

CITY OF PEKIN, ILLINOIS  
LIBRARY FUND

(A SPECIAL REVENUE FUND OF THE CITY OF PEKIN, ILLINOIS)

---

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED  
APRIL 30, 2021

111 S. Capitol St.  
Pekin, IL 61554  
Phone: 309.347.7111  
[www.pekinpubliclibrary.org](http://www.pekinpubliclibrary.org)

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**TABLE OF CONTENTS**

---

---

**PAGE**

**FINANCIAL SECTION**

|   |           |
|---|-----------|
| <b>INDEPENDENT AUDITORS' REPORT</b>   | <u>1</u>  |
| <b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>   | <u>5</u>  |
| <b>BASIC FINANCIAL STATEMENTS</b>   |           |
| Government-Wide Financial Statements  |           |
| Statement of Net Position   | <u>13</u> |
| Statement of Activities   | <u>14</u> |
| Fund Financial Statements   |           |
| Balance Sheet - Governmental Funds  | <u>15</u> |
| Reconciliation of Total Governmental Fund Balance to the Statement of<br>Net Position - Governmental Activities     | <u>16</u> |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds                               | <u>17</u> |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in<br>Fund Balances - Governmental Activities | <u>18</u> |
| Notes to Financial Statements   | <u>19</u> |
| <b>REQUIRED SUPPLEMENTARY INFORMATION</b>   |           |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual<br>Library Fund                  | <u>40</u> |
| Illinois Municipal Retirement Fund  |           |
| Schedule of Employer Contributions  | <u>41</u> |
| Schedule of the Fund's Proportionate Share of the Net Pension Liability   | <u>43</u> |
| Retiree Benefit Plan  |           |
| Schedule of Fund's Proportionate Share of the Total OPEB Liability  | <u>45</u> |
| <b>OTHER SUPPLEMENTARY INFORMATION</b>  |           |
| Schedule of Expenditures - Budget and Actual - Library Fund   | <u>48</u> |

## **FINANCIAL SECTION**

This section includes:

- **Independent Auditors' Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Other Supplementary Information**

**INDEPENDENT AUDITORS' REPORT**

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





**INDEPENDENT AUDITORS' REPORT**

April 22, 2024

The Honorable City Mayor  
Members of the City Council  
City of Pekin, Illinois

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the accompanying financial statements of the Library Fund (the Fund), a special revenue fund of the City of Pekin, Illinois, as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the Fund'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 Library Fund (the Fund), a special revenue fund of the City of Pekin, Illinois, as of April 30, 2021, and the respective changes in financial position, and, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Fund, 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 Fund'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 and *Government 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 Fund'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 Fund'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 management's discussion and analysis, the budgetary comparison schedules, required pension, and other post-employment benefit (OPEB) schedules, 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 Library Fund of the City of Pekin, Illinois' basic financial statements. The other supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

## MANAGEMENT'S DISCUSSION AND ANALYSIS



**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2021**

---

Our discussion and analysis of the Library's financial performance provides an overview of the Library's financial activities for the fiscal year ended April 30, 2021. Please read it in conjunction with the Library's financial statements, which can be found in the basic financial statement section of this report.

**FINANCIAL HIGHLIGHTS**

- The Library's net position decreased by \$462,026, or 6.1 percent as a result of this year's operations.
- During the year, government-wide revenues totaled \$1,360,487, while expenses totaled \$1,807,513, resulting in a decrease to net position of \$462,026 after transfers out of \$15,000.
- The Library's net position totaled \$7,065,138 on April 30, 2021, which includes \$7,555,966 investment in capital assets and deficit \$490,828 unrestricted net position.
- The Library Fund reported a deficit this year of \$75,542 or 9.6 percent, resulting in ending fund balance of \$711,010.

**USING THIS ANNUAL REPORT**

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

**Government-Wide Financial Statements**

The government-wide financial statements provide readers with a broad overview of the Library's finances, in a matter similar to a private-sector business. The government wide financial statements which can be found in the financial section of this report.

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

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

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2021**

---

---

**USING THIS ANNUAL REPORT - Continued**

**Fund Financial Statements**

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

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

**Governmental Funds**

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

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

The Library maintains one governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the Library Fund.

The Library adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget.

**Notes to the Financial Statements**

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

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Library's I.M.R.F, post-employment retirement benefit obligations, and budgetary comparison schedules for the Library Fund.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Library, assets/deferred outflows exceeded liabilities/deferred inflows by \$7,065,138.

|   | Net Position      |                  |
|---|-------------------|------------------|
|   | 2021              | 2020             |
| Current Assets                                | \$ 2,400,387      | 1,970,241        |
| Capital Assets                                | 7,555,966         | 7,792,800        |
| <b>Total Assets</b>                           | <b>9,956,353</b>  | <b>9,763,041</b> |
| Deferred Outflows                             | 181,448           | 145,577          |
| <b>Total Assets and Deferred Outflows</b>     | <b>10,137,801</b> | <b>9,908,618</b> |
| Current Liabilities                           | 134,997           | 34,010           |
| Noncurrent Liabilities                        | 889,794           | 870,456          |
| <b>Total Liabilities</b>                      | <b>1,024,791</b>  | <b>904,466</b>   |
| Deferred Inflows                              | 2,047,872         | 1,476,988        |
| <b>Total Liabilities and Deferred Inflows</b> | <b>3,072,663</b>  | <b>2,381,454</b> |
| <b>Net Position</b>                           |                   |                  |
| Investment in Capital Assets                  | 7,555,966         | 7,792,800        |
| Unrestricted (Deficit)                        | (490,828)         | (265,636)        |
| <b>Total Net Position</b>                     | <b>7,065,138</b>  | <b>7,527,164</b> |

