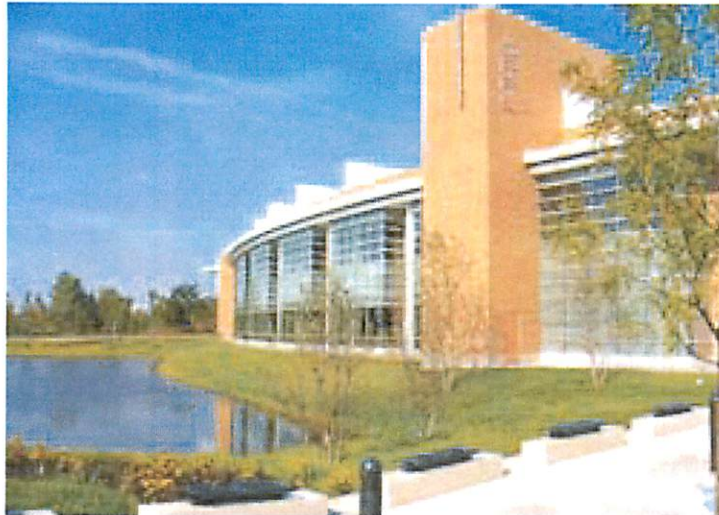


ORLAND PARK PUBLIC LIBRARY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015



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INDEPENDENT AUDITOR'S REPORT

Board of Library Trustees
Orland Park Public Library
Orland Park, Illinois

We have audited the accompanying financial statements of the governmental activities and each major and non-major fund of Orland Park Public Library, a component unit of the Village of Orland Park, Illinois, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major and non-major fund of the Orland Park Public Library, as of December 31, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Notes to the financial statements 1L, 6 and 10 the Library has adopted new accounting guidance GASB Statement 68, Accounting and Financial Reporting for Pensions. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information on pages 3 through 5 and 20 through 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Orland Park Public Library's basic financial statements as a whole. The accompanying financial information listed as additional information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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.

M. Clure, Insena + Co., Ltd.

June 3, 2016

ORLAND PARK PUBLIC LIBRARY
MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2015

Management of Orland Park Public Library provides this narrative overview and analysis for the year ending December 31, 2015. 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 Library's financial statements. The statements presented include a Governmental Funds Balance Sheet and Statement of Net Position, a Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and Statement of Activities, and notes to the financial statements. The Library qualifies as a special-purpose governmental entity 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 Library's total net position as of December 31, 2015 and 2014 were \$22,133,166 and \$22,487,882 respectively. For the years ended December 31, 2015 and 2014, net position decreased \$354,716 and \$387,840 respectively. The term "net position" represents the difference between total assets/deferred outflows of resources and total liabilities/deferred inflows of resources.

Financial Statements

The financial statements of the Library are intended to provide the reader with an understanding of the financial position of the Library 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 provides information on the Library's assets/deferred outflows of resources and liabilities/deferred inflows of resources. 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 expenditures/expenses. Information is presented for each fund 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 reflects the results of the Library's revenues, expenditures and activities during the year and the corresponding effect on fund and net position balances. This statement shows the source of Library revenues and how those revenues were used to provide Library services.

Notes to the financial statements provide additional information that is essential to a full understanding of the information provided in the basic financial statements. Required Supplementary Information consists of a retirement fund schedule of funding progress schedule of the Library's proportionate share of the Net Pension Liability and a comparison of estimated receipts and appropriation to actual revenues and expenditures for the general fund.

Financial Analysis

Net position may serve, over time, as a useful indicator of a government's financial position. The Library's assets/deferred outflows of resources exceeded liabilities/deferred inflows of resources by \$22,133,166 as of the close of the year. Of the net position balance, \$5,985,782 is unrestricted, \$577,064 is restricted, and \$15,570,320 is invested in capital assets.

Condensed Statement of Net Position

	December 31,	
	2015	2014
Assets		
Current Assets	\$ 13,714,879	\$ 13,010,619
Capital Assets, net of accumulated depreciation	15,570,320	16,123,453
Total Assets	29,285,199	29,134,072
Deferred Outflows of Resources	498,792	-
Total Assets, Deferred Outflows of Resources	29,783,991	29,134,072
Liabilities		
Current Liabilities	71,265	51,593
Non-Current Liabilities	818,249	17,027
Total Liabilities	889,514	68,620
Deferred Inflows of Resources	6,761,311	6,577,570
Net Position		
Net Investment in Capital Assets	15,570,320	16,123,453
Restricted	577,064	601,665
Unrestricted	5,985,782	5,762,764
Total Net Position	\$ 22,133,166	\$ 22,487,882

