

GREEN HILLS
PUBLIC LIBRARY
DISTRICT, ILLINOIS
Annual Financial Report
For the Year Ended June 30, 2023

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

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Year Ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the President
and Members of the Board of Trustees
Green Hills Public Library District, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, and each major fund of Green Hills Public Library District, Illinois as of and for the year ended June 30, 2023, which collectively comprise the Library's basic financial statements as listed in the accompanying table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Green Hills Public Library District, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Green Hills Public Library District's ability to continue as a going concern for twelve months beyond the

financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net pension liability and related ratios, and schedule of contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental

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

GW & Associates, P.C.

GW & Associates, P.C.
Hillside, Illinois
September 19, 2023

REQUIRED SUPPLEMENTARY INFORMATION

MANAGEMENT DISCUSSION
AND ANALYSIS - UNAUDITED

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis - Unaudited
Year Ended June 30, 2023

As management of the Green Hills Public Library District (Library), we offer readers of the Library's statements this narrative overview and analysis of the financial activities of the Library for the fiscal year ended June 30, 2023.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the Library exceeded its liabilities and deferred inflows at June 30, 2023 by \$12,891,373 (*net position*). Of this amount, \$3,540,410 (*unrestricted net position*) may be used to meet the Library's ongoing obligations to citizens and creditors.
- The Library's total net position increased by \$321,032.
- At June 30, 2023, the Library's governmental funds reported combined ending fund balances of \$6,004,542, a decrease of \$116,187 from the prior year.
- At June 30, 2023, the fund balance for the General Fund was \$3,404,913.
- The Library's total net capital assets increased by \$9,818 during the year ended June 30, 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

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

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

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

Fund financial statements

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

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis - Unaudited

Year Ended June 30, 2023

Governmental funds

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

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

Notes to the financial statements

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

Other information

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Library, assets and deferred outflows exceeded liabilities and deferred inflows by \$12,891,373 at June 30, 2023.

Of the Library's net position, \$6,751,334 reflects its investment in capital assets (e.g., land, construction in progress, buildings, systems and equipment); less any related outstanding debt used to acquire those assets. The Library uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Library's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis - Unaudited

Year Ended June 30, 2023

An additional portion of the Library's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$3,540,410) may be used to meet the Library's ongoing obligations to citizens and creditors.

At June 30, 2023, the Library is able to report positive balances in all three categories of net position. The Library's net position increased by \$321,032 during the year ended June 30, 2023.

	<u>6/30/2022</u>	<u>6/30/2023</u>
Current and Other Assets	\$ 8,268,538	\$ 7,670,856
Capital Assets	6,891,516	6,901,334
Total Assets	<u>\$ 15,160,054</u>	<u>\$ 14,572,190</u>
Deferred Outflows - IMRF	<u>\$ 202,696</u>	<u>\$ 520,670</u>
Bonds Payable	\$ 555,000	\$ 150,000
Other Liabilities	117,814	496,701
Total Liabilities	<u>672,814</u>	<u>646,701</u>
Deferred Inflows - Property Taxes	1,460,727	1,547,013
Deferred Inflows - IMRF	658,868	7,773
Total Deferred Inflows	<u>2,119,595</u>	<u>1,554,786</u>
Net Position:		
Net Investment in Capital Assets	6,336,516	6,751,334
Restricted - Net Position	2,994,964	2,599,629
Unrestricted - Net Position	3,238,861	3,540,410
Total Liabilities	<u>\$ 12,570,341</u>	<u>\$ 12,891,373</u>

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis - Unaudited
Year Ended June 30, 2023

Governmental activities

Governmental activities increased the Library's net position by \$321,032. Key elements of the increase to net position by governmental activities are as follows:

Green Hills Public Library District Changes in Net Position

	<u>6/30/2022</u>	<u>6/30/2023</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 13,960	\$ 13,497
Operating Grants and Contributions	48,104	50,474
General Revenues:		
Property Taxes	2,844,458	2,860,431
Replacement Taxes	54,366	61,446
Other	3,847	1,839
Interest	7,876	44,078
Total Revenues	<u>2,972,611</u>	<u>3,031,765</u>
Expenses		
General Government	2,373,786	2,693,345
Debt Service	29,088	17,388
Total Expenses	<u>2,402,874</u>	<u>2,710,733</u>
Change in Net Position	569,737	321,032
Net Position, Beginning of Year	<u>12,000,604</u>	<u>12,570,341</u>
Net Position, End of Year	<u><u>\$ 12,570,341</u></u>	<u><u>\$ 12,891,373</u></u>

