

# CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS

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## ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
JUNE 30, 2023

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# CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS

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## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Basic Financial Statements
- Other Supplementary Information

## **INDEPENDENT AUDITORS' REPORT**

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



## **INDEPENDENT AUDITORS' REPORT**

November 17, 2023

Members of the Board of Trustees  
Cherry Valley Public Library District  
Cherry Valley, Illinois

### **Opinions**

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cherry Valley Public Library District, Illinois, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Cherry Valley Public Library District, Illinois, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

### **Basis for Opinions**

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

### **Emphasis of Matter - Basis of Accounting**

We draw attention to Note 1 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 opinion is not modified with respect to that matter.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1, and for 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 Responsibilities for the Audit of the Financial Statements**

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

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

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

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Cherry Valley Public Library District, Illinois' basic financial statements. The other supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 other supplementary information (is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

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

# CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS

## Management's Discussion and Analysis

June 30, 2023

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Our discussion and analysis of the District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the District's financial statements, which can be found in the basic financial statement section of this report.

### FINANCIAL HIGHLIGHTS

- The District's net position increased by \$111,189, or 2.1 percent as a result of this year's operations.
- During the year, the District reported government-wide revenues of \$1,283,028 and expenses of \$194,026, resulting in an increase to net position of \$111,189.
- The District's net position totaled \$5,379,344 on June 30, 2023, which includes \$3,102,538 investment in capital assets, \$388,618 subject to external restrictions, and \$1,888,188 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported revenues of \$1,283,028 and expenditures of \$1,084,511, resulting in an increase in fund balance of \$198,517.
- Beginning net position and fund balance were restated to correct errors in recording of cash balances.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

#### Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position reports information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the District's property tax base and the condition of the District's infrastructure, is needed to assess the overall health of the District.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include general government and culture and recreation. The District does not have any business-type activities.



# CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS

## Management's Discussion and Analysis

June 30, 2023

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### USING THIS ANNUAL REPORT - Continued

#### Fund Financial Statements

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

#### Governmental Fund

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

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

The District maintains one individual governmental fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund.

The District adopts an annual appropriated budget for the General Fund. A budgetary comparison schedule for has been provided to demonstrate compliance with this budget.

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

#### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information concerning the District's I.M.R.F. employee pension obligation and budgetary comparison schedules for the General Fund.

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Management's Discussion and Analysis**

**June 30, 2023**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, assets/deferred outflows exceeded liabilities/deferred inflows by \$5,379,344.

	Net Position	
	2023	2022
Current Assets	\$ 2,279,278	2,041,988
Capital Assets	3,102,538	3,189,866
Total Assets	5,381,816	5,231,854
Current Liabilities	2,472	—
Net Position		
Investment in Capital Assets	3,102,538	3,189,866
Restricted	388,618	351,741
Unrestricted	1,888,188	1,690,247
Total Net Position	5,379,344	5,231,854

A large portion of the District's net position, \$3,102,538 or 57.7 percent, reflects its investment in capital assets (for example, land, buildings and improvements, and furniture and equipment), less any related debt used to acquire those assets that is still outstanding, if applicable. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$388,618 or 7.2 percent, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining 35.1 percent, or \$1,888,188, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.

CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

June 30, 2023

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GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Changes in Net Position	
	2023	2022
Revenues		
Program Revenues		
Charges for Services	\$ 78,273	67,191
Operating Grants and Contributions	51,602	327,954
General Revenues		
Property Taxes	1,101,117	1,075,002
Replacement Taxes	18,923	16,742
Investment Income	25,835	1,332
Miscellaneous	7,278	15,079
Total Revenues	<u>1,283,028</u>	<u>1,503,300</u>
Expenses		
General Government	194,026	176,094
Culture and Recreation	<u>977,813</u>	<u>972,456</u>
Total Expenses	<u>1,171,839</u>	<u>1,148,550</u>
Change in Net Position	111,189	354,750
Fund Balance - Beginning as Restated	<u>5,268,155</u>	<u>4,877,104</u>
Net Position - Ending	<u>5,379,344</u>	<u>5,231,854</u>

Net position of the District's governmental activities increased by 2.1 percent (\$5,379,344 in 2023 compared to a restated \$5,268,155 in 2022). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$1,888,188 at June 30, 2023.

