

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

200 W. Green Street
Champaign, IL 61820
www.champaign.org

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

October 5, 2023

Members of the Board of Trustees
Champaign Public Library
Champaign, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Champaign Public Library, Illinois, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Champaign Public Library, Illinois, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, and GASB-required pension and other post-employment benefit (OPEB) reporting, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Champaign Public Library, Illinois' basic financial statements. The other supplementary information 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

BASIC FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

Fund Financial Statements

Governmental Funds

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

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Statement of Net Position

June 30, 2023

See Following Page

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Statement of Net Position

June 30, 2023

	Primary Government Governmental Activities	Component Unit Champaign Public Library Foundation
ASSETS		
Current Assets		
Cash and Investments	\$ 753,383	3,233,003
Receivables - Net of Allowances		
Property Taxes	6,475,328	—
Promises to Give	—	872,863
Total Current Assets	7,228,711	4,105,866
Noncurrent Assets		
Capital Assets		
Nondepreciable	3,334,791	—
Depreciable	41,718,840	—
Accumulated Depreciation	(21,868,383)	—
Total Capital Assets	23,185,248	—
Other Assets		
Promises to Give	—	45,000
Total Noncurrent Assets	23,185,248	45,000
Total Assets	30,413,959	4,150,866
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Items - IMRF	2,525,865	—
Deferred Items - OPEB	88,484	—
Total Deferred Outflows of Resources	2,614,349	—
Total Assets and Deferred Outflows of Resources	33,028,308	4,150,866

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

	Primary Government Governmental Activities	Component Unit Champaign Public Library Foundation
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 331,346	—
Accrued Payroll	145,443	—
Retainage Payable	105,998	—
Current Portion of Long-Term Liabilities	1,762,847	—
Total Current Liabilities	2,345,634	—
Noncurrent Liabilities		
Compensated Absences Payable	331,389	—
Net Pension Liability - IMRF	2,281,986	—
Total OPEB Liability - OPEB	383,831	—
General Obligation Bonds Payable	3,460,000	—
Total Noncurrent Liabilities	6,457,206	—
Total Liabilities	8,802,840	—
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	4,287,046	—
Deferred Items - IMRF	49,057	—
Deferred Items - OPEB	168,893	—
Total Deferred Inflows of Resources	4,504,996	—
Total Liabilities and Deferred Inflows of Resources	13,307,836	—
NET POSITION		
Net Investment in Capital Assets	18,045,248	—
Restricted - Donor Restricted Purposes	—	1,737,585
Unrestricted	1,675,224	2,413,281
Total Net Position	19,720,472	4,150,866

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

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Statement of Activities

For the Fiscal Year Ended June 30, 2023

		Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
	Expenses			
Governmental Activities				
Culture and Recreation	\$ 9,661,354	327,829	165,202	1,510,207
Interest on Long-Term Debt	126,382	—	—	—
Total Governmental Activities	9,787,736	327,829	165,202	1,510,207
Component Unit				
Champaign Public Library Foundation	496,693	—	350,092	—

General Revenues

Taxes

Property Tax

Intergovernmental - Unrestricted

Replacement Tax

Interest Income

Miscellaneous

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expense) Revenue	
Primary	Component
Government	Unit
Governmental	Champaign
Activities	Public Library
	Foundation
(7,658,116)	—
(126,382)	—
(7,784,498)	—
—	(146,601)
8,236,174	—
297,530	—
1,149	205,445
1,956,336	—
10,491,189	205,445
2,706,691	58,844
17,013,781	4,092,022
19,720,472	4,150,866

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

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**Balance Sheet - Governmental Funds****June 30, 2023**

	General	Capital Projects Building Improvement	Nonmajor	Totals
ASSETS				
Cash and Investments	\$ 4,539	743,086	5,758	753,383
Receivables - Net of Allowances				
Property Taxes	6,475,328	—	—	6,475,328
Total Assets	6,479,867	743,086	5,758	7,228,711
LIABILITIES				
Accounts Payable	90,892	201,307	39,147	331,346
Accrued Payroll	141,538	—	3,905	145,443
Retainage Payable	—	105,998	—	105,998
Total Liabilities	232,430	307,305	43,052	582,787
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	4,287,046	—	—	4,287,046
Total Liabilities and Deferred Inflows of Resources	4,519,476	307,305	43,052	4,869,833
FUND BALANCES				
Committed	98,397	435,781	138	534,316
Unassigned	1,861,994	—	(37,432)	1,824,562
Total Fund Balances	1,960,391	435,781	(37,294)	2,358,878
Total Liabilities, Deferred Inflows of Resources and Fund Balances	6,479,867	743,086	5,758	7,228,711

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

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

June 30, 2023

Total Governmental Fund Balances	\$ 2,358,878
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	23,185,248
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	2,476,808
Deferred Items - OPEB	(80,409)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(414,236)
Net Pension Liability - IMRF	(2,281,986)
Total OPEB Liability	(383,831)
General Obligation Bonds Payable	<u>(5,140,000)</u>
Net Position of Governmental Activities	<u>19,720,472</u>

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

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended June 30, 2023

	General	Capital Projects Building Improvement	Nonmajor	Totals
Revenues				
Taxes	\$ 8,236,174	—	—	8,236,174
Intergovernmental	321,313	—	141,419	462,732
Charges for Services	115,098	—	175,693	290,791
Fines and Forfeitures	37,038	—	—	37,038
Interest Income	657	488	4	1,149
Gifts	—	—	430,858	430,858
Miscellaneous	22,548	1,500,000	2,930	1,525,478
Total Revenues	8,732,828	1,500,488	750,904	10,984,220
Expenditures				
Culture and Recreation	7,480,537	—	793,785	8,274,322
Capital Outlay	—	1,882,170	—	1,882,170
Debt Service				
Principal Retirement	161,000	—	—	161,000
Interest and Fiscal Charges	80,175	—	—	80,175
Total Expenditures	7,721,712	1,882,170	793,785	10,397,667
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,011,116	(381,682)	(42,881)	586,553
Other Financing Sources (Uses)				
Transfers In	—	378,700	6,650	385,350
Transfers Out	(385,350)	—	—	(385,350)
	(385,350)	378,700	6,650	—
Net Change in Fund Balances	625,766	(2,982)	(36,231)	586,553
Fund Balances - Beginning	1,334,625	438,763	(1,063)	1,772,325
Fund Balances - Ending	1,960,391	435,781	(37,294)	2,358,878

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

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

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

Net Change in Fund Balances - Total Governmental Funds	\$ 586,553
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Amounts reported for governmental activities in the Statement of Activities
are different because:

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

Capital Outlays	2,548,772
Depreciation Expense	(1,722,425)
Disposals - Cost	(412,395)
Disposals - Accumulated Depreciation	412,395

The net effect of deferred outflows (inflows) of resources related
to the pensions not reported in the funds.

