

**BARRINGTON PUBLIC  
LIBRARY DISTRICT**

**FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2018**



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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Barrington Public Library  
Barrington, Illinois

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Barrington Public Library District, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1C; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

### **Auditor's Responsibility**

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

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

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



## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Barrington Public Library District, as of June 30, 2018, and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the modified cash basis of accounting as described in Note 1C.

## **Basis of Accounting**

We draw attention to Note 1C of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the Barrington Public Library District's basic financial statements. The Management's Discussion and Analysis, Supplementary Information and Other Information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information, as listed in the table of contents, is the responsibility of management and was 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, aforementioned information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Management's Discussion and Analysis and Other Information, which are the responsibility of management, have 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.

*McClure, Ingersoll & Co., Chtd.*

October 8, 2018

BARRINGTON PUBLIC LIBRARY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2018

Management of the Barrington Public Library District (District) provides this narrative overview and analysis for the fiscal year ending June 30, 2018. It is recommended that readers consider this information in conjunction with the financial statements as a whole.

**Overview of the Financial Statements**

Management's discussion and analysis serves as an introduction to the District's financial statements which are prepared using the modified cash basis of accounting, which is a basis of accounting other than generally accepted accounting principles. The statements presented include Governmental Funds Balance Sheet and Statement of Net Position - Modified Cash Basis, Statement of Governmental Funds Revenues, Expenditures, and Changes in Fund Balances and Statement of Activities - Modified Cash Basis, and notes to the financial statements. The District qualifies as a special-purpose government engaged in only one governmental type activity allowing it to combine the fund and government-wide financial statements. This is done through the use of an adjustment column, on the face of the statements, which reconciles the fund based accounting policies to the government-wide statements.

**Financial Highlights**

The District's total net position as of June 30, 2018 and 2017 was \$21,454,316 and \$20,183,423 respectively. For the years ended June 30, 2018 and 2017, net position increased \$1,270,893 and \$970,443 respectively, as revenues exceeded expenses. The term "net position" represents the difference between total assets and total liabilities.

**Required Financial Statements**

The financial statements of the District are intended to provide the reader with an understanding of the financial position of the District as of the close of the fiscal year and the results of activities for the year then ended. The fund financial statements focus on current financial resources while government-wide financial statements are similar to a private-sector business.

The Governmental Funds Balance Sheet and Statement of Net Position – Modified Cash Basis provides information on the District's assets and liabilities. The difference between these two represents governmental fund balances for the current financial resources reporting and net position for the government-wide reporting. Increases in fund balances and net position occur when revenues exceed expenses. Information is presented for each major fund or group of funds and shows any restrictions on the fund or net position.

The Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance and Statement of Activities – Modified Cash Basis reflects the results of the District's revenues, expenditures and activities during the year and the corresponding effect on fund and net asset balances. This statement shows the source of District revenues and how those revenues were used to provide Library services.

Notes to the financial statements provide additional information that is essential for a full understanding of the information provided in the basic financial statements.

## Financial Analysis

Net position may serve, over time, as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$21,454,316 at the close of the fiscal year. A large portion of the District's net position reflects its investment in capital assets. The District uses these capital assets to provide services, and consequently these assets are not available to liquidate liabilities or for other spending.

### Condensed Statement of Net Position - Modified Cash Basis

|   | June 30,             |                      |
|---|----------------------|----------------------|
|   | 2018                 | 2017                 |
| Current Assets                                  | \$ 8,172,298         | \$ 6,845,031         |
| Capital Assets, net of accumulated depreciation | 13,286,076           | 13,838,392           |
| Total Assets                                    | <u>21,458,374</u>    | <u>20,683,423</u>    |
| Non-Current Liabilities                         | 4,058                | 500,000              |
| Total Liabilities                               | <u>4,058</u>         | <u>500,000</u>       |
| Net Position                                    |                      |                      |
| Net Investment in Capital Assets                | 13,286,076           | 13,338,392           |
| Restricted                                      | 1,969,355            | 1,858,488            |
| Unrestricted                                    | 6,198,885            | 4,986,543            |
| Total Net Position                              | <u>\$ 21,454,316</u> | <u>\$ 20,183,423</u> |

### Condensed Statement of Changes in Net Position - Modified Cash Basis

|                                 | For Years Ended June 30, |                      |
|---------------------------------|--------------------------|----------------------|
|                                 | 2018                     | 2017                 |
| Revenues                        |                          |                      |
| Property and Replacement Taxes  | \$ 7,397,271             | \$ 7,087,199         |
| Interest Income                 | 56,636                   | 10,544               |
| Fines, Fees and Other           | 116,581                  | 212,099              |
| Grants                          | 34,285                   | -                    |
| Donations                       | 149,484                  | 980                  |
| Total Revenues                  | <u>7,754,257</u>         | <u>7,310,822</u>     |
| Expenses                        |                          |                      |
| Personnel                       | 3,081,130                | 3,047,153            |
| Library Materials and Services  | 572,921                  | 504,032              |
| Administration and Operations   | 246,481                  | 261,343              |
| Professional Fees and Services  | 65,912                   | 56,513               |
| Capital Expenditures            | 238,895                  | 225,320              |
| FICA and IMRF                   | 504,698                  | 519,974              |
| Maintenance and Repairs         | 458,996                  | 457,859              |
| Other                           | 48,359                   | 55,132               |
| Depreciation                    | 1,196,536                | 1,178,604            |
| Loss on Disposal of Assets      | 69,436                   | 34,449               |
| Total Expenses                  | <u>6,483,364</u>         | <u>6,340,379</u>     |
| Change in Net Position          | 1,270,893                | 970,443              |
| Net Position, Beginning of Year | <u>20,183,423</u>        | <u>19,212,980</u>    |
| Net Position, End of Year       | <u>\$ 21,454,316</u>     | <u>\$ 20,183,423</u> |

