

JOLIET PUBLIC LIBRARY JOLIET, ILLINOIS

A COMPONENT UNIT OF THE CITY OF JOLIET, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2022

150 N. Ottawa St.
Joliet, IL 60432
Phone: 815.846.6500
www.jolietlibrary.org

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	<u>1</u>
MANAGEMENT'S DISCUSSION AND ANALYSIS	<u>5</u>
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	<u>15</u>
Statement of Activities	<u>17</u>
Fund Financial Statements	
Balance Sheet - Governmental Funds	<u>18</u>
Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities	<u>19</u>
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>20</u>
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities	<u>21</u>
Notes to Financial Statements	<u>22</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	<u>42</u>
Schedule of Changes in the Employer's Net Pension Liability/(Asset)	
Illinois Municipal Retirement Fund	<u>43</u>
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	<u>45</u>
OTHER SUPPLEMENTARY INFORMATION	
Schedule of Expenditures - Budget and Actual - General Fund	<u>48</u>
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual	
Special Reserve - Capital Projects Fund	<u>50</u>
Lambert - Permanent Fund	<u>51</u>
SUPPLEMENTAL SCHEDULE	
Schedule of Assess Valuation, Tax Rates, Tax Extensions and Tax Collections	
Last Five Tax Levy Years	<u>53</u>

FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedule

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

May 8, 2023

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, 2022, 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, 2022, 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 GASB-required pension reporting, 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.

Joliet Public Library, Illinois
May 8, 2023

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Joliet Public Library, 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, other supplementary information and supplemental schedule 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, 2022**

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, 2022, please read it in conjunction with the Library's financial statements, located in the basic financial statements section of this report.

FINANCIAL HIGHLIGHTS

- The Library's net position decreased \$131,956 or 0.8 percent, from \$15,966,191 in 2021 to \$15,834,235 in 2022.
- During the year, government-wide revenues totaled \$6,623,155, while government-wide expenses totaled \$6,755,111, resulting in the decrease to net position of \$131,956.
- Total fund balances for the governmental funds were \$3,291,906 at December 31, 2022 compared to a prior year balance of \$7,937,011, a decrease of \$4,645,105 or 58.5 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, 2022**

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 culture and recreation 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 three individual governmental funds. 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 and Special Reserve Fund, which are considered major funds, and the Lambert Fund, 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.

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.

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Management's Discussion and Analysis
December 31, 2022**

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 \$15,834,235.

	Net Position	
	12/31/2022	12/31/2021
Current Assets	\$ 14,338,672	14,615,082
Capital Assets	21,954,784	17,142,139
Other Assets	—	352,216
Total Assets	36,293,456	32,109,437
Deferred Outflows	2,724,481	469,549
Total Assets/Deferred Outflows	39,017,937	32,578,986
Long-Term Debt Outstanding	12,039,748	6,682,245
Other Liabilities	1,222,184	753,038
Total Liabilities	13,261,932	7,435,283
Deferred Inflows	9,921,770	9,177,512
Total Liabilities/Deferred Inflows	23,183,702	16,612,795
Net Position		
Net Investment in Capital Assets	15,419,784	11,547,145
Restricted	10,000	10,000
Unrestricted	404,451	4,409,046
Total Net Position	15,834,235	15,966,191

A large portion of the Library's net position, \$15,419,784 or 97.3 percent, reflects its investment in capital assets (for example, land, construction in progress, buildings, black road building, building improvements, furniture and fixtures, equipment, and library materials), 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. Although the Library's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$10,000 or 0.1 percent, of the Library's net position represents resources that are subject to external restrictions on how they may be used. The remaining \$404,451, or 2.6 percent, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Management's Discussion and Analysis
December 31, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Change in Net Position	
	12/31/2022	12/31/2021
Revenues		
Program Revenues		
Charges for Services	\$ 52,989	45,668
Operating Grants/Contributions	338,759	233,596
General Revenues		
Property Taxes	6,053,960	5,972,243
Interest	120,576	6,086
Miscellaneous	56,871	16,803
Total Revenues	<u>6,623,155</u>	<u>6,274,396</u>
Expenses		
Culture and Recreation	6,689,761	5,056,001
Interest on Long-Term Debt	65,350	64,715
Total Expenses	<u>6,755,111</u>	<u>5,120,716</u>
Change in Net Position	(131,956)	1,153,680
Net Position - Beginning	<u>15,966,191</u>	<u>14,812,511</u>
Net Position - Ending	<u>15,834,235</u>	<u>15,966,191</u>

