

**Gail Borden Public Library District
(Located within the State of Illinois)**

Comprehensive Annual Financial Report

For the Year Ended June 30, 2018

Table of Contents

Independent Auditor’s Report	1-2
Management’s Discussion and Analysis	3-8
<u>Basic Financial Statements</u>	
Government-Wide Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheets – Governmental Funds	11
Reconciliation of Total Governmental Fund Balance To Net Position of Governmental Activities	12
Statements of Revenues, Expenditures, and Changes In Fund Balances – Governmental Activities	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	14
Notes to Financial Statements	15-30
<u>Required Supplementary Information</u>	
Budgetary Comparison Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	31
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios – Illinois Municipal Retirement Fund.....	32
Multiyear Schedule of Contributions – Illinois Municipal Retirement Fund.....	33
Notes to Required Supplementary Information	34-35

Supplementary Information

Balance Sheets – Other Governmental Funds	36
Statements of Revenues, Expenditures, and Changes in Fund Balances – Other Governmental Funds.....	37
Illinois Municipal Retirement Fund – Statement of Revenues, Expenditures (and Comparison with Budget), and Changes in Fund Balance	38
Social Security Fund – Statement of Revenues, Expenditures (and Comparison with Budget), and Changes in Fund Balance.....	39
Liability Insurance Fund – Statement of Revenues, Expenditures (and Comparison with Budget), and Changes in Fund Balance	40
Audit Fund – Statement of Revenues, Expenditures (and Comparison With Budget), and Changes in Fund Balance.....	41
Building and Equipment Fund – Statement of Revenues, Expenditures (and Comparison with Budget), and Changes in Fund Balance.....	42
Building Reserve Fund – Statement of Revenues, Expenditures (and Comparison with Budget), and Changes in Fund Balance	43
Gift Fund – Statement of Revenues, Expenditures (and Comparison with Budget), and Changes in Fund Balance.....	44
Bond and Interest Fund – Statement of Revenues, Expenditures (and Comparison with Budget), and Changes in Fund Balance	45
<u>Additional Supplementary Information</u>	
Assessed Valuation and Tax Rates	46
Property Tax Collections by Year	47

Independent Auditor's Report

To the Board of Trustees of
Gail Borden Public Library District
Elgin, Illinois 60120

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Gail Borden Public Library District (the "District") as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District'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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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 Gail Borden Public Library District as of June 30, 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 required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and additional supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The additional supplementary information on pages 46-47 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Tighe Kress & Orr, PC

Tighe, Kress, & Orr, P.C.
Elgin, Illinois
September 25, 2018

**Gail Borden Public Library District
Management's Discussion and Analysis
For the Year Ended June 30, 2018**

The management discussion and analysis of the Gail Borden Public Library District's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2018. Please review it in conjunction with the District's basic financial statements, which begin on page 9.

Financial Highlights

Total net position decreased \$1,268,317, including a prior period adjustment of \$(67,734), which represents a 3.0 percent decrease from 2017. General revenues accounted for \$14,920,489 in revenues or 95.6 percent of all revenues. Program specific revenues in the form of charges for services and operating grants accounted for \$695,154 or 4.4 percent of all revenues. The District had \$16,816,226 in expenses related to governmental activities with \$695,154 in program revenues to cover the cost of those programs. The excess expenses were paid by general revenue.

Government-wide Financial Statements (found of pages 9 and 10 of this report) – The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

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

The Statement of Activities presents information showing how the District'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 time of related cash flows. Thus, revenues and expenditures are reported in this statement of some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish the function of the District that is principally supported by taxes.

Fund Financial Statements (found on pages 11 and 13 of this report) – A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local districts, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are governmental funds.

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

**Gail Borden Public Library District
Management's Discussion and Analysis
For the Year Ended June 30, 2018**

These two statements report the District's net position and changes in them. You can think of the District's net position, the difference between assets and deferred outflows (what the District owns), and liabilities and deferred inflows (what the District owes) as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the District's jurisdiction, the availability of capital projects and continuing local government support to assess the overall health of the District.

Reporting the District's Most Significant Funds

Fund Financial Statements

Our analysis of the District's major funds begins on page 6. The fund financial statements begin on page 11 and provide detailed information about the most significant funds-not the District as a whole. Some funds are required to be established by State law. However, the Board of Trustees establishes other funds to help control and manage money for particular purposes (ex. Capital projects fund). The District only has governmental funds.

Major Funds

- General
- Bond and interest
- Building reserve

Governmental Funds: The District's services are reported in governmental funds, which focus on how money flows into and out of those funds, and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation following the fund financial statements.

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 15 to 30 of this report.

Supplementary information: In addition to the basic financial statements and the accompanying notes, this report also presents combining and individual fund statements and schedules which can be found on pages 35 to 45 of this report.

**Gail Borden Public Library District
Management's Discussion and Analysis
For the Year Ended June 30, 2018**

The District as a Whole

The District's total net position decreased from a year ago, from 42.0 million to 40.8 million. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the District's governmental activities.

Table 1
Statement of Net Position Fiscal years ended June 30, 2018 and 2017
(in millions)

	<u>2018</u>	<u>2017</u>		<u>2018</u>	<u>2017</u>
Current and other assets	\$ 18.2	\$ 17.6	Net position:		
Long-term receivables	8.0	10.2	Net invested in capital		
Capital assets	<u>29.6</u>	<u>30.7</u>	assets	\$ 28.5	\$ 29.5
Total assets	<u>55.8</u>	<u>58.5</u>	Restricted	1.5	1.4
Deferred outflows of resources	<u>1.5</u>	<u>2.3</u>	Unrestricted	<u>10.8</u>	<u>11.1</u>
Total Assets and Deferred			Total Net Position	<u>\$ 40.8</u>	<u>\$ 42.0</u>
Outflows of Resources	<u>\$ 57.3</u>	<u>\$ 60.8</u>			
Other liabilities	\$ 3.3	3.0			
Long-term obligations	10.8	15.7			
Deferred inflow of resources	<u>2.4</u>	<u>0.1</u>			
Total Liabilities and					
Deferred Inflow of Resources	<u>\$ 16.5</u>	<u>\$ 18.8</u>			

Net position of the District's activities decreased 3.0 percent or \$1,268,317 primarily due to depreciation expense associated with fixed assets. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, decreased \$352,158 during the year.

Table 2 compares the 2018 change in net position to the 2017 change in net position.

**Gail Borden Public Library District
Management's Discussion and Analysis
For the Year Ended June 30, 2018**

Table 2
Changes in Net Position for 2018
Compared with 2017 Activity
(in thousands)

	<u>2018</u>	<u>2017</u>	<u>Change</u>
Program Revenues:			
Charges for services	\$ 385.5	\$ 311.1	\$ 74.4
Capital grants	309.7	249.2	60.5
General Revenues:			
General revenues	14,920.5	14,564.4	356.1
Total Revenues	<u>15,615.7</u>	<u>15,124.7</u>	<u>491.0</u>
Program Expenses			
General government	16,590.5	15,378.1	1,212.4
Interest of long-term debt	225.8	312.6	(86.8)
Total Expenses	<u>16,816.3</u>	<u>15,690.7</u>	<u>1,125.6</u>
Prior Period Adjustment	<u>(67.7)</u>	-	<u>(67.7)</u>
Increase (decrease) in Net Position	<u>\$ (1,268.3)</u>	<u>\$ (566.0)</u>	<u>\$ (702.3)</u>

The District's Funds

Table 3 presents the fund balances of the individual major funds and total non-major funds and an analysis of significant changes in the fund balances.