The following is a summary of changes in fund balances for the year ended June 30, 2018:

| Governmental Funds                         | Fund Balance<br>June 30, 2017 | Increase<br>(Decrease) | Fund Balance<br>June 30, 2018 |
|--|-------------------------------|------------------------|-------------------------------|
| General                                    | \$ 4,681,320                  | \$ 1,147,583           | \$ 5,828,903                  |
| Special Reserve                            | 450,000                       | -                      | 450,000                       |
| Working Cash                               | 541,237                       | -                      | 541,237                       |
| Social Security and IMRF                   | 664,468                       | 88,939                 | 753,407                       |
| Audit                                      | 31,588                        | (8,378)                | 23,210                        |
| Liability Insurance                        | 14,786                        | (8,735)                | 6,051                         |
| Building Maintenance                       | 410,686                       | 108,867                | 519,553                       |
| Unemployment and Workmen's<br>Compensation | 50,946                        | (5,067)                | 45,879                        |
|  | <u>\$ 6,845,031</u>           | <u>\$ 1,323,209</u>    | <u>\$ 8,168,240</u>           |

The District is intentionally spending down certain special revenue fund balances.

### **Budgetary Highlights and Debt Administration**

The District's General Fund expended \$5,420,472 which was \$4,616,234 less than the appropriation of \$10,036,706. The appropriation sets the maximum spending limits for the fiscal year.

### **Capital Assets**

The following is a summary of capital assets as of June 30:

|                                   | 2018                 | 2017                 |
|-----------------------------------|----------------------|----------------------|
| Land                              | \$ 1,219,377         | \$ 1,219,377         |
| Land Improvements                 | 563,326              | 359,005              |
| Building                          | 15,785,651           | 15,869,598           |
| Furniture, Fixtures and Equipment | 2,856,321            | 2,815,584            |
| Books and Library Materials       | <u>2,767,435</u>     | <u>2,935,013</u>     |
| Cost of Capital Assets            | 23,192,110           | 23,198,577           |
| Less Accumulated Depreciation     | <u>9,906,034</u>     | <u>9,360,185</u>     |
| Net Capital Assets                | <u>\$ 13,286,076</u> | <u>\$ 13,838,392</u> |

Significant capital asset additions during the year include parking lot renovation, equipment, and library materials. Debt certificates of \$500,000 were retired during the year ended June 30, 2018. Additional information regarding the District's capital assets can be found in Note 4 and the District's debt in Note 5, both found on page 12.

### **Description of Current or Expected Conditions**

Other than an extensive parking lot renovation in the coming fiscal year, management is not aware of any changes in conditions that could have a significant effect on the financial position or results of activities of the District in the near future.

### **Requests for Information**

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to the Executive Director, Barrington Public Library District, 505 N. Northwest Highway, Barrington, Illinois 60010.

## BASIC FINANCIAL STATEMENTS



BARRINGTON PUBLIC LIBRARY DISTRICT

GOVERNMENTAL FUNDS BALANCE SHEET AND  
STATEMENT OF NET POSITION -  
MODIFIED CASH BASIS

JUNE 30, 2018

|   | GENERAL<br>FUND     | SOCIAL<br>SECURITY<br>AND IMRF<br>FUND | OTHER<br>FUNDS      | TOTAL               | ADJUSTMENTS<br>(Note 11) | STATEMENT<br>OF NET POSITION |
|---|---------------------|--|---------------------|---------------------|--------------------------|------------------------------|
| <b>ASSETS</b>                                   |                     |  |                     |                     |                          |                              |
| Cash and Investments                            | \$ 5,832,961        | \$ 753,407                             | \$ 1,585,930        | \$ 8,172,298        | \$ -                     | \$ 8,172,298                 |
| Capital Assets, Net of Accumulated Depreciation | -                   | -                                      | -                   | -                   | 13,286,076               | 13,286,076                   |
| Total Assets                                    | <u>\$ 5,832,961</u> | <u>\$ 753,407</u>                      | <u>\$ 1,585,930</u> | <u>\$ 8,172,298</u> | <u>13,286,076</u>        | <u>21,458,374</u>            |
| <b>LIABILITIES</b>                              |                     |  |                     |                     |                          |                              |
| Payroll Withholding                             | \$ 4,058            | \$ -                                   | \$ -                | \$ 4,058            | -                        | 4,058                        |
| Long-Term Liabilities                           |                     |  |                     |                     |                          |                              |
| Due within one year                             | -                   | -                                      | -                   | -                   | -                        | -                            |
| Total Liabilities                               | <u>4,058</u>        | <u>-</u>                               | <u>-</u>            | <u>4,058</u>        | <u>-</u>                 | <u>4,058</u>                 |
| <b>FUND BALANCES / NET POSITION</b>             |                     |  |                     |                     |                          |                              |
| <b>Fund Balances</b>                            |                     |  |                     |                     |                          |                              |
| Restricted by Donors                            | 80,018              | -                                      | -                   | 80,018              | (80,018)                 | -                            |
| Restricted for Statutory Purposes               | -                   | 753,407                                | 1,135,930           | 1,889,337           | (1,889,337)              | -                            |
| Committed for Capital Projects                  | -                   | -                                      | 450,000             | 450,000             | (450,000)                | -                            |
| Assigned for Library Materials                  | 91,873              | -                                      | -                   | 91,873              | (91,873)                 | -                            |
| Assigned to Next Year                           | 3,243,323           | -                                      | -                   | 3,243,323           | (3,243,323)              | -                            |
| Unassigned                                      | 2,413,689           | -                                      | -                   | 2,413,689           | (2,413,689)              | -                            |
| Total Fund Balances                             | <u>5,828,903</u>    | <u>753,407</u>                         | <u>1,585,930</u>    | <u>8,168,240</u>    | <u>(8,168,240)</u>       | <u>-</u>                     |
| Total Liabilities and Fund Balances             | <u>\$ 5,832,961</u> | <u>\$ 753,407</u>                      | <u>\$ 1,585,930</u> | <u>\$ 8,172,298</u> |                          |                              |
| <b>Net Position</b>                             |                     |  |                     |                     |                          |                              |
| Net Investment in Capital Assets                |                     |  |                     |                     | 13,286,076               | 13,286,076                   |
| Restricted                                      |                     |  |                     |                     | 1,969,355                | 1,969,355                    |
| Unrestricted                                    |                     |  |                     |                     | 6,198,885                | 6,198,885                    |
| Total Net Position                              |                     |  |                     |                     | <u>\$ 21,454,316</u>     | <u>\$ 21,454,316</u>         |