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Management's Discussion and Analysis**

**June 30, 2023**

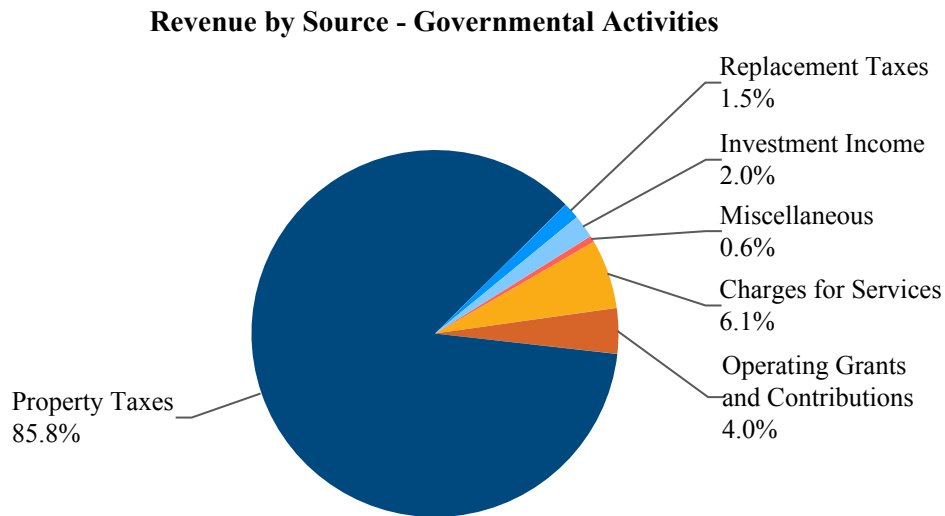
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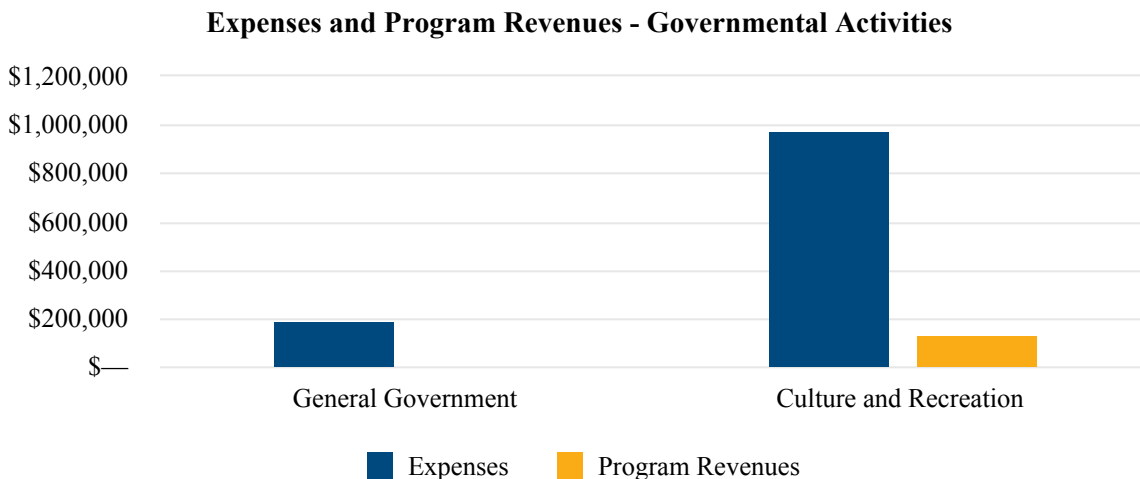
**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

Revenues for governmental activities totaled \$1,283,028, while the cost of all governmental functions totaled 1,171,839, this results in an increase of \$111,189. In 2022, revenues of \$1,503,300 exceeded expenses of \$176,094, resulting in an increase of \$354,750. The increase in 2023 was due to increased revenues from charges for services, property taxes, replacement taxes, and investment income.

