

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

For the Year Ended  
June 30, 2016



**WILMETTE PUBLIC LIBRARY DISTRICT**  
**WILMETTE, ILLINOIS**  
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**WILMETTE, ILLINOIS**  
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## **INDEPENDENT AUDITOR'S REPORT**



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*Members of American Institute of Certified Public Accountants*

## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Trustees  
Wilmette Public Library District  
Wilmette, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Wilmette Public Library District (the District) as of and for the year ended June 30, 2016, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District'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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Wilmette Public Library District, as of June 30, 2016, and the respective changes in modified cash basis financial position for the year then ended in accordance with modified cash basis of accounting described in Note 1.d.

## **Basis of Accounting**

We draw attention to Note 1d of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis and 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 opinions on the financial statements that collectively comprise the District's basic financial statements. The management discussion and analysis and combining and individual nonmajor fund financial statements and schedules and supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules 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 combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The management discussion and analysis and supplementary information has 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.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District as of and for the year ended June 30, 2015 (not presented herein), and have issued our report thereon dated September 25, 2015, which contained unmodified opinions on the respective financial statements - modified cash basis and cash basis of the governmental activities, each major fund and the aggregate remaining fund

information. The comparative data for the year ended June 30, 2015 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2015 financial statements. The individual fund financial statements have been subjected to the auditing procedures applied in the audit of the 2015 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2015.

*Sikich LLP*

Naperville, Illinois  
November 4, 2016

**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**



Wilmette Public Library District  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2016

The discussion and analysis of the Wilmette Public Library District provides a general review of the financial activities for the year ended June 30, 2016. The information presented should be considered in conjunction with the financial statements as a whole.

**Required Financial Statements**

The basic financial statements are prepared using the modified-cash basis of accounting which more closely conforms to our monthly reports. These consist of three components:

- Government-wide financial statements;
- Fund financial statements;
- Notes to the basic financial statements.

*Government-wide financial statements*

The government-wide financial statements are designed to provide a synopsis of the District's finances.

The Statement of Net Positions presents information on all of the District's assets and liabilities arising from cash transactions adjusted for long term capital assets and depreciation expenses, with the difference reported as net positions. Over time, increases or decreases in net positions may serve as an indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net positions changed during the reported fiscal year.

*Fund financial statements*

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements show amounts expended to provide Library services. Funds remaining are also shown. Fund financial statements report the District's operations in more detail than the government-wide statements by providing information about the District's two major funds and the total of all other funds.

*Notes to the basic financial statements*

Notes to the financial statements provide additional information that is essential for a full understanding of the data in the basic financial statements. Required supplementary information consists of the Schedule of Revenues Collected, Expenditures Paid and Changes in Fund Balance - Appropriation and Actual of the General Fund and the Special Reserve Funds and more detailed data concerning the District's contributions and funding progress of the Illinois Municipal Retirement Fund.

## Government-Wide Financial Analysis

### Statement of Net Positions

<b>Condensed Statement of Net Positions</b>		
June 30, 2016	<i>Governmental Activities</i>	
	<u>2016</u>	<u>2015</u>
<b>Current Assets</b>		
Cash and Investments	\$13,029,771	\$14,827,206
Capital Assets, not depreciated	\$51,384	\$1,779,814
Capital Assets, net of depreciation	<u>\$8,932,517</u>	<u>\$4,382,210</u>
<b>Total Assets</b>	<u><u>\$22,013,672</u></u>	<u><u>\$20,989,230</u></u>
<b>Liabilities</b>		
None	\$0	\$0
<b>Net positions:</b>		
Net investment in capital assets	\$8,983,901	\$6,162,024
Restricted (Special Reserve and other funds)	\$5,289,930	\$8,050,362
Unrestricted	<u>\$7,739,841</u>	<u>\$6,776,844</u>
<b>Total Net Positions</b>	<u><u>\$22,013,672</u></u>	<u><u>\$20,989,230</u></u>

### Changes in Net Positions

<b>Change in Net Positions</b>		
June 30, 2016	<i>Governmental Activities</i>	
	<u>2016</u>	<u>2015</u>
<b>Revenues Collected:</b>		
Charges for Services	\$88,658	\$101,167
Operating Grants	\$20,880	\$33,859
Property and Replacement Taxes	\$6,081,381	\$5,991,286
Investment Income	\$69,212	\$75,217
Donations	\$484,512	\$59,960
Miscellaneous	<u>\$209,473</u>	<u>\$223,455</u>
<b>Total Revenues</b>	<u><u>\$6,954,116</u></u>	<u><u>\$6,484,944</u></u>
<b>Expenses Paid:</b>		
Culture and Recreation	\$4,933,944	\$4,691,346
Capital Outlay	<u>\$3,817,607</u>	<u>\$1,728,430</u>
<b>Total Expenses</b>	<u><u>\$8,751,551</u></u>	<u><u>\$6,419,776</u></u>
<b>Increase (decrease) in Net Positions</b>	(\$1,797,435)	\$65,168

### Financial Analysis

Revenues and Culture and Recreation expenses in governmental activities had moderate increases in the fiscal year ending June 30, 2016, but a large increase in Capital Outlay resulted in a decrease in net positions of \$1,797,435.

The Wilmette Public Library District's assets exceeded liabilities by \$22,013,672 for the year ended June 30, 2016 and \$20,989,230 for the year ended June 30, 2015.

A large portion (40.8 %) of the District's net positions reflects its investment in capital assets used in governmental activities. These assets cannot be liquidated for use in operations and therefore are unavailable.

A portion of the net positions is restricted for special projects. The District maintains sufficient unrestricted net positions to provide for normal Library operations in the near future. In addition, funds are available for expenses associated with periodic activities such as computer network upgrades and landscape and parking lots improvements.

### General Fund Appropriation and Actual Comparison

The original appropriation was not amended during the year.