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

BARRINGTON PUBLIC LIBRARY DISTRICT

GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES AND STATEMENT OF ACTIVITIES -  
MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2018

|  | GENERAL<br>FUND     | SOCIAL<br>SECURITY<br>AND IMRF<br>FUND | OTHER<br>FUNDS      | TOTAL               | ADJUSTMENTS<br>(Note 11) | STATEMENT<br>OF ACTIVITIES |
|--|---------------------|--|---------------------|---------------------|--------------------------|----------------------------|
| <b>REVENUES</b>  |                     |  |                     |                     |                          |                            |
| Property Taxes   | \$ 6,174,596        | \$ 590,107                             | \$ 590,207          | \$ 7,354,910        | \$ -                     | \$ 7,354,910               |
| State Replacement Taxes                                      | 42,361              | -                                      | -                   | 42,361              | -                        | 42,361                     |
| Interest Income  | 50,748              | 3,530                                  | 2,358               | 56,636              | -                        | 56,636                     |
| Fines, Fees and Other  | 116,581             | -                                      | -                   | 116,581             | -                        | 116,581                    |
| Grants   | 34,285              | -                                      | -                   | 34,285              | -                        | 34,285                     |
| Donations  | 149,484             | -                                      | -                   | 149,484             | -                        | 149,484                    |
| Total Revenues   | <u>6,568,055</u>    | <u>593,637</u>                         | <u>592,565</u>      | <u>7,754,257</u>    | <u>-</u>                 | <u>7,754,257</u>           |
| <b>EXPENDITURES / EXPENSES</b>                               |                     |  |                     |                     |                          |                            |
| Personnel  | 3,081,130           | -                                      | -                   | 3,081,130           | -                        | 3,081,130                  |
| Library Materials and Services                               | 925,277             | -                                      | -                   | 925,277             | (352,356)                | 572,921                    |
| Administration and Operations                                | 123,647             | -                                      | 122,834             | 246,481             | -                        | 246,481                    |
| Professional Fees and Services                               | 65,912              | -                                      | -                   | 65,912              | -                        | 65,912                     |
| Capital Expenditures   | 600,195             | -                                      | -                   | 600,195             | (361,300)                | 238,895                    |
| FICA and IMRF  | -                   | 504,698                                | -                   | 504,698             | -                        | 504,698                    |
| Audit  | -                   | -                                      | 11,970              | 11,970              | -                        | 11,970                     |
| Liability Insurance  | -                   | -                                      | 20,135              | 20,135              | -                        | 20,135                     |
| Maintenance and Repairs                                      | 120,305             | -                                      | 338,691             | 458,996             | -                        | 458,996                    |
| Unemployment and Workmen's Compensation                      | -                   | -                                      | 12,248              | 12,248              | -                        | 12,248                     |
| Principal and Interest Expense                               | 504,006             | -                                      | -                   | 504,006             | (500,000)                | 4,006                      |
| Depreciation   | -                   | -                                      | -                   | -                   | 1,196,536                | 1,196,536                  |
| Loss on Disposal of Assets                                   | -                   | -                                      | -                   | -                   | 69,436                   | 69,436                     |
| Total Expenditures / Expenses                                | <u>5,420,472</u>    | <u>504,698</u>                         | <u>505,878</u>      | <u>6,431,048</u>    | <u>52,316</u>            | <u>6,483,364</u>           |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | 1,147,583           | 88,939                                 | 86,687              | 1,323,209           | (1,323,209)              | -                          |
| Change in Net Position                                       | -                   | -                                      | -                   | -                   | 1,270,893                | 1,270,893                  |
| <b>FUND BALANCES / NET POSITION</b>                          |                     |  |                     |                     |                          |                            |
| Beginning of Year  | <u>4,681,320</u>    | <u>664,468</u>                         | <u>1,499,243</u>    | <u>6,845,031</u>    | <u>13,338,392</u>        | <u>20,183,423</u>          |
| End of Year  | <u>\$ 5,828,903</u> | <u>\$ 753,407</u>                      | <u>\$ 1,585,930</u> | <u>\$ 8,168,240</u> | <u>\$ 13,286,076</u>     | <u>\$ 21,454,316</u>       |

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

# BARRINGTON PUBLIC LIBRARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Barrington Public Library District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units (except for the basis of accounting as described in Note 1C). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

#### A. Reporting Entity

The District's reporting entity includes all entities for which the District exercised oversight responsibility as defined by the GASB.

The District has developed criteria to determine whether outside agencies should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District (1) selects the governing authority or management, (2) has the ability to significantly influence operations, or (3) has accountability for fiscal matters (e.g., final budget approval, responsibility for funding deficits, management of assets, etc.). Using these criteria, the District has not included in its financial statements the activities of any other entity.

#### B. Basis of Presentation

The government-wide and fund financial statements are combined, with a reconciliation shown between them.

The Governmental Funds Balance Sheet and Statement of Net Position-Modified Cash Basis and Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, and Statement of Activities-Modified Cash Basis combines information about the reporting government as a whole and funds statements to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain District functions or activities.

Major individual governmental funds are reported as separate columns in the fund financial statements. The major funds are the General and the Social Security/IMRF fund. Following is a description of major and non-major funds.

General Fund Type - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund Type - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

restricted to expenditures for specified purposes. The special revenue funds of the District are: Social Security and IMRF, Audit, Liability Insurance, Building Maintenance, Unemployment and Workmen's Compensation Insurance and Working Cash.