Condensed Statement of Activities

	For the Years Ended December 31,	
	2015	2014
Revenues		
Property and Replacement Taxes	\$ 6,608,724	\$ 6,173,285
Grants	70,959	76,832
Interest Income	15,583	13,100
Gifts	26,769	16,634
Fines, Fees and Other	136,688	135,731
Total Revenues	6,858,723	6,415,582
Expenses		
Staff	2,749,223	2,612,204
Library Materials	592,920	558,236
Contractual Services	301,777	432,424
Physical Facilities	362,095	397,365
Development	99,757	96,520
Supplies	65,613	55,568
Other Expenses	1,513	1,976
IMRF and FICA	701,662	374,628
Audit	9,800	9,700
Insurance	46,292	40,083
Debt Service	1,629,976	1,623,343
Special Reserve	-	14,438
Capital Campaign	324	465
Loss on Disposal of Assets	837	-
Depreciation	591,346	586,472
Total Expenses	7,153,135	6,803,422
Change in Net Position	(294,412)	(387,840)
Net Position,		
Beginning of Year, As Originally Stated	22,487,882	22,875,722
Cumulative Effect of Change in Accounting Principle	(60,304)	-
Beginning of Year, As Restated	22,427,578	22,875,722
End of Year	\$ 22,133,166	\$ 22,487,882

The following is a summary of changes in fund balances for the year ended December 31, 2015:

<u>Governmental Funds</u>	<u>Fund Balance December 31, 2014</u>	<u>Increase (Decrease)</u>	<u>Fund Balance December 31, 2015</u>
General	\$ 5,198,631	\$ 535,371	\$ 5,734,002
Special Reserve	666,832	2,903	669,735
Capital Campaign	66,061	567	66,628
Debt Service	449,932	34,257	484,189
Total Fund Balances	<u>\$ 6,381,456</u>	<u>\$ 573,098</u>	<u>\$ 6,954,554</u>

Budgetary Highlight

The Library's General Fund expended \$4,655,325, which was \$537,152 less than the appropriation of \$5,192,477 for the year ended December 31, 2015. The appropriation sets the maximum spending limit for the fiscal year.

Capital Assets and Debt Administration

The following is a summary of capital assets:

	<u>December 31,</u>	
	<u>2015</u>	<u>2014</u>
Land	\$ 200,000	\$ 200,000
Artwork	62,702	62,702
Software	172,261	172,261
Building and Improvements	21,061,285	21,061,285
Furniture & Equipment	187,141	158,135
Vehicles	21,027	21,027
Cost of Capital Assets	21,704,416	21,675,410
Less Accumulated Depreciation	6,134,096	5,551,957
Net Capital Assets	<u>\$ 15,570,320</u>	<u>\$ 16,123,453</u>

During 2015, the Library refurbished the furniture in Adult Services. The Library paid the Village of Orland Park \$1,629,976 of principal and interest on bonds the Village issued to construct the Library that were refinanced in February 2010. As of December 31, 2015, the Library portion of the refunding bonds outstanding was \$7,190,000. See Notes 4 and 5 on pages 13 and 14 for more information on capital assets and debt.

Description of Current or Expected Conditions

Presently, management is not aware of any significant changes in conditions that could have a significant effect on the financial position or results of activities of the Library in the near future.

Requests for Information

This financial report is designed to provide a general overview of the Library's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Library Director, Orland Park Public Library, 14921 Ravinia Avenue, Orland Park, Illinois 60462.