Table 3
Changes in Year End Fund Balance
(in thousands)

	<u>2018</u>	<u>2017</u>	<u>Change</u>
General	\$ 6,307.6	\$ 6,112.0	\$ 195.6
Bonds and interest	1,288.5	1,205.5	83.0
Building reserve	2,085.3	2,221.9	(136.6)
Nonmajor funds	326.0	221.9	104.1
Total Governmental balances	<u>\$ 10,007.4</u>	<u>\$ 9,761.3</u>	<u>\$ 246.1</u>

**Gail Borden Public Library District
Management's Discussion and Analysis
For the Year Ended June 30, 2018**

Table 4
Total Governmental Fund Revenues
(in thousands)

<u>Revenue Source</u>	<u>2017</u>	<u>2018</u>	<u>Percent of total</u>	<u>Increase (decrease) over 2017</u>	<u>Percentage Change over 2017</u>
Intergovernmental	\$ 14,450.6	\$ 14,591.8	94.0%	141.2	1.0%
Charges for services	311.1	385.5	2.5%	74.4	23.9%
Investment earnings	34.4	67.1	0.4%	32.7	95.1%
Grants and donations	249.2	309.7	2.0%	60.5	24.3%
Other	100.7	163.7	1.1%	63.0	62.6%
Total	<u>\$ 15,146.0</u>	<u>\$ 15,517.8</u>	<u>100.0%</u>	<u>371.8</u>	

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2018, amounts to \$29,574,606 (net of accumulated depreciation). The investment in capital assets includes land, buildings, equipment, computers, and book and library materials. The total decrease in District's investment in capital assets for the current fiscal year was 3.7%. The decrease was due to the District disposing of more capital assets than they acquired this year.

For more detail on capital assets please refer to note 4 to the financial statements.

Long-Term Debt

The District has several general obligation bond and debt certificates with due dates ranging from 2020 through 2027. The District made principal payments of \$2,235,000 on current portions of bonds due during the year. Interest expense was \$356,320 for the year ended June 30, 2018. For more detail on long term debt please refer to note 5 and note 6 to the financial statements.

**Gail Borden Public Library District
Management's Discussion and Analysis
For the Year Ended June 30, 2018**

Budgetary Highlights

Following is a comparison of the actual and budgeted items for the general fund.

Table 5
Final Budget versus Actual Results
General Fund
(in thousands)

	Final Budget	Actual	Variance
Revenues			
Intergovernmental	\$ 9,955.0	\$ 9,999.0	\$ (44.0)
Charges for services	340.0	385.5	(45.5)
Investment earnings	20.0	52.6	(32.6)
Grants and donations	270.0	296.9	(26.9)
All other	95.0	163.6	(68.6)
Total General Government	\$ 10,680.0	\$ 10,897.6	\$ (217.6)

The variance in revenues compared to the budget resulted from levying less than budgeted for property taxes for the year ended June 30, 2018. The variance in expenditures resulted from the containment of costs, specifically in areas of personnel services, contingency and capital outlay.

Request for Information

This financial report is designed to provide a general overview of the District'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 financial information should be addressed to Gail Borden Public Library District, 270 North Grove, Elgin, Illinois 60120.

Gail Borden Public Library District
Statement of Net Position
June 30, 2018

Assets and Deferred Outflow of Resources	<u>Governmental Activities</u>
Current Assets:	
Cash and cash equivalents	\$ 8,229,822
Property tax receivable	7,321,852
Other receivables	211,672
Current portion of long-term receivables	2,415,000
Total Current Assets	<u>18,178,346</u>
Non-Current Assets:	
Long-term receivables-amount to be provided for payment of general obligation bonds	7,981,019
Land, buildings and equipment net of accumulated depreciation of \$14,688,476	<u>29,574,606</u>
Total Non-Current Assets	<u>37,555,625</u>
Total Assets	<u>55,733,971</u>
Deferred Outflows of Resources	1,511,827
Total Assets and Deferred Outflow of Resources	<u>\$ 57,245,798</u>
Liabilities, Deferred Inflow of Resources, and Net Position	
Current Liabilities:	
Accounts payable	\$ 321,186
Accrued expenses, including accrued interest of \$14,415	203,795
Checks in excess	64,384
Compensated absences	296,494
Current portion of long-term debt	2,415,000
Total Current Liabilities	<u>3,300,859</u>
Non-Current Liabilities:	
General obligation bonds payable, net of current portion of long-term debt, including bond premium of \$408,981	6,976,019
Debt Certificates payable, net of current portion of long-term debt	1,005,000
Net pension liability	<u>2,809,171</u>
Total Non-Current Liabilities	<u>10,790,190</u>
Total Liabilities	<u>14,091,049</u>
Deferred Inflow of Resources	2,435,390
Total Liabilities and Deferred Inflow of Resources	<u>\$ 16,526,439</u>
Net Position:	
Net invested in capital assets	\$ 28,464,606
Restricted for:	
Debt service	1,288,506
District's audit cost	2,957
Insurance premium	29,128
Other purpose	17,597
Retirement fund obligations	97,275
Social security tax obligations	28,868
Unrestricted:	<u>10,790,422</u>
Total Net Position	<u>\$ 40,719,359</u>

The Accompanying Notes to the Financial Statements are an Integral Part of These Statements

**Gail Borden Public Library District
Statement of Activities
For the Year Ended June 30, 2018**

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net Revenue and Changes in Net Position
Primary Governments:					
General government activities	\$ 16,590,496	\$ 385,471	\$ 309,683	\$ -	\$ (15,895,342)
Interest on long-term debt	225,730	-	-	-	(225,730)
Total Primary Government	\$ 16,816,226	\$ 385,471	\$ 309,683	\$ -	(16,121,072)
 General Revenues:					
Property taxes					14,548,436
Replacement taxes					141,323
Interest income					67,053
Developer fees					148,129
Miscellaneous					15,548
Total General Revenues					14,920,489
Change in Net Position					(1,200,583)
Net Position-Beginning					41,987,676
Prior Period Adjustment					(67,734)
Net Position - Beginning, Restated					41,919,942
Net Position-Ending					\$ 40,719,359

The Accompanying Notes to the Financial Statements are an Integral Part of These Statements

Gail Borden Public Library District
Balance Sheets - Governmental Funds
June 30, 2018

	General Fund	Bond and Interest Fund	Building Reserve Fund	Other Government Funds	Total Government Funds
Assets					
Cash and cash equivalents	\$ 5,164,922	\$ 836,453	\$ 2,080,290	\$ 148,157	\$ 8,229,822
Property tax receivable	4,958,642	1,338,149	-	1,025,061	7,321,852
Other receivable	205,835	-	5,011	826	211,672
Total Assets	<u>\$ 10,329,399</u>	<u>\$ 2,174,602</u>	<u>\$ 2,085,301</u>	<u>\$ 1,174,044</u>	<u>\$ 15,763,346</u>
Liabilities					
Checks in excess	\$ -	\$ -	\$ -	\$ 64,384	\$ 64,384
Accounts payable	256,036	-	-	65,150	321,186
Accrued expenses	452,042	-	-	33,832	485,874
Deferred revenue	3,313,758	886,096	-	684,723	4,884,577
Total Liabilities	<u>4,021,836</u>	<u>886,096</u>	<u>-</u>	<u>848,089</u>	<u>5,756,021</u>
Fund Balances					
Nonspendable:	17,597	-	-	-	17,597
Restricted for:					
Debt service	-	1,288,506	-	-	1,288,506
District's audit cost	-	-	-	2,957	2,957
Equipment repairs and acquisitions	-	-	-	152,209	152,209
Insurance premium	-	-	-	29,128	29,128
Retirement fund obligations	-	-	-	97,275	97,275
Social security tax obligations	-	-	-	28,868	28,868
Committed:	-	-	-	-	-
Assigned to:					
Physical plan expansion	-	-	2,085,301	-	2,085,301
Unassigned:	6,289,966	-	-	15,518	6,305,484
Total Fund Balances	<u>6,307,563</u>	<u>1,288,506</u>	<u>2,085,301</u>	<u>325,955</u>	<u>10,007,325</u>
Total Liabilities and Fund Balances	<u>\$ 10,329,399</u>	<u>\$ 2,174,602</u>	<u>\$ 2,085,301</u>	<u>\$ 1,174,044</u>	<u>\$ 15,763,346</u>