A large portion of the Library's net position, \$7,555,966, reflects its investment in capital assets (for example, land, construction in progress, buildings, furniture and equipment, and library books). The Library uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Library's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining deficit of \$490,828, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

|  | <u>Changes in Net Position</u> |                         |
|--|--------------------------------|-------------------------|
|  | <u>2021</u>                    | <u>2020</u>             |
| Revenues                                 |                                |                         |
| Program Revenues                         |                                |                         |
| Charges for Services                     | \$ 42,853                      | 60,517                  |
| Operating Grants and Contributions       | 70,055                         | 44,551                  |
| General Revenues                         |                                |                         |
| Property Taxes                           | 1,151,829                      | 1,131,369               |
| Replacement Taxes                        | 81,261                         | 126,646                 |
| Interest Income                          | 899                            | 15,506                  |
| Miscellaneous                            | 13,590                         | 197,545                 |
| Total Revenues                           | <u>1,360,487</u>               | <u>1,576,134</u>        |
| Expenses                                 |                                |                         |
| Culture and Recreation                   | <u>1,807,513</u>               | <u>1,932,106</u>        |
| Changed in Net Position Before Transfers | (447,026)                      | (355,972)               |
| Transfers                                | <u>(15,000)</u>                | <u>(15,000)</u>         |
| Change in Net Position                   | (462,026)                      | (370,972)               |
| Fund Balance - Beginning                 | <u>7,527,164</u>               | <u>7,898,136</u>        |
| Net Position - Ending                    | <u><u>7,065,138</u></u>        | <u><u>7,527,164</u></u> |

Net position of the Library's governmental activities decreased by 6.1 percent (\$7,065,138 in 2021 compared to \$7,527,164 in 2020).

**Governmental Activities**

Revenues for governmental activities totaled \$1,360,487, while the cost of all governmental functions totaled \$1,807,513, this results in a decrease of \$462,026 after transfers out of \$15,000. In 2020, revenues of \$1,576,134 fell short of expenses of \$1,932,106, resulting in a decrease of \$370,972 after transfers out of \$15,000. The decrease in 2021 due primarily to increase total OPEB liability for RBP and the new internal balance due to the City following the group insurance audit.

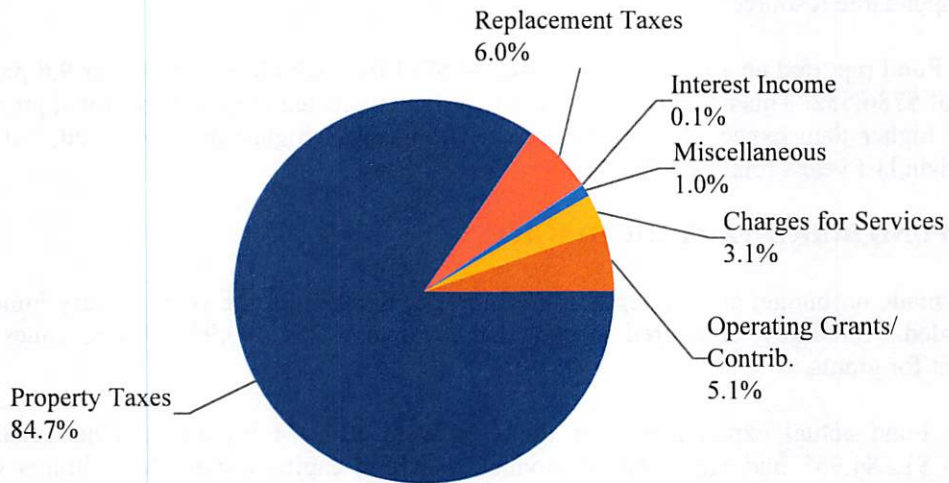
**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

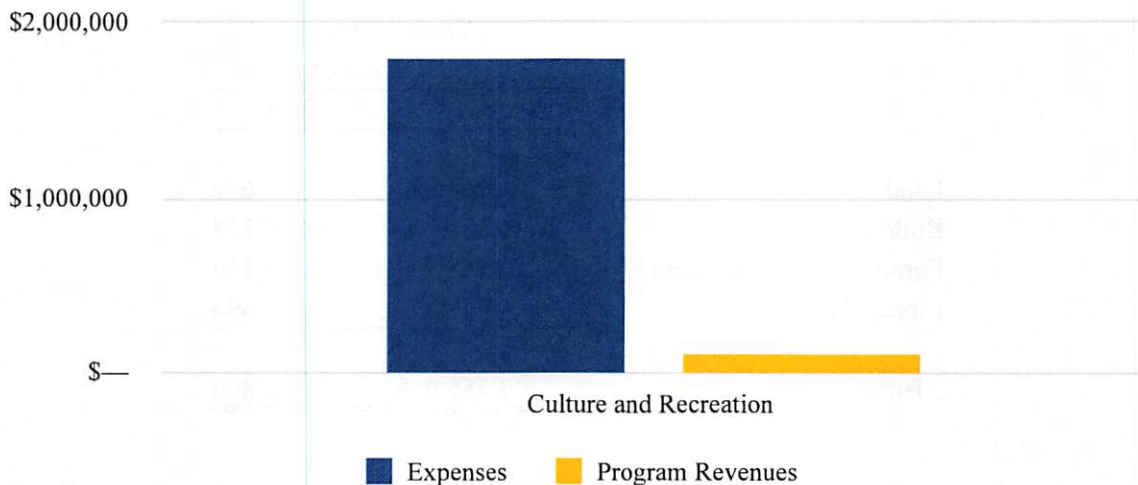
The following table graphically depicts the major revenue sources of the Library. It depicts very clearly the reliance of property taxes to fund governmental activities. It also clearly identifies the less significant percentage the Library receives from other sources.

