

**PARLIN-INGERSOLL PUBLIC LIBRARY
Canton, Illinois**

**Financial Statements
and
Auditor's Report**

For The Year Ended May 31, 2018

PARLIN-INGERSOLL PUBLIC LIBRARY

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PARLIN-INGERSOLL PUBLIC LIBRARY

FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Parlin-Ingersoll Public Library
Canton, Illinois

We have audited the accompanying modified cash basis financial statements of the governmental activities of the Parlin-Ingersoll Public Library (the "Library") as of and for the year ended May 31, 2018, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1E; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities of the Parlin-Ingersoll Public Library as of May 31, 2018, and the respective changes in the modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1E.

Basis of Accounting

We draw attention to Note 1E 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.

Other Matters*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Parlin-Ingersoll Public Library's basic financial statements. The budgetary comparison schedule – general fund on page 32 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The budgetary comparison schedule – general fund on page 32 is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Parlin-Ingersoll Public Library's basic financial statements as a whole. The management's discussion and analysis, the Comparative Statement of Revenues Received and Expenditures Disbursed, Schedule of Investments, Schedule of Disbursements > \$2,500, and Schedule of Compensation of pages 7 through 12 and 34 through 37, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Comparative Statement of Revenues Received and Expenditures Disbursed and the Schedule of Investments, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Comparative Statement of Revenues Received and Expenditures Disbursed and the Schedule of Investments are fairly stated in all material respects in relation to the basic financial statements as a whole.

The management's discussion and analysis, Schedule of Disbursements > \$2,500, and the Schedule of Compensation on pages 7 through 12 and page 37 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

The financial statements of Parlin-Ingersoll Public Library as of and for the year ended May 31, 2017 were audited by another firm. That firm issued an unmodified cash basis opinion dated September 19, 2017 on those statements. That audit was conducted for purposes of forming an opinion on the financial statements as a whole. The 2017 Statement of Revenues Received and Expenditures Disbursed on page 34 is presented for purposes of additional analysis. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2017 financial statements.

GINOLI & COMPANY LTD

GINOLI & COMPANY LTD
Certified Public Accountants

Peoria, Illinois
July 23, 2018

PARLIN-INGERSOLL PUBLIC LIBRARY
MANAGEMENT'S DISCUSSION AND ANALYSIS: FY18

Our discussion and analysis of the Parlin-Ingersoll Public Library's financial performance provides an overview of the library's financial activities for the fiscal year ending May 31, 2018. Please review in conjunction with the Library's basic financial statements.

FINANCIAL HIGHLIGHTS AND OVERVIEW OF FINANCIAL STATEMENTS

- **Operations:** In FY18, total library expenditures were under revenue by \$5,019 compared to \$36,314 (FY17), \$798 (FY16), \$40,623 (FY15), and \$95,996 (FY14). (These figures include gains/losses on investments). This is compared to prior expenditures exceeding revenue by \$40,364 (FY13), \$60,311 (FY12), and \$110,456 (FY11).

Revenues are budgeted conservatively. In addition, the library has kept very tight control over operating expenditures the past five years despite larger capital expenses. As we continue to complete the recommended building maintenance upgrades, these trends might not continue.

- **Salary and Benefits:** Our total expenditures for salaries and wages ended more than \$13,760 under budget and the total of payroll taxes, pension and health insurance ended more than \$13,430 under budget. We had several staff take unpaid time. In addition, we had several vacancies, which went unfilled for several months until replacements were hired. We budgeted anticipating an increase in minimum wage to \$9.00/hour, but the legislation has not passed. We budgeted for an existing full-time employee to be added to the health insurance plan, but she will not be added until FY19.
- **Utilities, Telephone, and Internet:** The total expenditures for utilities, telephone and internet were \$7,407 under budget. We anticipated higher electrical rates due to a larger than normal spike in previous years and received eRate funding, which program administrators require not to budget for receipt of disbursements.
- **Building and Ground Maintenance:** The total expenditures were over budget by \$6,623 due to a large number of unexpected repairs including masonry work for the outdoor faucet by the Elson Memorial, plumbing work for the outdoor faucet and a new drinking fountain, insurance deductible for the shed roof repair due to hail damage, roof repair on the 2004 addition for a puncture not under warranty, electrical work on outdoor parking lot lights, and computer network cabling for the new credit/debit system.
- **Other Expenditures:** Print and non-print materials appear over budget, but this can be attributed to receiving unanticipated Per Capita Grant monies and donations. Insurance costs were over \$5,254 primarily due to the library paying the Directors and Officers (Pillar) liability insurance for 3 years of coverage for a reduced rate.
- **Capital Expenditures:** The library budgeted \$49,550 for capital expenditures in FY18. The library continues to work on a suggested maintenance schedule from our architect, but some of the work planned for FY18 has been delayed and some of the work planned for future years had been completed in FY18 instead. The replacement of the 1994 section of roofing is planned for the fall of 2018 (FY19). The parking lot and sidewalk repairs have been delayed.

The actual cost for capital expenditures in FY18 was \$23,505. The cleaning of the west side masonry has been completed (\$3,615), and the front door panic bars (\$2,000) and accessibility door handles (\$1,850) have been installed in the public restrooms. These repairs total \$7,465.