BASIC FINANCIAL STATEMENTS

ORLAND PARK PUBLIC LIBRARY
GOVERNMENTAL FUNDS BALANCE SHEET
AND STATEMENT OF NET POSITION

DECEMBER 31, 2015

	GENERAL FUND	SPECIAL RESERVE FUND	CAPITAL CAMPAIGN FUND	DEBT SERVICE FUND	TOTAL	ADJUSTMENTS (Note 9)	STATEMENT OF NET POSITION
ASSETS							
Cash and Cash Investments	\$ 5,700,317	\$ 664,753	\$ 66,628	\$ 502,962	\$ 6,934,660	\$ -	\$ 6,934,660
Property Taxes Receivable	5,043,367	-	-	1,645,693	6,689,060	-	6,689,060
Prepaid Expenses	73,449	-	-	-	73,449	-	73,449
Interest Receivable	11,860	4,982	-	868	17,710	-	17,710
Capital Assets, net of accumulated depreciation	-	-	-	-	-	15,570,320	15,570,320
Total Assets	10,828,993	669,735	66,628	2,149,523	13,714,879	15,570,320	29,285,199
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Outflows Related to Pension (IMRF)	-	-	-	-	-	498,792	498,792
Total Assets and Deferred Outflows of Resources	\$ 10,828,993	\$ 669,735	\$ 66,628	\$ 2,149,523	\$ 13,714,879	16,069,112	29,783,991
LIABILITIES							
Accounts Payable	\$ 51,624	\$ -	\$ -	\$ -	\$ 51,624	-	51,624
Due to Primary Government	-	-	-	19,641	19,641	-	19,641
Accrued Compensated Absences, Long-term	-	-	-	-	-	16,250	16,250
Net Pension Obligation, Long-term	-	-	-	-	-	801,999	801,999
Total Liabilities	51,624	-	-	19,641	71,265	818,249	889,514
DEFERRED INFLOWS OF RESOURCES							
Deferred Property Taxes	5,043,367	-	-	1,645,693	6,689,060	-	6,689,060
Deferred Items Related to Pensions (IMRF)	-	-	-	-	-	72,251	72,251
Total Deferred Inflows of Resources	5,043,367	-	-	1,645,693	6,689,060	72,251	6,761,311
FUND BALANCES / NET POSITION							
Fund Balances							
Nonspendable	73,449	-	-	-	73,449	(73,449)	-
Restricted By Donors	-	-	66,628	-	66,628	(66,628)	-
Restricted for Statutory Purposes	26,247	-	-	484,189	510,436	(510,436)	-
Committed for Capital Projects	-	669,735	-	-	669,735	(669,735)	-
Unassigned	5,634,306	-	-	-	5,634,306	(5,634,306)	-
Total Fund Balances	5,734,002	669,735	66,628	484,189	6,954,554	(6,954,554)	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 10,828,993	\$ 669,735	\$ 66,628	\$ 2,149,523	\$ 13,714,879		
Net Position							
Net Investment in Capital Assets						15,570,320	15,570,320
Restricted						577,064	577,064
Unrestricted						5,985,782	5,985,782
Total Net Position						\$ 22,133,166	\$ 22,133,166

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

ORLAND PARK PUBLIC LIBRARY

GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES AND STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

	GENERAL FUND	SPECIAL RESERVE FUND	CAPITAL CAMPAIGN FUND	DEBT SERVICE FUND	TOTAL	ADJUSTMENTS (Note 9)	STATEMENT OF ACTIVITIES
REVENUES							
Property Taxes	\$ 4,932,064	\$ -	\$ -	\$ 1,661,404	\$ 6,593,468	\$ -	\$ 6,593,468
State Replacement Taxes	15,256	-	-	-	15,256	-	15,256
Grants	70,959	-	-	-	70,959	-	70,959
Fines and Fees	126,257	-	-	-	126,257	-	126,257
Gifts	14,758	-	825	-	15,583	-	15,583
Interest Income	20,971	2,903	66	2,829	26,769	-	26,769
Miscellaneous	10,431	-	-	-	10,431	-	10,431
Total Revenues	5,190,696	2,903	891	1,664,233	6,858,723	-	6,858,723
EXPENDITURES / EXPENSES							
Staff	2,750,000	-	-	-	2,750,000	(777)	2,749,223
Library Materials	592,920	-	-	-	592,920	-	592,920
Contractual Services	301,777	-	-	-	301,777	-	301,777
Physical Facilities	401,145	-	314	-	401,459	(39,050)	362,409
Furniture and Equipment	-	-	-	-	-	-	-
Development	99,757	-	-	-	99,757	-	99,757
Supplies	65,613	-	10	-	65,623	-	65,623
IMRF Pension	211,603	-	-	-	211,603	315,154	526,757
Contribution to FICA	174,905	-	-	-	174,905	-	174,905
Audit	9,800	-	-	-	9,800	-	9,800
Insurance	46,292	-	-	-	46,292	-	46,292
Other Expenses	1,513	-	-	-	1,513	-	1,513
Debt Service Paid to Primary Government	-	-	-	1,629,976	1,629,976	-	1,629,976
Loss on Disposal of Assets	-	-	-	-	-	837	837
Depreciation	-	-	-	-	-	591,346	591,346
Total Expenditures / Expenses	4,655,325	-	324	1,629,976	6,285,625	867,510	7,153,135
Excess (Deficiency) of Revenues Over (Under) Expenditures	535,371	2,903	567	34,257	573,098	(867,510)	-
OTHER FINANCING SOURCES (USES)							
Transfers In (Out)	-	-	-	-	-	-	-
Net Change in Fund Balances	535,371	2,903	567	34,257	573,098	(573,098)	-
Change in Net Position						(294,412)	(294,412)
FUND BALANCES / NET POSITION							
Beginning of Year, as Originally Stated	5,198,631	666,832	66,061	449,932	6,381,456	16,106,426	22,487,882
Cummulative Effect of Change in Accounting Principle						(60,304)	(60,304)
Beginning of Year, As Restated	5,198,631	666,832	66,061	449,932	6,381,456	16,046,122	22,427,578
End of Year	\$ 5,734,002	\$ 669,735	\$ 66,628	\$ 484,189	\$ 6,954,554	\$ 15,178,612	\$ 22,133,166