**Revenue by Source - Governmental Activities**



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

**Expenses and Program Revenues - Governmental Activities**



**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2021**

---

---

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

**Governmental Funds**

The focus of the Library's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources.

The Library Fund reported an ending fund balance of \$711,010, which is \$75,542, or 9.6 percent, lower than last year's total of \$786,552. This decrease is due to lower than expected corporate personal property replacement tax revenue and higher than expected personnel costs. Grants were higher than expected, but charges for services were lower than last year's total by \$17,664.

**LIBRARY FUND BUDGETARY HIGHLIGHTS**

The Library made no budget amendments to the Library Fund during the year. Library Fund actual revenues for the year totaled \$1,360,487, compared to budgeted revenues of \$1,399,955. All revenues came in lower than budget except for grants.

The Library Fund actual expenditures for the year were \$36,074 higher than budgeted (\$1,421,029 actual compared to \$1,384,955 budgeted). The personnel costs and capital outlay expenditures were over budget by \$109,001 and \$4,175, respectively. The personnel cost overrun was primarily due to repaying group insurance premiums to a former PPO following an audit of the City's personnel records.

**CAPITAL ASSETS**

The Library's investment in capital assets for its governmental and business type activities as of April 30, 2021 was \$7,555,966 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, furniture and equipment, and library books.

|                         | Capital Assets      |                  |
|-------------------------|---------------------|------------------|
|                         | Net of Depreciation |                  |
|                         | 2021                | 2020             |
| Land                    | \$ 164,640          | 164,640          |
| Buildings               | 6,621,116           | 6,804,328        |
| Furniture and Equipment | 328,900             | 359,134          |
| Library Books           | 441,310             | 464,698          |
| Totals                  | <u>7,555,966</u>    | <u>7,792,800</u> |



**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Management's Discussion and Analysis  
April 30, 2021**

---

**CAPITAL ASSETS - Continued**

This year's major additions included:

|               |                  |
|---------------|------------------|
| Library Books | <u>\$ 71,293</u> |
|---------------|------------------|

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

**DEBT ADMINISTRATION**

At year-end, the Library had no outstanding long-term debt. Additional information on the Library's long-term debt can be found in Note 3 of this report.

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

The Library's elected and appointed officials considered many factors when setting the fiscal year 2021-2022 budget, including tax rates and fees that will be charged for its various activities. The state of the economy was a major factor, as the Library is faced with a similar economic environment as many other local municipalities are faced with, including inflation, unemployment rates, and the continued effects on residents and businesses due to the global health emergency from COVID-19.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Library's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should Finance Department, City of Pekin, 111 South Capitol Street, Pekin, Illinois 61554.

## **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

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.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Statement of Net Position  
April 30, 2021**

| <b>ASSETS</b>                                       |                    |
|---|--------------------|
| Current Assets                                      |                    |
| Cash and Investments                                | \$ 840,545         |
| Receivables - Net of Allowances                     | <u>1,559,842</u>   |
| Total Current Assets                                | <u>2,400,387</u>   |
| Noncurrent Assets                                   |                    |
| Capital Assets                                      |                    |
| Nondepreciable                                      | 164,640            |
| Depreciable   | 12,388,629         |
| Accumulated Depreciation                            | <u>(4,997,303)</u> |
| Total Noncurrent Assets                             | <u>7,555,966</u>   |
| Total Assets  | <u>9,956,353</u>   |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>               |                    |
| Deferred Items - IMRF                               | 52,140             |
| Deferred Items - RBP                                | 129,308            |
| Total Deferred Outflows of Resources                | <u>181,448</u>     |
| Total Assets and Deferred Outflows of Resources     | <u>10,137,801</u>  |
| <b>LIABILITIES</b>                                  |                    |
| Current Liabilities                                 |                    |
| Accrued Payroll                                     | 35,602             |
| Internal Balances                                   | 93,933             |
| Compensated Absences                                | 5,462              |
| Total Current Liabilities                           | <u>134,997</u>     |
| Noncurrent Liabilities                              |                    |
| Compensated Absences                                | 21,846             |
| Net Pension Liability - IMRF                        | 23,912             |
| Total OPEB Liability - RBP                          | <u>844,036</u>     |
| Total Noncurrent Liabilities                        | <u>889,794</u>     |
| Total Liabilities                                   | <u>1,024,791</u>   |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                |                    |
| Property Taxes                                      | 1,559,842          |
| Deferred Items - IMRF                               | 310,408            |
| Deferred Items - RBP                                | 177,622            |
| Total Deferred Inflows of Resources                 | <u>2,047,872</u>   |
| Total Liabilities and Deferred Inflows of Resources | <u>3,072,663</u>   |
| <b>NET POSITION</b>                                 |                    |
| Investment in Capital Assets                        | 7,555,966          |
| Unrestricted (Deficit)                              | <u>(490,828)</u>   |
| Total Net Position                                  | <u>7,065,138</u>   |