Change in Deferred Items - IMRF	5,031,262
Change in Deferred Items - OPEB	(40,415)

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences	(19,437)
Change in Net Pension Liability - IMRF	(5,321,067)
Change in Total OPEB Liability	18,448
Retirement of Debt	<u>1,625,000</u>

Changes in Net Position of Governmental Activities	<u>2,706,691</u>
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CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Champaign Public Library, Illinois (Library) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Library's accounting policies are described below.

REPORTING ENTITY

The Champaign Public Library was organized in July 1876. The Library operates and maintains the public library within the City of Champaign (the City). The Library, a semi-autonomous administrative unit of the City, is governed by a Board of Trustees that is appointed by the City Council. These financial statements present the Library's reporting entity as required by generally accepted accounting principles. Because it is not a legally separate entity, the Library is considered to be, and is reported as a special revenue fund of the City. This report represents the financial activity of the Champaign Public Library for the year ended June 30, 2023.

The Library's financial reporting entity comprises the following:

Primary Government:	Champaign Public Library
Discretely Presented Component Unit:	Champaign Public Library Foundation

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

Discretely Presented Component Unit

Discretely presented component units are separate legal entities that meet the component unit criteria described in GASB Statement No. 61 but do not meet the criteria for blending.

Champaign Public Library Foundation

The Champaign Public Library Foundation (the Foundation) is an Illinois not-for-profit corporation, established to create a secure future for the Library and to promote community enrichment education by encouraging private support to the Library. The Foundation is a discretely presented component unit because the resources received and held by the Foundation are entirely for the direct benefit of the Library, the Library has the ability to access those resources, and those resources are significant to the library. The assets, liabilities, net position, revenues, and expenditures of the Foundation are included in the basic financial statements of the Library. The Foundation issues financial statements, which may be obtained by contacting the Champaign Public Library Foundation, 200 West Green Street, Champaign, Illinois 61820-5193.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION

Government-Wide Statements

The Library's basic financial statements include both government-wide (reporting the Library as a whole) and fund financial statements (reporting the Library's major funds).

In the government-wide Statement of Net Position, the Library's activities are: (a) presented on a consolidated basis, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Library's net position is reported in three parts: invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The Library first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of the Library's activities. The Library's activities are supported by general government revenues (property and replacement taxes, intergovernmental revenues, fines and forfeits, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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 contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

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

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

The financial transactions of the Library are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund balance, revenues and expenditures.

Fund Financial Statements

The emphasis in fund financial statements is on the major governmental funds. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Library or meets the following criteria:

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

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Library:

Governmental Funds

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

General fund is the general operating fund of the Library. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Library maintains three nonmajor special revenue funds.

Capital projects funds are used to account for the acquisition and construction of capital facilities. The Library maintains one major capital projects fund, the Building Improvement Fund, which accounts for special receipts and transfers from other Library funds used to pay for capital improvement, repair projects, and capital equipment not funded by other Library funds.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. Only current financial assets and liabilities are generally included on the balance sheet. The operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

All governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period. The Library recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

Those revenues susceptible to accrual are property taxes, interest revenue, and charges for services. Fine revenues are not susceptible to accrual because generally they are not measurable until received in cash.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, the Library's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of purchase.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Library 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. At year-end, the Library does not have any investments.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property and replacement taxes.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Library as a whole. When purchased, such assets are recorded as expenditures in the governmental fund. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

Land Improvements	10 Years
Buildings, Improvements and Additions	50 Years
Furniture and Equipment	5 - 20 Years
Library Materials	2 - 10 Years

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Compensated Absences

The Library accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick by benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the general fund only if they have matured, for example, as a result of employee resignations and retirements.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Contributed Nonfinancial Assets

Contributions of facilities and services are recognized by the Library if the benefits received (a) creates or enhances non-financial assets or (b) requires specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased by the Library if not provided by donation.

The Library recognizes in-kind contribution revenue from the City for the portion of the annual debt payments the City makes on behalf of the Library for the bond series that financed the Library’s building.

Net Position

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

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

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

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

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

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

A proposed operating budget is developed by the Library's management and Board and submitted to the City Council for inclusion in the City's budget and appropriations ordinance. The budget and appropriation ordinance is made available for public hearing at least thirty days prior to final approval. Upon approval, the City Council legally enacts an annual operating budget through passage of an ordinance. The budget is prepared by fund, expenditure object (i.e. personnel services) and expenditures sub-object (i.e. salaries: full-time).

The Library budget shall be effective after the budget has been approved by the City Council.

Total expenditures in each of the Library's funds shall not exceed budgeted expenditures in each fund, excluding contingencies. The Library Board is empowered to approve budget amendments; however, all Library budget amendments that increase the total budgeted expenditures within a fund will require City Council approval.

Budgets are adopted on essentially the same basis of accounting as the fund financial statements. Encumbrance accounting is not used by the Library. During the year, several supplementary appropriations were necessary.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures over budget for the fiscal year:

Fund	Excess
Café	\$ 15,908

The Café Fund was over budget due to year-end accruals and increased café activity resulting in higher supply costs. Also notable is the Café Fund revenues were significantly higher than budgeted for FY2023.

DEFICIT FUND BALANCE

The following fund had deficit fund balance as of the date of this report:

Fund	Deficit
Gifts and Endowments	\$ 37,432

The Gifts and Endowment Fund has a deficit balance due to year end accruals and outstanding accounts payable for the Library.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Library maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the Library's funds.

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

Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration of Credit Risk

Deposits. At year-end, the carrying amount of the Library's deposits totaled \$749,372 the bank balances totaled \$986,443. The entire amount of the bank balances was covered by federal depository insurance and custodial funds.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Library's investment policy states that the highest rate of return on all investments will be sought while taking into account risk constraints, cash flow needs and to promote fiscal responsibility.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Library's investments will be made only in securities guaranteed by the U.S. Government such as certificates of deposit, bonds or money markets. Investments will be made in FDIC insured institutions. At year-end, the Library has no investments.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library's investment policy addresses custodial credit risk by requiring that all deposits in excess of federal depository insurance are to be collateralized by a pledge of securities from the depository bank at 100 percent of the uninsured amount. The Library only has deposits outstanding at year-end, which are all covered by federal depository insurance.

