



AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2022

**Homewood Public Library District
Audit Report
For the Year Ended June 30, 2022**

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INDEPENDENT AUDITOR'S REPORT

Selden Fox

Accounting for your future

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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Trustees
and Management
Homewood Public Library District
Homewood, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Homewood Public Library District** (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Homewood Public Library District, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management discussion and analysis and other required supplementary information 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

Other Matters (cont'd)

Required Supplementary Information (cont'd)

basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The supplemental data 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.

Selden Fox, Ltd.

March 1, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Homewood Public Library District
Management's Discussion and Analysis
For the Year Ended June 30, 2022**

The Management's Discussion and Analysis (MD&A) of the Homewood Public Library District (District) is designed to 1) assist the reader in focusing on significant financial issues, 2) provide an overview of the District's financial activity, 3) identify the District's financial position and ability to address future challenges, 4) identify material deviations from the budget, and 5) identify individual fund issues or concerns.

The Homewood Public Library District has been in existence since 1927. The form of governance of the District and its pertinent legal basis are recited in the Illinois Public Library Act as amended. This is currently Chapter 75 of the Illinois Compiled Statutes.

Financial Highlights

- Overall, revenues for all activities this past year were \$2,417,082 and fund expenditures were \$1,869,788 for a net of \$547,294.
- Total net position increased from beginning net position of \$3,787,564 to \$4,334,858 over the course of the year. The net pension liability reported in governmental activities decreased by \$823,933 from a net pension liability of \$555,495 at June 30, 2021, to a net pension asset of \$273,438 at June 30, 2022.
- Property tax collections for the 2022 fiscal year were \$2,338,957 for Cook County.
- The District continues to have the ability to devote resources toward maintaining and improving its facilities. At June 30, 2022, the net capital assets were \$2,114,906. Depreciation expense for 2021 – 2022 was \$344,546.
- The District derives approximately 97% of its revenues from property taxes. Other income is provided by grants, donations, fees, and fines.

Overview of the Financial Statements

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Homewood Public Library District finances, in a manner similar to a private-sector business. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The statement of net position presents information on all the Homewood Public Library District's assets, deferred outflows, liabilities, and deferred inflows, with the difference 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 District is improving or deteriorating.

Overview of the Financial Statements (cont'd)

Government-wide Financial Statements

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 timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., property taxes levied for general purposes).

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by taxes and intergovernmental revenues, such as grants, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges.

The government-wide financial statements can be found on pages 4-5 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole and, therefore, provide additional information that won't be found in the statement of net position or the statement of activities. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with the fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Because the focus of governmental funds is narrower than that of the governmental-wide financial statements, it is useful to compare the information presented for governmental funds with similar information for governmental activities in the governmental-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 this comparison between governmental funds and governmental activities.

Overview of the Financial Statements (cont'd)

Governmental Funds (cont'd)

The District maintains eight 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, Special Reserve Fund, and the Building Reserve and Site Maintenance Fund, which are considered major funds.

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

The basic governmental fund financial statements can be found on pages 6-11 of this report.

Notes to Basic Financial Statements

The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 12-32.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budgetary information for the General Fund, Special Reserve Fund, and the Building Reserve and Site Maintenance Fund, and the District's Illinois Municipal Retirement Fund employee pension obligations, and other postemployment benefit obligations. Required supplementary information can be found on pages 33-39 of this report. Nonmajor combining and Individual fund schedules can be found on pages 41-49 of this report.

District-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 District, assets/deferred outflows exceeded liabilities/deferred inflows by \$4,334,858 in the current year; this represents an increase of \$547,294 from the prior year.

District-wide Financial Analysis (cont'd)

The following table reflects the condensed statement of net position.

	June 30, 2022	June 30, 2021
Assets		
Current and other assets	\$ 4,320,725	\$ 3,977,148
Net pension asset	273,438	
Capital assets	2,114,906	2,316,864
Total assets	6,709,069	6,294,012
Deferred Outflows	73,990	103,182
Total Assets/Deferred Outflows	6,783,059	6,397,194
Other Liabilities	113,809	121,675
Net Pension and OPEB Liability	63,450	618,946
Total Liabilities	177,259	740,621
Deferred Inflows	2,270,942	1,869,009
Total Liabilities/Deferred Inflows	2,448,201	2,609,630
Net position		
Investment in capital assets	2,114,906	2,316,864
Restricted	544,961	584,076
Unrestricted	1,674,991	886,624
Total net position	\$ 4,334,858	\$ 3,787,564

For more information see the statement of net position (page 4).

A portion of the District's net position, \$2,114,906, or 48.8 percent, reflects its investment in capital assets (for example, land, buildings, machinery, and equipment). The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion, \$544,961, or 12.6 percent, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining net position of \$1,674,991 represents unrestricted net position. To the extent this balance is positive, it may be used to meet the government's ongoing obligations to citizens and creditors.

District-wide Financial Analysis (cont'd)

The following table reflects the condensed statement of changes in net position:

	Changes in Net Assets	
	Governmental Activities	
	For the Year Ended <u>June 30,</u> <u>2022</u>	For the Year Ended <u>June 30,</u> <u>2021</u>
Revenues:		
Program revenues:		
Charges for services	\$ 22,019	\$ 7,933
Operating grants and donations	49,640	24,154
Capital grants and donations	-	15,319
General revenues:		
Taxes	2,364,176	2,298,382
Investment income (loss)	(21,525)	750
Other	2,772	21,842
Total revenues	2,417,082	2,368,380
Expenses:		
Culture and recreation	1,869,788	2,111,845
Interest and fiscal charges	-	74
Total expenses	1,869,788	2,111,919
Increase (decrease) in net position	547,294	256,461
Net position, beginning of year,	3,787,564	3,531,103
Net position, end of year	\$ 4,334,858	\$ 3,787,564

Net position of the District's governmental activities increased from \$3,787,564 to \$4,334,858. This is a 14.45 percent increase. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, increased from \$886,624 in the previous fiscal year to \$1,674,991 at the end of this fiscal year due to positive operating results in the funds.

District-wide Financial Analysis (cont'd)

Governmental Activities

Revenues for governmental activities for the year ended June 30, 2022, increased by \$48,702 from the year ended June 30, 2021. Increases in taxes and program revenues helped to offset an unrealized loss on investments due to an overall downturn in the investment market of \$21,525, and other revenue, were offset by decreases in charges for services, operating grants and contributions, and investment income.

Expenses for governmental activities for the year ended June 30, 2021, decreased by \$242,131, or 11.5%, from the year ended June 30, 2021.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

As of the end of the current fiscal period, the governmental funds reported a combined ending fund balance of \$2,976,410, which is \$302,085 more than the June 30, 2021, total of \$2,674,325. The General Fund balance increased by \$473,272, which compares favorably to a budgeted increase in this Fund of \$259,059. The fund balance for the Special Reserve Fund, another major fund, decreased by \$21,749 due to a loss on investments, and is at a balance of \$604,728 at June 30, 2022. The current year decrease of \$21,749 was \$24,749 less than the budgeted increase in the Fund of \$3,000. The Building Reserve and Site Maintenance Fund, the third major fund, had a negative bottom line of \$98,005, which outperformed budgeted expectations by \$66,968.