Net position of the Library's governmental activities decreased from a balance \$15,966,191 to \$15,834,235.

Revenues of \$6,623,155 fell short of expenses of \$6,755,111, resulting in the decrease in net position for the current year of \$131,956.

Governmental Activities

In the current year, governmental net position decreased \$131,956, or 0.8 percent. Total revenues increased \$348,759 over prior year (\$6,274,396 in 2021 compared to \$6,623,155 in 2022). Total expenses increased \$1,634,395 over the prior year (\$5,056,001 in 2021 compared to \$6,755,111 in 2022). The decrease is mainly due to increased personnel expenses in the current year.

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

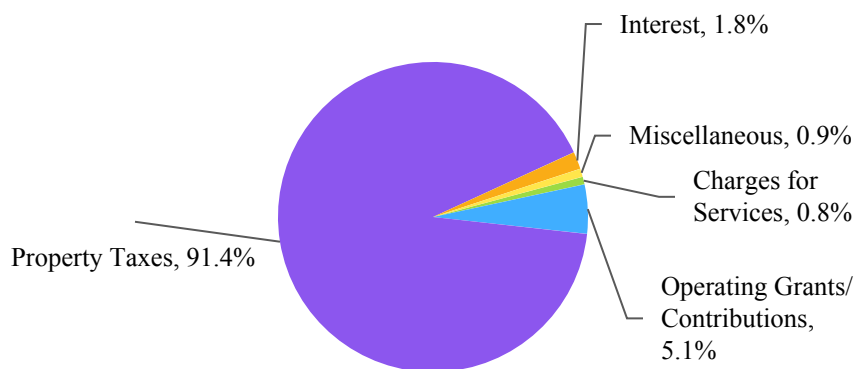
**Management's Discussion and Analysis
December 31, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities - Continued

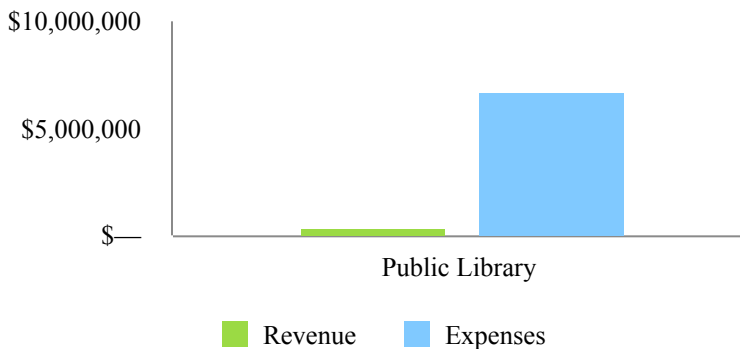
The following table graphically depicts the major revenue sources of the Library. It depicts very clearly the reliance of property taxes to fund governmental activities.

**Revenues by Source - Governmental Activities
December 31, 2022**



The 'Expenses and Program Revenues' Table below identifies those governmental functions where program expenses greatly exceed revenues. The culture and recreation 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.

**Expenses and Program Revenues - Governmental Activities
December 31, 2022**



**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Management's Discussion and Analysis
December 31, 2022**

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 \$3,291,906 which is a decrease of \$4,645,105 or 58.5 percent from last year's ending fund balance of \$7,937,011.

The General Fund had an increase of \$632,054 due to an increase of all revenue sources except fines and fees.