<b>Condensed General Fund Revenues and Expenditures</b>			
June 30, 2016			
	<i>2016</i>		<i>2015</i>
	<u><i>Appropriation</i></u>	<u><i>Actual</i></u>	<u><i>Actual</i></u>
<b>Revenues</b>			
Property and Replacement Taxes	\$5,389,986	\$5,574,975	\$5,487,664
Grant Income	\$33,859	\$20,880	\$33,859
Investment Income	\$21,716	\$36,528	\$29,049
Kenilworth Library Services			
Contract	\$189,237	\$186,264	\$190,407
Fines and Fees	\$82,570	\$88,658	\$101,167
Friends Donations	\$48,000	\$39,712	\$35,464
Miscellaneous	\$50,826	\$468,009	\$57,544
Total Revenues	<u>\$5,816,194</u>	<u>\$6,415,026</u>	<u>\$5,935,154</u>
<b>Expenditures</b>			
Personnel Services	\$3,625,300	\$3,024,991	\$2,860,831
Patron Materials/Services	\$1,216,930	\$917,184	\$883,663
Operation	\$858,801	\$509,854	\$474,039
Contingency	-	-	-
Total Expenditures	<u>\$5,701,031</u>	<u>\$4,452,029</u>	<u>\$4,218,533</u>
<b>Excess (Deficiency) of Revenues</b>			
<b>Over Expenditures</b>	\$115,163	\$1,962,997	\$1,716,621

Actual revenues in governmental activities exceeded budgeted revenues by \$598,832 primarily due to an unrestricted gift of \$420,000 and also reflecting a slight increase in property and replacement taxes and increased income from the Kenilworth Library Services as well as investment income. The District spent \$1,249,002 less than the appropriated amount due to savings in every category.

At the end of fiscal year 2016, the District's governmental funds reported a balance of \$13,029,771, a decrease of \$1,797,435 over fiscal 2015.

## **Capital Assets**

At the end of fiscal year 2016, Wilmette Public Library had total capital assets, net of depreciation, of \$8,983,901, invested in a large collection of library materials, computers and other electronics and the building which houses the Library operations.

## **Economic Factors on the District's Future**

The Wilmette Public Library District is subject to the property tax caps in accordance with the state statutes. With the tax caps in place, the District is limited to the amount of increase they are able to obtain with the tax levy. In addition, the District is subject to tax rate objections and property tax assessment objections. These objections can erode the amount collected by the District with no recourse for collections. A potential decrease in the assessed valuation of property in the District may create a further decline in income.

## **Contact Information**

This financial report is designed to provide the Wilmette Public Library District's citizens and taxpayers with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you need additional information, contact the District:

Ellen B. Clark, Director  
Wilmette Public Library District  
1242 Wilmette Avenue  
Wilmette, IL 60091-2558

## **BASIC FINANCIAL STATEMENTS**

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

**STATEMENT OF NET POSITION - MODIFIED CASH BASIS**

June 30, 2016

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	<b><u>Governmental Activities</u></b>
<b>ASSETS</b>	
Cash and investments	\$ 13,029,771
Capital assets not being depreciated	51,384
Capital assets (net of accumulated depreciation)	<u>8,932,517</u>
Total assets	<u>22,013,672</u>
<b>LIABILITIES</b>	
None	<u>-</u>
<b>NET POSITION</b>	
Invested in capital assets	8,983,901
Restricted for	
Audit	7,889
Liability insurance	34,700
Endowment	37,235
Capital improvements	4,555,565
Retirement	471,393
Specific programs	183,148
Unrestricted	<u>7,739,841</u>
<b>TOTAL NET POSITION</b>	<b><u><u>\$ 22,013,672</u></u></b>

See accompanying notes to financial statements.

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended June 30, 2016

FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT	Program Revenues				Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating	Capital	
			Grants and Contributions	Grants and Contributions	
					Governmental Activities
Governmental Activities					
Culture and recreation	\$ 5,929,674	\$ 88,658	\$ 20,880	\$ -	\$ (5,820,136)
Total governmental activities	5,929,674	88,658	20,880	-	(5,820,136)
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 5,929,674</b>	<b>\$ 88,658</b>	<b>\$ 20,880</b>	<b>\$ -</b>	<b>(5,820,136)</b>
General Revenues					
					6,031,064
					50,317
					69,212
					209,473
					484,512
					<u>6,844,578</u>
					1,024,442
					<u>20,989,230</u>
					<u>\$ 22,013,672</u>

See accompanying notes to financial statements.

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES  
ARISING FROM CASH TRANSACTIONS  
GOVERNMENTAL FUNDS

June 30, 2016

	<b>General</b>	<b>Special Reserve</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>				
Cash and investments	\$ 7,922,989	\$ 4,555,565	\$ 551,217	\$ 13,029,771
<b>TOTAL ASSETS</b>	<b>\$ 7,922,989</b>	<b>\$ 4,555,565</b>	<b>\$ 551,217</b>	<b>\$ 13,029,771</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
None	\$ -	\$ -	\$ -	\$ -
<b>FUND BALANCES</b>				
Nonspendable - endowment	-	-	37,235	37,235
Restricted				
Audit	-	-	7,889	7,889
Liability insurance	-	-	34,700	34,700
Retirement	-	-	471,393	471,393
Specific programs	183,148	-	-	183,148
Capital improvements	-	4,555,565	-	4,555,565
Unassigned				
General Fund	7,739,841	-	-	7,739,841
Total fund balances	7,922,989	4,555,565	551,217	13,029,771
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 7,922,989</b>	<b>\$ 4,555,565</b>	<b>\$ 551,217</b>	<b>\$ 13,029,771</b>

See accompanying notes to financial statements.



**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

For the Year Ended June 30, 2016

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	\$ 13,029,771
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Amounts reported for governmental activities in the  
statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	<u>8,983,901</u>
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<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 22,013,672</u></u>
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See accompanying notes to financial statements.