The Accompanying Notes to the Financial Statements are an Integral Part of These Statements

**Gail Borden Public Library District
Reconciliation of Total Governmental Fund Balance
To Net Position of Governmental Activities
For the Year Ended June 30, 2018**

Total Governmental Fund Balance	\$	10,007,325
Amounts reported in governmental activities in the Statement of Net Position are different because:		
Capital assets at historical cost, net accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the governmental funds statement.		29,574,606
Long term receivables are not available to pay for current period expenditures and therefore are deferred in the governmental funds statement.		7,981,019
Deferred revenue is not reflected in Statement of Net Position.		4,884,577
Interest payable used in governmental activities are not payable from current resources and therefore are not accrued in the governmental funds statement.		(14,415)
Long-term liabilities including bonds payable and debt certificates are not due and payable in the current period and therefore are not reported in the governmental funds statement.		(7,981,019)
Net pension liability is not included on the governmental fund statements.		(2,809,171)
Deferred outflows of resources for pension are not recognized on governmental fund statements.		1,511,827
Deferred inflow of resources for pension are not recognized on governmental fund statements.		(2,435,390)
Net Position	\$	40,719,359

The Accompanying Notes to the Financial Statements are an Integral Part of These Statements

Gail Borden Public Library District
Statements of Revenues, Expenditures, and Changes in Fund Balances - Governmental Activities
For the Year Ended June 30, 2018

	General Fund	Bond & Interest Fund	Building Reserve Fund	Other Government Funds	Total Government Funds
Revenues:					
Property taxes	\$ 9,862,484	\$ 2,674,422	\$ -	\$ 1,913,636	\$ 14,450,542
Replacement taxes	136,476	-	-	4,847	141,323
Charge for services	385,471	-	-	-	385,471
Investment earnings	52,578	-	14,475	-	67,053
Grants and donations	296,864	-	-	12,819	309,683
Other	163,677	-	-	-	163,677
Total Revenue	<u>10,897,550</u>	<u>2,674,422</u>	<u>14,475</u>	<u>1,931,302</u>	<u>15,517,749</u>
Expenditures:					
Current:					
General government	10,596,388	-	-	1,403,310	11,999,698
Capital Outlay:	105,626	-	151,084	423,947	680,657
Debt Service:					
Principal	-	2,235,000	-	-	2,235,000
Interest	-	356,320	-	-	356,320
Total Expenditures	<u>10,702,014</u>	<u>2,591,320</u>	<u>151,084</u>	<u>1,827,257</u>	<u>15,271,675</u>
Excess (deficiency) of revenues over (under) expenditures:	195,536	83,102	(136,609)	104,045	246,074
Other Financing Sources (Uses):					
Debt certification proceeds	-	-	-	-	-
Debt issuance costs	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	195,536	83,102	(136,609)	104,045	246,074
Fund Balances-Beginning	6,112,027	1,205,404	2,221,910	221,910	9,761,251
Fund Balances-Ending	<u>\$ 6,307,563</u>	<u>\$ 1,288,506</u>	<u>\$ 2,085,301</u>	<u>\$ 325,955</u>	<u>\$ 10,007,325</u>

The Accompanying Notes to the Financial Statements are an Integral Part of These Statements

Gail Borden Public Library District
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2018

Net Change in Governmental Fund Balance \$ 246,074

Amounts reported in governmental activities in the Statement
of Net Position are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the costs of those assets is allocated over their useful lives as depreciation expense:

This is the amount of depreciation expense that is not recorded in the fund statements but included in the government wide statements.	(1,056,031)
This is the amount that fixed asset disposals exceed additions.	(64,607)
Property tax revenue on a full accrual basis that is deferred on the modified accrual basis in the Statement of Revenues and Expenditures.	97,894
Interest accrued on general obligation bonds is not an expenditure in the governmental funds statement.	6,510
Debt issuance costs from prior years are expensed in the current year due to GASB implementation.	67,734
Transfer of long-term receivables related to payment on bonds is not an expenditure in the government fund report.	(2,459,080)
Amortization of bond premiums is not revenue in the governmental funds statement.	124,080
Principal payments on bonds is an expenditure in the government fund report.	2,235,000
Principal payments on debt certificates are an expenditure in the government fund report.	100,000
GASB 68 pension expense is not recorded on governmental fund statements.	(1,199,956)
GASB 68 employer contributions are not recorded on governmental fund statements.	701,799
Change in Net Position of Governmental Activities	\$ <u><u>(1,200,583)</u></u>

The Accompanying Notes to the Financial Statements are an Integral Part of These Statements

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 1 – Statement of Significant Accounting Policies

Gail Borden Public Library District (the “District”) is located in Elgin, Illinois. The District was incorporated under the provisions of the constitution and general statute of the State of Illinois. The District was organized to provide cultural services to its local residents.

The significant accounting policies followed by the District are presented to assist the reader in evaluating the financial statements.

Principles Determining Scope of Reporting Entity:

The financial statements of the District consist only of the governmental funds of the District. The District has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or are dependent on the District. Control or dependence is determined on the basis of taxing authority and appointment of respective governing boards.

Fund Accounting:

The accounts of the District are organized on the basis of funds, each of which is considered a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. The District only uses governmental funds. Government resources are allocated to and accounted for in individual funds based upon the purpose for which spending activities are controlled. In the financial statements the funds of the District are grouped in into various fund types as follows:

Governmental Funds – General Fund – The general fund is the operating fund of the District. It is used to account for all financial resources relating to the normal daily operations of the District.

Governmental Funds – Bond and Interest Fund – This fund is used to reflect the repayment of principal and interest on the general obligation bonds issued to build the new library building.

Governmental Funds – Building and Equipment Fund – This fund is used for the purchase of sites and buildings, for the construction and equipment of library buildings, for the rental of buildings required for library purposes and for maintenance, repairs and alterations of library buildings and equipment.

Governmental Funds – Illinois Municipal Retirement Fund – This fund is used for paying the District’s portion of the Illinois Municipal Retirement Fund obligation.

Governmental Funds – Social Security Fund – This fund is used for paying the District’s portion of Social Security tax for employees of the District.

Governmental Funds – Audit Fund – This fund is used to pay for the performance of the District’s annual certified audit.

Governmental Funds – Liability Insurance Fund – This fund is used to pay insurance premiums for liability and workmen’s compensation insurance coverage for the District.

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 1 – Statement of Significant Accounting Policies (continued)

Fund Accounting (continued):

Governmental Funds – Building Reserve Fund – This fund is used to accumulate resources to expand the Library’s physical plant.

Governmental Funds – Gift Fund – This fund is used to pay for special non-operating expenses of the District.

Government-wide Fund Financial Statements:

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government.

The Statement of Activities demonstrates the degree to which the direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as general revenues. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as unrestricted revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Grants and entitlements and interest associated with the current fiscal period are all considered being susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when the District receives cash.

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 1 – Statement of Significant Accounting Policies (continued)

Governmental Funds:

Governmental funds are those through which most governmental functions typically are financed. Governmental funds reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

Revenue Recognition – Property Taxes:

Property taxes are levied by the District in both Kane and Cook Counties and become a lien on January 1. These levies are made in the fall of the year (2018) and the taxes are payable as follows:

Kane County:

One half of the property taxes assessed are due and payable on June 1, and the remaining half is due and payable on September 1.