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

ORLAND PARK PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Orland Park Public Library (Library) have been prepared in conformity with U.S. generally accepted accounting principles as applied to government units. 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 Library's accounting policies are described below.

A. Reporting Entity

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

The Library 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 Library (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 Library has not included in its financial statements the activities of any other entity.

The Library is a component unit of the Village of Orland Park (Village).

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 and Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and Statement of Activities combine 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 Library functions or activities.

Based on relative dollar values it has been determined that General and Debt Service are major funds and Special Reserve and Capital Campaign are non-major funds of the Library. Following is a description of the funds.

General Fund – The General Fund is the operating fund of the Library. It is used to account for all financial resources not accounted for in some other fund.

Special Reserve and Capital Campaign – These funds are used to account for the acquisition or construction of capital assets and for restricted contributions.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Debt Service Fund – This fund accounts for the monies received (primarily taxes) and payments made, to retire bond debt incurred by the Village on behalf of the Library.

C. Basis of Accounting

The government-wide statements (the Statement of Net Position and the Statement of Activities) are prepared using the economic resources measurement focus and the accrual basis of accounting. 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 and are accounted for using the modified accrual basis of accounting. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or within sixty days after the year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

The Library recognizes property taxes receivable during the fiscal year in which the taxes are levied and become a legal claim of the Library. However, property taxes are not recognized as revenue until the subsequent year when the property taxes are extended by Cook and Will Counties and remitted to the Library. Therefore, the 2015 levy is deferred and all of the 2014 levy which is collected in 2015 is recognized as revenue. Expenditures are recognized when the related obligations are incurred.

D. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted for the general fund. All annual budget amounts lapse at fiscal year end.

A proposed budget is prepared annually and made available for public inspection at least thirty days prior to a public hearing and formal adoption. The Library may make transfers among the various items in any fund not exceeding, in the aggregate, ten percent of the total budget for a particular fund. The budget may be amended in other ways by the same procedures required for its original adoption.

E. Deposits and Investments

Cash includes amounts in demand deposits, money market accounts and certificates of deposits. The vast majority of funds are invested with PMA Financial Network, Inc. which maintains a money market account and purchases certificates of deposit for the Library.

Illinois Revised Statutes authorize the Library 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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 may only be made in banks that are insured by the Federal Deposit Insurance Corporation.

Investments are stated at cost, which approximates fair market value, and consist of The Illinois Funds (fair value equals value of pool shares). Oversight of The Illinois Funds is performed by the State of Illinois Treasurer’s office.

F. Capital Assets

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

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:

Building	15-40 years
Equipment	5-15 years
Software	5 years
Vehicles	5 years

The minimum capitalization threshold is any item with a total cost greater than \$10,000.

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. Deferred Outflows and Inflows of Resources

Deferred outflows of resources related to pension expense represent amounts related to the differences between expected and actual experience, changes in assumptions, the net difference between projected and actual earnings on pension plan investments and post measurement date payments. See Note 6 for additional information on these deferred outflows.

Deferred inflows of resources consists of two items. Deferred property taxes do not fit the definition of a liability, that is, the use of resources to satisfy an obligation. Rather deferred property taxes represent a future recognition of revenue, therefore are classified as deferred inflows of resources. Deferred inflows related to pensions represents differences between expected and actual experience.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Fund Equity

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 prepaid expenses) 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 (such as amounts committed for capital projects); 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 amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. An assigned fund balance is established by the board of trustees through adoption or amendment of the budget as intended for specific purpose.

When fund balance resources are available for a specific purpose in more than one classification, it is the Library's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

I. Compensated Absences

It is the Library's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. No liability is reported for unpaid accumulated sick leave since it does not vest. Vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a liability in the government-wide statements.