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID  
AND CHANGES IN FUND BALANCES - CASH BASIS  
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2016

	<u>General</u>	<u>Special Reserve</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES COLLECTED</b>				
Property taxes	\$ 5,524,658	\$ -	\$ 506,406	\$ 6,031,064
Replacement taxes	50,317	-	-	50,317
Per capita grant	20,880	-	-	20,880
Investment income	36,528	32,283	401	69,212
Kenilworth Library services contract	186,264	-	-	186,264
Fines and fees	88,658	-	-	88,658
Friends donations	39,712	-	-	39,712
Miscellaneous	468,009	-	-	468,009
Total revenues collected	<u>6,415,026</u>	<u>32,283</u>	<u>506,807</u>	<u>6,954,116</u>
<b>EXPENDITURES PAID</b>				
Current				
Culture and recreation	4,452,029	-	481,915	4,933,944
Capital outlay	-	3,817,607	-	3,817,607
Total expenditures paid	<u>4,452,029</u>	<u>3,817,607</u>	<u>481,915</u>	<u>8,751,551</u>
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	<u>1,962,997</u>	<u>(3,785,324)</u>	<u>24,892</u>	<u>(1,797,435)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	1,000,000	-	1,000,000
Transfers (out)	(1,000,000)	-	-	(1,000,000)
Total other financing sources (uses)	<u>(1,000,000)</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	962,997	(2,785,324)	24,892	(1,797,435)
FUND BALANCES, JULY 1	<u>6,959,992</u>	<u>7,340,889</u>	<u>526,325</u>	<u>14,827,206</u>
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 7,922,989</u>	<u>\$ 4,555,565</u>	<u>\$ 551,217</u>	<u>\$ 13,029,771</u>

See accompanying notes to financial statements.

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES  
COLLECTED, EXPENDITURES PAID AND CHANGES IN FUND BALANCES TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016

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<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	\$ (1,797,435)
Amounts reported for governmental activities in the statement of activities are different because:	
Gains (losses) on the disposal of capital assets are reported in the governmental activities	(130,502)
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	3,625,058
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	<u>(672,679)</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 1,024,442</u></u>

See accompanying notes to financial statements.

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2016

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

a. Reporting Entity

The District is a body corporate and politic established under Illinois Compiled Statutes (ILCS) governed by an elected Board of Trustees. These financial statements present the District's reporting entity as required by generally accepted accounting principles. The District is considered to be a primary government since its board is separately elected and the District is fiscally independent. Based on the criteria of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, the District does not have any component units. The Friends of the Library, while a potential component unit, is not significant to the District and, therefore, has been excluded from its reporting entity.

b. Fund Accounting

The District uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following category: governmental.

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of restricted, committed or assigned funds (special revenue funds), the funds restricted, committed or assigned for the acquisition or construction of capital assets (capital projects funds), and management of funds held in trust that can be used for library services (permanent fund). The General Fund is used to account for all activities of the District not accounted for in some other fund. The District has no fiduciary funds.

**WILMETTE PUBLIC LIBRARY DISTRICT**  
**WILMETTE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

c. 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 activities of the District. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, if any, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those accounted for in another fund.

The Special Reserve Fund is used to account for resources committed for capital improvements at the District.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and using the modified cash basis of accounting. The District reports capital assets and liabilities issued to acquire capital assets, not long-term operating liabilities. Revenues are recorded at the time of receipt by the District. Expenses are recorded when the funds are disbursed. Depreciation of capital assets has also been shown on the government-wide financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the cash basis of accounting. Revenues are recorded at the time of receipt by the District. Expenditures are recorded when the funds are disbursed.

**WILMETTE PUBLIC LIBRARY DISTRICT**  
**WILMETTE, ILLINOIS**  
 NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

e. Cash and Investments

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

f. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life in excess of one year except for library materials. The District capitalizes all of its library materials. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and building improvements	10-40
Furniture and equipment	3-20
Books and library materials	7

g. Fund Balance/Net Position

In the fund financial statements, governmental funds can report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the District. Committed fund balance is constrained by formal actions of the District's Board of Trustees, which is considered the District's highest level of decision-making authority. Formal actions include ordinances

**WILMETTE PUBLIC LIBRARY DISTRICT**  
**WILMETTE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

g. Fund Balance/Net Position (Continued)

approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Director by the District Board of Trustees. Any residual General Fund fund balance is reported as unassigned. Any deficit fund balances in any other governmental funds are also reported as unassigned.

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the District considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net position has not been restricted by enabling legislation adopted by the District. Net investment in capital assets represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

**2. DEPOSITS AND INVESTMENTS**

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

The District's investment policy allows the District to make deposits/invest in accordance with ILCS, namely in interest-bearing savings accounts, interest-bearing certificates of deposit, interest-bearing time deposits or any other investment constituting direct obligations of any institution as defined by the Illinois Banking Act and is insured by the Federal Depository Insurance Corporation (FDIC) and Illinois Funds.

It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District's deposits may not be returned to it. To guard against credit risk for deposits with financial institutions, the District's investment policy requires that deposits with financial institutions in excess of FDIC be collateralized with collateral held by an independent third party in the name of the District.

**WILMETTE PUBLIC LIBRARY DISTRICT**  
**WILMETTE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**2. DEPOSITS AND INVESTMENTS (Continued)**

b. Investments

Concentration of credit risk is the risk that the District has too high a percentage of their investments invested in one type of investment. The District's investment policy does not require diversification of investment to avoid unreasonable risk.

In accordance with its investment policy, the District limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds based on the time line for the funds use. Unless matched to a specific cash flow, the District will not directly invest in certificates of deposit with a maturity of greater than three years from the date of purchase.