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

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Statement of Activities  
For the Fiscal Year Ended April 30, 2021**

|                         | Expenses     | Program Revenues                 |                     | Capital<br>Grants/<br>Contributions | Net<br>(Expenses)/<br>Revenues and<br>Changes in<br>Net Position |
|-------------------------|--------------|----------------------------------|---------------------|-------------------------------------|--|
|                         |              | Charges<br>for<br>Services       | Operating<br>Grants |                                     |  |
| Governmental Activities |              |                                  |                     |                                     |  |
| Culture and Recreation  | \$ 1,807,513 | 42,853                           | 70,055              | —                                   | (1,694,605)  |
|                         |              | General Revenues                 |                     |                                     |  |
|                         |              | Taxes                            |                     |                                     |  |
|                         |              | Property Tax                     |                     |                                     | 1,151,829  |
|                         |              | Intergovernmental - Unrestricted |                     |                                     |  |
|                         |              | Replacement Tax                  |                     |                                     | 81,261   |
|                         |              | Investment Income                |                     |                                     | 899  |
|                         |              | Miscellaneous                    |                     |                                     | 13,590   |
|                         |              | Transfers                        |                     |                                     | (15,000)   |
|                         |              |                                  |                     |                                     | <u>1,232,579</u>   |
|                         |              | Change in Net Position           |                     |                                     | (462,026)  |
|                         |              | Net Position - Beginning         |                     |                                     | <u>7,527,164</u>   |
|                         |              | Net Position - Ending            |                     |                                     | <u><u>7,065,138</u></u>  |

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

**LIBRARY FUND**  
**CITY OF PEKIN, ILLINOIS**

**Balance Sheet**  
**April 30, 2021**

---

---

|  | <u>Library</u>          |
|--|-------------------------|
| <b>ASSETS</b>  |                         |
| Cash and Investments   | \$ 840,545              |
| Receivables - Net of Allowances                                    |                         |
| Taxes  | <u>1,559,842</u>        |
| Total Assets   | <u><u>2,400,387</u></u> |
| <b>LIABILITIES</b>   |                         |
| Accrued Payroll  | 35,602                  |
| Due to Primary Government  | <u>93,933</u>           |
| Total Liabilities  | 129,535                 |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                               |                         |
| Property Taxes   | <u>1,559,842</u>        |
| Total Liabilities and Deferred Inflows of Resources                | 1,689,377               |
| <b>FUND BALANCES</b>   |                         |
| Restricted   | <u>711,010</u>          |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u><u>2,400,387</u></u> |

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

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

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

**April 30, 2021**

---

---

|  |                                |
|--|--------------------------------|
| <b>Total Governmental Fund Balances</b>  | <b>\$ 711,010</b>              |
| 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. | 7,555,966                      |
| Deferred outflows (inflows) of resources related to the pensions not reported in the funds.                              |                                |
| Deferred Items - IMRF  | (258,268)                      |
| Deferred Items - RBP   | (48,314)                       |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.         |                                |
| Compensated Absences   | (27,308)                       |
| Net Pension Liability - IMRF   | (23,912)                       |
| Total OPEB Liability - RBP   | <u>(844,036)</u>               |
| <b>Net Position of Governmental Activities</b>   | <b><u><u>7,065,138</u></u></b> |

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



**LIBRARY FUND**  
**CITY OF PEKIN, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Fiscal Year Ended April 30, 2021**

|  | <u>Library</u>        |
|--|-----------------------|
| Revenues   |                       |
| Taxes  | \$ 1,151,829          |
| Intergovernmental  | 151,316               |
| Charges for Services   | 37,579                |
| Fines, Forfeitures, and Penalties                            | 5,274                 |
| Investment Income  | 899                   |
| Miscellaneous  | 13,590                |
| Total Revenues   | <u>1,360,487</u>      |
| Expenditures   |                       |
| Culture and Recreation                                       | 1,415,054             |
| Capital Outlay   | 5,975                 |
| Total Expenditures   | <u>1,421,029</u>      |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (60,542)              |
| Other Financing (Uses)                                       |                       |
| Transfers Out  | <u>(15,000)</u>       |
| Net Change in Fund Balances                                  | (75,542)              |
| Fund Balance - Beginning                                     | <u>786,552</u>        |
| Fund Balances - Ending                                       | <u><u>711,010</u></u> |

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

**LIBRARY FUND  
CITY OF PEKIN, 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 April 30, 2021**

---

---

**Net Change in Fund Balances - Total Governmental Funds** \$ (75,542)

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                      | 71,293    |
| Depreciation Expense                 | (308,127) |
| Disposals - Cost                     | (124,723) |
| Disposals - Accumulated Depreciation | 124,723   |

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

|                                 |           |
|---------------------------------|-----------|
| Change in Deferred Items - IMRF | (174,264) |
| Change in Deferred Items - RBP  | 44,342    |

Some expenses reported in the statement of activities do not require the use of  
financial resources and, therefore are not reported as expenditures in governmental funds.

|  |                  |
|--|------------------|
| Change in Compensated Absences Payable | (1,948)          |
| Change in Net Pension Liability - IMRF | 230,199          |
| Change in Total OPEB Liability - RBP   | <u>(247,979)</u> |

**Changes in Net Position of Governmental Activities** (462,026)

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

---

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Library Fund (the Library), a special revenue fund of the City of Pekin, Illinois (the City), have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and financial reporting practices. The more significant of the Fund's accounting policies are described below.

**REPORTING ENTITY**

The Library is included in the governmental activities in the Statement of Net position and Statement of Activities of the City's financial statements. These financial financial statements present only the Library and are not intended to present fairly the financial position and results of operations of the City in conformity with accounting principles generally accepted by the United States of America.