J. 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 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Defined Benefit Pension Plan (IMRF)

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Library has elected to use a December 31, 2014 measurement date. All IMRF liabilities, assets and deferred inflows and outflows are measured as of that date. This measurement date conforms to the requirements of GASB 68.

L. Implementation of New Accounting Standard

In 2015, the Library adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Adoption of GASB No. 68 resulted in a restatement of beginning net position, which is described further in Note 10. In addition, the Statement changed the requirements for information disclosed in the footnotes to the financial statements and information required to be presented as required supplementary information.

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits. At year-end, the carrying amount of the Library's deposits was \$6,540,325, excluding petty cash of \$300, and the bank balance was \$6,573,114. Of the bank balance, \$5,986,385 was covered by federal depository insurance and \$586,729 was covered by a letter of credit. Included in deposits are certificates of deposit (CD's) totaling \$5,746,858. CD's terms are generally less than one year. Interest rates on CD's held at year end range from .12% to .851%.

Investments. The Library's investments are in The Illinois Funds. The monies invested by the individual participants are pooled together and invested in U.S. Treasury bills, and notes backed by the full faith and credit of the U.S. Treasury. In addition, monies are invested in fully collateralized time deposits in Illinois financial institutions, in collateralized repurchase agreements, and in treasury mutual funds that invest in U.S. Treasury obligations and collateralized repurchase agreements. The funds are readily available to the Library on demand which thereby reduces any interest rate risk to a negligible level. The Illinois Funds is an "AAAm" rated fund. The carrying amount of deposits in The Illinois Funds at December 31, 2015 was \$394,035.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the Library's deposits may not be returned. The Library's investment policy protects it from custodial risk by requiring funds on deposit in excess of FDIC limits to be secured by collateral.

Concentration of Credit Risk – The Library's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific issues of securities.

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Interest Rate Risk – The Library’s investment policy addresses interest rate risk by requiring that investments be diversified and reviewed for concentration in maturity.

NOTE 3 – PROPERTY TAXES

The Village of Orland Park passed its 2015 Tax Levy Ordinance on December 7, 2015, which included the Library’s tax levy. Property Taxes for 2015 attached as an enforceable lien on property as of January 1, 2015. Taxes are payable in two installments generally on or around March 1 and August 1. As such, significant tax monies are received by the counties between March and August and they remit them to the library periodically. Substantially all of the 2014 taxes were collected by year end and within 60 days after year end. The 2015 levy is reflected as both a receivable and as deferred inflow of resources. The Library has estimated they will fully collect the 2015 levy.

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015 was as follows:

	Balance December 31, 2014	Increases	Decreases	Balance December 31, 2015
Capital assets, not being depreciated				
Land	\$ 200,000	\$ -	\$ -	\$ 200,000
Artwork	62,702	-	-	62,702
Total capital assets not being depreciated	262,702	-	-	262,702
Capital assets, being depreciated				
Building and Improvements	21,061,285	-	-	21,061,285
Furniture & Equipment	158,135	39,050	(10,044)	187,141
Software	172,261	-	-	172,261
Vehicles	21,027	-	-	21,027
Total capital assets being depreciated	21,412,708	39,050	(10,044)	21,441,714
Less accumulated depreciation for				
Building and Improvements	(5,422,538)	(529,494)	-	(5,952,032)
Furniture & Equipment	(50,585)	(27,400)	9,207	(68,778)
Software	(57,807)	(34,452)	-	(92,259)
Vehicles	(21,027)	-	-	(21,027)
Total accumulated depreciation	(5,551,957)	(591,346)	9,207	(6,134,096)
Total capital assets being depreciated, net	15,860,751	(552,296)	(837)	15,307,618
Capital assets, net	\$ 16,123,453	\$ (552,296)	\$ (837)	\$ 15,570,320

NOTE 5 – LONG-TERM DEBT

Long-term liabilities consisted of the following general obligation bonds and pension obligation:

- a. General Obligation Bonds. The Village of Orland Park issued general obligation bonds Series 2002A to provide funds for the acquisition, construction, and renovation of the Library facility. On February 17, 2010 the Village of Orland Park refunded the Series 2002A bonds and issued new bonds. Listed below are the details of these bonds. The

NOTE 5 – LONG-TERM DEBT (Continued)

Library levies for principal and interest on these bonds and remits payment to the Village for the required amounts. The liability for these bonds is not reflected in the Library’s financial statements, but rather in the Village statements since they are the debt’s obligor.