As of June 30, 2016, the District had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
Negotiable certificates of deposit	\$ 8,678,492	\$ 4,850,544	\$ 3,827,948	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 8,678,492</b>	<b>\$ 4,850,544</b>	<b>\$ 3,827,948</b>	<b>\$ -</b>	<b>\$ -</b>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2016: Negotiable Certificates of Deposit of \$8.68 million are significant other observable outputs and are part of a limited secondary market (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the District limits its exposure to interest rate risk by structuring the portfolio to provide the highest investment return using authorized instruments, with maximum investment security, while meeting the District's daily cash flow demands and conforming to all state statutes government the investment of public funds.

The District limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in certificates of deposit. The U.S. agency securities are not rated. The investment policy does not include any limitations on how much of any type of security can be held in the portfolio.



**WILMETTE PUBLIC LIBRARY DISTRICT**  
**WILMETTE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**2. DEPOSITS AND INVESTMENTS (Continued)**

b. Investments (Continued)

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's policy does not define procedures to reducing custodial credit risk.

**3. CAPITAL ASSETS**

Capital asset activity, resulting from modified cash transactions, for the year ended June 30, 2016 was as follows:

	Balances July 1	Increases	Decreases	Balances June 30
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 51,384	\$ -	\$ -	\$ 51,384
Construction in progress	1,728,430	-	1,728,430	-
Total capital assets not being depreciated	1,779,814	-	1,728,430	51,384
Capital assets being depreciated				
Buildings and improvements	8,332,626	5,151,973	295,442	13,189,157
Furniture and equipment	831,453	-	418,623	412,830
Library materials	4,964,824	201,515	258,883	4,907,456
Total capital assets being depreciated	14,128,903	5,353,488	972,948	18,509,443
Less accumulated depreciation for				
Buildings and building improvements	4,759,980	399,175	181,764	4,977,391
Furniture and equipment	772,886	13,749	401,799	384,836
Library materials	4,213,827	259,755	258,883	4,214,699
Total accumulated depreciation	9,746,693	672,679	842,446	9,576,926
Total capital assets being depreciated, net	4,382,210	4,680,809	130,502	8,932,517
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 6,162,024</b>	<b>\$ 4,680,809</b>	<b>\$ 1,858,932</b>	<b>\$ 8,983,901</b>

Depreciation expense was charged to functions of the primary government as follows:

<b>GOVERNMENTAL ACTIVITIES</b>	
Culture and recreation	<u>\$ 672,679</u>

**WILMETTE PUBLIC LIBRARY DISTRICT**  
**WILMETTE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**4. PROPERTY TAX CALENDAR**

The following information gives significant dates on the property tax calendar of the government.

- The property tax lien date is January 1;
- The annual tax levy ordinance for 2015 was passed September 15, 2015;
- Property taxes are due to the County Collector in two installments, March 1 and September 1 or within 30 days of the County issuing the final property tax bills; and
- Property taxes for 2015 are normally received monthly beginning in March 2016 and generally ending by January 2017.

**5. INDIVIDUAL FUND DISCLOSURES**

During fiscal year 2016, the District made the following operating transfers:

Transferred To	Transferred From	Amount
Special Reserve Fund	General Fund	\$ 1,000,000
TOTAL		<u>\$ 1,000,000</u>

The interfund transaction between the General Fund and Special Reserve Fund was to fund current and future capital projects of the District.

**6. RISK MANAGEMENT**

The District is exposed to various risks of loss including, but not limited to, general liability, property casualty, workers' compensation, illnesses of employees and public officials' liability. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in the fiscal year or prior two fiscal years.

**WILMETTE PUBLIC LIBRARY DISTRICT**  
**WILMETTE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. RETIREMENT FUND COMMITMENTS**

Illinois Municipal Retirement Fund

The District's defined benefit pension plan (the Plan), Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the Plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and supplementary information for the Plan as a whole but not by individual employer. That report may be obtained at [www.imrf.org](http://www.imrf.org) or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

*Plan Administration*

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

*Plan Membership*

At December 31, 2015, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	42
Inactive employees entitled to but not yet receiving benefits	20
Active employees	43
	<hr/>
TOTAL	105
	<hr/> <hr/>

*Benefits*

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

**WILMETTE PUBLIC LIBRARY DISTRICT**  
**WILMETTE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. RETIREMENT FUND COMMITMENTS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Benefits (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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

*Contributions*

Employees participating in IMRF are required to contribute 4.5% of their annual covered salary. The member rate is established by state statute. The District is required to contribute at an actuarially determined rate. The employer rates for calendar year 2015 and 2016 were 11.92% and 12.26% of payroll, respectively. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees.

*Actuarial Assumptions*

The District's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age Normal
Assumptions	
Inflation	3.00%
Salary increases	4.40% to 16.00%
Interest rate	7.50%
Asset valuation method	Market value

**WILMETTE PUBLIC LIBRARY DISTRICT**  
**WILMETTE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. RETIREMENT FUND COMMITMENTS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions (Continued)*

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

*Discount Rate*

The discount rate used to measure the total pension liability was 7.47%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 7.50% was blended with the index rate of 3.57% for tax exempt general obligation municipal bonds rated AA or better at December 31, 2015, to arrive at a discount rate of 7.47% used to determine the total pension liability.

**WILMETTE PUBLIC LIBRARY DISTRICT**  
**WILMETTE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. RETIREMENT FUND COMMITMENTS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2015	\$ 11,764,554	\$ 10,767,931	\$ 996,623
Changes for the period			
Service cost	223,722	-	223,722
Interest	864,059	-	864,059
Difference between expected and actual experience	(198,907)	-	(198,907)
Changes in assumptions	12,088	-	12,088
Employer contributions	-	238,069	(238,069)
Employee contributions	-	90,708	(90,708)
Net investment income	-	53,037	(53,037)
Benefit payments and refunds	(649,641)	(649,641)	-
Administrative expense	-	-	-
Other (net transfer)	-	94,607	(94,607)
Net changes	251,321	(173,220)	424,541
BALANCES AT DECEMBER 31, 2015	\$ 12,015,875	\$ 10,594,711	\$ 1,421,164

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

**WILMETTE PUBLIC LIBRARY DISTRICT**  
**WILMETTE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. RETIREMENT FUND COMMITMENTS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the District calculated using the discount rate of 7.47% as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.47%) or 1 percentage point higher (8.47%) than the current rate:

	1% Decrease (6.47%)	Current Discount Rate (7.47%)	1% Increase (8.47%)
Net pension liability	\$ 2,717,322	\$ 1,421,164	\$ 326,766

The net pension liability, deferred outflows of resources and deferred inflows of resources are not reported on the District's financial statements on the modified cash basis of accounting as discussed in Note 1d.