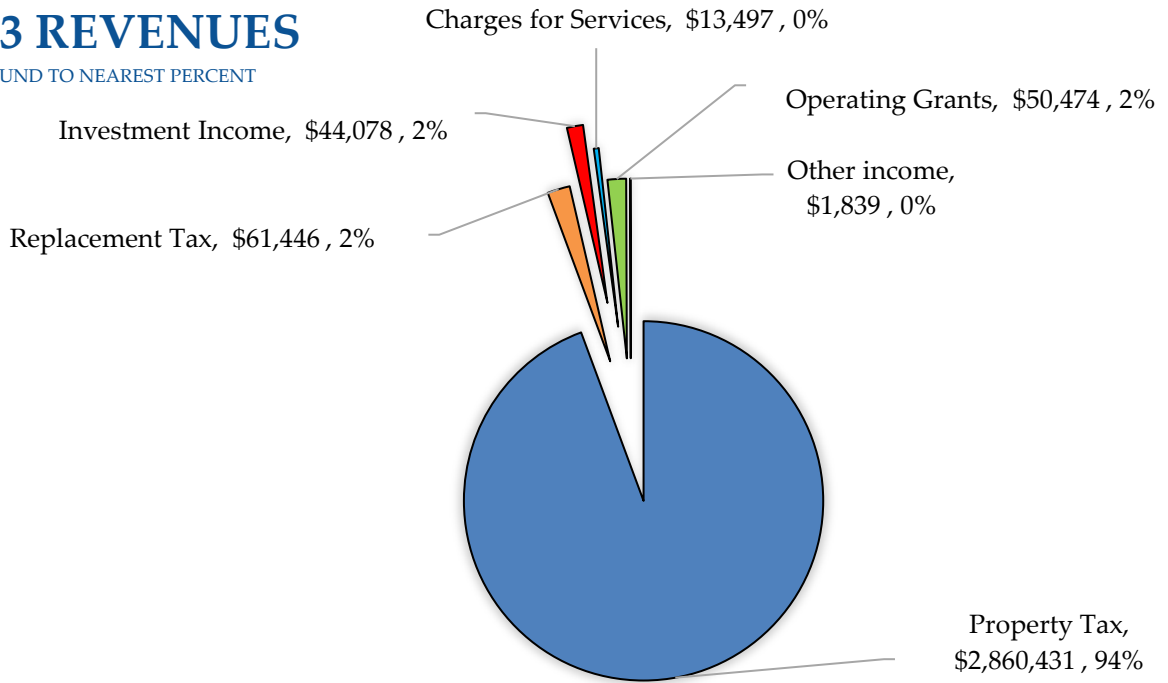
The difference of change in net position from year to year is primarily due to changes in IMRF pension activity for the same annual comparison period.

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis - Unaudited
Year Ended June 30, 2023

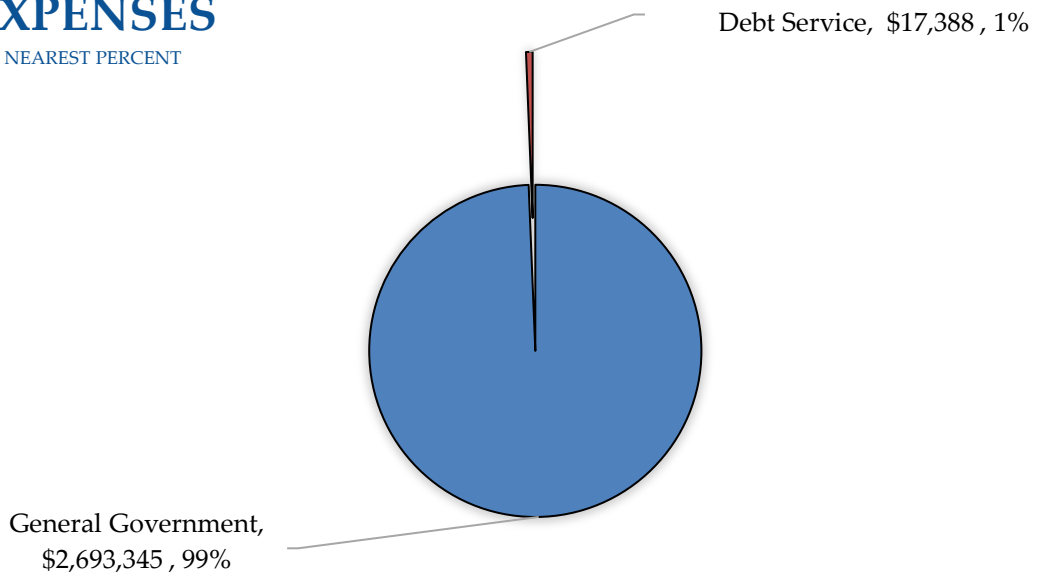
2023 REVENUES

ROUND TO NEAREST PERCENT



2023 EXPENSES

ROUND TO NEAREST PERCENT



GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis - Unaudited
Year Ended June 30, 2023

FINANCIAL ANALYSIS OF THE LIBRARY'S FUNDS

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

Governmental funds

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

At June 30, 2023, the Library's governmental funds reported combined ending fund balances of \$6,004,452 a decrease of \$116,187 in comparison with the prior year.

The General Fund is the chief operating fund of the Library. At June 30, 2023, the fund balance of the General Fund was \$3,404,913. This represents an increase of \$279,148 compared to the prior fiscal year.

General Fund Budgetary Highlights

There were no differences between the original budget and the final budget for the year ended June 30, 2023. Total differences between the final budget and the actual revenues and expenditures are summarized as follows:

- The General Fund actual revenues were less than estimated revenues by \$44,493.
- The General Fund actual expenditures were less than estimated expenditures by \$342,962.

CAPITAL ASSETS

The Library's capital assets for its governmental activities as of June 30, 2023 amount to \$6,901,334 (net of accumulated depreciation). This investment in capital assets includes land, buildings, furniture, fixtures, and equipment.