Annual debt service requirements to maturity for the General Obligation Bonds are as follows:

Year Ended December 31,	Principal	Interest	Total
2016	\$ 1,410,000	\$ 235,693	\$ 1,645,693
2017	1,490,000	193,393	1,683,393
2018	1,520,000	144,968	1,664,968
2019	885,000	95,568	980,568
2020	490,000	66,805	556,805
2021	515,000	50,145	565,145
2022	<u>880,000</u>	<u>32,120</u>	<u>912,120</u>
	<u>\$ 7,190,000</u>	<u>\$ 818,692</u>	<u>\$ 8,008,692</u>

b. Net pension obligation recorded as of December 31, 2015 under GASB 68.

	Balance December 31, 2014	Additions	Reductions	Balance December 31, 2015	Amounts Due In One Year
a. \$13,785,000 thirteen-year General Obligation Refunding Bonds, Series 2010 dated February 1, 2010 with remaining interest rates from 2.75% - 3.65%	\$ 8,550,000	\$ -	\$ 1,360,000	\$ 7,190,000	\$ 1,410,000
b. Net Pension Obligation	<u>-</u>	<u>801,999</u>	<u>-</u>	<u>801,999</u>	<u>-</u>
	<u>\$ 8,550,000</u>	<u>\$ 801,999</u>	<u>\$ 1,360,000</u>	<u>\$ 7,991,999</u>	<u>\$ 1,410,000</u>

NOTE 6 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description: The Library’s defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Library’s plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. It is a cost sharing plan with the Village of Orland Park. 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 required supplementary information. That report may be obtained on-line at www.imrf.org. The Library participates in IMRF through the Village of Orland Park.

Benefits Provided: IMRF has three benefit plans. All three IMRF benefit plans have two tiers. The Library participates in the Regular Plan (RP). Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who

NOTE 6 – DEFINED BENEFIT PENSION PLAN (Continued)

retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of services, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Contributions: As set by statute, the Library's Regular plan members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Library's annual required contribution rate for calendar years 2015 and 2014, were 12.59% and 13.06%, respectively. For calendar years 2015 and 2014, the Library contributed \$211,603 and \$207,315, respectively, to the plan. The Library 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.

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

At December 31, 2015, the Library reported a liability of \$801,999 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability was based on a projection of the Library's long-term share of the contributions to the pension plan relative to the projected contributions the IMRF plan of the Village of Orland Park actuarially determined. At December 31, 2014, the Library's proportion was 10 percent, which was an increase of .4% from its proportion measured as of December 31, 2013.

For the year ended December 31, 2015, the Library recognized pension expense of \$526,757. At December 31, 2015, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 6 – DEFINED BENEFIT PENSION PLAN (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 72,251
Changes of assumptions	212,936	-
Net difference between projected and actual earnings on pension plan investments	74,253	-
Changes in proportion and differences between Library contributions and proportionate share of contributions	-	-
Library contributions subsequent to the measurement date	211,603	-
Total	\$ 498,792	\$ 72,251

Deferred outflows of resources related to pensions resulting from Library contributions subsequent to the measurement date of \$211,603 are recognized as a reduction of the net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2016	\$ 58,137
2017	58,137
2018	58,137
2019	40,527
2020	-
Thereafter	-
	<u>\$ 214,938</u>

Actuarial assumptions: The total pension liability reported as of December 31, 2015 using the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Inflation	3.50%
Salary Increases	3.75% to 14.50%, including inflation
Investment Rate of Return	7.49%

Retirement age was based on experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an actuarial experience study for the period 2011-2013.

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). 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-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year

NOTE 6 – DEFINED BENEFIT PENSION PLAN (Continued)

2014). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

There were no benefit changes during the year.

The *long-term expected rate of return* on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equities	38%	7.60%
International Equities	17	7.80%
Fixed Income	27	3.00%
Real Estate	8	6.15%
Alternative Investments	9	5.25-8.50%
Cash Equivalents	1	2.25%
Total	<u>100%</u>	

Discount Rate: A Single Discount Rate of 7.49% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members’ contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.56%, and the resulting single discount rate is 7.49%.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the plan’s net pension liability, calculated using a Single Discount Rate of 7.49%, as well as what the plan’s net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

NOTE 6 – DEFINED BENEFIT PENSION PLAN (Continued)

	1% Lower (6.49%)	Current (7.49%)	1% Higher (8.49%)
Library's proportionate share of Net Pension Liability (Asset)	\$ <u>1,937,439</u>	\$ <u>801,999</u>	\$ <u>(125,431)</u>

Pension plan fiduciary net position: Detailed information about pension plan's fiduciary net position is available in the separately issued IMRF financial report.

