

JOLIET PUBLIC LIBRARY

(A Component Unit of the City of Joliet, Illinois)

JOLIET, ILLINOIS

ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2025



**JOLIET PUBLIC LIBRARY
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2025**

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

Opinions

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 (the Library), a component unit of the City of Joliet, Illinois, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the 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, each major fund, and the aggregate remaining fund information of the Joliet Public Library, Illinois, as of December 31, 2025, 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 the Library, 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 the Library'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 the Library'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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library'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, the budgetary comparison schedules, and supplementary pension schedules, as listed in the table of contents, 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.

Supplementary 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 other supplementary information and supplemental schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

MW & Associates, P.C.

Hillside, Illinois
July 9, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

JOLIET PUBLIC LIBRARY

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED DECEMBER 31, 2025

As management of the Joliet Public Library, we offer readers of the Library's financial statements this narrative overview and analysis of the financial activities of the Library for the fiscal year ended December 31, 2025.

Financial Highlights

- The Library's net position decreased \$604,342 or 2.88%, from \$21,002,109 in 2024 to \$20,397,767 in 2025.
- During the year, government-wide revenues totaled \$7,275,448 while government-wide expenses totaled \$7,879,790, resulting in the decrease to net position of \$604,342.
- Total fund balance for the governmental funds was \$4,372,574, an increase of \$721,743, or 19.8%.

Overview of Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the basic financial statements. These basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to basic financial statements. This report also contains 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 government-wide financial statements include the statement of net position and the statement of activities.

The statement of net position presents information on all of the Library's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, changes 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 is also needed to assess the overall health of the Library.

The statement of activities presents information showing how the net position of the Library changed during the current fiscal year. Changes in net position are reported in the statement of activities when 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 even though the resulting cash flow may be recorded in a future year (e.g., uncollected taxes and earned, but unused vacation and sick leave).

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

The government-wide financial statements include only the activities of the Joliet Public Library. The Library has no component units; however, the Library is considered a component unit of the City of Joliet, Illinois. The government-wide financial statements can be found on pages 11 - 12 of this report.

JOLIET PUBLIC LIBRARY

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED DECEMBER 31, 2025

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with finance-related requirements. 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 only maintains governmental funds.

Governmental funds account for essentially the same information 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 financial resources and fund balances. Such information may be useful in evaluating financing requirements in the near term.

Since the governmental funds and the governmental activities report information using the same function, it is useful to compare the information presented as the focus is to narrow down the information of the government-wide financial statements. Because the focus of each report differs, reconciliations are provided in the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The Library maintains three individual governmental funds. The General Fund, Special Reserve Fund and the Lambert Fund of the Library are categorized as governmental funds. The General Fund and Special Reserve Fund are both major funds while the Lambert Fund is nonmajor. The Library adopts an annual appropriated budget for the General Fund, only. A budgetary comparison statement included in the required supplementary information section of this report demonstrates the Library's compliance with the adopted budget for the General Fund. The basic governmental fund financial statements can be found on pages 13 - 16 of this report.

Notes to Basic Financial Statements

The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements section. The notes to basic financial statements can be found on pages 17 – 35 of this report.

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 of resources exceeded liabilities and deferred inflows of resources at the close of 2025.

JOLIET PUBLIC LIBRARY**MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2025****JOLIET PUBLIC LIBRARY
NET POSITION
DECEMBER 31, 2025 AND 2024**

	Net Position	
	2025	2024
Current assets	\$ 12,039,756	\$ 10,668,497
Capital assets	23,180,568	20,687,032
Total assets	35,220,324	31,355,529
Deferred outflows of resources	180,043	1,019,025
Current liabilities	803,647	296,362
Noncurrent liabilities	5,647,213	4,043,851
Total liabilities	6,450,860	4,340,213
Deferred inflows of resources	8,551,740	7,032,232
Net position:		
Net investment in capital assets	19,747,904	20,687,032
Restricted	156,505	10,000
Unrestricted	493,358	305,077
Total net position	\$ 20,397,767	\$ 21,002,109

The largest portion of the Library's net position, \$19,747,904 or 96.8 percent, reflects its investment in capital assets (e.g., land, buildings and equipment). The Library uses these 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 as the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$156,505 or 0.8 percent, of the Library's net position represents resources that are subject to external restrictions on how they may be used. The remaining \$493,358, or 2.4 percent, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

JOLIET PUBLIC LIBRARY**MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2025**

**JOLIET PUBLIC LIBRARY
CHANGE IN NET POSITION
YEARS ENDED DECEMBER 31, 2025 AND 2024**

	Change in Net Position	
	2025	2024
Revenues:		
Program revenues		
Charges for services	\$ 50,853	\$ 59,448
Operating grants/contributions	252,709	1,508,734
General revenues		
Property taxes	6,826,221	6,329,592
Interest	136,044	169,157
Miscellaneous	9,621	38,735
Total revenues	7,275,448	8,105,666
Expenses:		
Culture and recreation	7,821,881	8,344,127
Interest on long-term debt	57,909	14,498
Total expenses	7,879,790	8,358,625
Change in net position	(604,342)	(252,959)
Net position at beginning of year	21,002,109	21,255,068
Net position at end of year	<u>\$ 20,397,767</u>	<u>\$ 21,002,109</u>

Net position of the Library's governmental activities decreased from \$21,002,109 to \$20,397,767.

Revenues of \$7,275,448 fell short of expenses of \$7,879,790, resulting in the decrease in net position for the current year of \$604,342.

In the current year, governmental net position decreased \$604,342, or 2.9 percent. Total revenues decreased \$830,218 over prior year (\$8,105,666 in 2024 compared to \$7,275,448 in 2025). The main reason for the decrease was a drop in operating grants and contributions as construction grant received in the prior year was not received in the current year. An increase in property tax revenues in the current year offset the decrease in grant revenue as the most recent tax levy increased by \$506,921.