The other capital expenditure listed is for \$16,040 for the Elson Memorial. These monies were donated in memory of trustee James J. Elson to build the Story Time Circle and were carried over since his death in November 2015. His family paid the rest of the memorial costs of \$18,868.16.

- **Ingersoll Income:** Charles D. Ingersoll Trust quarterly disbursements totaled \$605,065. This represents about a very slight decrease of .95% from the \$610,896 in FY17 and an overall decrease of 8.37% from our FY09 distribution of \$660,340. The revenue decline has been due to lower interest rates and investment losses in the Trust since 2008. The rolling three-year valuation average used to calculate trust distributions helps spread out the impact of these losses.
- **State Grant:** The Library received an Illinois state per capita grant in FY18 that had been awarded in FY17, administered by the Illinois State Library, in the amount of \$11,416.77. The state per capita grant monies are drawn from the State of Illinois' general tax fund and the Secretary of State's Live and Learn fees. These tax and fee monies are collected from all taxpayers in Illinois. Library participation in the per capita grant program recaptures tax and fee monies collected from Canton-area citizens. There are no local property taxes collected for library services at this time. Income from the Ingersoll Trust disbursements and accumulated savings represents a per capita value of \$39.93. We would need to levy a property tax averaging \$108.61 per household to replace Ingersoll revenue.

We also were awarded a Back to Books Grant from the Illinois State Library, through the federal Library Services and Technology Act (LSTA), in the amount of \$2,500. These monies were spent on children's materials.

- **Other Income:** The Library earned a total of \$22,505 in miscellaneous income, down from \$25,753 (FY17). Overdue fees accounted for \$6,867 in FY 18 (\$7,840 in FY17) and replacement charges for lost or damaged materials recovered was \$1,444 in FY 18 (\$1,936 in FY17). The rest of the revenue was generated primarily from cost-recovery assessments, such as photocopies, computer prints, proctoring fees, book sales, donations, etc. The drop in Miscellaneous Income is spread among all of these categories.

OVERVIEW OF ASSETS

- **Changes in Savings and Investments:** The library ended the fiscal year with \$1,011,124.01 in capital reserves at MidAmerica National Bank, compared to \$949,760 in fiscal year 2017. Due to reduced revenues, our capital reserves have declined from \$1,245,602 at the end of fiscal year 2008. We ended with a balance in our MidAmerica National Bank checking account of \$117,505.52.
- **Capital Asset Investment:** The actual cost for capital expenditures in FY18 was \$23,505. The cleaning of the west side masonry has been completed (\$3,615), and the front door panic bars (\$2,000) and accessibility door handles (\$1,850) have been installed in the public restrooms. These repairs total \$7,465.

The other capital expenditure listed is for \$16,040 for the Elson Memorial. These monies were donated in memory of trustee James J. Elson to build the Story Time Circle and were carried over since his death in November 2015. His family paid the rest of the memorial costs of \$18,868.16.

- **Debt:** The Library has no short-term or long-term debt to service.

FY19 Budget Forecast

The Board approved the FY19 Budget at \$34,635 over in operating expenses and \$94,885 over if also including anticipated capital expenses. Capital expenses in FY19 include replacement of the 1994 roof, possible sidewalk repairs, and possible parking lot repairs. The board felt comfortable absorbing this loss; however, if per capita monies are received in FY19, the loss would be much less.

Our income for FY18 was \$683,971 compared to \$671,421 for FY17 and \$685,013 for FY16. Total income has fallen from a historic high of \$767,391 in FY08 to \$683,971 in FY18, a decline of \$83,420, or about 10.87 percent.

The Charles D. Ingersoll Trust did increase in value from December 31, 2016 to December 31, 2017. The 3-year rolling average used to calculate our income rolled off a slightly lower year than the one brought in.

When looking at the 3-year rolling average of the Charles D. Ingersoll Trust used to calculate our income, we may have an increase in income for FY19 as the 2015 year (\$23,456,947) is replaced by the close of 2018, which if it remains the same as the close of 2017 would be (\$25,803,835).

In addition, we have been awarded a Per Capita Grant for 2018 (FY19) of \$18,380, which has not yet been received. Previous Per Capita Grants were \$11,335 in FY18, \$11,335 in FY17, and \$18,380 in FY16. Our estimated income for FY19 is \$643,000.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Library.

The statement of activities demonstrates the degree to which the direct expenses of a given function of segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to patrons or the general public who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*.

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 Library as a whole and present a longer-term view of the Library's finances. Fund financial statements reported in these sections tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Library's operations in more detail than the government-wide statements by providing information about the Library's most financially significant funds.

The Parlin-Ingersoll Public Library, being an independent governing and non-tax levying body, only has governmental funds. *Governmental Funds:* The Library's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified cash basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Library's operations and the services it provides.

Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Library's programs. We described the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation included in Notes 1, 2, and 3 in the Notes to Financial Statements.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements. The notes to the financial statements can be found in a following section.

Other Information: In addition to the basic financial statements and accompanying notes, this report also presents budgetary comparison schedules for the major fund. A comparison of revenues received and expenditures disbursed for the years ended May 31, 2017 and 2018 can be found in the section titled "Comparative Statement of Revenues and Expenditures Disbursed." A "Schedule of Investments", "Schedule of Disbursements=>\$2,500" and "Schedule of Compensation" can also be found.

