restricted	988,571	4,890,283
Unrestricted	(435,571)	4,420,855
<b>Total Net Position</b>	<b>\$ 20,044,596</b>	<b>\$ 19,872,433</b>

The District's net position increased \$172,163 during 2021 – from \$19,872,433 to \$20,044,596.

For more detailed information, see the Statement of Net Position on page 12.

**St. Charles Public Library District  
Management's Discussion and Analysis  
For the Year Ended June 30, 2021**

**Activities**

The following table summarizes the revenue and expenses of the District's activities for 2020 and 2021:

**Table 2  
Changes in Net Position  
Governmental Activities  
For the Fiscal Year Ended**

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
<b>Revenues</b>		
General Revenues		
Property Taxes	\$ 7,997,376	\$ 7,982,675
Replacement Taxes	40,225	31,713
Investment Income	6,466	374,448
Miscellaneous	44,702	126,472
Donations	41,122	30,516
Program Revenues		
Charges for Services	14,207	46,876
Operating Grants	103,482	68,865
<b>Total Revenues</b>	<b>8,247,580</b>	<b>8,661,565</b>
<b>Expenses</b>		
General Government	7,915,197	8,344,511
Interest	160,220	84,752
<b>Total Expenses</b>	<b>8,075,417</b>	<b>8,429,263</b>
<b>Changes in Net Position</b>	172,163	232,302
<b>Total Net Position, Beginning of Year</b>	19,872,433	19,640,131
<b>Total Net Position, End of Year</b>	<b>\$ 20,044,596</b>	<b>\$ 19,872,433</b>

**St. Charles Public Library District  
Management's Discussion and Analysis  
For the Year Ended June 30, 2021**

**Financial Overview  
St. Charles Public Library**

**Income Sources**

	2020/2021	2019/2020
Local Tax Revenue	97.7%	93.5%
Fines, Service Fees, Photocopies	0.2%	0.5%
Interest	0.1%	4.4%
Grants, Gifts, Miscellaneous	2.0%	1.6%
 Total Income	 \$ 8,230,555	 \$ 8,569,004

**Expenditures by Category**

	2020/2021	2019/2020
Salaries and Benefits*	20.8%	38.3%
Materials, Electronic Resources	6.2%	11.7%
Capital Outlay	63.6%	32.9%
Debt Service	2.3%	4.3%
Maintenance, Utilities, Security	1.3%	1.5%
Administration**	3.3%	6.6%
Supplies, Equipment	0.4%	0.8%
Automation	1.6%	2.9%
Public Programs, Printing	0.5%	1.0%
 Total Expenditures	 \$ 21,568,102	 \$ 11,501,247

\*This included Salaries, Health, FICA and IMRF.

\*\*Includes Building insurance, audit, utilities, postage, professional & administrative fees, contractual services, etc.

This table reflects expenditures for all governmental funds on the modified accrual basis of accounting.

**Impacts on Revenue & Expenses**

**Revenues**

Overall, total revenue from all sources was down 4% this year, which is primarily a result of many factors. The Library was physically closed due to COVID and the move back to Sixth Avenue resulting in a closure of 11 weeks during this fiscal year. This fiscal year was spent in a temporary location that was ¼ of the size of our permanent library. The temporary location did not have public meeting rooms and far fewer opportunities to collect fees from printing, study room usages, etc. In addition to the loss of fee revenue, the Library spent millions on the project, which caused our interest income to drastically reduce.

**St. Charles Public Library District  
Management's Discussion and Analysis  
For the Year Ended June 30, 2021**

**Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring).** Certain recurring revenues (Dividends from unemployment compensation insurance pool, 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. The Library continues its tax-exempt status for all property owned.

**Market impacts on investment income.** The District's investment portfolio is managed using an average maturity similar to most other governments. Market conditions may cause investment income to fluctuate. Since FY 2010, all Library investments continue to be in PFM's IIIT Money Market Fund and also in its nation-wide CD's. We continued to see the benefit to this change of strategy in the following years, including 2021.

**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 District.

**Changes in authorized personnel.** Changes in service demand may cause the District to increase or decrease staffing levels. Personnel costs are the District's most significant operating costs. With the move into a significantly smaller location, the Library strategically initiated a hiring freeze through the end of the fiscal year. In addition, we saw the retirement of three long-time staff members.

**Salary increases (annual adjustments and merit).** Traditionally, the Library Board is presented with a proposal for a base pay increase effective on January 1 for all employees who perform satisfactorily, with an additional merit range for those who excel. These increases are all within the approved budget and appropriation passed by the Board in the previous September. Salary increases for eligible staff went into effect on January 1, 2021. An across the board 2% cost of living increase went into effect at the same time. Merit increases were based upon Department Managers' recommendations via a performance review ranking scale, 0% - 3% for employees who exhibit ongoing or sustained excellence in job performance. Salary expenditures (not including other benefits) increased by 1.1% in fiscal year 2020 - 2021. IMRF rates were 16.13% in 2019 and 15.13% in 2021. Medical insurance rates stayed the same this year as our insurance carrier changed providers. Social Security rates remained unchanged from 2020 at a tax rate 6.2%.

**Inflation.** While overall inflation has been extremely modest, some of the District's functions and services may experience unusual commodity specific increases.

**Financial Analysis of the District's Funds**

As noted earlier, the St. Charles Public Library District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As of June 30, 2021, the governmental funds (as presented on the balance sheet on page 14) had a combined fund balance of \$3,442,613. In May 2011, the Board adopted a Fund Balance Policy in compliance with the GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definition*. In 2012, the Library Board Finance Committee recommended and the Board approved setting a goal for the Special Reserve Fund of one-half the amount of the November 2010 referendum request, or \$15,000,000, for the future construction of an expanded and remodeled facility, or the upgrade and maintenance of the existing facility if there is no successful referendum. No supplemental appropriations were adopted. In 2019, the Board approved an \$18.6 million budget for the full renovation and modest expansion for the District's only building. Five million dollars were raised by selling debt certificates in May 2019. Sheehan Nagle Hartray Architects, LLC and Shales McNutt were hired as the architects and construction management team, respectively. At the time of this report, construction is complete. The Board committed to a five-year freeze on their levy value to show their commitment and fiscal stewardship for this renovation project. The 2020-2021 Fiscal Year was the fourth consecutive year holding the levy value constant.

**St. Charles Public Library District  
Management's Discussion and Analysis  
For the Year Ended June 30, 2021**

**Table 3  
General Fund Budgetary Highlights for the Fiscal Year Ended June 30, 2021**

	<u>Actual</u>	<u>Original and Final Appropriation</u>
<b>Revenues and Transfers In</b>		
Taxes	\$ 6,865,606	\$ 6,869,339
Intergovernmental - Grants	103,482	68,865
Charges for Services	14,207	10,000
Investment Income	6,466	160,299
Other	<u>68,799</u>	<u>69,001</u>
Total Revenues and Transfers In	<u>7,058,560</u>	<u>7,177,504</u>
<b>Expenditures and Transfers Out</b>		
General Government	6,498,770	13,833,000
Capital Outlay	70,695	600,000
Debt Service	496,225	550,000
Transfers Out	<u>352,063</u>	<u>1,000,000</u>
Total Expenditures and Transfers Out	<u>7,417,753</u>	<u>15,983,000</u>
<b>Change in Fund Balance</b>	<b>\$ <u>(359,193)</u></b>	<b>\$ <u>(8,805,496)</u></b>

General fund expenditures for 2021 are under budget within the five percent deviation of any fiscal year. This is on target with expectations.

All major projects were completed by the District. The Special Reserve Fund is funded by the general fund balance at year-end. Due to the renovation/expansion project, in June 2019, the Board voted to transfer the Working Cash Funds 1 and 2, the George Haase Funds, and the Raymond Miller Funds into the Special Reserve to complete the total project budget of \$18.6 million. The building project was completed in 2021. The Board has established a goal of \$1.5 million to replenish the Special Reserve Fund.