NOTE 7 – DEFERRED COMPENSATION PLAN

The Village of Orland Park offers the Library employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full time Village and Library employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The plan assets are held in a trust. As such, plan assets are not subject to the claims of general creditors of the Library or Village.

NOTE 8 – RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Library carries commercial insurance.

NOTE 9 – ADJUSTMENTS

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

Capital assets used in governmental activities are not financial resources and therefore are not capitalized in the funds.	\$ 15,570,320
Deferred outflows related to pensions.	498,792
Long-term liabilities are not due and payable in the current period and therefore they are not reported in the governmental funds balance sheet: Accrued Compensated Absences.	(16,250)
Net pension obligation.	(801,999)
Deferred inflows related to pensions.	<u>(72,251)</u>
	<u>\$ 15,178,612</u>

Amounts reported on the statement of activities are different from governmental funds statement of revenues, expenditures and changes in fund balances because:

The government funds report capital outlays as expenditures; however, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense and loss on disposal of assets exceeded net capital asset purchases (\$591,346 and \$837 less \$39,050).	\$ 553,133
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NOTE 9 – ADJUSTMENTS (Continued)

Recording the changes in the net pension obligation on the government-wide statements increasing pension expense.	315,154
Changes in compensated absences	<u>(777)</u>
	<u>\$ 867,510</u>

NOTE 10 – CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE

A prior period adjustment reducing net position at the beginning of the year was made to recognize the cumulative effect of a change in accounting principle. GASB 68 was required to be implemented this year. The net pension obligation less net deferred outflows related to pensions as of December 31, 2014 in the amount of \$60,304 (\$529,771 net pension obligation less \$469,467 net deferred outflows related to pensions) was recorded due to the implementation of GASB 68 this year. The effect on net position in the current year for this change in accounting principle is \$315,154.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

The Library is a consortium member defending against property tax appeals from various Orland Park businesses. Although the outcome of these appeals is not presently determinable, it is the opinion of the management in consultation with legal counsel, that the final settlements will not result in a material adverse effect on the financial position of the Library.

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS

In addition to providing pension benefits through IMRF, the Library is obligated to provide certain health care insurance benefits for retired employees through participation in the Village of Orland Park's health insurance plan. The retiree pays the entire health insurance premium and therefore there is no explicit subsidy. Based on the prior year actuarial valuation, any potential implicit subsidy is immaterial and therefore not reflected in the Library's financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

ORLAND PARK PUBLIC LIBRARY

**SCHEDULE OF THE LIBRARY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY**

ILLINOIS MUNICIPAL RETIREMENT FUND

	<u>2014</u>
Library's proportion of the net pension liability	10.0%
Library's proportionate share of the net pension liability	\$ 801,999
Library's covered-employee payroll	\$ 1,587,406
Library's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	50.5%
Plan fiduciary net position as a percentage of the total pension liability	90.0%

ORLAND PARK PUBLIC LIBRARY

SCHEDULE OF LIBRARY'S CONTRIBUTIONS

ILLINOIS MUNICIPAL RETIREMENT FUND

Calendar Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Valuation Payroll	Contributions as a Percentage of Covered-Valuation Payroll
2014	\$ 207,315	\$ 207,315	\$ -	\$ 1,587,406	13.06%

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2014 Contribution Rate**

Valuation Date: 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 2014 Contribution Rates:

Actuarial Cost Method: Aggregate entry age = normal
Amortization Method: Level percentage of payroll, closed
Remaining Amortization Period: 29-year closed period
Asset Valuation Method: 5-year smoothed market; 20% corridor
Wage Growth: 4%
Price Inflation: 3%, approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases: 4.40% to 16%, 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 2011 valuation pursuant to an experience study of the period 2008 to 2010.
Mortality: RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92 percent of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2012, actuarial valuation; note two year lag between valuation and rate setting.