**8. OPERATING LEASES**

The District is committed under various leases for copiers and postage equipment. The leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended June 30, 2016 amounted to \$3,528. Future minimum lease payment for this lease is as follows:

<u>Year Ending June 30</u>	
2017	<u>\$ 882</u>
TOTAL	<u><u>\$ 882</u></u>

**9. JOINTLY GOVERNED ORGANIZATION**

The District participates in Cooperative Computer Services (CCS). CCS is an intergovernmental entity formed by library members of the North Suburban Library System and exists to administer a jointly owned integrated library automation system. CCS's governing board is comprised of one member from each participating library. No participant has any obligation, entitlement or residual interest in CCS. In order to terminate membership in CCS, member libraries must provide one-year notice of termination. The District's expenditures to CCS for the year ended June 30, 2016 were \$74,955.

**10. KENILWORTH CONTRACT**

The Kenilworth Public Library District entered into a contract with the District and the Winnetka-Northfield Public Library District to pay for services provided to Kenilworth District residents. The amounts to be paid are based on an agreed-upon amount, adjusted for inflation, divided between the two libraries based on their proportion of circulation.

**11. OTHER POSTEMPLOYMENT BENEFITS**

The District has evaluated its potential other postemployment benefits liability. The District provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the District are required to pay 100% of the current premium. However, one former employee has chosen to stay in the District's health insurance plan. Therefore, there has been minimal utilization and, therefore, no material implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Additionally, the District has no former employees for whom the District was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the District has not recorded any postemployment benefit liability as of June 30, 2016.



**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID  
AND CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL -  
CASH BASIS - GENERAL FUND**

For the Year Ended June 30, 2016  
(with comparative actual)

	<b>2016</b>			<b>2015</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
	<b>Appropriation</b>	<b>Appropriation</b>		
<b>REVENUES COLLECTED</b>				
Property taxes	\$ 5,353,895	\$ 5,353,895	\$ 5,524,658	\$ 5,433,005
Replacement taxes	36,091	36,091	50,317	54,659
Grant	33,859	33,859	20,880	33,859
Investment income	21,716	21,716	36,528	29,049
Kenilworth Library services contract	189,237	189,237	186,264	190,407
Fines and fees	82,570	82,570	88,658	101,167
Friends donations	48,000	48,000	39,712	35,464
Miscellaneous				
Gifts	27,000	27,000	444,800	24,496
Other	23,826	23,826	23,209	33,048
Total revenues collected	<u>5,816,194</u>	<u>5,816,194</u>	<u>6,415,026</u>	<u>5,935,154</u>
<b>EXPENDITURES PAID</b>				
Current				
Culture and recreation				
Personnel services	3,625,300	3,625,300	3,024,991	2,860,831
Patron materials/services	1,216,930	1,216,930	917,184	883,663
Operation	858,801	858,801	509,854	474,039
Total expenditures paid	<u>5,701,031</u>	<u>5,701,031</u>	<u>4,452,029</u>	<u>4,218,533</u>
<b>EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID</b>	<u>115,163</u>	<u>115,163</u>	<u>1,962,997</u>	<u>1,716,621</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	-	(1,000,000)	(1,000,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,000,000)</u>	<u>(1,000,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 115,163</u>	<u>\$ 115,163</u>	962,997	716,621
<b>FUND BALANCE, JULY 1</b>			<u>6,959,992</u>	<u>6,243,371</u>
<b>FUND BALANCE, JUNE 30</b>			<u>\$ 7,922,989</u>	<u>\$ 6,959,992</u>

(See independent auditor's report.)

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

**NOTES TO SUPPLEMENTARY INFORMATION**

June 30, 2016

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**BUDGETS**

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Board of Trustees prepares a Combined Annual Budget and Appropriation Ordinance for all funds.
2. Budget hearings are conducted.
3. The budget is legally enacted through passage of an ordinance.
4. The budget may be amended by the Board of Trustees. No supplemental appropriations were adopted by the Board of Trustees in the current fiscal year.
5. Budgets are adopted on the modified cash basis.
6. The level of control (level at which expenditures/expenses may not exceed appropriations) is the fund level. All appropriations lapse at year end.

**MAJOR GOVERNMENTAL FUNDS**

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

SCHEDULE OF EXPENDITURES PAID - APPROPRIATION AND ACTUAL -  
CASH BASIS - GENERAL FUND

For the Year Ended June 30, 2016  
(with comparative actual)