The Special Reserve Fund decreased \$5,277,159 due to the spend down of accumulated resources earmarked for the library renovation project.

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 higher than budgeted revenues. Actual revenues for the current year were \$6,571,918, compared to budgeted revenues of \$6,404,915. This resulted primarily from property taxes and investment income being higher than budgeted.

The General Fund actual expenditures were lower than budgeted expenditures. Actual expenditures totaled \$5,941,480, while budgeted expenditures totaled \$6,490,916. This was due primarily to substantial spending realized versus the budgeted expenditures in the area of personnel.

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Management's Discussion and Analysis
December 31, 2022**

CAPITAL ASSETS

The Library's investment in capital assets for its governmental activities as of December 31, 2022 was \$21,954,784 (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>12/31/2022</u>	<u>12/31/2021</u>
Land	\$ 719,919	719,919
Construction in Progress	10,945,864	5,684,434
Buildings	3,733,342	3,986,250
Black Road Building	2,954,753	3,103,166
Building Improvements	782,296	881,273
Furniture and Fixtures	—	2,861
Equipment	99,837	51,483
Library Materials	2,718,773	2,712,753
Total	<u>21,954,784</u>	<u>17,142,139</u>

This year's additions to capital assets included:

Construction in Progress	\$ 5,261,430
Equipment	79,621
Library Materials	<u>569,329</u>
	<u>5,910,380</u>

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

DEBT ADMINISTRATION

At year-end, the Library had total outstanding debt of \$6,535,000, the same as the prior year. Additional information on the Library's long-term debt can be found in Note 3 of this report.

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Management's Discussion and Analysis
December 31, 2022**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The equalized assess valuation (EAV) for the Library for fiscal year December 31, 2022 is \$3,648,724,231. This represents an increase in EAV of \$129,649,216 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, 2022**

See Following Page

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Statement of Net Position
December 31, 2022**

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 8,252,589
Receivables - Net of Allowances	
Property Taxes	6,083,858
Accounts	<u>2,225</u>
Total Current Assets	<u>14,338,672</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	11,665,783
Depreciable	27,307,373
Accumulated Depreciation	<u>(17,018,372)</u>
Total Noncurrent Capital Assets	<u>21,954,784</u>
Total Assets	36,293,456
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>2,724,481</u>
Total Assets and Deferred Outflows of Resources	<u>39,017,937</u>

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

	<u>Governmental Activities</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 1,039,374
Accrued Payroll	143,534
Accrued Interest Payable	2,723
Compensated Absences Payable	36,553
Total Current Liabilities	<u>1,222,184</u>
Noncurrent Liabilities	
Compensated Absences Payable	146,210
Net Pension Liability - IMRF	5,358,538
General Obligation Bonds	6,535,000
Total Noncurrent Liabilities	<u>12,039,748</u>
Total Liabilities	<u>13,261,932</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	6,083,858
Grants	3,780,000
Deferred Items - IMRF	57,912
Total Deferred Inflows of Resources	<u>9,921,770</u>
Total Liabilities and Deferred Inflows of Resources	<u>23,183,702</u>
NET POSITION	
Net Investment in Capital Assets	15,419,784
Restricted	
Lambert	10,000
Unrestricted	<u>404,451</u>
Total Net Position	<u>15,834,235</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, 2022**

	Program Revenues			Net (Expenses)/ Revenues
	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Expenses				
Governmental Activities				
Culture and Recreation	\$ 6,689,761	52,989	338,759	— (6,298,013)
Interest on Long-Term Debt	65,350	—	—	— (65,350)
Total Governmental Activities	6,755,111	52,989	338,759	— (6,363,363)
	General Revenues			
	Taxes			
	Property Taxes			6,053,960
	Interest			120,576
	Miscellaneous			56,871
				<u>6,231,407</u>
	Change in Net Position			(131,956)
	Net Position - Beginning			<u>15,966,191</u>
	Net Position - Ending			<u>15,834,235</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, 2022**