**St. Charles Public Library District  
Management's Discussion and Analysis  
For the Year Ended June 30, 2021**

**Capital Assets**

The following schedules reflect the District's capital asset balances:

**Table 4  
Capital Assets**

	<u>As of June 30, 2021</u>	<u>As of June 30, 2020</u>
<b>Governmental Activities</b>		
Capital Assets Not Being Depreciated		
Land	\$ 3,687,602	\$ 3,687,602
Construction in Progress	<u>16,120,254</u>	<u>3,703,925</u>
Total Capital Assets Not Being Depreciated	<u>19,807,856</u>	<u>7,391,527</u>
Capital Assets Being Depreciated		
Building and Building Improvements	6,392,313	6,392,312
Furniture and Equipment	<u>2,692,452</u>	<u>1,871,241</u>
Total Capital Assets Being Depreciated	<u>9,084,765</u>	<u>8,263,553</u>
Less Accumulated Depreciation For		
Buildings and Building Improvements	3,799,708	3,642,884
Furniture and Equipment	<u>1,248,849</u>	<u>1,087,125</u>
Total Accumulated Depreciation	<u>5,048,557</u>	<u>4,730,009</u>
Total Capital Assets Being Depreciated, Net	<u>4,036,208</u>	<u>3,533,544</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 23,844,064</u>	<u>\$ 10,925,071</u>

At year-end, the District's capital assets (net of accumulated depreciation) for its governmental-type activities was \$23,844,064 (up 118.25% from \$10,925,071 in 2020). The main reason for this increase is the completion of the full renovation and expansion, which is recorded in Construction in Progress. The renovation and expansion was completed and placed into service during July 2021. Depreciation expense was allocated to general governmental activities. See Note 3 on page 25 for further information regarding capital assets.

**St. Charles Public Library District  
Management's Discussion and Analysis  
For the Year Ended June 30, 2021**

**Long-Term Debt**

**Table 5  
Long-Term Debt**

	Balances July 1, 2020	Issuances	Retirements	Balances June 30, 2021	Current Portion
Debt Certificate	\$ 4,495,000	\$ -	\$ 335,000	\$ 4,160,000	\$ 350,000
Premium on Debt Certificate	211,715	-	19,247	192,468	19,247
Net Pension Liability	3,060,431	\$ -	1,139,187	1,921,244	-
Other					
Postemployment Benefit Liability	68,872	2,222	-	71,094	-
Accrued					
Compensated Absences Payable	<u>145,779</u>	<u>143,928</u>	<u>145,779</u>	<u>143,928</u>	<u>143,928</u>
<b>Total Long Term Liabilities</b>	<b><u>\$ 7,981,797</u></b>	<b><u>\$ 146,150</u></b>	<b><u>\$ 1,639,213</u></b>	<b><u>\$ 6,488,734</u></b>	<b><u>\$ 513,175</u></b>

See Note 5 starting on page 26 for similar information regarding long-term debt.

See Note 8 starting on page 28 for more information on the District's participation in IMRF and the related net pension liability that is required to be reported per GASB Statement No. 68.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens with a general overview of the District'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 Edith G. Craig, Director, St. Charles Public Library District, One South Sixth Avenue, St. Charles, Illinois, 60174.

## **Basic Financial Statements**

**St. Charles Public Library District**  
**Statement of Net Position**  
**June 30, 2021**

<b>Assets and Deferred Outflow of Resources</b>	<u>Governmental Activities</u>
<b>Current Assets:</b>	
Cash and cash equivalents	\$ 8,752,566
Receivables	
Property taxes	3,887,511
Interest	7,272
Accounts	8,160
Prepaid expenses	7,730
Total Current Assets	<u>12,663,239</u>
<b>Non-Current Assets:</b>	
Capital assets not being depreciated	19,807,856
Capital assets (net of accumulated depreciation)	4,036,208
Total Non-Current Assets	<u>23,844,064</u>
Total Assets	<u>36,507,303</u>
<b>Deferred Outflows of Resources</b>	
Pension items - IMRF	651,032
Other postemployment benefits	114,686
Total Deferred Outflow of Resources	<u>765,718</u>
Total Assets and Deferred Outflow of Resources	<u>\$ 37,273,021</u>
<b>Liabilities, Deferred Inflow of Resources, and Net Position</b>	
<b>Current Liabilities:</b>	
Accounts payable	\$ 1,107,409
Accrued payroll	102,038
Accrued interest payable	15,620
Compensated absences	143,928
Current portion of long-term debt, including current portion of bond premium of \$19,247	369,247
Total Current Liabilities	<u>1,738,242</u>
<b>Non-Current Liabilities:</b>	
General obligation debt certificates, net of current portion of long-term debt, including bond premium of \$173,221	3,983,221
Net pension liability	1,921,244
Other postemployment benefit liability	71,094
Total Non-Current Liabilities	<u>5,975,559</u>
Total Liabilities	<u>7,713,801</u>
<b>Deferred Inflow of Resources</b>	
Pension items - IMRF	1,443,800
Other postemployment benefits	59,645
Deferred revenue - property taxes	8,011,179
Total Deferred Inflow of Resources	<u>9,514,624</u>
Total Liabilities and Deferred Inflow of Resources	<u>\$ 17,228,425</u>
<b>Net Position:</b>	
Net investment in capital assets	\$ 19,491,596
Restricted for:	
Specific purpose	337,168
Audit	706
Retirement benefits	515,159
Insurance	96,544
Capital Projects	38,994
Unrestricted:	(435,571)
Total Net Position	<u>\$ 20,044,596</u>

The Accompanying Notes to the Financial Statements are an Integral Part of These Statements

**St. Charles Public Library District**  
**Statement of Activities**  
**For the Year Ended June 30, 2021**

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net Revenue and Changes in Net Position
Primary Governments:					
General government activities	\$ 7,915,197	\$ 14,207	\$ 103,482	\$ -	\$ (7,797,508)
Interest on long-term debt	160,220	-	-	-	(160,220)
Total Primary Government	\$ 8,075,417	\$ 14,207	\$ 103,482	\$ -	\$ (7,957,728)
General Revenues:					
Property taxes					7,997,376
Replacement taxes					40,225
Interest income					6,466
Miscellaneous					44,702
Donations					41,122
Total General Revenues					8,129,891
Change in Net Position					172,163
Net Position-Beginning					19,872,433
Net Position-Ending					\$ 20,044,596

The Accompanying Notes to the Financial Statements are an Integral Part of These Statements

**St. Charles Public Library District**  
**Balance Sheets - Governmental Funds**  
**June 30, 2021**

	General	Special Reserve	Illinois Municipal Retirement and Social Security	Nonmajor Governmental Funds	Total Government Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 3,769,836	\$ 3,376,068	\$ 922,208	\$ 684,454	\$ 8,752,566
Receivables					
Property taxes	3,351,019	-	383,742	152,750	3,887,511
Interest	7,272	-	-	-	7,272
Accounts	8,160	-	-	-	8,160
Prepaid/Other Expenses	7,730	-	-	-	7,730
Total Assets	<u>\$ 7,144,017</u>	<u>\$ 3,376,068</u>	<u>\$ 1,305,950</u>	<u>\$ 837,204</u>	<u>\$ 12,663,239</u>
<b>Liabilities</b>					
Accounts payable	\$ 136,365	\$ 922,026	\$ -	\$ 49,018	\$ 1,107,409
Accrued payroll	102,038	-	-	-	102,038
Total Liabilities	<u>238,403</u>	<u>922,026</u>	<u>-</u>	<u>49,018</u>	<u>1,209,447</u>
<b>Deferred Inflow of Resources</b>					
Deferred property taxes	<u>6,905,614</u>	<u>-</u>	<u>790,791</u>	<u>314,774</u>	<u>8,011,179</u>
<b>Fund Balances</b>					
Nonspendable	7,730	-	-	-	7,730
Restricted					
Specific purpose	-	-	-	337,168	337,168
Audit	-	-	-	706	706
Retirement benefits	-	-	515,159	-	515,159
Insurance	-	-	-	96,544	96,544
Capital Projects	-	-	-	38,994	38,994
Assigned					
Capital Projects	-	2,454,042	-	-	2,454,042
Unassigned (deficit)	<u>(7,730)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,730)</u>
Total Fund Balances	<u>-</u>	<u>2,454,042</u>	<u>515,159</u>	<u>473,412</u>	<u>3,442,613</u>
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	<u>\$ 7,144,017</u>	<u>\$ 3,376,068</u>	<u>\$ 1,305,950</u>	<u>\$ 837,204</u>	<u>\$ 12,663,239</u>

The Accompanying Notes to the Financial Statements are an Integral Part of These Statements

**St. Charles Public Library District  
Reconciliation of Total Governmental Fund Balance  
To Net Position of Governmental Activities  
For the Year Ended June 30, 2021**