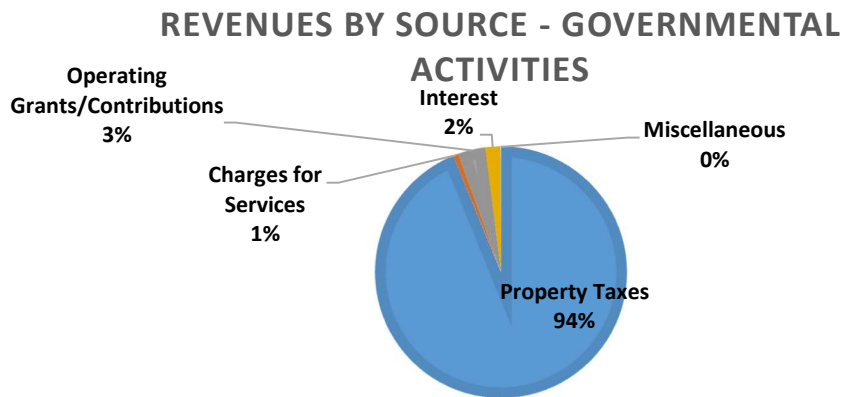
Total expenses decreased \$478,835 over the prior year (\$8,358,625 in 2024 compared to \$7,879,790 in 2025). The decrease in expense is mainly due a higher amount of the capitalization of costs in the current

JOLIET PUBLIC LIBRARY

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED DECEMBER 31, 2025

year offset by an increase in the net change of deferred inflow/outflow and net pension liability of the IMRF pension plan.

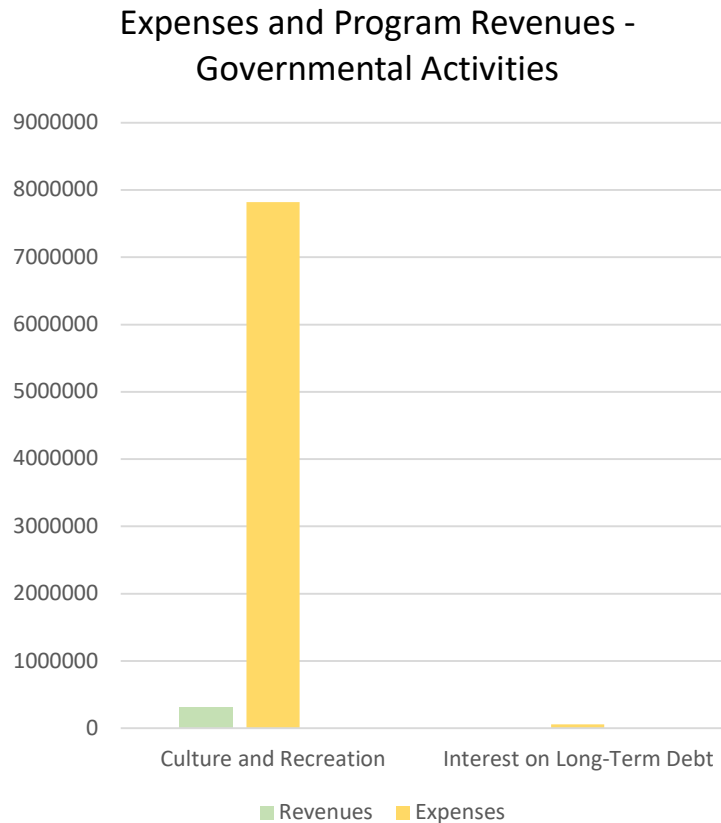
The following table graphically shows the major revenue sources of the Library. It depicts very clearly the reliance of property taxes to fund governmental activities.



The table below shows governmental functions where program expenses exceed program revenues. The culture and recreation function charges user fees for services provided. The user fees charged along with grants and contributions 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

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED DECEMBER 31, 2025



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. 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 December 31, 2025, the Library's governmental funds reported an ending balance of \$4,372,574, an increase of \$721,743. Approximately 93.5%, or \$4,089,741, constitutes unassigned fund balance, which is available for spending at the Library's discretion. Approximately 2.9 %, or \$126,138, of fund balance is not in spendable form.

A majority, or \$146,505 of the restricted balance is related to the Black Road Branch project. \$3,500,000 of loan proceeds were received for the remodeling of the Black Road Branch. The Library can allocate 10% of the balance to other capital improvements at the Black Road Branch with a written notice and

JOLIET PUBLIC LIBRARY

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED DECEMBER 31, 2025

approval. If the project is completed under budget any of the remaining loan proceeds can be reallocated to other library facility improvements with the approval of the Lender.

The General Fund had an increase in fund balance of \$575,238. Grant related spending that occurred in the prior year did not occur in the current year.

The Special Reserve Fund increased \$146,505 primarily due to the receipt of loan proceeds not yet spent in relation to the Black Road Branch remodeling project noted above.

Budgetary Highlights

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

The actual revenues were lower than budgeted revenues in the General Fund. Actual revenues for the current year were \$7,274,446, compared to budgeted revenues of \$7,450,250. This resulted primarily from grant revenues and donations generating revenues below the budgeted amount. Property taxes, charges for services, fines and fees and interest revenues were all over their budgeted revenue.

The actual expenditures were lower than budgeted expenditures in the General Fund. Actual expenditures totaled \$6,784,375, while budgeted expenditures totaled \$7,750,250. This was due to most expenditure categories being below budget as was noted especially with personnel, library materials, library operations, and capital outlay.

Capital Assets

The Library's investment in capital assets for its governmental activities, net of accumulated depreciation, as of December 31, 2025 amounts to \$23,180,568. This investment in capital assets includes land, construction in progress, right to use asset, buildings, Black Road building, building improvements, equipment and library materials with an individual asset cost in excess of \$2,500, the Library's capitalization threshold.