Budgetary Highlights

The budget was not amended during 2022. Revenues in the General Fund were budgeted at \$2,068,143, and the actual balance exceeded budget by \$79,292. Expenditures in the General Fund were budgeted at \$1,809,084, and the actual balance came in under budget by \$134,921.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2022, was \$2,114,906 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture, machinery and equipment, and books and library materials. The District had \$142,588 of additions and \$132,214 of disposals to books and library materials. Current year depreciation was \$344,546, resulting in the total decrease in the District's investment in capital assets for the current fiscal year of \$201,958.

CAPITAL ASSETS AND DEBT ADMINISTRATION (cont'd)

Capital Assets (cont'd)

	Capital Assets – Net of Depreciation	
	June 30, 2022	June 30, 2021
Land	\$ 471,740	\$ 471,740
Buildings and improvements	1,324,774	1,541,006
Furniture, machinery and equipment	1,595	5,686
Books and library materials	316,797	298,432
Total	\$ 2,144,906	\$ 2,316,864

Additional information on the District's capital assets can be found in Note II.C on page 21 of this report.

Debt Administration

As of June 30, 2022 and 2021, the District had no general obligation debt outstanding.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Covid-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of the Library. While there is considerable uncertainty around the duration of the closings, District management, with the support of the Board of Trustees, have responded with adjustments to operating expenditures to stabilize District finances.

REQUESTS 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 information should be directed to the Library Director Colleen Waltman at the Homewood Public Library District, 1791 Dixie Highway, Homewood, Illinois 60430 or call 708-798-0121.

BASIC FINANCIAL STATEMENTS

Homewood Public Library District
Statement of Net Position
June 30, 2022

	Governmental Activities
Assets and Deferred Outflows	
Cash and investments	\$ 2,995,871
Receivables	1,308,419
Prepaid expenses	16,435
Net pension asset	273,438
Capital assets not being depreciated	471,740
Capital assets, net of accumulated depreciation	1,643,166
Total assets	6,709,069
Deferred outflows:	
Pension items - IMRF	72,445
OPEB items	1,545
Total deferred outflows	73,990
Total assets and deferred outflows	6,783,059
Liabilities and Deferred Inflows	
Accounts payable	28,064
Accrued payroll	36,624
Noncurrent liabilities:	
Due within one year - compensated absences payable	49,121
Due in more than one year - total OPEB liability	63,450
Total liabilities	177,259
Deferred inflows:	
Deferred revenue - property taxes	1,279,627
Pension items - IMRF	972,101
OPEB items	19,214
Total deferred inflows	2,270,942
Total liabilities and deferred inflows	2,448,201
Net Position	
Net investment in capital assets	2,114,906
Restricted:	
Insurance	24,411
Employee retirement	520,550
Unrestricted	1,674,991
Net position	\$ 4,334,858

See independent auditor's report and accompanying notes.

**Homewood Public Library District
Statement of Activities
For the Year Ended June 30, 2022**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position - Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Culture and recreation	\$ 1,869,788	\$ 22,019	\$ 49,640	\$ -	\$ (1,798,129)
Total governmental activities	<u>\$ 1,869,788</u>	<u>\$ 22,019</u>	<u>\$ 49,640</u>	<u>\$ -</u>	<u>(1,798,129)</u>
			General revenues:		
			Taxes:		
			Property	2,338,957	
			Replacement	25,219	
			Investment income (loss)	(21,525)	
			Miscellaneous	2,772	
			Total general revenues	<u>2,345,423</u>	
			Changes in net position	547,294	
			Net position, beginning of the period	<u>3,787,564</u>	
			Net position, end of the period	<u>\$ 4,334,858</u>	

See independent auditor's report and accompanying notes.

**Homewood Public Library District
Combining Balance Sheet
Governmental Funds
June 30, 2022**

Assets	General	Special Reserve
Cash and investments	\$ 2,415,542	\$ 580,329
Receivables:		
Property taxes	1,125,102	-
Grant	28,792	-
Prepaid expenses	800	-
Due from other funds	383,141	24,399
	\$ 3,953,377	\$ 604,728
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)		
Liabilities:		
Accounts payable	\$ 24,615	\$ -
Accrued payroll	36,624	-
Due to other funds	569,360	-
	630,599	-
Total liabilities	630,599	-
Deferred inflows - property taxes	1,125,102	-
	1,755,701	-
Total liabilities and deferred inflows	1,755,701	-
Fund balances (deficit):		
Nonspendable	800	-
Restricted:		
Insurance	-	-
Employee retirement	-	-
Unrestricted:		
Unassigned	2,196,876	604,728
	2,197,676	604,728
Total fund balances (deficit)	2,197,676	604,728
	\$ 3,953,377	\$ 604,728
Total liabilities, deferred inflows of resources, and fund balances (deficit)	\$ 3,953,377	\$ 604,728

See independent auditor's report and accompanying notes.

Building Reserve and Site Maintenance	Nonmajor Governmental	Total
\$ -	\$ -	\$ 2,995,871
36,984	117,541	1,279,627
-	-	28,792
-	15,635	16,435
-	544,961	952,501
\$ 36,984	\$ 678,137	\$ 5,273,226
\$ 3,449	\$ -	\$ 28,064
-	-	36,624
340,215	42,926	952,501
343,664	42,926	1,017,189
36,984	117,541	1,279,627
380,648	160,467	2,296,816
-	15,635	16,435
-	24,411	24,411
-	520,550	520,550
(343,664)	(42,926)	2,415,014
(343,664)	517,670	2,976,410
\$ 36,984	\$ 678,137	\$ 5,273,226

**Homewood Public Library District
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2022**

Total fund balance - governmental fund (page 7)	\$ 2,976,410
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund.	2,114,906
Liabilities as defined under modified accrual accounting, not due and payable in the current period, are not reported in the funds.	
Compensated absences payable	(49,121)
Net OPEB liability	(63,450)
Net pension asset	273,438
Difference in pension-related items on deferred outflows	72,445
Difference in OPEB-related items on deferred outflows	1,545
Difference in pension-related items on deferred inflows	(972,101)
Difference in OPEB-related items on deferred inflows	(19,214)
Net position of governmental activities (page 4)	<u>\$ 4,334,858</u>

See independent auditor's report and accompanying notes.

Homewood Public Library District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficit) - Governmental Funds
For the Year Ended June 30, 2022

	General	Special Reserve
Revenues:		
Taxes	\$ 2,072,780	\$ -
Intergovernmental	39,640	-
Fines and fees	22,019	-
Investment income (loss)	224	(21,749)
Donations	12,298	-
Miscellaneous	474	-
Total revenues	2,147,435	(21,749)
Expenditures:		
Current:		
Culture and recreation	1,674,163	-
Total expenditures	1,674,163	-
Net changes in fund balances (deficit)	473,272	(21,749)
Fund balances (deficit), beginning of the year	1,724,404	626,477
Fund balances (deficit), end of the year	\$ 2,197,676	\$ 604,728

See independent auditor's report and accompanying notes.