	General	Capital Projects Special Reserve	Nonmajor Permanent Lambert	Totals
ASSETS				
Cash and Investments	\$ 7,444,835	797,754	10,000	8,252,589
Receivables - Net of Allowances				
Property Taxes	6,083,858	—	—	6,083,858
Accounts	2,225	—	—	2,225
Due from Other Funds	217,473	—	—	217,473
Total Assets	13,748,391	797,754	10,000	14,556,145
LIABILITIES				
Accounts Payable	90,331	949,043	—	1,039,374
Accrued Payroll	143,534	—	—	143,534
Due to Other Funds	—	217,473	—	217,473
Total Liabilities	233,865	1,166,516	—	1,400,381
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	6,083,858	—	—	6,083,858
Grants	3,780,000	—	—	3,780,000
Total Deferred Inflows of Resources	9,863,858	—	—	9,863,858
Total Liabilities and Deferred Inflows of Resources	10,097,723	1,166,516	—	11,264,239
FUND BALANCES				
Restricted	—	—	10,000	10,000
Assigned	58,426	—	—	58,426
Unassigned	3,592,242	(368,762)	—	3,223,480
Total Fund Balances	3,650,668	(368,762)	10,000	3,291,906
Total Liabilities, Deferred Inflows of Resources and Fund Balances	13,748,391	797,754	10,000	14,556,145

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, 2022**

Total Governmental Fund Balances	\$ 3,291,906
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.	21,954,784
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	2,666,569
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(182,763)
Net Pension Liability - IMRF	(5,358,538)
General Obligation Bonds	(6,535,000)
Accrued Interest Payable	<u>(2,723)</u>
Net Position of Governmental Activities	<u><u>15,834,235</u></u>

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended December 31, 2022**

	General	Capital Projects Special Reserve	Nonmajor Permanent Lambert	Totals
Revenues				
Taxes	\$ 6,053,960	—	—	6,053,960
Intergovernmental	338,759	—	—	338,759
Charges for Services	46,892	—	—	46,892
Fines and Fees	6,097	—	—	6,097
Interest	69,339	49,621	1,616	120,576
Miscellaneous	56,871	—	—	56,871
Total Revenues	<u>6,571,918</u>	<u>49,621</u>	<u>1,616</u>	<u>6,623,155</u>
Expenditures				
Culture and Recreations	5,927,947	—	—	5,927,947
Capital Outlay	13,533	5,261,430	—	5,274,963
Debt Service				
Interest and Fiscal Charges	—	65,350	—	65,350
Total Expenditures	<u>5,941,480</u>	<u>5,326,780</u>	<u>—</u>	<u>11,268,260</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>630,438</u>	<u>(5,277,159)</u>	<u>1,616</u>	<u>(4,645,105)</u>
Other Financing Sources (Uses)				
Transfers In	1,616	—	—	1,616
Transfers Out	—	—	(1,616)	(1,616)
	<u>1,616</u>	<u>—</u>	<u>(1,616)</u>	<u>—</u>
Net Change in Fund Balances	632,054	(5,277,159)	—	(4,645,105)
Fund Balances - Beginning	<u>3,018,614</u>	<u>4,908,397</u>	<u>10,000</u>	<u>7,937,011</u>
Fund Balances - Ending	<u><u>3,650,668</u></u>	<u><u>(368,762)</u></u>	<u><u>10,000</u></u>	<u><u>3,291,906</u></u>

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, 2022**

Net Change in Fund Balances - Total Governmental Funds \$ (4,645,105)

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	5,910,380
Depreciation Expense	(1,097,735)
Disposals - Cost	(428,455)
Disposals - Accumulated Depreciation	428,455

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

Change in Deferred Items - IMRF	5,409,965
---------------------------------	-----------

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	1,293
Changes in Net Pension Liability - IMRF	<u>(5,710,754)</u>

Changes in Net Position of Governmental Activities (131,956)

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

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, 2022.

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, 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
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - 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 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.