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

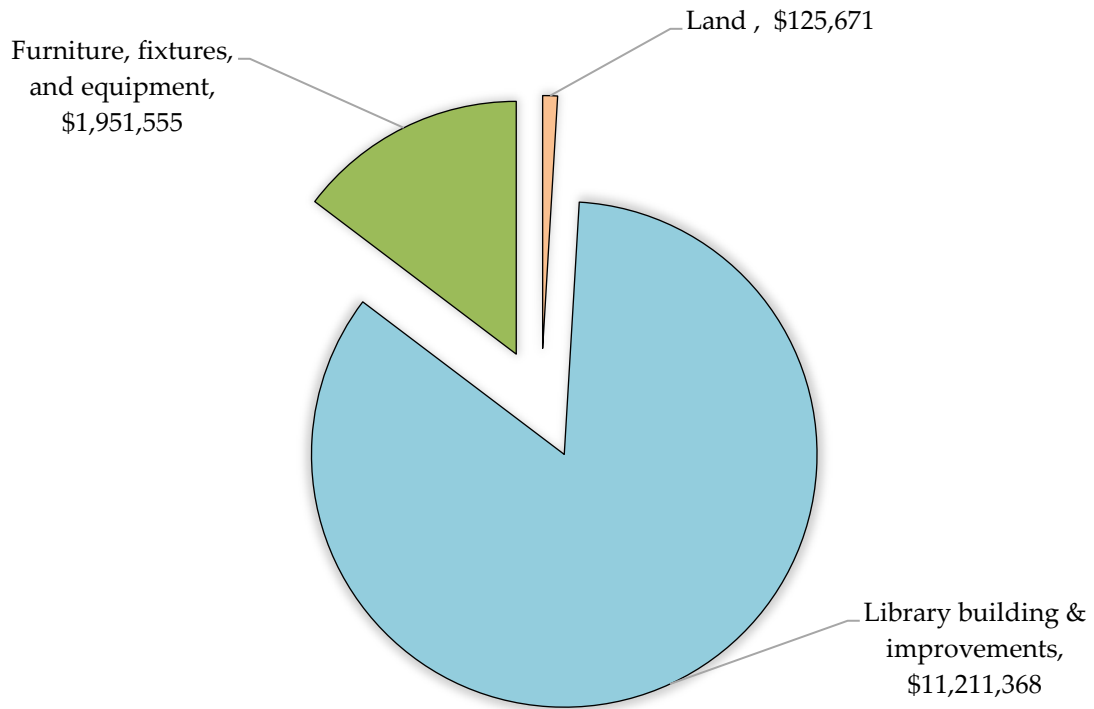
Capital Assets	Balance			Balance June 30, 2023
	July 1, 2022	Increases	Decreases	
Land	\$ 125,671	\$ -	\$ -	\$ 125,671
Construction in Progress	460,851	-	460,851	-
Library Building & Improvements	10,388,368	823,000	-	11,211,368
Furniture, Fixtures, and Equipment	1,873,751	77,804	-	1,951,555
Total Capital Assets	12,848,641	900,804	460,851	13,288,594
Less: Accumulated Depreciation	5,957,125	430,135	-	6,387,260
Net Capital Assets	\$ 6,891,516	\$ 470,669	\$ 460,851	\$ 6,901,334

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis - Unaudited

Year Ended June 30, 2023

CAPITAL ASSETS, AT COST



GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis - Unaudited
Year Ended June 30, 2023

ECONOMIC FACTORS AND PROPERTY TAXES

The equalized assessed valuation (EAV) of the Library for 2022 is \$678,165,857. That represents a decrease in EAV of \$63,738,387 over the prior year's EAV. Taxes recorded in these financial statements are distributions received from the second half of the 2021 levy and the first half of the 2022 levy. A summary of the assessed valuations and extensions for tax years 2021, 2020, and 2019 is as follows:

Tax Levy Year	2021	2020	2019
Assessed Valuation			
Cook County	\$ 678,165,857	\$ 741,904,244	\$ 652,092,016

Tax Rates and Percentages

Alocations by Fund

Fund	Rate	Percentage	Rate	Percentage	Rate	Percentage
General Fund	0.4146	95.6181%	0.3717	95.6757%	0.4107	95.3564%
Building & Maintenance	0.019	4.3819%	0.0168	4.3243%	0.02	4.6436%
Totals	0.4336	100.0000%	0.3885	100.0000%	0.4307	100.0000%

