

# ROLLING MEADOWS LIBRARY

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023



## Contents

---

INDEPENDENT AUDITOR'S REPORT.....	1
MANAGEMENT'S DISCUSSION AND ANALYSIS.....	4
BASIC FINANCIAL STATEMENTS	
Governmental Funds Balance Sheet and Statement of Net Position.....	7
Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and Statement of Activities.....	8
Notes to Financial Statements.....	9
REQUIRED SUPPLEMENTARY INFORMATION	
General Fund – Schedule of Revenues and Expenditures – Budget Compared to Actual.....	23
Schedule of the Library's Proportionate Share of the Net Pension (Asset) Liability.....	24
Schedule of Employer IMRF Contributions.....	25
Schedule of the Library's Proportionate Share of the OPEB Liability.....	26
Schedule of Employer OPEB Contributions.....	27
SUPPLEMENTARY INFORMATION	
Statement of Expenditures – Budget and Actual – General Fund.....	28

## **Independent Auditor's Report**

---

Board of Trustees  
Rolling Meadows Library  
Rolling Meadows, Illinois

### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of Rolling Meadows Library, a component unit of the City of Rolling Meadows, Illinois, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Rolling Meadows Library'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 and each major fund of the Rolling Meadows Library as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Rolling Meadows Library, 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.

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

## **Independent Auditor's Report**

---

collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individual 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 Rolling Meadows Library'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 Rolling Meadows Library'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 have identified during the audit.

### **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 4 through 6 and 23 through 27 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.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Library's financial statements. The accompanying financial information listed as Supplementary Information in the table of contents is presented for purposes of additional analysis and is 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

## **Independent Auditor's Report**

---

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 financial statements as a whole.

ATA Group, LLP

May 22, 2024

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

---

Management of the Rolling Meadows Library (Library) provides this narrative overview and analysis for the fiscal year ended December 31, 2023. 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 government engaged in only one governmental type activity allowing it to combine the fund and government-wide financial statements. This is done through the use of an adjustment column, on the face of the statements, which reconciles the fund based financial statements to the government-wide statements.

### **Financial Highlights**

The Library's total net position as of December 31, 2023 and 2022 were \$7,431,783 and \$6,245,667 respectively. For the years ended December 31, 2023 and 2022, net position increased \$1,186,116 and \$69,000, respectively. The term "net position" represents the difference between total assets/deferred outflows 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 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 major fund and shows any restrictions on the fund or net position.

The Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and Statement of Activities reflects the results of the Library's revenues, expenditures/expenses 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 for a full understanding of the information provided in the basic financial statements. Required Supplementary Information consists of a comparison of budget to actual, revenues and expenditures, IMRF pension information, and other post-employment benefits plan schedules.

### **Financial Analysis**

Net position may serve, over time, as a useful indicator of a government's financial position. The Library's assets/deferred outflows exceed liabilities/deferred inflows by \$7,431,783 as of the close of the year. Of the net position balance, \$3,389,341 is unrestricted, \$290,754 is restricted and \$3,751,688 is the net investment in capital assets.

# Management's Discussion and Analysis

## Condensed Statement of Net Position

	December 31,	
	2023	2022
Current Assets	\$ 9,203,896	\$ 7,909,427
Capital Assets, net of accumulated depreciation	3,751,688	3,933,187
Total Assets	12,955,584	11,842,614
Deferred Outflows of Resources	1,197,342	1,440,918
Current Liabilities	304,116	281,685
Non-Current Liabilities	1,983,570	2,541,069
Total Liabilities	2,287,686	2,822,754
Deferred Inflows of Resources	4,433,457	4,215,111
Net Position		
Net Investment in Capital Assets	3,751,688	3,933,187
Restricted	290,754	278,152
Unrestricted	3,389,341	2,034,328
Total Net Position	\$ 7,431,783	\$ 6,245,667

## Condensed Statement of Activities

	For the Years Ended December 31,	
	2023	2022
Revenues		
Property and Replacement Taxes	\$ 4,338,848	\$ 4,170,389
Fines, Fees and Rentals	7,163	7,294
Intergovernmental Grants	35,695	35,695
Interest Income	33,851	6,641
Gifts and Donations	479,827	11,742
Miscellaneous	2,811	2,072
Total Revenues	4,898,195	4,233,833
Expenses		
Salaries and Employee Benefits	2,421,138	2,914,032
Library Materials and Services	229,512	201,490
Operational Costs	264,152	258,606
Maintenance	307,503	289,343
Capital Projects (Non-Capitalized)	66,093	67,215
Other	-	154
Depreciation	423,681	433,993
Total Expenses	3,712,079	4,164,833
Increase in Net Position	1,186,116	69,000
Net Position, Beginning of Year	6,245,667	6,176,667
Net Position, End of Year	\$ 7,431,783	\$ 6,245,667

Increase in net position is primarily due to \$464,425 donation from a trust and a net change in expenses of \$521,873 from pension and OPEB actuarial calculations.