Total Governmental Fund Balance	\$	3,442,613
Amounts reported in governmental activities in the Statement of Net Position are different because:		
Capital assets at historical cost, net accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the governmental funds statement.		23,844,064
Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position		(1,921,244)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources on the statement of net position		651,032
Net differences between projected and actual earnings and assumption changes for the Illinois Municipal Retirement Fund are recognized as deferred inflows of resources in the statement of net position		(1,443,800)
Other postemployment benefits liability is shown as a liability on the statement of net position.		(71,094)
Differences between expected and actual experiences, and assumption changes for postemployment benefits are recognized as deferred inflows of resources on the statement of net position		(59,645)
Assumption changes for other postemployment benefits are recognized as deferred outflows of resources on the statement of net position		114,686
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Debt certificates		(4,160,000)
Premium on debt certificates		(192,468)
Interest payable		(15,620)
Compensated absences payable		(143,928)
Net Position	\$	20,044,596

The Accompanying Notes to the Financial Statements are an Integral Part of These Statements

**St. Charles Public Library District**  
**Statements of Revenues, Expenditures, and Changes in Fund Balances - Governmental Activities**  
**For the Year Ended June 30, 2021**

	General	Special Reserve	Municipal Retirement and Social Security	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property taxes	\$ 6,825,381	\$ -	\$ 789,300	\$ 382,695	\$ 7,997,376
Replacement taxes	40,225	-	-	-	40,225
Intergovernmental	103,482	-	-	-	103,482
Fines and fees	14,207	-	-	-	14,207
Interest	6,466	-	-	-	6,466
Other	68,799	-	-	-	68,799
<b>Total Revenue</b>	<u>7,058,560</u>	<u>-</u>	<u>789,300</u>	<u>382,695</u>	<u>8,230,555</u>
<b>Expenditures</b>					
General government	6,498,770	-	763,314	99,179	7,361,263
Capital outlay	70,695	13,436,644	-	203,275	13,710,614
Principal payment on debt certificate	335,000	-	-	-	335,000
Interest on debt certificate	161,225	-	-	-	161,225
<b>Total Expenditures</b>	<u>7,065,690</u>	<u>13,436,644</u>	<u>763,314</u>	<u>302,454</u>	<u>21,568,102</u>
<b>Other Financing Sources</b>					
Transfers in	-	352,063	-	-	352,063
Transfers out	(352,063)	-	-	-	(352,063)
<b>Total Other Financing Sources</b>	<u>(352,063)</u>	<u>352,063</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(359,193)	(13,084,581)	25,986	80,241	(13,337,547)
<b>Fund Balances-Beginning</b>	359,193	15,538,623	489,173	393,171	16,780,160
<b>Fund Balances-Ending</b>	<u>\$ -</u>	<u>\$ 2,454,042</u>	<u>\$ 515,159</u>	<u>\$ 473,412</u>	<u>\$ 3,442,613</u>

The Accompanying Notes to the Financial Statements are an Integral Part of These Statements

**St. Charles Public Library District**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in**  
**Fund Balance of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2021**

Net Change in Governmental Fund Balance	\$ (13,337,547)
Amounts reported in governmental activities in the Statement of Net Position are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	13,237,540
Some expenses in the statement of activities (e.g. depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(318,547)
Amortization of bond premiums is only reported on the statement of activities	19,247
Principal payments on debt certificates are an expenditure in the statement of activities	335,000
The change in the other postemployment benefits liability is reported only in the statement of activities	(2,222)
The change in deferred outflows of resources for other postemployment benefits liability is reported only in the statement of activities	(16,283)
The change in deferred inflows of resources for other postemployment benefits liability is reported only in the statement of activities	7,828
The change in accrued interest payable is shown as an expense on the statement of activities	1,005
The change in compensated absences is shown as an expense on the statement of activities	1,851
GASB 68 pension expense is not recorded on governmental fund statements.	136,503
GASB 68 employer contributions are not recorded on governmental fund statements.	107,788
Change in Net Position of Governmental Activities	\$ 172,163

The Accompanying Notes to the Financial Statements are an Integral Part of These Statements

**St. Charles Public Library District**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2021**

**Note 1 – Statement of Significant Accounting Policies**

The financial statements of the St. Charles Public Library District (the District), have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles. The more significant of the accounting policies are described below.

Reporting Entity

The District is a body corporate and politic established under Illinois Compiled Statutes (ILCS) governed by an elected Board of Trustees. These financial statements present the District's reporting entity as required by GAAP. The District is considered to be a primary government since its board is separately elected and the District is fiscally independent.

Based on the criteria of GASB Statement No 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, the District does not have any component units. The Library District Foundation and the Friends of the Library, while potential component units, are not significant to the District and, therefore, have been excluded from its reporting entity.

Fund Accounting

The District uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary and fiduciary. The District reports only governmental funds.

Governmental funds are used to account for all or most of a district's general activities, including the collection and disbursement of committed, restricted or assigned monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of general capital assets (capital projects funds), the funds committed, restricted or assigned for servicing of general long-term debt (debt service funds) and the management of funds held in trust that can be used for library services (permanent funds). The General Fund is used to account for all activities of the District not accounted for in some other fund.

**St. Charles Public Library District  
Notes to the Financial Statements  
For the Year Ended June 30, 2021**

**Note 1 – Statement of Significant Accounting Policies (continued)**

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, if any, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues 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 standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those accounted for in another fund.

The Special Reserve Fund, a Capital Projects Fund, is used to account for resources assigned for capital improvements at the District.

The Illinois Municipal Retirement and Social Security Fund is used to account for the District's retirement funding.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

**St. Charles Public Library District**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2021**

**Note 1 – Statement of Significant Accounting Policies (continued)**

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports deferred/unavailable revenue and unearned revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the deferred inflow for deferred or unavailable revenue or the liability for unearned revenue is removed from the financial statements and revenue is recognized.

Investments

Investments with maturity greater than one year at time of purchase, if any, are stated at fair value. Non-negotiable certificates of deposit, if any, are reported at cost.

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs. The District's investment advisor uses Level 2 inputs to determine the fair value of the negotiable certificates of deposit at June 30, 2021.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost in excess of \$2,500 (except for building improvements which is a cost in excess of \$10,000) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

**St. Charles Public Library District  
Notes to the Financial Statements  
For the Year Ended June 30, 2021**

**Note 1 – Statement of Significant Accounting Policies (continued)**

Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and building improvements	10-50
Furniture and equipment	7-40

Compensated Absences

In accordance with GASB Interpretation No. 6, *Accounting for Certain Liabilities*, only vested or accumulated vacation leave including related Social Security and Medicare that is committed to be liquidated at June 30, 2021, is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation of governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to employees. Sick leave does not vest upon termination or retirement and, therefore, no liability has been recorded for this.

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. Bond premiums and discounts are deferred and amortized over the life of the bonds for bond issues after July 1, 2003. Bonds payable are reported net of the applicable bond premium or discount, as applicable. Bond issuance costs are reported as expenses in the current period.

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

**St. Charles Public Library District**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2021**

**Note 1 – Statement of Significant Accounting Policies (continued)**

Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the District's Board of Trustees, which is considered the District's highest level of decision-making authority. Formal actions include ordinances approved by the District's Board of Trustees. Assigned fund balance represent amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the District's director through the approved fund balance policy of the District. Any residual fund balance in the General Fund is reported as unassigned. Any deficit fund balances in governmental funds are also reported as unassigned.

The District's flow of funds assumptions prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the District considers committed funds to be expended first, followed by assigned and then unassigned funds.

The various special revenue funds supported by property taxes are restricted due to the restricted revenue streams of the fund balance. Other funds are restricted due to the nature of the contributions to the fund.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. None of the net position is restricted as a result of enabling legislation adopted by the District. Net investment in capital assets is the book value of capital assets less outstanding principal balances of debt that was issued to construct the capital assets.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**St. Charles Public Library District**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2021**

**Note 1 – Statement of Significant Accounting Policies (continued)**

Interfund Transactions

Interfund services are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

Use of Estimates

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

**Note 2 – Deposits and Investments**

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

The District's investment policy authorizes the District to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, The Illinois Funds and the Illinois Institutional Investors Trust. The District's deposits at June 30, 2021 include deposits/investments in commercial banks, The Illinois Funds and the Illinois Institutional Investors Trust.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety of principal, liquidity, yield and maintaining the public trust.