**PARLIN-INGERSOLL PUBLIC LIBRARY
FOR THE YEAR ENDED MAY 31, 2018**


Financial Analysis of the Library

	<u>2018</u>	<u>2017</u>
ASSETS:		
Cash	\$ 273,594	\$ 265,663
Investments, at Amortized Cost	855,572	858,500
Property and Equipment, net of accumulated depreciation	<u>1,007,224</u>	<u>1,050,895</u>
Total Assets	<u><u>\$ 2,136,390</u></u>	<u><u>\$ 2,175,058</u></u>
NET POSITION:		
Invested in Capital Assets	\$ 1,007,224	\$ 1,050,895
Restricted	1,957	16,040
Unrestricted	<u>1,127,209</u>	<u>1,108,123</u>
Total Net Position	<u><u>\$ 2,136,390</u></u>	<u><u>\$ 2,175,058</u></u>
Program Revenues:		
Charges for Services	\$ 20,990	\$ 24,762
Grants	13,917	11,335
Donations	26,061	13,790
General Revenues:		
Charles D. Ingersoll Trust	605,065	610,896
Investment Income and Gains/Losses	<u>14,264</u>	<u>10,466</u>
Total Revenues	<u><u>\$ 680,297</u></u>	<u><u>\$ 671,249</u></u>
Program Expenses:		
Current Cultural and Recreation	<u>718,949</u>	<u>675,470</u>
Decrease in Net Position	<u><u>\$ (38,652)</u></u>	<u><u>\$ (4,221)</u></u>

CONTACTING THE LIBRARY'S FINANCIAL MANAGEMENT

This financial report provides our citizens, taxpayers, patrons and creditors with a general overview of the Library's finances and addresses the Library's accountability for the money it receives. If there are any questions about this report or additional information that is needed please feel free to contact the Parlin-Ingersoll Public Library between 9 a.m. and 5 p.m., Monday through Friday.

Respectfully submitted,



Kimberly S. Bunner, Director

7-10-2018

Date

PARLIN-INGERSOLL PUBLIC LIBRARY

BASIC FINANCIAL STATEMENTS

PARLIN-INGERSOLL PUBLIC LIBRARY

Statement of Net Position and Governmental Fund Statement of Assets, Liabilities, and Fund Balance - Modified Cash Basis

May 31, 2018

	<u>Governmental Fund</u>	<u>Adjustments (Note 2)</u>	<u>Statement of Net Position</u>
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 273,594	\$ -	\$ 273,594
Investments, at Amortized Cost	855,572	-	855,572
Total Current Assets	<u>\$ 1,129,166</u>	<u>\$ -</u>	<u>\$ 1,129,166</u>
Non-Current Assets:			
Capital Assets			
Land	\$ -	\$ 205,328	\$ 205,328
Depreciable	-	2,504,729	2,504,729
Less: Accumulated Depreciation	-	(1,702,833)	(1,702,833)
Total Non-Current Assets	<u>\$ -</u>	<u>\$ 1,007,224</u>	<u>\$ 1,007,224</u>
Total Assets	<u><u>\$ 1,129,166</u></u>	<u><u>\$ 1,007,224</u></u>	<u><u>\$ 2,136,390</u></u>
NET POSITION:			
Invested in Capital Assets	\$ -	\$ 1,007,224	\$ 1,007,224
Restricted	1,957	-	1,957
Unrestricted	<u>1,127,209</u>	<u>-</u>	<u>1,127,209</u>
Total Fund Balance / Net Position	<u><u>\$ 1,129,166</u></u>	<u><u>\$ 1,007,224</u></u>	<u><u>\$ 2,136,390</u></u>

The accompanying notes are an integral part of this financial statement.

PARLIN-INGERSOLL PUBLIC LIBRARY
Statement of Activities - Modified Cash Basis
For The Year Ended May 31, 2018

	Governmental Fund	Adjustments (Note 3)	Statement of Activities
EXPENDITURES/EXPENSES:			
Current Cultural and Recreation	\$ 640,369	\$ 78,580	\$ 718,949
Capital Outlay	34,909	(34,909)	-
Total Expenditures/Expenses	\$ 675,278	\$ 43,671	\$ 718,949
PROGRAM REVENUES:			
Charges for Services	\$ 20,990	\$ -	\$ 20,990
Operating Contributions	7,193		7,193
Capital Contributions	18,868	-	18,868
Operating Grants	13,917	-	13,917
Total Program Revenues	\$ 60,968	\$ -	\$ 60,968
Net Program Expense			\$ (657,981)
GENERAL REVENUES:			
Charles D. Ingersoll Trust	\$ 605,065	\$ -	\$ 605,065
Investment Income and Gains/Losses	14,264	-	14,264
Total General Revenues	\$ 619,329	\$ -	\$ 619,329
Change in Fund Balance / Net Position	\$ 5,019	\$ (43,671)	\$ (38,652)
Fund Balance / Net Position - Beginning	1,124,147	1,050,895	2,175,042
Fund Balance / Net Position - Ending	\$ 1,129,166	\$ 1,007,224	\$ 2,136,390

The accompanying notes are an integral part of this financial statement.

