

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

---

**ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
FEBRUARY 28, 2018**

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**TABLE OF CONTENTS**

---

	<b>PAGE</b>
<b><u>FINANCIAL SECTION</u></b>	
<b>INDEPENDENT AUDITORS' REPORT .....</b>	<b>1 - 2</b>
<b>MANAGEMENT DISCUSSION AND ANALYSIS .....</b>	<b>MD&amp;A 1 - 8</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-Wide Financial Statements	
Statement of Net Position .....	3 - 4
Statement of Activities .....	5
Fund Financial Statements	
Balance Sheet.....	6
Reconciliation of Total Governmental Fund Balances to the Statement of Net Position .....	7
Statement of Revenues, Expenditures and Changes in Fund Balances .....	8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statements of Activities .....	9
Notes to the Financial Statements.....	10 - 30
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund.....	31
Schedule of Changes in the Employer's Net Pension Liability	
Illinois Municipal Retirement Fund.....	32
Schedule of Changes in the Employer's Total OPEB Liability	
Other Post-Employment Benefit Plan.....	33
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual General Fund .....	34
<b>COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES</b>	
Schedule of Expenditures – Budget and Actual – General Fund.....	35 - 36
Combining Balance Sheet – Nonmajor Governmental Funds .....	37
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds .....	38
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual Illinois Municipal Retirement and Social Security – Special Revenue Fund.....	39

## **INDEPENDENT AUDITORS' REPORT**

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



## **INDEPENDENT AUDITORS' REPORT**

June 18, 2018

Members of the Public Library Board  
Glencoe Public Library  
Village of Glencoe, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Glencoe Public Library, a discretely presented component unit of Village of Glencoe, Illinois, as of and for the year ended February 28, 2018, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Glencoe Public Library, Illinois, as of February 28, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

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

The combining and individual fund financial statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 combining and individual fund financial statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

  
LAUTERBACH & AMEN, LLP

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

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Management's Discussion and Analysis  
February 28, 2018**

---

---

Our discussion and analysis of the Glencoe Public Library's financial performance provides an overview of the Library's financial activities for the fiscal year ended February 28, 2018. Please read it in conjunction with the Library's financial statements, which begin on page 3.

**FINANCIAL HIGHLIGHTS**

- The Library's net position decreased from restated balance of \$2,468,324 to \$2,460,115, a decrease of \$8,209 or less than one percent.
- During the year, government-wide revenues totaled \$2,358,594, while government-wide expenses totaled \$2,366,803, resulting in a decrease to net position of \$8,209.
- Total fund balances for the governmental funds were \$1,626,771 at February 28, 2018 compared to \$1,846,481 in the prior year, a decrease of \$219,710 or 11.90 percent.
- Beginning net position was restated due to the Library implementing GASB Statement No. 75 in the current fiscal year.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 3 - 5) provide information about the activities of the Library as a whole and present a longer-term view of the Library's finances.

Fund financial statements begin on page 6. These statements tell how Library 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 funds.

**Government-Wide Financial Statements**

The government-wide financial statements 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 can be found on pages 3 - 5 of this report.

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 economic factors, such as changes in the Library's property tax base, is needed to assess the overall financial health of the Library.

The Statement of Activities presents information showing how the Library's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows with the exception of the receipt of tax revenue for the new fiscal year received during the last month of the current fiscal year. In this case the funds are held over as a deferred inflow until the start of the fiscal year for which the taxes were levied.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Management's Discussion and Analysis  
February 28, 2018**

---

---

**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.

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

**Fund Financial Statements**

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

**Governmental Funds**

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Library maintains 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, which is considered a major fund. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules elsewhere in this report.

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

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Management's Discussion and Analysis  
February 28, 2018**

---

---

**USING THIS ANNUAL REPORT – Continued**

**Fund Financial Statements – Continued**

**Governmental Funds – Continued**

The basic governmental fund financial statements can be found on pages 6 - 9 of this report.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 10 - 30 of this report.

**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 \$2,460,115.

	Net Position	
	2018	2017
Current Assets	\$ 3,994,637	4,178,181
Capital Assets	2,196,263	1,407,763
Total Assets	6,190,900	5,585,944
Deferred Outflows	219,555	289,819
Total Assets/Deferred Outflows	6,410,455	5,875,763
Long-Term Debt Outstanding	1,011,089	786,082
Other Liabilities	28,714	46,328
Total Liabilities	1,039,803	832,410
Deferred Inflows	2,910,537	2,338,255
Total Liabilities/ Deferred Inflows	3,950,340	3,170,665
Net Position		
Investment in Capital Assets	1,489,293	1,233,727
Restricted	98,942	93,410
Unrestricted	871,880	1,377,961
Total Net Position	2,460,115	2,705,098

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Management's Discussion and Analysis  
February 28, 2018**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

A large portion of the Library's net position (60.54 percent) reflects its investment in capital assets (for example, land, buildings, equipment and furniture); less any related debt used to acquire those assets that is still outstanding. The Library uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion or 4.02 percent of the Library's net position represents resources that are subject to external restrictions on how they may be used, including \$55,468 restricted for employee retirement and \$43,474 restricted for donor specified purposes. The remaining \$871,880 represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

	Change in Net Position	
	2018	2017
Revenues		
Program Revenues		
Charges for Services	\$ 14,298	23,700
Operating Grants/Contributions	61,809	49,360
General Revenues		
Property and Replacement Taxes	2,247,621	2,217,042
Miscellaneous	3,388	4,402
Interest	31,478	7,009
Total Revenues	2,358,594	2,301,513
Expenses		
General Government	2,366,803	2,206,710
Change in Net Position	(8,209)	94,803
Net Position-Beginning as Restated	2,468,324	2,610,295
Net Position-Ending	2,460,115	2,705,098

Net position of the Library's governmental activities decreased from a restated balance of \$2,468,324 to \$2,460,115.