## Management's Discussion and Analysis

The following is a summary of changes in fund balances for the year ended December 31, 2023:

<u>Governmental Funds</u>	<u>Fund Balance December 31, 2022</u>	<u>Increase (Decrease)</u>	<u>Fund Balance December 31, 2023</u>
General	\$ 2,800,019	\$ 652,498	\$ 3,452,517
Working Cash	265,875	-	265,875
Capital Projects	550,234	421,150	971,384
	<u>\$ 3,616,128</u>	<u>\$ 1,073,648</u>	<u>\$ 4,689,776</u>

The General Fund includes the staff/board designated funds of \$380,000 (Assigned). The General Fund increase is due in part by a \$464,425 donation from a trust which is offset somewhat by a transfer of \$421,150 to the Capital Projects Fund.

### Budgetary Highlight

The Library's General Fund expended and transferred \$4,245,697, which was \$88,933 less than the final budget of \$4,334,630, for the year ended December 31, 2023. The budget was amended during the year to reduce the budgeted expenses and increase a transfer to the Capital Projects Fund by \$321,150.

### Capital Assets

The following is a summary of capital assets as of December 31:

	<u>2023</u>	<u>2022</u>
Land	\$ 608,893	\$ 608,893
Building and Improvements	5,804,063	5,794,632
Furniture and Equipment	573,852	573,852
Books and Other Library Materials	2,636,896	2,590,919
Audio Visual Materials	491,217	541,373
Cost of Capital Assets	10,114,921	10,109,669
Less Accumulated Depreciation	<u>(6,363,233)</u>	<u>(6,176,482)</u>
Net Capital Assets	<u>\$ 3,751,688</u>	<u>\$ 3,933,187</u>

Major capital expenditures for the year ended December 31, 2023 included books and audiovisual materials. Periodicals are not capitalized. See Note 4 on page 14 for a more complete disclosure.

### 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 Director, Rolling Meadows Library, 3110 Martin Lane, Rolling Meadows, Illinois 60008.



# Basic Financial Statements

## ROLLING MEADOWS LIBRARY

### GOVERNMENTAL FUNDS BALANCE SHEET AND STATEMENT OF NET POSITION

DECEMBER 31, 2023

	GENERAL FUND	WORKING CASH FUND	CAPITAL PROJECTS FUND	TOTAL	ADJUSTMENTS (Note 10)	STATEMENT OF NET POSITION
<b>ASSETS</b>						
Cash (Note 2)	\$ 3,157,857	\$ 265,875	\$ 971,384	\$ 4,395,116	\$ -	\$ 4,395,116
Property Taxes Receivable, Net of Allowance	4,344,355	-	-	4,344,355	-	4,344,355
Receivable from Trust	464,425	-	-	464,425	-	464,425
Capital Assets, Net of Accumulated Depreciation (Note 4)	-	-	-	-	3,751,688	3,751,688
<b>Total Assets</b>	<b>7,966,637</b>	<b>265,875</b>	<b>971,384</b>	<b>9,203,896</b>	<b>3,751,688</b>	<b>12,955,584</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred Items Related to IMRF Pension (Note 6)	-	-	-	-	1,079,029	1,079,029
Deferred Items Related to OPEB (Note 7)	-	-	-	-	118,313	118,313
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 7,966,637</b>	<b>\$ 265,875</b>	<b>\$ 971,384</b>	<b>\$ 9,203,896</b>	<b>4,949,030</b>	<b>14,152,926</b>
<b>LIABILITIES</b>						
Accounts Payable	\$ 152,120	\$ -	\$ -	\$ 152,120	\$ -	\$ 152,120
Accrued Payroll	66,220	-	-	66,220	-	66,220
Compensated Absences	-	-	-	-	85,776	85,776
Long-Term Liabilities	-	-	-	-	-	-
Due After One Year (Note 5)	-	-	-	-	1,983,570	1,983,570
<b>Total Liabilities</b>	<b>218,340</b>	<b>-</b>	<b>-</b>	<b>218,340</b>	<b>2,069,346</b>	<b>2,287,686</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Property Taxes	4,295,780	-	-	4,295,780	-	4,295,780
Deferred Items Related to IMRF Pension (Note 6)	-	-	-	-	7,769	7,769
Deferred Items Related to OPEB (Note 7)	-	-	-	-	129,908	129,908
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>4,514,120</b>	<b>-</b>	<b>-</b>	<b>4,514,120</b>	<b>2,207,023</b>	<b>6,721,143</b>
<b>FUND BALANCES / NET POSITION</b>						
<b>Fund Balances</b>						
Restricted for Statutory Purposes	24,879	265,875	-	290,754	(290,754)	-
Committed for Capital Projects	-	-	971,384	971,384	(971,384)	-
Assigned for Future Purposes	380,000	-	-	380,000	(380,000)	-
Unassigned	3,047,638	-	-	3,047,638	(3,047,638)	-
<b>Total Fund Balances</b>	<b>3,452,517</b>	<b>265,875</b>	<b>971,384</b>	<b>4,689,776</b>	<b>(4,689,776)</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflow of Resources and Fund Balances</b>	<b>\$ 7,966,637</b>	<b>\$ 265,875</b>	<b>\$ 971,384</b>	<b>\$ 9,203,896</b>		
<b>Net Position</b>						
Net Investment in Capital Assets					3,751,688	3,751,688
Restricted					290,754	290,754
Unrestricted					3,389,341	3,389,341
<b>Total Net Position</b>					<b>\$ 7,431,783</b>	<b>\$ 7,431,783</b>