	Capital Assets - Net of Depreciation	
	12/31/2025	12/31/2024
Land	\$ 719,919	\$ 719,919
Construction in Progress	3,381,862	-
Right to Use Asset - Lease	78,554	-
Bulidngs	13,236,726	13,774,692
Black Road Building	2,568,783	2,718,574
Building Improvements	506,335	590,500
Equipment	229,377	283,219
Library Materials	2,459,012	2,600,128
Total	\$ 23,180,568	\$ 20,687,032

JOLIET PUBLIC LIBRARY

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED DECEMBER 31, 2025

The current year additions to capital assets included the following:

Additions:	
Construction in Progress	\$ 3,381,862
Right to Use Asset - Lease	84,165
Building Improvements	2,700
Equipment	3,825
Library Materials	457,589
	\$ 3,930,141

The increase in construction in progress is related to the renovation of the Black Road branch. For more information, please see Note 3 in the notes to the financial statements.

Debt Administration

As of December 31, 2025, the Library had outstanding debt \$3,500,000, resulting from a loan that was borrowed from the City of Joliet on August 20, 2025. No payments on the debt were made during the fiscal year.

Additionally, the Library had a lease payable in the amount of \$79,169, as of December 31, 2025. The lease was entered into in September 2025 for the right-to-use 8 copiers/printers in the amount of \$84,165.

For more information on the Library's long-term debt, see Note 3 in the notes to the financial statements.

Economic Factors and Next Year's Budgets

The equalized assess valuation (EAV) for the Library for fiscal year December 31, 2025 is \$4,778,014,242. This represents an increase in EAV of \$526,558,673 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 Library's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the Board of Trustees, Joliet Public Library, 150 North Ottawa Street, Joliet, IL 60432. General information relating to the Joliet Public Library can be found at the Library's website, <https://jolietlibrary.org/>.

BASIC FINANCIAL STATEMENTS

**JOLIET PUBLIC LIBRARY
STATEMENT OF NET POSITION
DECEMBER 31, 2025**

	Governmental Activities
ASSETS	
Current assets:	
Cash and investments	\$ 4,785,140
Receivables - net of allowances	
Property taxes receivable	7,106,060
Accounts receivable	22,228
Prepays	126,328
Noncurrent assets:	
Capital assets	
Nondepreciable	4,101,781
Depreciable	39,194,324
Accumulated depreciation/amortization	<u>(20,115,537)</u>
Total assets	<u>35,220,324</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred pension amounts	<u>180,043</u>
LIABILITIES	
Current liabilities:	
Accounts payable	494,821
Accrued payroll	66,301
Accrued interest payable	56,570
Compensated absences payable	51,433
Loan payable	119,038
Lease payable	15,484
Noncurrent liabilities:	
Compensated absences payable	205,732
Net pension liability	1,996,834
Loan payable	3,380,962
Lease payable	<u>63,685</u>
Total liabilities	<u>6,450,860</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred pension amounts	1,445,680
Property taxes levied for future period	<u>7,106,060</u>
Total deferred inflows of resources	<u>8,551,740</u>
NET POSITION	
Net investment in capital assets	19,747,904
Restricted	
Lambert	10,000
Special Reserve	146,505
Unrestricted	<u>493,358</u>
Total net position	<u><u>\$ 20,397,767</u></u>

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

**JOLIET PUBLIC LIBRARY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025**

	Program Revenues				Net (Expenses) Revenues
	Expenses	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental activities:					
Culture and recreation	\$ 7,821,881	\$ 50,853	\$ 252,709	-	\$ (7,518,319)
Interest on long-term debt	57,909	-	-	-	(57,909)
Total Governmental activities	<u>\$ 7,879,790</u>	<u>\$ 50,853</u>	<u>\$ 252,709</u>	<u>\$ -</u>	<u>\$ (7,576,228)</u>
General revenues:					
Property taxes					6,826,221
Interest income					136,044
Miscellaneous					<u>9,621</u>
Total general revenues					<u>6,971,886</u>
Change in net position					(604,342)
Net position at beginning of year					<u>21,002,109</u>
Net position at end of year					<u>\$ 20,397,767</u>

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

JOLIET PUBLIC LIBRARY
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	<u>General</u>	<u>Capital Projects Special Reserve</u>	<u>Nonmajor Permanent Lambert</u>	<u>Totals</u>
ASSETS				
Cash and investments	\$ 4,656,134	\$ 119,006	\$ 10,000	\$ 4,785,140
Receivables - net of allowances				
Property taxes receivable	7,106,060	-	-	7,106,060
Accounts receivable	22,228	-	-	22,228
Prepays	126,328	-	-	126,328
	<u>11,910,750</u>	<u>119,006</u>	<u>10,000</u>	<u>12,039,756</u>
Total assets	<u>11,910,750</u>	<u>119,006</u>	<u>10,000</u>	<u>12,039,756</u>
LIABILITIES				
Accounts payable	69,360	425,461	-	494,821
Accrued payroll	66,301	-	-	66,301
	<u>135,661</u>	<u>425,461</u>	<u>-</u>	<u>561,122</u>
Total liabilities	<u>135,661</u>	<u>425,461</u>	<u>-</u>	<u>561,122</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for future period	7,106,060	-	-	7,106,060
	<u>7,106,060</u>	<u>-</u>	<u>-</u>	<u>7,106,060</u>
FUND BALANCES				
Nonspendable	126,328	-	-	126,328
Restricted	-	146,505	10,000	156,505
Unassigned	4,542,701	(452,960)	-	4,089,741
	<u>4,669,029</u>	<u>(306,455)</u>	<u>10,000</u>	<u>4,372,574</u>
Total fund balances	<u>4,669,029</u>	<u>(306,455)</u>	<u>10,000</u>	<u>4,372,574</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 11,910,750</u>	<u>\$ 119,006</u>	<u>\$ 10,000</u>	<u>\$ 12,039,756</u>