**St. Charles Public Library District  
Notes to the Financial Statements  
For the Year Ended June 30, 2021**

**Note 2 – Deposits and Investments (continued)**

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District’s deposits may not be returned to it. To guard against credit risk for deposits with financial institutions, the District’s investment policy requires pledging of collateral with a fair value of at least 110% of all bank balances in excess of FDIC with collateral held by an independent third party in the name of the District. At June 30, 2021, the District had no uninsured or uncollateralized deposits.

Investments

As of June 30, 2021, the District had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
Negotiable certificates of deposit	\$ 3,472,000	\$ 3,472,000	\$ -	\$ -	\$ -
Total	\$ 3,472,000	\$ 3,472,000	\$ -	\$ -	\$ -

In accordance with its investment policy, the District limits its exposure to interest rate risk by diversifying its investment portfolio to the best of its ability based on the nature of the funds invested and the cash flow needs of those funds. A variety of financial instruments and maturities, properly balanced, will help to ensure liquidity and reduce risk or interest rate volatility and loss of principal. Diversifying investments and maturities will avoid incurring unreasonable risks in the investment portfolio regarding specific security types, issuers or individual financial institutions. The District’s investment policy does not specifically limit the maximum maturity length of investments.

The District limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government and The Illinois Funds. However, the District’s investment policy does not specifically limit the District to these types of investments. The Illinois Funds and the Illinois Institutional Investors Trust are rated AAA by Standard and Poor’s.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the District will not be able to recover the value of its investments that are in the possession of an outside party. To limit its exposure, the District’s investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the District’s agent separate from where the investment was purchased. Illinois Funds and the Illinois Institutional Investors Trust are not subject to custodial credit risk.

**St. Charles Public Library District**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2021**

**Note 2 – Deposits and Investments (continued)**

Concentration of credit risk is the risk that the District has too high a percentage of their investments invested in one type of investment. The District’s investment policy states that commercial paper shall not exceed 10% of the District’s investment portfolio.

**Note 3 – Capital Assets**

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balances July 1	Increases	Decreases	Balances June 30
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 3,687,602	\$ -	\$ -	\$ 3,687,602
Construction in Progress	3,703,925	12,416,329	-	16,120,254
Total capital assets not being depreciated	7,391,527	12,416,329	-	19,807,856
Capital assets being depreciated				
Buildings and building improvements	6,392,313	-	-	6,392,313
Furniture and equipment	1,871,241	821,211	-	2,692,452
Total capital assets being depreciated	8,263,554	821,211	-	9,084,765
Less accumulated depreciation for				
Buildings and building improvements	3,642,885	156,823	-	3,799,708
Furniture and equipment	1,087,125	161,724	-	1,248,849
Total accumulated depreciation	4,730,010	318,547	-	5,048,557
Total capital assets being depreciated, net	3,533,544	502,664	-	4,036,208
Governmental Activities				
Capital Assets, Net	\$ 10,925,071	\$ 12,918,993	\$ -	\$ 23,844,064

Depreciation expense was charged to functions of the primary government as follows:

**Governmental Activities**

General government	<u>\$318,547</u>
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**Note 4 – Property Taxes**

The property tax lien date is January 1. Property taxes are due to the County Collector in two installments, June 1 and September 1. Property taxes for 2019 are normally received monthly beginning in June and generally ending by November 2019. The 2020 levy was adopted in November 2020 and is recorded as a receivable at June 30 less collections to date and recorded as deferred/unavailable revenue since it is intended to finance the subsequent fiscal year. The 2021 tax levy, which attached as an enforceable lien on property as of January 1, 2021, has not been recorded as a receivable as of June 30, 2021, as the tax has not yet been levied by the District and will not be levied until November 2021 and, therefore, the levy is not measurable at June 30, 2021.

**St. Charles Public Library District**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2021**

**Note 5 – Long-term Debt**

Changes in Long-Term Liabilities

During the fiscal year, the following changes occurred in long-term debt:

Issue	Fund Debt Retired By	Balances			Retirements	Balances		Current Portion
		July 1	Issuances	June 30		June 30		
Debt certificate	General	\$ 4,495,000	\$ -	\$ 335,000	\$ 4,160,000	\$ 350,000		
Premium on debt certificate	General	211,715	-	19,247	192,468	19,247		
Net pension liability	General	3,060,431	-	1,139,187	1,921,244	-		
Other postemployment benefit liability	General	68,872	2,222	-	71,094	-		
Accrued compensated absences payable	General	145,779	143,928	145,779	143,928	143,928		
Total		<u>\$ 7,981,797</u>	<u>\$ 146,150</u>	<u>\$ 1,639,213</u>	<u>\$ 6,488,734</u>	<u>\$ 513,175</u>		

In May 2019, \$4,835,000 General Obligation Debt Certificates (Limited Tax) Series 2019, were issued by the District for capital improvements to the library. These debt certificates are dated May 28, 2019 bearing interest bonds at 2.10% to 4.00% and maturing at November 1, 2030. These bonds are paid by the General Fund.

Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Debt Certificates	
	Governmental Activities	
	Principal	Interest
2022	\$ 350,000	\$ 150,950
2023	360,000	138,975
2024	375,000	124,750
2025	390,000	109,450
2026	405,000	93,975
2027	420,000	77,900
2028	440,000	60,700
2029	455,000	42,800
2030	475,000	24,200
2031	490,000	7,350
Total	<u>\$ 4,160,000</u>	<u>\$ 831,050</u>

**St. Charles Public Library District  
Notes to the Financial Statements  
For the Year Ended June 30, 2021**

**Note 5 – Long-term Debt (continued)**

Legal Debt Margin

Assessed Valuation - 2020	\$ 2,596,446,964
Legal Debt Limit - 2.875% of Assessed Valuation	\$ 74,647,850
Amount of Debt Applicable of Debt Limit	<u>4,160,000</u>
Legal Debt Margin	<u>\$ 70,487,850</u>

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

The limitations prescribed shall not apply to any indebtedness of any library district incurred for acquiring or improving sites; constructing, extending or improving and equipping sites for public library purposes; or for the establishment, support and maintenance of a public library, under the provisions of the Illinois Public Library District Act.

**Note 6 – Risk Management**

The District is exposed to various risks of loss including, but not limited to, employee health, general liability, property casualty, workers’ compensation, and public officials’ liability. To limit exposure to these risks, the District participates in the System Libraries Insurance Cooperative (SLIC), a public entity risk pool with the transfer of risk. The District is liable for up to \$10,000 per occurrence deductible for each claim with SLIC liable for the remainder up to certain limits. The District’s policy is to record any related expenditures in the year in which they are notified of any additional assessments. The District is not aware of any additional assessments owed as of June 30, 2021. The District also pays premiums to a third party insurance carrier for employee medical insurance. Settled claims have not exceeded insurance coverages in the fiscal year or prior two fiscal years.

**Note 7 – Jointly Governed Organizations**

The District is a member of the System Wide Automated Network (SWAN). SWAN is a consortium of 98 libraries throughout northern Illinois. SWAN’s Board of Directors consists of seven elected Directors from within the consortium. The Board of Directors is the governing body of SWAN and is responsible for establishing all major policies and changes therein. The District does not exercise any direct oversight over SWAN or have an equity interest in SWAN.

**St. Charles Public Library District**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2021**

**Note 8 – Defined Benefit Pension Plan**

The District's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at [www.imrf.org](http://www.imrf.org).

**IMRF Plan Description**

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

**Benefits Provided**

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

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

**St. Charles Public Library District  
Notes to the Financial Statements  
For the Year Ended June 30, 2021**

**Note 8 – Defined Benefit Pension Plan (continued)**

Employees Covered by Benefit Terms

At December 31, 2020, IMRF membership consisted of:

Retirees and beneficiaries	82
Inactive, non-retired members	44
Active members	<u>61</u>
Total	<u><u>187</u></u>

Contributions

Participating members are required to contribute 4.50% of their annual covered salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2020 and 2021 was 16.13% and 15.13%, respectively, of covered payroll.

Net Pension Liability

The District'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 District's net pension liability was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions:

- The *Actuarial valuation date* was December 31, 2020
- The *Actuarial cost method* was Entry Age Normal
- The *Asset Valuation Method* used was Market Value of Assets
- The *Inflation Rate* was assumed to be 2.25%
- *Salary Increases* were expected to be 2.85% to 13.75%
- The *Investment Rate of Return* was assumed to be 7.25%
- The *Retirement Age* is determined by an 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 projects 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.