Building Reserve and Site Maintenance	Nonmajor Governmental	Total
\$ 68,252	\$ 223,145	\$ 2,364,177
-	-	39,640
-	-	22,019
-	-	(21,525)
-	-	12,298
-	-	474
<u>68,252</u>	<u>223,145</u>	<u>2,417,083</u>
<u>166,257</u>	<u>274,578</u>	<u>2,114,998</u>
<u>166,257</u>	<u>274,578</u>	<u>2,114,998</u>
(98,005)	(51,433)	302,085
<u>(245,659)</u>	<u>569,103</u>	<u>2,674,325</u>
<u>\$ (343,664)</u>	<u>\$ 517,670</u>	<u>\$ 2,976,410</u>

**Homewood Public Library District
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balance (Deficit)
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2022**

Amounts reported for governmental activities in the statement of activities (page 5) are different because:

Net changes in fund balances (deficit) - total governmental fund (page 10)	\$ 302,085
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Current year additions to capital assets	142,588
Depreciation expense	(344,546)
<p>The change in compensated absences does not require the use of current financial resources and, therefore, is not reported as an expenditures in governmental funds.</p>	
	2,481
<p>The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities.</p>	
	828,933
<p>The change in the net OPEB liability and related deferred inflows and outflows is reported only in the statement of activities.</p>	
	3,553
<p>The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities.</p>	
	<u>(387,800)</u>
Changes in net position of governmental activities (page 5)	<u>\$ 547,294</u>

See independent auditor's report and accompanying notes.

**Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements**

I. Summary of Significant Accounting Policies

The financial statements of the Homewood Public Library District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the District's accounting policies are described below.

A. The Reporting Entity

The District is governed by a seven-member elected board. These financial statements present the District's reporting entity as required by GAAP. The District is considered to be a primary government since its board is separately elected and the District is fiscally independent.

Based on the criteria of GASB Statement No. 61, *The Financial Reporting Entity; Omnibus – an amendment of GASB Statements No. 14 and No. 34*, there are no component units for which the District is considered to be financially accountable.

B. Fund Accounting

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

All funds are considered governmental funds. Governmental funds are used to account for all of the government's general activities, including the collection and disbursement of restricted, committed, or assigned monies (special revenue funds) and restricted, committed or assigned for the servicing of general long-term debt (debt service funds). Permanent funds are used to account for resources when the interest of the corpus (principal) can be used by the District. The General Fund is used to account for all activities of the general government not accounted for in some other fund.

C. Government-wide and 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 nonfiduciary activities. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District has no business-type activities.

Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

C. Government-wide and Fund Financial Statements (cont'd)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those accounted for in another fund.

The Special Reserve Fund is used to fund building enhancements and upgrades as needed.

The Building Reserve and Site Maintenance is used to fund the ongoing maintenance and upkeep of the Library building.

D. Measurement Focus, Basis of Accounting and Basis of 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after year end. Expenditures are generally recorded when the related fund liability is incurred. However, expenditures related to debt service, compensated absences and claims and judgments, are recorded only when payment is due.

Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and have therefore been recognized as revenues of the current fiscal period. Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

The District reports deferred/unavailable revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned/unavailable revenues also arise when resources are received by the District before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both the revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred/unavailable revenue is removed from the financial statements and revenue is recognized.

E. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity

1. Deposits and Investments

Investments with maturity greater than one year at time of purchase, if any, are stated at fair value.

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs. Deposits are not subject to fair value and are valued at cost or amortized cost.

2. Short-term Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans, if any, are classified as "interfund receivables/payables."

Advances between funds, if any, are offset by a fund balance nonspendable account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

E. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

3. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of the financial statements are recorded as prepaid items/expenses.

4. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost in excess of \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at cost where historical records are available or at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their acquisition value on the date received.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets in governmental activities is not capitalized. Capital assets are depreciated using the straight-line method, using the following estimated useful lives:

Buildings and building improvements	30 years
Furniture, machinery and equipment	5 – 7 years
Books and library materials	5 years

5. Compensated Absences

The District accrues a liability for vacation benefits as these benefits are earned. At June 30, 2022, the liabilities for these accumulated unpaid benefits are accounted for in the governmental activities column in the government-wide financial statements. In the governmental fund financial statements, a liability is only accrued for amounts owed to employees who have retired or terminated employment by the end of the year.

Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

E. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

6. Long-term Obligations

In the government-wide financial statements, long-term debt, and other long-term obligations are reported as liabilities in the governmental activities. In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing source.

7. Deferred Outflows and Inflows of Resources

Deferred outflows of resources are defined as a consumption of net assets by the government that is applicable to a future reporting period; they increase net position, similar to assets. Note III provides further detail on the components of deferred outflows of resources in the statement of net position.

Deferred inflows of resources are defined as an acquisition of net assets by the government that is applicable to a future reporting period; they decrease net position, similar to liabilities. Note III provides further detail on the components of deferred inflows of resources in the statement of net position.

On the government-wide and governmental fund financial statements, the District reports deferred inflow of resources attributable to property taxes due from the County for the 2021 levy that had not been received within 60 days of the fiscal year end.

8. Interfund Transactions

Interfund transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except interfund transactions and reimbursements, are reported as transfers.

Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

E. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

9. Fund Equity and Net Position

Equity in the government-wide statements is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on its 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.
- c. Unrestricted net position – Remaining net position that does not meet the definitions of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

In the governmental fund financial statements, governmental funds report fund balance as either nonspendable or spendable. Spendable fund balance is further classified as restricted, committed, assigned or unassigned, based on the relative strength of the constraints that control how specific amounts can be spent.

Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the District.

Committed fund balance is constrained by formal actions of the District’s Board of Trustees, which is considered the District’s highest level of decision-making authority. Formal action is in the form of an ordinance approved at a Board meeting. The District has no committed fund balance.

Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

E. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

9. Fund Equity and Net Position (cont'd)

Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance is at the Board level. Assignment of fund balance does not require passage of an ordinance. The District has no assigned fund balance. Deficit fund balances and the residual fund balance in the General Fund is reported as unassigned.

The District assumes that 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. Unrestricted funds are considered spent in the following order as available - committed funds, assigned funds, and then unassigned funds.

10. Use of Estimates

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

II. Detailed Notes For All Fund Types and Account Groups

A. Deposits and Investments

Illinois Compiled Statutes (ILCS) authorize the District to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and The Illinois Funds.

In addition, the District's Board of Trustees has adopted an investment policy which provides further restrictions on the investment of District funds. It is the policy of the District to invest its funds in a manner which will provide the highest investment 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 objectives of the policy, in order of priority are: safety, liquidity, return on investment, and local preference.

**Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)**

II. Detailed Notes For All Fund Types and Account Groups (cont'd)

A. Deposits and Investments (cont'd)

Deposits – Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District’s deposits may not be returned to it. The District’s investment policy requires all deposits with financial institutions in excess of federal depository insurance be with collateral held by the Federal Reserve Bank, the District’s agent or by the trust department or escrow agent of the pledging institution, evidenced by a written collateral agreement.

At year end, the carrying amount of the Library’s deposits with financial institutions was \$49,465 and the bank balance in the general account was \$50,172, which was covered by federal depository insurance. In addition, the Library had cash on hand of \$965.

Investments – As of June 30, 2022, the District had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
Fixed income mutual fund	\$ 583,038	\$ -	\$ 583,038	\$ -	\$ -
Repurchase agreements	<u>2,362,403</u>	<u>2,362,403</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 2,945,441</u>	<u>\$ 2,362,403</u>	<u>\$ 583,038</u>	<u>\$ -</u>	<u>\$ -</u>

The District has the following recurring fair value measurements as of June 30, 2022: the fixed income mutual fund is valued daily using quoted market prices (Level 1 input) and the repurchase agreements invest in a pool of U.S. treasury and agency securities valued using matrix pricing models (Level 2 inputs).

Interest Rate Risk – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment; generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District addresses interest rate risk, as stated in its investment policy, by investing in demand investments that yield a maximum amount of interest.

Credit Risk – Generally, credit risk is the risk that an issuer of a debt-type instrument will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. The District addresses credit risk, as stated in its investment policy, by primarily investing in obligations guaranteed by the United States Government that are explicitly or implicitly guaranteed but the United States Government.

Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)

II. Detailed Notes For All Fund Types and Account Groups (cont'd)

A. Deposits and Investments (cont'd)

Investments (cont'd)

Custodial Credit Risk – For deposits, this is the risk that, in the event of a bank failure, a government will not be able to recover its deposits. The District's investment policy requires all deposits with financial institutions in excess of federal depository insurance be with insured with collateral held by the Federal Reserve Bank, the District's agent or by the trust department or escrow agent of the pledging institution, evidenced by a written collateral agreement. For investments, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. To limit its exposure, the District's investment policy requires pledging of collateral of all bank balances in excess of federal depository insurance with the collateral held by a third party in the District's name.

Concentration of Credit Risk – For investments, this is the risk that the District has too high a percentage of their investments invested in one type of investment. The District's investment policy does not require diversification of investment to avoid unreasonable risk.

B. Receivables – Taxes

Property taxes for 2021 attach as an enforceable lien on January 1, 2021, on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills are then prepared by the County and generally issued on or about February 1 and August 1 of the following year, and are payable in two installments, on or about March 1 and September 1 of that year. In 2022, the second installment of the 2021 property taxes was not issued until November 2022, and not due until December 31, 2022. The County collects such taxes and remits them periodically. The second half of the 2021 tax levy collections are intended to finance the 2023 fiscal year and are not considered available for current operations and are, therefore, shown as unearned/unavailable revenue. The 2022 tax levy has not been recorded as a receivable at June 30, 2022, as the tax attached as a lien on property as of January 1, 2022; however, the tax will not be levied until December 2022 and, accordingly, is not measurable at June 30, 2022.

**Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)**

II. Detailed Notes For All Fund Types and Account Groups (cont'd)

C. Capital Assets

Capital asset activity for the year ended June 30, 2022, was as follows:

	Balances July 1	Additions	Retirements	Balances June 30
Capital assets not being depreciated:				
Land	\$ 471,740	\$ -	\$ -	\$ 471,740
Total capital assets not being depreciated	471,740	-	-	471,740
Capital assets being depreciated:				
Buildings and improvements	5,726,406	-	-	5,726,406
Furniture, machinery and equipment	1,678,426	-	-	1,678,426
Books and library materials	615,930	142,588	132,214	626,304
	<u>8,020,762</u>	<u>142,588</u>	<u>132,214</u>	<u>8,031,136</u>
Less accumulated depreciation for:				
Buildings and improvements	4,185,400	216,232	-	4,401,632
Furniture, machinery and equipment	1,672,740	4,091	-	1,676,831
Books and library materials	317,498	124,223	132,214	309,507
	<u>6,175,638</u>	<u>344,546</u>	<u>132,214</u>	<u>6,387,970</u>
Total capital assets being depreciated, net	1,845,124	(201,958)	-	1,643,166
Governmental activities, capital assets, net	<u>\$ 2,316,864</u>	<u>\$ (201,958)</u>	<u>\$ -</u>	<u>\$ 2,114,906</u>

Depreciation expense was charged to functions of the primary government as follows:

Culture and Recreation \$ 344,546

**Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)**

II. Detailed Notes For All Fund Types and Account Groups (cont'd)

D. Interfund Assets/Liabilities

Due from/to other funds as reported on the Combining Balance Sheet – Governmental Funds are as follows:

Due From	Due To	Amount
General Fund	Building Reserve and Site Maintenance Fund	\$ 340,215
General Fund	Nonmajor Governmental Funds	42,926
Special Reserve Fund	General Fund	24,399
Nonmajor Governmental Funds	General Fund	544,961
		\$ 952,501

The purpose of these advances were for cash loans due to budgetary and operating shortfalls.

E. Long-term Liabilities

The changes in the long-term liabilities for the year ended June 30, 2022, are as follows:

Issue	Funded Debt Retired By	Balances July 1,	Issuances	Retirements	Balances June 30	Current Portion
Compensated absences	General	\$ 51,602	\$ 49,121	\$ 51,602	\$ 49,121	\$ 49,121
Net pension liability/(asset)	General	555,495	-	828,933	(273,438)	-
Other postemployment benefit liability	General	63,450	-	-	63,450	-
Total		\$ 670,547	\$ 49,121	\$ 880,535	\$ (160,867)	\$ 49,121

The legal debt margin at June 30, 2022, is as follows

Assessed valuation	\$ 384,555,578
Legal debt limit – 2.875% of assessed valuation	\$ 11,055,973
Amount of debt applicable of debt limit	-
Legal debt margin	\$ 11,055,973

Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)

II. Detailed Notes For All Fund Types and Account Groups (cont'd)

E. Long-Term Debt (cont'd)

Chapter 50, Section 405/1 of the ILCS provides: “no township, school district, or other municipal corporation having a population of less than 300,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 2.875% on the value of the taxable property therein, to be ascertained by the last assessment for the state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying such governmental unit’s 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979.”

The limitations prescribed shall not apply to any indebtedness of any library district incurred for acquiring or improving sites; constructing, extending, or improving and equipping sites for public library purposes; or for the establishment, support, and maintenance of a public library, under the provisions of the Illinois Public Library District Act.

F. Individual Fund Disclosures

The following funds have a deficit fund balance at June 30, 2022:

<u>Fund</u>	<u>Amount</u>
Building Reserve and Site Maintenance	\$ 343,664
Audit	2,627
Liability Insurance	24,664

Actual expenditures of \$34,843 exceeded the budget of \$28,600 by \$6,243 in the Liability Insurance Fund.