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

JOLIET PUBLIC LIBRARY
RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL
FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2025

Total Governmental Fund Balances	\$ 4,372,574
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.	23,180,568
Deferred outflows (inflows) of resources related to the pensions not reported in the funds Deferred items - IMRF	(1,265,637)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences payable	(257,165)
Net pension liability - IMRF	(1,996,834)
Loan payable	(3,500,000)
Lease payable	(79,169)
Accrued interest payable	(56,570)
Net Position of Governmental Activities	<u>\$ 20,397,767</u>

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

JOLIET PUBLIC LIBRARY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	<u>General</u>	<u>Capital Projects Special Reserve</u>	<u>Nonmajor Permanent Lambert</u>	<u>Totals</u>
Revenues:				
Property taxes	\$ 6,826,221	\$ -	\$ -	\$ 6,826,221
Charges for services	40,646	-	-	40,646
Fines and fees	10,207	-	-	10,207
Grants	228,109	-	-	228,109
Donations	24,600	-	-	24,600
Interest	135,042	-	1,002	136,044
Miscellaneous	9,621	-	-	9,621
Total revenues	<u>7,274,446</u>	<u>-</u>	<u>1,002</u>	<u>7,275,448</u>
Expenditures:				
Culture and recreation	6,670,957	-	-	6,670,957
Capital outlay	107,083	3,353,495	-	3,460,578
Debt service				
Principal	4,996	-	-	4,996
Interest	1,339	-	-	1,339
Total expenditures	<u>6,784,375</u>	<u>3,353,495</u>	<u>-</u>	<u>10,137,870</u>
Revenues over (under) expenditures	490,071	(3,353,495)	1,002	(2,862,422)
Other financing sources (uses):				
Issuance of debt	-	3,500,000	-	3,500,000
Lease proceeds	84,165	-	-	84,165
Transfers in	1,002	-	-	1,002
Transfers out	-	-	(1,002)	(1,002)
Total other financing sources (uses)	<u>85,167</u>	<u>3,500,000</u>	<u>(1,002)</u>	<u>3,584,165</u>
Net change in fund balances	575,238	146,505	-	721,743
Fund balances at beginning of year	<u>4,093,791</u>	<u>(452,960)</u>	<u>10,000</u>	<u>3,650,831</u>
Fund balances at end of year	<u>\$ 4,669,029</u>	<u>\$ (306,455)</u>	<u>\$ 10,000</u>	<u>\$ 4,372,574</u>

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

JOLIET PUBLIC LIBRARY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES TO THE STATEMENT OF ACTIVITIES OF GOVERNMENTAL ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Net Change in Fund Balances - Total Governmental Funds	\$ 721,743
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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/amortization expense.

Capital outlays	3,930,141
Depreciation/amortization expense	(1,436,605)

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

Change in deferred items - IMRF	(2,020,113)
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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	(25,268)
Changes in net pension liability - IMRF	1,861,499
Retirement of debt	4,996
Issuance of debt	(3,500,000)
Lease proceeds	(84,165)
Changes in interest payable	(56,570)

Change in Net Position of Governmental Activities	<u>\$ (604,342)</u>
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The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

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 municipal corporation governed by an elected Board of Trustees. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are no fiduciary component units that are required to be included in the financial statements of the Library as pension trust funds and there are no discretely component units to include in the reporting entity.

Basis of Presentation

Government-Wide Financial Statements

The Library's basic financial statements include both government-wide (reporting the Library as a whole) and fund financial statements (reporting the Library's 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, interest, and charges for services, 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.

The net costs (by function) are normally covered by general revenue (property tax, interest, 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.

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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:

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 projects 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, a major fund, is used to preserve funds meant for a comprehensive remodeling of Library buildings.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting (Continued)

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.

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.

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Fund Balance/Net Position

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 acquisition.

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.

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:

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Fund Balance/Net Position (Continued)

Type of Asset	Life in Years
Buildings and Black Road Building	45
Building Improvements	10 - 30
Furniture, Fixtures, and Equipment	5 - 20
Library Materials	10

Deferred Outflows/Inflows of Resources

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

Compensated Absences

GASB Statement No. 101, *Compensated Absences*, requires that liabilities be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement No. 101 establishes guidance for measuring a liability that has not been used, generally using an employee's pay rate as of the date of the financial statements. In addition, certain salary-related payments that are directly and incrementally associated with the payments for leave should be included in the measurement of the liability.

Full time Library employees can earn up to 30 days of vacation annually after being employed for over 20 years. Upon termination, unused vacation time is paid out. Full time employees earn one sick day per month, and sick days may accrue up to 90 days.

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. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

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

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Fund Balance/Net Position (Continued)

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/amortization and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

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

Use of Estimates

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

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The Library annually submits a budget, levy and appropriation to the City of Joliet, Illinois (the City). 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 only the General (Library Operation) 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.

Deficit Fund Balance

The Special Reserve Fund had a deficit fund balance of \$306,455 as of December 31, 2025.

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND 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.

Deposits

At year-end, the carrying amount of the Library's deposits totaled \$429,652 and the bank balances totaled \$589,778. In addition, the Library has \$2,400 invested in the Illinois Funds and \$4,353,088 invested in IPRIME at year-end, which is measured as net asset value per share as determined by the pool.

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 one month (based on forecasted needs) and any reasonably anticipated special needs. The Library's investments in the Illinois Funds and IPRIME have average maturities of less than one year.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. 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 was rated AAmmf by Fitch and IPRIME was rated AAAM by Standard & Poor's.