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Operations and Organization

The Parlin-Ingersoll Public Library (“Library”) is an information center which offers to its patrons, of all ages, a broad range of materials and services. These include books for leisure reading and education, professional reference assistance in person or over the telephone, audiovisual materials, computer and internet access, DVD media and magazines. The Library supplements and enhances its services through membership in the RAILS Library System that provides back-up reference, inter-library loan delivery, and other services.

B. Reporting Entity

The criteria of oversight responsibility, special financing relationships, and the scope of public service were used in determining if any agencies or entities should be included as component units within the Library's reporting entity. Oversight responsibility is determined by the extent of financial interdependency, control over the selection of the governing authority and management, ability to significantly influence operations, and accountability for fiscal matters. Based on these criteria, the Library has no component units.

C. Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position – modified cash basis and the statement of activities – modified cash basis) report information on all of the non-fiduciary activities of the Library using the economic resources measurement focus.

The statement of net position – modified cash basis presents the financial position of the Library at the end of the fiscal year. The statement of activities – modified cash basis demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program, function, or segment. Program revenues include 1) charges to patrons or the general public who purchase, use, or directly benefit from goods, services, or privileges provided by the Library and 2) grants and contributions used for the operational or capital requirements of the Library. Other items not properly included among program revenues are reported instead as general revenues.

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

C. Government-Wide Financial Statements - continued

Net Position

Equity for government-wide financial statements is presented as net position and is classified into three components:

1. Net investment in capital assets – This consists of capital assets net of accumulated depreciation and related debt.
2. Restricted – This consists of net position with constraints placed on the use either by (a) external groups, such as grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation. Restricted net position is reported using the same definition as used for restricted fund balance described below.
3. Unrestricted – This is all other net position not included in the above two categories.

The Library applies restricted resources first when an expenditure is disbursed for purposes for which both restricted and unrestricted resources are available.

D. Fund Financial Statements

The Library segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Each fund is considered to be a separate accounting entity with a self-balancing set of accounts. The Library has only one fund type and one fund as follows:

Governmental Funds

Governmental Funds – Governmental funds are those through which most governmental functions are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. The Library's one governmental fund is as follows:

General Fund – The general fund accounts for all financial resources except those required to be accounted for in other funds. The general fund balance is available to the Library for any purpose, provided it is expended or transferred in accordance with applicable laws. Certain resources obtained from state grants and donations used to support general library activities and capital projects are accounted for in the general fund.

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

D. Fund Financial Statements - continued

Fund Balances

In the governmental fund financial statements, the fund balance is reported using five classifications:

- Non-spendable includes amounts that are required to be maintained intact. The Library does not have any non-spendable fund balances this fiscal year.
- Restricted includes amounts constrained to specific purposes by their providers (such as grantors, donors, and higher levels of government), through constitutional provisions or by enabling legislation.
- Committed is that portion of the fund balance that has been approved by the highest level of authority i.e. the Library's Board of Trustees. The Library does not have any committed fund balance this fiscal year.
- Assigned includes amounts the government intends to use for a specific purpose, but does not meet the criteria for restricted or committed. Intent can be expressed by the Board of Trustees or by an official or body to which the Board delegates the authority. The Library does not have any assigned fund balance this fiscal year.
- Unassigned is the residual classification of the fund balance that is not included in one of the categories above. These amounts are reported only in the General Fund.

For purposes of fund balance classification, expenditures are to be from restricted fund balances first, followed in order by committed fund balance, assigned fund balance and lastly, unassigned fund balance.

E. Basis of Accounting

The government-wide financial statements and the fund financial statements are reported using the modified cash basis of accounting. Revenues are recorded when cash is received rather than when earned and expenditures are recorded when cash is disbursed rather than when a liability is incurred. Modifications to the cash basis of accounting result from management's decision to record fixed assets, accumulated depreciation, and depreciation expense in the financial statements.

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

F. Budgeting

The Library’s Board of Trustees adopts a budget during the last fiscal quarter of the prior fiscal year on the cash basis of accounting. The budget for fiscal year 2018 was approved May 17, 2017. The Library does not levy property taxes, and therefore, does not issue a tax levy ordinance nor an appropriation ordinance.

G. Investments

Investments are accounted for at amortized cost which approximates market value. Gains and losses on investments are recorded at disposal.

H. Capital Assets

Capital assets, which include land, land improvements, buildings, furniture, and equipment, are reported in the government-wide statement of net position. Capital assets are defined by the Library as assets with an initial, individual cost of \$2,500 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation, providing they have a fair market value of \$2,500 or more.

Books and other library materials are treated as expenditures in the year of purchase. The Library has elected not to capitalize books and other library materials and collections.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset life are not capitalized, but shown as an expense when disbursed.

Land improvements, buildings, furniture, and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	20
Buildings	35
Building Improvements	20-30
Furniture	5-20
Office equipment	5
Computer automation	5
Other equipment	5

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

I. Use of Estimates

In preparing the financial statements, management is required to make estimates and assumptions for depreciation expense that will affect the reported amount of assets, expenses, and net position. Actual results could differ from those estimates.