Revenues of \$2,358,594 were less than expenses of \$2,366,803, resulting in the decrease to net position in the current year of \$8,209.

**Governmental Activities**

In the current year, governmental net position decreased \$8,209, a decrease of less than one percent. Property and Replacement taxes increased \$30,579 over the prior year (\$2,247,621 in 2018 compared to \$2,217,042 in 2017), while total expenses also increased \$160,093 over the prior year (\$2,366,803 in 2018 compared to \$2,206,710 in 2017).

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Management's Discussion and Analysis  
February 28, 2018**

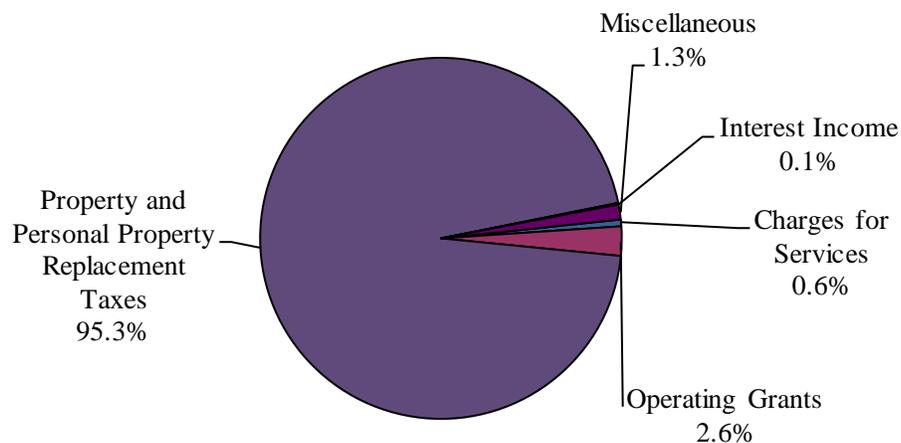
---

**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 and personal property replacement taxes to fund governmental activities.

**Revenues by Source - Governmental Activities  
February 28, 2018**



The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues. The Glencoe Public Library charges user fees for DVD checkouts. The user fees charged do not cover the cost of materials, which furthermore signifies the Library's reliance on general revenues such as property taxes and personal property replacement taxes to fund operations. In addition, the budget lines for materials and programs are supplemented directly through donations from the Friends of the Library and gifts to the Restricted Gift Fund.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

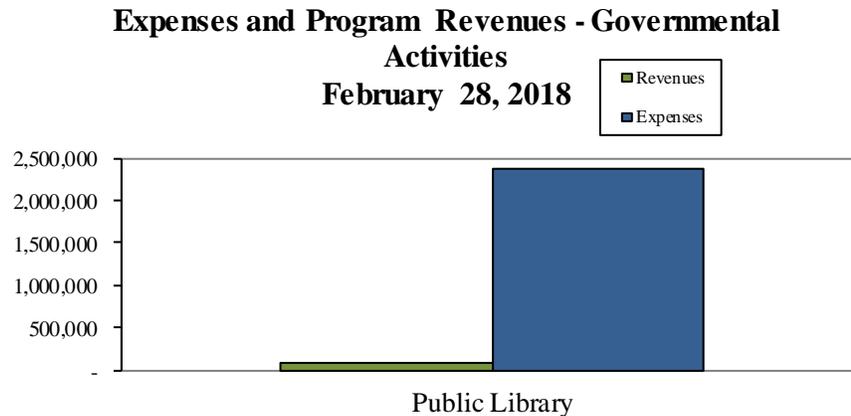
**Management's Discussion and Analysis  
February 28, 2018**

---

---

**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

**Governmental Activities – Continued**



**FINANCIAL ANALYSIS OF THE GOVERNMENTAL 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 \$1,626,771 which is 11.90 percent lower than last year's ending fund balance of \$1,846,481. In the current year, governmental fund balances decreased by \$219,710. The General Fund reported a decrease of \$225,242, due to expenditures being more than anticipated in capital outlay. This detail is shown on pages 34-36 of the report.

**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 only slightly lower than budgeted revenues. Actual revenues for the current year were \$2,111,302, compared to budgeted revenues of \$2,123,666. This resulted primarily from fines and fees being budgeted at \$24,000 for the year and \$11,502 actually received and property and replacement taxes being budgeted at \$2,081,466 for the year and \$2,058,391 actually received being offset by higher than anticipated interest income.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Management's Discussion and Analysis  
February 28, 2018**

---

---

**GENERAL FUND BUDGETARY HIGHLIGHTS – Continued**

The General Fund actual expenditures were higher than budgeted expenditures. Actual expenditures totaled \$3,061,544, while budgeted expenditures totaled \$2,123,666. This was due primarily capital outlay being budgeted at \$10,000 and \$882,232 actually spent.

**CAPITAL ASSETS**

The Library's investment in capital assets for its governmental activities as of February 28, 2018 was \$2,196,263 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, and equipment and furniture.

	Capital Assets - Net of Depreciation	
	2018	2017
Land	\$ 75,772	75,772
Construction in Progress	9,324	7,500
Buildings and Building Improvements	2,106,113	1,315,875
Equipment and Furniture	5,054	8,616
Total	<u>2,196,263</u>	<u>1,407,763</u>

The major additions to capital assets in the current fiscal year were:

Construction in Progress	\$ 9,324
Equipment and Furniture	<u>872,908</u>
	<u>882,232</u>

Additional information on the Library's capital assets can be found in note 3 on page 16 of this report.