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

Deposits and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Library's deposits might not be recovered. 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. As of December 31, 2025, the total bank balance of the Library in the amount of \$4,553,539 was collateralized by Federal Deposit Insurance Corporation (FDIC) limits and/or securities held by the pledging financial institution.

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 Illinois Funds and IPRIME are not subject to custodial credit risk.

Concentration of Credit Risk

Concentration of credit risk 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 2024 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

Notes to the Financial Statements
December 31, 2025

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (Continued)**Capital Assets**

Capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital assets, not being depreciated:				
Land	\$ 719,919	\$ -	\$ -	\$ 719,919
Construction in Progress	-	3,381,862	-	3,381,862
Total capital assets not being depreciated	719,919	3,381,862	-	4,101,781
Capital assets being depreciated/amortized:				
Right to Use Asset - Lease	-	84,165	-	84,165
Building	22,143,803	-	-	22,143,803
Black road building	5,998,537	-	-	5,998,537
Building improvements	2,096,285	2,700	-	2,098,985
Furniture and fixtures	921,304	-	-	921,304
Equipment	2,168,899	3,825	21,495	2,151,229
Library materials	5,720,208	457,589	381,496	5,796,301
Total capital assets being depreciated/amortized	39,049,036	548,279	402,991	39,194,324
Less accumulated depreciation/amortization:				
Right to Use Asset - Lease	-	5,611	-	5,611
Building	8,369,111	537,966	-	8,907,077
Black road building	3,279,963	149,791	-	3,429,754
Building improvements	1,505,785	86,865	-	1,592,650
Furniture and fixtures	921,304	-	-	921,304
Equipment	1,885,680	57,667	21,495	1,921,852
Library materials	3,120,080	598,705	381,496	3,337,289
Total accumulated depreciation/amortization	19,081,923	1,436,605	402,991	20,115,537
Total capital assets being depreciated/amortized, net	19,967,113	(888,326)	-	19,078,787
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 20,687,032</u>	<u>\$ 2,493,536</u>	<u>\$ -</u>	<u>\$ 23,180,568</u>

Depreciation/amortization expense of \$1,436,605 was charged to the culture and recreation function.

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND 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. There were no interfund balances as of the date of December 31, 2025.

Interfund Transfers

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. 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. Interfund transfers for the year consisted of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General	Nonmajor	<u>\$ 1,002</u>

Long-Term Debt

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

	<u>Beginning Balance</u>	<u>Additions / Adjustments</u>	<u>Reductions / Adjustments</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences*	\$ 231,897	\$ 25,268	\$ -	\$ 257,165	\$ 51,433
Net pension liability - IMRF	3,858,333	-	2,073,802	1,784,531	-
Lease liability	-	84,165	4,996	79,169	15,484
Loan liability	-	3,500,000	-	3,500,000	119,038
Total	<u>\$ 4,090,230</u>	<u>\$ 3,609,433</u>	<u>\$ 2,078,798</u>	<u>\$ 5,620,865</u>	<u>\$ 185,955</u>

*The change in compensated absences liability is presented as a net change.

Each liability is generally liquidated by the General Fund.

City of Joliet Loan

On August 20, 2025, the Library entered into a loan agreement with the City in the amount of \$3,500,000. The purpose of the loan is to provide financing to enable the Library to renovate and update its Black Road branch. The loan is to be repaid to the City in installments over 20 years with a final due date of August 1, 2045, at an interest rate of 4.880%. The portion of the Library's loan currently outstanding is as follows:

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (Continued)**Long-Term Debt (Continued)****City of Joliet Loan (Continued)**

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
City of Joliet Loan - Due in annual installments of \$119,038 to \$264,138 plus interest at 4.880% through August 1, 2045.	\$ -	\$ 3,500,000	\$ -	\$ 3,500,000

Debt service requirements to maturity are as follows:

Fiscal Year	Governmental Activities Debt Certificates	
	Principal	Interest
2026	\$ 119,038	\$ 157,990
2027	112,038	164,991
2028	117,505	159,523
2029	123,239	153,789
2030	129,253	147,775
2031-2035	747,266	637,877
2036-2040	948,284	436,858
2041-2045	1,203,377	181,765
	<u>\$ 3,500,000</u>	<u>\$ 2,040,568</u>

Lease Payable

In September 2025, the Library entered into a right-to-use lease agreement for 8 copier/printers. Monthly lease payment of \$1,584 are due in 60 installments through August 2030. The lease liability is measured at a discount rate of 4.880%. As a result of the lease, the Library has recorded an intangible right-to-use asset of \$84,165 with accumulated amortization of \$5,611 as of December 31, 2025.

The future minimum lease obligations and the net present value of minimum lease payments are as follows:

Fiscal Year	Governmental Activities Lease Payable	
	Principal	Interest
2026	\$ 15,484	\$ 3,520
2027	16,257	3,520
2028	17,068	1,936
2029	17,920	1,084
2030	12,440	229
	<u>\$ 79,169</u>	<u>\$ 10,289</u>

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (Continued)

Net Position Classifications

Net investment in capital assets was comprised of the following as of December 31, 2025:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 23,180,568
Add: Unspent Loan Proceeds	571,966
Less: Capital Related Payables	(425,461)
Less: Capital Related Debt	(3,500,000)
Less: Lease Liability	<u>(79,169)</u>
Net Investment in Capital Assets	<u><u>\$ 19,747,904</u></u>

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.