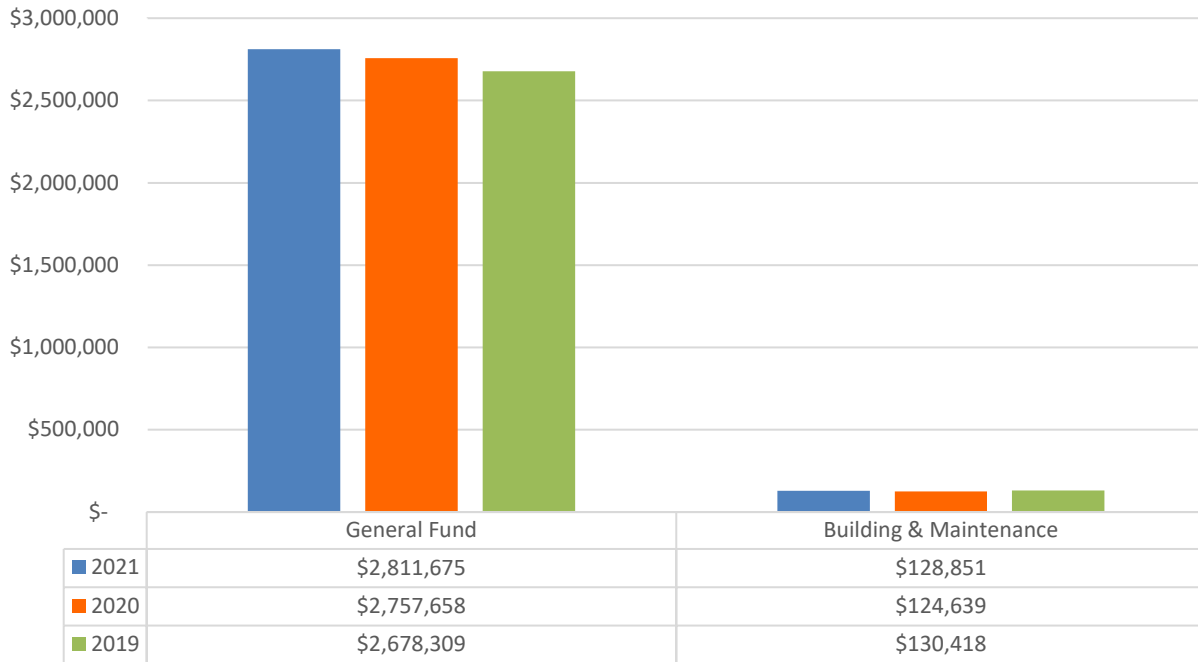
Property Tax Extensions

Funds	2021	2020	2019
General Fund	\$ 2,811,675	\$ 2,757,658	\$ 2,678,309
Building & Maintenance	\$ 128,851	\$ 124,639	\$ 130,418

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis - Unaudited
 Year Ended June 30, 2023

Property Tax Extensions



Description of Current or Expected Conditions

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

Requests for Information

This financial report is designed to provide a general overview of the Library's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Library Director, 10331 Interlochen Dr., Palos Hills, IL 60465-1698.

BASIC FINANCIAL STATEMENTS

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Statement of Net Position - Government-wide

June 30, 2023

Assets		
Cash, at cost		\$ 6,123,843
Property Tax Receivable		1,547,013
Capital Assets not being depreciated		125,671
Capital Assets being depreciated, net of depreciation		<u>6,775,663</u>
Total Assets		<u>14,572,190</u>
Deferred Outflows		
IMRF Pension Fund		<u>520,670</u>
Total Deferred Outflows		<u>520,670</u>
Liabilities		
Accounts Payable and Accruals		62,330
Accrued Payroll & Taxes		56,971
Bonds Payable - current portion		150,000
Deferred Compensation - noncurrent		46,305
Net Pension Liability		<u>331,095</u>
Total Liabilities		<u>646,701</u>
Deferred Inflows		
Property Taxes		1,547,013
IMRF Pension Fund		<u>7,773</u>
Total Deferred Outflows		<u>1,554,786</u>
Net Position		
Net Investment in Capital Assets		6,751,334
Restricted		2,599,629
Unrestricted		<u>3,540,410</u>
Total Net Position		<u>\$ 12,891,373</u>

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

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

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

For the Year Ended June 30, 2023

Functions/Programs	<u>Expenses</u>	Program Revenues			<u>Net Revenue (Expense)/Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
General Government	\$ 2,693,345	\$ 13,497	\$ 50,474	\$ -	\$ (2,629,374)
Debt Service - interest payments	17,388	-	-	-	(17,388)
Total Governmental Activities	\$ 2,710,733	\$ 13,497	\$ 50,474	\$ -	(2,646,762)
General Revenues					
					2,860,431
					61,446
					44,078
					1,839
			Total Revenues		2,967,794
			Changes in Net Position		321,032
			Net Position Beginning of Year		12,570,341
			Total Net Position		\$ 12,891,373

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

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Combined Balance Sheet - Governmental Funds

June 30, 2023

	General	Special Reserve	Building & Maintenance	Working Cash	Total
Assets					
Cash and investments, at cost	\$ 3,517,571	\$ 2,042,128	\$ 125,748	\$ 438,396	\$ 6,123,843
Property tax receivable	1,470,974	-	76,039	-	1,547,013
Total Assets	\$ 4,988,545	\$ 2,042,128	\$ 201,787	\$ 438,396	\$ 7,670,856
Liabilities					
Accounts payable	\$ 55,687	\$ 676	\$ 5,967	\$ -	\$ 62,330
Payroll taxes payable	15,561	-	-	-	15,561
Accrued payroll	41,410	-	-	-	41,410
Total Liabilities	112,658	676	5,967	-	119,301
Deferred Inflows - property taxes	1,470,974	-	76,039	-	1,547,013
Fund Balance					
Nonspendable	-	-	-	-	-
Restricted	-	2,041,452	119,781	438,396	2,599,629
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	3,404,913	-	-	-	3,404,913
Total Fund Balance	3,404,913	2,041,452	119,781	438,396	6,004,542
Total Liabilities and Fund Balance	\$ 4,988,545	\$ 2,042,128	\$ 201,787	\$ 438,396	\$ 7,670,856

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

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds

For the Year Ended June 30, 2023

	General	Special Reserve	Building & Maintenance	Working Cash	Total
Revenue					
Property taxes	\$ 1,432,290	\$ -	\$ 73,279	\$ -	\$ 1,505,569
Property taxes - prior years	1,288,919	-	65,943	-	1,354,862
Replacement taxes	61,446	-	-	-	61,446
Fines and fees	13,497	-	-	-	13,497
Grants and gifts	50,474	-	-	-	50,474
Interest	43,214	703	-	161	44,078
Other	1,839	-	-	-	1,839
Total Revenue	2,891,679	703	139,222	161	3,031,765
Expenditures					
Salaries and benefits	1,327,101	-	-	-	1,327,101
Materials	282,951	-	113,372	-	396,323
Utilities	77,459	-	-	-	77,459
Contractual services	116,930	-	32,689	-	149,619
Supplies	56,418	-	-	-	56,418
Operating expenses	145,675	-	9,736	-	155,411
Capital equipment	183,609	379,624	-	-	563,233
Principal debt payments	405,000	-	-	-	405,000
Interest, fiscal, refunding	17,388	-	-	-	17,388
Total Expenditures	2,612,531	379,624	155,797	-	3,147,952
Net Change in Fund Balance	279,148	(378,921)	(16,575)	161	(116,187)
District Fund Balance					
Balance, beginning of year	3,125,765	2,420,373	136,356	438,235	6,120,729
Total District Fund Balance	\$ 3,404,913	\$ 2,041,452	\$ 119,781	\$ 438,396	\$ 6,004,542