III. Other Information

A. Risk Management

The District is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; or acts of God. The District has purchased commercial insurance coverage to cover possible liabilities related to these risks. Risks covered include general liability, worker’ compensation, medical, and other. Settlements have not exceeded insurance coverage in each of the past three years.

**Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)**

III. Other Information (cont'd)

B. Grants

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

C. Defined Benefit Pension Plan

General Information About the Pension Plan

Plan Description – The District’s defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments, and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. A summary of IMRF’s pension benefits is provided in the following “Benefits Provided” section. Benefit provisions are established by statute and may only be amended by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements, detailed information about the pension plan’s fiduciary net position and required supplementary information (RSI). That report may be obtained on-line at www.imrf.org.

At December 31, 2021, the IMRF Plan membership consisted of:

Retirees and beneficiaries	44
Inactive, non-retired members	30
Active members	<u>20</u>
Total	<u>94</u>

Benefits Provided – IMRF provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011, who retire at or after age 60 with 8 years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent of each year thereafter. For participating members hired on or after January 1, 2011, who retire at or after age 67 with 10 years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of

Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)

III. Other Information (cont'd)

C. Defined Benefit Pension Plan (cont'd)

General Information About the Pension Plan (cont'd)

Benefits Provided (cont'd)

credited service, with a maximum salary cap of \$116,740 at January 1, 2021, and \$119,892 at January 1, 2022. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits.

Contributions – Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by State statute. The District is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution and annual required contribution rate for calendar year 2020 and 2021 was 18.44 percent and 16.20 percent, respectively. The District's annual required contribution and actual contribution to the Plan in the fiscal year ended June 30, 2022, totaled \$148,594. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension (Asset) Liability

The District's net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the date.

Actuarial Valuation and Assumptions – The actuarial assumptions used in the December 31, 2021, valuation were based on an actuarial experience study of the period 2017-2019, using the entry age normal actuarial cost method. The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%
Post-retirement benefit increase:	
Tier 1	3.0%-simple
Tier 2	lesser of 3.0%-simple or ½ increase in CPI

Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)

III. **Other Information** (cont'd)

C. **Defined Benefit Pension Plan** (cont'd)

Net Pension (Asset) Liability (cont'd)

Actuarial Valuation and Assumptions (cont'd)

The actuarial value of IMRF assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at December 31, 2021, was 22 years.

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

Long-term Expected Rate of Return – The long-term expected rate of return was determined using a building-block method in which best-estimate ranges for 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 weighing the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equities	39%	4.50%
International equities	15%	5.75%
Fixed income	25%	2.00%
Real estate	10%	5.90%
Alternatives:	10%	
Private equity		8.10%
Hedge funds		N/A
Commodities		4.30%
Cash equivalents	1%	1.70%

**Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)**

III. Other Information (cont'd)

C. Defined Benefit Pension Plan (cont'd)

Net Pension (Asset) Liability (cont'd)

Single Discount Rate – Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects: (1) a 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 this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 1.84%, and the resulting single discount rate used to measure the total pension liability is 7.25%.

Based on the assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees for the next 99 years.

Changes in Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balances 12/31/20	\$ 7,500,229	\$ 6,944,734	\$ 555,495
Changes for the year:			
Service cost	83,037	-	83,037
Interest	530,881	-	530,881
Differences between expected and actual experience	3,208	-	3,208
Contributions - employer	-	154,263	(154,263)
Contributions - employee	-	37,646	(37,646)
Net investment income	-	1,204,044	(1,204,044)
Benefit payments, including refunds of employee contributions	(438,492)	(438,492)	-
Other changes	-	50,106	(50,106)
	\$ 7,678,863	\$ 7,952,301	\$ (273,438)
Balances 12/31/21	\$ 7,678,863	\$ 7,952,301	\$ (273,438)

**Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)**

III. Other Information (cont'd)

C. Defined Benefit Pension Plan (cont'd)

Net Pension (Asset) Liability (cont'd)

Discount Rate Sensitivity – The following presents the net pension liability of the District, calculated using the discount rate of 7.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate.

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 487,589	\$ (273,438)	\$ (906,863)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued IMRF financial report.

Net Pension (Asset) Liability, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Library

For the year ended June 30, 2022, the District recognized pension income of \$292,539 in the government-wide financial statements. At June 30, 2022, the District reported deferred inflows and outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,232	\$ -	\$ 2,232
Changes in assumptions	-	2,499	(2,499)
Net difference between projected and actual earnings on pension plan investments	-	969,602	(969,602)
Subtotal	2,232	972,101	(969,869)
Contributions made subsequent to them measurement date	70,213	-	70,213
Total	\$ 72,445	\$ 972,101	\$ (899,656)

**Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)**

III. Other Information (cont'd)

C. Defined Benefit Pension Plan (cont'd)

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

<u>Year Ending December 31,</u>	
2022	\$ (215,607)
2023	(374,117)
2024	(238,612)
2025	<u>(141,533)</u>
Total	<u>\$ (969,869)</u>

D. Other Post-Employment Benefits

Plan Description – The District provides post-employment health care benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual, except for the implicit subsidy which is governed by State Legislature and the ILCS. No assets have been accumulated in a trust that meets the criteria of GASB Statement No. 75. The plan does not issue a separate report. The activity of the plan is reported in the District's governmental activities. The District last had a valuation performed on the OPEB Plan dated July 1, 2020, with a measurement date of June 30, 2021, using the alternative measurement method.

Benefits Provided – The District provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under the District's retirement plan. Upon a retiree reaching age 65 years, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from the District's insurance provider.

Membership – On June 30, 2021, membership consisted of:

Retirees and beneficiaries currently receiving benefits	1
Terminated employees entitled to benefits but not yet receiving them	-
Active plan members	<u>20</u>
Total	<u>21</u>

**Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)**

III. Other Information (cont'd)

D. Other Post-Employment Benefits (cont'd)

Net OPEB Liability – An actuarial valuation was performed on the District's total OPEB liability with a measurement date of June 30, 2021.

Total OPEB liability	\$	63,450
Plan fiduciary net position		-
Net OPEB liability	\$	63,450

Retiree Lapse Rates – Current retirees were assumed to continue their current plan elections.

Election at Retirement – 20% of active employees are assumed to elect coverage at retirement.

Marital Status – Of those future retirees who are assumed to elect to continue their coverage at retirement, 15% were assumed to have an eligible spouse who also opts for health coverage at that time. Males are assumed to be three years older than females. Actual spouse data was used for current retirees.

Actuarial Valuation and Assumptions – The total OPEB liability was determined by an actuarial valuation dated July 1, 2020, with a measurement date of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Salary increases	4.00%
Discount rate	2.18% (2.79% in 2020)

The health care trend rate for the PPO–HSA Plan is 6.50% for medical graded to 4.50% over sixteen years, and 5.00% for the HMO Plan graded to 4.50% over sixteen years. The mortality rates for healthy individuals were based on the PubG.H-2010-General with Mortality Improvement using Scale MP-2020.