	<b>2016</b>			<b>2015</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
	<b>Appropriation</b>	<b>Appropriation</b>		
<b>PERSONNEL SERVICES</b>				
Salaries				
Librarian	\$ 1,304,792	\$ 1,304,792	\$ 1,220,535	\$ 1,141,091
Nonlibrarian	1,548,106	1,548,106	1,169,625	1,117,026
Custodial	164,557	164,557	161,799	150,132
Professional memberships	7,000	7,000	5,792	5,173
Registrations	6,365	6,365	3,129	2,048
Travel - mileage	25,000	25,000	12,575	10,581
Staff development	40,000	40,000	17,427	9,798
Insurance - employee	529,480	529,480	434,109	424,982
	<hr/>			
Total personnel services	3,625,300	3,625,300	3,024,991	2,860,831
	<hr/>			
<b>PATRON MATERIALS/SERVICES</b>				
Books and continuations	391,493	391,493	303,894	288,002
Audio visual materials	159,612	159,612	114,589	105,999
Periodicals	75,980	75,980	47,163	56,018
Electronic resources	325,000	325,000	263,211	243,491
Computer software	35,000	35,000	3,804	6,680
Electronic service providers	106,000	106,000	96,154	95,096
Programming	17,393	17,393	8,867	14,301
Friends purchases	39,250	39,250	39,232	30,122
Web design	4,000	4,000	1,358	4,011
Newsletter	49,086	49,086	29,674	36,047
Promotion	9,000	9,000	9,238	3,896
Grant expenses	5,116	5,116	-	-
	<hr/>			
Total patron materials/services	1,216,930	1,216,930	917,184	883,663
	<hr/>			
<b>OPERATION</b>				
Accounting	9,500	9,500	6,604	7,965
Professional fees	21,000	21,000	10,020	13,610
Library supplies	34,000	34,000	34,540	18,497
Office supplies	32,740	32,740	28,244	18,926
Copiers	32,000	32,000	29,071	26,433
Printing	10,000	10,000	8,224	4,908
Postage and shipping	15,000	15,000	8,243	9,489
Telephone	20,000	20,000	8,703	9,202
Equipment/furniture/computers	150,000	150,000	113,562	5,547

(This schedule is continued on the following page.)

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

SCHEDULE OF EXPENDITURES PAID - APPROPRIATION AND ACTUAL -  
CASH BASIS - GENERAL FUND (Continued)

For the Year Ended June 30, 2016  
(with comparative actual)

	<b>2016</b>			<b>2015</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
	<b>Appropriation</b>	<b>Appropriation</b>		
<b>OPERATION (Continued)</b>				
Equipment/computer maintenance	\$ 91,139	\$ 91,139	\$ 71,684	\$ 74,991
Insurance - property/casualty	25,000	25,000	24,523	23,235
Building improvements	100,000	100,000	102	39,272
Building supplies	34,322	34,322	18,672	25,745
Building maintenance	55,000	55,000	32,834	35,774
Building maintenance contracts	110,000	110,000	61,471	93,688
Grounds maintenance	50,000	50,000	17,200	13,774
Parking lot rental	12,000	12,000	11,400	11,564
Miscellaneous	9,100	9,100	2,323	3,054
Utilities	48,000	48,000	22,434	38,365
	<hr/>			
Total operation	858,801	858,801	509,854	474,039
	<hr/>			
<b>TOTAL EXPENDITURES PAID</b>	<b>\$ 5,701,031</b>	<b>\$ 5,701,031</b>	<b>\$ 4,452,029</b>	<b>\$ 4,218,533</b>
	<hr/>			

(See independent auditor's report.)

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID  
AND CHANGES IN FUND BALANCE - CASH BASIS  
SPECIAL RESERVE FUND**

For the Year Ended June 30, 2016  
(with comparative actual)

	<b>2016</b>			<b>2015</b>
	<b>Original and Final Appropriations:</b>	<b>Actual</b>		<b>Actual</b>
<b>REVENUES COLLECTED</b>				
Investment income	\$ -	\$ 32,283	\$	45,850
Total revenues collected	-	32,283		45,850
<b>EXPENDITURES PAID</b>				
Current				
Capital outlay	8,000,000	3,817,607		1,728,430
Total expenditures paid	8,000,000	3,817,607		1,728,430
<b>EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID</b>				
	(8,000,000)	(3,785,324)		(1,682,580)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,000,000	1,000,000		1,000,000
Total other financing sources (uses)	1,000,000	1,000,000		1,000,000
<b>NET CHANGE IN FUND BALANCE</b>				
	\$ (7,000,000)	(2,785,324)		(682,580)
<b>FUND BALANCE, JULY 1</b>				
		7,340,889		8,023,469
<b>FUND BALANCE, JUNE 30</b>				
		\$ 4,555,565	\$	7,340,889

(See independent auditor's report.)

**NONMAJOR GOVERNMENTAL FUNDS**



**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES  
ARISING FROM CASH TRANSACTIONS  
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2016

	<u>Special Revenue</u>				<u>Total</u>
	<u>Retirement</u>	<u>Audit</u>	<u>Liability Insurance</u>	<u>Permanent Endowment</u>	
<b>ASSETS</b>					
Cash and investments	\$ 471,393	\$ 7,889	\$ 34,700	\$ 37,235	\$ 551,217
<b>TOTAL ASSETS</b>	<b>\$ 471,393</b>	<b>\$ 7,889</b>	<b>\$ 34,700</b>	<b>\$ 37,235</b>	<b>\$ 551,217</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
None	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-	-
<b>FUND BALANCES</b>					
Nonspendable - endowment	-	-	-	37,235	37,235
Restricted					
Audit	-	7,889	-	-	7,889
Liability insurance	-	-	34,700	-	34,700
Retirement	471,393	-	-	-	471,393
Total fund balances	471,393	7,889	34,700	37,235	551,217
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 471,393</b>	<b>\$ 7,889</b>	<b>\$ 34,700</b>	<b>\$ 37,235</b>	<b>\$ 551,217</b>

(See independent auditor's report.)