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

# Basic Financial Statements

## ROLLING MEADOWS LIBRARY

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

FOR THE YEAR ENDED DECEMBER 31, 2023

	GENERAL FUND	WORKING CASH FUND	CAPITAL PROJECTS FUND	TOTAL	ADJUSTMENTS (Note 10)	STATEMENT OF ACTIVITIES
<b>REVENUES</b>						
Property Taxes (Note 3)	\$ 4,134,540	\$ -	\$ -	\$ 4,134,540	\$ -	\$ 4,134,540
Personal Property Replacement Taxes	204,308	-	-	204,308	-	204,308
Fines, Fees and Rentals	7,163	-	-	7,163	-	7,163
Intergovernmental Grants	35,695	-	-	35,695	-	35,695
Interest Income	33,851	-	-	33,851	-	33,851
Gifts and Donations	479,827	-	-	479,827	-	479,827
Miscellaneous	2,811	-	-	2,811	-	2,811
<b>Total Revenues</b>	<b>4,898,195</b>	<b>-</b>	<b>-</b>	<b>4,898,195</b>	<b>-</b>	<b>4,898,195</b>
<b>EXPENDITURES / EXPENSES</b>						
Salaries and Employee Benefits	2,715,105	-	-	2,715,105	(293,967)	2,421,138
Library Materials and Services	462,263	-	-	462,263	(232,751)	229,512
Operational Costs	264,152	-	-	264,152	-	264,152
Maintenance	307,503	-	-	307,503	-	307,503
Capital Projects	75,524	-	-	75,524	(9,431)	66,093
Other	-	-	-	-	-	-
Depreciation	-	-	-	-	423,681	423,681
<b>Total Expenditures / Expenses</b>	<b>3,824,547</b>	<b>-</b>	<b>-</b>	<b>3,824,547</b>	<b>(112,468)</b>	<b>3,712,079</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,073,648	-	-	1,073,648	-	-
<b>Other Financing Sources (Uses)</b>						
Operating Transfer In (Out)	(421,150)	-	421,150	-	-	-
<b>Net Change in Fund Balances</b>	<b>652,498</b>	<b>-</b>	<b>421,150</b>	<b>1,073,648</b>	<b>(1,073,648)</b>	<b>-</b>
Change in Net Position	-	-	-	-	1,186,116	1,186,116
<b>FUND BALANCES / NET POSITION</b>						
Beginning of Year	2,800,019	265,875	550,234	3,616,128	2,629,539	6,245,667
End of Year	\$ 3,452,517	\$ 265,875	\$ 971,384	\$ 4,689,776	\$ 2,742,007	\$ 7,431,783

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

## Notes to Financial Statements

---

### **Note 1: Summary of Significant Accounting Policies**

The financial statements of Rolling Meadows 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 City of Rolling Meadows (City).

#### **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.

All of the funds of the Library are considered major and are reported as separate columns in the fund financial statements.

Governmental funds are used to account for all or most of a Library's general activities, including the collection and disbursement of earmarked monies for working cash (special revenue fund), and the acquisition or construction of general capital assets (capital projects fund). The general fund is used to account for all activities of the Library not accounted for in some other fund.

#### **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

### Note 1: Summary of Significant Accounting Policies (Continued)

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.

#### 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. Project-length financial plans are adopted for all capital projects funds.

#### E. Cash and Investments

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 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. The Library is guided by the Illinois Revised Statutes and has a written investment policy.

#### 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:

## Notes to Financial Statements

---

### Note 1: Summary of Significant Accounting Policies (Continued)

Building and Improvements	10-45 years
Furniture and Equipment	5-10 years
Audio Visual Materials	5 years
Books and Other Library Materials	7 years

The Library adopted a minimum capitalization threshold of any item with a total cost greater than \$5,000, except for audio visual, books and other library materials.

#### *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 represent a consumption of net position that applies to a future period which will not be recognized as an outflow of resources (expense/expenditure) until a later date. These deferred outflows of resources include amounts related to the differences between expected and actual experience, changes in assumptions and the net difference between projected and actual earnings on pension plan investments. See Notes 6 and 7 for additional information on these deferred outflows.