**St. Charles Public Library District  
Notes to the Financial Statements  
For the Year Ended June 30, 2021**

**Note 8 – Defined Benefit Pension Plan (continued)**

- There were no benefit changes during the year.

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
Domestic Equities	37.00%	5.00%
International Equities	18.00%	6.00%
Fixed Income	28.00%	1.30%
Real Estate	9.00%	6.20%
Alternative Investments	7.00%	2.85%-6.95%
Cash and Cash Equivalents	1.00%	0.70%

**Single Discount Rate**

The Single Discount Rate used to measure the total pension liability at December 31, 2020 was 7.25%. The projection of cash flows used to determine the Single Discount Rate assumed that plan members' contributions will be made at the current contribution rate and that Employer contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits); and,
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

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% (based on the daily rate closest to but not later than the measurement date of the "20-year Municipal GO AA Index"), and the resulting Single Discount Rate is 7.25%.

**St. Charles Public Library District**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2021**

**Note 8 – Defined Benefit Pension Plan (continued)**

Changes in the Net Pension Liability

	(a)	(b)	(a) - (b)
	Total	Plan	Net
	Pension	Fiduciary	Pension
	Liability	Net Position	Liability
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Balances at January 1, 2020	\$ 17,778,175	\$ 14,717,744	\$ 3,060,431
Changes for the period			
Service cost	318,683	-	318,683
Interest on the Total Pension Liability	1,260,931	-	1,260,931
Difference between expected and actual experience	411,684	-	411,684
Changes of assumptions	(146,589)	-	(146,589)
Employer contributions	-	508,879	(508,879)
Employee contributions	-	141,969	(141,969)
Net investment income	-	2,160,438	(2,160,438)
Benefit payments, including refunds of employee contributions	(1,090,733)	(1,090,733)	-
Administrative expense	-	-	-
Other (net transfer)	-	172,610	(172,610)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Net Changes	<u>753,976</u>	<u>1,893,163</u>	<u>(1,139,187)</u>
Balances at December 31, 2020	\$ <u>18,532,151</u>	\$ <u>16,610,907</u>	\$ <u>1,921,244</u>

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

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate of 7.25% as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease	Current	1% Increase
	(6.25%)	Discount Rate	(8.25%)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Pension Liability	\$ 20,429,387	\$ 18,532,151	\$ 16,976,349
Plan Fiduciary Net Position	<u>16,610,907</u>	<u>16,610,907</u>	<u>16,610,907</u>
Net Pension Liability	\$ <u>3,818,480</u>	\$ <u>1,921,244</u>	\$ <u>365,442</u>

**St. Charles Public Library District  
Notes to the Financial Statements  
For the Year Ended June 30, 2021**

**Note 8 – Defined Benefit Pension Plan (continued)**

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2021, the District recognized pension expense of \$695,067. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows/(Inflows) of Resources
Difference between expected and actual experience	\$ 366,279	\$ -	\$ 366,279
Assumption changes	40,044	101,179	(61,135)
Net difference between projected and actual earnings on pension plan investments	722,235	2,064,856	(1,342,621)
Employer contributions after the measurement date	<u>244,709</u>	<u>-</u>	<u>244,709</u>
Total	<u>\$ 1,373,267</u>	<u>\$ 2,166,035</u>	<u>\$ (792,768)</u>

\$244,709 reported as deferred outflows of pensions result from the District’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Net Deferred Outflows of Resources
2021	\$ 37,280
2022	(92,091)
2023	(517,339)
2024	(220,618)
2025	-
Thereafter	-
Total	<u>\$ (792,768)</u>

**St. Charles Public Library District  
Notes to the Financial Statements  
For the Year Ended June 30, 2021**

**Note 9 – Other Postemployment Benefits**

Plan Description

In addition to providing the pension benefits described, the District provides other postemployment health care and life insurance benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue a separate report. The activity of the plan is reported in the District's governmental activities.

Benefits Provided

The District provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under the District's retirement plan. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from the District's insurance provider.

Membership

At June 30, 2021, membership consisted of:

Inactive fund members or beneficiaries currently receiving benefits payments	-
Inactive fund members entitled to but not yet receiving benefit payments	-
Active fund members	<u>60</u>
Total	<u><u>60</u></u>

Actuarial Assumptions and Other Inputs

The total OPEB liability at June 30, 2021, as determined by a roll-forward performed on an actuarial valuation as of June 30, 2020, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updated procedures to June 30, 2021, including updating the discount rate at June 30, 2021, as noted below.

- The *Actuarial valuation date* was June 30, 2020
- The *Actuarial cost method* was Entry Age Normal
- The *Asset Valuation Method* was N/A
- *Inflation* was assumed to be 3.00%

**St. Charles Public Library District  
Notes to the Financial Statements  
For the Year Ended June 30, 2021**

**Note 9 – Other Postemployment Benefits (continued)**

- The *Discount Rate* was 2.18%, updated from 2.66% used in the Fiscal Year 2020 valuation.
- The *Healthcare Cost Trend Rates* were assumed to be 6.30% to 7.00% in Fiscal Year 2020 based on type of plan, to an ultimate trend rate of 4.50%
- *Mortality* assumption was based on the PubS. H-2010 Mortality Table - General

**Single Discount Rate**

The discount rate was the S&P Municipal Bond 20-year high-grade rate index as of June 30, 2021.

**Changes in the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Balances at July 1, 2020	\$ <u>68,872</u>
Changes for the period	
Service cost	4,096
Interest	1,756
Difference between expected & actual experience	-
Changes of assumptions and other inputs	2,096
Benefit payments	(5,726)
Other changes	<u>-</u>
Net Changes	<u>2,222</u>
Balances at June 30, 2021	\$ <u><u>71,094</u></u>

**Rate Sensitivity**

The following is a sensitive analysis of total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the District calculated using the discount rate of 2.18% as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.18%) or 1 percentage point higher (3.18%) than the current rate:

	1% Decrease <u>(1.18%)</u>	Current Discount Rate <u>(2.18%)</u>	1% Increase <u>(3.18%)</u>
Total OPEB liability	\$ 75,696	\$ 71,094	\$ 66,821

**St. Charles Public Library District  
Notes to the Financial Statements  
For the Year Ended June 30, 2021**

**Note 9 – Other Postemployment Benefits (continued)**

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 6.30% to 7.00% as well as what the District’s total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (5.30% to 6.00%) or 1 percentage point higher (7.30% to 8.00%) than the current rate:

	<u>1% Decrease (5.3% to 6.0%)</u>	<u>Current Discount Rate (6.3% to 7.0%)</u>	<u>1% Increase (7.3% to 8.0%)</u>
Total OPEB liability	\$ 65,021	\$ 71,094	\$ 78,157

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2021, the District recognized OPEB expense of \$22,370. At June 30, 2021, the District reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 5,539
Changes of assumptions	<u>114,686</u>	<u>54,106</u>
Total	<u>\$ 114,686</u>	<u>\$ 59,645</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending	Deferred Outflows	Deferred Inflows
June 30,		
2021	\$ 18,378	\$ 7,828
2022	18,378	7,828
2023	18,378	7,828
2024	18,378	7,828
2025	18,378	7,828
Thereafter	<u>22,796</u>	<u>20,505</u>
Total	<u>\$ 114,686</u>	<u>\$ 59,645</u>

**St. Charles Public Library District**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2021**

**Note 10 – Future Minimum Lease Payments**

During the year ended June 30, 2020, the District entered into a lease agreement with St. Charles Community Unit School District No. 303 to lease a portion of property while renovations took place at the District facilities. Monthly payments of \$22,822 were on the first of each month starting March 1, 2020 and ended on May 31, 2021. Rent expense under this lease totaled \$251,042 during the fiscal year.

**Note 11 – Date of Management’s Review**

Subsequent events have been evaluated through the date of this report. It was concluded that there are no subsequent events that are required to be disclosed.