The following table graphically depicts the major revenue sources of the District. It depicts very clearly the reliance on property taxes to fund governmental activities. It also clearly identifies the less significant percentage the District receives from other sources.



The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues.



# CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS

## Management's Discussion and Analysis

June 30, 2023

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### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND

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

#### Governmental Fund

The focus of the District's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the District. As mentioned earlier, the General Fund reported an increase in fund balance for the year of \$198,517, or 9.6 percent, from a restated beginning balance of \$2,078,289. This increase was due to increased revenues from charges for services, property taxes, replacement taxes, and investment income as well as a decrease in culture and recreation expenditures.

Unassigned fund balance in the General Fund was \$645,212, which represents 28.3 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 59.5 percent of total General Fund expenditures.

#### Budgetary Highlights

The District made no budget amendments to the General Fund during the year. General Fund actual revenues for the year totaled \$1,283,028, compared to budgeted revenues of \$1,217,079. Revenues for all functions except for gifts and materials and miscellaneous came in higher than budgeted.

The General Fund actual expenditures for the year were \$136,193 lower than budgeted (\$1,084,511 actual compared to \$1,220,704 budgeted). General government and capital outlay expenditures came in \$20,404 and \$136,164 under budget respectively.

#### CAPITAL ASSETS

The District's investment in capital assets as of June 30, 2023 was \$3,102,538 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and furniture and equipment.

	Capital Assets Net of Depreciation	
	2023	2022
Land	\$ 60,057	60,057
Buildings and Improvements	3,024,086	3,117,821
Furniture and Equipment	18,395	11,988
Totals	<u>3,102,538</u>	<u>3,189,866</u>

This year's major additions included \$9,878 in furniture and equipment.

Additional information on the District's capital assets can be found in Note 3 of this report.

# **CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

## **Management's Discussion and Analysis**

**June 30, 2023**

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

The District's elected and appointed officials considered many factors when setting the fiscal year 2023-2024 budget, including tax rates and fees that will be charged for its various activities. The state of the economy was a major factor, as the District is faced with a similar economic environment as many other local municipalities are faced with, including inflation and unemployment rates.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Cherry Valley Public Library District, 755 E. State Street, Cherry Valley, IL 61016.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

### Governmental Fund

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Statement of Net Position - Modified Cash Basis**

**June 30, 2023**

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<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 2,279,244
Prepays	34
Total Current Assets	<u>2,279,278</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	60,057
Depreciable	5,018,865
Accumulated Depreciation	<u>(1,976,384)</u>
Total Noncurrent Assets	<u>3,102,538</u>
Total Assets	<u>5,381,816</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accrued Payroll	<u>2,472</u>
<b>NET POSITION</b>	
Investment in Capital Assets	3,102,538
Restricted	
Building Maintenance	94,553
IMRF	189,138
Audit	7,972
Risk Management	44,019
Social Security	41,708
Worker's Compensation	11,228
Unrestricted	<u>1,888,188</u>
Total Net Position	<u>5,379,344</u>

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



**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Statement of Activities - Modified Cash Basis**

**For the Fiscal Year Ended June 30, 2023**

	Expenses	Program Revenues			Net (Expenses)/ Revenues and Changes in Net Position
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental Activities					
General Government	\$ 194,026	—	—	—	(194,026)
Culture and Recreation	977,813	78,273	51,602	—	(847,938)
	<u>1,171,839</u>	<u>78,273</u>	<u>51,602</u>	<u>—</u>	<u>(1,041,964)</u>
		General Revenues			
		Taxes			
		Property Tax			1,101,117
		Intergovernmental - Unrestricted			
		Replacement Tax			18,923
		Investment Income			25,835
		Miscellaneous			7,278
					<u>1,153,153</u>
		Change in Net Position			111,189
		Net Position - Beginning as Restated			<u>5,268,155</u>
		Net Position - Ending			<u><u>5,379,344</u></u>

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

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Balance Sheet - Governmental Fund - Modified Cash Basis**