Deferred inflows of resources represent the acquisition of fund balance/net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until a later date. Deferred property taxes represent a future recognition of revenue, therefore are classified as deferred inflows of resources. Deferred inflows related to a pension plan and OPEB plan, are reported in accordance with GASB 68 and 75, respectively. These deferred inflows consist of the differences between expected and actual experience and changes in assumptions.

#### **H. Fund Equity**

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

- Non-spendable fund balance – amounts that are not in a spendable form (such as prepaid expense) 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; specifically for IMRF and working cash.
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as

### **Note 1: Summary of Significant Accounting Policies (Continued)**

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: the assigned fund balance is for future purposes;
- 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 (such as Special Reserve Fund expenditures). An assigned fund balance is established by the board of trustees through adoption or amendment of the budget as intended for specific purpose (designated by the Board for working cash purposes) but is neither restricted nor committed.

When an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available (i.e. patron donations), the Library's policy concerning which to apply first varies with the intended use and legal requirements. Management typically makes this decision on a transactional basis at the incurrence of the expenditure.

#### **I. Compensated Absences**

It is the Library's policy to permit employees to accumulate earned but unused vacation pay benefits (not to exceed one year's accumulation as of December 31). No liability is reported for unpaid accumulated sick leave. Vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a current liability in the government-wide statements.

#### **J. Defined Benefit Pension Plan (IMRF)**

For purposes of measuring the net pension asset/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.

#### **K. Postemployment Benefits Other than Benefits (OPEB)**

For purposes of measuring the total OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by the City of Rolling Meadows

## Notes to Financial Statements

---

### Note 1: Summary of Significant Accounting Policies (Continued)

OPEB plan (CRMP). For this purpose, CRMP recognizes benefit payments when due and payable in accordance with benefit terms.

#### L. Interfund Transactions

Investment interest associated with the Working Cash Fund and the Capital Projects Fund is administratively assigned and allocated to the General Fund.

Interfund transfers are reported as operating transfers, the principal purpose of which is to set aside funds for future needs.

#### M. Estimates

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

### Note 2: Deposits

Deposits. At year-end, the carrying amount of the Library's deposits, excluding petty cash of \$522, was \$4,394,594 and the bank balance was \$4,395,698. The bank balance is fully collateralized with securities held by the pledging financial institution's agent in the City's name.

### Note 3: Property Taxes

The City passed the Library's 2023 Tax Levy Ordinance on November 22, 2023. Property Taxes for 2023 attached as an enforceable lien on property as of January 1, 2023. Taxes are generally payable in two installments on or around March 1 and August 1. As such, significant tax monies are received between March and September. The County of Cook collects such taxes and remits them periodically. The 2023 property tax levy is established to fund the 2024 budget and therefore is reflected as both a receivable and as a deferred inflow of resources. The Library estimates the loss and cost of the 2023 levy at 3%.

Property tax revenue is budgeted and recognized based upon prior year's levy. The receipts from the 2022 levy are reported as property tax revenue in the financial statements. Substantially all of the 2022 taxes were collected by year end and within 60 days after year end. The final 2022 tax levy extension was delayed and consequently approximately \$49,000 from that levy was collected after year end but within the first 60 days of 2024 and is reflected in Property Taxes Receivable.

## Notes to Financial Statements

### Note 4: Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balance December 31, 2022	Increases	Decreases	Balance December 31, 2023
Capital assets, not being depreciated				
Land	\$ 608,893	\$ -	\$ -	\$ 608,893
Capital assets, being depreciated				
Building and Improvements	5,794,632	9,431	-	5,804,063
Furniture and Equipment	573,852	-	-	573,852
Books and Other Library Materials	2,590,919	206,138	(160,161)	2,636,896
Audio Visual Materials	541,373	26,613	(76,769)	491,217
Total capital assets being depreciated	9,500,776	242,182	(236,930)	9,506,028
Less accumulated depreciation for:				
Building and Improvements	3,454,967	131,226	-	3,586,193
Furniture and Equipment	449,818	19,627	-	469,445
Books and Other Library Materials	1,824,912	233,078	(160,161)	1,897,829
Audio Visual Materials	446,785	39,750	(76,769)	409,766
Total accumulated depreciation	6,176,482	423,681	(236,930)	6,363,233
Total capital assets being depreciated, net	3,324,294	(181,499)	-	3,142,795
Capital assets, net	\$ 3,933,187	\$ (181,499)	\$ -	\$ 3,751,688

### Note 5: Long Term (Asset)/Liability

Changes in long-term (asset)/liability during the year were as follows:

Type of Debt	Balance at December 31, 2022	Increases	Decreases	Balance at December 31, 2023	Amounts Due Within One Year
Net Pension (Asset)/Liability	\$ 2,114,997	\$ -	\$ 608,519	\$ 1,506,478	\$ -
Net Other Post-Employment Benefit Obligation	426,072	51,020	-	477,092	-
	<u>\$ 2,541,069</u>	<u>\$ 51,020</u>	<u>\$ 608,519</u>	<u>\$ 1,983,570</u>	<u>\$ -</u>

### Note 6: Defined Benefit 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



## Notes to Financial Statements

---

### Note 6: Defined Benefit Pension Plan (Continued)

the City. 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](http://www.imrf.org). The Library participates in IMRF through the City.