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

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

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

For the Year Ended June 30, 2023

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

Total Fund Balances - Total Governmental Funds	\$ 6,004,542
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds	6,901,334
Bond outstanding are not shown as liabilities in the funds	(150,000)
Net pension liability is not shown as a liability for funds	(331,095)
Deferred pension outflows/inflows are not shown in the funds	512,897
Deferred compensation is not reported in the funds	(46,305)
Net Position of Government	<u>\$ 12,891,373</u>

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

Net Change in Fund Balance - Governmental Funds	\$ (116,187)
Amounts reported for governmental activities in the Statement of Revenues, Expenditures, and Changes in Fund Balance are different because:	
Capital expenditures are recorded as assets and are not expensed in the Statement of Activities	439,953
Depreciation is shown as an expense in the Statement of Activities and not in the governmental funds	(430,135)
Debt repayment is not an expense in the Statement of Activities but is an expense in the governmental funds	405,000
Deferred compensation decrease is not recorded as an expense in governmental funds but is included in the Statement of Activities	(5,361)
Pension expense increase is not recorded as an expense in governmental funds but is included in the Statement of Activities	27,762
Changes in Net Position	<u>\$ 321,032</u>

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

NOTES TO THE BASIC
FINANCIAL STATEMENTS

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

REPORTING ENTITY -

The Library is located in the City of Palos Hills, Illinois and is governed by a board. The Library is primarily funded through a tax levy, fines and fees, and charitable donations. Revenue is used to operate and staff the Library. The accompanying general purpose financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. Based on the significance of any operational or financial relationships with the Library, there are no component units to be included in these financial statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION -

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS -

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

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

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

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

THE LIBRARY REPORTS THE FOLLOWING MAJOR GOVERNMENTAL FUNDS –

The General Fund is the Library's primary operating fund. It accounts for all financial resources of the Library, except those required to be accounted for in another fund, while the Library Special Revenue Funds account for the resources associated with restricted expenditures. The library considers all funds to be major funds.

FINANCIAL STATEMENT AMOUNTS -

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

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

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

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

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

The budget represents departmental appropriations as authorized by the Library's appropriation ordinance and includes revisions authorized by the Library Board to reflect changes in departmental programs. At June 30, 2023, unexpended appropriations of the budgetary funds (general fund and special revenue funds) automatically lapse. The budget is prepared on the modified accrual basis. The 2022-23 appropriations ordinance was adopted September 19, 2022.

GOVERNMENTAL FUND BALANCES –

Fund Balance Classification - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Library is bound to honor constraints on the specific purposes for which amounts in the respective

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

NONSPENDABLE –

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

RESTRICTED –

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

COMMITTED –

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Library Board of Trustees. These amounts cannot be used for any other purpose unless the Library Board of Trustees removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Library did not have any committed resources as of June 30, 2023.

ASSIGNED –

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

UNASSIGNED –

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

The Library would typically use Restricted Fund balances first, followed by Committed resources,

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

NOTE 2 – CASH AND INVESTMENTS

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

The Library's pooled and non-pooled deposits are categorized to give an indication of the level of risk assumed by the Library at June 30, 2023. The categories are described as follows:

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

	Category			Bank Balance	Carrying Value
	1	2	3		
Pooled deposits					
Checking/Savings	\$ 250,000	\$ 2,253,099	\$ -	\$ 2,524,832	\$ 2,503,113
IPRIME	250,000	3,370,730	-	3,620,730	3,620,730
Totals	<u>\$ 500,000</u>	<u>\$ 5,623,829</u>	<u>\$ -</u>	<u>\$ 6,145,562</u>	<u>\$ 6,123,843</u>

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 3 – CHANGES IN CAPITAL ASSETS

Governmental Type Activities:	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Asset				
Land	\$ 125,671	\$ -	\$ -	\$ 125,671
Construction in progress	460,851	-	460,851	-
Depreciable Capital Assets				
Building & Improvements	10,388,368	823,000	-	11,211,368
Furniture and Equipment	1,873,751	77,804	-	1,951,555
Total depreciable assets	<u>12,262,119</u>	<u>900,804</u>	<u>-</u>	<u>13,162,923</u>
Less: Accumulated Depreciation				
Building & Improvements	4,853,048	328,416	-	5,181,464
Furniture and Equipment	1,104,077	101,719	-	1,205,796
Total Depreciation	<u>5,957,125</u>	<u>430,135</u>	<u>-</u>	<u>6,387,260</u>
Total Net Depreciable Capital Assets	<u>6,304,994</u>	<u>\$ 470,669</u>	<u>\$ -</u>	<u>6,775,663</u>
Total Net Capital Assets	<u>\$ 6,891,516</u>			<u>\$ 6,901,334</u>

NOTE 4– DEFERRED COMPENSATION PLAN

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

The plan is fully funded by the Library District as the deferred compensation is earned by employees. As of June 30, 2023, the Library District has no employees enrolled in the plan.