**June 30, 2023**

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<b>ASSETS</b>	
Cash and Investments	\$ 2,279,244
Prepays	<u>34</u>
Total Assets	<u><u>2,279,278</u></u>
<b>LIABILITIES</b>	
Accrued Payroll	<u>2,472</u>
<b>FUND BALANCES</b>	
Nonspendable	34
Restricted	388,618
Committed	1,242,942
Unassigned	<u>645,212</u>
Total Fund Balances	<u><u>2,276,806</u></u>
Total Liabilities and Fund Balances	<u><u>2,279,278</u></u>

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

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities - Modified Cash Basis**

**June 30, 2023**

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<b>Total Governmental Fund Balances</b>	\$ 2,276,806
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	<u>3,102,538</u>
<b>Net Position of Governmental Activities</b>	<u><u>5,379,344</u></u>

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

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Fund - Modified Cash Basis**

**For the Fiscal Year Ended June 30, 2023**

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Revenues	
Taxes	\$ 1,101,117
Intergovernmental	44,467
Gifts and Memorials	26,058
Fines and Fees	78,273
Investment Income	25,835
Miscellaneous	7,278
Total Revenues	<u>1,283,028</u>
Expenditures	
General Government	194,026
Culture and Recreation	844,235
Capital Outlay	46,250
Total Expenditures	<u>1,084,511</u>
Net Change in Fund Balances	198,517
Fund Balances - Beginning as Restated	<u>2,078,289</u>
Fund Balances - Ending	<u><u>2,276,806</u></u>

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

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the  
Governmental Funds to the Statement of Activities - Governmental Activities - Modified Cash Basis  
For the Fiscal Year Ended June 30, 2023**

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**Net Change in Fund Balances - Total Governmental Funds** \$ 198,517

Amounts reported for governmental activities in the Statement of Activities  
are different because:

Governmental funds report capital outlays as expenditures. however, in the  
Statement of Activities the cost of those assets is allocated over their estimated  
useful lives and reported as depreciation expense.

Capital Outlays	9,878
Depreciation Expense	<u>(97,206)</u>

**Changes in Net Position of Governmental Activities** 111,189

# CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements

June 30, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cherry Valley Public Library District (the District) was organized in 1977 and operates under a Board of Trustees form of government, providing public library and other services to the residents of Cherry Valley.

The basic financial statements of the District have been presented on a modified cash basis of accounting. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The more significant of the District's accounting policies are described below.

#### REPORTING ENTITY

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 61 "The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the District. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

#### BASIS OF PRESENTATION

##### Government-Wide Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). The District's general government and culture and recreation services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column, and (b) reported on a modified cash, economic resource basis, which recognizes some long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District's net position is reported in three parts: investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions (general government, culture and recreation, etc.). These functions are supported by general government revenues (property taxes, certain intergovernmental revenues, fines and fees, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government, culture and recreation, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenue (property taxes, intergovernmental revenues, interest income, etc.).

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

# CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements

June 30, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### BASIS OF PRESENTATION - Continued

##### Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. All of the District's funds are reported as governmental funds. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all governmental funds combined.

##### Governmental Fund

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental fund of the District:

*General Fund* is the general operating fund of the District. It is used to account for all financial resources of the District.

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

##### Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined below. In the fund financial statements, the "current financial resources" measurement focus is used.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The accounting objectives of the "economic resources" measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

# CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements

June 30, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

##### Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the modified cash basis of accounting. This basis recognized revenue when cash is received and expenditures are recorded when payment is made. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. These financial statements are modified from the cash basis method because the District records capital assets and depreciation.

#### ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

##### Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the District's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

##### Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000, depending on asset class, or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	50 Years
Furniture and Equipment	10 Years



# CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements

June 30, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### ASSETS, LIABILITIES, AND NET POSITION OR EQUITY - Continued

##### Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepaids are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased.

##### Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, if applicable.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with the modified cash basis of accounting. The appropriated budget is prepared by fund, function, and department. The District's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

# CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements

June 30, 2023

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### NOTE 3 - DETAIL NOTES ON ALL FUNDS

#### DEPOSITS AND INVESTMENTS

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

Permitted Deposits and Investments - Statutes authorize the District to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, which is the price for which the investment could be sold.