*Benefits Provided:* IMRF has three benefit plans. The Library participates in the Regular Plan (RP). 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 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.

*Employees Covered by Benefit Terms.* As of December 31, 2023, the following employees were covered by the benefit terms:

	<u>IMRF</u>
Retirees and Beneficiaries currently receiving benefits	41
Inactive Plan Members entitled to but not yet receiving benefits	34
Active Plan Members	<u>39</u>
Total	<u>114</u>

*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 year 2023 was 9.30%. For calendar year 2023, the Library contributed \$117,323 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.

## Notes to Financial Statements

---

### Note 6: Defined Benefit Pension Plan (Continued)

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.

*Net Pension (Asset)/Liability:* At December 31, 2023, the Library reported a liability of \$1,506,478 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023. 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 of the City actuarially determined. At December 31, 2023, the Library's proportion was 21.92%, which was an increase from its proportion measured as of December 31, 2022 of 20.87%.

*Actuarial assumptions:* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2023 using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Investment Rate of Return	7.25%
Inflation	2.25%
Salary increases	2.85% to 13.75%

Projected retirement age was from the experience-based table of rates that are specific to the type of eligibility condition, last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. 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-2021. 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-2021.

*Long-Term Expected Rate of Return:* 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:

## Notes to Financial Statements

### Note 6: Defined Benefit Pension Plan (Continued)

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Equities	34.5%	5.0%
International Equities	18.0	6.35%
Fixed Income	24.5	4.75%
Real Estate	10.5	6.30%
Alternative Investments	11.5	6.05-8.65%
Cash Equivalents	1.0	3.80%
Total	100%	

*Discount Rate:* A Single Discount Rate of 7.25% 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 7.25%, the municipal bond rate is 3.77%, and the resulting single discount rate is 7.25%.

*Sensitivity of the Net Pension (Asset)/Liability to Changes in the Discount Rate:* The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current (7.25%)	1% Higher (8.25%)
Library's proportionate share of Net Pension (Asset)/Liability	\$ 3,448,650	\$ 1,506,478	\$ (63,779)

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

For the year ended December 31, 2023, the Library recognized pension (income) expense of \$(163,835). At December 31, 2023, the Library reported deferred outflows of resources

## Notes to Financial Statements

---

### Note 6: Defined Benefit Pension Plan (Continued)

and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 146,245	\$ -
Changes of assumptions	-	(7,769)
Net difference between projected and actual earnings on pension plan investments	<u>932,784</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 1,079,029</u>	<u>\$ (7,769)</u>

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

Year ended December 31:

2024	\$ 171,382
2025	373,109
2026	652,721
2027	<u>(125,952)</u>
	<u>\$ 1,071,260</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: Other Post-Employment Benefits

#### Plan Descriptions, Provisions and Funding Policies

In addition to providing the pension benefits described above, the City provides post-employment health care benefits (OPEB) for retired employees of the Library through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual. The plan is not accounted for as a trust fund; as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. To be eligible for benefits, an employee must qualify for retirement through the Illinois Municipal Retirement Fund.

All health care benefits for retired employees of the Library are provided through the City's health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary.

All retirees contribute 100% of the paid premium to the plan. The December 31, 2023 OPEB liability was based on December 31, 2023 membership. As such, for the calendar year ending December 31, 2023, retirees contributed \$17,322. Active employees do not contribute to the plan until retirement.

## Notes to Financial Statements

---

### Note 7: Other Post-Employment Benefits (Continued)

At December 31, 2023, membership consisted of:

Active Plan Members	18
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	2
Inactive Plan Members Entitled to but not yet Receiving Benefit	<u>0</u>
	<u>20</u>

#### Contributions

There are no actuarially determined contributions or employer contributions as there is no Trust that exists for funding the OPEB liabilities.

#### Total OPEB Liability

The Library reported an OPEB liability of \$477,092 for its proportionate share of the City's total OPEB liability. The total OPEB liability was measured as of December 31, 2023, and was determined by a full actuarial valuation performed as of that date. The Library's proportionate share of the OPEB liability was determined utilizing participant data. At December 31, 2023, the Library's proportion was 8.23%.