Discount Rate – The discount rate used to measure the total OPEB liability is based on the ability of the fund to meet benefit obligations in the future. Because the District does not have a dedicated trust to pay retiree healthcare benefits, the discount rate used was based on the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2021.

**Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)**

III. Other Information (cont'd)

D. Other Post-Employment Benefits (cont'd)

Changes in Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB (Asset) Liability
Balance 6/30/20	\$ 98,592	\$ -	\$ 98,592
Changes for the year:			
Service cost	5,498	-	5,498
Interest	2,384	-	2,384
Difference between expected and actual experience	(26,714)	-	(26,714)
Changes in assumptions	1,655	-	1,655
Implicit benefit payments	(17,965)	-	(17,965)
Net changes	(35,142)	-	(35,142)
Balances at 6/30/21	\$ 63,450	\$ -	\$ 63,450

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the net OPEB liability of the District, calculated using the discount rate of 2.18%, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease (1.18%)	Current Discount Rate (2.18%)	1% Increase (3.18%)
Net OPEB Liability	\$ 65,849	\$ 63,450	\$ 61,155

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rates – The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point higher or lower than the current rate:

	1% Decrease (Varies)	Current Discount Rate (Varies)	1% Increase (Varies)
Net OPEB Liability	\$ 60,236	\$ 63,450	\$ 66,945

**Homewood Public Library District
Homewood, Illinois
Notes to the Financial Statements (cont'd)**

III. Other Information (cont'd)

D. Other Post-Employment Benefits (cont'd)

Net Pension Liability, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Library

For the year ended June 30, 2021, the District recognized OPEB expense of \$3,552 in the government-wide financial statements. At June 30, 2022, the District reported deferred inflows and outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 19,214	\$ (19,214)
Changes in assumptions	1,545	-	1,545
Net difference between projected and actual earnings on pension plan investments	-	-	-
Total	\$ 1,545	\$ 19,214	\$ (17,669)

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

Year Ending June 30,

2023	\$	(3,522)
2024		(3,522)
2025		(3,522)
2026		(3,522)
2027		(3,522)
2028		(59)
Total	\$	(17,669)

**Homewood Public Library District
General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2022**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes:			
Property	\$ 2,027,990	\$ 2,047,561	\$ 19,571
Replacement	6,200	25,219	19,019
Intergovernmental:			
State grants	24,153	39,640	15,487
Fines	8,300	22,019	13,719
Investment income	1,000	224	(776)
Donations	500	12,298	11,798
Miscellaneous	-	474	474
Total revenues	<u>2,068,143</u>	<u>2,147,435</u>	<u>79,292</u>
Expenditures:			
Culture and recreation:			
Personnel	1,298,384	1,243,703	54,681
Outside professional services	35,100	31,038	4,062
Library books and materials	245,700	208,111	37,589
Promotion and publicity	14,100	2,962	11,138
Library operation	98,500	81,232	17,268
Utilities	93,950	86,704	7,246
Administrative charges	17,850	12,861	4,989
Miscellaneous	5,500	7,552	(2,052)
Total expenditures	<u>1,809,084</u>	<u>1,674,163</u>	<u>134,921</u>
Net changes in fund balance	<u>\$ 259,059</u>	<u>473,272</u>	<u>\$ 214,213</u>
Fund balance, beginning of the year		<u>1,724,404</u>	
Fund balance, end of the year		<u>\$ 2,197,676</u>	

See independent auditor's report and accompanying notes to the required supplementary information.

**Homewood Public Library District
 Building Reserve and Site Maintenance Fund
 Schedule of Revenues, Expenditures and Changes in
 Fund Deficit - Budget and Actual
 For the Year Ended June 30, 2022**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes:			
Property	\$ 68,848	\$ 68,252	\$ (596)
Total revenues	<u>68,848</u>	<u>68,252</u>	<u>(596)</u>
Expenditures:			
Culture and recreation:			
Maintenance	76,700	81,346	(4,646)
Custodial and supplies	45,050	47,934	(2,884)
Capital outlay	112,071	36,977	75,094
Total expenditures	<u>233,821</u>	<u>166,257</u>	<u>67,564</u>
Net changes in fund deficit	<u>\$ (164,973)</u>	<u>(98,005)</u>	<u>\$ 66,968</u>
Fund deficit, beginning of the year		<u>(245,659)</u>	
Fund deficit, end of the year		<u>\$ (343,664)</u>	

See independent auditor's report and accompanying notes to the required supplementary information.

REQUIRED SUPPLEMENTARY INFORMATION

**Homewood Public Library District
Illinois Municipal Retirement Fund
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios
Last Eight Calendar Years**

	<u>2021</u>	<u>2020</u>
Total pension liability:		
Service cost	\$ 83,037	\$ 89,256
Interest on the total pension liability	530,881	520,376
Changes of benefit terms	-	-
Difference between expected and actual experience	3,208	12,339
Changes of assumptions	-	(42,913)
Benefit payments and refunds	<u>(438,492)</u>	<u>(423,601)</u>
Net changes in total pension liability	178,634	155,457
Total pension liability - beginning	<u>7,500,229</u>	<u>7,344,772</u>
Total pension liability - ending	<u>\$ 7,678,863</u>	<u>\$ 7,500,229</u>
Plan fiduciary net position:		
Employer contributions	\$ 154,263	\$ 143,736
Employee contributions	37,646	38,662
Net investment income	1,204,044	931,743
Benefit payments and refunds	(438,492)	(423,601)
Other	<u>50,106</u>	<u>(46,143)</u>
Net changes in plan fiduciary net position	1,007,567	644,397
Plan fiduciary net position - beginning	<u>6,944,734</u>	<u>6,300,337</u>
Plan fiduciary net position - ending	<u>\$ 7,952,301</u>	<u>\$ 6,944,734</u>
Net pension (asset) liability	<u>\$ (273,438)</u>	<u>\$ 555,495</u>
Plan fiduciary net position as a percentage of total pension liability	<u>103.56%</u>	<u>92.59%</u>
Covered valuation payroll	<u>\$ 836,563</u>	<u>\$ 859,151</u>
Net pension liability as a percentage of covered valuation payroll	<u>-32.69%</u>	<u>64.66%</u>

Note - Changes of assumptions related to the mortality rate occurred between the 2020 and 2019 valuation, and to discount rate occurring between 2018 and 2017.

Note: The Library will build a ten-year history prospectively.

See independent auditor's report and notes to required supplementary information.