*Deposits.* At year-end, the carrying amount of the District's deposits totaled \$2,008,326 and the bank balances totaled \$2,030,096. In addition, the District has \$270,918 invested in Illinois Funds at year-end, which have an average maturity of less than one year.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have an investment policy which specifically addresses interest rate risk. At year-end, the District's investment in Illinois Funds is rated AAmmf by Fitch Ratings.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, the District does not have an investment policy which specifically addresses credit risk.

*Concentration of Credit Risk.* This is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District does not have an investment policy which specifically addresses concentration of credit risk. At year-end, the District does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

*Custodial Credit Risk - Deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have an investment policy which specifically addresses custodial credit risk for deposits. At year-end, the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance.

*Custodial Credit Risk - Investments.* For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have an investment policy which specifically addresses custodial credit risk for investments. The District's investment in Illinois Funds is not subject to custodial credit risk.

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**June 30, 2023**

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

**PROPERTY TAXES**

Property taxes for 2022 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them in two fairly equal payments with a third lesser payment of any disputed taxes.

**CAPITAL ASSETS**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 60,057	—	—	60,057
Depreciable Capital Assets				
Buildings and Improvements	4,521,584	—	—	4,521,584
Furniture and Equipment	487,403	9,878	—	497,281
	<u>5,008,987</u>	<u>9,878</u>	<u>—</u>	<u>5,018,865</u>
Less Accumulated Depreciation				
Buildings and Improvements	1,403,763	93,735	—	1,497,498
Furniture and Equipment	475,415	3,471	—	478,886
	<u>1,879,178</u>	<u>97,206</u>	<u>—</u>	<u>1,976,384</u>
Total Net Depreciable Capital Assets	<u>3,129,809</u>	<u>(87,328)</u>	<u>—</u>	<u>3,042,481</u>
Total Net Capital Assets	<u><u>3,189,866</u></u>	<u><u>(87,328)</u></u>	<u><u>—</u></u>	<u><u>3,102,538</u></u>

Depreciation expense of \$97,206 was charged to the culture and recreation function.

**NET POSITION/FUND BALANCE RESTATEMENTS**

Beginning net position and fund balance were restated to correct errors in recording of cash balances. The following is a summary of the net position and fund balance as originally reported and as restated:

Net Position	As Reported	As Restated	Increases
Governmental Activities	\$ 5,231,854	5,268,155	36,301
General Fund	2,041,988	2,078,289	36,301

CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements

June 30, 2023

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NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

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

Fund Balances	
Nonspendable	
Prepays	\$ 34
Restricted	
Building Maintenance	94,553
IMRF	189,138
Audit	7,972
Risk Management	44,019
Social Security	41,708
Worker's Compensation	11,228
	<u>388,618</u>
Committed	
Future Periods	497,200
Building Expansion	557,608
Future Library Projects	148,881
Foundation Cash	39,253
	<u>1,242,942</u>
Unassigned	<u>645,212</u>
Total Fund Balances	<u><u>2,276,806</u></u>

*Nonspendable Fund Balance.* Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

*Restricted Fund Balance.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; 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.

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**June 30, 2023**

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

**FUND BALANCE CLASSIFICATIONS - Continued**

*Assigned Fund Balance.* Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The District's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

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

**NET POSITION CLASSIFICATION**

Investment in capital assets was comprised of the following as of June 30, 2023:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 3,102,538
Less Capital Related Debt - None	<u>          —</u>
Investment in Capital Assets	<u><u>3,102,538</u></u>

**NOTE 4 - OTHER INFORMATION**

**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; natural disasters; and injuries to the District's employees. The District has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

**CONTINGENT LIABILITIES**

**Litigation**

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

**Grants**

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

# CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements

June 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

##### Illinois Municipal Retirement Fund (IMRF)

The District contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

##### Plan Descriptions

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

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

All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

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

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**June 30, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

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

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

**Plan Descriptions - Continued**

*Plan Membership.* As of December 31, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	12
Inactive Plan Members Entitled to but not yet Receiving Benefits	7
Active Plan Members	<u>9</u>
Total	<u><u>28</u></u>

*Contributions.* 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. For the year-ended June 30, 2023, the District's contribution was 14.15% of covered payroll.