Operations of the Pekin Public Library are governed by nine officials, appointed by the Mayor and the City of Pekin with approval of the City Council, designated as the Board of Trustees. Because the Library is not a legally separate entity, the Library is reported as a fund of the City.

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, there are no component units included in the reporting entity.

**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 governmental fund). The Library's culture and recreation services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities column is: (a) presented on a consolidated basis and is 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: net investment in capital assets; restricted; and unrestricted. The Library first utilizes restricted resources to finance qualifying activities.

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

The net costs are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, charges and fines, investment income, etc).

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

---

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

**BASIS OF PRESENTATION - Continued**

**Government-Wide Statements - Continued**

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.

**Fund Financial Statements**

The financial transactions of the Library are reported in an individual fund in the fund financial statements. The fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, reserves, fund equity, revenues and expenditures/expenses. The Library's fund is reported in the governmental category.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses) for the determination of major funds.

A fund is considered major if it is the primary operating fund of the Library or total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund are at least 10 percent of the corresponding total for all governmental funds combined.

The following fund type is 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:

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

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

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

**Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities, activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

---

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

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

**Measurement Focus - Continued**

The Library's fund utilizes a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. This fund uses fund balance as their measure of available spendable financial resources at the end of the period.

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

**Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities, activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflows are incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. 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 fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability/deferred inflow is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

**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.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

---

---

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

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

**Cash and Investments - Continued**

Investments are generally 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.

**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 include property taxes.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000, or more depending on asset class, 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 and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

|                         |               |
|-------------------------|---------------|
| Buildings               | 20 - 50 Years |
| Furniture and Equipment | 5 - 20 Years  |
| Library Books           | 10 Years      |

**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.



**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

---

**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 pay 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 and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**Long-Term Obligations**

In the government-wide financial statements, long-term obligations are reported as liabilities in the governmental activities on the Statement of Net Position.

**Net Position**

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

Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation.

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 "investment in capital assets."

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption 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 expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

---

---

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**BUDGETARY INFORMATION**

In 1996 the City Council adopted procedures established by law which replaced the former appropriation ordinances process. The budget is required to be adopted before the beginning of the fiscal year to which it applies. The City of Pekin's annual budget and appropriation ordinances cover all fund of the City, including the Library, and is prepared on the modified accrual basis. Therefore, the statement of revenues and expenditures-budget and actual has been prepared on a basis consistent with and comparable to the legally adopted budget. Unexpended budget items lapse each year.

The budget may be changed in almost any manner and without public hearings at any time during the year pursuant to a two-thirds vote of the Council members. Further, they may delegate the power, by the same vote, to make changes within an appropriation to a budget officer. The legal level of control is by fund.

**EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUND**

The following fund had an excess of actual expenditures over budget as of the date of this report:

| <u>Fund</u> | <u>Excess</u> |
|-------------|---------------|
| Library     | \$ 36,074     |

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

**DEPOSITS AND INVESTMENTS**

The Fund follows the investment policy of the City. The City is allowed to deposit public fund in accounts authorized by the Public Funds Deposit Act (30 ILCS 225). At year end, the Fund has cash and investments of \$840,545. Separate breakouts of deposits and investments from the City are not available. All cumulative disclosures for deposits and investments can be found in the City's annual financial report.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City limit its exposure to interest rate risk by structuring the portfolio so that investments will have maturities to have available sufficient cash for all operating purposes. The policy limits the average maturity of investments will not exceed five years, but specifically limits investments of (1) certificates of deposit to maturities of two years from the date of purchase, (2) U.S. Treasury Securities and U.S. Agencies back securities to maturities of ten years from the date of purchase, (3) repurchase agreements to six months to maturity from the date of purchase and, (4) commercial paper to 180 days to maturity from the date of purchase.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's investment policy does not specifically address credit risk for investments, except that commercial paper must be rated within two highest classifications by two standard rating services. At year-end, the City's investments in the Illinois Funds were rated AAA by Fitch.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

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

**DEPOSITS AND INVESTMENTS - Continued**

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires all deposits with financial institutions in excess of federal depository insurance be collateralized at 100% of the uninsured bank balance, with collateral held by the City or third party safekeeping institution, evidenced by a written safekeeping agreement. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires securities be held by institutions with whom the City has executed safekeeping agreements. The investment in the Illinois Funds is not subject to custodial credit risk.

*Concentration of Credit Risk.* This is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City limit its exposure to concentration of credit risk by limiting the amount that may be held of the City's investment portfolio to (1) 50% of the total City investment for certificates of deposit, (2) 40% of the total City investment for money market mutual funds, (3) 30% of the total City investments for securities backed by the full faith and credit of the U.S. Government, (4) 25% of the total City investments for U.S. Agency backed securities, (5) 25% of the total City investments for repurchase agreements, and (6) 10% of the total City investments for commercial paper. At year-end, the City does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

**PROPERTY TAXES**

Property taxes for 2021 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about July 1 and September 1. The County collects such taxes and remits them in two fairly equal payments with a third lesser payment of any disputed taxes.

**TRANSFERS - PAYMENTS TO/FROM THE PRIMARY GOVERNMENT**

The following are the amounts transferred to/from the primary government as of year-end:

|         | Transfers<br>from Primary<br>Government | Transfers to<br>Primary<br>Government |
|---------|---|---------------------------------------|
| General | \$ —                                    | 15,000                                |

The transfers were to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

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

**DUE TO/FROM PRIMARY GOVERNMENT**

The following are the amounts due to/from the primary government as of year-end:

|                  | Due from<br>Primary<br>Government | Due to<br>Primary<br>Government |
|------------------|-----------------------------------|---------------------------------|
| Employee Benefit | <u>\$ —</u>                       | <u>93,933</u>                   |

These balances resulted from the time lag between when transactions are recorded in the accounting system and payments between funds are made.