Cook County:

A preliminary billing (based on the prior year) is due and payable on March 1 of each year and the balance of the taxes are due and payable on August 1 of each year.

Property tax revenues are recognized when they become available. Receipts within 60 days of year-end are considered available. The balance of the property tax receivable which will be collected subsequent to 60 days after year-end is reflected in the accompanying financial statements as deferred revenue. Levies from 2018 are included in revenue.

Compensated Absences:

The District provides their full-time employees with paid vacation days each year. The vested portion of unpaid vacation days is reflected as a liability in the accompanying financial statements.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents:

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with an original maturity of three months or less when acquired.

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 1 – Statement of Significant Accounting Policies (continued)

Investments:

The District limits the exposure to credit risk by primarily investing in U.S. agency obligations and the money market funds. Investments in the governmental funds are stated at cost or amortized cost, which approximate market.

Inventories and Prepaid Items:

Governmental fund inventory items are charged to the expenditure account when purchased. Year end inventory was not significant. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide financial statements.

Capital Assets:

Capital assets, which include land, buildings, improvements, vehicles and equipment, are reported in the government-wide fund statements. Capital assets are defined by the District as assets with an individual cost of more than \$5,000. These assets are recorded at historical cost or estimated historical cost. Donated assets are recorded at estimated fair market value at the date of donation. Capital assets are depreciated using the straight-line method with useful lives of 7-40 years. Fixed asset additions net of disposals were \$(31,232) for the year ended June 30, 2018, these are reflected as expenditures in the Governmental Funds. Depreciation expense as reflected in the statement of activities for the year ended June 30, 2018 was \$1,056,031.

Fund Balance:

Beginning with fiscal year 2011, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. When both restricted and unrestricted funds are both available, restricted resources will be used first. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance - amounts that are not in a nonspendable form (such as inventory) or are required to be maintained intact.

Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance - amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.

Assigned fund balance - amounts the District intends to use for a specific purpose. Intent can be expressed by the Board of Directors or by an official or body to which the Board delegates the authority.

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 1 – Statement of Significant Accounting Policies (continued)

Unassigned fund balance - amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The Board of Directors establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption or amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board of Directors through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the District considers committed funds to be expended first followed by assigned and then unassigned funds.

Implementation of GASB 74, 75, 80, 81 and 85:

For the year ended June 30, 2018, the District implemented the provisions of GASB No. 74, *Financial Reporting for Postemployment Benefit Plans other than Pension Plans*; GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*; GASB No. 80, *Blending Requirements for Certain Component Units*; GASB No. 81, *Irrevocable Split-Interest Agreements*; and GASB No. 85, *Omnibus 2017*. GASB Statement No. 74 establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB. There has been no effect to current or prior periods with this implementation. GASB Statement No. 75 replaces Statements No. 45 and No. 57 and establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. There has been no effect to current or prior periods with this implementation. GASB Statement No. 80 requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. There has been no effect to current or prior periods with this implementation. GASB Statement No. 81 requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. There has been no effect to current or prior periods with this implementation. GASB Statement No. 85 improves consistency in accounting and financial reporting by addressing practice issues that have been identified during implementation and application of certain GASB Statements. There has been no effect to current or prior periods with this implementation.

Note 2 – Pension Plan

IMRF Plan Description:

The District'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 District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund.

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 2 – Pension Plan (continued)

IMRF Plan Description (continued):

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). The District participates in the Regular Plan.

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

Employees Covered by Benefit Terms:

As of December 31, 2017, the following employees were covered by the benefit terms:

Retirees and beneficiaries	85
Inactive, non-retired members	47
Active members	<u>110</u>
Total	<u><u>242</u></u>

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 2 – Pension Plan (continued)

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2017 Illinois Municipal Retirement Fund annual valuation report.

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	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	6.85%
International Equity	18%	6.75%
Fixed Income	28%	3.00%
Real Estate	9%	5.75%
Alternative Investments	7%	2.65-7.35%
Cash Equivalents	1%	2.25%
Total	100%	

Single Discount Rate:

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and
2. Tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31% (based on the daily rate closest to but not later than the measurement date of the "20-Bond Go Index"), and the resulting single discount rate is 7.50%.

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 2 – Pension Plan (continued)

Changes in Net Pension Liability:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2016	\$ 26,391,953	\$ 20,986,382	\$ 5,405,571
Changes for the year:			
Service Cost	585,418	-	585,418
Interest on the Total Pension Liability	1,960,870	-	1,960,870
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(5,894)	-	(5,894)
Changes of Assumptions	(831,054)	-	(831,054)
Contributions – Employer	-	701,799	(701,799)
Contributions – Employees	-	242,379	(242,379)
Net Investment Income	-	3,659,358	(3,659,358)
Benefit Payments, including Refunds of Employee Contributions	(1,079,459)	(1,079,459)	-
Other (Net Transfer)	-	(297,796)	297,796
Net Changes	<u>629,881</u>	<u>3,226,281</u>	<u>(2,596,400)</u>
Balances at December 31, 2017	<u>\$ 27,021,834</u>	<u>\$ 24,212,663</u>	<u>\$ 2,809,171</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease 6.50%	Current Single Discount Rate Assumption 7.50%	1% Increase 8.50%
Total Pension Liability	\$ 30,457,737	\$ 27,021,834	\$ 24,201,541
Plan Fiduciary Net Position	24,212,663	24,212,663	24,212,663
Net Pension Liability/(Asset)	<u>\$ 6,245,074</u>	<u>\$ 2,809,171</u>	<u>\$ (11,122)</u>

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 2 – Pension Plan (continued)

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

For the year ended June 30, 2018, the District recognized pension expense of \$1,199,954. At June 30, 2018, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Deferred Outflows of Resources</u>
Difference between expected and actual experience	\$ 351,495	\$ 4,661	\$ 346,834
Changes of assumptions	135,833	749,433	(613,600)
Net difference between projected and actual earnings on pension plan investments	664,155	1,681,296	(1,017,141)
Contributions made after December 31, 2017	<u>360,344</u>	<u>-</u>	<u>360,344</u>
Total	<u>\$ 1,511,827</u>	<u>\$ 2,435,390</u>	<u>\$ (923,563)</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Net Deferred Outflows of Resources</u>
2018	\$ 390,571
2019	(207,146)
2020	(550,060)
2021	(556,928)
2022	-
Thereafter	-
Total	<u>\$ (923,563)</u>

Note 3 – Deposits and Investments

Bank Deposits

Deposits of the governmental funds of the District at June 30, 2018 consist of the following, less petty cash amount of \$4,224 and checks in excess of 64,384:

	<u>Carrying Amount</u>	<u>Bank Balances</u>
Checking accounts	\$ 660,847	\$ 754,781
Savings accounts	5,316,551	5,316,551
State Treasurer's investment pool	<u>178,019</u>	<u>178,019</u>
	<u>\$ 6,155,417</u>	<u>\$ 6,249,351</u>

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 3 – Deposits and Investments (continued)

All deposits are insured by the Federal Deposit Insurance Corporation (FDIC). In addition, the bank maintains collateral in their name for the credit of Gail Borden Library for the amounts in excess of FDIC limits.

Investment Funds

Investment Fund deposits with financial institutions had carrying amounts of \$2,005,797 at June 30, 2018. Carrying amounts are recorded at fair market value.

	<u>Fair Value</u>		<u>Bank Balance</u>
Level 1	\$ 2,005,797	\$	2,005,797
Level 2	-		-
Level 3	-		-
Investment in Illinois Funds	-		-
	<u>\$ 2,005,797</u>	<u>\$</u>	<u>2,005,797</u>

In accordance with FASB ASC 820, the District classifies its investments into three levels. Level 1, which refers to securities traded in an active market. Level 2, which refers to securities not traded on an active market, but for which observable market inputs are readily available. Level 2 can also refer to Level 1 securities where there is a contractual restriction. Level 3, which refers to securities not traded in an active market and for which no significant observable market inputs are available. As required by FASB ASC 820 at June 30, 2018, the District’s portfolio investments were classified based on fair values.