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID  
AND CHANGES IN FUND BALANCES - CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2016

	<u>Special Revenue</u>				<u>Total</u>
	<u>Retirement</u>	<u>Audit</u>	<u>Liability Insurance</u>	<u>Permanent Endowment</u>	
<b>REVENUES COLLECTED</b>					
Property taxes	\$ 451,690	\$ 8,521	\$ 46,195	\$ -	\$ 506,406
Investment income	363	-	-	38	401
Total revenues collected	<u>452,053</u>	<u>8,521</u>	<u>46,195</u>	<u>38</u>	<u>506,807</u>
<b>EXPENDITURES PAID</b>					
Current					
Culture and recreation					
Fringe benefits					
IMRF	248,140	-	-	-	248,140
FICA	190,449	-	-	-	190,449
Liability insurance	-	-	18,754	-	18,754
Unemployment insurance	-	-	15,557	-	15,557
Audit	-	9,000	-	-	9,000
Miscellaneous	-	-	-	15	15
Total expenditures paid	<u>438,589</u>	<u>9,000</u>	<u>34,311</u>	<u>15</u>	<u>481,915</u>
NET CHANGE IN FUND BALANCES	13,464	(479)	11,884	23	24,892
FUND BALANCES, JULY 1	<u>457,929</u>	<u>8,368</u>	<u>22,816</u>	<u>37,212</u>	<u>526,325</u>
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 471,393</u>	<u>\$ 7,889</u>	<u>\$ 34,700</u>	<u>\$ 37,235</u>	<u>\$ 551,217</u>

(See independent auditor's report.)

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID  
AND CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL -  
CASH BASIS - RETIREMENT FUND**

For the Year Ended June 30, 2016  
(with comparative actual)

	<b>2016</b>		<b>2015</b>
	<b>Original and Final Appropriation</b>	<b>Actual</b>	<b>Actual</b>
<b>REVENUES COLLECTED</b>			
Property taxes	\$ 480,000	\$ 451,690	\$ 449,077
Investment income	-	363	287
Total revenues collected	480,000	452,053	449,364
<b>EXPENDITURES PAID</b>			
Current			
Culture and recreation			
Personnel services			
Fringe benefits			
IMRF	288,000	248,140	246,059
FICA	192,000	190,449	179,872
Total expenditures paid	480,000	438,589	425,931
<b>NET CHANGE IN FUND BALANCE</b>	\$ -	13,464	23,433
<b>FUND BALANCE, JULY 1</b>		457,929	434,496
<b>FUND BALANCE, JUNE 30</b>		\$ 471,393	\$ 457,929

(See independent auditor's report.)

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID  
AND CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL -  
CASH BASIS - AUDIT FUND**

For the Year Ended June 30, 2016  
(with comparative actual)

	<b>2016</b>			<b>2015</b>
	<b>Original and Final Appropriation</b>	<b>Actual</b>		<b>Actual</b>
<b>REVENUES COLLECTED</b>				
Property taxes	\$ 9,000	\$ 8,521	\$	8,617
Total revenues collected	9,000	8,521		8,617
<b>EXPENDITURES PAID</b>				
Current				
Culture and recreation				
Miscellaneous				
Audit	9,000	9,000		8,750
Total expenditures paid	9,000	9,000		8,750
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>(479)</b>		<b>(133)</b>
<b>FUND BALANCE, JULY 1</b>		8,368		8,501
<b>FUND BALANCE, JUNE 30</b>		<b>\$ 7,889</b>	\$	<b>8,368</b>

(See independent auditor's report.)

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID  
AND CHANGES IN FUND BALANCE - APPROPRIATION AND ACTUAL -  
CASH BASIS - LIABILITY INSURANCE FUND**

For the Year Ended June 30, 2016  
(with comparative actual)

	<b>2016</b>		<b>2015</b>
	<b>Original and Final Appropriation</b>	<b>Actual</b>	<b>Actual</b>
<b>REVENUES COLLECTED</b>			
Property taxes	\$ 56,000	\$ 46,195	\$ 45,928
Total revenues collected	56,000	46,195	45,928
<b>EXPENDITURES PAID</b>			
Current			
Culture and recreation			
Fringe benefits			
Liability insurance	28,000	18,754	31,128
Unemployment insurance	28,000	15,557	6,981
Total expenditures paid	56,000	34,311	38,109
<b>NET CHANGE IN FUND BALANCE</b>	\$ -	11,884	7,819
<b>FUND BALANCE, JULY 1</b>		22,816	14,997
<b>FUND BALANCE, JUNE 30</b>		\$ 34,700	\$ 22,816

(See independent auditor's report.)

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID  
AND CHANGES IN FUND BALANCE - CASH BASIS - ENDOWMENT FUND**

For the Year Ended June 30, 2016  
(with comparative actual)

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	<u>2016</u>	<u>2015</u>
	<u>Actual</u>	<u>Actual</u>
<b>REVENUES COLLECTED</b>		
Investment income	\$ 38	\$ 31
Total revenues collected	<u>38</u>	<u>31</u>
<b>EXPENDITURES PAID</b>		
Current		
Culture and recreation		
Miscellaneous	<u>15</u>	<u>23</u>
Total expenditures paid	<u>15</u>	<u>23</u>
NET CHANGE IN FUND BALANCE	23	8
FUND BALANCE, JULY 1	<u>37,212</u>	<u>37,204</u>
<b>FUND BALANCE, JUNE 30</b>	<u>\$ 37,235</u>	<u>\$ 37,212</u>

(See independent auditor's report.)