**CAPITAL ASSETS**

Governmental capital asset activity for the year was as follows:

|   | Beginning<br>Balances | Increases        | Decreases      | Ending<br>Balances |
|---|-----------------------|------------------|----------------|--------------------|
| <b>Nondepreciable Capital Assets</b>        |                       |                  |                |                    |
| Land  | \$ 164,640            | —                | —              | 164,640            |
| <b>Depreciable Capital Assets</b>           |                       |                  |                |                    |
| Buildings                                   | 9,160,601             | —                | —              | 9,160,601          |
| Furniture and Equipment                     | 676,167               | —                | —              | 676,167            |
| Library Books                               | 2,605,291             | 71,293           | 124,723        | 2,551,861          |
|   | <u>12,442,059</u>     | <u>71,293</u>    | <u>124,723</u> | <u>12,388,629</u>  |
| <b>Less Accumulated Depreciation</b>        |                       |                  |                |                    |
| Buildings                                   | 2,356,273             | 183,212          | —              | 2,539,485          |
| Furniture and Equipment                     | 317,033               | 30,234           | —              | 347,267            |
| Library Books                               | 2,140,593             | 94,681           | 124,723        | 2,110,551          |
|   | <u>4,813,899</u>      | <u>308,127</u>   | <u>124,723</u> | <u>4,997,303</u>   |
| <b>Total Net Depreciable Capital Assets</b> | <u>7,628,160</u>      | <u>(236,834)</u> | <u>—</u>       | <u>7,391,326</u>   |
| <b>Total Net Capital Assets</b>             | <u>7,792,800</u>      | <u>(236,834)</u> | <u>—</u>       | <u>7,555,966</u>   |

Depreciation expense of \$308,127 was charged to the culture and recreation function.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

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

**LONG-TERM LIABILITY ACTIVITY**

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

| Type of Debt                 | Beginning<br>Balances | Additions      | Deductions     | Ending<br>Balances | Amounts<br>Due within<br>One Year |
|------------------------------|-----------------------|----------------|----------------|--------------------|-----------------------------------|
| Compensated Absences         | \$ 25,360             | 3,896          | 1,948          | 27,308             | 5,462                             |
| Net Pension Liability - IMRF | 254,111               | —              | 230,199        | 23,912             | —                                 |
| Total OPEB Liability - RBP   | 596,057               | 247,979        | —              | 844,036            | —                                 |
|                              | <u>875,528</u>        | <u>251,875</u> | <u>232,147</u> | <u>895,256</u>     | <u>5,462</u>                      |

The Library Fund makes payments on the compensated absences, the net pension liability, and the total OPEB liability.

**NET POSITION CLASSIFICATIONS**

Investment in capital assets was comprised of the following as of April 30, 2021:

|  |                  |
|--|------------------|
| Governmental Activities                          |                  |
| Capital Assets - Net of Accumulated Depreciation | \$ 7,555,966     |
| Less Capital Related Debt                        | <u>—</u>         |
| Investment in Capital Assets                     | <u>7,555,966</u> |

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

---

---

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

**FUND BALANCE CLASSIFICATIONS**

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

|            |                   |
|------------|-------------------|
|            | <u>Library</u>    |
| Restricted | <u>\$ 711,010</u> |

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.

*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.

*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 Library'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 Library Fund and deficit fund balances of other governmental funds.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

---

---

**NOTE 4 - OTHER INFORMATION**

**EXPENDITURES FROM SPECIAL ACCOUNTS**

During the year the following expenditures were charged to line items that were budgeted as purchased from Gifts and Endowments and Grant Expenditures.

|                           | Gifts and<br>Endowments | Grant<br>Expenditures |
|---------------------------|-------------------------|-----------------------|
| Books, Cassettes, and CDs | \$ —                    | 2,191                 |
| Electronic Resources      | —                       | 34,346                |
| Program Costs             | 1,850                   | 411                   |
| Furniture and Fixtures    | 1,319                   | 22,917                |
| Supplies                  | 3,424                   | 997                   |
| Repairs and Maintenance   | 9,622                   | —                     |
| Travel                    | —                       | 87                    |
| Salary                    | —                       | 14,000                |
| Total                     | <u>16,215</u>           | <u>74,949</u>         |

**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; injuries to employees; illnesses of employees; and natural disasters. The City belongs to the Illinois Municipal League Risk Management Fund, a public entity risk pool for general liability and workers compensation. Beginning in October 2017, the City began self-insurance for its employee health insurance. The City reports claim expenditures and liabilities when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The Library participates in the City's self-funded health insurance plan and pays a monthly premium for health insurance costs. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

**CONTINGENT LIABILITIES**

**Litigation**

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

**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.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

---

---

**NOTE 4 - OTHER INFORMATION - Continued**

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

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

**Illinois Municipal Retirement Fund (IMRF)**

Participating employees are covered by the Illinois Municipal Retirement Fund (IMRF) through the City. However, the Library Fund's participation in IMRF is equivalent to a cost sharing multiple-employer plan since only one actuarial valuation is performed for both the City and the Library Fund combines. All disclosures for an agent plan can be found in the City's annual financial report.

**Plan Descriptions**

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

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

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.