Actuarial Assumptions and Other Inputs. The total OPEB liability actuarial valuation was determined using the following assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

- *Inflation* is expected to be 3.0% per year.
- *Salary Rate Increases* are expected to be 3.50%.
- The *Discount Rate* used was 4.31% as of December 31, 2022 and 4.0% as of December 31, 2023. Rates are based on the S&P Municipal Bond 20 Year High-Grade Rate Index rating of AA/Aa or higher as of each measurement date.
- The *Health Care Cost Trend Rates* begin in 2023 at 6.0% and are reduced annually in .10% increments to an ultimate rate of 4.5%.
- *Mortality Rates* were based on the MP-2020 Mortality Table with adjustments to match current IMRF experience.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability, calculated using a Single Discount Rate of 4.0%, as well as what the plan's total OPEB liability would be if it were calculated using a Discount Rate that is one percentage point lower or one percentage point higher:

## Notes to Financial Statements

### Note 7: Other Post-Employment Benefits (Continued)

	1% Lower (3.0%)	Current Discount (4.0%)	1% Higher (5.0%)
Net OPEB Liability	\$ 514,619	\$ 477,092	\$ 443,003

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability, calculated using a Healthcare Trend Rate of 6.0%, as well as what the plan's total OPEB liability would be if it were calculated using healthcare cost trend rate that is one percentage point lower or one percentage point higher:

	1% Lower Varies	Current Rate Varies	1% Higher Varies
Net OPEB Liability	\$ 433,386	\$ 477,092	\$ 528,422

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB. For the year ended December 31, 2023, the Library recognized OPEB expense of \$41,389. At December 31, 2023, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Deferred Amounts Related to OPEB</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in OPEB Expense in Future Periods		
Differences between expected and actual	\$ 44,624	\$ 7,739
Changes of assumptions or other inputs	<u>73,689</u>	<u>122,169</u>
Total Deferred Amounts Related to OPEB	<u>\$ 118,313</u>	<u>\$ 129,908</u>

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

Year Ended December 31:	<u>Net Deferred Inflows of Resources</u>
2024	\$ 7,987
2025	7,987
2026	4,126
2027	(9,412)
2028	(14,194)
Thereafter	<u>(8,089)</u>
	<u>\$ (11,595)</u>

### Note 8: Deferred Compensation Plan

The Library offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees with

### **Note 8: Deferred Compensation Plan (Continued)**

one year of service, 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. An outside trustee holds all amounts of compensation in trust. The deferred compensation is not subject to the claims of the Library's creditors.

Investments are managed by the plan's administrator under one of seven investment options, or combination thereof. The choice of the investment option(s) is made by the participants. The Library does not contribute to the plan.

### **Note 9: Risk Management**

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; natural disasters; and injuries to the government's employees. These risks along with medical claims for employees and retirees are provided for through the Library's participation in the Intergovernmental Risk Management Agency and the Intergovernmental Personnel Benefit Cooperative. The Library currently reports all its risk management activities in its General Fund. There has been no significant reduction in coverage from the prior year, and settled claims have not exceeded coverage for any of the past three years.

The Library (through the City) participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts within Illinois, which have formed an association under the Illinois Intergovernmental Corporations Statute to pool their risk management needs. The Agency administers a mix of self-insurance and commercial insurance coverage; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The City is a direct member of IRMA, whereas the Library is not. The Library is covered under IRMA through the City's membership. The Library's payments for insurance coverage are displayed on the financial statements as expenditures/expenses in appropriate funds. The Library paid \$13,168 to the City for the Library's share of IRMA coverage. Because the Library is not a direct member of IRMA, it is not contractually obligated to fund any deficits of IRMA nor does it benefit from excesses in IRMA's terminal reserve account.

### **Note 10: Adjustments**

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

## Notes to Financial Statements

---

### Note 10: Adjustments (Continued)

Capital assets used in governmental activities are not financial resources and therefore are not capitalized in the funds.	\$ 3,751,688
Deferred Outflows related to Pensions and OPEB	1,197,342
Accrued compensated absences are recognized in governmental activities as they accrue.	(85,776)
Other post-employment obligation is accrued in the statement of net position but is not recognized in the government funds.	(477,092)
The Net Pension Liability for IMRF is recorded in the statement of net position but is not recognized in the government funds.	(1,506,478)
Deferred Inflows related to Pensions and OPEB	<u>(137,677)</u>
	<u>\$ 2,742,007</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 exceeded net capital asset purchases (\$423,681 less \$242,182)	\$ (181,499)
Recognizing the revenue or (expense) related to the change in the other post-employment obligation	(41,389)
Recognizing the pension revenue or (expense) relating to the change in the net pension obligations	341,526
Recognizing an increase in the accrual for compensated absences	<u>(6,170)</u>
	<u>\$ 112,468</u>

### Note 12: Receivable From Trust

In January 2024, the Library received a check dated December 2023 from a Trust for \$464,425. This is reflected in the financial statements as a Receivable from Trust and included Gifts and Donations. The amount received contained no restrictions.