**DEBT OUTSTANDING**

The Library's total debt outstanding for its construction loan/line of credit as of February 28, 2018 was \$706,970, which was an increase of \$532,934 from prior year debt outstanding balance of \$174,036.

Additional information on the Library's debt outstanding can be found in note 3 on pages 16 -17 of this report.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Management's Discussion and Analysis  
February 28, 2018**

---

---

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

The Library depends on property taxes collected by Cook County for the majority of its revenues. Collection of taxes is subject to the issuance of tax bills by the County. In prior years, the receipt of the second installment of tax funding has been delayed causing significant upheaval in the budgets of local government agencies. The flow of tax money has been stable the last few years. However, during the period when the payments to local governments were delayed, the Board of Trustees made the decision to set aside a cash reserve equal to 25% of the total budgeted expenditures for operations in case of unforeseen emergencies during the coming year. Although the State has approved a budget, the Board of Trustees will continue to take a conservative approach to its budget, expenditures and the use of reserves, due to the possible future consideration by the State Government of a property tax freeze.

Historically actual tax collection experience has shown the majority of taxes are received. However, in recent years, tax refunds for prior years have started to whittle away at the year-end net revenue. Coupled with lower interest rates, this is a trend that remains a concern because the Library remains so dependent on tax revenue for funding.

The results of the 2015 Facilities Study coupled with the Strategic Plan for 2015-2018 will guide future budget decisions for the next 7 years.

**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 Library Director, Glencoe Public Library, 320 Park Avenue, Glencoe, Illinois 60022.

## **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

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.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Statement of Net Position  
February 28, 2018**

---

**See Following Page**

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Statement of Net Position  
February 28, 2018**

---

---

<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash and investments	\$ 2,353,245
Receivables - net of allowances	
Property taxes	1,613,558
Accounts	3,084
Prepays	<u>24,750</u>
Total current assets	<u>3,994,637</u>
<b>NONCURRENT ASSETS</b>	
Capital assets	
Nondepreciable	85,096
Depreciable	3,820,612
Accumulated depreciation	<u>(1,709,445)</u>
Total noncurrent assets	<u>2,196,263</u>
Total assets	<u>6,190,900</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred items - IMRF	204,694
Deferred items - total OPEB liability	<u>14,861</u>
Total deferred outflows of resources	<u>219,555</u>
Total assets and deferred outflows of resources	<u>6,410,455</u>

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

---

---

**LIABILITIES**

CURRENT LIABILITIES

Note payable	\$ 28,714
--------------	-----------

NONCURRENT LIABILITIES

Net pension liability - IMRF	100,066
Total OPEB liability	232,767
Note payable	678,256

Total noncurrent liabilities	1,011,089
------------------------------	-----------

Total liabilities	1,039,803
-------------------	-----------

**DEFERRED INFLOWS OF RESOURCES**

Property taxes	2,367,866
Deferred items - IMRF	513,156
Deferred items - total OPEB liability	29,515

Total deferred inflows of resources	2,910,537
-------------------------------------	-----------

Total liabilities and deferred inflows of resources	3,950,340
---	-----------

**NET POSITION**

Net investment in capital assets	1,489,293
Restricted for employee retirement	55,468
Restricted for donor specified purposes	43,474
Unrestricted	871,880

TOTAL NET POSITION	2,460,115
--------------------	-----------

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

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Statement of Activities  
For the Fiscal Year Ended February 28, 2018**

	Expenses	Program Revenues		Net (Expenses)/ Revenues and Changes in Net Position
		Charges for Services	Operating Grants/ Contributions	
<b>FUNCTIONS/PROGRAMS</b>				
Governmental activities				
Culture and recreation	\$ 2,347,642	14,298	61,809	(2,271,535)
Interest on long-term debt	19,161	-	-	(19,161)
<b>TOTAL</b>	<b>2,366,803</b>	<b>14,298</b>	<b>61,809</b>	<b>(2,290,696)</b>
General Revenues				
Property and replacement taxes				2,247,621
Miscellaneous				3,388
Interest				31,478
				<u>2,282,487</u>
CHANGE IN NET POSITION				(8,209)
NET POSITION - BEGINNING AS RESTATED				<u>2,468,324</u>
NET POSITION - ENDING				<u><u>2,460,115</u></u>

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

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Balance Sheet  
February 28, 2018**

	General	Nonmajor	Totals
<b>ASSETS</b>			
Cash and investments	\$ 2,189,100	164,145	2,353,245
Receivables - net of allowances			
Property taxes	1,474,108	139,450	1,613,558
Accounts	3,084	-	3,084
Prepays	24,750	-	24,750
<b>TOTAL ASSETS</b>	<b>3,691,042</b>	<b>303,595</b>	<b>3,994,637</b>
<b>LIABILITIES</b>			
None	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property taxes	2,163,213	204,653	2,367,866
Total liabilities and deferred inflows of resources	2,163,213	204,653	2,367,866
<b>FUND BALANCES</b>			
Restricted	-	98,942	98,942
Unassigned	1,527,829	-	1,527,829
Total fund balances	1,527,829	98,942	1,626,771
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>3,691,042</b>	<b>303,595</b>	<b>3,994,637</b>

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

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Reconciliation of Total Fund Balances to the Statement of Net Position  
February 28, 2018**

---

---

TOTAL FUND BALANCES	\$ 1,626,771
Amounts reported in the Statement of Net Position are different because:	
Capital assets are not financial resources and therefore, are not reported in the funds.	2,196,263
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred items - IMRF	(308,462)
Deferred items - total OPEB liability	(14,654)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Net pension liability - IMRF	(100,066)
Total OPEB liability	(232,767)
Note payable	<u>(706,970)</u>
NET POSITION	<u><u>2,460,115</u></u>