NOTE 2: EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUNDS STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE – MODIFIED CASH BASIS AND THE STATEMENT OF NET POSITION – MODIFIED CASH BASIS

The Library’s governmental fund balance of \$1,129,167 differs from the net position of \$2,136,391. This difference primarily results from the long-term economic focus of the Statement of Net Position – Modified Cash Basis versus the current financial resources focus of the Governmental Fund Statement of Assets, Liabilities, and Fund Balance – Modified Cash Basis. The differences are explained below:

Governmental Fund Balance	\$ 1,129,166
Governmental funds report capital outlays as expenditures.	
However, the Statement of Net Position - Modified	
Cash Basis includes capital outlays, net of	
accumulated depreciation, in the assets	
of the Library as a whole.	
	1,007,224
Net Position of Governmental Fund	\$ 2,136,390

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 3: EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND
CHANGE IN FUND BALANCE AND THE STATEMENT OF ACTIVITIES
CHANGE IN NET POSITION

The change in fund balance for the governmental fund of \$5,019 differs from the change in net position of \$(38,652). The differences arise primarily from the long-term economic focus of the Statement of Activities – Modified Cash Basis versus the current financial resources focus of the governmental fund as reported on the Statement of Activities – Modified Cash Basis. The differences are explained below:

Net Change in Governmental Fund Balance	
For The Year Ended May 31, 2018.	\$ 5,019
Capital assets purchased are reported as expenditures in the governmental funds. However, the cost of these are added to capital assets and depreciated in the Statement of Activities - Modified Cash Basis.	<u>(43,671)</u>
Change in Net Position of Governmental Fund	<u>\$ (38,652)</u>

NOTE 4: CASH AND INVESTMENTS

Illinois Compiled Statutes authorized the Library to invest in certain securities. A limited description of what the statute authorizes the Library to invest in, is as follows:

- A. Bonds, notes, certificates of indebtedness, treasury bills, or other securities guaranteed by the United States of America or issued by the United States of America, its agencies, and its instrumentalities.
- B. Interest bearing savings accounts, certificates of deposit, or time deposits or any other investments constituting direct obligations of any banks as defined by the Illinois Banking Act.
- C. Short-term obligation of US corporations maturing is less than 270 days rated at the time of purchase at one of the three highest classifications by at least two standard rating services.
- D. Money market mutual funds that invest in A above.
- E. Municipal obligations.
- F. In Illinois Funds.
- G. In a fund managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company or use the services of such entity to hold and invest or advise regarding the investment of any public funds.

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 4: CASH AND INVESTMENTS – continued

Cash and Cash Equivalents

The Library considers demand deposits and liquid investments with an original maturity of 90 days or less to be cash and cash equivalents.

Deposits

The Library’s cash and cash equivalents consist of deposits with financial institutions, a US Government money market fund, and a petty cash fund. At May 31, 2018, the carrying amount of the Library’s cash and cash equivalents totaled \$273,594 and consisted of \$117,793 in bank deposits, \$155,551 invested in a US Government money market fund, and \$250 in a petty cash fund. The Library’s bank deposits are fully insured by FDIC insurance.

Investments

The Library’s investments are as follows:

	Carrying Amount	Market Value	Maturity in Years	
			< 1yr	1-5 yrs
Municipal Bonds	\$ 504,171	\$ 493,436	\$ 150,281	\$ 353,890
Certificates of Deposit	351,401	350,562	-	351,401
Total Investments	<u>\$ 855,572</u>	<u>\$ 843,998</u>	<u>\$ 150,281</u>	<u>\$ 705,291</u>

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure or the failure of a counterparty, the Library’s bank deposits or investments will not be returned to it. While there is no formal policy governing custodial credit risk, the Library’s investment policy mitigates this risk by requiring that investments be in compliance with Illinois Compiled Statutes. The Library’s bank deposits are fully covered by FDIC insurance. All of the Library’s investments at May 31, 2018, are uninsured, uncollateralized, and held in the financial institution’s name as nominee for the Library.

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 5: CAPITAL ASSET ACTIVITY

Capital asset activity for the Library for the year ended May 31, 2018, was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
Non-Depreciable Assets:				
Land	\$ 205,328	\$ -	\$ -	\$ 205,328
Construction in Progress	13,861	-	(13,861)	-
Total Non-Depreciable Assets	<u>\$ 219,189</u>	<u>\$ -</u>	<u>\$ (13,861)</u>	<u>\$ 205,328</u>
Capital Assets Subject to Depreciation:				
Buildings and Improvements	\$ 2,098,353	\$ 48,770	\$ -	\$ 2,147,123
Equipment	73,328	-	-	73,328
Furniture and Fixtures	169,122	-	-	169,122
Computer Automation	122,147	-	(6,991)	115,156
Total Cost of Capital Assets Subject to Depreciation	<u>\$ 2,462,950</u>	<u>\$ 48,770</u>	<u>\$ (6,991)</u>	<u>\$ 2,504,729</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 1,356,526	\$ 53,447	\$ -	\$ 1,409,973
Equipment	37,018	9,376	-	46,394
Furniture and Fixtures	157,664	1,617	-	159,281
Computer Automation	80,036	14,140	(6,991)	87,185
Total Accumulated Depreciation	<u>\$ 1,631,244</u>	<u>\$ 78,580</u>	<u>\$ (6,991)</u>	<u>\$ 1,702,833</u>
Net Capital Assets Subject to Depreciation	<u>\$ 831,706</u>	<u>\$ (29,810)</u>	<u>\$ -</u>	<u>\$ 801,896</u>
Net Capital Assets Governmental Activities	<u>\$ 1,050,895</u>	<u>\$ (29,810)</u>	<u>\$ (13,861)</u>	<u>\$ 1,007,224</u>

Depreciation expense was charged to the Library's governmental activity in the amount of \$78,580 for the fiscal year ending May 31, 2018.