Capital Projects Fund Type - The Capital Projects Funds are used to account for the acquisitions of capital assets. The Capital Project Fund of the District is the Special Reserve Fund.

### C. Basis of Accounting

The government-wide statements (the Statement of Net Position-Modified Cash Basis and the Statement of Activities-Modified Cash Basis) are prepared using the economic resources measurement focus and the fund financial statements (the Governmental Funds Balance Sheet and Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances) are prepared using the current financial measurement focus.

These financial statements are prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles, whereby certain revenues and the related assets are recognized when received rather than when earned, and certain expenditures and the related liabilities are recognized when paid rather than when the obligations are incurred.

### D. Budgets

Budgets are adopted on a modified cash basis. Annual appropriated budgets are adopted for the general, special revenue and debt service funds. All annual appropriations lapse at fiscal year end.

### E. Cash and Investments

Cash includes amounts in demand and time deposits and certificates of deposit. Investments include money market mutual funds, negotiable certificates of deposit, U.S. Treasury securities and U.S. Government Agency securities.

Illinois Revised Statutes authorize the District to invest in securities guaranteed by the full faith and credit of the United States of America, interest-bearing savings accounts, certificates of deposit or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act, the State Treasurer's investment pool (authorized by ILCS 30, 235-2, e), and other permitted investments under paragraph 902, chapter 85 of the Statutes as amended by Public Act 86-426.

Investments are carried at cost, which approximates fair market value. The District plans to hold the investments to maturity.

### F. Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### *Government-wide Statements*

In the government-wide financial statements capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

|                                   |             |
|-----------------------------------|-------------|
| Land Improvements                 | 15-40 years |
| Building                          | 20-40 years |
| Furniture, Fixtures and Equipment | 5-20 years  |
| Vehicle                           | 8 years     |
| Books and Library Materials       | 5-7 years   |

The minimum capitalization threshold is any item with a total cost greater than \$2,500.

### *Fund Financial Statements*

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

## G. Fund Equity

The Library follows GASB statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-spendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The board of trustees establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as Special Reserve Fund expenditures). An assigned fund balance is established by the board of trustees through adoption or amendment of the budget as intended for specific purpose (but is neither restricted nor committed).

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the District’s policy concerning which to apply first varies with the intended use and legal requirements. Management typically makes this decision on a transactional basis at the incurrence of the expenditure.

H. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits. At year-end, the carrying amount of the District's deposits, excluding petty cash of \$800, was \$7,213,721 and the bank balance was \$7,592,566. Of the bank balance, \$625,547 was covered by federal depository insurance and \$6,967,019 was collateralized with securities held by the pledging financial institution’s trust department or agent in the District’s name.

Included in deposits is a certificate of deposit (CD) with a maturity of three months and a balance of \$249,460 as of June 30, 2018. It bears an interest rate of .25%. The CD is held in the MaxSafe program administered by Barrington Bank and is invested in one of the 15 banks in the Wintrust Financial Corporation.

Investments. At year-end, the District’s investment balances were as follows:

| INVESTMENT                           | WEIGHTED<br>AVERAGE<br>MATURITY<br>(IN MONTHS) | WEIGHTED<br>AVERAGE<br>RATE | COST              | FAIR VALUE        |
|--------------------------------------|--|-----------------------------|-------------------|-------------------|
| U.S. Treasury Securities             | 10.7   | 1.44%                       | \$ 179,926        | \$ 178,542        |
| U.S. Government<br>Agency Securities | 13.8   | 1.59%                       | 360,374           | 356,416           |
| Negotiable Certificates              | 15.2   | 1.27%                       | <u>417,477</u>    | <u>413,421</u>    |
|                                      |  |                             | <u>\$ 957,777</u> | <u>\$ 948,379</u> |

Negotiable Certificates. The District has investments in negotiable certificates of deposit at various banks. Each certificate is a marketable security that can be actively traded. The District has the ability and intent to hold each certificate to maturity. Each certificate is fully covered by federal depository insurance.



NOTE 3 – PROPERTY TAX REVENUE RECOGNITION

Property taxes for 2017 are attached as an enforceable lien on January 1, 2017. They were levied in September and November 2017 by passage of Tax Levy Ordinances. Tax bills are prepared by the Counties and are issued and payable in two installments, in the spring and fall. The Counties collect such taxes and remit them periodically during the period of March through November. Property tax revenues are recognized on the cash basis and consist of tax receipts from the 2016 and 2017 tax levies.

NOTE 4 – CAPITAL ASSETS

The following is a summary of changes in the capital assets during the fiscal year:

|   | Balance<br>June 30, 2017 | Increases    | (Decreases) | Balance<br>June 30, 2018 |
|---|--------------------------|--------------|-------------|--------------------------|
| Capital assets, not being depreciated       |                          |              |             |                          |
| Land  | \$ 1,219,377             | \$ -         | \$ -        | \$ 1,219,377             |
| Capital assets, being depreciated           |                          |              |             |                          |
| Land Improvement                            | 359,005                  | 204,321      | -           | 563,326                  |
| Building                                    | 15,869,598               | -            | (83,947)    | 15,785,651               |
| Furniture, Fixtures and Equipment           | 2,815,584                | 156,979      | (116,242)   | 2,856,321                |
| Books and Library Materials                 | 2,935,013                | 352,356      | (519,934)   | 2,767,435                |
| Total capital assets being depreciated      | 21,979,200               | 713,656      | (720,123)   | 21,972,733               |
| Less accumulated depreciation for           |                          |              |             |                          |
| Land Improvement                            | 240,657                  | 17,763       | -           | 258,420                  |
| Building and Improvements                   | 6,435,315                | 390,956      | (24,352)    | 6,801,919                |
| Furniture, Fixtures and Equipment           | 1,111,931                | 226,060      | (106,401)   | 1,231,590                |
| Books and Library Materials                 | 1,572,282                | 561,757      | (519,934)   | 1,614,105                |
| Total accumulated depreciation              | 9,360,185                | 1,196,536    | (650,687)   | 9,906,034                |
| Total capital assets being depreciated, net | 12,619,015               | (482,880)    | (69,436)    | 12,066,699               |
| Capital assets, net                         | \$ 13,838,392            | \$ (482,880) | \$ (69,436) | \$ 13,286,076            |