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

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended February 28, 2018**

	General	Nonmajor	Totals
<b>REVENUES</b>			
Taxes	\$ 2,058,391	189,230	2,247,621
Charges for services	2,796	-	2,796
Fines and penalties	11,502	-	11,502
Interest	31,478	-	31,478
Miscellaneous			
Contributions	3,747	58,062	61,809
Miscellaneous	3,388	-	3,388
Total revenues	<u>2,111,302</u>	<u>247,292</u>	<u>2,358,594</u>
<b>EXPENDITURES</b>			
Current			
Culture and recreation			
Library operations	1,875,947	52,679	1,928,626
Building and grounds maintenance	92,138	-	92,138
Employer IMRF and FICA contributions	-	189,081	189,081
Capital outlay	882,232	-	882,232
Debt service			
Principal retirement	192,066	-	192,066
Interest and fiscal charges	19,161	-	19,161
Total expenditures	<u>3,061,544</u>	<u>241,760</u>	<u>3,303,304</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(950,242)	5,532	(944,710)
<b>OTHER FINANCING SOURCES</b>			
Debt issuance	<u>725,000</u>	-	<u>725,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	(225,242)	5,532	(219,710)
<b>FUND BALANCES - BEGINNING</b>	<u>1,753,071</u>	<u>93,410</u>	<u>1,846,481</u>
<b>FUND BALANCES - ENDING</b>	<u><u>1,527,829</u></u>	<u><u>98,942</u></u>	<u><u>1,626,771</u></u>

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

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities  
For the Fiscal Year Ended February 28, 2018**

---

---

NET CHANGES IN FUND BALANCES \$ (219,710)

Amounts reported 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	882,232
Depreciation expense	(90,421)
Disposals - cost	(17,421)
Disposals - accumulated depreciation	14,110

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

Change in deferred items - IMRF	(584,462)
Change in deferred items - total OPEB liability	(32,219)

The increases to long-term liabilities provides current financial resources to  
governmental funds, while the reduction of the balances  
consumes the current financial resources of the governmental funds.

Decrease to net pension liability - IMRF	551,044
Decrease in total OPEB liability	21,572
Retirement of note payable	192,066
Debt Issuance	<u>(725,000)</u>

CHANGES IN NET POSITION (8,209)

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

---

---

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

The Glencoe Public Library (Library) operates and maintains the public library within the Village of Glencoe. The basic financial statements are prepared in accordance with generally accepted accounting principles in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP in the United States for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Library's accounting policies established in GAAP in the United States and used by the Library are described below.

**REPORTING ENTITY**

The Library is administered by a publicly elected seven-member board of trustees. As required by GAAP, these financial statements present the Library and any existing component units. Currently, the Library does not have any component units required to be included in this report and has been determined to be a discretely presented component unit of the Village of Glencoe, Illinois.

**BASIS OF PRESENTATION**

**Government-Wide and Fund Financial Statements**

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

A fund is a separate accounting entity with a self-balancing set of accounts. The Library only maintains governmental funds. Separate financial statements are provided for the General Fund, the Library's only major fund, and two nonmajor special revenue funds, the Illinois Municipal Retirement and Social Security Fund and the Restricted Gift Fund. The General Fund is the Library's primary operating fund. It accounts for all financial resources of the Library, except those required to be accounted for in another fund.

**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.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

---

---

**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, 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.

The Library’s 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.

**Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities, 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, 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 fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for construction loan/line of credit 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, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

---

---

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

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

**Cash and Investments**

For the purpose of the Statement of Net Position, the Library's cash and cash equivalents 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. The Library has no investments at year-end.

**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 include property taxes.

**Prepays**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepays are valued at cost, which approximates market. The cost of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more, depending on asset class, 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 fund and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

---

**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 building improvements	20 - 40 years
Furniture and equipment	10 years

**Deferred Outflows/Inflows of Resources**

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

**Long-Term Obligations**

In the government-wide financial statements, long-term obligations are reported as liabilities.

**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 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 that do not meet the definition of “restricted” or “net investment in capital assets.”

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

---

---

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

**BUDGETARY INFORMATION**

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General Fund and Illinois Municipal Retirement and Social Security Fund. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level for all funds.

All annual appropriations lapse at fiscal year-end. The Library Board approves the budget for the Public Library; the Village Board approves the tax levy. State statutes and local ordinances require that the budget be approved before the beginning of the fiscal year. During the year, one supplementary appropriation was necessary.

**EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUND**

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

<u>Fund</u>	<u>Excess</u>
General	\$ 937,878

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

**DEPOSITS AND INVESTMENTS**

The Library maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments."

Permitted Deposits and Investments - Statutes authorize 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 Metropolitan Investment Fund.

A portion of the Library's funds are held in a Max Safe Money Market account originated through North Shore Community Bank and Trust held through the WinTrust system. The funds in this account are distributed among as many as fourteen banks in order to secure full FDIC insurance.

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

*Deposits.* At year-end the carrying amount of the Library's deposits totaled \$2,353,245 and the bank balances totaled \$2,485,606.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

---

---

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

**DEPOSITS AND INVESTMENTS – Continued**

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

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Library's investment policy attempts to match its investments with anticipated cash flow requirements. The Treasurer establishes a maximum maturity limit for securities.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in instruments authorized under State Statute, the Library's investment policy does not further limit credit risk.

*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 that funds on deposit in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement and held at an independent third party institution in the name of the Library. At year-end, the entire amount of the bank balance of deposits was covered by 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 use of the WinTrust system limits custodial credit risk by distributing sums in excess of FDIC limits throughout as many as fourteen banks in order to secure full insurance in compliance with the changes in the 2009 law.