The Library has a 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

Notes to the Financial Statements
December 31, 2025

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (Continued)**Net Position 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
Nonspendable				
Prepaid Assets	<u>\$ 126,328</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,328</u>
Restricted				
Black Road Project	-	146,505	-	146,505
Lambert	-	-	10,000	10,000
Total Restricted Fund Balance	<u>-</u>	<u>146,505</u>	<u>10,000</u>	<u>156,505</u>
Unassigned	<u>4,542,701</u>	<u>(452,960)</u>	<u>-</u>	<u>4,089,741</u>
Total Fund Balances	<u>\$ 4,669,029</u>	<u>\$ (306,455)</u>	<u>\$ 10,000</u>	<u>\$ 4,372,574</u>

NOTE 4 - OTHER INFORMATION**Risk Management**

The Library is exposed to various risks of loss related to torts; thefts 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 years.

Contingent Liabilities***Litigation***

From time to time, the Library is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Library attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Library's financial position or results of operations.

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 4 - OTHER INFORMATION (Continued)

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.

Employee Retirement System – Defined Benefit Pension Plan

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. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Plan 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 managed by IMRF, the administrator of an agent multiple 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 Annual Comprehensive 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.

Benefits Provided

IMRF has three benefit plans. The 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 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 10 years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of service are entitled to an annual retirement benefit, payable monthly for life, in

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 4 - OTHER INFORMATION (Continued)

Employee Retirement System – Defined Benefit Pension Plan (Continued)

an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

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

Plan Membership

As of December 31, 2025, the measurement date, a total of 92 active members were covered by the benefit terms. A detailed breakdown of IMRF membership for the City and the Library combined is available in the City of Joliet's annual comprehensive financial report.

Contributions

As set by statute, the Library's RP 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. The Library's annual required contribution rate for calendar year 2025 was 13.27% of covered payroll.

Net Pension Liability

At December 31, 2025, the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine the net pension liability at December 31, 2025:

- The Actuarial Cost Method used was Entry-Age Normal.
- The Asset Valuation Method used was Fair Market Value.
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.
- Mortality - Nondisabled Retirees: Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021 were used.

NOTE 4 - OTHER INFORMATION (Continued)**Employee Retirement System – Defined Benefit Pension Plan (Continued)**

- Mortality - Disabled Retirees: Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- Mortality - Active Members: Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- 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 as of December 31, 2025:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	32.5%	7.35%
International Equities	18.0%	7.45%
Fixed Income	24.0%	4.75%
Real Estate	10.5%	6.25%
Alternatives	14.0%	3.90-8.50%
Cash Equivalents	1.0%	3.00%
Total	<u>100%</u>	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the net pension liability as of December 31, 2025, the same as the prior valuation. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rate reflects (1) the long-term expected rate of return on pension plan investments (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 as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Based on those assumptions, IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 4 - OTHER INFORMATION (Continued)**Employee Retirement System – Defined Benefit Pension Plan (Continued)*****Sensitivity of the Net Pension Liability to Changes in the Discount Rate***

The following presents the net pension liability of the Library, calculated using a Single Discount Rate of 7.25%, as well as what the net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	<u>\$ 5,107,776</u>	<u>\$ 1,996,834</u>	<u>\$ (488,415)</u>

Changes in Net Pension Liability

The following shows the Library's changes in net pension liability:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2024	<u>\$ 28,961,026</u>	<u>\$ 25,102,693</u>	<u>\$ 3,858,333</u>
Changes for the Year:			
Service Cost	325,952	-	325,952
Interest on the Total Pension Liability	1,847,124	-	1,847,124
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	(66,502)	-	(66,502)
Changes of Assumption	-	-	-
Contributions - Employer	-	596,554	(596,554)
Contributions - Employees	-	164,804	(164,804)
Net Investment Income	-	3,458,559	(3,458,559)
Benefit Payments, Including Refunds of Employee Contributions	(1,571,957)	(1,571,957)	-
Other (Net Transfer)	<u>-</u>	<u>(251,844)</u>	<u>251,844</u>
Net Changes	<u>534,617</u>	<u>2,396,116</u>	<u>(1,861,499)</u>
Balances at December 31, 2025	<u>\$ 29,495,643</u>	<u>\$ 27,498,809</u>	<u>\$ 1,996,834</u>

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 4 - OTHER INFORMATION (Continued)

Employee Retirement System – Defined Benefit Pension Plan (Continued)

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

For the year ended December 31, 2025, the Library recognized pension expense of \$755,168. At December 31, 2025, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods:		
Differences between expected and actual experience	\$ 180,043	\$ 198,681
Changes in assumptions	-	598
Net difference between projected and actual earnings on pension plan investments	-	1,246,401
Total	<u>\$ 180,043</u>	<u>\$ 1,445,680</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:

Year Ending December 31,	
2026	\$ 315,870
2027	(679,598)
2028	(523,941)
2029	(377,968)
2030	-
TOTAL	<u>\$ (1,265,637)</u>

Other Post Employment Benefits

The Library has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Library are required to pay 100% of the current premium. However, there is minimal participation. As the Library provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions. Therefore, the Library has not recorded a liability as of December 31, 2025.

JOLIET PUBLIC LIBRARY

Notes to the Financial Statements
December 31, 2025

NOTE 4 - OTHER INFORMATION (Continued)

Subsequent Events

Management has evaluated subsequent events through July 9, 2026, which is the date the financial statements were available to be issued. No major occurrences were noted.

NOTE 5 – NEW POUNDNCEMENTS

GASB Statement No. 103 – Financial Reporting Model Improvements is effective for the Library with its fiscal year ending December 31, 2026. The statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. The Statement also addresses certain application issues.

GASB Statement No. 104 – Disclosure of Certain Capital Assets is effective for the Library with its fiscal year ending December 31, 2026. The statement is to provide detailed information about capital assets in notes to financial statements. Statement No. 34, Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments, requires certain information regarding capital assets to be presented by major class. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale.

GASB Statement No. 105 – Subsequent Events is effective for the Library with its fiscal year ending December 31, 2027. The statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The statement describes the date the financial statements are available to be issued as the date at which (1) the financial statements are complete in a form and format that complies with generally accepted accounting principles and (2) approvals necessary for issuance have been obtained. That definition modifies the subsequent events time frame throughout the GASB literature. This Statement also requires the date through which subsequent events have been evaluated to be disclosed.