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

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Library's investment in a single issuer. The Library's investment policy does not address concentration of credit risk. The Library only has deposits outstanding at year-end.

PROPERTY TAXES

Property taxes for 2022 attach as an enforceable lien on January 1, 2023, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Champaign County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically to the Library. A reduction for collection losses, based on historical collections, has been applied to reduce property taxes receivable to the estimated amount to be collected.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**Notes to the Financial Statements****June 30, 2023****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****CAPITAL ASSETS**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 1,864,047	—	—	1,864,047
Construction in Progress	—	1,388,744	—	1,388,744
Artwork	82,000	—	—	82,000
	<u>1,946,047</u>	<u>1,388,744</u>	<u>—</u>	<u>3,334,791</u>
Depreciable Capital Assets				
Land Improvements	1,266,981	—	—	1,266,981
Buildings, Improvements and Additions	26,173,640	—	—	26,173,640
Furniture and Equipment	2,352,315	61,940	22,105	2,392,150
Library Materials	11,178,271	1,098,088	390,290	11,886,069
	<u>40,971,207</u>	<u>1,160,028</u>	<u>412,395</u>	<u>41,718,840</u>
Less Accumulated Depreciation				
Land Improvements	877,061	64,577	—	941,638
Buildings, Improvements and Additions	8,678,556	648,639	—	9,327,195
Furniture and Equipment	2,235,975	48,269	22,105	2,262,139
Library Materials	8,766,761	960,940	390,290	9,337,411
	<u>20,558,353</u>	<u>1,722,425</u>	<u>412,395</u>	<u>21,868,383</u>
Total Net Depreciable Capital Assets	<u>20,412,854</u>	<u>(562,397)</u>	<u>—</u>	<u>19,850,457</u>
Total Net Capital Assets	<u>22,358,901</u>	<u>826,347</u>	<u>—</u>	<u>23,185,248</u>

Depreciation expense was charged to governmental activities as follows:

Culture and Recreation	<u>\$ 1,722,425</u>
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CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Building Improvement	General - Operations	\$ 378,700
Nonmajor Governmental	Café	6,650
		<u>385,350</u>

Transfers are used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

LONG-TERM DEBT

General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligations bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$6,865,000 General Obligation Refunding Bonds of 2012, due in annual installments of \$65,000 to \$1,745,000 plus interest at 1.000% to 2.125% through December 15, 2025.	\$ 6,250,000	—	1,110,000	5,140,000
\$8,835,000 General Obligation Refunding Bonds of 2013, due in annual installments of \$515,000 to \$1,490,000 plus interest at 1.50% to 4.00% through December 15, 2022.	515,000	—	515,000	—
	<u>6,765,000</u>	<u>—</u>	<u>1,625,000</u>	<u>5,140,000</u>

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**Notes to the Financial Statements****June 30, 2023****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****LONG-TERM DEBT - Continued****Long-Term Liabilities Activity**

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 394,799	38,874	19,437	414,236	82,847
Net Pension Liability - IMRF	(3,039,081)	5,321,067	—	2,281,986	—
Total OPEB Liability	402,279	—	18,448	383,831	—
General Obligation Bonds	6,765,000	—	1,625,000	5,140,000	1,680,000
	<u>4,522,997</u>	<u>5,359,941</u>	<u>1,662,885</u>	<u>8,220,053</u>	<u>1,762,847</u>

For governmental activities, the compensated absences, the net pension liability, and the total OPEB liability are being paid by the General Fund. The general obligation bonds are being liquidated by a contribution from the City.

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities			Library's Portion of Obligations	Remaining Obligation Paid by City
	General				
	Obligation Bonds				
	Principal	Interest	Total		
2024	1,680,000	88,182	1,768,182	700,000	1,068,182
2025	1,715,000	54,232	1,769,232	700,000	1,069,232
2026	1,745,000	18,533	1,763,533	700,000	1,063,533
Totals	5,140,000	160,947	5,300,947	2,100,000	3,200,947

As the Library is reported as a special revenue fund of the City, for purposes of these separate financial statements, the Library has recorded both the capital assets and general obligation bonds related to the library construction, and for the purposes of the Library's government-wide financial statements, the Library has recorded capital contribution revenue of \$46,207, which reflects the current year interest expense on the bonds paid by the City, and \$1,464,000, which includes the special levy from City noted below. The Library's portion of the bonds is \$700,000 annually and the remaining amount is to be paid by the City. Below is a chart which identifies the funding sources for the Library's annual payment.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity - Continued

	Source of Funding
Special Levy from City	\$ 458,825
Library Operations	<u>241,175</u>
Library's Portion of Obligations	<u><u>700,000</u></u>

This schedule represents the debt service outstanding. The City makes this payment each December in part from funds transferred from the Library Operating Fund to the City the previous fiscal year. Therefore, actual remaining annual commitments for the Library's debt service are \$700,000 for the next 2 fiscal years (FY24 and FY25) for a total of \$1,400,000.

NET POSITION CLASSIFICATIONS

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

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 23,185,248
Less Capital Related Debt:	
General Obligation Refunding Bonds of 2012	<u>(5,140,000)</u>
Net Investment in Capital Assets	<u><u>18,045,248</u></u>

FUND BALANCE CLASSIFICATIONS

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

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

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

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

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

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

	General	Capital Projects Building Improvement	Nonmajor	Totals
Fund Balances				
Committed				
27th Pay Date	\$ 98,397	—	—	98,397
Building Improvement	—	435,781	—	435,781
Cafe	—	—	138	138
	98,397	435,781	138	534,316
Unassigned	1,861,994	—	(37,432)	1,824,562
Total Fund Balances	1,960,391	435,781	(37,294)	2,358,878

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Library's employees. These risks are provided for through participation in the City's Retained Risk and Workers' Compensation plans. The City charges the Library based upon estimates of the amounts needed to pay prior and current year claims. Insurance premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

CONTINGENT LIABILITIES

Litigation

To our knowledge there are no outstanding litigation as of the date of this report.

Grants

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

RELATED PARTY TRANSACTIONS

The Library was engaged in the following related party transaction during the year ended June 30, 2023: The Library received \$430,858 in funding from the Foundation.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

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

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

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

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

Inactive Plan Members Currently Receiving Benefits	—
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	78
	<hr/>
Total	78
	<hr/>

Contributions. As set by statute, the Library's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended June 30, 2023, the Library's contribution was 7.48% of covered payroll.