2019	2018	2017	2016	2015	2014
\$ 99,561	\$ 107,754	\$ 111,971	\$ 138,357	\$ 144,964	\$ 147,421
499,901	487,192	480,635	445,617	427,118	391,405
-	-	-	-	-	-
115,810	28,741	39,966	212,810	(51,865)	(88,663)
-	177,023	(190,084)	(29,018)	7,332	257,631
(431,818)	(362,809)	(343,103)	(295,952)	(241,247)	(201,698)
283,454	437,901	99,385	471,814	286,302	506,096
7,061,318	6,623,417	6,524,032	6,052,218	5,765,916	5,259,820
<u>\$ 7,344,772</u>	<u>\$ 7,061,318</u>	<u>\$ 6,623,417</u>	<u>\$ 6,524,032</u>	<u>\$ 6,052,218</u>	<u>\$ 5,765,916</u>
\$ 113,229	\$ 150,419	\$ 136,109	\$ 146,560	\$ 160,678	\$ 149,680
37,438	42,706	45,511	52,192	52,662	53,799
1,066,155	(355,569)	944,324	323,390	23,879	277,263
(431,818)	(362,809)	(343,103)	(295,952)	(241,247)	(201,698)
28,900	164,887	(106,170)	97,136	61,135	(33,759)
813,904	(360,366)	676,671	323,326	57,107	245,285
5,486,433	5,846,799	5,170,128	4,846,802	4,789,695	4,544,410
<u>\$ 6,300,337</u>	<u>\$ 5,486,433</u>	<u>\$ 5,846,799</u>	<u>\$ 5,170,128</u>	<u>\$ 4,846,802</u>	<u>\$ 4,789,695</u>
<u>\$ 1,044,435</u>	<u>\$ 1,574,885</u>	<u>\$ 776,618</u>	<u>\$ 1,353,904</u>	<u>\$ 1,205,416</u>	<u>\$ 976,221</u>
<u>85.78%</u>	<u>77.70%</u>	<u>88.27%</u>	<u>79.25%</u>	<u>80.08%</u>	<u>83.07%</u>
<u>\$ 831,950</u>	<u>\$ 949,017</u>	<u>\$ 1,012,125</u>	<u>\$ 1,068,221</u>	<u>\$ 1,170,274</u>	<u>\$ 1,226,489</u>
<u>125.54%</u>	<u>165.95%</u>	<u>76.73%</u>	<u>126.74%</u>	<u>103.00%</u>	<u>79.59%</u>

**Homewood Public Library District
Illinois Municipal Retirement Fund
Required Supplementary Information -
Multiyear Schedule of Contributions
Last 8 Fiscal Years**

Fiscal Year Ended June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2022	\$ 148,594	\$ 148,594	\$ -	\$ 858,466	17.31 %
2021	147,861	147,861	-	841,663	17.57
2020	130,506	130,506	-	860,552	15.17
2019	126,915	126,915	-	857,312	14.80
2018*	136,232	136,109	123	1,012,125	13.45
2017*	146,560	146,560	-	1,068,221	13.72
2016*	160,679	160,678	1	1,170,274	13.73
2015*	153,556	149,680	3,876	1,226,489	12.20

* - The years marked were reported as the calendar year ended. The District began reporting employer contributions on the fiscal year ended in 2019.

Notes to Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % of Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	5-Year Smoothed Market; 20% Corridor
Inflation	2.50%
Salary Increases	3.35% to 14.25% Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	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 was 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 the current IMRF experience.

Note: The Library will build a ten-year history prospectively.

See independent auditor's report and notes to required supplementary information.

**Homewood Public Library District
Multiyear Schedule of Changes in the Employer's Total OPEB Liability
and Related Ratios - Other Postemployment Plan
Last Four Fiscal Years**

	<u>2021</u>	<u>2019</u>
Total pension liability:		
Service cost	\$ 5,499	\$ 4,254
Interest on the total pension liability	2,384	2,972
Changes of benefit terms	-	-
Difference between expected and actual experience	(26,714)	-
Changes of assumptions	1,655	489
Benefit payments and refunds	(17,965)	(17,855)
Other	-	64
	<u> </u>	<u> </u>
Net changes in total pension liability	(35,141)	(10,076)
	<u> </u>	<u> </u>
Total OPEB liability - beginning	98,592	108,668
	<u> </u>	<u> </u>
Total OPEB liability - ending	<u>\$ 63,451</u>	<u>\$ 98,592</u>
	<u> </u>	<u> </u>
Covered valuation payroll	<u>\$ 761,316</u>	<u>\$ 693,893</u>
	<u> </u>	<u> </u>
Employer's total OPEB liability as a percentage of covered payroll	<u>8.33%</u>	<u>14.21%</u>

Note: The Library did not have valuations done in current year or 2020. It will build a ten-year history prospectively.

See independent auditor's report and notes to required supplementary information.

**Homewood Public Library District
Homewood, Illinois
Notes to Required Supplementary Information**

Budgets

The District annually adopts a budget for the General, Special Revenue, and Special Reserve (Capital Projects) Funds. The budget amounts presented in this report represent the originally adopted budget. The following procedures are used to establish the budget:

- Estimated revenues are based on amounts expected to be received during the fiscal year. Such estimates do not differ materially from a modified accrual basis of accounting.
- Appropriations are estimated based on anticipated cash needs for specifically identified projects.
- Appropriation amendments require the approval of the Board of Trustees.
- Unused appropriations lapse at year-end.
- State law requires that “expenditures be made in conformity with the appropriation/budget ordinance”. According to the Budget Act, transfers between line items, departments and funds may be made by Board action. Actual expenditures may not legally exceed budgeted amounts for each fund.

Actual expenditures of \$34,843 exceeded the budget of \$28,600 by \$6,243 in the Liability Insurance Fund.

**Homewood Public Library District
Special Reserve Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2022**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Investment income (loss)	\$ 3,000	\$ (21,749)	\$ (24,749)
Expenditures - none	-	-	-
Net changes in fund balance	<u>\$ 3,000</u>	<u>(21,749)</u>	<u>\$ (24,749)</u>
Fund balance, beginning of the year		<u>626,477</u>	
Fund balance, end of the year		<u>\$ 604,728</u>	

See independent auditor's report and accompanying notes to the required supplementary information.

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

**Homewood Public Library District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

	Illinois Municipal Retirement	Social Security
Assets		
Receivables:		
Property taxes	\$ 57,121	\$ 43,955
Prepaid expenses	-	-
Due from other funds	148,766	371,784
Total assets	\$ 205,887	\$ 415,739
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)		
Liabilities - due to other funds	\$ -	\$ -
Deferred inflows - property taxes	57,121	43,955
Total liabilities and deferred inflows	57,121	43,955
Fund balances (deficits):		
Nonspendable	-	-
Restricted:		
Insurance	-	-
Employee retirement	148,766	371,784
Unrestricted - assigned:		
Special reserve	-	-
Unassigned	-	-
Total fund balances (deficits)	148,766	371,784
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 205,887	\$ 415,739

See independent auditor's report.