NOTE 5 – LONG-TERM DEBT

The District secured four-\$500,000 debt certificates totaling \$2,000,000, from a bank, dated June 27, 2013. The certificates were obtained to provide funding for the building renovation project. The terms are as follows:

|   | BALANCE<br>JULY 1,<br>2017 | ADDITIONS | REDUCTIONS   | BALANCE<br>JUNE 30,<br>2018 | AMOUNTS<br>DUE IN ONE<br>YEAR |
|---|----------------------------|-----------|--------------|-----------------------------|-------------------------------|
| \$500,000 Debt Certificate maturing December 1, 2017 with an interest rate of 1.40% | \$ 500,000                 | \$ -      | \$ (500,000) | \$ -                        | \$ -                          |

Interest expense for the year ended June 30, 2018 was \$4,006.

## NOTE 6 – DEFINED BENEFIT PENSION PLAN

*Plan Description:* The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

*Funding Policy:* As set by statute, the District's Regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2017 was 11.61%. 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Annual Pension Cost:* For fiscal year ended June 30, 2018, the District's required and actual contributions for pension cost for the Regular plan were \$294,446.

If the District's financial statements were presented on the accrual basis of accounting, the financial statements and footnotes would include additional information including:

- a) Actuarial assumptions
- b) Net pension obligation
- c) Deferred outflows and deferred inflows

Since the District presents its financial statements on the modified cash basis of accounting, this information is not included in the financial statements nor disclosed in the footnotes.

## NOTE 7 – OTHER POSTEMPLOYMENT BENEFITS

The District participates in a cost-sharing multiple employer defined benefit other post-employment benefit plan administered by Wellness Insurance Network (WIN). The District is required to offer employees, who are IMRF vested, continued health insurance participation upon termination of employment. The departing employee pays the entire health insurance premium and therefore there is no explicit subsidy. There is no implicit rate subsidy liability reflected in these financial statements since the District presents its financial statements on the modified cash basis of accounting.

## NOTE 8 – DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all permanent District employees at their option, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation are held in trust (until paid or made available to the employee or other beneficiary). The deferred compensation is not subject to the claims of the District's creditors.

## NOTE 9 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. As such, the District carries commercial insurance for all risks of loss with the exception of unemployment and Directors and Officers Insurance, which is covered by Library Insurance Management and Risk Control Combination (see below). Settled claims resulting from these risks have historically not exceeded insurance coverage in the past three years and there have been no significant reductions in coverage.

The District also participates in a public entity risk pool (the pool) for unemployment and Directors and Officers Insurance coverage. The District is responsible for quarterly payments and the pool is responsible for administering the program. If funds in the program are insufficient in the judgment of the pool, then the pool may assess the member's additional equal payments.

## NOTE 10 – FUND BALANCES

The General Fund has a restricted fund balance of \$80,018 arising from donations to the District that are restricted by the donors for specific uses.

The Board of Trustees has assigned \$91,873 of the General Fund balance for specific library materials. This designation arose from unrestricted donations to the District.

The General Fund has \$3,243,323 assigned to next year. This amount represents the receipts from the 2017 property tax levy received as of June 30, 2018 that will be used to pay for cash disbursements made after June 30, 2018.

## NOTE 11 – ADJUSTMENTS

Amounts reported in the statement of net position are different from the governmental fund balance sheet because:

|  |                      |
|--|----------------------|
| Capital assets used in governmental activities are not financial resources and therefore are not capitalized in the funds. | <u>\$ 13,286,076</u> |
|--|----------------------|

The governmental funds report capital outlays as expenditures. In the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. The amount by which depreciation exceeded capital outlay is \$482,880 (\$1,196,536 less \$713,656). The loss on disposal of assets of \$69,436 is reflected as an expense in the statement of activities. The principal debt payment of \$500,000 is eliminated as an expense from the statement of activities.

## NOTE 12 – COMMITMENTS

In May 2018, the Board approved and signed a \$450,000 contract to renovate a portion of the parking lot. The project occurred subsequent to June 30, 2018 and was paid out of reserves.

**SUPPLEMENTARY INFORMATION**

BARRINGTON PUBLIC LIBRARY DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES AND EXPENDITURES -  
ESTIMATED RECEIPTS AND APPROPRIATIONS COMPARED TO ACTUAL -  
MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2018

|  | APPROPRIATION-<br>ORIGINAL<br>AND FINAL | ACTUAL              | VARIANCE            |
|--|---|---------------------|---------------------|
| <b>REVENUES</b>  |   |                     |                     |
| Property Taxes   | \$ 5,986,055                            | \$ 6,174,596        | \$ 188,541          |
| State Replacement Taxes                                      | 35,000                                  | 42,361              | 7,361               |
| Interest Income  | 2,500                                   | 50,748              | 48,248              |
| Fines, Fees and Other  | 122,700                                 | 116,581             | (6,119)             |
| Grants   | 34,000                                  | 34,285              | 285                 |
| Donations  | 1,500                                   | 149,484             | 147,984             |
|  | <u>6,181,755</u>                        | <u>6,568,055</u>    | <u>386,300</u>      |
| <b>EXPENDITURES</b>  |   |                     |                     |
| Personnel  | 3,950,000                               | 3,081,130           | 868,870             |
| Library Materials and Services                               | 1,482,500                               | 925,277             | 557,223             |
| Administration and Operations                                | 362,000                                 | 123,647             | 238,353             |
| Professional Fees and Services                               | 190,000                                 | 65,912              | 124,088             |
| Capital Expenditures   | 3,368,106                               | 600,195             | 2,767,911           |
| Maintenance and Repairs                                      | 180,000                                 | 120,305             | 59,695              |
| Principal Payments   | 500,000                                 | 500,000             | -                   |
| Interest Expense   | 4,100                                   | 4,006               | 94                  |
|  | <u>10,036,706</u>                       | <u>5,420,472</u>    | <u>4,616,234</u>    |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>\$ (3,854,951)</u>                   | <u>\$ 1,147,583</u> | <u>\$ 5,002,534</u> |

Note: Budgets are adopted on the modified cash basis of accounting. All appropriations lapse at fiscal year end.