Policies for Investments

It is the policy of the District to invest its funds in a manner which will provide the highest return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank’s failure, the District’s deposits may not be returned to it. The District’s investment policy requires pledging of collateral held by a third party in the District’s name. At year end the District was in compliance with this policy.

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 4 – Land, Building and Equipment

The following summarizes fixed asset purchases and disposals for the year ended June 30, 2018:

	Governmental Activities			Balance June 30, 2018
	Balance July 1, 2017	Additions	Deletions	
Non-depreciable:				
Land	\$ 1,767,516	\$ -	\$ -	\$ 1,767,516
Depreciable:				
Buildings and improvements	38,268,733	-	-	38,268,733
Equipment	1,274,602	55,791	(20,000)	1,310,393
Computers	1,798,456	-	-	1,798,456
Books and library materials	1,238,383	237,021	(357,420)	1,117,984
Accumulated depreciation	(13,652,445)	(1,056,031)	20,000	(14,688,476)
Total Fixed Assets	<u>\$ 30,695,245</u>	<u>\$ (763,219)</u>	<u>\$ (357,420)</u>	<u>\$ 29,574,606</u>

Depreciation expense for the year ended June 30, 2018 totaled \$1,056,031.

Note 5 – Bonds Payable

During the year ended June 30, 2001, a tax referendum was passed by the voters of the District. This referendum enabled the District to issue general obligation bonds to finance a new library building on property the library had purchased immediately north of the existing library building.

Five separate series of bonds were issued:

Series 2002	\$ 10,000,000
Series 2005B	10,000,000
Series 2005A	4,000,000
Series 2012	2,755,000
Series 2014	1,845,000
Series 2015	10,830,000
Total	<u>\$ 39,430,000</u>

In September of 2005, the District issued an additional \$4,000,000 of bonds (Series 2005A). The proceeds from these bonds were used to construct a separate library building in the western section of the District. The proceeds were invested with the State of Illinois Public Treasurer Pool as part of the project fund.

In April of 2012, the District refinanced the 2002 Series bond. The amount of the refinance totaled \$2,755,000. Of that amount, \$2,669,767 was put into escrow to repay the bonds when they are due. Bond costs and underwriter discount totaled \$85,233. There was an estimated economic gain of \$593,000 due to lower interest cost.

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 5 – Bonds Payable (continued)

In May of 2014, the District refinanced the 2005A Series bond. The amount of the refinance totaled \$2,031,881. Of that amount, \$1,983,279 was put into escrow to repay the bonds when they are due. Bond costs and underwriter discount totaled \$48,602. There was an estimated economic gain of \$72,055 due to lower interest cost.

In September of 2015, the District refinanced the 2005 Series bond. The amount of the refinance totaled \$10,942,498. Of that amount, \$10,830,702 was put into escrow to repay the bonds when they are due. Bond costs and underwriter discount totaled \$111,796. There was an estimated economic gain of \$783,461 due to lower interest costs.

A summary of the bonds outstanding at June 30, 2018 are as follows:

Year	<u>Series</u> <u>2012</u>		<u>Series</u> <u>2014A</u>		<u>Series</u> <u>2015A</u>	
	Principal	Interest	Principal	Interest	Principal	Interest
12/15/2018	\$ 205,000	\$ 19,705	\$ -	\$ 28,200	\$ 2,105,000	\$ 110,400
6/15/2019	-	17,860	-	28,200	-	68,300
12/15/2019	150,000	17,860	-	28,200	2,245,000	68,300
6/15/2020	-	16,285	-	28,200	-	23,400
12/15/2020	145,000	16,285	-	28,200	2,340,000	23,400
6/15/2021	-	14,509	-	28,200	-	-
12/15/2021	<u>1,095,000</u>	<u>14,509</u>	<u>1,410,000</u>	<u>28,200</u>	-	-
Total	<u>\$ 1,595,000</u>	<u>\$ 117,013</u>	<u>\$ 1,410,000</u>	<u>\$ 197,400</u>	<u>\$ 6,690,000</u>	<u>\$ 293,800</u>

These bonds will be repaid from property tax revenue as levied by the District on an annual basis.

The total principal bond liability at June 30, 2017 was \$11,930,000. Principal payments of \$2,235,000 were made throughout the June 30, 2018 fiscal year. The total principal bond liability at June 30, 2018 is \$9,695,000. The 2014a and 2015a bonds incurred a premium totaling \$781,680 that is to be amortized over the life of the loans. For the year ended June 30, 2018 the accumulated amortization in relation to the bond premiums is \$124,080. The unamortized balance in the amount of \$408,981 will be shown as a reduction in the bonds principal balances for the year ended June 30, 2018.

Note 6 – Debt Certificates

During the year ended June 30, 2017, the District issued debt certificates totaling \$1,210,000 which were used to fund a building purchase for a new branch of the library. The Series 2017A debt certificate has a net interest rate of 2.5301 percent and will start being repaid in 2019 with a final due date in 2027. The Series 2017B debt certificate has a net interest rate of 3.3512 percent with yearly repayments starting in 2017 with a final due date in 2019.

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 6 – Debt Certificates (continued)

A summary of the debt outstanding at June 30, 2018 for both certificates is as follows:

Date	Series 2017A			Series 2017B		
	Principal	Interest	Total	Principal	Interest	Total
12/15/2018	\$ -	\$ 12,081	\$ 12,081	\$ 105,000	\$ 2,596	\$ 107,596
6/15/2019	-	12,081	12,081	-	838	838
12/15/2019	60,000	12,081	72,081	50,000	838	50,838
6/15/2020	-	11,322	11,322	-	-	-
12/15/2020	110,000	11,322	121,322	-	-	-
6/15/2021	-	9,930	9,930	-	-	-
12/15/2021	115,000	9,930	124,930	-	-	-
6/15/2022	-	8,476	8,476	-	-	-
12/15/2022	120,000	8,476	128,476	-	-	-
6/15/2023	-	6,958	6,958	-	-	-
12/15/2023	125,000	6,958	131,958	-	-	-
6/15/2024	-	5,376	5,376	-	-	-
12/15/2024	125,000	5,376	130,376	-	-	-
6/15/2025	-	3,795	3,795	-	-	-
12/15/2025	130,000	3,795	133,795	-	-	-
6/15/2026	-	2,151	2,151	-	-	-
12/15/2026	135,000	2,151	137,151	-	-	-
6/15/2027	-	443	443	-	-	-
12/15/2027	35,000	443	35,443	-	-	-
	<u>\$ 955,000</u>	<u>\$ 133,145</u>	<u>\$ 1,088,145</u>	<u>\$ 155,000</u>	<u>\$ 4,272</u>	<u>\$ 159,272</u>

Note 7 – Legal Compliance and Accountability

Illinois Library Districts have no debt limit for bonds. The debt limit obligations, other than bonds are 2.875% of the District's equalized assessed valuation.

Legal Debt Margin

Assessed Valuation – 2017 Tax Levy	<u>\$ 3,034,940,283</u>
Statutory Limit – 2.875% of Assessed Valuation (70 ILCS 705/12)	87,254,533
Debt Certificates	<u>(1,110,000)</u>
Legal Debt Margin	<u>\$ 86,144,533</u>

The District is within the Legal Debt Margin issued by the state.

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 8 – Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

Note 9 – Expenditures Over Budget

For the year ending June 30, 2018, the District’s general fund had individual line expenditures over budget. The total expenditures were under budget.