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 5 – ILLINOIS MUNICIPAL RETIREMENT

PROFILE OF IMRF –

IMRF is the administrator of an agent multiple-employer public employee retirement system. The Illinois State Legislature established IMRF in 1939. IMRF began operations in 1941 in order to provide retirement, death, and disability benefits to employees of local units of government in Illinois. Members, employers, and annuitants elect eight trustees who govern IMRF. IMRF is separate and apart from the Illinois state government and is not included in the state's financial statements. The Illinois Pension Code requires IMRF to provide its financial statements to participating employers and to any participating member who requests them.

PLAN DESCRIPTION –

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

FUNDING POLICY –

As set by statute, the Library's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Library's contribution rate for calendar year 2022 was 5.80 percent of annual covered payroll. The Library also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 5 - ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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

For the year ended December 31, 2022, the District recognized pension expense of \$70,252. At December 31, 2022, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in pension Expense in Future Periods</i>		
Difference between expected and actual experiences	\$ 136,157	\$ -
Changes of assumptions	-	7,773
Net difference between projected and actual earnings on pension plan investments	<u>335,647</u>	<u>-</u>
Total Deferred Amounts to be recognized in pension expense in future periods	\$ 471,804	\$ 7,773
Pensions contributions made subsequent to the measurement date	<u>48,866</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u><u>\$ 520,670</u></u>	<u><u>\$ 7,773</u></u>

Pension contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending June 30	Net Deferred Outflows of
2024	\$ 43,936
2025	109,549
2026	120,478
2027	190,068
2028	-
Thereafter	-
Total	<u><u>\$ 464,031</u></u>

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 5 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

Schedule of Changes in Net Pension Liability and Related Ratios

Current Period

Calendar Year Ended December 31, 2022

A. Total pension liability

1. Service Cost	\$ 65,260
2. Interest on the Total Pension Liability	287,026
3. Changes of benefit terms	-
4. Difference between expected and actual experience of the Total Pension Liability	98,628
5. Changes in assumptions	-
6. Benefit payments, including refunds of employee contributions	(233,903)
7. Net change in total pension liability	\$ 217,011
8. Total pension liability - beginning	4,043,301
9. Total pension liability - ending	<u>\$ 4,260,312</u>

B. Plan fiduciary net position

1. Contributions - employer	\$ 49,148
2. Contributions - employee	38,131
3. Net investment income	(616,851)
4. Benefit payments, including refunds of employee contributions	(233,903)
5. Other (Net Transfer)	39,179
6. Net change in plan fiduciary net position	\$ (724,296)
7. Plan fiduciary net position - beginning	4,653,513
8. Plan fiduciary net position - ending	<u>\$ 3,929,217</u>

C. Net pension liability/(asset) \$ 331,095

D. Plan fiduciary net position as a percentage
of the total pension liability 92.23%

E. Covered Valuation payroll \$ 847,373

F. Net pension liability as a percentage
of covered valuation payroll 39.07%

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

Assumption

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% increase 8.25%
Total Pension Liability	\$ 4,799,375	\$ 4,260,312	\$ 3,846,686
Plan Fiduciary Net Position	3,929,217	3,929,217	3,929,217
Net Pension Liability/(Asset)	<u>\$ 870,158</u>	<u>\$ 331,095</u>	<u>\$ (82,531)</u>

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 5 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contribution Rate *

Valuation Date:

December 31, 2022 Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior contributions are reported.

Notes

Methods and Assumptions Used to Determine 2022 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 21-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 16 years for most employers (five employers were financed over 17 years; one employer was financed over 18 years; two employers were financed over 19 years; one employer was financed over 20 years; three employers were financed over 25 years; four employers were financed over 26 years and one employer was financed over 27 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	2.75%
Price Inflation	2.75%
Salary Increases	2.85% to 13.75% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes There were no benefit changes during the year

**Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation.*

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 5 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

CALCULATION OF THE SINGLE DISCOUNT RATE

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

CALCULATION OF THE SINGLE DISCOUNT RATE

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.05%; and the resulting single discount rate is 7.25%.

Expected Contributions are developed based on the following:

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

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 7 – CONTINGENCIES

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

NOTE 8 – SUBSEQUENT EVENTS

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

There have been no other recognized or non-recognized subsequent events that have occurred between June 30, 2023, and the date of this audit report requiring disclosure in the financial statements.

NOTE 9 – GENERAL OBLIGATION BONDS

The outstanding general obligation bonds Dated February 1, 2005 of the Library have been defeased by placing the proceeds of refunding bonds in irrevocable escrow accounts held and managed by bank trustees, and invested in U.S. Treasury obligations, the principal and interest on which would provide amounts sufficient to pay the principal and interest on the defeased bonds in accordance with the schedule of remaining payments due. Accordingly, the escrow account and the defeased bonds are not included in the Library's financial statements. The entire issue dated February 1, 2005 of defeased bonds outstanding at June 30, 2023 are considered extinguished.

The defeasement was funded by the issuance of a general obligation bonds dated March 20, 2014 with similar maturities and lower interest rates. The outstanding general obligation issue is as follows:

Bonds dated March 20, 2014	
Final payment date	June 15, 2024
Interest rate (range)	2.0% to 3.125%

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 9 – GENERAL OBLIGATION BONDS (CONCLUDED)

Long-term liability activity for the year ended June 30, 2023 was as follows:

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2022	Amounts Due Within One Year
Governmental Activities: Long-Term Debt					
General Obligation Refunding Bonds - Mar. 20, 2014	\$ 555,000	\$ -	\$ 405,000	\$ 150,000	\$ 150,000
Total Long-Term Debt	<u>555,000</u>	<u>-</u>	<u>405,000</u>	<u>150,000</u>	<u>150,000</u>
Other Long Term Liabilities					
Compensated Absences	40,944	46,305	40,944	46,305	-
Total Governmental Long Term Obligations	<u>\$ 595,944</u>	<u>\$ 46,305</u>	<u>\$ 445,944</u>	<u>\$ 196,305</u>	<u>\$ 150,000</u>
Long-term liabilities at June 30, 2023	Maturity Dates	Interest Rates	Face Amount	Carrying Amount	
Governmental Activities:					
General Obligation Refunding Bonds - Mar. 20, 2014	6/30/2024	Variable	\$ 3,435,000	\$ 150,000	