BARRINGTON PUBLIC LIBRARY DISTRICT

SOCIAL SECURITY AND IMRF FUND

SCHEDULE OF REVENUES AND EXPENDITURES -  
ESTIMATED RECEIPTS AND APPROPRIATIONS COMPARED TO ACTUAL -  
MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2018

|  | APPROPRIATION-<br>ORIGINAL<br>AND FINAL | ACTUAL                      | VARIANCE                    |
|--|---|-----------------------------|-----------------------------|
|  | <u>                    </u>             | <u>                    </u> | <u>                    </u> |
| <b>REVENUES</b>  |   |                             |                             |
| Property Taxes   | \$ 584,783                              | \$ 590,107                  | \$ 5,324                    |
| Interest Income  | 25                                      | 3,530                       | 3,505                       |
|  | <u>584,808</u>                          | <u>593,637</u>              | <u>8,829</u>                |
| <b>EXPENDITURES</b>  |   |                             |                             |
| IMRF   | 450,000                                 | 294,446                     | 155,554                     |
| Social Security  | 250,000                                 | 170,400                     | 79,600                      |
| Medicare   | 65,000                                  | 39,852                      | 25,148                      |
|  | <u>765,000</u>                          | <u>504,698</u>              | <u>260,302</u>              |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>\$ (180,192)</u>                     | <u>\$ 88,939</u>            | <u>\$ 269,131</u>           |



BARRINGTON PUBLIC LIBRARY DISTRICT

GENERAL FUND

STATEMENT OF CASH DISBURSEMENTS -  
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2018

|   | <u>WORKING<br/>BUDGET</u> | <u>ACTUAL</u>    | <u>VARIANCE</u> |
|---|---------------------------|------------------|-----------------|
| <b>PERSONNEL</b>  |                           |                  |                 |
| Salaries  | \$ 2,953,729              | \$ 2,785,020     | \$ 168,709      |
| Training  | 64,335                    | 61,795           | 2,540           |
| Insurance   | 300,000                   | 199,748          | 100,252         |
| Staff Meetings and Travel                               | 55,315                    | 34,567           | 20,748          |
|   | <u>3,373,379</u>          | <u>3,081,130</u> | <u>292,249</u>  |
| <b>LIBRARY MATERIALS AND SERVICES</b>                   |                           |                  |                 |
| Books   | 425,000                   | 395,155          | 29,845          |
| Periodicals   | 28,752                    | 25,355           | 3,397           |
| Audiovisual Material                                    | 244,867                   | 223,134          | 21,733          |
| Electronic Information                                  | 184,812                   | 180,952          | 3,860           |
| Special Library Programs                                | 56,375                    | 49,912           | 6,463           |
| Book Processing Supplies and<br>On-Line Computer Center | 55,870                    | 49,342           | 6,528           |
| Realia  | 2,000                     | 1,427            | 573             |
|   | <u>997,676</u>            | <u>925,277</u>   | <u>72,399</u>   |
| <b>ADMINISTRATION AND OPERATIONS</b>                    |                           |                  |                 |
| Circulation Supplies                                    | 7,350                     | 3,970            | 3,380           |
| Collection Agency                                       | 2,000                     | 1,190            | 810             |
| Office Expense  | 55,150                    | 39,573           | 15,577          |
| Postage   | 8,000                     | 1,363            | 6,637           |
| Promotional and Display Materials                       | 24,115                    | 20,599           | 3,516           |
| Rental Expense  | 2,040                     | 2,040            | -               |
| Insurance   | 31,000                    | 28,315           | 2,685           |
| Security  | 1,420                     | 1,362            | 58              |
| Telephone   | 27,520                    | 24,963           | 2,557           |
| Items Purchased and Resold                              | 200                       | 272              | (72)            |
|   | <u>158,795</u>            | <u>123,647</u>   | <u>35,148</u>   |
| <b>PROFESSIONAL FEES AND SERVICES</b>                   |                           |                  |                 |
| Legal Fees and Expense                                  | 23,000                    | 21,660           | 1,340           |
| Architect, Engineer and Consultant                      | 69,900                    | 42,120           | 27,780          |
| Trustee Expense   | 2,000                     | 2,132            | (132)           |
|   | <u>94,900</u>             | <u>65,912</u>    | <u>28,988</u>   |

(Continued)

GENERAL FUND STATEMENT OF CASH DISBURSEMENTS -  
 BUDGET AND ACTUAL (Continued)

|                                | <u>WORKING<br/>BUDGET</u> | <u>ACTUAL</u>       | <u>VARIANCE</u>     |
|--------------------------------|---------------------------|---------------------|---------------------|
| <b>CAPITAL EXPENDITURES</b>    |                           |                     |                     |
| Capital Expenditures           | \$ 1,360,835              | \$ 600,195          | \$ 760,640          |
|                                | <u>1,360,835</u>          | <u>600,195</u>      | <u>760,640</u>      |
| <b>MAINTENANCE AND REPAIRS</b> |                           |                     |                     |
| Maintenance and Repair         | 125,277                   | 119,705             | 5,572               |
| Piano Expenditures             | 450                       | 600                 | (150)               |
|                                | <u>125,727</u>            | <u>120,305</u>      | <u>5,422</u>        |
| <b>DEBT CERTIFICATES</b>       |                           |                     |                     |
| Principal                      | 500,000                   | 500,000             | -                   |
| Interest                       | 4,100                     | 4,006               | 94                  |
|                                | <u>504,100</u>            | <u>504,006</u>      | <u>94</u>           |
|                                | <u>\$ 6,615,412</u>       | <u>\$ 5,420,472</u> | <u>\$ 1,194,940</u> |