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 6: ILLINOIS MUNICIPAL RETIREMENT SYSTEM

The Library participates in the Illinois Municipal Retirement Fund (IMRF) in conjunction with the employees of the City of Canton, Illinois (City). The Library withholds the employee's share of contributions and pays both the employees' and employer's share of contributions to the City, who remits the amounts to IMRF along with amounts for its own employees. The information given below includes both the Library and City of Canton employees.

IMRF 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 plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section below. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org and is prepared on the same basis of accounting using the same policies as the net pension liability disclosure is prepared.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP), including the Library's IMRF member employees. 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 48 consecutive 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.

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 6: ILLINOIS MUNICIPAL RETIREMENT SYSTEM – continued

Benefits Provided - continued

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, 2017, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	80
Inactive Plan Members entitled to but not yet receiving benefits	28
Active Plan Members	<u>65</u>
Total	173

Contributions

As set by statute, 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 employer's annual contribution rate for calendar year 2017 was 12.84%. For the fiscal year ended May 31, 2018, the Library contributed \$39,272 to the plan. The employer also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The City and Library's net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Since the Library follows the modified cash basis of accounting, the liability is not recognized on the financial statements.

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 6: ILLINOIS MUNICIPAL RETIREMENT SYSTEM – continued

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2017:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.50%
- Salary Increases were expected to be 3.39% to 14.50%, including inflation.
- The Investment Rate of Return was assumed to be 7.50%
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016.
- For non-disabled retirees, an IMRF specific mortality table was used with a fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with a fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF-specific mortality table was used with a fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- 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 as of December 31, 2017:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	37%	6.85%
International Equity	18%	6.75%
Fixed Income	28%	3.00%
Real Estate	9%	5.75%
Alternative Investments	7%	2.65-7.35%
Cash Equivalents	<u>1%</u>	2.25%
Total	100%	

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 6: ILLINOIS MUNICIPAL RETIREMENT SYSTEM – continued

Single Discount Rate

A Single Discount Rate of 7.50% 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:

- 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
- The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2016	\$ 21,324,892	\$ 17,996,006	\$ 3,328,886
Changes for the Year:			
Service Cost	\$ 376,522	\$ -	\$ 376,522
Interest on the Total Pension Liability	1,577,590	-	1,577,590
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(264,894)	-	(264,894)
Changes of Assumptions	(661,484)	-	(661,484)
Contributions - Employer	-	459,296	(459,296)
Contributions - Employee	-	151,744	(151,744)
Net Investment Income	-	3,048,837	(3,048,837)
Benefit Payments, Including Refunds of Employee Contributions	(957,235)	(957,235)	-
Other (Net Transfer)	-	(832,025)	832,025
Net Changes	\$ 70,499	\$ 1,870,617	\$ (1,800,118)
Balances at December 31, 2017	\$ 21,395,391	\$ 19,866,623	\$ 1,528,768

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 6: ILLINOIS MUNICIPAL RETIREMENT SYSTEM – continued

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, 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 6.50%	Current Discount 7.50%	1% Higher 8.50%
Net Pension Liability/(Asset)	\$ 4,298,714	\$1,528,768	(\$752,464)

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

For calendar year 2017, the City and Library would have recognized a combined pension expense of \$931,227 on the accrual basis of accounting. At December 31, 2017, the City and Library would have reported on the accrual basis combined deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences Between Expected and Actual Experience	\$ 34,587	\$ 327,326
Changes in Assumptions	8,030	547,919
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	532,463	1,394,656
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods (net deferred inflows of resources of \$1,694,821)	\$ 575,080	\$ 2,269,901
Pension Contributions Made Subsequent to the Measurement Date (Library Only)	\$ 17,139	\$ -
Total Deferred Amounts Related to Pensions	\$ 592,219	\$ 2,269,901

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 6: ILLINOIS MUNICIPAL RETIREMENT SYSTEM – continued

Amounts reported on the accrual basis as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized as a reduction to the combined accrual basis pension expense of the City and Library in future periods as follows:

<u>Year Ending December 31</u>	<u>Net Deferred Inflows of Resources</u>
2018	\$ 397,649
2019	341,583
2020	547,455
2021	408,134
2022	-
Thereafter	<u>-</u>
Total	<u>\$ 1,694,821</u>

NOTE 7: RESTRICTED FUND BALANCE/NET POSITION

Restricted fund balance/net position is due to donations received that are designated for the summer reading and juvenile programs.

NOTE 8: RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. Commercial insurance is carried for all risks of loss, including worker's compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 9: PROPERTY TAXES

The Library did not levy any property taxes in the past two years. Thus, these financial statements do not include any property tax receipts or property tax levy data.