## **SUPPLEMENTAL DATA**

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

PROPERTY TAX ASSESSED VALUATIONS, RATES,  
EXTENSIONS AND COLLECTIONS

Last Ten Levy Years

<b>TAX LEVY YEAR</b>	<b>2015</b>		<b>2014</b>		<b>2013</b>		<b>2012</b>		<b>2011</b>	
<b>ASSESSED VALUATION</b>	\$	1,540,264,790	\$	1,583,111,678	\$	1,559,393,904	\$	1,733,948,674	\$	1,868,468,004
	<b>Rate*</b>	<b>Amount</b>	<b>Rate*</b>	<b>Amount</b>	<b>Rate*</b>	<b>Amount</b>	<b>Rate*</b>	<b>Amount</b>	<b>Rate*</b>	<b>Amount</b>
<b>TAX EXTENSIONS</b>										
General	0.3612	\$ 5,563,200	0.3487	\$ 5,519,541	0.3474	\$ 5,417,334	0.3068	\$ 5,139,550	0.2768	\$ 5,171,990
IMRF	0.0128	197,760	0.0172	271,920	0.0169	263,537	0.0138	239,259	0.0006	10,300
FICA	0.0166	255,440	0.0115	181,280	0.0122	190,246	0.0100	173,256	0.0215	402,215
Liability insurance	0.0030	46,350	0.0029	46,350	0.0037	57,697	0.0030	51,500	0.0025	46,350
Audit	0.0006	8,549	0.0005	8,549	0.0006	9,356	0.0005	8,858	0.0005	8,858
<b>TOTAL TAX EXTENSIONS</b>	0.3942	\$ 6,071,299	0.3808	\$ 6,027,640	0.3808	\$ 5,938,170	0.3341	\$ 5,612,423	0.3019	\$ 5,639,713
<b>TOTAL TAX COLLECTIONS</b>		<u>\$ 3,266,690</u>		<u>\$ 5,948,702</u>		<u>\$ 5,771,752</u>		<u>\$ 5,610,642</u>		<u>\$ 5,557,633</u>
<b>PERCENT COLLECTED</b>		<u>53.81%</u>		<u>98.69%</u>		<u>97.20%</u>		<u>99.97%</u>		<u>98.54%</u>

\* Property tax rates are per \$100 of assessed valuation.

(This schedule is continued on the following page.)



**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

PROPERTY TAX ASSESSED VALUATIONS, RATES,  
EXTENSIONS AND COLLECTIONS (Continued)

Last Ten Levy Years

<b>TAX LEVY YEAR</b>	<b>2010</b>		<b>2009</b>		<b>2008</b>		<b>2007</b>		<b>2006</b>	
<b>ASSESSED VALUATION</b>	\$	2,078,041,264	\$	2,326,682,126	\$	2,192,828,423	\$	2,054,841,887	\$	1,621,005,521
	<b>Rate*</b>	<b>Amount</b>	<b>Rate*</b>	<b>Amount</b>	<b>Rate*</b>	<b>Amount</b>	<b>Rate*</b>	<b>Amount</b>	<b>Rate*</b>	<b>Amount</b>
<b>TAX EXTENSIONS</b>										
General	0.2430	\$ 5,049,730	0.2129	\$ 4,952,493	0.2226	\$ 4,880,175	0.2226	\$ 4,635,747	0.2790	\$ 4,522,680
IMRF	0.0124	258,273	0.0071	166,304	0.0078	170,980	0.0093	191,332	0.0094	152,110
FICA	0.0086	179,478	0.0072	168,446	0.0075	163,770	0.0095	194,918	0.0071	115,690
Liability insurance	0.0015	30,900	0.0018	41,200	0.0019	41,200	0.0030	61,800	0.0016	25,750
Audit	0.0002	5,150	0.0002	5,150	0.0005	10,300	0.0005	10,300	0.0006	10,300
<b>TOTAL TAX EXTENSIONS</b>	0.2657	\$ 5,523,531	0.2292	\$ 5,333,593	0.2403	\$ 5,266,425	0.2449	\$ 5,094,097	0.2977	\$ 4,826,530
<b>TOTAL TAX COLLECTIONS</b>		<u>\$ 5,449,491</u>		<u>\$ 5,252,554</u>		<u>\$ 5,166,067</u>		<u>\$ 4,946,586</u>		<u>\$ 4,640,925</u>
<b>PERCENT COLLECTED</b>		<u>98.66%</u>		<u>98.48%</u>		<u>98.09%</u>		<u>97.10%</u>		<u>96.15%</u>

(See independent auditor's report.)

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND**

June 30, 2016

	<b>2015</b>	<b>2016</b>
Actuarially determined contribution	\$ 244,487	\$ 249,594
Contributions in relation to the actuarially determined contribution	244,487	249,594
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	\$ -	\$ -
Covered-employee payroll	\$ 1,980,561	\$ 1,997,222
Contributions as a percentage of covered-employee payroll	12.34%	12.50%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of December 31, 2013 and 2012. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 28 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.5% annually, projected salary increases assumption of 4.4% to 16.0% compounded annually and postretirement benefit increases of 3.0% compounded annually.

(See independent auditor's report.)

**WILMETTE PUBLIC LIBRARY DISTRICT  
WILMETTE, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND

June 30, 2016

	<b>2014</b>	<b>2015*</b>
<b>TOTAL PENSION LIABILITY</b>		
Service cost	\$ 221,975	\$ 223,722
Interest	789,283	864,059
Changes of benefit terms	-	-
Differences between expected and actual experience	10,152	(198,907)
Changes of assumptions	653,312	12,088
Benefit payments, including refunds of member contributions	(645,909)	(649,641)
	1,028,813	251,321
Net change in total pension liability		
Total pension liability - beginning	10,735,741	11,764,554
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 11,764,554</b>	<b>\$ 12,015,875</b>
<b>PLAN FIDUCIARY NET POSITION</b>		
Contributions - employer	\$ 245,788	\$ 238,069
Contributions - member	100,484	90,708
Net investment income	630,484	53,037
Benefit payments, including refunds of member contributions	(645,909)	(649,641)
Other	(48,545)	94,307
	282,302	(173,520)
Net change in plan fiduciary net position		
Plan fiduciary net position - beginning	10,485,629	10,767,931
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 10,767,931</b>	<b>\$ 10,594,411</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 996,623</b>	<b>\$ 1,421,464</b>
Plan fiduciary net position as a percentage of the total pension liability	91.50%	88.20%
Covered-employee payroll	\$ 1,980,561	\$ 1,997,222
Employer's net pension liability as a percentage of covered-employee payroll	50.30%	71.20%

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

\*IMRF's measurement date is December 31; therefore information above is presented for the calendar year noted above.

(See independent auditor's report.)