BARRINGTON PUBLIC LIBRARY DISTRICT

OTHER FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES -  
MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2018

|   | <u>SPECIAL<br/>RESERVE</u> | <u>WORKING<br/>CASH</u> | <u>BUILDING<br/>MAINTENANCE</u> | <u>AUDIT</u>     | <u>LIABILITY<br/>INSURANCE</u> | <u>UNEMPLOYMENT<br/>AND<br/>WORKMEN'S<br/>COMPENSATION</u> | <u>TOTAL</u>        |
|---|----------------------------|-------------------------|---------------------------------|------------------|--------------------------------|--|---------------------|
| <b>REVENUES</b>                         |                            |                         |                                 |                  |                                |  |                     |
| Property Taxes                          | \$ -                       | \$ -                    | \$ 568,035                      | \$ 3,592         | \$ 11,399                      | \$ 7,181   | \$ 590,207          |
| Interest Income                         | -                          | -                       | 2,357                           | -                | 1                              | -  | 2,358               |
| Total Revenues                          | -                          | -                       | 570,392                         | 3,592            | 11,400                         | 7,181  | 592,565             |
| <b>EXPENDITURES</b>                     |                            |                         |                                 |                  |                                |  |                     |
| Building Maintenance                    | -                          | -                       | 461,525                         | -                | -                              | -  | 461,525             |
| Audit                                   | -                          | -                       | -                               | 11,970           | -                              | -  | 11,970              |
| Liability Insurance                     | -                          | -                       | -                               | -                | 20,135                         | -  | 20,135              |
| Unemployment and Workmen's Compensation | -                          | -                       | -                               | -                | -                              | 12,248   | 12,248              |
| Total Expenditures                      | -                          | -                       | 461,525                         | 11,970           | 20,135                         | 12,248   | 505,878             |
| Net Change in Fund Balances             | -                          | -                       | 108,867                         | (8,378)          | (8,735)                        | (5,067)  | 86,687              |
| <b>FUND BALANCES</b>                    |                            |                         |                                 |                  |                                |  |                     |
| Beginning of Year                       | 450,000                    | 541,237                 | 410,687                         | 31,588           | 14,786                         | 50,945   | 1,499,243           |
| End of Year                             | <u>\$ 450,000</u>          | <u>\$ 541,237</u>       | <u>\$ 519,554</u>               | <u>\$ 23,210</u> | <u>\$ 6,051</u>                | <u>\$ 45,878</u>   | <u>\$ 1,585,930</u> |

BARRINGTON PUBLIC LIBRARY DISTRICT  
SCHEDULE OF GENERAL PROPERTY TAX DATA

JUNE 30, 2018

|                  | Assessed<br>Valuations | Tax Rates | Tax Extensions      | Tax Collections     |
|------------------|------------------------|-----------|---------------------|---------------------|
| <u>2017 LEVY</u> |                        |           |                     |                     |
| County           |                        |           |                     |                     |
| Lake             | \$ 1,500,680,253       | .216694   | \$ 3,251,884        | \$ 1,860,796        |
| Cook             | 1,501,630,309          | .230      | 3,453,750           | 1,796,654           |
| McHenry          | 172,084,090            | .227299   | 391,144             | 220,889             |
| Kane             | 1,628,176              | .217605   | 3,543               | 1,772               |
|                  |                        |           | <u>\$ 7,100,321</u> | <u>\$ 3,880,111</u> |
| <u>2016 LEVY</u> |                        |           |                     |                     |
| County           |                        |           |                     |                     |
| Lake             | \$ 1,454,954,678       | .220329   | \$ 3,205,687        | \$ 3,189,183        |
| Cook             | 1,443,057,447          | .231      | 3,333,463           | 3,216,496           |
| McHenry          | 162,784,129            | .222653   | 362,444             | 361,945             |
| Kane             | 1,576,468              | .218983   | 3,452               | 3,452               |
|                  |                        |           | <u>\$ 6,905,046</u> | <u>\$ 6,771,076</u> |
| <u>2015 LEVY</u> |                        |           |                     |                     |
| County           |                        |           |                     |                     |
| Lake             | \$ 1,383,922,516       | .225412   | \$ 3,119,527        | \$ 3,115,787        |
| Cook             | 1,238,107,885          | .266      | 3,293,367           | 3,227,517           |
| McHenry          | 152,127,651            | .222345   | 338,248             | 338,272             |
| Kane             | 1,477,200              | .219863   | 3,248               | 3,400               |
|                  |                        |           | <u>\$ 6,754,390</u> | <u>\$ 6,684,976</u> |
| <u>2014 LEVY</u> |                        |           |                     |                     |
| County           |                        |           |                     |                     |
| Lake             | \$ 1,352,499,860       | .230740   | \$ 3,120,758        | \$ 3,113,352        |
| Cook             | 1,263,324,516          | .258      | 3,259,060           | 3,196,395           |
| McHenry          | 145,800,618            | .251769   | 367,080             | 366,337             |
| Kane             | 1,435,406              | .231628   | 3,327               | 3,328               |
|                  |                        |           | <u>\$ 6,750,225</u> | <u>\$ 6,679,412</u> |
| <u>2013 LEVY</u> |                        |           |                     |                     |
| County           |                        |           |                     |                     |
| Lake             | \$ 1,369,570,891       | .228      | \$ 3,122,622        | \$ 3,111,880        |
| Cook             | 1,251,358,269          | .248      | 3,103,368           | 2,862,903           |
| McHenry          | 152,785,524            | .18710    | 285,866             | 284,837             |
| Kane             | 1,480,374              | .219863   | 3,255               | 3,255               |
|                  |                        |           | <u>\$ 6,515,111</u> | <u>\$ 6,262,875</u> |
| <u>2012 LEVY</u> |                        |           |                     |                     |
| County           |                        |           |                     |                     |
| Lake             | \$ 1,440,586,525       | .213      | \$ 3,068,449        | \$ 3,062,751        |
| Cook             | 1,383,160,260          | .223      | 3,084,447           | 3,008,265           |
| McHenry          | 169,228,575            | .20062    | 339,503             | 338,627             |
| Kane             | 1,614,543              | .195257   | 3,153               | 3,152               |
|                  |                        |           | <u>\$ 6,495,552</u> | <u>\$ 6,412,795</u> |