**Required Supplementary Information**

**St. Charles Public Library District**  
**Schedule of Revenues, Expenditures,**  
**and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2021**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ (Negative)</u>
<b>Revenues:</b>			
Property taxes	\$ 6,825,381	\$ 6,844,339	\$ (18,958)
Replacement taxes	40,225	25,000	15,225
Intergovernmental	103,482	68,865	34,617
Charges for services	14,207	10,000	4,207
Investment earnings	6,466	160,299	(153,833)
Other	68,799	69,001	(202)
Total Revenues	<u>7,058,560</u>	<u>7,177,504</u>	<u>(118,944)</u>
<b>Expenditures:</b>			
General government			
Library materials	1,347,688	2,200,000	852,312
Equipment	475,709	2,025,000	1,549,291
Administration	898,230	3,933,000	3,034,770
Personnel	3,715,306	5,000,000	1,284,694
Per capita grant	61,837	675,000	613,163
Capital outlay	70,695	600,000	529,305
Debt service	496,225	550,000	53,775
Total Expenditures	<u>7,065,690</u>	<u>14,983,000</u>	<u>7,917,310</u>
<b>Other Financing Sources (Uses):</b>			
Transfers out	<u>(352,063)</u>	<u>(1,000,000)</u>	<u>(647,937)</u>
Net Change in Fund Balance	<u>(359,193)</u>	<u>\$ (8,805,496)</u>	<u>\$ 8,446,303</u>
Fund balance, July 1, 2020	<u>359,193</u>		
Fund balance, June 30, 2021	<u>\$ -</u>		

The Accompanying Notes to the Required Supplementary Information are an Integral Part of These Statements

**St. Charles Public Library District  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget and Actual  
Special Reserve Fund  
For the Year Ended June 30, 2021**

	Actual	Original and Final Budget	Positive/ (Negative)
<b>Revenues:</b>			
Property taxes	\$ -	\$ -	\$ -
Total Revenues	-	-	-
 <b>Expenditures:</b>			
Capital outlay	13,436,644	26,500,000	13,063,356
Total Expenditures	13,436,644	26,500,000	13,063,356
 <b>Other Financing Sources</b>			
Transfers in	352,063	-	352,063
Transfers out	-	-	-
<b>Total Other Financing Sources</b>	352,063	-	352,063
Net change in fund balance	(13,084,581)	\$ (26,500,000)	\$ (12,711,293)
Fund Balance, July 1, 2020	15,538,623		
Fund Balance, June 30, 2021	\$ 2,454,042		

The Accompanying Notes to the Required Supplementary Information are an Integral Part of These Statements

**St. Charles Public Library District**  
**Illinois Municipal Retirement and**  
**Social Security Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2021**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ (Negative)</u>
<b>Revenues:</b>			
Property taxes	\$ 789,300	\$ 791,492	\$ (2,192)
Total Revenues	<u>789,300</u>	<u>791,492</u>	<u>(2,192)</u>
<b>Expenditures:</b>			
District's contribution to IMRF/Social Security/FICA	763,314	1,250,000	486,686
Total Expenditures	<u>763,314</u>	<u>1,250,000</u>	<u>486,686</u>
 Net Change in Fund Balance	 25,986	 \$ <u><u>(458,508)</u></u>	 \$ <u><u>484,494</u></u>
 Fund Balance, July 1, 2020	 <u>489,173</u>		
 Fund Balance, June 30, 2021	 <u><u>\$ 515,159</u></u>		

**St. Charles Public Library District  
Multiyear Schedule of Contributions -  
Illinois Municipal Retirement Fund  
For the Year Ended June 30, 2021**

Last 10 Fiscal Years  
(schedule to be built prospectively from 2015)

Fiscal Year Ending June 30,	Actuarially Determined Contribution	Actual Contributions	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 368,978	\$ 368,978	\$ -	\$ 2,732,534	13.50%
2016	394,330	394,330	-	2,846,000	13.86%
2017	379,473	379,473	-	2,780,969	13.65%
2018	390,199	390,199	-	2,781,546	14.03%
2019	392,577	392,577	-	2,786,316	14.09%
2020	459,818	459,818	-	3,058,362	15.03%
2021	497,075	497,075	-	3,189,675	15.58%

\* Estimated based on contribution rate of 15.58% and covered valuation payroll of \$3,189,675.

*Valuation Date:* Actuarially determined contribution rate are calculated as of December 31 each year each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2020 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate Entry Age Normal
<i>Amortization Method:</i>	Level Percentage of Payroll, Closed
<i>Remaining Amortization Period:</i>	Non-Taxing bodies: 10-year rolling period. Taxing bodies: (Regular, SLEP, and ESO group): 23-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 18 years for most employers (three employers were financed over 27 years and four others were financed over 28 years).
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.25%
<i>Price Inflation:</i>	2.50%
<i>Salary Increases:</i>	3.35% to 14.25% including inflation
<i>Investment Rate of Return:</i>	7.25%
<i>Retirement Age:</i>	Experienced-based table of rates that are specific to the type of eligibility condition. Last update for 2017 valuation pursuant to an experience study of the period 2014-2016.
<i>Mortality:</i>	For non-disabled retirees, IMRF specific mortality rates were 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 adjustment to match current IMRF experience. For disabled retirees, IMRF mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, IMRF specific mortality rates were 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.
<i>Other Information:</i>	
<i>Notes</i>	There were no benefits changes during the year.

The Accompanying Notes to the Required Supplementary Information are an Integral Part of These Statements

**St. Charles Public Library District**  
**Multiyear Schedule of Changes in Net Pension Liability and Related Ratios -**  
**Illinois Municipal Retirement Fund**  
**For the Year Ended June 30, 2021**

Last 10 Calendar Years  
(schedule to be built prospectively from 2014)

Calendar year ending December 31,	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Total Pension Liability</b>										
Service cost	\$ 318,683	\$ 282,571	\$ 272,287	\$ 289,408	\$ 311,146	\$ 319,848	\$ 324,322	-	-	-
Interest on the total pension liability	1,260,931	1,218,306	1,151,300	1,091,022	1,025,455	953,857	854,954	-	-	-
Benefit changes	-	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	411,684	98,993	521,562	702,393	201,605	257,384	13,870	-	-	-
Assumption changes	(146,589)	-	429,435	(463,482)	(98,729)	31,333	652,500	-	-	-
Benefit payments and refunds	(1,090,733)	(969,271)	(883,068)	(731,064)	(598,229)	(524,490)	(449,496)	-	-	-
Net Change in Total Pension Liability	<u>753,976</u>	<u>630,599</u>	<u>1,491,516</u>	<u>888,277</u>	<u>841,248</u>	<u>1,037,932</u>	<u>1,396,150</u>	-	-	-
Total Pension Liability - Beginning	<u>17,778,175</u>	<u>17,147,576</u>	<u>15,656,060</u>	<u>14,767,783</u>	<u>13,926,535</u>	<u>12,888,603</u>	<u>11,492,453</u>	-	-	-
Total Pension Liability - Ending (a)	<u>\$ 18,532,151</u>	<u>\$ 17,778,175</u>	<u>\$ 17,147,576</u>	<u>\$ 15,656,060</u>	<u>\$ 14,767,783</u>	<u>\$ 13,926,535</u>	<u>\$ 12,888,603</u>	-	-	-
<b>Plan Fiduciary Net Position</b>										
Employer contributions	\$ 508,879	\$ 401,091	\$ 387,309	\$ 407,330	\$ 359,816	\$ 383,356	\$ 357,399	-	-	-
Employee contributions	141,969	130,162	122,203	134,370	118,102	128,070	122,470	-	-	-
Pension plan net investment income	2,160,438	2,481,903	(799,118)	2,039,656	741,684	53,330	606,271	-	-	-
Benefit payments and refunds	(1,090,733)	(969,271)	(883,068)	(731,064)	(598,229)	(524,490)	(449,496)	-	-	-
Other	172,610	(45,707)	571,710	(169,981)	174,645	131,447	112,167	-	-	-
Net Change in Plan Fiduciary Net Position	<u>1,893,163</u>	<u>1,998,178</u>	<u>(600,964)</u>	<u>1,680,311</u>	<u>796,018</u>	<u>171,713</u>	<u>748,811</u>	-	-	-
Plan Fiduciary Net Position - Beginning	<u>14,717,744</u>	<u>12,719,566</u>	<u>13,320,530</u>	<u>11,640,219</u>	<u>10,844,201</u>	<u>10,672,488</u>	<u>9,923,677</u>	-	-	-
Plan Fiduciary Net Position - Ending (b)	<u>\$ 16,610,907</u>	<u>\$ 14,717,744</u>	<u>\$ 12,719,566</u>	<u>\$ 13,320,530</u>	<u>\$ 11,640,219</u>	<u>\$ 10,844,201</u>	<u>\$ 10,672,488</u>	-	-	-
Net Pension Liability/(Asset) - Ending (a) - (b)	<u>1,921,244</u>	<u>3,060,431</u>	<u>4,428,010</u>	<u>2,335,530</u>	<u>3,127,564</u>	<u>3,082,334</u>	<u>2,216,115</u>	-	-	-
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	89.63%	82.79%	74.18%	85.08%	78.82%	77.87%	82.81%	-	-	-
Covered Valuation Payroll	\$ 3,154,866	\$ 2,889,701	\$ 2,713,299	\$ 2,826,702	\$ 2,624,479	\$ 2,846,000	\$ 2,732,534	-	-	-
Net Pension Liability as a Percentage of Covered Valuation Payroll	60.90%	105.91%	163.20%	82.62%	119.17%	108.30%	81.10%	-	-	-