Net Pension Liability/(Asset). The Library's net pension liability/(asset) was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

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

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:

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued.

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

Discount Rate

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

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 52,056,877	2,281,986	(100,785)

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**Notes to the Financial Statements****June 30, 2023****NOTE 4 - OTHER INFORMATION - Continued****EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued****Illinois Municipal Retirement Fund (IMRF) - Continued****Changes in the Net Pension Liability/(Asset)**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2021	\$ 34,679,774	37,718,855	(3,039,081)
Changes for the Year:			
Service Cost	319,018	—	319,018
Interest on the Total Pension Liability	1,758,223	—	1,758,223
Difference Between Expected and Actual Experience of the Total Pension Liability	129,194	—	129,194
Changes of Assumptions	—	—	—
Contributions - Employer	—	303,817	(303,817)
Contributions - Employees	—	162,169	(162,169)
Net Investment Income	—	(3,559,917)	3,559,917
Benefit Payments, Including Refunds of Employee Contributions	(1,302,128)	(1,302,128)	—
Other (Net Transfer)	—	(20,701)	20,701
Net Changes	904,307	(4,416,760)	5,321,067
Balances at December 31, 2022	35,584,081	33,302,095	2,281,986

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended June 30, 2023, the Library recognized pension expense of \$579,042. At June 30, 2023, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 389,673	—	389,673
Change in Assumptions	—	(49,057)	(49,057)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	2,003,164	—	2,003,164
Total Pension Expense to be Recognized in Future Periods	2,392,837	(49,057)	2,343,780
Contributions Made Subsequent to the Measurement Date	133,028	—	133,028
Total Deferred Amounts Related to IMRF	2,525,865	(49,057)	2,476,808

\$133,028 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability/(asset) in the reporting year ended June 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2024	\$ 63,949
2025	481,665
2026	691,318
2027	1,106,848
2028	—
Thereafter	—
Totals	2,343,780

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. In addition to providing the pension benefits described, the Library (through the City's health insurance plan) offers post-employment health care insurance benefits (OPEB) for its eligible retired employees. The City's defined benefit OPEB plan, provides OPEB for all eligible employees of the Library. The plan is a single-employer defined benefit OPEB plan administered by the City. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. The City provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. Elected officials are eligible for benefits if they qualify for retirement through the Illinois Municipal Retirement Fund.

Plan Membership. As of June 30, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	1
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>47</u>
Total	<u><u>48</u></u>

Total OPEB Liability

The Library's total OPEB liability was measured as of June 30, 2023, and was determined by an actuarial valuation as of the same date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary Increases	3.00%
Discount Rate	3.86%
Healthcare Cost Trend Rates	6.50% for 2022, decreasing 0.25% - 0.50% per year to an ultimate rate of 4.5% for 2029 and later years.
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Total OPEB Liability - Continued

Actuarial Assumptions and Other Inputs - Continued. The discount rate was based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

Mortality rates use the probabilities of death for participants according to PubS-2010 Blue Collar base rates projected to 2022 using scale MP2021 for Police and Fire. For all others the PubG-2010 base rates projected to 2021 using scale MP2021 was used.

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2022	<u>\$ 402,279</u>
Changes for the Year:	
Service Cost	15,330
Interest on the Total OPEB Liability	14,801
Difference Between Expected and Actual Experience	(17,173)
Changes of Assumptions or Other Inputs	(29,048)
Benefit Payments	<u>(2,358)</u>
Net Changes	<u>(18,448)</u>
Balance at June 30, 2023	<u><u>383,831</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The discount rate used to measure the total pension liability was 3.86%, while the prior valuation used 3.69%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (2.86%)	Current Discount Rate (3.86%)	1% Increase (4.86%)
Total OPEB Liability	\$ 427,097	383,831	344,338

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

		Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
	1% Decrease (Varies)		
Total OPEB Liability	\$ 329,678	383,831	449,622

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the Library recognized OPEB expense of \$24,325. At June 30, 2023, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 66,895	(49,325)	17,570
Change in Assumptions	21,589	(119,568)	(97,979)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	88,484	(168,893)	(80,409)

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - Continued

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

Fiscal Year	Net Deferred (Inflows) of Resources
2024	\$ (5,806)
2025	(5,806)
2026	(5,806)
2027	(5,806)
2028	(5,806)
Thereafter	<u>(51,379)</u>
Total	<u><u>(80,409)</u></u>

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT

The Champaign Public Library Foundation (the Foundation) is a not-for-profit organization organized under the laws of the State of Illinois to develop philanthropic support for the Champaign Public Library (the Library). The Foundation is considered a component unit of the Library under the accounting standards followed by the Library; however, the Foundation is a separate legal entity. The Foundation's only program relates to the support of the operational and capital needs of the Library that lack adequate funding through the Library's available resources. The Foundation's major sources of revenue and support are contributions from donors and investment income

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting in which revenue is recognized when earned and expenses are recognized when incurred.

Notes to the Financial Statements

June 30, 2023

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Net Assets

The Foundation's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. Net assets of the Foundation and changes therein are classified and reported, if applicable, as follows:

Net assets without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Foundation's management and the Board of Directors.

Net assets with Donor Restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statement of Activities.

Cash and Investments

For the purpose of the Statement of Financial Position and Statement of Cash Flows, the Foundation's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of purchase.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Foundation 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.

Investment Income

The Foundation records investment income earned on net assets with donor restrictions and without donor restrictions as without donor restrictions revenue.

Contributed Services

Contributed services are reported as contribution revenue and as assets or expenses only if the services create or enhance a non-financial asset (for example, property and equipment) or:

- Would typically need to be purchased by the Foundation if the services had not been provided by contribution
- Require specialized skills
- Are provided by individuals with those skills

Notes to the Financial Statements

June 30, 2023

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Promises to Give

Promises to give consist of unconditional promised to give to the Foundation. The carrying amount of promises to give may be recorded by a valuation allowance based on management's assessment of the collectability of specific promise to give balances.

Contributed Revenue

Contributions that are restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are satisfied or expire in the reporting period in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Contributions due in the next year are reflected as current promises to give and are recorded at their net realized value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts.

Income Taxes

The Foundation is exempt from income tax under IRC section 501(c)(3), and similarly, is exempt from State of Illinois taxes under the Illinois Tax Act Section 205(a), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Foundation has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Foundation has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. There was no unrelated business income for the year ended June 30, 2023.