*Net Pension Liability.* The District's net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2022, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

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

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**June 30, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

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

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

**Plan Descriptions - Continued**

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

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	25.50%	4.90%
Domestic Equities	35.50%	6.50%
International Equities	18.00%	7.60%
Real Estate	10.50%	6.20%
Blended	9.50%	6.25% - 9.90%
Cash and Cash Equivalents	1.00%	4.00%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.



**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**June 30, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

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

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

**Discount Rate Sensitivity**

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 789,919	527,981	323,346

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2021	\$ 2,317,057	2,215,507	101,550
Changes for the Year:			
Service Cost	33,669	—	33,669
Interest on the Total Pension Liability	164,552	—	164,552
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	16,676	—	16,676
Changes of Assumptions	—	—	—
Contributions - Employer	—	55,533	(55,533)
Contributions - Employees	—	17,093	(17,093)
Net Investment Income	—	(294,850)	294,850
Benefit Payments, Including Refunds of Employee Contributions	(128,426)	(128,426)	—
Other (Net Transfer)	—	10,690	(10,690)
Net Changes	86,471	(339,960)	426,431
Balances at December 31, 2022	2,403,528	1,875,547	527,981

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**June 30, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

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

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

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

For the year ended June 30, 2023, the District recognized pension expense of \$52,671 on a modified cash basis. At June 30, 2023 under a GAAP basis of accounting, the District would report deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 31,958	(5,958)	26,000
Change in Assumptions	4,028	(2,413)	1,615
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	174,279	—	174,279
Total Pension Expense to be Recognized in Future Periods	210,265	(8,371)	201,894
Pension Contributions Made Subsequent to the Measurement Date	24,308	—	24,308
 Total Deferred Amounts Related to IMRF	 234,573	 (8,371)	 226,202

Under the GAAP basis of accounting, the District would report \$24,308 as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and would be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2024. In addition, under the GAAP basis of accounting, the District would report deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2024	\$ 16,563
2025	39,451
2026	55,113
2027	90,767
2028	—
Thereafter	—
Total	201,894

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Schedule Employer Contributions  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability  
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedules

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Illinois Municipal Retirement Fund  
Schedule of Employer Contributions  
June 30, 2023**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 53,173	\$ 52,500	\$ (673)	\$ 431,600	12.16%
2016	58,577	58,577	—	457,987	12.79%
2017	56,221	56,221	—	449,050	12.52%
2018	64,668	64,668	—	450,344	14.36%
2019	60,180	60,180	—	416,755	14.44%
2020	54,269	54,269	—	400,516	13.55%
2021	67,019	67,019	—	516,269	12.98%
2022	60,403	60,403	—	388,696	15.54%
2023	52,671	52,671	—	372,343	14.15%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	21 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.85% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Note:

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

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Illinois Municipal Retirement Fund  
Schedule of Changes in the Employer's Net Pension Liability  
June 30, 2023**

	12/31/2014	12/31/2015	12/31/2016
Total Pension Liability			
Service Cost	\$ 50,243	50,105	49,676
Interest	94,704	106,047	122,962
Differences Between Expected and Actual Experience and Actual Experience	(26,721)	116,592	10,409
Change of Assumptions	66,038	6,744	(14,434)
Benefit Payments, Including Refunds of Member Contributions	(24,493)	(36,808)	(55,568)
Net Change in Total Pension Liability	159,771	242,680	113,045
Total Pension Liability - Beginning	1,253,216	1,412,987	1,655,667
Total Pension Liability - Ending	1,412,987	1,655,667	1,768,712
Plan Fiduciary Net Position			
Contributions - Employer	\$ 52,500	58,577	56,221
Contributions - Members	19,176	20,610	20,207
Net Investment Income	63,167	5,729	77,960
Benefit Payments, Including Refunds of Member Contributions	(24,493)	(36,808)	(55,568)
Other (Net Transfer)	2,302	(49,983)	5,470
Net Change in Plan Fiduciary Net Position	112,652	(1,875)	104,290
Plan Net Position - Beginning	1,011,925	1,124,577	1,122,702
Plan Net Position - Ending	1,124,577	1,122,702	1,226,992
Employer's Net Pension Liability	\$ 288,410	532,965	541,720
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.59%	67.81%	69.37%
Covered Payroll	\$ 431,600	457,987	449,050
Employer's Net Pension Liability as a Percentage of Covered Payroll	66.82%	116.37%	120.64%

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2014 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2014 and 2017.