**LIBRARY FUND**  
**CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements**  
**April 30, 2021**

---

---

**NOTE 4 - OTHER INFORMATION - Continued**

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

**Plan Descriptions - Continued**

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

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

*Plan Membership.* As of December 31, 2021, the measurement date, membership for the entire City consisted of:

|  |            |
|--|------------|
| Inactive Plan Members Currently Receiving Benefits               | 130        |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | 38         |
| Active Plan Members  | <u>109</u> |
| Total  | <u>277</u> |

\*The employees in the above table include the Library. A detailed breakdown between the City and the Library is not available.

*Contributions.* As set by statute, regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2021, the Fund's contribution was 11.99% of covered payroll.

*Net Pension Liability.* The City's net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

---

---

**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, 2021, using the following actuarial methods and assumptions:

|                            |                     |
|----------------------------|---------------------|
| Actuarial Cost Method      | Entry Age<br>Normal |
| Asset Valuation Method     | Fair Value          |
| Actuarial Assumptions      |                     |
| Interest Rate              | 7.25%               |
| Salary Increases           | 2.85% to 13.75%     |
| Cost of Living Adjustments | 2.25%               |
| 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:

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

**NOTE 4 - OTHER INFORMATION - Continued**

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

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

**Plan Descriptions - Continued**

*Actuarial Assumptions - Continued.*

| Asset Class               | Target | Long-Term<br>Expected Real<br>Rate of Return |
|---------------------------|--------|--|
| Fixed Income              | 28.00% | 1.30%  |
| Domestic Equities         | 37.00% | 5.00%  |
| International Equities    | 18.00% | 6.00%  |
| Real Estate               | 9.00%  | 6.20%  |
| Blended                   | 7.00%  | 2.85% - 6.95%                                |
| Cash and Cash Equivalents | 1.00%  | 0.70%  |

**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 City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods 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 Fund calculated using the discount rate as well as what the Fund'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<br>(6.25%) | Current<br>Rate<br>(7.25%) | 1% Increase<br>(8.25%) |
|-------------------------------|------------------------|----------------------------|------------------------|
| Net Pension Liability/(Asset) | \$ 610,058             | 23,912                     | (42,588)               |

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

**NOTE 4 - OTHER INFORMATION - Continued**

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

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

**Changes in the Net Pension Liability**

At April 30, 2021, the Fund reported a liability of \$23,912, for its proportionate share of the net pension liability. The Fund's proportion of the net pension liability was based on the Fund's actual contributions to the plan for the year ended April 30, 2021, relative to the actual contributions of the City as a whole. At April 30, 2021, the Fund's proportion was 10.27% of the total contribution.

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

For the year ended April 30, 2021, the Fund recognized pension expense of \$14,066. At April 30, 2021, the Fund reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>(Inflows) of<br>Resources | Totals        |
|--|--------------------------------------|---------------------------------------|---------------|
| Difference Between Expected and Actual Experience        | \$ 6,150                             | (6,709)                               | (559)         |
| Change in Assumptions                                    | 24,136                               | (25,103)                              | (967)         |
| Net Difference Between Projected and Actual              |                                      |                                       |               |
| Earnings on Pension Plan Investments                     | —                                    | (278,596)                             | (278,596)     |
| Total Expense to be Recognized in Future Periods         | 30,286                               | (310,408)                             | (280,122)     |
| Contributions Made Subsequent to<br>the Measurement Date | 21,854                               | —                                     | 21,854        |
| <br>Total Deferred Amounts Related to IMRF               | <br>52,140                           | <br>(310,408)                         | <br>(258,268) |

\$21,854 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 in the reporting year ended April 30, 2022.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

Notes to the Financial Statements  
April 30, 2021

**NOTE 4 - OTHER INFORMATION - Continued**

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

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

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<br>Year | Net Deferred<br>(Inflows)<br>of Resources |
|----------------|---|
| 2022           | \$ (81,886)                               |
| 2023           | (34,636)                                  |
| 2024           | (117,055)                                 |
| 2025           | (46,545)                                  |
| 2026           | —   |
| Thereafter     | —   |
| Totals         | <u>(280,122)</u>                          |

**OTHER POST-EMPLOYMENT BENEFITS**

**General Information about the OPEB Plan**

*Plan Description.* The City's defined benefit OPEB plan, Retiree Benefits Plan (RBP) is a single-employer defined benefit OPEB plan administered by the City. The Fund's participation is equivalent to a cost sharing multiple-employer plan since only one actuarial valuation is performed for both the City and the Library Fund combines. All disclosures for the City's defined benefit plan can be found in the City's annual financial report. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided.* The City provides post-retirement health benefits, as per the requirements of local ordinances and labor agreements. Retirees covered under the Teamsters, Chauffeurs, and Helper Local Union No. 627 agreement are eligible to continue their health care coverage. Individuals are responsible for 100% of the premium cost for the coverage elected, except any retiree after April 1, 2009 who was hired prior to January 1, 2018 shares equally in the monthly applicable rate with the City paying 50% until the individual reaches 65 years of age.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2021**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**General Information about the OPEB Plan - Continued**

*Plan Membership.* As of April 30, 2021, the measurement date, membership for the entire City consisted of:

|  |                       |
|--|-----------------------|
| Inactive Plan Members Currently Receiving Benefits               | 64                    |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | —                     |
| Active Plan Members  | <u>172</u>            |
| <br>Total  | <br><u><u>236</u></u> |

\*The employees in the above table include the Library. A detailed breakdown between the City and the Library is not available.

