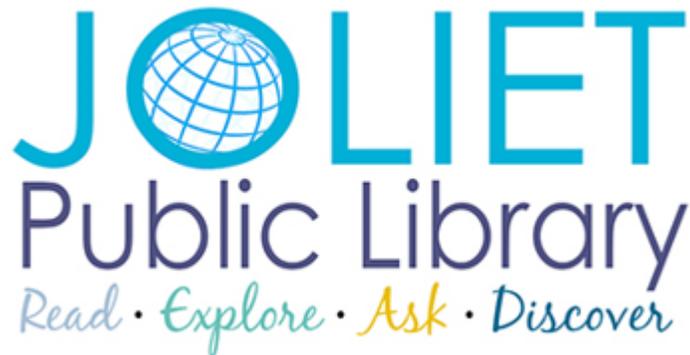


# JOLIET PUBLIC LIBRARY

A component unit of the City of Joliet, Illinois

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## ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2020

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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## **FINANCIAL SECTION**

This section includes:

Independent Auditors' Report

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Basic Financial Statements

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## **INDEPENDENT AUDITORS' REPORT**

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



## **INDEPENDENT AUDITORS' REPORT**

June 22, 2021

Members of the Board of Trustees  
Joliet Public Library  
Joliet, Illinois

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

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

### **Opinions**

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

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Joliet Public Library, a component unit of the City of Joliet, Illinois' basic financial statements. The individual fund budgetary comparison schedules, and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2020**

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Our discussion and analysis of the Joliet Public Library's financial performance provides an overview of the Library's financial activities for the fiscal year ended December 31, 2020, please read it in conjunction with the Library's financial statements.

**FINANCIAL HIGHLIGHTS**

- The Library's net position increased from \$14,135,833 beginning balance to \$14,812,511, an increase of \$676,678 or 4.8 percent.
- During the year, government-wide revenues totaled \$6,412,158, while government-wide expenses totaled \$5,735,480, resulting in an increase to net position of \$676,678.
- Total fund balances for the governmental funds were \$12,709,878 at December 31, 2020 compared to a prior year balance of \$6,228,727, an increase of \$6,481,151 or 104.1 percent.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Library as a whole and present a longer-term view of the Library's finances.

For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Library's operation in more detail than the government-wide statements by providing information about the Library's most significant funds.

**Government-Wide Financial Statements**

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

The Statement of Net Position reports information on all of the Library's assets/deferred outflows and liabilities/deferred inflows, 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. Consideration of other nonfinancial factors, such as changes in the Library's property tax base, is needed to assess the overall health of the Library.

The Statement of Activities presents information showing how the government'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.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2020**

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**USING THIS ANNUAL REPORT - Continued**

**Government-Wide Financial Statements - Continued**

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).

Both of the government-wide financial statements report functions of the Library that are principally supported by taxes and charges for services revenues (governmental activities). The governmental activities of the Library include the cultural function.

**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 local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Library only maintains 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, 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 the Library'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 provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Library maintains two individual governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered a major fund. Data from the other governmental fund is presented as a nonmajor fund.

The Library adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2020**

**USING THIS ANNUAL REPORT – Continued**

**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.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Library, assets/deferred outflows exceeded liabilities/deferred inflows by \$14,812,511.

	Net Position	
	12/31/2020	12/31/2019
Current Assets	\$ 19,013,923	12,401,092
Capital Assets	12,419,433	12,458,180
Total Assets	31,433,356	24,859,272
Deferred Outflows	758,906	993,626
Total Assets/Deferred Outflows	32,192,262	25,852,898
Long-Term Debt Outstanding	8,832,748	4,211,230
Other Liabilities	393,672	242,651
Total Liabilities	9,226,420	4,453,881
Deferred Inflows	8,153,331	7,263,184
Total Liabilities/Deferred Inflows	17,379,751	11,717,065
Net Position		
Investment in Capital Assets	11,987,621	12,458,180
Restricted	10,000	10,000
Unrestricted	2,814,890	1,667,653
Total Net Position	14,812,511	14,135,833

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

A large portion of the Library's net position (80.9 percent) reflects its investment in capital assets (for example, land, buildings, equipment and furniture), less any related debt used to acquire those assets that is still outstanding. The Library uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion or 0.1 percent of the Library's net position represents resources that are subject to external restrictions on how they may be used, including \$10,000 restricted for Lambert funding. The remaining \$2,814,890 represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

	<u>Change in Net Position</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>
Revenues		
Program Revenues		
Charges for Services	\$ 45,945	114,220
Operating Grants/Contributions	272,975	219,369
General Revenues		
Property Taxes	6,026,068	6,020,879
Interest	44,648	138,645
Miscellaneous	22,522	55,691
Total Revenues	<u>6,412,158</u>	<u>6,548,804</u>
Expenses		
General Government	5,687,138	6,615,024
Interest on Long-Term Debt	48,342	—
Total Expenses	<u>5,735,480</u>	<u>6,615,024</u>
Change in Net Position	676,678	(66,220)
Net Position-Beginning	<u>14,135,833</u>	<u>14,202,047</u>
Net Position-Ending	<u><u>14,812,511</u></u>	<u><u>14,135,827</u></u>

Net position of the Library's governmental activities increased from a balance \$14,135,833 to \$14,812,511.