*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 places no limit on the amount that may be invested in any one issuer, stating only that the Library diversify its investments to the best of its ability based on the nature of the funds invested and the cash flow needs of those funds. At year-end, the Library does not have any investments over 5 percent of cash and investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

**PROPERTY TAXES**

Property taxes for 2017 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 March 1 and August 1. The County collects such taxes and remits them periodically to the Library. The allowance for uncollectible taxes has been stated at 0% of the tax levy, because uncollected taxes are treated as deferred inflows of resources.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

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

**CAPITAL ASSETS**

Capital asset activity at year end was as follows:

	Beginning Balances	Additions	Deductions	Ending Balances
Nondepreciable capital assets				
Land	\$ 75,772	-	-	75,772
Construction in progress	7,500	9,324	7,500	9,324
	<u>83,272</u>	<u>9,324</u>	<u>7,500</u>	<u>85,096</u>
Depreciable capital assets				
Buildings and building improvements	2,896,203	880,408	13,763	3,762,848
Furniture and equipment	61,422	-	3,658	57,764
	<u>2,957,625</u>	<u>880,408</u>	<u>17,421</u>	<u>3,820,612</u>
Less accumulated depreciation				
Buildings and building improvements	1,580,328	86,859	10,452	1,656,735
Furniture and equipment	52,806	3,562	3,658	52,710
	<u>1,633,134</u>	<u>90,421</u>	<u>14,110</u>	<u>1,709,445</u>
Total net depreciable capital assets	<u>1,324,491</u>	<u>789,987</u>	<u>3,311</u>	<u>2,111,167</u>
Total net capital assets	<u>1,407,763</u>	<u>799,311</u>	<u>10,811</u>	<u>2,196,263</u>

Depreciation expense of \$90,421 was charged to the Culture and Recreation function.

**LONG-TERM DEBT**

**Notes Payable**

The Library has an unsecured tax-exempt loan that, together with other funds, was used to finance the renovation and addition to the Library building.

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Note payable (\$600,000) dated June 25, 1999 due in monthly installments of \$3,884 including interest at 4.40% through May 31, 2021.	\$ 174,036	-	174,036	-

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

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

**LONG-TERM DEBT – Continued**

**Notes Payable – Continued**

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Note payable (\$725,000) dated May 24, 2017 due in monthly installments of \$4,417 including interest at 3.50% through June 1, 2024.	\$ -	725,000	18,030	706,970
	174,036	725,000	192,066	706,970

**Long-Term Liability Activity**

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

Type of Debt	Beginning Balances as Restated	Additions	Deductions	Ending Balances	Amounts Due within One Year
Net pension liability - IMRF	\$ 651,110	-	551,044	100,066	-
Total OPEB liability	254,340	-	21,572	232,768	-
Note payable	174,036	725,000	192,066	706,970	28,714
	1,079,486	725,000	764,682	1,039,804	28,714

Payments on the net pension liability, the net other post-employment benefit obligation and the notes payable are made by the General Fund.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

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

**LONG-TERM DEBT – Continued**

**Debt Service Requirements to Maturity**

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

Fiscal Year	Notes payable	
	Principal	Interest
2019	\$ 28,714	24,286
2020	29,735	23,265
2021	30,793	22,207
2022	31,888	21,112
2023	33,022	19,888
2024	34,197	18,804
2025	518,621	6,000
Totals	706,970	135,562

**FUND BALANCE/NET POSITION**

**Fund Balance Classifications**

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

	General	Nonmajor	Totals
Fund balances			
Restricted			
Employee retirement	\$ -	55,468	55,468
Donor specified purposes	-	43,474	43,474
	-	98,942	98,942
Unassigned*	1,527,829	-	1,527,829
Total fund balances	1,527,829	98,942	1,626,771

\*Unassigned fund balance is used for anticipated future building needs, as well as for the 25% operating reserve.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

---

---

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

**FUND BALANCE/NET POSITION – Continued**

**Fund Balance Classifications – Continued**

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; 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's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board itself or b) a body or official to which the Board 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, who is authorized to assign amounts to a specific purpose.

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

*Minimum Fund Balance.* The Library maintains a minimum unrestricted fund balance in the General Fund equal to 25% of budgeted operating expenditures as an operating reserve.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

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

**FUND BALANCE/NET POSITION – Continued**

**Fund Balance Classifications – Continued**

**Net Position Classifications**

Net investment in capital assets was comprised of the following as of February 28, 2018:

Governmental activities		
Capital assets - net of accumulated depreciation	\$	2,196,263
Less capital related debt:		
Note payable		<u>(706,970)</u>
Net investment in capital assets		<u><u>1,489,293</u></u>

**Net Position Restatement**

Net position was restated due to the implementation of GASB Statement No. 75. The following is a summary of the net position as originally reported and as restated:

<u>Net Position</u>	<u>As Reported</u>	<u>As Restated</u>	<u>(Decrease)</u>
Governmental activities	\$ 2,705,098	2,468,324	(236,774)

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

---

**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. These risks are provided for through insurance from private insurance companies. The Library currently reports all its risk management activities in the General Fund. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

**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 over 2,640 local governments and school districts in Illinois. IMRF does issue 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 on-line at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

**Plan Descriptions**

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

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

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

---

---

**NOTE 4 – OTHER INFORMATION – Continued**

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

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

**Plan Descriptions – Continued**

*Benefits Provided – Continued.* 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. 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, 2017, the measurement date, the following employees were covered by the benefit terms:

Active plan members

16

A detailed breakdown of IMRF membership for the Village and the Library combined is available in the Village of Glencoe’s comprehensive annual financial report.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

---

---

**NOTE 4 – OTHER INFORMATION – Continued**

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

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

**Plan Descriptions – Continued**

*Contributions.* As set by statute, the Library’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended February 28, 2018, the Library’s contribution was 11.95% of covered payroll.