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

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
49,631	45,928	42,983	42,876	41,671	33,669
132,185	135,264	143,535	148,293	158,142	164,552
(21,516)	9,832	(37,250)	68,127	20,602	16,676
(51,803)	60,983	—	(15,190)	—	—
(62,116)	(69,068)	(79,458)	(87,722)	(127,584)	(128,426)
46,381	182,939	69,810	156,384	92,831	86,471
1,768,712	1,815,093	1,998,032	2,067,842	2,224,226	2,317,057
1,815,093	1,998,032	2,067,842	2,224,226	2,317,057	2,403,528
64,668	60,180	54,269	67,019	60,403	55,533
20,265	18,754	18,023	18,732	17,491	17,093
215,074	(75,140)	266,241	234,274	323,611	(294,850)
(62,116)	(69,068)	(79,458)	(87,722)	(127,584)	(128,426)
(26,650)	38,192	2,652	23,023	13,382	10,690
211,241	(27,082)	261,727	255,326	287,303	(339,960)
1,226,992	1,438,233	1,411,151	1,672,878	1,928,204	2,215,507
1,438,233	1,411,151	1,672,878	1,928,204	2,215,507	1,875,547
376,860	586,881	394,964	296,022	101,550	527,981
79.24%	70.63%	80.90%	86.69%	95.62%	78.03%
450,344	416,755	400,516	416,269	388,696	379,839
83.68%	140.82%	98.61%	71.11%	26.13%	139.00%

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis**

**For the Fiscal Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	\$ 1,086,255	1,086,255	1,101,117
Intergovernmental			
Replacement Tax	10,000	10,000	18,923
Grants	20,355	20,355	25,544
Gifts and Memorials	28,900	28,900	26,058
Fines and Fees	61,880	61,880	78,273
Investment Income	2,039	2,039	25,835
Miscellaneous	7,650	7,650	7,278
Total Revenues	<u>1,217,079</u>	<u>1,217,079</u>	<u>1,283,028</u>
Expenditures			
General Government	214,430	214,430	194,026
Culture and Recreation	823,860	823,860	844,235
Capital Outlay	182,414	182,414	46,250
Total Expenditures	<u>1,220,704</u>	<u>1,220,704</u>	<u>1,084,511</u>
Net Change in Fund Balance	<u>(3,625)</u>	<u>(3,625)</u>	198,517
Fund Balance - Beginning as Restated			<u>2,078,289</u>
Fund Balance - Ending			<u><u>2,276,806</u></u>

**CHERRY VALLEY PUBLIC LIBRARY DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Modified Cash Basis**

**For the Fiscal Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual
General Government			
Personnel	\$ 98,880	98,880	108,838
Contractual Services	110,450	110,450	81,127
Maintenance and Repair	5,100	5,100	4,061
	<u>214,430</u>	<u>214,430</u>	<u>194,026</u>
Culture and Recreation			
Personnel	565,850	565,850	551,737
Adult Materials	63,899	63,899	63,255
Juvenile Materials	34,650	34,650	34,179
Programs	13,095	13,095	12,326
Utilities	48,570	48,570	48,482
Library Development	13,600	13,600	13,693
Contributions and Memorial	6,633	6,633	15,114
Contractual Services	49,440	49,440	43,998
Supplies	5,060	5,060	5,916
Grant Expenditures	22,488	22,488	55,087
Other	575	575	448
	<u>823,860</u>	<u>823,860</u>	<u>844,235</u>
Capital Outlay	<u>182,414</u>	<u>182,414</u>	<u>46,250</u>
Total Expenditures	<u><u>1,220,704</u></u>	<u><u>1,220,704</u></u>	<u><u>1,084,511</u></u>