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, 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
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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.

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.

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Capital Assets - Continued

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 a consumption/acquisition of net assets 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.

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
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

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 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 the General (Library Operation) Fund, Special Reserve Fund, and Permanent 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.

EXCESS OF ACTUAL EXPENDITURES BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Special Reserve	\$ 5,231,381

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

DEFICIT FUND BALANCE

The following fund had deficit fund balance as of the date of this report:

Fund	Deficit
Special Reserve	\$ 368,762

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 \$478,635 and the bank balances totaled \$475,355. In addition, the Library has \$1,524 invested in the Illinois Funds and \$7,772,430 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 on 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.

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

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

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.

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 2021 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, 2022**

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	5,684,434	5,261,430	—	10,945,864
	<u>6,404,353</u>	<u>5,261,430</u>	<u>—</u>	<u>11,665,783</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	1,828,253	79,621	—	1,907,874
Library Materials	5,278,003	569,329	428,455	5,418,877
	<u>27,086,878</u>	<u>648,950</u>	<u>428,455</u>	<u>27,307,373</u>
Less Accumulated Depreciation				
Building	7,040,271	252,908	—	7,293,179
Black Road Building	2,833,346	148,413	—	2,981,759
Building Improvements	1,215,012	98,977	—	1,313,989
Furniture and Fixtures	918,443	2,861	—	921,304
Equipment	1,776,770	31,267	—	1,808,037
Library Materials	2,565,250	563,309	428,455	2,700,104
	<u>16,349,092</u>	<u>1,097,735</u>	<u>428,455</u>	<u>17,018,372</u>
Total Net Depreciable Capital Assets	<u>10,737,786</u>	<u>(448,785)</u>	<u>—</u>	<u>10,289,001</u>
Total Net Capital Assets	<u>17,142,139</u>	<u>4,812,645</u>	<u>—</u>	<u>21,954,784</u>

Depreciation expense of \$1,097,735 was charged to the culture and recreation function.

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

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>\$ 217,473</u>

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Lambert	<u>\$ 1,616</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.

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 Bonds of 2020B - Due in annual installments of \$300,000 to \$5,605,000 plus interest at 1.00% through December 15, 2027.	<u>\$ 6,535,000</u>	—	—	<u>6,535,000</u>

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

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	\$ 184,056	1,293	2,586	182,763	36,553
Net Pension Liability/(Asset) - IMRF	(352,216)	5,710,754	—	5,358,538	—
General Obligation Bonds	6,535,000	—	—	6,535,000	—
	<u>6,366,840</u>	<u>5,712,047</u>	<u>2,586</u>	<u>12,076,301</u>	<u>36,553</u>

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

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
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>280,325</u>	<u>6,815,325</u>

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of December 31, 2022:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 21,954,784
Less Capital Related Debt:	
General Obligation Bonds of 2020B	<u>(6,535,000)</u>
Net Investment in Capital Assets	<u>15,419,784</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.

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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.

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	\$ —	—	10,000	10,000
Assigned Special Projects	58,426	—	—	58,426
Unassigned	3,592,242	(368,762)	—	3,223,480
Total Fund Balances	3,650,668	(368,762)	10,000	3,291,906

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

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.

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

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

Plan 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.

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, 2022**

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - 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, 2022, the measurement date, the following employees were covered by the benefit terms:

Active Plan Members	<u>98</u>
---------------------	-----------

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 Regular Plan Members are required to contribute 4.50% 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, 2022, the Library's contribution was 15.20% of covered payroll.

Net Pension Liability. The Library’s net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2022, 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	2.75%
Inflation	2.25%

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

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. 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:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.50%	4.90%
Domestic Equities	35.50%	6.50%
International Equities	18.00%	7.60%
Real Estate	10.50%	6.20%
Blended	9.50%	6.25% - 9.90%
Cash and Cash Equivalents	1.00%	4.00%

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.