Continued

PARLIN-INGERSOLL PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

NOTE 10: CHARLES D. INGERSOLL TRUST

The Library receives monies from the Charles D. Ingersoll Trust. The trust agreement stipulates that the Library is to receive 50% of the annual distributions from the trust in quarterly distributions. The annual distribution policy is 5% of the past 3 years average assets.

NOTE 11: SUBSEQUENT EVENTS

Subsequent events were evaluated through the financial statement issuance date of July 23, 2018, for potential disclosure in the financial statements. No events have occurred that would require adjustments to or disclosure in the financial statements.

Concluded

PARLIN-INGERSOLL PUBLIC LIBRARY

OTHER INFORMATION

PARLIN-INGERSOLL PUBLIC LIBRARY

**Budgetary Comparison Schedule
General Fund - Modified Cash Basis
For The Year Ended May 31, 2018**

	Original and Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
REVENUES:			
Charles D. Ingersoll Trust	\$ 595,000	\$ 605,065	\$ 10,065
Grants	-	13,917	13,917
Investment Income	8,000	17,938	9,938
Charges for Services	24,000	20,990	(3,010)
Donations	-	26,061	26,061
Total Revenues	<u>\$ 627,000</u>	<u>\$ 683,971</u>	<u>\$ 56,971</u>
EXPENDITURES:			
Salaries and Wages	\$ 320,500	\$ 306,740	\$ 13,760
Payroll Taxes	22,500	21,890	610
Pension Expense	41,000	39,272	1,728
Health and Life Insurance	48,850	37,758	11,092
Utilities, Telephone, and Internet	34,520	27,113	7,407
Insurance	11,800	17,054	(5,254)
Print Materials	44,900	51,934	(7,034)
Non-Print Materials	18,850	21,863	(3,013)
Databases and Digital Resources	1,900	1,590	310
Programs	5,300	6,324	(1,024)
O.C.L.C. Expense	9,525	9,127	398
Buildings and Grounds Maintenance	29,085	32,547	(3,462)
Office Supplies and Equip Maintenance	18,410	17,323	1,087
Printing and Advertising	400	150	250
Professional Development	2,000	1,841	159
Capital and Non-capital Purchases	52,750	45,607	7,143
ISL Automation Maintenance	21,175	18,965	2,210
Other Disbursements	20,445	18,180	2,265
Total Expenditures	<u>\$ 703,910</u>	<u>\$ 675,278</u>	<u>\$ 28,632</u>
Net Revenues Over (Under) Expenditures	<u>\$ (76,910)</u>	<u>\$ 8,693</u>	<u>\$ 85,603</u>
OTHER FINANCING SOURCES (USES):			
Net loss on investment redemptions	\$ -	\$ (3,674)	\$ (3,674)
Net Revenues Received Over (Under) Expenditures Disbursed and Other Financing Sources (Uses)	<u>\$ (76,910)</u>	<u>\$ 5,019</u>	<u>\$ 81,929</u>

PARLIN-INGERSOLL PUBLIC LIBRARY

SUPPLEMENTAL INFORMATION

PARLIN-INGERSOLL PUBLIC LIBRARY
Comparative Statement of Revenues Received and
Expenditures Disbursed
For The Years Ended May 31, 2018 and 2017

	2018	2017	Increase (Decrease)
REVENUES:			
Charles D. Ingersoll Trust	\$ 605,065	\$ 610,896	\$ (5,831)
Grants	13,917	11,335	2,582
Investment Income	17,938	10,638	7,300
Charges for Services	20,990	24,762	(3,772)
Donations	26,061	13,790	12,271
Total Revenues	\$ 683,971	\$ 671,421	\$ 12,550
EXPENDITURES:			
Salaries and Wages	\$ 306,740	\$ 303,281	\$ 3,459
Payroll Taxes	21,890	21,540	350
Pension Expense	39,272	39,178	94
Health and Life Insurance	37,758	31,983	5,775
Utilities, Telephone, and Internet	27,113	29,047	(1,934)
Insurance	17,054	10,866	6,188
Print Materials	51,934	49,481	2,453
Non-Print Materials	21,863	23,130	(1,267)
Databases and Digital Resources	1,590	1,539	51
Programs	6,324	3,644	2,680
O.C.L.C. Expense	9,127	8,621	506
Buildings and Grounds Maintenance	32,547	20,564	11,983
Office Supplies and Equip Maintenance	17,323	14,796	2,527
Printing and Advertising	150	165	(15)
Professional Development	1,841	1,124	717
Capital and Non-capital Purchases	45,607	42,536	3,071
ISL Automation Maintenance	18,965	17,489	1,476
Other Disbursements	18,180	15,951	2,229
Total Expenditures	\$ 675,278	\$ 634,935	\$ 40,343
Net Revenues Over (Under) Expenditures	\$ 8,693	\$ 36,486	\$ (27,793)
OTHER FINANCING SOURCES (USES):			
Net loss on investment redemptions	\$ (3,674)	\$ (172)	\$ (3,502)
Net Revenues Received Over (Under) Expenditures Disbursed and Other Financing Sources (Uses)	\$ 5,019	\$ 36,314	\$ (31,295)