*Net Pension Liability.* The Library’s net pension liability was measured as of December 31, 2017. 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, 2017, using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market
Actuarial assumptions interest rate	7.50%
Salary increases	3.39% to 14.25%
Cost of living adjustments	2.50%
Inflation	2.50%

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

---

---

**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.* 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:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	27%	3.00%
Domestic equities	38%	6.85%
International equities	17%	6.75%
Real estate	8%	5.75%
Blended	9%	2.65% - 7.35%
Cash and cash equivalents	1%	2.25%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.50%, the same as the prior year valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Library contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund’s fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**Discount Rate Sensitivity**

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

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

**NOTE 4 – OTHER INFORMATION – Continued**

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

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

**Discount Rate Sensitivity – Continued**

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability/(asset)	\$ 741,676	100,066	(434,318)

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2016	\$ 5,508,462	4,857,352	651,110
Changes for the year:			
Service cost	79,119	-	79,119
Interest on the total pension liability	365,170	-	365,170
Difference between expected and actual experience of the total pension liability	21,886	-	21,886
Changes of assumptions	(174,524)	-	(174,524)
Contributions - employer	-	90,979	(90,979)
Contributions - employees	-	34,346	(34,346)
Net investment income	-	812,032	(812,032)
Benefit payments, including refunds of employee contributions	(272,216)	(272,216)	-
Other (net transfer)	-	(94,662)	94,662
Net changes	19,435	570,479	(551,044)
Balances at December 31, 2017	5,527,897	5,427,831	100,066

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

**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 February 28, 2018, the Library recognized pension expense of \$125,145. At February 28, 2018, 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	Totals
Difference between expected and actual experience	\$ 46,897	-	46,897
Change in assumptions	1,807	(132,496)	(130,689)
Net difference between projected and actual earnings on pension plan investments	139,010	(380,660)	(241,650)
Total pension expense to be recognized in future periods	187,714	(513,156)	(325,442)
Pension contributions made subsequent to the measurement date	16,980	-	16,980
Total deferred amounts related to IMRF	<u>204,694</u>	<u>(513,156)</u>	<u>(308,462)</u>

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

Fiscal Year	Net Deferred (Inflows) of Resources
2019	\$ (54,073)
2020	(65,053)
2021	(111,152)
2022	(95,164)
2023	-
Thereafter	-
Total	<u>(325,442)</u>

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS**

**General Information about the OPEB Plan**

*Plan Description.* The Library’s defined benefit OPEB plan, Village of Glencoe Postretirement Health Plan (VGPHP), provides OPEB for all permanent full-time general and public safety employees of the Library. VGPHP is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Library Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided.* VGPHP provides medical benefits for full-time IMRF retirees and their dependent/spouse. Retirees pay the full cost of health insurance continuation at the employer rate until they reach age 65. Dependent/spousal coverage may continue should retiree coverage end due to coverage termination, death, or Medicare eligibility with dependent/spouse using COBRA for up to 18 months after the event., There is no coverage offered to retirees once Medicare eligible, except through COBRA. Retirees are not eligible for vision or life insurance in retirement. There is no dental coverage offered to Retirees once Medicare eligible, except through COBRA.

*Plan Membership.* As of February 28, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive plan members currently receiving benefits	3
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>16</u>
Total	<u><u>19</u></u>

**Total OPEB Liability**

The Library’s total OPEB liability of \$232,767 was measured as of February 28, 2018 and was determined by an actuarial valuation as of that date.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

**Total OPEB Liability – Continued**

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the February 28, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	4.00%
Discount rate	3.60%
Healthcare cost trend rates	6.00% in fiscal year 2018 and an ultimate trend rate of 5.00% in 2029.
Retirees' share of benefit-related costs	Same as healthcare cost trend rates

Mortality rates were based on the RP-2014 blue collar base rates projected to 2017 using improvement scale MP-2016.

**Change in the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Balance at February 28, 2017	<u>\$ 254,340</u>
Changes for the year:	
Service cost	3,921
Interest on the total pension liability	8,839
Changes of benefit terms	-
Difference between expected and actual experience	10,304
Changes of assumptions or other inputs	(14,562)
Benefit payments	(17,566)
Other Charges	(12,509)
Net changes	<u>(21,573)</u>
Balance at February 28, 2018	<u><u>232,767</u></u>

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability, calculated using a Single Discount Rate of 3.60%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (2.60%)	Current Discount Rate (3.60%)	1% Increase (4.60%)
Total OPEB liability	\$ 216,671	232,767	251,257

**Sensitivity of the Total OPEB liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability, calculated using a Healthcare Trend Rate of 6.00%, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	(5.00% decreasing to 4.00%)	Healthcare Cost Trend Rates (6.00% decreasing to 5.00%)	(7.00% decreasing to 6.00%)
Total OPEB liability	\$ 253,679	232,767	214,978

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2018**

**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

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

For the year ended February 28, 2018, the Library recognized OPEB expense of \$10,647. At February 28, 2018, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference between expected and actual experience	\$ 9,005	-	9,005
Change in assumptions	5,856	(29,515)	(23,659)
Net difference between projected and actual earnings on pension plan investments	-	-	-
Total deferred amounts related to OPEB	<u>14,861</u>	<u>(29,515)</u>	<u>(14,654)</u>

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

Fiscal Year	Net Deferred (Inflows) of Resources
2019	\$ (2,114)
2020	(2,114)
2021	(2,114)
2022	(2,114)
2023	(2,114)
Thereafter	<u>(4,084)</u>
Total	<u>(14,654)</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Schedule of Employer Contributions  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability  
Other Post-Employment Benefit Plan
- 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.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
February 28, 2018**