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

ORLAND PARK PUBLIC LIBRARY

GENERAL FUND

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

FOR THE YEAR ENDED DECEMBER 31, 2015

	Estimated Receipts and Appropriations		
	Original and Final	Actual	Variance
REVENUES			
Property Taxes	\$ 4,984,477	\$ 4,932,064	\$ (52,413)
Replacement Taxes	10,000	15,256	5,256
Grants	75,000	70,959	(4,041)
Fines and Fees	93,000	126,257	33,257
Gifts	10,000	14,758	4,758
Interest Income	10,000	20,971	10,971
Miscellaneous	10,000	10,431	431
Total Revenues	<u>5,192,477</u>	<u>5,190,696</u>	<u>(1,781)</u>
EXPENDITURES			
Staff	2,922,138	2,750,000	172,138
Library Materials	683,000	592,920	90,080
Contractual Services	426,300	301,777	124,523
Physical Facilities	488,000	401,145	86,855
Development	128,844	99,757	29,087
Supplies	83,000	65,613	17,387
Contribution to IMRF	214,413	211,603	2,810
Contribution to FICA	188,182	174,905	13,277
Audit	10,100	9,800	300
Insurance	46,000	46,292	(292)
Other Expenses	2,500	1,513	987
Total Expenditures	<u>5,192,477</u>	<u>4,655,325</u>	<u>537,152</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	535,371	535,371
OTHER FINANCING SOURCES (USES)			
Transfers In (Out)	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 535,371</u>	<u>\$ 535,371</u>

ADDITIONAL INFORMATION

ORLAND PARK PUBLIC LIBRARY

GENERAL FUND

STATEMENT OF EXPENDITURES -
BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
STAFF			
Salaries	\$ 2,373,813	\$ 2,228,312	\$ 145,501
Salaries - Maintenance	106,076	106,047	29
Life/Health Insurance	442,249	415,641	26,608
	<u>2,922,138</u>	<u>2,750,000</u>	<u>172,138</u>
LIBRARY MATERIALS			
Books	410,000	345,172	64,828
Electronic Databases	73,000	68,548	4,452
Periodicals	39,000	34,453	4,547
Audio Visual Materials	160,000	144,747	15,253
Audio Visual Equipment	1,000	-	1,000
	<u>683,000</u>	<u>592,920</u>	<u>90,080</u>
CONTRACTUAL SERVICES			
Book Rebinding	-	-	-
Accounting	7,800	7,740	60
Insurance	34,500	33,939	561
Landscaping and Grounds keeping	26,000	22,177	3,823
Building Maintenance	225,000	139,467	85,533
Security System	7,000	2,817	4,183
Library/Office Equipment	1,000	-	1,000
Legal Fees	125,000	95,637	29,363
Library Consultant	-	-	-
	<u>426,300</u>	<u>301,777</u>	<u>124,523</u>
PHYSICAL FACILITIES			
Electricity	-	-	-
Water and Sewer	8,000	6,984	1,016
Natural Gas	50,000	21,777	28,223
Telephone	15,000	8,460	6,540
Purchase - New Equipment	8,000	12,025	(4,025)
Building /Custodial Supplies	34,000	32,147	1,853
Building Repairs	20,000	17,562	2,438
Equipment Repairs and Maintenance	16,500	14,479	2,021
Machine Rental	4,000	3,447	553
Automation - Equipment	105,000	64,790	40,210
Automation - Line Costs	5,500	4,076	1,424
Automation - Consultant	151,000	114,608	36,392
Automation - Maintenance	45,000	49,375	(4,375)
Library Furniture	19,000	48,811	(29,811)
Outreach Services	7,000	2,604	4,396
	<u>488,000</u>	<u>401,145</u>	<u>86,855</u>

(Continued)

GENERAL FUND - STATEMENT OF EXPENDITURES -
 BUDGET AND ACTUAL (Continued)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
DEVELOPMENT			
Board Training and Education	\$ 9,000	\$ 5,632	\$ 3,368
Staff Training and Education	30,000	8,603	21,397
Conference Fees	5,000	5,367	(367)
Patron Programs and Events	45,000	41,085	3,915
Association Dues and Fees	7,000	6,163	837
Public Information	32,844	32,907	(63)
	<u>128,844</u>	<u>99,757</u>	<u>29,087</u>
SUPPLIES			
Library Supplies	50,000	35,965	14,035
Office Supplies	13,000	9,616	3,384
Postage	14,000	13,666	334
Printing	6,000	6,366	(366)
	<u>83,000</u>	<u>65,613</u>	<u>17,387</u>
OTHER EXPENDITURES			
Contingency	-	-	-
Contribution to IMRF	214,413	211,603	2,810
Contribution to FICA	188,182	174,905	13,277
Audit	10,100	9,800	300
Insurance	46,000	46,292	(292)
Unemployment Compensation	-	-	-
Bank Charges	2,500	1,513	987
	<u>461,195</u>	<u>444,113</u>	<u>17,082</u>
TOTAL EXPENDITURES	<u>\$5,192,477</u>	<u>\$4,655,325</u>	<u>\$ 537,152</u>