The Foundation's Forms 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the IRS, generally, for three years after they were filed. Annual filings with the State of Illinois are, similarly, subject to examination.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of functional expenses. Functional expenses which are not directly attributable to one function are allocated between program, management and general, and fundraising services based on the number of employees involved, the amount of time spent, the percentage of their salary associated with the time and on estimated made by the Foundation's management.

BUDGETARY INFORMATION

The budget is prepared on the same basis and uses the same accounting principles as are used to prepare the financial statements. The budget is authorized by the board of directors which is reviewed bimonthly against actual revenue and expenses by the board's Finance Committee. The Finance Committee discussed with staff the provisions for generating revenue, assuring long-term solvency, and maintaining services. Their recommendations are presented to the board of directors for discussion and decision making. No supplemental appropriations were made during the year.

CASH AND INVESTMENTS

At year-end the carrying amount of the Foundation's cash deposits totaled \$1,454,037 and the bank balances totaled \$1,574,429. The entire balance of deposits was fully insured by federal deposit insurance.

The Foundation's investments at June 30, 2023 consisted of the following:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Securities	\$ 110,430	—	72,386	38,044	—
U.S. Agency Securities	77,378	—	63,334	14,044	—
Corporate Bonds	118,576	—	118,576	—	—
Totals	306,384	—	254,296	52,088	—

In addition to the above, the Foundation had \$222,323 invested in mutual funds and \$1,250,259 invested in common stock.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

CASH AND INVESTMENTS - Continued

The Foundation's investment income was comprised of the following:

Interest Income	\$	36,563
Net Realized and Unrealized Gains/(Losses)		138,981
Dividends		<u>29,901</u>
		<u>205,445</u>

All investments are at risk of loss of market value due to numerous economic factors. Investments in debt securities are also at risk of loss due to the potential default of the issuer of the debt. Credit ratings provide a measure of the creditworthiness of debt issuers. Credit ratings are assigned by various third-party credit rating agencies and fall into the following categories, which are presented from the least risk to the most risk: Prime, High Grade, Upper Medium Grade, Lower Medium Grade, Non-investment Grade, Highly Speculative, Substantial Risk, Extremely Speculative, and In Default.

The Foundation's debt backed investments at June 30, 2023 have the following ratings:

High Grade	\$	77,378
Lower Medium Grade		118,576
Not Rated		<u>110,430</u>
		<u>306,384</u>

FAIR VALUE MEASUREMENTS

The fair values of assets measured on a recurring basis at June 30, 2023 are as follows:

	Level 1	Level 2	Level 3	Total
Investment Securities	\$ 332,753	1,446,213	—	<u>1,778,966</u>

Level 1 - Fair value measurements are based on quoted market prices in active markets for identical assets.

Level 2 - Fair value measurements are based on significant other observable inputs.

Level 3 - Fair value measurements are based on significant unobservable inputs.

There were no changes in the valuation techniques used for measuring fair value during the year ended June 30, 2023.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

AVAILABILITY AND LIQUIDITY

The following represents Foundation's financial assets at June 30, 2023:

Financial Assets at Year End	
Cash and Cash Equivalents	\$ 3,233,003
Promises to Give - Current	872,863
Total Financial Assets	<u>4,105,866</u>
Less Amounts not Available to be used within one year	
Net Assets with Donor Restrictions	1,737,585
Quasi Endowment Established by the Board	2,360,979
	<u>4,098,564</u>
Financial Assets Available to Meet General Expenses over the Next Twelve Months	<u>7,302</u>

NET ASSETS

Without Donor Restrictions

Net Assets without donor restrictions as of June 30, 2023 was comprised of the following:

Board Designated	
Endowment	\$ 1,479,983
Moyer Fund	66,429
Meyer Fund	287,206
the Studio	527,361
Undesignated	<u>52,302</u>
Total	<u>2,413,281</u>

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

NET ASSETS - Continued

With Donor Restrictions

Net Assets with donor restrictions as of June 30, 2023 was comprised of the following:

R. D. Burnham Endowment - Library Materials	\$ 16,069
J. F. Burnham Endowment - Library Materials	15,994
Richard McDonald Trust	44,065
Friends of the Library	101
Collections	36,117
Teen Fund	5,381
Décor Fund	2,068
Children's Programming	25,996
Grants	8,169
AS Launch Resource	14,268
Great Author Series Fund	22,822
Douglas Branch Gift	12,656
Douglas Maker Space Fund	80,058
the Studio	1,430,262
Douglass Branch Gift Fund	2,602
Promotions Gift	692
Mother Goose Gift Fund	(1,541)
Mother Goose Books	1,806
R. D. Burnham Trust	10,000
J. F. Burnham Trust	10,000
	<hr/>
Total	<hr/> <hr/> 1,737,585

ENDOWMENTS

The Foundation has endowment funds established for the purpose of funding the acquisition of Library materials and to support Library programs. The endowments consist of donor-specific funds as well as Board designated funds. As required by generally accepted accounting, net assets associated with endowment funds, including funds designated the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Notes to the Financial Statements

June 30, 2023

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued**ENDOWMENTS - Continued**

The Foundation's management believes it is following the Uniform Prudent Management of Institutional Funds Act adopted by the State of Illinois based on consultations with an attorney. As a result, the Foundation classifies as permanently restricted net positions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those assets are appropriated for expenditure by the Foundation. The Board of Directors annually approves the appropriation of endowment assets for expenditure.

The Foundation has adopted an investment policy, approved the Board of Directors, for endowment assets that attempts to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of these endowment assets over the long-term. The investment policy establishes an achievable return objective through diversification of asset classes. The current long-term return objective is to return a percentage equivalent with nationally recognized indexes for each investment category. Actual returns in any given year may vary from this objective. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places an emphasis on equity-based investments and high quality fixed income securities to achieve its long-term return objectives within prudent risk parameters.

Endowment net assets composition by type of fund at June 30, 2023 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Totals
Donor - Restricted	\$ —	51,907	51,907
Unrestricted - Board Designated	1,453,460	—	1,453,460
	<u>1,453,460</u>	<u>51,907</u>	<u>1,505,367</u>

The implied-time restricted temporarily restricted balance will be reclassified to unrestricted-Board designated as the related unconditional promises to give are collected in future periods.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

ENDOWMENTS - Continued

Changes in endowment funds for the fiscal year ended June 30, 2023 were as follows:

	Without Donor Restrictions	With Donor Restrictions	Totals
Endowment Net Assets - Beginning	\$ 1,337,246	47,946	1,385,192
Contributions	1,227	—	1,227
Interest and Dividends	32,727	1,127	33,854
Net Appreciation (Depreciation)	122,681	4,184	126,865
Expenses	(40,421)	(1,350)	(41,771)
Endowment Net Assets - Ending	1,453,460	51,907	1,505,367

PROMISES TO GIVE

Promises to give consist of the following at June 30, 2023:

Current Portion	\$ 872,863
Non-Current Portion (Receivable from 1 to 3 Years)	45,000
Total	917,863

All promises to give are considered collectible, thus no allowance for uncollectible promises to give has been recorded. The Foundation has not discounted the non-current promises to give as the estimated discount amount is immaterial.