# Required Supplementary Information

## ROLLING MEADOWS LIBRARY

### GENERAL FUND

#### SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET COMPARED TO ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2023

	BUDGET - ORIGINAL	BUDGET - FINAL	ACTUAL
<b>REVENUES</b>			
Property Taxes	\$ 4,091,220	\$ 4,091,220	\$ 4,134,540
Personal Property Replacement Taxes	181,570	181,570	204,308
Fines, Fees and Rentals	6,500	6,500	7,163
Intergovernmental Grants	35,690	35,690	35,695
Interest Income	650	650	33,851
Gifts and Donations	17,000	17,000	479,827
Miscellaneous	2,000	2,000	2,811
<b>Total Revenues</b>	<b>4,334,630</b>	<b>4,334,630</b>	<b>4,898,195</b>
<b>EXPENDITURES</b>			
Salaries and Employee Benefits	2,916,200	2,653,730	2,715,105
Library Materials and Services	544,390	544,390	462,263
Operational Costs	286,640	272,960	264,152
Maintenance	373,180	373,180	307,503
Capital Projects	114,220	69,220	75,524
Other	-	-	-
<b>Total Expenditures</b>	<b>4,234,630</b>	<b>3,913,480</b>	<b>3,824,547</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>100,000</b>	<b>421,150</b>	<b>1,073,648</b>
<b>Other Financing Sources (Uses)</b>			
Operating Transfer	(100,000)	(421,150)	(421,150)
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 652,498</b>

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

## Required Supplementary Information

### ROLLING MEADOWS LIBRARY

#### SCHEDULE OF THE LIBRARY'S PROPRTIONATE SHARE OF THE NET PENSION (ASSET)/LIABILITY

YEAR ENDED DECEMBER 31,

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Library's Proportion of the Net Pension (Asset)/Liability	21.92%	20.87%	18.60%	21.51%	20.37%	21.79%	22.82%	22.79%	22.40%
Library's Proportionate Share of the Net Pension (Asset)/Liability	<u>\$ 1,506,478</u>	<u>\$ 2,114,997</u>	<u>\$ (1,245,211)</u>	<u>\$ 235,916</u>	<u>\$ 1,366,719</u>	<u>\$ 2,961,370</u>	<u>\$ 756,389</u>	<u>\$ 2,273,428</u>	<u>\$ 2,391,634</u>
Library's Covered-Employee Payroll	<u>\$ 1,914,994</u>	<u>\$ 1,775,179</u>	<u>\$ 1,728,666</u>	<u>\$ 1,782,846</u>	<u>\$ 1,785,662</u>	<u>\$ 1,766,241</u>	<u>\$ 1,716,879</u>	<u>\$ 1,692,021</u>	<u>\$ 1,638,898</u>
Library's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered-Employee Payroll	78.67%	119.14%	-72.03%	13.23%	76.54%	167.67%	44.06%	134.36%	145.93%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.80%	88.11%	107.08%	98.58%	91.10%	81.51%	95.11%	85.23%	83.72%

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.

## Required Supplementary Information

### ROLLING MEADOWS LIBRARY

#### SCHEDULE OF EMPLOYER IMRF CONTRIBUTIONS

#### ILLINOIS MUNICIPAL RETIREMENT FUND

Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2014	\$ 280,034	\$ 280,034	-	\$ 1,607,541	17.42%
2015	253,538	253,538	-	1,638,898	15.47%
2016	275,461	275,461	-	1,692,021	16.27%
2017	263,884	263,884	-	1,716,879	15.37%
2018	264,936	264,936	-	1,766,241	15.00%
2019	222,315	222,315	-	1,785,662	12.45%
2020	288,643	288,643	-	1,782,846	16.19%
2021	236,200	262,411	(26,211)	1,728,666	16.85%
2022	223,140	236,223	(13,083)	1,775,179	13.31%
2023	178,094	184,229	(6,135)	1,914,994	9.62%

#### Notes to the Required Supplementary Information\*

##### Valuation Date

##### Notes

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

##### Methods and Assumptions Used to Determine 2023 Contribution Rates

Actuarial Cost Method	Aggregate entry age normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	20-year closed period
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	2.75%
Price Inflation	2.25%
Salary Increases	2.75% to 13.75%, including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
Mortality	MP-2020 Blue Collar Health Annuitant Mortality Table and MP-2020 Disabled Mortality Table with adjustments to match current IMRF experience.

##### Other Information

##### Notes

There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2021, actuarial valuation.