Management has not determined what impact, if any, these GASB statements may have on its financial statement.

REQUIRED SUPPLEMENTARY INFORMATION

**JOLIET PUBLIC LIBRARY
REQUIRED SUPPLEMENTARY INFORMATION
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST TEN FISCAL YEARS
DECEMBER 31, 2025**

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
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%
2021	614,640	614,640	-	3,080,690	19.95%
2022	507,660	507,660	-	3,340,351	15.20%
2023	465,426	465,426	-	3,368,117	13.82%
2024	522,638	522,638	-	3,672,788	14.23%
2025	498,627	596,554	97,927	3,757,553	15.88%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage Pay (Closed)
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period
Asset Valuation Method	5-Year smoothed market, 20% corridor
Inflation	2.25%
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 2023 valuation pursuant to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. 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-2021. 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-2021.

JOLIET PUBLIC LIBRARY
REQUIRED SUPPLEMENTARY INFORMATION
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY/ (ASSET)
LAST TEN FISCAL YEARS
DECEMBER 31, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	\$ 325,952	\$ 306,226	\$ 311,358	\$ 265,763	\$ 286,564	\$ 316,751	\$ 303,343	\$ 293,497	\$ 308,157	\$ 331,900
Interest	1,847,124	1,766,591	1,811,272	1,691,896	1,669,372	1,784,407	1,718,985	1,646,049	1,629,312	1,595,836
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Difference Between Expected and Actual Experience	(66,502)	165,488	(493,388)	1,150,685	167,042	182,628	306,495	481,827	257,567	(323,346)
Changes of Assumption	-	-	(1,987)	-	-	(198,167)	-	685,948	(705,782)	(164,547)
Benefit Payments, Including Refunds of Employee Contributions	(1,571,957)	(1,485,760)	(1,483,157)	(1,433,047)	(1,528,844)	(1,489,670)	(1,376,562)	(1,322,331)	(1,195,165)	(1,111,311)
Net Change in Total Pension Liability	534,617	752,545	144,098	1,675,297	594,134	595,949	952,261	1,784,990	294,089	328,532
Total Pension Liability - Beginning	28,961,026	28,208,481	28,064,383	26,389,086	25,794,952	25,199,003	24,246,742	22,461,752	22,167,663	21,839,131
Total Pension Liability - Ending	29,495,643	28,961,026	28,208,481	28,064,383	26,389,086	25,794,952	25,199,003	24,246,742	22,461,752	22,167,663
Plan Fiduciary Net Position										
Contributions - Employer	596,554	522,638	465,426	507,660	614,640	604,346	521,527	708,253	547,430	612,275
Contributions - Employee	164,804	163,718	166,112	151,251	139,840	146,398	152,853	145,423	140,996	136,054
Net Investment Income	3,458,559	2,163,509	2,228,320	(3,180,749)	3,923,510	3,072,999	3,550,510	(1,149,478)	3,090,913	1,127,396
Benefit Payments, Including Refunds of Employee Contributions	(1,571,957)	(1,485,760)	(1,483,157)	(1,433,047)	(1,528,844)	(1,489,670)	(1,376,562)	(1,322,331)	(1,195,165)	(1,111,311)
Other (Net Transfer)	(251,844)	(701,341)	357,383	(80,572)	(68,456)	199,352	(24,355)	437,893	(309,220)	10,056
Net Change in Fiduciary Net Position	2,396,116	662,764	1,734,084	(4,035,457)	3,080,690	2,533,425	2,823,973	(1,180,240)	2,274,954	774,470
Plan Net Position - Beginning	25,102,693	24,439,929	22,705,845	26,741,302	23,660,612	21,127,187	18,303,214	19,483,454	17,208,500	16,434,030
Plan Net Position - Ending	27,498,809	25,102,693	24,439,929	22,705,845	26,741,302	23,660,612	21,127,187	18,303,214	19,483,454	17,208,500
Employer's Net Pension Liability/(Asset)	\$ 1,996,834	\$ 3,858,333	\$ 3,768,552	\$ 5,358,538	\$ (352,216)	\$ 2,134,340	\$ 4,071,816	\$ 5,943,528	\$ 2,978,298	\$ 4,959,163
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.23%	86.68%	86.64%	80.91%	101.33%	91.73%	83.84%	75.49%	86.74%	77.63%
Covered Payroll	\$ 3,757,553	\$ 3,672,788	\$ 3,368,117	\$ 3,340,351	\$ 3,080,690	\$ 3,243,557	\$ 3,196,718	\$ 3,097,800	\$ 3,000,546	\$ 2,937,133
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	53.14%	105.05%	111.89%	160.42%	-11.43%	65.80%	127.37%	191.86%	99.26%	168.84%