Revenues of \$6,412,158 exceeded expenses of \$5,735,480, resulting in the increase to net position in the current year of \$676,678.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2020**

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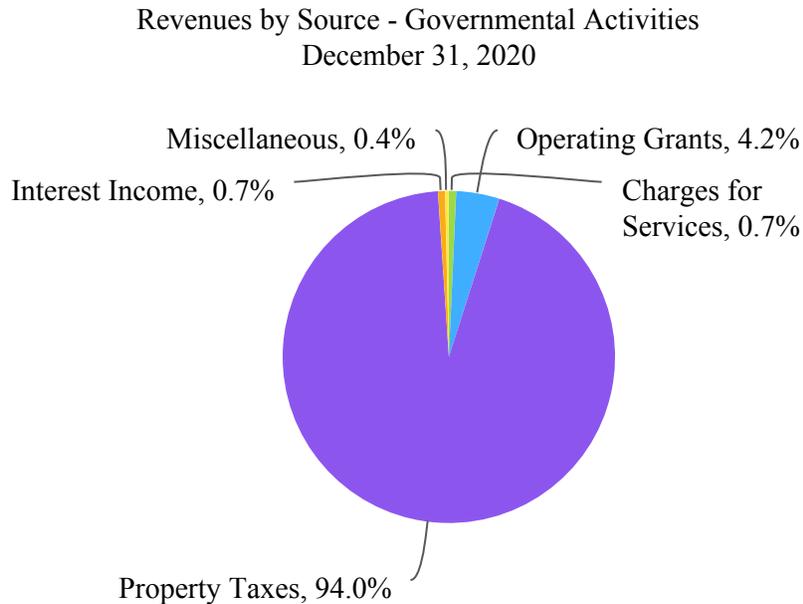
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**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

**Governmental Activities**

In the current year, governmental net position increased \$676,678, an increase of 4.8 percent. This increase is mainly due to lower expenses in the current fiscal year related to the State-wide shut down as a result of the COVID-19 pandemic. Total expenses decreased \$879,544 over the prior year (\$6,615,024 in December 31, 2019 compared to \$5,735,480 in December 31, 2020).

The following table graphically depicts the major revenue sources of the Library. It depicts very clearly the reliance of property taxes to fund governmental activities.



The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues. The public library function charges user fees for services provided. The user fees charged do not cover the expenses, which furthermore signifies the Library's reliance on general revenues such as property taxes to fund operations.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

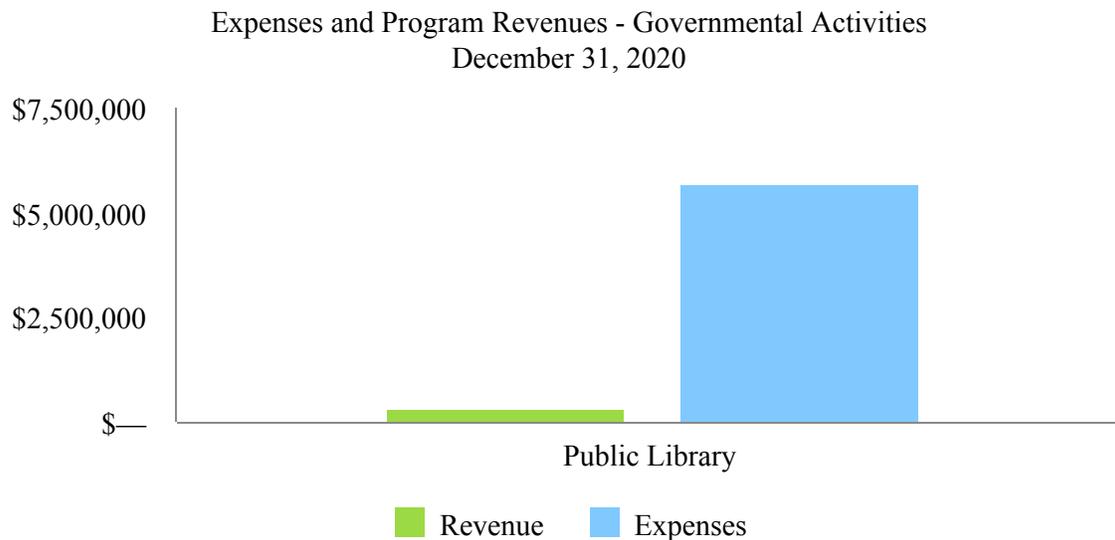
**Management's Discussion and Analysis  
December 31, 2020**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

**Governmental Activities – Continued**



**FINANCIAL ANALYSIS OF THE GOVERNMENT’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. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$12,709,878 which is 104.1 percent more than last year’s ending fund balance of \$6,228,727.

In the current year, governmental fund balances increased by \$6,481,151. The Special Reserve Fund issued \$6,535,000 in long-term debt in the current fiscal year, which attributed to the overall increase in fund balance.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2020**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

During the year, no supplemental amendments were made to the budget for the General Fund.

The General Fund actual revenues were lower than budgeted revenues. Actual revenues for the current year were \$6,408,330, compared to budgeted revenues of \$6,434,815. This resulted primarily from charges for services being \$26,778 lower than the budgeted amount of \$52,800.

The General Fund actual expenditures were lower than budgeted expenditures. Actual expenditures totaled \$5,999,195, while budgeted expenditures totaled \$6,322,514. This was due primarily to substantial savings realized versus the budgeted expenditures in the areas of personnel, library materials, operations and maintenance, library operations, miscellaneous, and capital outlay.