General Obligation Bonds Bonds Dated March 20, 2014

Interest Rate	Fiscal Year Ended Date	Outstanding June 30, 2023	
		Principal	Interest
3.125	6/30/2024	150,000	4,688
TOTALS		<u>\$ 150,000</u>	<u>\$ 4,688</u>

NOTE 10 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. Net deferred outflows reported in the government-wide statements are for future outflows relating to the IMRF pension in the amount of \$520,670.

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

Year Ended June 30, 2023

NOTE 10 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (CONTINUED)

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources and expenses. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Net deferred inflows reported in the government-wide statements are for future inflows relating to the IMRF pension in the amount of \$7,773, and property taxes of \$1,547,013 to be received in future period.

REQUIRED SUPPLEMENTARY INFORMATION

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund - Schedule of Expenditures - Budget and Actual

For the Year Ended June 30, 2023

	Appropriations		Actual
	Original	Final	Amounts
Salaries			
Salaries	\$ 1,400,000	\$ 1,400,000	\$ 1,058,213
Payroll taxes	-	-	76,924
Employee health insurance	222,000	222,000	112,460
IMRF	90,000	90,000	61,371
Unemployment insurance	5,000	5,000	-
Social Security	110,000	110,000	-
Development	73,000	73,000	18,133
Total Salaries	1,900,000	1,900,000	1,327,101
Materials			
Books	430,000	430,000	107,623
Subscriptions - print & electronic	300,000	300,000	40,397
Downloadable media	300,000	300,000	89,694
Audio - visual	200,000	200,000	45,237
Total Materials	1,230,000	1,230,000	282,951
Debt Service			
Principal repayment	510,000	510,000	405,000
Interest	-	-	16,838
Bond fees	-	-	550
Total Debt Service	510,000	510,000	422,388
Capital Property and Equipment			
Furnishings	210,000	210,000	35,712
Computers	380,000	380,000	121,945
Buildings and sites	694,887	694,887	32,206
Equipment/Digital services	10,000	10,000	-
Special Reserve Fund Expense	-	-	(6,254)
Total Capital Property and Equipment	1,294,887	1,294,887	183,609
Contractual Services			
Cleaning	220,000	220,000	47,158
Security	20,000	20,000	8,399
Equipment - maintenance	80,000	80,000	23,685
Library automation maintenance	150,000	150,000	35,862
Total Contractual Services	470,000	470,000	115,104

continued

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund - Schedule of Expenditures - Budget and Actual

For the Year Ended June 30, 2023

	Appropriations		Actual
	Original	Final	Amounts
Supplies			
Supplies	\$ 360,000	\$ 360,000	\$ 56,418
Total Supplies	360,000	360,000	56,418
Operating Expenses			
Professional services	221,000	221,000	25,499
Cultural and educational programs	310,000	310,000	34,636
Community information	62,000	62,000	24,295
Audit	20,000	20,000	8,500
Insurance	81,000	81,000	38,628
Utilities	260,000	260,000	77,459
Postage	36,000	36,000	9,554
Memberships	10,000	10,000	2,736
Community partnership	20,000	20,000	1,827
Total Operating Expenses	1,020,000	1,020,000	223,134
Public Information			
Legal notices	10,000	10,000	1,826
Total Public Information	10,000	10,000	1,826
Total General Expenditures	6,794,887	6,794,887	2,612,531
Total Expenditures General Fund	\$ 6,794,887	\$ 6,794,887	\$ 2,612,531
			concluded

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Building and Maintenance Fund - Statement of Revenue, Expenditures and

Changes in Fund Balance

For the Year Ended June 30, 2023

	Appropriations		Actual
	Original	Final	Amounts
Revenue			
Property taxes	\$ 151,580	\$ 151,580	\$ 73,279
Property taxes - prior years	-	-	65,943
Total Revenue	<u>151,580</u>	<u>151,580</u>	<u>139,222</u>
Expenditures			
Building maintenance	230,000	230,000	113,372
Contractual services	-	-	32,689
Other	-	-	9,736
Total Expenditures	<u>230,000</u>	<u>230,000</u>	<u>155,797</u>
Net Change in Fund Balance	<u>\$ (78,420)</u>	<u>\$ (78,420)</u>	(16,575)
Fund Balance			
Balance, beginning of year			<u>136,356</u>
Total Fund Balance			<u>\$ 119,781</u>

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Special Reserve Fund - Statement of Revenue, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2023

	Appropriations		Actual
	Original	Final	Amounts
Revenue			
Interest income	\$ -	\$ -	\$ 703
Total Revenue	-	-	703
Expenditures			
Capital expenditures	1,948,797	1,948,797	379,624
Total Expenditures	1,948,797	1,948,797	379,624
Net Change in Fund Balance	\$ (1,948,797)	\$ (1,948,797)	(378,921)
Fund Balance			
Balance, beginning of year			2,420,373
Total Fund Balance			\$ 2,041,452

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS
Multi-year Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Calendar Years

(schedule to be built prospectively from 2014)