The Accompanying Notes to the Required Supplementary Information are an Integral Part of These Statements

**St. Charles Public Library District**  
**Multiyear Schedule of Changes in the Employer's**  
**Total OPEB Liability and Related Ratios**  
**Other Postemployment Benefit Plan**  
**For the Year Ended June 30, 2021**

Last Ten Fiscal Years  
(schedule to be built prospectively from 2018)

Fiscal year ending June 30,	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total Pension Liability										
Service cost	\$ 4,096	\$ 4,392	\$ 5,853	\$ 6,669	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on the total OPEB liability	1,756	3,871	4,325	4,353	-	-	-	-	-	-
Difference between expected and actual experience	-	(6,993)	-	-	-	-	-	-	-	-
Changes of assumptions and other inputs	2,096	(13,049)	1,518	181,169	-	-	-	-	-	-
Benefit payments	(5,726)	(6,893)	(32,629)	(30,736)	-	-	-	-	-	-
Other	-	(54,642)	1,664	-	-	-	-	-	-	-
Net Change in Total Pension Liability	2,222	(73,314)	(19,269)	161,455	-	-	-	-	-	-
Total OPEB Liability - Beginning	68,872	142,186	161,455	-	-	-	-	-	-	-
Total OPEB Liability - Ending (a)	<u>\$ 71,094</u>	<u>\$ 68,872</u>	<u>\$ 142,186</u>	<u>\$ 161,455</u>	<u>\$ -</u>					
Covered Valuation Payroll	\$ 2,887,743	\$ 2,887,743	\$ 4,137,548	\$ 3,978,412	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's total OPEB liability as a Percentage of covered payroll	2.46%	2.38%	3.44%	4.06%	-	-	-	-	-	-

The Accompanying Notes to the Required Supplementary Information are an Integral Part of These Statements

**St. Charles Public Library District**  
**Notes to the Required Supplementary Information**  
**For the Year Ended June 30, 2021**

**Note 1 – Summary of Significant Accounting Policies**

Budgetary Process

The District follows these procedures in establishing the budget data reflected in the required supplementary information.

1. The Board of Trustees prepares a Combined Annual Budget and Appropriation Ordinance by fund, function and activity.
2. Budget hearings are conducted.
3. The appropriation is legally enacted through passage of an ordinance.
4. The appropriation may be amended by the Board of Trustees. No amendments were made during the year.
5. Appropriations are adopted on the modified accrual basis.
6. The level of control (level at which expenditures/expenses may not exceed appropriations) is the Fund. All appropriations lapse at year end.

**Note 2 – Multivyear Schedule of Contributions – OPEB**

There is no ADC or Employer Contribution in relation to the ADC, as there is no Trust that exists for funding the OPEB Liability. The District did not make any contributions to the OPEB plan during the year.

## **Supplementary Information**

**St. Charles Public Library District**  
**Schedule of Revenues - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2021**

	Actual	Original and Final Budget	Positive/ (Negative)
<b>Taxes</b>			
Property taxes - current	\$ 6,825,381	\$ 6,844,339	\$ (18,958)
Personal property replacement taxes	40,225	25,000	15,225
Total taxes	6,865,606	6,869,339	(3,733)
<b>Intergovernmental</b>			
Grants	103,482	68,865	34,617
Total intergovernmental	103,482	68,865	34,617
<b>Fines and Forfeits</b>			
Fines	14,207	10,000	4,207
Total fines and forfeits	14,207	10,000	4,207
<b>Investment Income</b>			
	6,466	160,299	(153,833)
<b>Miscellaneous</b>			
Photocopies	2,358	8,000	(5,642)
Nonresident fees	15,599	12,000	3,599
Lost materials	3,998	5,000	(1,002)
Miscellaneous	5,722	-	5,722
Donations	41,122	44,001	(2,879)
Total miscellaneous	68,799	69,001	(202)
<b>Total Revenues</b>	\$ 7,058,560	\$ 7,177,504	\$ (118,944)

**St. Charles Public Library District**  
**Schedule of Expenditures - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2021**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ (Negative)</u>
<b>General Government</b>			
Library materials			
Books	\$ 358,540	\$ 700,000	\$ 341,460
Electronic resources	606,040	800,000	193,960
Periodicals	24,894	50,000	25,106
Audiovisual	357,015	600,000	242,985
Microform	260	5,000	4,740
Materials repair	39	10,000	9,961
Materials refunds	531	10,000	9,469
Cataloging	369	25,000	24,631
Total library materials	<u>1,347,688</u>	<u>2,200,000</u>	<u>852,312</u>
Supplies and programs			
Library supplies	50,247	250,000	199,753
Postage	34,253	100,000	65,747
Printing	55,494	400,000	344,506
Other	335,715	1,275,000	939,285
Total equipment	<u>475,709</u>	<u>2,025,000</u>	<u>1,549,291</u>
Administration			
Administrative fees	33,933	235,000	201,067
Utilities	283,412	500,000	216,588
Employee medical insurance	366,162	600,000	233,838
Professional development	28,057	113,000	84,943
Contractual			
Professional fees	99,110	1,400,000	1,300,890
Public programs	56,910	185,000	128,090
Other	30,646	900,000	869,354
Total administration	<u>898,230</u>	<u>3,933,000</u>	<u>3,034,770</u>
Personnel			
Salaries	<u>3,715,306</u>	<u>5,000,000</u>	<u>1,284,694</u>
Per capita grant	<u>61,837</u>	<u>675,000</u>	<u>613,163</u>
Total general government	<u>6,498,770</u>	<u>13,833,000</u>	<u>7,334,230</u>
<b>Capital Improvements</b>			
Various capital improvements	<u>70,695</u>	<u>600,000</u>	<u>529,305</u>
<b>Debt Service</b>			
Debt certificate payments	<u>496,225</u>	<u>550,000</u>	<u>53,775</u>
<b>Total Expenditures</b>	<u>\$ 7,065,690</u>	<u>\$ 14,983,000</u>	<u>\$ 7,917,310</u>

**St. Charles Public Library District**  
**Combining Balance Sheet - Nonmajor Governmental Funds**  
**June 30, 2021**

	Special Revenue Funds			Capital Projects	
	Audit	Gifts and Special Trustee	Liability Insurance	Building and Equipment	Total Nonmajor Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 8,442	\$ 337,168	\$ 82,825	\$ 256,019	\$ 684,454
Property tax receivable	7,293	-	41,323	104,134	152,750
Other receivables	-	-	-	-	-
Total Assets	\$ 15,735	\$ 337,168	\$ 124,148	\$ 360,153	\$ 837,204
<b>Liabilities</b>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 49,018	\$ 49,018
<b>Deferred Inflow of Resources</b>					
Deferred property taxes	15,029	-	85,154	214,591	314,774
<b>Fund Balances</b>					
Restricted for:					
Specific purpose	-	337,168	-	-	337,168
Audit	706	-	-	-	706
Retirement benefits	-	-	-	-	-
Building and equipment	-	-	-	96,544	96,544
Insurance	-	-	38,994	-	38,994
Unassigned (deficit)	-	-	-	-	-
Total Fund Balance	706	337,168	38,994	96,544	473,412
Total Liabilities, Deferred Inflow of Resources, and Fund Balance	\$ 15,735	\$ 337,168	\$ 124,148	\$ 360,153	\$ 837,204