**CAPITAL ASSETS**

The Library's investment in capital assets for its governmental activities as of December 31, 2020 was \$12,419,433 (net of accumulated depreciation). This investment in capital assets includes land, buildings, black road building, building improvements, furniture and fixtures, equipment, and books.

	<u>Capital Assets - Net of Depreciation</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>
Land	\$ 719,919	719,919
Construction in Progress	521,252	89,440
Buildings	4,239,158	4,492,066
Black Road Building	3,251,579	3,399,992
Building Improvements	980,250	1,079,227
Furniture and Fixtures	6,214	9,567
Equipment	20,332	24,077
Library Materials	2,680,729	2,643,892
Total	<u>12,419,433</u>	<u>12,458,180</u>

This year's additions to capital assets included:

Construction in Progress	\$ 431,812
Equipment	8,769
Library Materials	<u>591,849</u>
	<u>1,032,430</u>

Additional information on the Library's capital assets can be found in Note 3 of this report.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2020**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The equalized assess valuation (EAV) for the Library for fiscal year December 31, 2020 is \$3,333,744,389. This represents an increase in EAV of \$241,762,271 over prior year's EAV.

**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 the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Board of Trustees, Joliet Public Library, 150 N. Ottawa Street, Joliet, Illinois 60432.

## **BASIC FINANCIAL STATEMENTS**

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

Government-Wide Financial Statements

Fund Financial Statements

Governmental Funds

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

**Statement of Net Position  
December 31, 2020**

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**See Following Page**

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

**Statement of Net Position  
December 31, 2020**

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	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 13,046,580
Receivables - Net of Allowances	
Property Taxes	5,964,567
Accounts	<u>2,776</u>
Total Current Assets	<u>19,013,923</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	1,241,171
Depreciable	27,017,454
Accumulated Depreciation	<u>(15,839,192)</u>
Total Noncurrent Assets	<u>12,419,433</u>
Total Assets	31,433,356
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	<u>758,906</u>
Total Assets and Deferred Outflows of Resources	<u>32,192,262</u>

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

	<u>Governmental Activities</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	\$ 225,166
Accrued Payroll	114,312
Accrued Interest	13,342
Compensated Absences Payable	40,852
Total Current Liabilities	<u>393,672</u>
Noncurrent Liabilities	
Compensated Absences Payable	163,408
Net Pension Liability - IMRF	2,134,340
General Obligation Bonds	6,535,000
Total Noncurrent Liabilities	<u>8,832,748</u>
Total Liabilities	<u>9,226,420</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	5,964,567
Deferred Items - IMRF	2,188,764
Total Deferred Inflows of Resources	<u>8,153,331</u>
Total Liabilities and Deferred Inflows of Resources	<u>17,379,751</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	11,987,621
Restricted	
Lambert	10,000
Unrestricted	<u>2,814,890</u>
Total Net Position	<u><u>14,812,511</u></u>

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

**Statement of Activities  
For the Fiscal Year Ended December 31, 2020**

	Expenses	Program Revenues			Net (Expenses)/ Revenues
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental Activities					
Culture and Recreation	\$ 5,687,138	45,945	272,975	—	(5,368,218)
Interest on Long-Term Debt	48,342	—	—	—	(48,342)
<b>Total Governmental Activities</b>	<b>5,735,480</b>	<b>45,945</b>	<b>272,975</b>	<b>—</b>	<b>(5,416,560)</b>

General Revenues	
Taxes	
Property Taxes	6,026,068
Interest	44,648
Miscellaneous	22,522
	<u>6,093,238</u>
Change in Net Position	676,678
Net Position - Beginning	<u>14,135,833</u>
Net Position - Ending	<u><u>14,812,511</u></u>

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

**Balance Sheet - Governmental Funds  
December 31, 2020**

	General	Capital Projects Special Reserve	Nonmajor Permanent Lambert	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 2,534,462	10,502,118	10,000	13,046,580
Receivables - Net of Allowances				
Property Taxes	5,964,567	—	—	5,964,567
Accounts	2,776	—	—	2,776
Due from Other Funds	315,080	—	—	315,080
<b>Total Assets</b>	<b>8,816,885</b>	<b>10,502,118</b>	<b>10,000</b>	<b>19,329,003</b>
<b>LIABILITIES</b>				
Accounts Payable	108,434	116,732	—	225,166
Accrued Payroll	114,312	—	—	114,312
Due to Other Funds	—	315,080	—	315,080
<b>Total Liabilities</b>	<b>222,746</b>	<b>431,812</b>	<b>—</b>	<b>654,558</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	5,964,567	—	—	5,964,567
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>6,187,313</b>	<b>431,812</b>	<b>—</b>	<b>6,619,125</b>
<b>FUND BALANCES</b>				
Restricted	—	—	10,000	10,000
Assigned	57,961	—	—	57,961
Unassigned	2,571,611	10,070,306	—	12,641,917
<b>Total Fund Balances</b>	<b>2,629,572</b>	<b>10,070,306</b>	<b>10,000</b>	<b>12,709,878</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>8,816,885</b>	<b>10,502,118</b>	<b>10,000</b>	<b>19,329,003</b>

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

**December 31, 2020**

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<b>Total Governmental Fund Balances</b>	\$ 12,709,878
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	12,419,433
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	(1,429,858)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(204,260)
Net Pension Liability - IMRF	(2,134,340)
General Obligation Bonds	(6,535,000)
Accrued Interest Payable	<u>(13,342)</u>
<b>Net Position of Governmental Activities</b>	<u><u>14,812,511</u></u>