PARLIN-INGERSOLL PUBLIC LIBRARY

Schedule of Investments

For The Year Ended May 31, 2018

	<u>Date Acquired</u>	<u>Date Matures</u>	<u>Outstanding 5/31/2017</u>	<u>Additions</u>	<u>Sold/Matured Amortization</u>
Bank Certificates of Deposit					
Fairview St Bank 1.35%	2/2/2016	2/2/2018	\$ 203,189	\$ 2,083	\$ 205,272
American Express 2.5%	12/12/2017	12/12/2022	-	95,000	-
Discover Bank 2.2%	12/28/2017	12/28/2020	-	50,000	-
Fairview St Bank 2.25%	2/14/2018	2/2/2020	-	206,401	-
Corporate Bond and Notes					
Bridgeport 2.5%	11/22/2016	8/15/2022	50,930		190
Municipal Bonds and Notes					
Monmouth City, NJ 3.85%	1/29/2013	11/1/2017	52,824	-	52,824
Cook SD #84 Zero Coupon	3/25/2013	12/1/2018	48,035	1,289	-
Macon Co CCD #537 4.8%	3/6/2013	12/1/2017	45,693	-	45,693
Grand Junction CO 2.55%	1/4/2017	12/1/2018	50,471	-	313
Oswego IL 4.45% Callable 12/15/17	8/18/2014	12/15/2018	52,608	-	52,608
Virginia St Hsg Dev Auth 2%	9/12/2016	4/1/2019	50,799	-	-
Stanton CA Redev Ref 2.25%	11/8/2016	12/1/2020	50,590	-	-
St Paul 2.353%	5/11/2017	7/1/2019	152,050	-	605
Marlboro Twp NJ 1.919%	1/14/2017	7/15/2019	50,495	-	196
Bellevue, MI 2.242%	11/18/2016	5/1/2021	50,816	-	-
 GRAND TOTALS			 \$ 858,500	 \$ 354,773	 \$ 357,701

<u>Outstanding 5/31/2018</u>	<u>Gain (Loss)</u>	<u>Interest Rate</u>	<u>Interest Received</u>	<u>Amortization (Premium) Discount</u>	<u>Net Interest Received</u>	<u>Market Value</u>
\$ -	\$ -	1.35%	\$ 2,083	\$ -	\$ 2,083	\$ -
95,000	-	2.50%	-	-	-	95,000
50,000	-	2.20%	-	-	-	49,161
206,401	-	2.25%	1,128	-	1,128	206,401
50,740	-	2.50%	1,538	(190)	1,348	48,101
-	(2,180)	3.85%	963	(645)	318	-
49,324	-	-	-	1,289	1,289	49,055
-	-	4.80%	2,160	(693)	1,467	-
50,158	-	2.55%	1,307	(313)	994	49,773
-	(1,494)	4.45%	2,225	(1,114)	1,111	-
50,799	-	2.00%	1,000	-	1,000	49,776
50,590	-	2.25%	1,125	-	1,125	48,859
151,445	-	2.35%	3,529	(605)	2,924	149,265
50,299	-	1.92%	960	(196)	764	49,647
50,816	-	2.24%	1,121	-	1,121	48,960
<u>\$ 855,572</u>	<u>\$ (3,674)</u>		<u>\$ 19,139</u>	<u>\$ (2,467)</u>	<u>\$ 16,672</u>	<u>\$ 843,998</u>

**PARLIN-INGERSOLL PUBLIC LIBRARY
SCHEDULE OF DISBURSEMENTS > \$2,500 AND SCHEDULE OF COMPENSATION
FOR THE YEAR ENDED MAY 31, 2018**

SCHEDULE OF DISBURSEMENTS > \$2,500

Disbursements in Excess of \$2,500 per Payee in the Aggregate:

Ameren CIPS: \$24,362.06
American Express: \$9,073.37
 Dell Computers in above: \$3,737
American Pest Control: \$3674.00
AT&T: \$3202.29
Baker & Taylor Books, Inc.: \$36,352.41
BlueCross/ BlueShield Illinois: \$35,215.68
Brodart: \$2,897.38
City of Canton, IMRF: \$39,271.96
Claude Garzee: \$3,983.31
Gale/CENGAGE Learning: \$2,946.07
Gendron's Landscaping: \$15,642.40 (Elson Memorial Funds)
IHLS-OCLC: \$9,127.16
Ingram: \$5,494.67
Innovative Interfaces, Inc.: \$11,057.06
Kemper Construction, Inc.: \$9,255.00
Midwest Tape: \$6,664.29
Otto Baum Company, Inc.: \$5,415.00
OverDrive, Inc.: \$10,200.00
Phillips, Salmi & Associates, LLC: \$4,750.00
Quick Electrical Contractors, Inc.: \$3,195.65
Staples: \$9,970.74
Town and Country Insurance: \$16,925.00
Vaughn's Plumbing: \$2,526.07
Walmart: \$2,562.07

SCHEDULE OF COMPENSATION

Disbursements for Compensation:

Under \$25,000: V. Beckner, T. Fisher, R. Kapala; M. Linder; S. Linder; M. Markello; A. Moll;
L. Postin; D. Rock; M. Shelby; B. Smith; L. Stremmel; S. Zink

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