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Library calculated using the discount rate as well as what the Library's net pension liability 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	\$ 8,485,236	5,358,538	2,841,828

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) (A) - (B)
Balances at December 31, 2021	\$ 26,389,086	26,741,302	(352,216)
Changes for the Year:			
Service Cost	265,763	—	265,763
Interest on the Total Pension Liability	1,691,896	—	1,691,896
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	1,150,685	—	1,150,685
Changes of Assumptions	—	—	—
Contributions - Employer	—	507,660	(507,660)
Contributions - Employees	—	151,251	(151,251)
Net Investment Income	—	(3,180,749)	3,180,749
Benefit Payments, Including Refunds of Employee Contributions	(1,433,047)	(1,433,047)	—
Other (Net Transfer)	—	(80,572)	80,572
Net Changes	1,675,297	(4,035,457)	5,710,754
Balances at December 31, 2022	28,064,383	22,705,845	5,358,538

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

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, 2022, the Library recognized pension expense of \$808,449. At December 31, 2022, 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	\$ 1,053,804	—	1,053,804
Change in Assumptions	—	(57,912)	(57,912)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,670,677	—	1,670,677
Total Deferred Amounts Related to IMRF	<u>2,724,481</u>	<u>(57,912)</u>	<u>2,666,569</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 Outflows of Resources
2023	\$ 195,118
2024	568,750
2025	827,966
2026	1,074,735
2027	—
Thereafter	—
Total	<u>2,666,569</u>

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Notes to the Financial Statements
December 31, 2022**

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

The Library has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Library are required to pay 100% of the current premium. However, there is minimal participation. As the Library provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Therefore, the Library has not recorded a liability as of December 31, 2022.

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/(Asset)
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, 2022**

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%
2021	614,640	614,640	—	3,080,690	19.95%
2022	507,660	507,660	—	3,340,351	15.20%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	21 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.85% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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/(Asset)

December 31, 2022

	<u>12/31/2015</u>	<u>12/31/2016</u>
Total Pension Liability		
Service Cost	\$ 311,602	331,900
Interest	1,519,169	1,595,836
Changes in Benefit Terms	—	—
Differences Between Expected and Actual Experience	270,901	(323,346)
Change of Assumptions	27,462	(164,547)
Benefit Payments, Including Refunds of Member Contributions	(1,051,428)	(1,111,311)
Net Change in Total Pension Liability	1,077,706	328,532
Total Pension Liability - Beginning	20,761,425	21,839,131
Total Pension Liability - Ending	<u>21,839,131</u>	<u>22,167,663</u>
Plan Fiduciary Net Position		
Contributions - Employer	\$ 566,683	612,275
Contributions - Members	139,903	136,054
Net Investment Income	80,013	1,127,396
Benefit Payments, Including Refunds of Member Contributions	(1,051,428)	(1,111,311)
Other (Net Transfer)	523,843	10,056
Net Change in Plan Fiduciary Net Position	259,014	774,470
Plan Net Position - Beginning	16,175,016	16,434,030
Plan Net Position - Ending	<u>16,434,030</u>	<u>17,208,500</u>
Employer's Net Pension Liability/(Asset)	<u>\$ 5,405,101</u>	<u>4,959,163</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.25%	77.63%
Covered Payroll	\$ 2,993,093	2,937,133
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	180.59%	168.84%

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017.