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

**JOLIET PUBLIC LIBRARY**  
**JOLIET, ILLINOIS**

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

	General	Capital Projects Special Reserve	Nonmajor Permanent Lambert	Totals
<b>Revenues</b>				
Taxes	\$ 6,026,068	—	—	6,026,068
Intergovernmental	272,975	—	—	272,975
Charges for Services	26,022	—	—	26,022
Fines and Fees	19,923	—	—	19,923
Interest	40,820	2,118	1,710	44,648
Miscellaneous	22,522	—	—	22,522
<b>Total Revenues</b>	<b>6,408,330</b>	<b>2,118</b>	<b>1,710</b>	<b>6,412,158</b>
<b>Expenditures</b>				
<b>Current</b>				
Culture and Receptions	5,951,130	—	—	5,951,130
<b>Debt Service</b>				
Interest and Fiscal Charges	—	90,677	—	90,677
Capital Outlay	48,065	431,812	—	479,877
<b>Total Expenditures</b>	<b>5,999,195</b>	<b>522,489</b>	<b>—</b>	<b>6,521,684</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<b>409,135</b>	<b>(520,371)</b>	<b>1,710</b>	<b>(109,526)</b>
<b>Other Financing Sources (Uses)</b>				
Debt Issuance	—	6,535,000	—	6,535,000
Premium on Debt Issuance	—	55,677	—	55,677
Transfers In	1,710	4,000,000	—	4,001,710
Transfers Out	(4,000,000)	—	(1,710)	(4,001,710)
	<b>(3,998,290)</b>	<b>10,590,677</b>	<b>(1,710)</b>	<b>6,590,677</b>
<b>Net Change in Fund Balances</b>	<b>(3,589,155)</b>	<b>10,070,306</b>	<b>—</b>	<b>6,481,151</b>
<b>Fund Balances - Beginning</b>	<b>6,218,727</b>	<b>—</b>	<b>10,000</b>	<b>6,228,727</b>
<b>Fund Balances - Ending</b>	<b>2,629,572</b>	<b>10,070,306</b>	<b>10,000</b>	<b>12,709,878</b>

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**Net Change in Fund Balances - Total Governmental Funds** \$ 6,481,151

Amounts reported for governmental activities in the Statement of Activities  
are different because:

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

Capital Outlays	1,032,430
Depreciation Expense	(1,071,177)
Disposals - Cost	(590,119)
Disposals - Accumulated Depreciation	590,119

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

Change in Deferred Items - IMRF	(1,124,867)
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The issuance of long-term debt provides current financial resources to  
governmental funds, while the repayment of the principal on long-term  
debt consumes the current financial resources of the governmental funds.

Changes in Compensated Absences Payable	(29,993)
Changes in Net Pension Liability - IMRF	1,937,476
Issuance of General Obligation Bonds	(6,535,000)

Changes to accrued interest on long-term debt in the Statement of Activities  
does not require the use of current financial resources and, therefore, are not  
reported as expenditures in the governmental funds.

(13,342)

**Changes in Net Position of Governmental Activities**

676,678

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Joliet Public Library (the Library), a component unit of the City of Joliet, provides services primarily to citizens of the City of Joliet (the City), Illinois, including lending or renting materials to adults and children to meet their informational, recreational, and educational needs.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Library's accounting policies established in GAAP and used by the Library are described below.

**REPORTING ENTITY**

The Library is a legally separate entity whose Board is appointed by the Mayor and confirmed by the City Council. The Library may not issue bonded debt without the City's approval, and its property tax levy is incorporated with the City's levy. The Library is reported as a discretely presented component unit of the City of Joliet, Illinois. This report represents the financial activity of the Library for the fiscal year ended December 31, 2020.

The Library is a Public Library operating in accordance with the Illinois Local Library Act, 75 ILCS 5/1-0.1 et seq.

**BASIS OF PRESENTATION**

**Government-Wide Statements**

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

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

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**BASIS OF PRESENTATION - Continued**

**Government-Wide Statements - Continued**

The net costs (by function) are normally covered by general revenue (property tax, intergovernmental revenues, interest income, etc.). The Library does not allocate indirect costs. This government-wide focus is more on the sustainability of the Library as an entity and the change in the Library's net position resulting from the current year's activities.

**Fund Financial Statements**

The financial transactions of the Library are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. The Library's funds are all reported as governmental funds. The emphasis in fund financial statements is on the major funds.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses) for the determination of major funds. The Library electively added funds, as major funds, which either had debt outstanding or specific community focus. A fund is considered major if it is a primary operating fund of the Library or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

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

**Governmental Funds**

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**BASIS OF PRESENTATION - Continued**

**Governmental Funds - Continued**

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

*Capital Project Funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds. The Special Reserve Fund is used to preserve funds meant for a comprehensive remodel of the Ottawa Street building.

*Permanent funds* are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry. The Library maintains one nonmajor permanent fund.

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

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

**Measurement Focus**

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

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued**

**Basis of Accounting**

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end.