Note 10 – Compensated Absences

The compensated absences currently outstanding are as follows:

	Fund Debt Retired by	Balance, July 1, 2017	Additions	Reductions	Balance June 30, 2018	Due Within One Year
Compensated Absences	General	\$ 307,225	\$ 296,494	\$ (307,225)	\$ 296,494	\$ 296,494
Total		<u>\$ 307,225</u>	<u>\$ 296,494</u>	<u>\$ (307,225)</u>	<u>\$ 296,494</u>	<u>\$ 296,494</u>

Note 11 – Future Minimum Lease Receivable

The District currently leases space to two unrelated parties. The first party signed a one-year lease during the year which expires in March of 2019. Under this lease the District receives \$100 per month. The second party signed a five-year lease which expires in 2023. Under this lease the District receives \$3,000 per month for the first year, with annual monthly rate increases of 3%. The future minimum lease payments receivable are shown below:

2019	\$ 37,430
2020	37,731
2021	38,861
2022	40,022
2023	16,880
Total	<u>\$ 170,924</u>

Note 12 – Prior Period Adjustment

A prior period adjustment was made to the government-wide statements for the treatment of debt issuance costs according to GASB Statement No. 65 *Items Previously Reported as Assets and Liabilities*. The prior period adjustment is shown below.

Net Position Beginning of Year	Prior Period Adjustment	Net Position Beginning of Year Restated
41,987,676	(67,734)	41,919,942

**Gail Borden Public Library District
Notes to the Financial Statements
For the Year Ended June 30, 2018**

Note 13 – Date of Managements Review

Subsequent events have been evaluated through the date of this report. It was concluded that there are no subsequent events required to disclose.

Required Supplementary Information

Gail Borden Public Library District
Budgetary Comparison Schedule of Revenues,
Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended June 30, 2018

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ (Negative)</u>
Revenues:			
Property taxes	\$ 9,862,484	\$ 9,785,000	\$ 77,484
Replacement taxes	136,476	170,000	(33,524)
Charges for services	385,471	340,000	45,471
Investment earnings	52,578	20,000	32,578
Grants and donations	296,864	270,000	26,864
Other	163,677	95,000	68,677
Total Revenues	<u>10,897,550</u>	<u>10,680,000</u>	<u>217,550</u>
Expenditures:			
Current:			
General government			
Personnel services	7,473,265	9,200,000	1,726,735
Contractual services	1,704,612	2,400,000	695,388
Supplies	190,532	270,000	79,468
Materials	1,096,950	1,350,000	253,050
Capital outlay	105,626	500,000	394,374
Loan expenditures	131,029	-	(131,029)
Total Expenditures	<u>10,702,014</u>	<u>13,720,000</u>	<u>3,017,986</u>
Excess (deficiency) of revenues over (under) expenditures	<u>195,536</u>	<u>(3,040,000)</u>	<u>3,235,536</u>
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	195,536	\$ <u>(3,040,000)</u>	\$ <u>3,235,536</u>
Fund balance, July 1, 2017	<u>6,112,027</u>		
Fund balance, June 30, 2018	\$ <u>6,307,563</u>		

The Accompanying Note to the Required Supplementary Information is an Integral Part of These Statements

Gail Borden Public Library District
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios -
Illinois Municipal Retirement Fund
For the Year Ended June 30, 2018

Last 10 Calendar Years
(schedule to be built prospectively from 2014)

Calendar year ending December 31,	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Pension Liability										
Service cost	\$ 585,418	\$ 578,232	\$ 557,375	\$ 570,692	-	-	-	-	-	-
Interest on the total pension liability	1,960,870	1,834,506	1,705,090	1,518,801	-	-	-	-	-	-
Benefit changes	-	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	(5,894)	326,049	408,747	235,000	-	-	-	-	-	-
Assumption changes	(831,054)	(162,662)	61,488	1,017,275	-	-	-	-	-	-
Benefit payments and refunds	(1,079,459)	(1,038,594)	(850,852)	(723,134)	-	-	-	-	-	-
Net Change in Total Pension Liability	629,881	1,537,531	1,881,848	2,618,634	-	-	-	-	-	-
Total Pension Liability - Beginning	26,391,953	24,854,422	22,972,574	20,353,940	-	-	-	-	-	-
Total Pension Liability - Ending (a)	\$ 27,021,834	\$ 26,391,953	\$ 24,854,422	\$ 22,972,574	-	-	-	-	-	-
Plan Fiduciary Net Position										
Employer contributions	\$ 701,799	\$ 712,744	\$ 686,298	\$ 762,108	-	-	-	-	-	-
Employee contributions	242,379	240,250	237,746	223,039	-	-	-	-	-	-
Pension plan net investment income	3,659,358	1,352,987	96,508	1,090,896	-	-	-	-	-	-
Benefit payments and refunds	(1,079,459)	(1,038,594)	(850,852)	(723,134)	-	-	-	-	-	-
Other	(297,796)	145,726	138,474	159,652	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	3,226,281	1,413,113	308,174	1,512,561	-	-	-	-	-	-
Plan Fiduciary Net Position - Beginning	20,986,382	19,573,269	19,265,095	17,752,534	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	\$ 24,212,663	\$ 20,986,382	\$ 19,573,269	\$ 19,265,095	-	-	-	-	-	-
Net Pension Liability/(Asset) - Ending (a) - (b)	2,809,171	5,405,571	5,281,153	3,707,479	-	-	-	-	-	-
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	89.60%	79.52%	78.75%	83.86%	-	-	-	-	-	-
Covered Valuation Payroll	\$ 5,353,153	\$ 5,338,913	\$ 5,283,274	\$ 4,879,301	-	-	-	-	-	-
Net Pension Liability as a Percentage of Covered Valuation Payroll	52.48%	101.25%	99.96%	75.98%	-	-	-	-	-	-

The Accompanying Notes to the Required Supplementary Information are an Integral Part of These Statements

**Gail Borden Public Library District
Multiyear Schedule of Contributions -
Illinois Municipal Retirement Fund
For the Year Ended June 30, 2018**

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contributions	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2014	\$ 751,412	\$ 762,108	\$ (10,696)	\$ 4,879,301	15.62%
2015	687,354	686,298	1,056	5,283,274	12.99%
2016	712,745	712,744	1	5,338,913	13.35%
2017	701,798	* 701,799	(1)	5,353,153	13.11%

* Estimated based on contribution rate of 13.11% and covered valuation payroll of \$5,353,153.

**Gail Borden Public Library District
Notes to the Required Supplementary Information
For the Year Ended June 30, 2018**

Note 1 – Summary of Significant Accounting Policies

Budgetary Process

The District follows these procedures in establishing the budget data reflected in the required supplementary information.

1. The Board of Trustees appoints the Director to prepare the operating budget and a schedule of estimated revenues.
2. The proposed budget is reviewed by the Trustees and approved.

Budgeted figures are computed on the modified accrual basis of accounting.

There were no revisions to the original budget.

Note 2 – Pension Plan

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2017 Contribution Rates:

Actuarial Cost Method: Aggregate Entry Age Normal

Amortization Method: Level Percentage of Payroll, Closed

Remaining Amortization Period: Non-Taxing bodies: 10-year rolling period.
Taxing bodies (Regular, SLEP, ECO groups): 26-year closed period
Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
SLEP supplemental liabilities attributable to Public act 94-712 were financed over 21 years for most employers (two employers were financed over 30 years).

Asset Valuation Method: 5-year smoothed market; 20% corridor

Wage growth: 3.50%

Price Inflation: 2.75% -- approximate; No explicit price inflation assumption is used in this valuation.

Salary increases: 3.75% to 14.50% including inflation

Investment Rate of Return: 7.50%

Gail Borden Public Library District
Notes to the Required Supplementary Information
For the Year Ended June 30, 2018

Note 2 – Pension Plan (continued)

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.