## Required Supplementary Information

### ROLLING MEADOWS LIBRARY

#### SCHEDULE OF THE LIBRARY'S PROPRTIONATE SHARE OF THE OTHER POST-EMPLOYMENT BENEFITS LIABILITY

YEAR ENDED DECEMBER 31,

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Library's Proportion of the Net OPEB Liability	8.23%	7.63%	7.49%	6.85%	4.60%	3.00%
Library's Proportionate Share of the Net OPEB Liability	<u>\$ 477,092</u>	<u>\$ 426,072</u>	<u>\$ 491,005</u>	<u>\$ 553,591</u>	<u>\$ 322,187</u>	<u>\$ 173,402</u>
Library's Covered-Employee Payroll	<u>\$ 1,183,600</u>	<u>\$ 1,000,258</u>	<u>\$ 1,000,258</u>	<u>\$ 1,037,148</u>	<u>\$ 975,033</u>	<u>\$ 1,039,506</u>
Library's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll	40.31%	42.60%	49.09%	53.38%	33.04%	16.68%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

There were no changes in benefits during calendar year 2023.

Changes in assumption in 2023 were related to the discount rate being decreased from 4.31% as of December 31, 2022 to 4.00% as of December 31, 2023.

The Library is a component unit of the City of Rolling Meadows. The City is required to have an actuarial valuation performed bi-annually.

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.

**Required Supplementary Information**

---

ROLLING MEADOWS LIBRARY

SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS

<u>Fiscal Year Ended December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual as a Percentage of Covered Valuation Payroll</u>
2018	N/A	\$ -	N/A	\$ 1,039,506	0.0%
2019	N/A	-	N/A	975,033	0.0%
2020	N/A	-	N/A	1,037,148	0.0%
2021	N/A	-	N/A	1,000,258	0.0%
2022	N/A	-	N/A	1,000,258	0.0%
2023	N/A	-	N/A	1,183,600	0.0%

*Notes to the Required Supplementary Information*

There is no Actuarially Determined Contribution (ADC) or employer contribution in relation to the ADC, as there is no Trust that exists for funding the OPEB liabilities.

## Supplementary Information

### ROLLING MEADOWS LIBRARY

#### STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>BUDGET - ORIGINAL</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>SALARIES AND EMPLOYEE BENEFITS</b>			
General Salaries and Wages	\$ 2,225,000	\$ 2,070,638	\$ 154,362
IMRF	188,300	177,691	10,609
FICA	170,140	154,363	15,777
Health Insurance	324,070	310,205	13,865
Dental Insurance	6,390	644	5,746
Employee Assistance Program	2,300	1,564	736
	<u>2,916,200</u>	<u>2,715,105</u>	<u>201,095</u>
<b>LIBRARY MATERIALS AND SERVICES</b>			
Books and Materials	228,450	211,906	16,544
Audio/Visual	35,790	26,613	9,177
Periodicals	31,110	27,153	3,957
Electronics	161,240	121,885	39,355
E-Materials	37,800	31,322	6,478
Programs	50,000	43,384	6,616
	<u>544,390</u>	<u>462,263</u>	<u>82,127</u>
<b>OPERATIONAL COSTS</b>			
Professional Development	31,500	40,512	(9,012)
Dues	3,500	2,462	1,038
Transportation	5,000	3,846	1,154
Circulation Services	2,450	2,406	44
Special Services	6,000	5,835	165
Technical Services	19,080	12,183	6,897
Supplies	27,150	29,348	(2,198)
City Services	47,900	47,895	5
Utilities	6,920	6,220	700
Liability Insurance and Unemployment Compensation	43,060	13,168	29,892
Professional Fees	25,200	17,375	7,825
Newsletter costs	15,180	15,874	(694)
Postage	4,820	4,046	774
OCLC Fee	37,720	57,449	(19,729)
Staff Vending Machines	3,260	2,464	796
Other	7,900	3,069	4,831
	<u>286,640</u>	<u>264,152</u>	<u>22,488</u>

(Continued)

**Supplementary Information**

ROLLING MEADOWS LIBRARY

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL -  
GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

(Continued)

	<u>BUDGET - ORIGINAL</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
MAINTENANCE			
Telephone	\$ 15,430	\$ 16,885	\$ (1,455)
Internet	26,740	18,756	7,984
System Maintenance	79,180	81,179	(1,999)
Other Equipment Maintenance	167,140	111,039	56,101
Alarms	5,830	5,067	763
Cleaning Services	9,200	9,200	-
HVAC	15,750	25,565	(9,815)
Carpet Cleaner	4,300	5,630	(1,330)
Other Building Maintenance	49,610	34,182	15,428
	<u>373,180</u>	<u>307,503</u>	<u>65,677</u>
CAPITAL PROJECTS			
Improvements to Building	65,000	17,885	47,115
Machinery and Equipment	49,220	57,639	(8,419)
	<u>114,220</u>	<u>75,524</u>	<u>38,696</u>
OTHER	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 4,234,630</u>	<u>\$ 3,824,547</u>	<u>\$ 410,083</u>