**OTHER INFORMATION**

BARRINGTON PUBLIC LIBRARY DISTRICT

MULTI-YEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

CALENDAR YEAR ENDED DECEMBER 31,

|  | <u>2017</u>          | <u>2016</u>          | <u>2015</u>          | <u>2014</u>          |
|--|----------------------|----------------------|----------------------|----------------------|
| <b>Total Pension Liability</b>   |                      |                      |                      |                      |
| Service Cost   | \$ 254,423           | \$ 251,975           | \$ 247,152           | \$ 257,275           |
| Interest on the Total Pension Liability                                | 1,163,873            | 1,125,747            | 1,082,675            | 983,312              |
| Benefit Changes  |                      | -                    | -                    | -                    |
| Difference between Expected and Actual Experience                      | 352,968              | (22,035)             | (8,231)              | 227,073              |
| Assumption Changes   | (522,170)            | (35,432)             | 16,961               | 581,126              |
| Benefit Payments and Refunds   | (941,588)            | (764,953)            | (726,654)            | (672,571)            |
| Net Change in Total Pension Liability                                  | 307,506              | 555,302              | 611,903              | 1,376,215            |
| Total Pension Liability - Beginning                                    | <u>15,861,891</u>    | <u>15,306,589</u>    | <u>14,694,686</u>    | <u>13,318,471</u>    |
| Total Pension Liability - Ending (a)                                   | <u>\$ 16,169,397</u> | <u>\$ 15,861,891</u> | <u>\$ 15,306,589</u> | <u>\$ 14,694,686</u> |
| <b>Plan Fiduciary Net Position</b>                                     |                      |                      |                      |                      |
| Employer Contributions   | \$ 294,651           | \$ 323,136           | \$ 306,708           | \$ 290,536           |
| Employee Contributions   | 114,206              | 111,941              | 117,541              | 105,823              |
| Pension Plan Net Investment Income                                     | 2,423,696            | 921,391              | 65,364               | 760,879              |
| Benefit Payments and Refunds   | (941,588)            | (764,953)            | (726,654)            | (672,571)            |
| Other  | (150,466)            | 63,249               | 275,529              | 127,782              |
| Net Change in Plan Fiduciary Net Position                              | 1,740,499            | 654,764              | 38,488               | 612,449              |
| Plan Fiduciary Net Position - Beginning                                | <u>13,917,227</u>    | <u>13,262,463</u>    | <u>13,223,975</u>    | <u>12,611,526</u>    |
| Plan Fiduciary Net Position - Ending (b)                               | <u>\$ 15,657,726</u> | <u>\$ 13,917,227</u> | <u>\$ 13,262,463</u> | <u>\$ 13,223,975</u> |
| Net Pension Liability/(Asset) - Ending (a) - (b)                       | <u>\$ 511,671</u>    | <u>\$ 1,944,664</u>  | <u>\$ 2,044,126</u>  | <u>\$ 1,470,711</u>  |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 96.84%               | 87.74%               | 86.65%               | 89.99%               |
| Covered Valuation Payroll  | \$ 2,537,908         | \$ 2,487,575         | \$ 2,407,438         | \$ 2,263,821         |
| Net Pension Liability as a Percentage of Covered Valuation Payroll     | 20.16%               | 78.18%               | 84.91%               | 64.97%               |

Note: This is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.



BARRINGTON PUBLIC LIBRARY DISTRICT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS

| Calendar<br>Year<br>Ended<br>December 31, | Actuarially<br>Determined<br>Contribution | Actual<br>Contribution | Contribution<br>Deficiency<br>(Excess) | Covered<br>Valuation<br>Payroll | Actual Contribution<br>as a Percentage<br>of Covered<br>Valuation Payroll |
|---|---|------------------------|--|---------------------------------|---|
| 2017                                      | \$ 294,654                                | \$ 294,651             | \$ -                                   | \$ 2,537,908                    | 11.61%  |
| 2016                                      | 323,136                                   | 323,136                | -                                      | 2,487,575                       | 12.99%  |
| 2015                                      | 306,708                                   | 306,708                | -                                      | 2,407,438                       | 12.74%  |
| 2014                                      | 284,562                                   | 290,536                | (5,974)                                | 2,263,821                       | 12.83%  |

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2017 Contribution Rate\*

Valuation Date

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

Methods and Assumptions Used to Determine 2017 Contribution Rates

|                               |   |
|-------------------------------|---|
| Actuarial Cost Method         | Aggregate entry age = normal  |
| Amortization Method           | Level percentage of payroll, closed   |
| Remaining Amortization Period | 26-year closed period   |
| Asset Valuation Method        | 5-year smoothed market; 20% corridor  |
| Wage Growth                   | 3.5%  |
| Price Inflation               | 2.75%, approximate; No explicit price inflation assumption is used in this valuation.   |
| Salary Increases              | 3.75% to 14.5%, including inflation   |
| Investment Rate of Return     | 7.50%   |
| Retirement Age                | Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013. |
| Mortality                     | RP-2014 Blue Collar Health Annuitant Mortality Table and RP-2014 (base year 2012) Disabled Mortality Table with adjustments to match current IMRF experience.                           |

Other Information

Notes There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2015, actuarial valuation

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.