Mortality: For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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 project scale MP-2014 (base year 2012). 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 project scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other information:

Notes: There were no benefit changes during the year.

Supplementary Information

Gail Borden Public Library District
Balance Sheets - Other Governmental Funds
June 30, 2018

	Special Revenue Funds						Total Other Governmental Funds
	Audit Fund	Building and Equipment Fund	IMRF Fund	Social Security Fund	Liability Insurance Fund	Gift Fund	
Assets							
Cash and cash equivalents	\$ 34	\$ 128,789	\$ -	\$ -	\$ 3,816	\$ 15,518	\$ 148,157
Property tax receivable	8,471	253,349	391,688	282,318	89,235	-	1,025,061
Other receivables	-	-	826	-	-	-	826
Total Assets	<u>\$ 8,505</u>	<u>\$ 382,138</u>	<u>\$ 392,514</u>	<u>\$ 282,318</u>	<u>\$ 93,051</u>	<u>\$ 15,518</u>	<u>\$ 1,174,044</u>
Liabilities							
Liabilities:							
Checks in excess	\$ -	\$ -	\$ 33,423	\$ 30,961	\$ -	\$ -	\$ 64,384
Accounts payable	-	60,767	-	-	4,383	-	65,150
Accrued expenses	-	-	-	33,832	-	-	33,832
Deferred revenue	5,548	169,162	261,816	188,657	59,540	-	684,723
Total Liabilities	<u>5,548</u>	<u>229,929</u>	<u>295,239</u>	<u>253,450</u>	<u>63,923</u>	<u>-</u>	<u>848,089</u>
Fund Balances							
Nonspendable:	-	-	-	-	-	-	-
Restricted for:							
District's audit cost	2,957	-	-	-	-	-	2,957
Equipment repairs and acquisitions	-	152,209	-	-	-	-	152,209
Insurance premiums	-	-	-	-	29,128	-	29,128
Retirement fund obligations	-	-	97,275	-	-	-	97,275
Social security tax obligations	-	-	-	28,868	-	-	28,868
Committed for:							
Assigned to:	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	15,518	15,518
Total Fund Balance	<u>2,957</u>	<u>152,209</u>	<u>97,275</u>	<u>28,868</u>	<u>29,128</u>	<u>15,518</u>	<u>325,955</u>
Total Liabilities and Fund Balance	<u>\$ 8,505</u>	<u>\$ 382,138</u>	<u>\$ 392,514</u>	<u>\$ 282,318</u>	<u>\$ 93,051</u>	<u>\$ 15,518</u>	<u>\$ 1,174,044</u>

Gail Borden Public Library District
Statements of Revenues, Expenditures, and Changes
in Fund Balances - Other Governmental Funds
For the Year Ended June 30, 2018

	Special Revenue Funds						Total Other Governmental Funds
	Audit Fund	Building & Equipment Fund	IMRF Fund	Social Security Fund	Liability Insurance Fund	Gift Fund	
Revenues:							
Property taxes	\$ 15,623	\$ 510,612	\$ 724,884	\$ 511,091	\$ 151,426	\$ -	\$ 1,913,636
Replacement taxes	-	-	4,847	-	-	-	4,847
Investment earnings	-	-	-	-	-	-	-
Grants and donations	-	-	-	-	-	12,819	12,819
Total Revenues	<u>15,623</u>	<u>510,612</u>	<u>729,731</u>	<u>511,091</u>	<u>151,426</u>	<u>12,819</u>	<u>1,931,302</u>
Expenditures:							
Current:							
General government	16,500	-	713,012	501,623	155,358	16,817	1,403,310
Capital outlay	-	423,947	-	-	-	-	423,947
Total Expenditures	<u>16,500</u>	<u>423,947</u>	<u>713,012</u>	<u>501,623</u>	<u>155,358</u>	<u>16,817</u>	<u>1,827,257</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(877)</u>	<u>86,665</u>	<u>16,719</u>	<u>9,468</u>	<u>(3,932)</u>	<u>(3,998)</u>	<u>104,045</u>
Net Change in Fund Balance	(877)	86,665	16,719	9,468	(3,932)	(3,998)	104,045
Fund Balance-Beginning	<u>3,834</u>	<u>65,544</u>	<u>80,556</u>	<u>19,400</u>	<u>33,060</u>	<u>19,516</u>	<u>221,910</u>
Fund Balance-Ending	<u>\$ 2,957</u>	<u>\$ 152,209</u>	<u>\$ 97,275</u>	<u>\$ 28,868</u>	<u>\$ 29,128</u>	<u>\$ 15,518</u>	<u>\$ 325,955</u>

**Gail Borden Public Library District
 Illinois Municipal Retirement Fund
 Statement of Revenues, Expenditures (and Comparison
 with Budget), and Changes in Fund Balance
 For the Year Ended June 30, 2018**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ (Negative)</u>
Revenues:			
Property taxes	\$ 724,884	\$ 771,000	\$ (46,116)
State income taxes (personal property replacement taxes)	<u>4,847</u>	<u>5,500</u>	<u>(653)</u>
Total Revenues	<u>729,731</u>	<u>776,500</u>	<u>(46,769)</u>
Expenditures:			
District's contribution to retirement fund	<u>713,012</u>	<u>850,000</u>	<u>136,988</u>
Total Expenditures	<u>713,012</u>	<u>850,000</u>	<u>136,988</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>16,719</u>	 <u>(73,500)</u>	 <u>90,219</u>
 Net Change in Fund Balance	 16,719	 \$ <u><u>(73,500)</u></u>	 \$ <u><u>90,219</u></u>
 Fund Balance, July 1, 2017	 <u>80,556</u>		
 Fund Balance, June 30, 2018	 \$ <u><u>97,275</u></u>		

**Gail Borden Public Library District
Social Security Fund
Statement of Revenues, Expenditures (and Comparison
with Budget), and Changes in Fund Balance
For the Year Ended June 30, 2018**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ (Negative)</u>
Revenues:			
Property taxes	\$ 511,091	\$ 556,000	\$ (44,909)
Total Revenues	<u>511,091</u>	<u>556,000</u>	<u>(44,909)</u>
Expenditures:			
District's contribution to social security fund	<u>501,623</u>	<u>600,000</u>	<u>98,377</u>
Total Expenditures	<u>501,623</u>	<u>600,000</u>	<u>98,377</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,468</u>	<u>(44,000)</u>	<u>53,468</u>
Net Change in Fund Balance	9,468	\$ <u><u>(44,000)</u></u>	\$ <u><u>53,468</u></u>
Fund Balance, July 1, 2017	<u>19,400</u>		
Fund Balance, June 30, 2018	<u><u>\$ 28,868</u></u>		

**Gail Borden Public Library District
Liability Insurance Fund
Statement of Revenues, Expenditures (and Comparison
with Budget), and Changes in Fund Balance
For the Year Ended June 30, 2018**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ (Negative)</u>
Revenues:			
Property taxes	\$ 151,426	\$ 177,000	\$ (25,574)
Total Revenues	<u>151,426</u>	<u>177,000</u>	<u>(25,574)</u>
Expenditures:			
Liability insurance:			
Insurance and Risk Management	155,358	210,000	54,642
Total Expenditures	<u>155,358</u>	<u>210,000</u>	<u>54,642</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,932)</u>	<u>(33,000)</u>	<u>29,068</u>
Net Change in Fund Balance	(3,932)	\$ <u><u>(33,000)</u></u>	\$ <u><u>29,068</u></u>
Fund Balance, July 1, 2017	<u>33,060</u>		
Fund Balance, June 30, 2018	\$ <u><u>29,128</u></u>		