Calendar Year Ending	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	\$ 65,260	\$ 65,104	\$ 64,478	\$ 56,211	\$ 51,001	\$ 49,861	\$ 43,995	\$ 37,753	\$ 43,285
Interest on the Total Pension Liability	287,026	267,753	261,288	251,811	245,456	250,701	241,550	212,675	206,254
Benefit Changes	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	98,628	146,385	12,027	517	(20,364)	(61,940)	29,698	302,118	(115,602)
Assumption Changes	-	-	(58,089)	-	104,120	(110,326)	(4,007)	3,756	99,552
Benefit Payments and Refunds	(233,903)	(193,077)	(188,591)	(175,321)	(189,319)	(208,277)	(184,632)	(155,611)	(134,613)
Net Change in Total Pension Liability	217,011	286,165	91,113	133,218	190,894	(79,981)	126,604	400,691	98,876
Total Pension Liability - Beginning	4,043,301	3,757,136	3,666,023	3,532,805	3,341,911	3,421,892	3,295,288	2,894,597	2,795,721
Total Pension Liability - Ending (a)	\$ 4,260,312	\$ 4,043,301	\$ 3,757,136	\$ 3,666,023	\$ 3,532,805	\$ 3,341,911	\$ 3,421,892	\$ 3,295,288	\$ 2,894,597
Plan Fiduciary Net Position									
Employer Contributions	49,418	61,714	67,386	44,547	65,214	58,914	40,721	42,149	49,802
Employee Contributions	38,131	33,661	31,918	28,433	25,969	28,266	23,629	20,482	18,354
Pension Plan Net Investment Income	(616,851)	695,829	520,370	599,860	(209,512)	533,105	203,028	14,722	176,588
Benefit Payments and Refunds	(233,903)	(193,077)	(188,591)	(175,321)	(189,319)	(208,277)	(184,632)	(155,611)	(134,613)
Other	39,179	16,814	16,733	15,463	5,865	(21,779)	(22,565)	16,592	(47,438)
Net Change in Plan Fiduciary Net Position	(724,026)	614,941	447,816	512,982	(301,783)	390,229	60,181	(61,666)	62,693
Plan Fiduciary Net Position - Beginning	4,653,513	4,038,572	3,590,756	3,077,774	3,379,557	2,989,328	2,929,147	2,990,813	2,928,120
Plan Fiduciary Net Position - Ending (b)	\$ 3,929,487	\$ 4,653,513	\$ 4,038,572	\$ 3,590,756	\$ 3,077,774	\$ 3,379,557	\$ 2,989,328	\$ 2,929,147	\$ 2,990,813
Net Pension Liability/(Asset) - Ending (a) - (b)	331,095	(610,212)	(281,436)	75,267	455,031	(37,646)	432,564	366,141	(96,216)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.23%	115.09%	107.49%	97.95%	87.12%	101.13%	87.36%	88.89%	103.32%
Covered Valuation Payroll	\$ 847,373	\$ 748,054	\$ 709,322	\$ 631,875	\$ 577,121	\$ 536,550	\$ 509,006	\$ 455,171	\$ 385,649
Net Pension Liability as a Percentage of Covered Valuation Payroll	39.07%	(81.57%)	(39.68%)	11.91%	78.84%	(7.02%)	84.98%	80.44%	(24.95%)

Does not necessarily represent Covered Employee Payroll as defined in GASB Statement No. 68.

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS
Schedule of Required Supplemental Information
Multi-year Schedule of Contributions
Last 10 Calendar Years

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2014	\$ 47,088	\$ 49,802	\$ (2,714)	\$ 385,649	12.91%
2015	\$ 42,149	\$ 42,149	\$ -	\$ 455,171	9.26%
2016	\$ 40,720	\$ 40,721	\$ (1)	\$ 509,006	8.00%
2017	\$ 58,913	\$ 58,914	\$ (1)	\$ 536,550	10.98%
2018	\$ 65,215	\$ 65,214	\$ 1	\$ 577,121	11.30%
2019	\$ 44,547	\$ 44,547	\$ -	\$ 631,875	7.05%
2020	\$ 67,386	\$ 67,386	\$ -	\$ 709,322	9.50%
2021	\$ 61,714	\$ 61,714	\$ -	\$ 748,054	8.25%
2022	\$ 49,148 *	\$ 49,148	\$ -	\$ 847,373	5.80%

* Estimated based on a contribution rate of 5.80% and covered valuation payroll of \$847,373.

NOTES TO REQUIRED
SUPPLEMENTARY INFORMATION

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to Required Supplemental Information

Year Ended June 30, 2023

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

Under the modified accrual basis of accounting, revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. General capital assets acquisitions are reported as expenditures in the governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However; expenditures relating to compensated absences, debt service expenditures, and claims and judgments are recognized only when payment is due.

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

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

- Prior to September 15th the Library District Board receives a proposed operating budget (appropriation ordinance) for the fiscal year commencing on preceding July 1st. The operating budget includes proposed expenditures and the means of financing them.
- A public hearing is conducted at a public meeting to obtain taxpayers comments.
- The budget is legally enacted through passage of an ordinance prior to September 30th.
- The Library District Treasurer with Board review and approval is authorized to expend the un-expensed balance of any item or items of any general appropriation in making up any deficiency in any item or items of the same general appropriation.
- The original budget was passed on September 19, 2022 and was not amended during the fiscal year.
- Formal budgetary integration is not employed as a management control device during the year for any fund.
- Budgetary comparisons presented in the accompanying financial statements are prepared on the modified accrual basis of accounting. All funds utilize the same basis of accounting for both budgetary purposes and actual results.

GREEN HILLS PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to Required Supplemental Information

Year Ended June 30, 2023

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