Audit	Liability Insurance	Workers' Compensation and Unemployment Insurance	Total
\$ 3,292	\$ 12,392	\$ 781	\$ 117,541
-	15,635	-	15,635
-	-	24,411	544,961
\$ 3,292	\$ 28,027	\$ 25,192	\$ 678,137
\$ 2,627	\$ 40,299	\$ -	\$ 42,926
3,292	12,392	781	117,541
5,919	52,691	781	160,467
-	15,635	-	15,635
-	-	24,411	24,411
-	-	-	520,550
-	-	-	-
(2,627)	(40,299)	-	(42,926)
(2,627)	(24,664)	24,411	517,670
\$ 3,292	\$ 28,027	\$ 25,192	\$ 678,137

**Homewood Public Library District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits) - Nonmajor Governmental Funds
For the Year Ended June 30, 2022**

	<u>Illinois Municipal Retirement</u>	<u>Social Security</u>
Revenues:		
Taxes:		
Property	<u>\$ 108,094</u>	<u>\$ 83,706</u>
Total revenues	<u>108,094</u>	<u>83,706</u>
Expenditures:		
Culture and recreation	<u>148,606</u>	<u>81,860</u>
Total expenditures	<u>148,606</u>	<u>81,860</u>
Net changes in fund balances (deficits)	(40,512)	1,846
Fund balances (deficits), beginning of the year	<u>189,278</u>	<u>369,938</u>
Fund balances (deficits), end of the year	<u>\$ 148,766</u>	<u>\$ 371,784</u>

See independent auditor's report.

Audit	Liability Insurance	Workers' Compensation and Unemployment Insurance	Total
\$ 6,367	\$ 23,508	\$ 1,470	\$ 223,145
6,367	23,508	1,470	223,145
7,350	34,843	1,919	274,578
7,350	34,843	1,919	274,578
(983)	(11,335)	(449)	(51,433)
(1,644)	(13,329)	24,860	569,103
\$ (2,627)	\$ (24,664)	\$ 24,411	\$ 517,670

**Homewood Public Library District
 Illinois Municipal Retirement Fund
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 For the Year Ended June 30, 2022**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes			
Property	\$ 84,639	\$ 108,094	\$ 23,455
Expenditures:			
Culture and recreation:			
Welfare-pension - IMRF	153,155	148,606	4,549
Net changes in fund balance	\$ (68,516)	(40,512)	\$ 28,004
Fund balance, beginning of the year		189,278	
Fund balance, end of the year		\$ 148,766	

See independent auditor's report.

**Homewood Public Library District
Social Security Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2022**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes:			
Property	\$ 84,639	\$ 83,706	\$ (933)
Expenditures:			
Culture and recreation:			
Welfare-pension - FICA	91,057	81,860	9,197
Net changes in fund balance	\$ (6,418)	1,846	\$ 8,264
Fund balance, beginning of the year		369,938	
Fund balance, end of the year		\$ 371,784	

See independent auditor's report.

**Homewood Public Library District
Audit Fund
Schedule of Revenues, Expenditures and Changes in
Fund Deficit - Budget and Actual
For the Year Ended June 30, 2022**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes:			
Property	\$ 5,902	\$ 6,367	\$ 465
Expenditures:			
Culture and recreation:			
Contractual services	7,400	7,350	50
Net changes in fund deficit	<u>\$ (1,498)</u>	<u>(983)</u>	<u>\$ 515</u>
Fund deficit, beginning of the year		<u>(1,644)</u>	
Fund deficit, end of the year		<u>\$ (2,627)</u>	

See independent auditor's report.

**Homewood Public Library District
Liability Insurance Fund
Schedule of Revenues, Expenditures and Changes in
Fund Deficit - Budget and Actual
For the Year Ended June 30, 2022**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes			
Property	\$ 14,446	\$ 23,508	\$ 9,062
Expenditures:			
Culture and recreation:			
Insurance	28,600	34,843	(6,243)
Net changes in fund deficit	\$ (14,154)	(11,335)	\$ 2,819
Fund deficit, beginning of the year		(13,329)	
Fund deficit, end of the year		\$ (24,664)	

See independent auditor's report.

**Homewood Public Library District
Workers' Compensation and Unemployment Insurance Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2022**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes:			
Property	\$ -	\$ 1,470	\$ 1,470
Expenditures:			
Culture and recreation:			
Insurance	2,500	1,919	581
Net changes in fund balance	<u>\$ (2,500)</u>	<u>(449)</u>	<u>\$ 2,051</u>
Fund balance, beginning of the year		<u>24,860</u>	
Fund balance, end of the year		<u>\$ 24,411</u>	

See independent auditor's report.

SUPPLEMENTAL DATA

**Homewood Public Library District
Property Tax Assessed Valuations, Rates and Extensions
Last Ten Levy Years**

	2021		2020		2019		2018		2017	
Assessed Valuation	\$ 384,555,578		\$ 415,209,742		\$ 358,598,079		\$ 361,124,411		\$ 372,186,168	
	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount
Tax Extensions:										
Corporate	0.5810	\$ 2,234,453	0.5186	\$ 2,153,159	0.6000	\$ 2,151,588	0.5964	\$ 2,153,745	0.5437	\$ 2,023,494
IMRF	0.0295	113,443	0.0274	113,669	0.0245	88,022	0.0243	87,753	0.0387	144,200
Social Security	0.0227	87,294	0.0212	88,023	0.0245	88,023	0.0243	87,753	0.0208	77,250
Audit	0.0017	6,537	0.0016	6,695	0.0014	5,150	0.0014	5,055	0.0042	15,450
Liability Insurance	0.0064	24,611	0.0060	24,720	0.0043	15,450	0.0043	15,528	0.0097	36,050
Building and sites	0.0191	73,450	0.0173	71,772	0.0198	71,155	0.0196	70,780	0.0174	64,658
Unemployment insurance	0.0004	1,538	0.0004	1,545	0.0000	-	0.0000	-	0.0000	-
Total Tax Extensions	0.6608	\$ 2,541,326	0.5925	\$ 2,459,583	0.6745	\$ 2,419,388	0.6703	\$ 2,420,614	0.6345	\$ 2,361,102

* Property tax rates per \$100 of assessed valuation.

See independent auditor's report.

2016		2015		2014		2013		2012	
<u>\$ 336,484,951</u>		<u>\$ 317,131,679</u>		<u>\$ 327,584,466</u>		<u>\$ 343,351,423</u>		<u>\$ 367,955,809</u>	
Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount
0.5674	\$ 1,909,364	0.6000	\$ 1,902,790	0.6000	\$ 1,965,507	0.6000	\$ 2,060,109	0.5925	\$ 2,180,138
0.0627	211,062	0.0705	223,684	0.0566	185,400	0.0540	185,400	0.0498	183,241
0.0394	132,409	0.0437	138,705	0.0566	185,400	0.0540	185,400	0.0498	183,241
0.0034	11,536	0.0000	-	0.0000	-	0.0000	-	0.0000	-
0.0011	36,050	0.0000	-	0.0000	-	0.0000	-	0.0000	-
0.0189	69,526	0.0200	63,426	0.0200	65,517	0.0200	68,670	0.0198	72,855
0.0011	3,605	0.0000	-	0.0000	-	0.0000	-	0.0000	-
<u>0.6940 \$ 2,373,552</u>		<u>0.7342 \$ 2,328,605</u>		<u>0.7332 \$ 2,401,824</u>		<u>0.7280 \$ 2,499,579</u>		<u>0.7119 \$ 2,619,475</u>	