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	\$ 89,845	\$ 89,845	\$ -	\$ 759,465	11.83%
2017	91,706	91,706	-	767,418	11.95%
2018	91,726	91,726	-	767,814	11.95%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012)

Note:

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

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Changes in the Employer's Net Pension Liability  
February 28, 2018**

	12/31/2015	12/31/2016	12/31/2017
Total Pension Liability			
Service Cost	\$ 87,098	81,516	79,119
Interest	370,043	362,820	365,170
Differences Between Expected and Actual Experience	17,654	68,976	21,886
Change of Assumptions	12,735	(19,318)	(174,524)
Benefit Payments, Including Refunds of Member Contributions	(234,855)	(252,574)	(272,216)
Net Change in Total Pension Liability	252,675	241,420	19,435
Total Pension Liability - Beginning	5,014,367	5,267,042	5,508,462
Total Pension Liability - Ending	5,267,042	5,508,462	5,527,897
Plan Fiduciary Net Position			
Contributions - Employer	\$ 89,845	91,706	90,979
Contributions - Members	34,176	34,810	34,346
Net Investment Income	23,319	308,574	812,032
Benefit Payments, Including Refunds of Member Contributions	(234,855)	(252,574)	(272,216)
Other (Net Transfer)	(19,729)	62,818	(94,662)
Net Change in Plan Fiduciary Net Position	(107,244)	245,334	570,479
Plan Net Position - Beginning	4,719,262	4,612,018	4,857,352
Plan Net Position - Ending	4,612,018	4,857,352	5,427,831
Employer's Net Pension Liability	\$ 655,024	651,110	100,066
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.56%	88.18%	98.19%
Covered Payroll	\$ 759,465	767,418	763,262
Employer's Net Pension Liability as a Percentage of Covered Payroll	86.25%	84.84%	13.11%

Note:

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

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Other Post-Employment Benefit Plan**

**Required Supplementary Information  
Schedule of Changes in the Employer's Total OPEB Liability  
February 28, 2018**

	<u>2018</u>
Total OPEB Liability	
Service Cost	\$ 3,921
Interest	8,839
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	10,304
Change of Assumptions or Other Inputs	(14,562)
Benefit Payments	(17,566)
Other Charges	(12,509)
Net Change in Total OPEB Liability	<u>(21,573)</u>
Total OPEB Liability - Beginning	<u>254,340</u>
Total OPEB Liability - Ending	<u><u>232,767</u></u>
Covered Payroll	\$ 786,364
Total OPEB Liability as a Percentage of Covered Payroll	29.60%

Notes:

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

*Changes of Benefit Terms.* There was no change in the retirees' share of health insurance premiums.

*Changes of Assumptions.* Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year	HMO	PPO1 Plan	PPO2 Plan
2018	0.22%	3.18%	2.64%
2019	5.98%	5.98%	5.98%
2020	5.87%	5.87%	5.87%
2021	5.76%	5.76%	5.76%
2022	5.65%	5.65%	5.65%
2023	5.54%	5.54%	5.54%
2024	5.43%	5.43%	5.43%
2025	5.31%	5.31%	5.31%
2026	5.20%	5.20%	5.20%
2027	5.09%	5.09%	5.09%
Ultimate	5.00%	5.00%	5.00%

In 2018, there was no change in the healthcare trend rates from the prior year.

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2018**

	Budget		Actual	Budget Variance Over (Under)
	Original	Final		
<b>REVENUES</b>				
Property and replacement taxes	\$ 2,081,466	2,081,466	2,058,391	(23,075)
Intergovernmental				
Per capita grant	6,000	6,000	-	(6,000)
Charges for services				
Copying machine income	1,200	1,200	915	(285)
Audiovisual	3,000	3,000	1,881	(1,119)
Fines and fees	24,000	24,000	11,502	(12,498)
Interest	7,000	7,000	31,478	24,478
Miscellaneous				
Contributions	1,000	1,000	3,747	2,747
Miscellaneous	-	-	3,388	3,388
Total revenues	<u>2,123,666</u>	<u>2,123,666</u>	<u>2,111,302</u>	<u>(12,364)</u>
<b>EXPENDITURES</b>				
Culture and recreation				
Library operations	1,960,666	1,960,666	1,875,947	(84,719)
Building and grounds maintenance	107,000	100,000	92,138	(7,862)
Capital outlay	10,000	10,000	882,232	872,232
Debt service				
Principal retirement	26,839	33,839	192,066	158,227
Interest and fiscal charges	19,161	19,161	19,161	-
Total expenditures	<u>2,123,666</u>	<u>2,123,666</u>	<u>3,061,544</u>	<u>937,878</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	(950,242)	(950,242)
<b>OTHER FINANCING SOURCES</b>				
Debt issuance	-	-	725,000	725,000
<b>CHANGE IN FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>(225,242)</u>	<u>(225,242)</u>
<b>FUND BALANCE - BEGINNING</b>			<u>1,753,071</u>	
<b>FUND BALANCE - ENDING</b>			<u>1,527,829</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 statements and schedules include:

- Budgetary Comparison Schedule – Major Governmental Fund  
General Fund
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds  
Illinois Municipal Retirement and Social Security – Special Revenue Fund

# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

---

## **GENERAL FUND**

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

---

## **SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

### **Illinois Municipal Retirement and Social Security Fund**

The Illinois Municipal Retirement and Social Security Fund is used to account for the proceeds of employer contributions to a pension plan for qualified employees.

### **Restricted Gift Fund**

The Restricted Gift Fund is used to account for proceeds from donations made to the Library with specific criteria for expenditure.