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
308,157	293,497	303,343	316,751	286,564	265,763
1,629,312	1,646,049	1,718,985	1,784,407	1,669,372	1,691,896
—	—	—	—	—	—
257,567	481,827	306,495	182,628	167,042	1,150,685
(705,782)	685,948	—	(198,167)	—	—
(1,195,165)	(1,322,331)	(1,376,562)	(1,489,670)	(1,528,844)	(1,433,047)
294,089	1,784,990	952,261	595,949	594,134	1,675,297
22,167,663	22,461,752	24,246,742	25,199,003	25,794,952	26,389,086
22,461,752	24,246,742	25,199,003	25,794,952	26,389,086	28,064,383
547,430	708,253	521,527	604,346	614,640	507,660
140,996	145,423	152,853	146,398	139,840	151,251
3,090,913	(1,149,478)	3,550,510	3,072,999	3,923,510	(3,180,749)
(1,195,165)	(1,322,331)	(1,376,562)	(1,489,670)	(1,528,844)	(1,433,047)
(309,220)	437,893	(24,355)	199,352	(68,456)	(80,572)
2,274,954	(1,180,240)	2,823,973	2,533,425	3,080,690	(4,035,457)
17,208,500	19,483,454	18,303,214	21,127,187	23,660,612	26,741,302
19,483,454	18,303,214	21,127,187	23,660,612	26,741,302	22,705,845
2,978,298	5,943,528	4,071,816	2,134,340	(352,216)	5,358,538
86.74%	75.49%	83.84%	91.73%	101.33%	80.91%
3,000,546	3,097,800	3,196,718	3,243,557	3,080,690	3,340,351
99.26%	191.86%	127.37%	65.80%	(11.43%)	160.42%

**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, 2022**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 6,025,815	6,025,815	6,053,960
Intergovernmental			
Grants	225,000	225,000	338,759
Charges for Services			
Public Computer Printing	25,000	25,000	28,998
Damaged Books	3,000	3,000	3,911
Faxing Services	5,000	5,000	5,695
Fee Cards	5,000	5,000	3,488
Room and Café Rental	4,800	4,800	4,800
Fines and Fees	7,000	7,000	6,097
Interest	21,200	21,200	69,339
Miscellaneous			
Donations and Bequests	60,000	60,000	48,801
Miscellaneous	23,100	23,100	8,070
Total Revenues	<u>6,404,915</u>	<u>6,404,915</u>	<u>6,571,918</u>
Expenditures			
Culture and Recreation			
Personnel	4,616,916	4,616,916	4,414,506
Library Materials	691,500	691,500	569,329
Contractual Services	488,500	488,500	468,980
Operations and Maintenance	163,000	163,000	144,199
Library Operations	435,000	435,000	319,226
Grant Expenditures	15,000	15,000	11,707
Capital Outlay	81,000	81,000	13,533
Total Expenditures	<u>6,490,916</u>	<u>6,490,916</u>	<u>5,941,480</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(86,001)	(86,001)	630,438
Other Financing Sources			
Transfers In	180,400	180,400	1,616
Net Change in Fund Balance	<u>94,399</u>	<u>94,399</u>	632,054
Fund Balance - Beginning			<u>3,018,614</u>
Fund Balance - Ending			<u><u>3,650,668</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

Lambert - Permanent Fund

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

CAPITAL PROJECTS FUND

Capital Projects Fund are 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.

PERMANENT FUND

Permanent Funds are used to account for 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.

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**General Fund
Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2022**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Culture and Recreation			
Personnel			
Staff Salaries	\$ 2,359,947	2,359,947	2,376,921
Part-Time Wages	1,049,045	1,049,045	882,706
IMRF	509,709	509,709	483,730
FICA	260,788	260,788	245,096
Health Insurance	342,427	342,427	339,518
Workers Compensation	80,000	80,000	70,748
Unemployment Compensation	15,000	15,000	15,787
	<u>4,616,916</u>	<u>4,616,916</u>	<u>4,414,506</u>
Library Materials			
Books	339,500	339,500	259,312
Periodicals - Subscriptions	10,000	10,000	11,062
Electronic Databases	129,000	129,000	100,589
Audio Books and eBooks	125,000	125,000	122,459
DVDs	81,000	81,000	70,000
Compact Discs	7,000	7,000	5,907
	<u>691,500</u>	<u>691,500</u>	<u>569,329</u>
Contractual Services			
Employee Uniforms/Protective Clothing	2,000	2,000	1,903
Equipment Rental and Service Contracts	404,000	404,000	399,792
Public Liability and Auto Insurance	55,000	55,000	57,998
Legal Services	20,000	20,000	1,812
Audit	7,500	7,500	7,475
	<u>488,500</u>	<u>488,500</u>	<u>468,980</u>
Operations and Maintenance			
Utilities - Heating and Electricity	40,000	40,000	35,447
Water and Sewer	10,000	10,000	11,154
Custodial Supplies	10,000	10,000	10,734
Building Repairs and Maintenance	80,000	80,000	65,731
Equipment Repairs and Maintenance	20,000	20,000	20,391
Gasoline and Oil	3,000	3,000	742
	<u>163,000</u>	<u>163,000</u>	<u>144,199</u>