**Gail Borden Public Library District
Audit Fund
Statement of Revenues, Expenditures (and Comparison
with Budget), and Changes in Fund Balance
For the Year Ended June 30, 2018**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ (Negative)</u>
Revenues:			
Property taxes	\$ 15,623	\$ 16,000	\$ (377)
Total Revenues	<u>15,623</u>	<u>16,000</u>	<u>(377)</u>
Expenditures:			
Audit fees	16,500	19,000	2,500
Total Expenditures	<u>16,500</u>	<u>19,000</u>	<u>2,500</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(877)</u>	<u>(3,000)</u>	<u>2,123</u>
Net Change in Fund Balance	(877)	\$ <u>(3,000)</u>	\$ <u>2,123</u>
Fund Balance, July 1, 2017	<u>3,834</u>		
Fund Balance, June 30, 2018	\$ <u><u>2,957</u></u>		

**Gail Borden Public Library District
Building and Equipment Fund
Statement of Revenues, Expenditures (and Comparison
with Budget), and Changes in Fund Balance
For the Year Ended June 30, 2018**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ Negative</u>
Revenues:			
Property taxes	\$ 510,612	\$ 483,000	\$ 27,612
Total Revenues	<u>510,612</u>	<u>483,000</u>	<u>27,612</u>
Expenditures:			
Capital outlay	<u>423,947</u>	<u>580,000</u>	<u>156,053</u>
Total Expenditures	<u>423,947</u>	<u>580,000</u>	<u>156,053</u>
Excess (deficiency) of revenues over (under) expenditures	<u>86,665</u>	<u>(97,000)</u>	<u>183,665</u>
Other Financing Sources (Uses):			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	86,665	\$ <u>(97,000)</u>	\$ <u>183,665</u>
Fund Balance, July 1, 2017	<u>65,544</u>		
Fund Balance, June 30, 2018	<u>\$ 152,209</u>		

**Gail Borden Public Library District
Building Reserve Fund
Statement of Revenues, Expenditures (and Comparison
with Budget), and Changes in Fund Balance
For the Year Ended June 30, 2018**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ (Negative)</u>
Revenues:			
Investment earnings	\$ 14,475	\$ 15,000	\$ (525)
Total Revenues	<u>14,475</u>	<u>15,000</u>	<u>(525)</u>
Expenditures:			
Capital improvements	151,084	2,225,000	2,073,916
Investment fees	-	5,000	5,000
Total Expenditures	<u>151,084</u>	<u>2,230,000</u>	<u>2,078,916</u>
Other Financing Sources (Uses):			
Debt certification proceeds	-	-	-
Debt issuance costs	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(136,609)</u>	<u>(2,215,000)</u>	<u>(2,074,441)</u>
Net Change in Fund Balance	(136,609)	\$ <u><u>(2,215,000)</u></u>	\$ <u><u>(2,074,441)</u></u>
Fund Balance, July 1, 2017	<u>2,221,910</u>		
Fund Balance, June 30, 2018	\$ <u><u>2,085,301</u></u>		

**Gail Borden Public Library District
Gift Fund
Statement of Revenues, Expenditures (and Comparison
with Budget), and Changes in Fund Balance
For the Year Ended June 30, 2018**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Positive/ (Negative)</u>
Revenues:			
Gifts received	\$ 12,819	\$ 500,000	\$ (487,181)
Miscellaneous income	-	500	(500)
Total Revenues	<u>12,819</u>	<u>500,500</u>	<u>(487,681)</u>
Expenditures:			
Gift fund expenditures	<u>16,817</u>	<u>520,000</u>	<u>503,183</u>
Total Expenditures	<u>16,817</u>	<u>520,000</u>	<u>503,183</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,998)</u>	<u>(19,500)</u>	<u>15,502</u>
Net Change in Fund Balance	(3,998)	\$ <u><u>(19,500)</u></u>	\$ <u><u>15,502</u></u>
Fund Balance, July 1, 2017	<u>19,516</u>		
Fund Balance, June 30, 2018	\$ <u><u>15,518</u></u>		

**Gail Borden Public Library District
Bond and Interest Fund
Statement of Revenues, Expenditures (and Comparison
with Budget), and Changes in Fund Balance
For the Year Ended June 30, 2018**

	Actual	Original and Final Budget	Positive/ (Negative)
Revenues:			
Property taxes	\$ 2,674,422	\$ 2,674,422	\$ -
Total Revenues	2,674,422	2,674,422	-
Expenditures:			
Bond principal paid and bond interest	2,591,320	2,591,320	-
Total Expenditures	2,591,320	2,591,320	-
Excess (deficiency) of revenues over (under) expenditures:	83,102	83,102	-
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
	83,102	\$ <u>83,102</u>	\$ <u>-</u>
Fund Balance, July 1, 2017	1,205,404		
Fund Balance, June 30, 2018	\$ 1,288,506		

Additional Supplementary Information

**Gail Borden Public Library District
Assessed Valuation and Tax Rates
For the Year Ended June 30, 2018**

<u>Tax Year Levy</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Assessed Valuation</u>	\$ 3,034,940,283	\$ 2,774,795,578	\$ 2,607,337,100	\$ 2,468,566,605	\$ 2,626,815,784

<u>Tax Rates by Fund</u>	Combined (Blended) Cook and Kane County Tax Rates				
Corporate (General)	0.3276	0.3557	0.3973	0.3785	0.3012
Illinois Municipal Retirement	0.0259	0.0241	0.0268	0.0299	0.0261
Social Security	0.0187	0.0166	0.0176	0.0216	0.0144
Audit	0.0006	0.0005	0.0006	0.0006	0.0005
Building and Equipment	0.0167	0.0187	0.0195	0.0193	0.0159
Liability Insurance	0.0059	0.0045	0.005	0.0068	0.0051
Bond and Interest	0.0885	0.0969	0.1088	0.1022	0.0910
	<u>0.4839</u>	<u>0.5170</u>	<u>0.5756</u>	<u>0.5590</u>	<u>0.4543</u>

<u>Tax Year Levy</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>Assessed Valuation</u>	\$ 2,891,916,111	\$ 3,246,462,602	\$ 3,581,824,783	\$ 3,640,709,406	\$ 3,575,105,931

<u>Tax Rates by Fund</u>	Combined (Blended) Cook and Kane County Tax Rates				
Corporate (General)	0.2991	0.2661	0.2346	0.2399	0.2342
Illinois Municipal Retirement	0.0257	0.0194	0.0184	0.0155	0.0147
Social Security	0.0139	0.0120	0.0103	0.0099	0.0094
Audit	0.0005	0.0004	0.0004	0.0003	0.0003
Building and Equipment	0.0182	0.0174	0.0150	0.0139	0.0106
Liability Insurance	0.0050	0.0038	0.0034	0.0031	0.0032
Bond and Interest	0.0865	0.0767	0.0656	0.0578	0.0534
	<u>0.4489</u>	<u>0.3958</u>	<u>0.3477</u>	<u>0.3404</u>	<u>0.3258</u>

**Gail Borden Public Library District
Property Tax Collections by Year
For the Year Ended June 30, 2018**

	Combined (Blended) Cook and Kane				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Extensions	\$ 14,682,947	\$ 14,347,700	\$ 14,207,740	\$ 14,411,274	\$ 13,138,028
Collected through June 30, 2018	\$ 7,287,136	\$ 14,288,887	\$ 14,149,745	\$ 14,323,604	\$ 13,022,419
Percentage collected	49.63%	99.59%	99.59%	99.39%	99.12%

	Combined (Blended) Cook and Kane				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total Extensions	\$ 13,738,430	\$ 12,948,712	\$ 12,727,123	\$ 12,342,295	\$ 11,747,672
Collected through June 30, 2013	\$ 13,512,362	\$ 12,874,686	\$ 12,650,844	\$ 12,257,384	\$ 11,640,070
Percentage collected	98.35%	99.43%	99.40%	99.31%	99.08%