CONCENTRATIONS

Contributions from one donor accounted for \$75,000, or approximately 19 percent of the total support and revenue for the year ended June 30, 2023.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Notes to the Financial Statements

June 30, 2023

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

CONTRIBUTED FINANCIAL ASSETS

For the year ended June 30, 2023, contributed nonfinancial assets recognized with the Statement of Activities included:

Services	
Management and General	\$ 12,132
Fundraising	<u>25,541</u>
	<u><u>37,673</u></u>

The Foundation recognized contributed nonfinancial assets within revenue, including contributed services. Contributed services consist of salaries and benefits of Library personnel assigned to perform management and fund raising serviced for the Foundation. All the contributed nonfinancial assets did not have any donor-imposed restrictions. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar services.

RELATED PARTY TRANSACTIONS

The Foundation provided \$430,858 of monetary support to the Library for materials and programs. This amount is included in program services expenses.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability
Other Post-Employment Benefit Plan
- Budgetary Comparison Schedule
General Fund

Notes to the Required Supplementary Information

Budgetary information - budgets are adopted on a basis consistent with generally accepted accounting principles.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

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

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 517,187	\$ 546,645	\$ 29,458	\$ 4,435,567	12.32%
2016	357,653	358,865	1,212	3,104,624	11.56%
2017	352,211	355,075	2,864	2,997,537	11.85%
2018	398,046	398,046	—	3,500,194	11.37%
2019	372,257	372,257	—	3,712,702	10.03%
2020	366,346	383,120	16,774	3,724,904	10.29%
2021	390,861	430,021	39,160	3,826,905	11.24%
2022	344,425	344,425	—	3,570,749	9.65%
2023	289,237	289,237	—	3,868,924	7.48%

Notes to the Required Supplementary Information:

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

Note:

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

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability/(Asset)

June 30, 2023

	12/31/2014	12/31/2015	12/31/2016
Total Pension Liability			
Service Cost	\$ 508,439	315,718	320,876
Interest	1,902,730	1,333,136	1,355,679
Differences Between Expected and Actual Experience	69,809	241,826	(322,988)
Change of Assumptions	946,127	23,329	(734,932)
Benefit Payments, Including Refunds of Member Contributions	(1,053,219)	(774,599)	(759,298)
Net Change in Total Pension Liability	2,373,886	1,139,410	(140,663)
Total Pension Liability - Beginning	25,642,121	28,016,007	29,155,417
Total Pension Liability - Ending	28,016,007	29,155,417	29,014,754
Plan Fiduciary Net Position			
Contributions - Employer	\$ 546,645	358,865	355,075
Contributions - Members	212,240	140,920	140,817
Net Investment Income	1,529,624	84,202	1,103,240
Benefit Payments, Including Refunds of Member Contributions	(1,053,219)	(774,599)	(759,298)
Other (Net Transfer)	(74,759)	(122,543)	31,821
Net Change in Plan Fiduciary Net Position	1,160,531	(313,155)	871,655
Plan Net Position - Beginning	25,222,978	26,383,509	26,070,354
Plan Net Position - Ending	26,383,509	26,070,354	26,942,009
Employer's Net Pension Liability/(Asset)	\$ 1,632,498	3,085,063	2,072,745
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.17%	89.42%	92.86%
Covered Payroll	\$ 4,435,567	3,104,624	2,997,537
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	36.80%	99.37%	69.15%

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2014 through 2021. Changes in assumptions related to the demographics were made in 2014 and 2017.

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
345,482	337,591	369,276	373,026	328,174	319,018
2,356,015	1,567,526	1,614,534	1,732,625	1,724,566	1,758,223
283,686	(55,953)	168,854	107,883	483,087	129,194
(1,321,124)	634,682	—	(173,114)	—	—
(875,150)	(956,914)	(1,024,804)	(1,137,240)	(1,217,688)	(1,302,128)
788,909	1,526,932	1,127,860	903,180	1,318,139	904,307
29,014,754	29,803,663	31,330,595	32,458,455	33,361,635	34,679,774
29,803,663	31,330,595	32,458,455	33,361,635	34,679,774	35,584,081
419,256	395,329	343,126	417,879	407,399	303,817
157,147	162,186	175,081	171,449	164,294	162,169
3,144,361	(1,103,688)	3,637,075	3,290,491	4,063,566	(3,559,917)
(875,150)	(956,914)	(1,024,804)	(1,137,240)	(1,217,688)	(1,302,128)
(277,830)	270,026	56,221	103,905	(8,631)	(20,701)
2,567,784	(1,233,061)	3,186,699	2,846,484	3,408,940	(4,416,760)
26,942,009	29,509,793	28,276,732	31,463,431	34,309,915	37,718,855
29,509,793	28,276,732	31,463,431	34,309,915	37,718,855	33,302,095
293,870	3,053,863	995,024	(948,280)	(3,039,081)	2,281,986
99.01%	90.25%	96.93%	102.84%	108.76%	93.59%
3,433,240	3,604,136	3,702,193	3,793,607	3,575,862	3,598,988
8.56%	84.73%	26.88%	(25.00%)	(84.99%)	63.41%

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

June 30, 2023

	<u>6/30/2018</u>
Total OPEB Liability	
Service Cost	\$ 17,050
Interest	10,049
Difference Between Expected and Actual Experience	74,322
Change of Assumptions or Other Inputs	(9,465)
Benefit Payments	<u>(7,769)</u>
Net Change in Total OPEB Liability	84,187
Total OPEB Liability - Beginning	<u>284,905</u>
 Total OPEB Liability - Ending	 <u><u>369,092</u></u>
 Covered-Employee Payroll	 \$ 2,787,986
 Total OPEB Liability as a Percentage of Covered-Employee Payroll	 13.24%

Notes:

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

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Changes of Assumptions. Change of assumption related to the discount rate were made in 2018 through 2023.