**St. Charles Public Library District**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	<u>Special Revenue Funds</u>			<u>Capital Projects</u>	Total Nonmajor Governmental Funds
	<u>Audit</u>	Gifts and Special Trustee	Liability Insurance	Building & Equipment	
<b>Revenues:</b>					
Property taxes	\$ 12,664	\$ -	\$ 70,266	\$ 299,765	\$ 382,695
Total Revenues	<u>12,664</u>	<u>-</u>	<u>70,266</u>	<u>299,765</u>	<u>382,695</u>
<b>Expenditures:</b>					
General government	13,620	10,346	75,213	-	99,179
Capital outlay	-	-	-	203,275	203,275
Total Expenditures	<u>13,620</u>	<u>10,346</u>	<u>75,213</u>	<u>203,275</u>	<u>302,454</u>
Net Change in Fund Balance	(956)	(10,346)	(4,947)	96,490	80,241
Fund Balance-Beginning	<u>1,662</u>	<u>347,514</u>	<u>43,941</u>	<u>54</u>	<u>393,171</u>
Fund Balance-Ending	<u>\$ 706</u>	<u>\$ 337,168</u>	<u>\$ 38,994</u>	<u>\$ 96,544</u>	<u>\$ 473,412</u>

**St. Charles Public Library District**  
**Liability Insurance Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2021**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ (Negative)</u>
<b>Revenues:</b>			
Property taxes	\$ 70,266	\$ 70,460	\$ (194)
Total Revenues	<u>70,266</u>	<u>70,460</u>	<u>(194)</u>
<b>Expenditures:</b>			
Liability insurance:			
Insurance and Risk Management	75,213	200,000	124,787
Total Expenditures	<u>75,213</u>	<u>200,000</u>	<u>124,787</u>
Net Change in Fund Balance	(4,947)	<u>\$ (129,540)</u>	<u>\$ 124,593</u>
Fund Balance, July 1, 2020	<u>43,941</u>		
Fund Balance, June 30, 2021	<u>\$ 38,994</u>		

**St. Charles Public Library District**  
**Audit Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2021**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ (Negative)</u>
<b>Revenues:</b>			
Property taxes	\$ 12,664	\$ 12,698	\$ (34)
Total Revenues	<u>12,664</u>	<u>12,698</u>	<u>(34)</u>
<b>Expenditures:</b>			
Audit fees	<u>13,620</u>	<u>15,000</u>	<u>1,380</u>
Total Expenditures	<u>13,620</u>	<u>15,000</u>	<u>1,380</u>
Net Change in Fund Balance	(956)	<u>\$ (2,302)</u>	<u>\$ 1,346</u>
Fund Balance, July 1, 2020	<u>1,662</u>		
Fund Balance, June 30, 2021	<u>\$ 706</u>		

**St. Charles Public Library District**  
**Gift and Special Trustee Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2021**

	Actual	Original and Final Budget	Positive/ (Negative)
<b>Revenues:</b>			
Gifts received	\$ -	\$ -	\$ -
Miscellaneous income	-	-	-
Total Revenues	-	-	-
<b>Expenditures:</b>			
Gift fund expenditures	10,346	21,000	10,654
Total Expenditures	10,346	21,000	10,654
Net Change in Fund Balance	(10,346)	\$ (21,000)	\$ 10,654
Fund Balance, July 1, 2020	347,514		
Fund Balance, June 30, 2021	\$ 337,168		

**St. Charles Public Library District**  
**Building and Equipment Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2021**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ Negative</u>
<b>Revenues:</b>			
Property taxes	\$ 299,765	\$ 300,598	\$ (833)
Total Revenues	<u>299,765</u>	<u>300,598</u>	<u>(833)</u>
<b>Expenditures:</b>			
Capital outlay	<u>203,275</u>	<u>2,900,000</u>	<u>2,696,725</u>
Total Expenditures	<u>203,275</u>	<u>2,900,000</u>	<u>2,696,725</u>
Net Change in Fund Balance	96,490	\$ <u><u>(2,599,402)</u></u>	\$ <u><u>(2,697,558)</u></u>
Fund Balance, July 1, 2020	<u>54</u>		
Fund Balance, June 30, 2021	\$ <u><u>96,544</u></u>		

## **Other Information**

**St. Charles Public Library District**  
**Property Tax Assessed Valuations, Rates,**  
**Extensions and Collections**  
**For the Year Ended June 30, 2021**  
**Last Ten Fiscal Years**

<u>Tax Levy Year</u>	<u>2020</u>		<u>2019</u>		<u>2018</u>		<u>2017</u>	
Assessed Valuation	\$	2,596,446,964	\$	2,536,951,156	\$	2,446,050,415	\$	2,360,255,427
	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount
<b>Tax Extensions</b>								
Corporate (General)	0.2687	6,900,676	0.2718	6,832,299	0.2793	6,838,455	0.3276	6,737,901
Insurance	0.0033	84,989	0.0028	70,200	0.0023	57,115	0.0259	56,230
Audit	0.0006	15,000	0.0005	12,492	0.0005	11,095	0.0187	10,925
Illinois Municipal Retirement Fund	0.0195	499,992	0.0199	499,996	0.0204	500,450	0.0006	493,031
Social Security	0.0113	289,999	0.0115	289,999	0.0117	285,250	0.0167	281,002
Maintenance	0.0083	214,308	0.0119	300,003	0.0130	318,813	0.0885	314,214
Total Tax Extensions	<u>0.3117</u>	<u>8,004,964</u>	<u>0.3184</u>	<u>8,004,988</u>	<u>0.3272</u>	<u>8,011,178</u>	<u>0.4780</u>	<u>7,893,303</u>
<b>Tax Collections</b>								
Year ended June 30, 2021		4,123,668		4,823,762		-		-
Cumulative through June 30, 2021		<u>4,123,668</u>		<u>7,997,376</u>		<u>7,982,401</u>		<u>7,866,756</u>
<b>Total Tax Collections</b>		<u>4,123,668</u>		<u>7,997,376</u>		<u>7,982,401</u>		<u>7,866,756</u>
<b>Percent Collected</b>		<u>51.51%</u>		<u>99.90%</u>		<u>99.64%</u>		<u>99.66%</u>

\* Property tax rates are per \$100 of assessed valuation

**St. Charles Public Library District  
Property Tax Assessed Valuations, Rates,  
Extensions and Collections  
For the Year Ended June 30, 2021  
Last Ten Fiscal Years**

<u>2016</u>		<u>2015</u>		<u>2014</u>		<u>2013</u>		<u>2012</u>		<u>2011</u>	
\$	2,272,727,356	\$	2,195,935,555	\$	2,150,368,548	\$	2,193,257,138	\$	2,267,014,445	\$	2,423,487,411
Rate*	Amount										
0.2898	6,586,762	0.2967	6,515,525	0.3015	6,478,996	0.2822	6,190,371	0.2651	6,009,392	0.2387	5,784,486
0.0022	50,350	0.0033	72,507	0.0035	74,662	0.0033	73,225	0.0033	74,285	0.0030	71,581
0.0003	7,802	0.0004	7,803	0.0004	8,001	0.0004	7,876	0.0002	5,095	0.0002	4,933
0.0195	443,552	0.0176	386,750	0.0185	397,818	0.0178	390,145	0.0175	396,054	0.0157	381,315
0.0121	274,747	0.0132	290,068	0.0127	273,646	0.0122	268,200	0.0120	272,414	0.0108	262,227
0.0135	307,008	0.0140	308,073	0.0120	262,461	0.0195	427,337	0.0198	448,546	0.0191	461,635
<u>0.3374</u>	<u>7,670,221</u>	<u>0.3452</u>	<u>7,580,726</u>	<u>0.3486</u>	<u>7,495,584</u>	<u>0.3354</u>	<u>7,357,154</u>	<u>0.3179</u>	<u>7,205,786</u>	<u>0.2875</u>	<u>6,966,177</u>
	-		-		-		-		-		-
	<u>7,620,122</u>		<u>7,562,780</u>		<u>7,443,725</u>		<u>7,320,089</u>		<u>7,164,921</u>		<u>6,940,354</u>
	<u>7,620,122</u>		<u>7,562,780</u>		<u>7,443,725</u>		<u>7,320,089</u>		<u>7,164,921</u>		<u>6,940,354</u>
	<u>99.35%</u>		<u>99.76%</u>		<u>99.31%</u>		<u>99.50%</u>		<u>99.43%</u>		<u>99.63%</u>