The Library recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

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

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

**Cash and Investments**

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

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

**Cash and Investments - Continued**

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

**Receivables**

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

**Interfund Receivables, Payables and Activity**

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

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

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$2,500 or more, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Library as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

Buildings and Black Road Building	45 Years
Building Improvements	10 - 30 Years
Furniture, Fixtures, and Equipment	5 - 20 Years
Library Materials	10 Years

**Deferred Outflows/Inflows of Resources**

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

**Compensated Absences**

The Library accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for this amount is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

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

**Long-Term Obligations**

In the government-wide financial statements, long-term obligations are reported as liabilities in the governmental activities on the Statement of Net Position.

**Net Position**

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

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation.

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

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

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**BUDGETARY INFORMATION**

The Library annually submits a budget, levy and appropriation to the City of Joliet, Illinois. The budget, levy and appropriation is prepared on the same basis and uses the same accounting practices as are used in the fund financial statements.

An annual appropriated budget is adopted for the General (Library Operation) Fund and the Special Reserve Fund. Unexpended budget amounts lapse at the end of the budget year. Spending controls for the fund are established by the amount of expenditures budgeted for the fund, but management control is exercised at budgetary line level items.

Expenditures may not exceed appropriations. All budget revisions at this level are subject to final review by the City. Within these control levels, management may transfer appropriations without City approval.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS**

**DEPOSITS AND INVESTMENTS**

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

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

The Illinois Public Reserves Investment Management Trust (IPRIME) is an investment opportunity and cash management service for Illinois Municipal Treasurers acting on behalf of counties, townships, cities, towns, villages, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, and all other political corporations or subdivisions of the State of Illinois. Participation in IPRIME is voluntary. IPRIME is not registered with the SEC as an Investment Company. Investments in IPRIME are valued at the share price, the price for which the investment could be sold.

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

*Deposits.* At year-end, the carrying amount of the Library’s deposits totaled \$3,021,163 and the bank balances totaled \$3,031,349. In addition, the Library has \$479 invested in the Illinois Funds and \$10,024,938 invested in IPRIME at year-end.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, investments should be managed to meet liquidity needs for the current month plus on month (based on forecasted needs) and any reasonably anticipated special needs.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Library limits its exposure to credit risk by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government explicitly or implicitly guaranteed by the United States Government. At year-end, the Library's investment in the Illinois Funds and IPRIME were both rated AAAM by Standard & Poor's.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk - Continued**

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library's investment policy requires the pledging of collateral of all bank balances in excess of the federal depository insurance with the collateral held by a third party in the Library's name. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

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

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

**PROPERTY TAXES**

Property taxes for 2019 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically to the Library. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**INTERFUND BALANCES**

Interfund balances result from the time lag between when transactions are recorded in the accounting system and payments between funds are made. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Special Reserve	<u>\$ 315,080</u>

**INTERFUND TRANSFERS**

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Lambert	\$ 1,710
Special Reserve	General	<u>4,000,000</u>
		<u>4,001,710</u>

Transfers are used to move unrestricted revenues collected in the Lambert Fund to finance various programs accounted for in the General Fund in accordance with budgetary authorizations. The transfer from the General Fund transfer was used to create the Special Reserve Fund.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 719,919	—	—	719,919
Construction in Progress	89,440	431,812	—	521,252
	<u>809,359</u>	<u>431,812</u>	<u>—</u>	<u>1,241,171</u>
Depreciable Capital Assets				
Building	11,026,521	—	—	11,026,521
Black Road Building	5,936,512	—	—	5,936,512
Building Improvements	2,096,285	—	—	2,096,285
Furniture and Fixtures	921,304	—	—	921,304
Equipment	1,772,990	8,769	—	1,781,759
Library Materials	5,253,343	591,849	590,119	5,255,073
	<u>27,006,955</u>	<u>600,618</u>	<u>590,119</u>	<u>27,017,454</u>
Less Accumulated Depreciation				
Building	6,534,455	252,908	—	6,787,363
Black Road Building	2,536,520	148,413	—	2,684,933
Building Improvements	1,017,058	98,977	—	1,116,035
Furniture and Fixtures	911,737	3,353	—	915,090
Equipment	1,748,913	12,514	—	1,761,427
Library Materials	2,609,451	555,012	590,119	2,574,344
	<u>15,358,134</u>	<u>1,071,177</u>	<u>590,119</u>	<u>15,839,192</u>
Total Net Depreciable Capital Assets	<u>11,648,821</u>	<u>(470,559)</u>	<u>—</u>	<u>11,178,262</u>
Total Net Capital Assets	<u>12,458,180</u>	<u>(38,747)</u>	<u>—</u>	<u>12,419,433</u>

Depreciation expense of \$1,071,177 was charged to the culture and recreation function.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

**NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT**

**General Obligation Bonds**

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City and Library have an intergovernmental agreement for the Library's portion of the bonds. The portion of the Library's General obligation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Refunding Bonds of 2020B - Due in annual installments of \$300,000 to \$5,605,000 plus interest at 1.00% through December 15, 2027.	\$ —	6,535,000	—	6,535,000

**Long-term Liability Activity**

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Compensated Absences	\$ 174,267	59,986	29,993	204,260	40,852
Net Pension Liability - IMRF	4,071,816	—	1,937,476	2,134,340	—
General Obligation Bonds	—	6,535,000	—	6,535,000	—
	<u>4,246,083</u>	<u>6,594,986</u>	<u>1,967,469</u>	<u>8,873,600</u>	<u>40,852</u>

The compensated absences and the net pension liability are generally liquidated by the General Fund. The General Obligation Bonds are generally liquidated by the Special Reserve Fund.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

**NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Debt Service Requirements to Maturity**

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

Fiscal Year	General Obligation Bonds		
	Principal	Interest	Total
2021	\$ —	75,334	75,334
2022	—	65,350	65,350
2023	—	65,350	65,350
2024	300,000	65,350	365,350
2025	310,000	62,350	372,350
2026	320,000	59,250	379,250
2027	5,605,000	28,025	5,633,025
Total	<u>6,535,000</u>	<u>421,009</u>	<u>6,956,009</u>

**NET POSITION CLASSIFICATIONS**

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

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 12,419,433
Plus:	
Unspent Bond Proceeds	6,103,188
Less Capital Related Debt:	
General Obligation Bonds of 2020B	<u>(6,535,000)</u>
Net Investment in Capital Assets	<u>11,987,621</u>

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued**

**FUND BALANCE CLASSIFICATIONS**

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

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

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

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

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

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

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**FUND BALANCE CLASSIFICATIONS- Continued**

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

	General	Capital Projects Special Reserve	Nonmajor Permanent Lambert	Totals
Restricted				
Lambert Permanent	\$ —	—	10,000	10,000
Assigned				
Special Projects	57,961	—	—	57,961
Capital Projects	—	10,070,306	—	10,070,306
	<u>57,961</u>	<u>10,070,306</u>	—	<u>10,128,267</u>
Unassigned	<u>2,571,611</u>	—	—	<u>2,571,611</u>
Total Fund Balances	<u>2,629,572</u>	<u>10,070,306</u>	10,000	<u>12,709,878</u>

**NOTE 4 - OTHER INFORMATION**

**RISK MANAGEMENT**

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 4 - OTHER INFORMATION - Continued**

**CONTINGENT LIABILITIES**

**Litigation**

The Library is not a defendant in any lawsuits.

**Grants**

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

**Financial Impact from COVID-19**

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

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN**

**Illinois Municipal Retirement Fund (IMRF)**

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Description**

*Plan Administration.* 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 managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

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

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

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Description - Continued**

*Benefits Provided - Continued.* Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

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

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

Active Plan Members

98

A detailed breakdown of IMRF membership for the City and the Library combined is available in the City of Joliet's comprehensive annual financial report.

*Contributions.* As set by statute, the Library's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended December 31, 2020, the Library's contribution was 18.63% of covered payroll.

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

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

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

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

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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:

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Actuarial Assumptions - Continued.*

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

**Discount Rate**

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

**Discount Rate Sensitivity**

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 5,289,522	2,134,340	(387,027)

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2019	\$ 25,199,003	21,127,187	4,071,816
Changes for the Year:			
Service Cost	316,751	—	316,751
Interest on the Total Pension Liability	1,784,407	—	1,784,407
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	182,628	—	182,628
Changes of Assumptions	(198,167)	—	(198,167)
Contributions - Employer	—	604,346	(604,346)
Contributions - Employees	—	146,398	(146,398)
Net Investment Income	—	3,072,999	(3,072,999)
Benefit Payments, Including Refunds of Employee Contributions	(1,489,670)	(1,489,670)	—
Other (Net Transfer)	—	199,352	(199,352)
Net Changes	595,949	2,533,425	(1,937,476)
Balances at December 31, 2020	25,794,952	23,660,612	2,134,340

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

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

For the year ended December 31, 2020, the Library recognized pension revenue of \$291,082. At December 31, 2020, the Library reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 520,102	—	520,102
Change in Assumptions	238,804	(267,834)	(29,030)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	(1,920,930)	(1,920,930)
Total Deferred Amounts Related to IMRF	<u>758,906</u>	<u>(2,188,764)</u>	<u>(1,429,858)</u>

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

Fiscal Year	Net Deferred (Inflows) of Resources
2021	\$ (359,780)
2022	(22,144)
2023	(734,135)
2024	(313,799)
2025	—
Thereafter	—
Total	<u>(1,429,858)</u>

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS**

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

**FRIENDS OF THE JOLIET LIBRARY**

As of December 31, 2020, the Friend of the Joliet Library (Foundation) has a total balance of \$32,961 that is held for the benefit of the Library. These funds are designated for use on capital projects as well as fundraising activities to enhance the use, growth, and preservation of the library. The Library's Board has elected not to include the investment held at the Foundation as an asset on their books. The Foundation reimbursed the Library \$7,240 during the year ended December 31, 2020.

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

Schedule of Employer Contributions  
Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability  
Illinois Municipal Retirement Fund

Budgetary Comparison Schedule  
General Fund

Notes to the Required Supplementary Information

Budgetary information - budgets are adopted on a basis consistent with generally accepted accounting principles.