6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
26,089	25,906	27,662	30,606	15,330
14,679	14,437	8,395	7,563	14,801
—	(49,973)	—	36,347	(17,173)
13,770	(51,436)	18,381	(63,746)	(29,048)
(8,313)	(7,993)	(4,438)	(4,749)	(2,358)
46,225	(69,059)	50,000	6,021	(18,448)
369,092	415,317	346,258	396,258	402,279
415,317	346,258	396,258	402,279	383,831
2,550,235	2,916,981	3,004,490	2,940,789	3,037,040
16.29%	11.87%	13.19%	13.68%	12.64%

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 7,910,636	8,356,350	8,236,174
Intergovernmental	120,000	227,446	321,313
Charges for Services	108,707	111,960	115,098
Fines and Forfeitures	51,000	44,000	37,038
Interest Income	440	540	657
Miscellaneous	—	17,813	22,548
Total Revenues	8,190,783	8,758,109	8,732,828
Expenditures			
Culture and Recreation			
On-Line Reference Services	1,303,724	1,435,649	1,288,781
Personnel	5,528,305	5,260,105	5,206,606
Library Materials	879,261	889,950	906,839
Equipment	29,500	105,742	78,311
Debt Service			
Principal Retirement	241,175	241,175	161,000
Interest and Fiscal Charges	—	—	80,175
Total Expenditures	7,981,965	7,932,621	7,721,712
Excess (Deficiency) of Revenues Over (Under) Expenditures	208,818	825,488	1,011,116
Other Financing Sources (Uses)			
Transfers In	19,000	19,000	—
Transfers Out	(284,500)	(402,700)	(385,350)
	(265,500)	(383,700)	(385,350)
Net Change in Fund Balance	(56,682)	441,788	625,766
Fund Balance - Beginning			1,334,625
Fund Balance - Ending			1,960,391

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Combining Statements - General Fund
- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

Special Revenue Funds are created to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Per Capita Grant Fund

The Per Capita Grant Fund is used to account for grant funds received from the Illinois State Library based on the population of the City of Champaign.

Gifts and Endowments Fund

The Gifts and Endowments Fund is used to account for donations provided to the Library through the Foundation.

Café Fund

The Café Fund is used to account for revenues and expenditures associated with the Library Café.

CAPITAL PROJECTS FUND

The Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds.

Building Improvement Fund

The Building Improvement Fund is used to account for special receipts and transfers from other Library funds used to pay for capital improvement, repair projects, and capital equipment not funded by other Library funds.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**General Fund - Sub-Funds****Combining Balance Sheet****June 30, 2023**

	Operations	27th Pay Date	Totals
ASSETS			
Cash and Investments	\$ (93,858)	98,397	4,539
Receivables - Net of Allowances			
Taxes	6,475,328	—	6,475,328
Total Assets	6,381,470	98,397	6,479,867
LIABILITIES			
Accounts Payable	90,892	—	90,892
Accrued Payroll	141,538	—	141,538
Total Liabilities	232,430	—	232,430
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	4,287,046	—	4,287,046
Total Liabilities and Deferred Inflows of Resources	4,519,476	—	4,519,476
FUND BALANCES			
Committed	—	98,397	98,397
Unassigned	1,861,994	—	1,861,994
Total Fund Balances	1,861,994	98,397	1,960,391
Total Liabilities, Deferred Inflows of Resources Resources and Fund Balances	6,381,470	98,397	6,479,867

Note: The Operating Fund cash deficit balance is a result of \$1,573,425 of property taxes that was in transit and received on July 1, 2023.

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**General Fund - by Accounts****Combining Statement of Revenues, Expenditures and Changes in Fund Balances****For the Fiscal Year Ended June 30, 2023**

	Operations	27th Pay Date	Eliminations	Totals
Revenues				
Taxes	\$ 8,236,174	—	—	8,236,174
Intergovernmental	321,313	—	—	321,313
Charges for Services	115,098	—	—	115,098
Fines and Forfeitures	37,038	—	—	37,038
Interest Income	617	40	—	657
Miscellaneous	22,548	—	—	22,548
Total Revenues	8,732,788	40	—	8,732,828
Expenditures				
Culture and Recreation				
On-Line Reference Services	1,288,781	—	—	1,288,781
Personnel	5,206,606	—	—	5,206,606
Library Materials	906,839	—	—	906,839
Equipment	78,311	—	—	78,311
Debt Service				
Principal Retirement	161,000	—	—	161,000
Interest and Fiscal Charges	80,175	—	—	80,175
Total Expenditures	7,721,712	—	—	7,721,712
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,011,076	40	—	1,011,116
Other Financing Sources (Uses)				
Transfers In	—	19,000	(19,000)	—
Transfers Out	(404,350)	—	19,000	(385,350)
	(404,350)	19,000	—	(385,350)
Net Change in Fund Balances	606,726	19,040	—	625,766
Fund Balance - Beginning	1,255,268	79,357	—	1,334,625
Fund Balances - Ending	1,861,994	98,397	—	1,960,391

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**General Fund - Operations Sub-Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 7,910,636	8,356,350	8,236,174
Intergovernmental	120,000	227,446	321,313
Charges for Services	108,707	111,960	115,098
Fines and Forfeitures	51,000	44,000	37,038
Interest Income	400	500	617
Miscellaneous	—	17,813	22,548
Total Revenues	8,190,743	8,758,069	8,732,788
Expenditures			
Culture and Recreation			
On-Line Reference Services	1,303,724	1,435,649	1,288,781
Personnel	5,528,305	5,260,105	5,206,606
Library Materials	879,261	889,950	906,839
Equipment	29,500	105,742	78,311
Debt Service			
Principal Retirement	241,175	241,175	161,000
Interest and Fiscal Charges	—	—	80,175
Total Expenditures	7,981,965	7,932,621	7,721,712
Excess (Deficiency) of Revenues Over (Under) Expenditures	208,778	825,448	1,011,076
Other Financing (Uses)			
Transfers Out	(284,500)	(402,700)	(404,350)
Net Change in Fund Balance	(75,722)	422,748	606,726
Fund Balance - Beginning			1,255,268
Fund Balance - Ending			1,861,994

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**General Fund - Operations Sub-Fund****Schedule of Revenues - Budget and Actual****For the Fiscal Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual
Taxes			
Property Taxes	\$ 7,910,636	8,356,350	8,236,174
Intergovernmental			
Replacement Taxes	120,000	203,663	297,530
Federal Grants	—	23,783	23,783
Total Intergovernmental	120,000	227,446	321,313
Charges for Services			
Photocopies	29,000	30,000	33,138
Rents	26,040	26,760	26,760
Other	53,667	55,200	55,200
Total Charges for Services	108,707	111,960	115,098
Fines and Forfeitures			
Fines	51,000	44,000	37,038
Interest Income	400	500	617
Miscellaneous	—	17,813	22,548
Total Revenues	8,190,743	8,758,069	8,732,788