JOLIET PUBLIC LIBRARY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual	Variance Over/(Under) Final Budget
Revenues:			
Property taxes	\$ 6,710,450	\$ 6,826,221	\$ 115,771
Charges for services			
Public computer printing	25,000	32,884	7,884
Faxing services	5,000	4,911	(89)
Fee cards	3,500	2,851	(649)
Naming rights	5,000	-	(5,000)
Fines and fees	8,500	10,207	1,707
Grants	585,000	228,109	(356,891)
Donations	45,000	24,600	(20,400)
Interest	52,400	135,042	82,642
Miscellaneous	10,400	9,621	(779)
Total revenues	<u>7,450,250</u>	<u>7,274,446</u>	<u>(175,804)</u>
Expenditures:			
Culture and recreation			
Personnel	5,456,013	5,330,478	(125,535)
Library materials	677,537	457,575	(219,962)
Contractual services	382,500	376,887	(5,613)
Operations and maintenance	238,436	182,491	(55,945)
Library operations	432,750	235,872	(196,878)
Miscellaneous management consultation	81,014	83,084	2,070
Grant expenditures	12,000	4,570	(7,430)
Debt Service			
Principal	70,000	4,996	(65,004)
Interest	-	1,339	1,339
Capital outlay	400,000	107,083	(292,917)
Total expenditures	<u>7,750,250</u>	<u>6,784,375</u>	<u>(965,875)</u>
Excess (deficiency of revenues over (under) expenditures	(300,000)	490,071	790,071
Other financing sources (uses):			
Lease Proceeds	-	84,165	84,165
Transfers in	300,000	1,002	(298,998)
Net change in fund balances	<u>\$ -</u>	<u>575,238</u>	<u>\$ 575,238</u>
Fund balances at beginning of year		<u>4,093,791</u>	
Fund balances at end of year		<u>\$ 4,669,029</u>	

OTHER SUPPLEMENTARY INFORMATION

**JOLIET PUBLIC LIBRARY
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025**

	Original and Final Budget	Actual	Variance Over/(Under) Final Budget
Culture and Recreation			
Personnel			
Staff salaries	\$ 2,980,139	\$ 2,891,971	\$ (88,168)
Part-time wages	1,092,805	1,097,625	4,820
Retirement contributions	532,682	556,985	24,303
FICA	310,387	310,379	(8)
Health insurance	445,000	403,455	(41,545)
Workers compensation	75,000	62,892	(12,108)
Unemployment compensation	20,000	7,171	(12,829)
Total personnel	5,456,013	5,330,478	(125,535)
Library materials			
Books	345,537	212,998	(132,539)
Periodicals - Subscriptions	10,000	7,278	(2,722)
Electronic databases	55,000	24,273	(30,727)
Audio books and eBooks	181,000	153,722	(27,278)
DVDs	79,000	54,153	(24,847)
Compact discs	7,000	5,151	(1,849)
Total library materials	677,537	457,575	(219,962)
Contractual services			
Employee uniforms/protective clothing	3,000	672	(2,328)
Equipment rental and service contracts	230,000	255,364	25,364
Public liability and auto insurance	75,000	68,001	(6,999)
Consulting	40,000	186	(39,814)
Legal services	25,000	44,104	19,104
Audit	9,500	8,560	(940)
Total contractual services	382,500	376,887	(5,613)
Operations and maintenance			
Utilities - heating and electricity	45,000	63,428	18,428
Water and sewer	14,936	17,103	2,167
Custodial supplies	17,000	11,730	(5,270)
Building repairs and maintenance	120,500	80,511	(39,989)
Equipment repairs and maintenance	35,000	8,759	(26,241)
Gasoline and oil	6,000	960	(5,040)
Total contractual services	238,436	182,491	(55,945)

**JOLIET PUBLIC LIBRARY
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025**

(continued)

	Original and Final Budget	Actual	Variance Over/(Under) Final Budget
Culture and Recreation			
Library operations			
Computer supplies	\$ 3,000	\$ 752	\$ (2,248)
Printing supplies and services	37,000	25,343	(11,657)
Processing supplies	17,000	15,817	(1,183)
Office supplies	17,000	13,854	(3,146)
Equipment replacement	150,000	48,105	(101,895)
Telephone	2,500	2,333	(167)
Postage and shipping	7,500	12,026	4,526
Staff education and travel	75,750	40,538	(35,212)
Dues to professional organizations	8,000	4,354	(3,646)
Programming	50,000	41,434	(8,566)
Publicity and promotion	40,000	17,405	(22,595)
Community engagement	25,000	13,911	(11,089)
Total library operations	432,750	235,872	(196,878)
Miscellaneous			
Management consultation	81,014	83,084	2,070
Grant expenditures	12,000	4,570	(7,430)
Total culture and recreation	7,280,250	6,670,957	(609,293)
Debt service			
Principal	70,000	4,996	(65,004)
Interest	-	1,339	1,339
Total debt service	70,000	6,335	(63,665)
Capital outlay	400,000	107,083	(292,917)
Total expenditures	\$ 7,750,250	\$ 6,784,375	\$ (965,875)

SUPPLEMENTAL SCHEDULE

JOLIET PUBLIC LIBRARY
SCHEDULE OF ASSESSED VALUATIONS, TAX RATES, TAX EXTENSTIONS AND TAX COLLECTIONS
LAST FIVE TAX LEVY YEARS
DECEMBER 31, 2025

	2024	2023	2022	2021	2020
Assessed Valuation					
Railroads	\$ 75,413,097	\$ 43,089,409	\$ 42,087,311	\$ 38,225,141	\$ 41,229,921
Farm	3,803,895	3,616,837	3,513,940	3,540,029	3,078,228
Non-Farm	4,239,099,514	3,796,395,326	3,555,925,363	3,290,193,825	3,172,134,137
Other Counties	459,697,736	408,353,997	350,867,445	316,765,236	302,632,729
Total Assessed Valuation	<u>\$ 4,778,014,242</u>	<u>\$ 4,251,455,569</u>	<u>\$ 3,952,394,059</u>	<u>\$ 3,648,724,231</u>	<u>\$ 3,519,075,015</u>
Tax rate	\$ 0.1431	\$ 0.1489	\$ 0.1555	\$ 0.1714	\$ 0.1714
Total tax levy	\$ 6,837,338	\$ 6,330,417	\$ 6,145,973	\$ 6,253,913	\$ 6,031,695
Current tax collections	\$ 6,826,221	\$ 6,329,592	\$ 6,124,833	\$ 6,053,960	\$ 5,972,243
Percent of levy collected	99.84%	99.99%	99.66%	96.80%	99.01%

See independent auditor's report