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 526,784	\$ 566,683	\$ 39,899	\$ 2,993,093	18.93%
2016	547,482	612,275	64,793	2,937,133	20.85%
2017	514,894	547,430	32,536	3,000,546	18.24%
2018	534,990	708,253	173,263	3,097,800	22.86%
2019	492,295	521,527	29,232	3,196,718	16.31%
2020	592,922	604,346	11,424	3,243,557	18.63%

Notes to the Required Supplementary Information:

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

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

**JOLIET PUBLIC LIBRARY**  
**JOLIET, ILLINOIS**

**Required Supplementary Information**  
**Schedule of Changes in the Employer's Net Pension Liability**  
**December 31, 2020**

	<u>12/31/2015</u>
Total Pension Liability	
Service Cost	\$ 311,602
Interest	1,519,169
Changes in Benefit Terms	—
Differences Between Expected and Actual Experience	270,901
Change of Assumptions	27,462
Benefit Payments, Including Refunds of Member Contributions	<u>(1,051,428)</u>
Net Change in Total Pension Liability	1,077,706
Total Pension Liability - Beginning	<u>20,761,425</u>
Total Pension Liability - Ending	<u><u>21,839,131</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 566,683
Contributions - Members	139,903
Net Investment Income	80,013
Benefit Payments, Including Refunds of Member Contributions	(1,051,428)
Other (Net Transfer)	<u>523,843</u>
Net Change in Plan Fiduciary Net Position	259,014
Plan Net Position - Beginning	<u>16,175,016</u>
Plan Net Position - Ending	<u><u>16,434,030</u></u>
Employer's Net Pension Liability	<u><u>\$ 5,405,101</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.25%
Covered Payroll	\$ 2,993,093
Employer's Net Pension Liability as a Percentage of Covered Payroll	180.59%

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

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/30/2020
331,900	308,157	293,497	303,343	316,751
1,595,836	1,629,312	1,646,049	1,718,985	1,784,407
—	—	—	—	—
(323,346)	257,567	481,827	306,495	182,628
(164,547)	(705,782)	685,948	—	(198,167)
(1,111,311)	(1,195,165)	(1,322,331)	(1,376,562)	(1,489,670)
328,532	294,089	1,784,990	952,261	595,949
21,839,131	22,167,663	22,461,752	24,246,742	25,199,003
22,167,663	22,461,752	24,246,742	25,199,003	25,794,952
612,275	547,430	708,253	521,527	604,346
136,054	140,996	145,423	152,853	146,398
1,127,396	3,090,913	(1,149,478)	3,550,510	3,072,999
(1,111,311)	(1,195,165)	(1,322,331)	(1,376,562)	(1,489,670)
10,056	(309,220)	437,893	(24,355)	199,352
774,470	2,274,954	(1,180,240)	2,823,973	2,533,425
16,434,030	17,208,500	19,483,454	18,303,214	21,127,187
17,208,500	19,483,454	18,303,214	21,127,187	23,660,612
4,959,163	2,978,298	5,943,528	4,071,816	2,134,340
77.63%	86.74%	75.49%	83.84%	91.73%
2,937,133	3,000,546	3,097,800	3,196,718	3,243,557
168.84%	99.26%	191.86%	127.37%	65.80%

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

**General Fund**

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

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 6,024,815	6,024,815	6,026,068
Intergovernmental			
Grants	210,000	210,000	272,975
Charges for Services			
Public Computer Printing	32,000	32,000	16,819
Damaged Books	6,000	6,000	1,930
Faxing Services	7,000	7,000	3,200
Fee Cards	3,000	3,000	1,673
Room and Café Rental	4,800	4,800	2,400
Fines and Fees	50,000	50,000	19,923
Interest	50,600	50,600	40,820
Miscellaneous			
Donations and Bequests	37,000	37,000	8,525
Miscellaneous	9,600	9,600	13,997
Total Revenues	<u>6,434,815</u>	<u>6,434,815</u>	<u>6,408,330</u>
Expenditures			
Culture and Recreation			
Personnel	4,405,655	4,405,655	4,268,535
Library Materials	717,300	717,300	591,849
Contractual Services	441,018	441,018	508,660
Operations and Maintenance	210,500	210,500	133,660
Library Operations	394,000	394,000	340,706
Grant Expenditures	48,000	48,000	107,720
Capital Outlay	106,041	106,041	48,065
Total Expenditures	<u>6,322,514</u>	<u>6,322,514</u>	<u>5,999,195</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	112,301	112,301	409,135
Other Financing Sources (Uses)			
Transfers In	—	—	1,710
Transfers Out	—	—	(4,000,000)
	<u>—</u>	<u>—</u>	<u>(3,998,290)</u>
Net Change in Fund Balance	<u>112,301</u>	<u>112,301</u>	(3,589,155)
Fund Balance - Beginning			<u>6,218,727</u>
Fund Balance - Ending			<u><u>2,629,572</u></u>

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such schedules include:

Budgetary Comparison Schedules - General Fund

Special Reserve - Capital Projects Fund

## **INDIVIDUAL FUND DESCRIPTIONS**

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### **GENERAL FUND**

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

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### **CAPITAL PROJECTS FUND**

The Capital Projects Fund is used to account for all resources used for the acquisition of capital facilities by a governmental unit.

### **Special Reserve Fund**

The Special Reserve Fund is used to preserve funds meant for a comprehensive remodel of the Ottawa Street building.

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### **PERMANENT FUND**

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

### **Lambert Fund**

The Lambert Fund is used to account for cleaning and maintenance of a portrait that is held at the Library and was established by a former Library patron.