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**General Corporate - General Fund Sub-Fund
Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual
Culture and Recreation			
On-Line Reference Services			
Utilities - Electricity and Natural Gas	\$ 222,400	243,000	239,954
Utilities - Water and Sewer	15,100	15,700	14,662
Utilities - Telephone	67,250	75,000	56,667
Bibliographic Utilities	29,900	32,000	29,885
Insurance	164,100	164,100	164,979
Professional Development	35,000	25,000	21,163
Advertising	66,100	45,000	40,638
Postage	5,000	5,000	5,242
Supplies	176,900	271,850	219,619
Employee Awards	1,000	500	128
Maintenance Services	400,074	418,930	374,421
Professional Fees	71,950	76,600	60,610
Leases	13,350	12,300	11,121
Printing and Binding	35,000	49,819	48,995
Miscellaneous	600	850	697
Total On-Line Reference Services	1,303,724	1,435,649	1,288,781
Personnel			
Salaries	4,352,100	4,180,900	4,131,376
Payroll Taxes and Other Benefits	1,176,205	1,079,205	1,075,230
Total Personnel	5,528,305	5,260,105	5,206,606
Library Materials			
Books	278,101	277,500	268,958
Periodicals	23,500	28,000	28,541
Audiovisual	73,700	73,600	66,133
Other Materials	16,500	13,750	14,861
Electronic/Digital	487,460	497,100	528,346
Total Library Materials	879,261	889,950	906,839

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**General - General Fund Sub-Fund****Schedule of Expenditures - Budget and Actual - Continued****For the Fiscal Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual
Culture and Recreation - Continued			
Equipment			
Small Equipment and Tools	\$ 29,500	105,742	78,311
Total Culture and Recreation	7,740,790	7,691,446	7,480,537
Debt Service			
Interest and Fiscal Charges	241,175	241,175	161,000
Principal Retirement	—	—	80,175
	241,175	241,175	241,175
Total Expenditures	7,981,965	7,932,621	7,721,712

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

General Fund - 27th Pay Date Sub-Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Interest Income	\$ 40	40	40
Expenditures			
Culture and Recreation	—	—	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	40	40	40
Other Financing Sources			
Transfers In	19,000	19,000	19,000
Net Change in Fund Balance	19,040	19,040	19,040
Fund Balance - Beginning			79,357
Fund Balance - Ending			98,397

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**Building Improvement - Capital Projects Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual
Revenues			
Interest Income	\$ 400	400	488
Miscellaneous	1,500,000	1,500,000	1,500,000
Total Revenues	1,500,400	1,500,400	1,500,488
Expenditures			
Capital Outlay	1,895,935	1,936,688	1,882,170
Excess (Deficiency) of Revenues Over (Under) Expenditures	(395,535)	(436,288)	(381,682)
Other Financing Sources			
Transfers In	245,800	378,700	378,700
Net Change in Fund Balance	(149,735)	(57,588)	(2,982)
Fund Balance - Beginning			438,763
Fund Balance - Ending			435,781

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**Nonmajor Governmental - Special Revenue Funds****Combining Balance Sheet****June 30, 2023**

	Per Capita Grant	Gifts and Endowments	Café	Total
ASSETS				
Cash and Investments	\$ —	—	5,758	5,758
LIABILITIES				
Accounts Payable	—	37,432	1,715	39,147
Accrued Payroll	—	—	3,905	3,905
Total Liabilities	—	37,432	5,620	43,052
FUND BALANCES				
Committed	—	—	138	138
Unassigned	—	(37,432)	—	(37,432)
Total Fund Balances	—	(37,432)	138	(37,294)
Total Liabilities and Fund Balances	—	—	5,758	5,758

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**Nonmajor Governmental - Special Revenue Funds****Combining Statement of Revenues, Expenditures and Changes in Fund Balances****For the Fiscal Year Ended June 30, 2023**

	Per Capita Grant	Gifts and Endowments	Café	Total
Revenues				
Intergovernmental	\$ 130,245	11,174	—	141,419
Charges for Services	—	—	175,693	175,693
Interest Income	—	—	4	4
Gifts	—	430,858	—	430,858
Miscellaneous	—	—	2,930	2,930
Total Revenues	130,245	442,032	178,627	750,904
Expenditures				
Culture and Recreation	130,245	479,413	184,127	793,785
Excess (Deficiency) of Revenues Over (Under) Expenditures	—	(37,381)	(5,500)	(42,881)
Other Financing Sources				
Transfers In	—	—	6,650	6,650
Net Change in Fund Balances	—	(37,381)	1,150	(36,231)
Fund Balances - Beginning	—	(51)	(1,012)	(1,063)
Fund Balances - Ending	—	(37,432)	138	(37,294)

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Per Capita Grant - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
State Grants	\$ 101,319	130,245	130,245
Expenditures			
Culture and Recreation			
Library Materials	101,319	130,245	130,245
Net Change in Fund Balance	—	—	—
Fund Balance - Beginning			—
Fund Balance - Ending			—

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS

Gifts and Endowments - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
State Grants	\$ 2,000	7,481	11,174
Gifts			
Friends of the Library	75,650	55,000	58,000
Champaign Public Library Foundation	1,170,050	1,953,610	372,858
Total Revenues	1,247,700	2,016,091	442,032
Expenditures			
Culture and Recreation			
Library Materials	1,247,700	2,016,091	479,413
Net Change in Fund Balance	—	—	(37,381)
Fund Balance - Beginning			(51)
Fund Balance - Ending			(37,432)

CHAMPAIGN PUBLIC LIBRARY, ILLINOIS**Café - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual
Revenues			
Charges for Services			
Sales	\$ 157,550	161,500	175,693
Interest Income	—	2	4
Miscellaneous	600	1,500	2,930
Total Revenues	158,150	163,002	178,627
Expenditures			
Culture and Recreation			
Personnel	113,711	104,309	104,987
Supplies	61,250	61,250	77,019
Maintenance Services	500	300	125
Professional Fees	560	560	496
Leases	1,800	1,800	1,500
Total Expenditures	177,821	168,219	184,127
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,671)	(5,217)	(5,500)
Other Financing Sources			
Transfers In	19,700	5,000	6,650
Net Change in Fund Balance	29	(217)	1,150
Fund Balance - Beginning			(1,012)
Fund Balance - Ending			138