---

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended February 28, 2018**

	Budget		Actual	Budget
	Original	Final		Variance Over (Under)
<b>CULTURE AND RECREATION</b>				
Library operations				
Salaries	\$ 1,167,000	1,167,000	1,169,413	2,413
Medical insurance	163,301	163,301	169,356	6,055
Unemployment taxes	2,500	2,500	2,403	(97)
Books	134,600	134,600	129,607	(4,993)
Audio materials	18,400	18,400	18,625	225
Video materials	18,000	18,000	17,227	(773)
Periodicals	20,900	20,900	18,940	(1,960)
Web hosting	3,000	3,000	3,330	330
Internet access	6,400	6,400	7,176	776
O.C.L.C	6,000	6,000	7,374	1,374
Automated resources	59,000	59,000	54,766	(4,234)
Downloadable content and players	43,500	43,500	39,850	(3,650)
Staff continuing education	14,780	14,780	16,414	1,634
Programs and publicity	30,900	30,900	22,068	(8,832)
Supplies - LAN/computers	12,000	12,000	10,977	(1,023)
Childrens's learning kits	2,000	2,000	891	(1,109)
Children's non-circulation materials	1,000	1,000	989	(11)
Supplies - general	15,400	15,400	14,365	(1,035)
Cooperative computer services	77,000	77,000	63,822	(13,178)
Telephone	4,000	4,000	4,638	638
Postage	4,800	4,800	3,899	(901)
Copier expenditures	3,500	3,500	4,929	1,429
Auditing	1,500	1,500	1,500	-
Bookkeeping	12,000	12,000	11,300	(700)
Trustee expenditures	1,000	1,000	1,349	349
Insurance	29,000	29,000	27,029	(1,971)
Legal fees	4,000	4,000	2,475	(1,525)
Recruitment	950	950	216	(734)
LAN IT - Consulting/Maintenance	15,000	15,000	-	(15,000)
LAN Hardware Software	36,113	36,113	24,935	(11,178)
Furniture expenditures	20,122	20,122	23,883	3,761
Service and resource development	20,000	20,000	746	(19,254)

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended February 28, 2018**

	Budget		Actual	Budget Variance Over (Under)
	Original	Final		
<b>CULTURE AND RECREATION - CONTINUED</b>				
Library operations - continued				
Facility management project	\$ 7,500	7,500	-	(7,500)
Contract services	5,500	5,500	1,455	(4,045)
Total library operations	1,960,666	1,960,666	1,875,947	(84,719)
Building grounds and maintenance				
Supplies - building maintenance and repairs	15,000	15,000	15,390	390
Equipment repairs	2,000	2,000	1,972	(28)
Building maintenance and repairs	90,000	83,000	74,776	(8,224)
Total building grounds and maintenance	107,000	100,000	92,138	(7,862)
Total culture and recreation	2,067,666	2,060,666	1,968,085	(92,581)
<b>CAPITAL OUTLAY</b>				
Capital replacement	10,000	10,000	-	(10,000)
Construction	-	-	872,908	872,908
Building maintenance and repairs	-	-	9,324	9,324
Total capital outlay	10,000	10,000	882,232	872,232
<b>DEBT SERVICE</b>				
Principal retirement	26,839	33,839	192,066	158,227
Interest and fiscal charges	19,161	19,161	19,161	-
Total debt service	46,000	53,000	211,227	158,227
<b>TOTAL EXPENDITURES</b>	<b>2,123,666</b>	<b>2,123,666</b>	<b>3,061,544</b>	<b>937,878</b>

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Balance Sheet  
February 28, 2018**

	<u>Special Revenue</u>		
	Illinois Municipal Retirement and Social Security	Restricted Gift	Totals
<b>ASSETS</b>			
Cash and investments	\$ 120,671	43,474	164,145
Receivables - net of allowances			
Property taxes	139,450	-	139,450
<b>TOTAL ASSETS</b>	<b>260,121</b>	<b>43,474</b>	<b>303,595</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property taxes	204,653	-	204,653
<b>FUND BALANCES</b>			
Restricted	55,468	43,474	98,942
<b>TOTAL DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>260,121</b>	<b>43,474</b>	<b>303,595</b>

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended February 28, 2018**

	<u>Special Revenue</u>		
	Illinois Municipal Retirement and Social Security	Restricted Gift	Totals
<b>REVENUES</b>			
Property taxes	\$ 189,230	-	189,230
Miscellaneous	-	58,062	58,062
Total revenues	<u>189,230</u>	<u>58,062</u>	<u>247,292</u>
<b>EXPENDITURES</b>			
Culture and recreation			
Library operations	-	52,679	52,679
Employer IMRF and FICA contributions	189,081	-	189,081
Total expenditures	<u>189,081</u>	<u>52,679</u>	<u>241,760</u>
<b>CHANGE IN FUND BALANCES</b>	149	5,383	5,532
<b>FUND BALANCES</b>			
BEGINNING	<u>55,319</u>	<u>38,091</u>	<u>93,410</u>
ENDING	<u><u>55,468</u></u>	<u><u>43,474</u></u>	<u><u>98,942</u></u>

**GLENCOE PUBLIC LIBRARY  
GLENCOE, ILLINOIS**

**Illinois Municipal Retirement and Social Security - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2018**

	Budget		Actual	Budget Variance Over (Under)
	Original	Final		
REVENUES				
Property taxes	\$ 193,000	193,000	189,230	(3,770)
EXPENDITURES				
Culture and recreation Employer IMRF and FICA contributions	193,000	193,000	189,081	(3,919)
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	149	<u>149</u>
FUND BALANCE - BEGINNING			<u>55,319</u>	
FUND BALANCE - ENDING			<u>55,468</u>	