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**General Fund
Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2022**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Culture and Recreation - Continued			
Library Operations			
Computer Supplies	\$ 2,000	2,000	2,055
Printing Supplies and Services	35,000	35,000	20,331
Processing Supplies	13,500	13,500	14,074
Office Supplies	15,000	15,000	14,035
Equipment Replacement	229,000	229,000	133,477
Telephone	7,000	7,000	1,770
Postage and Shipping	7,500	7,500	2,018
Staff Education and Travel	50,000	50,000	56,031
Dues to Professional Organizations	7,000	7,000	2,700
Programming	39,000	39,000	34,393
Publicity and Promotion	30,000	30,000	23,318
Community Engagement	—	—	15,024
	<u>435,000</u>	<u>435,000</u>	<u>319,226</u>
Grant Expenditures	<u>15,000</u>	<u>15,000</u>	<u>11,707</u>
Total Culture and Recreation	<u>6,409,916</u>	<u>6,409,916</u>	<u>5,927,947</u>
Capital Outlay	<u>81,000</u>	<u>81,000</u>	<u>13,533</u>
Total Expenditures	<u>6,490,916</u>	<u>6,490,916</u>	<u>5,941,480</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, 2022**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Interest	\$ —	—	49,621
Expenditures			
Capital Outlay	95,399	95,399	5,261,430
Debt Service			
Interest and Fiscal Charges	—	—	65,350
Total Expenditures	95,399	95,399	5,326,780
Net Change in Fund Balance	<u>(95,399)</u>	<u>(95,399)</u>	(5,277,159)
Fund Balance - Beginning			<u>4,908,397</u>
Fund Balance - Ending			<u><u>(368,762)</u></u>

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

Lambert - Permanent Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2022**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Interest	\$ 1,000	1,000	1,616
Expenditures			
Capital Outlay	—	—	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	1,000	1,616
Other Financing Sources			
Transfers Out	—	—	(1,616)
Net Change in Fund Balance	<u>1,000</u>	<u>1,000</u>	—
Fund Balance - Beginning			<u>10,000</u>
Fund Balance - Ending			<u><u>10,000</u></u>

SUPPLEMENTAL SCHEDULE

**JOLIET PUBLIC LIBRARY
JOLIET, ILLINOIS**

**Schedule of Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections - Last Five Tax Levy
December 31, 2022**

	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
Assessed Valuation					
Railroads	\$ 37,262,944	37,527,865	37,659,356	41,229,921	38,225,141
Farm	3,392,291	3,214,243	3,005,051	3,078,228	3,540,029
Non-Farm	2,622,054,392	2,791,929,177	3,015,057,513	3,172,134,137	3,290,193,825
Other Counties	237,175,005	259,310,833	278,022,469	302,632,729	316,765,236
	<u>2,899,884,632</u>	<u>3,091,982,118</u>	<u>3,333,744,389</u>	<u>3,519,075,015</u>	<u>3,648,724,231</u>
Tax Rate (per \$100 EAV)	\$ 0.2078	0.1949	0.1808	0.1714	0.1714
Tax Extension	\$ 6,025,960	6,026,273	6,027,410	6,031,695	6,253,913
Collections	\$ 6,000,964	6,020,879	6,026,068	5,972,243	6,053,960
Percent Collected	99.59%	99.91%	99.98%	99.01%	96.80%

Data Source: Office of the County Clerk

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