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**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Culture and Recreation</b>			
<b>Personnel</b>			
Staff Salaries	\$ 2,290,367	2,290,367	2,155,749
Part-Time Wages	980,437	980,437	981,868
IMRF	509,355	509,355	538,166
FICA	235,396	235,396	235,809
Health Insurance	298,100	298,100	269,011
Workers Compensation	77,000	77,000	75,693
Unemployment Compensation	15,000	15,000	12,239
	<u>4,405,655</u>	<u>4,405,655</u>	<u>4,268,535</u>
<b>Library Materials</b>			
Books	374,000	374,000	274,700
Periodicals - Subscriptions	15,500	15,500	10,502
Electronic Databases	118,000	118,000	86,480
Audio Books and eBooks	119,800	119,800	143,626
DVDs	81,000	81,000	70,545
Compact Discs	9,000	9,000	5,996
	<u>717,300</u>	<u>717,300</u>	<u>591,849</u>
<b>Contractual Services</b>			
Employee Uniforms/Protective Clothing	1,700	1,700	1,013
Equipment Rental and Service Contracts	366,818	366,818	445,506
Public Liability and Auto Insurance	40,000	40,000	42,600
Legal Services	25,000	25,000	12,416
Audit	7,500	7,500	7,125
	<u>441,018</u>	<u>441,018</u>	<u>508,660</u>
<b>Operations and Maintenance</b>			
Utilities - Heating and Electricity	40,000	40,000	39,109
Water and Sewer	12,000	12,000	8,795
Custodial Supplies	15,000	15,000	13,496
Building Repairs and Maintenance	120,000	120,000	51,233
Equipment Repairs and Maintenance	20,000	20,000	20,271
Gasoline and Oil	3,500	3,500	756
	<u>210,500</u>	<u>210,500</u>	<u>133,660</u>

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

	Budgeted Amounts		Actual Amounts
	Original	Final	
Culture and Recreation - Continued			
Library Operations			
Computer Supplies	\$ 2,000	2,000	373
Printing Supplies and Services	35,000	35,000	39,272
Processing Supplies	16,500	16,500	15,153
Office Supplies	25,000	25,000	15,841
Equipment Replacement	154,000	154,000	152,031
Telephone	6,500	6,500	5,909
Postage and Shipping	7,000	7,000	3,870
Staff Education and Travel	55,000	55,000	55,392
Dues to Professional Organizations	7,000	7,000	7,959
Programming	44,000	44,000	30,564
Publicity and Promotion	30,000	30,000	13,027
Community Engagement	12,000	12,000	1,315
	<u>394,000</u>	<u>394,000</u>	<u>340,706</u>
Grant Expenditures	<u>48,000</u>	<u>48,000</u>	<u>107,720</u>
Capital Outlay	<u>106,041</u>	<u>106,041</u>	<u>48,065</u>
Total Expenditures	<u><u>6,322,514</u></u>	<u><u>6,322,514</u></u>	<u><u>5,999,195</u></u>

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Interest	\$ —	—	2,118
Expenditures			
Debt Service			
Interest and Fiscal Charges	—	—	90,677
Capital Outlay	150,000	150,000	431,812
Total Expenditures	150,000	150,000	522,489
Excess (Deficiency) of Revenues Over (Under) Expenditures	(150,000)	(150,000)	(520,371)
Other Financing Sources (Uses)			
Debt Issuance	—	—	6,535,000
Premium on Debt Issuance	—	—	55,677
Transfers In	—	—	4,000,000
	—	—	10,590,677
Net Change in Fund Balance	(150,000)	(150,000)	10,070,306
Fund Balance - Beginning			—
Fund Balance - Ending			10,070,306

## **SUPPLEMENTAL SCHEDULES**

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

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

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Date of Issue	October 6, 2020
Date of Maturity	December 15, 2027
Authorized Issue	\$6,535,000
Denomination of Bonds	\$5,000
Interest Rate	1.00%
Interest Dates	June 15th and December 15th
Principal Maturity Date	December 15
Payable at	City of Joliet

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 15	Amount	Dec. 15	Amount
2021	\$ —	75,334	75,334	2021	42,659	2021	32,675
2022	—	65,350	65,350	2022	32,675	2022	32,675
2023	—	65,350	65,350	2023	32,675	2023	32,675
2024	300,000	65,350	365,350	2024	32,675	2024	32,675
2025	310,000	62,350	372,350	2025	31,175	2025	31,175
2026	320,000	59,250	379,250	2026	29,625	2026	29,625
2027	5,605,000	28,025	5,633,025	2027	28,025	2027	—
	<u>6,535,000</u>	<u>421,009</u>	<u>6,956,009</u>		<u>229,509</u>		<u>191,500</u>

**JOLIET PUBLIC LIBRARY  
JOLIET, ILLINOIS**

**Schedule of Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections - Last Five Tax Levy Years  
December 31, 2020**

	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019
Assessed Valuation					
Railroads	\$ 38,681,579	39,269,099	37,262,944	37,527,865	37,659,356
Farm	10,920,794	3,610,795	3,392,291	3,214,243	3,005,051
Nonfarm	2,333,492,731	2,463,426,580	2,622,054,392	2,791,929,177	3,015,057,513
Other Counties	178,515,168	202,193,688	237,175,005	259,310,833	278,022,469
	<u>2,561,610,272</u>	<u>2,708,500,162</u>	<u>2,899,884,632</u>	<u>3,091,982,118</u>	<u>3,333,744,389</u>
Tax Rate (per \$100 EAV)	\$ 0.2306	0.2225	0.2078	0.1949	0.1808
Tax Extension	\$ 5,907,073	6,026,413	6,025,960	6,026,273	6,027,410
Collections	\$ 5,923,344	6,004,047	6,000,964	6,020,879	6,026,068
Percent Collected	\$ 100.28%	99.63%	99.59%	99.91%	99.98%

Data Source: Office of the County Clerk

Note: Rates are per \$1,000 of Assessed Value