**Total OPEB Liability**

The City's total OPEB liability was measured as of April 30, 2021, and was determined by an actuarial valuation as of the same date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the April 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|  |   |
|--|---|
| Inflation                                | 2.50%   |
| Salary Increases                         | 3.25%   |
| Discount Rate                            | 2.27%   |
| Healthcare Cost Trend Rates              | Initial rate of 7.50%, grading down to the ultimate trend rate of 4.50% |
| Retirees' Share of Benefit-Related Costs | 100% of the benefit costs   |

The discount rate was based on an index of 20-year general obligation bonds with an average AA/Aa or higher credit rating.

Mortality rates were based on the SOA Pub-2010 General Headcount Weighted mortality Table fully generational using Scale MP-2020.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

Notes to the Financial Statements  
April 30, 2021

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Total OPEB Liability**

At April 30, 2021, the Fund reported a liability of \$844,036, for its proportionate share of the total OPEB liability. The Fund's proportion of the total OPEB liability was based on the Fund's actual contributions to the plan for the year ended April 30, 2021 relative to the actual contributions of the City as a whole. At April 30, 2021, the Fund's proportion was 3.10% of the total contribution.

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

The discount rate used to measure the total pension liability was 2.27%, while the prior valuation used 2.92%. 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:

|                      |             | Current       |             |
|----------------------|-------------|---------------|-------------|
|                      | 1% Decrease | Discount Rate | 1% Increase |
|                      | (1.27%)     | (2.27%)       | (3.27%)     |
| Total OPEB Liability | \$ 942,000  | 844,036       | 760,684     |

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

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

|                      |             | Healthcare |             |
|----------------------|-------------|------------|-------------|
|                      | 1% Decrease | Cost Trend | 1% Increase |
|                      | (Varies)    | Rates      | (Varies)    |
|                      | (Varies)    | (Varies)   | (Varies)    |
| Total OPEB Liability | \$ 736,670  | 844,036    | 974,802     |

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

Notes to the Financial Statements  
April 30, 2021

**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**

For the year ended April 30, 2021, the Library Fund recognized OPEB expense of \$234,816. At April 30, 2021, the Fund reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources | Totals          |
|---|--------------------------------------|-------------------------------------|-----------------|
| Difference Between Expected and Actual Experience                                   | \$ 11,482                            | (150,679)                           | (139,197)       |
| Change in Assumptions   | 117,826                              | (26,943)                            | 90,883          |
| Net Difference Between Projected and Actual<br>Earnings on Pension Plan Investments | —                                    | —                                   | —               |
| Total Deferred Amounts Related to OPEB  | <u>129,308</u>                       | <u>(177,622)</u>                    | <u>(48,314)</u> |

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

| Fiscal<br>Year | Net Deferred<br>Outflows/<br>(Inflows)<br>of Resources |
|----------------|--|
| 2022           | \$ (21,475)  |
| 2023           | (21,474)   |
| 2024           | (21,474)   |
| 2025           | (14,760)   |
| 2026           | 14,318   |
| Thereafter     | <u>16,551</u>  |
| Total          | <u>(48,314)</u>  |



## **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:

- **Budgetary Comparison Schedule  
Library Fund**

Notes to the Required Supplementary Information

**Budgetary Information** - Budgets are adopted on a basis consistent with generally accepted accounting principles.

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Library Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2021**

|  | Budget           |                  | Actual<br>Amounts |
|--|------------------|------------------|-------------------|
|  | Original         | Final            |                   |
| <b>Revenues</b>  |                  |                  |                   |
| <b>Taxes</b>   |                  |                  |                   |
| Property Tax   | \$ 1,154,750     | 1,154,750        | 1,151,829         |
| <b>Intergovernmental</b>   |                  |                  |                   |
| Replacement Tax  | 106,000          | 106,000          | 81,261            |
| Grants   | 47,905           | 47,905           | 70,055            |
| <b>Charges for Services</b>  | 56,700           | 56,700           | 37,579            |
| <b>Fines, Forfeitures, and Penalties</b>                             | 10,800           | 10,800           | 5,274             |
| <b>Investment Income</b>   | 9,800            | 9,800            | 899               |
| <b>Miscellaneous</b>   | 14,000           | 14,000           | 13,590            |
| <b>Total Revenues</b>  | <u>1,399,955</u> | <u>1,399,955</u> | <u>1,360,487</u>  |
| <b>Expenditures</b>  |                  |                  |                   |
| Culture and Recreation   | 1,383,155        | 1,383,155        | 1,415,054         |
| Capital Outlay   | 1,800            | 1,800            | 5,975             |
| <b>Total Expenditures</b>  | <u>1,384,955</u> | <u>1,384,955</u> | <u>1,421,029</u>  |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | 15,000           | 15,000           | (60,542)          |
| <b>Other Financing (Uses)</b>  |                  |                  |                   |
| Transfers Out  | <u>(15,000)</u>  | <u>(15,000)</u>  | <u>(15,000)</u>   |
| <b>Net Change in Fund Balance</b>                                    | <u>—</u>         | <u>—</u>         | <u>(75,542)</u>   |
| <b>Fund Balance - Beginning</b>                                      |                  |                  | <u>786,552</u>    |
| <b>Fund Balance - Ending</b>   |                  |                  | <u>711,010</u>    |

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Illinois Municipal Retirement Fund  
Schedule of Employer Contributions  
April 30, 2021**

| <b>Fiscal Year</b> | <b>Actuarially Determined Contribution</b> | <b>Contributions in Relation to the Actuarially Determined Contribution</b> | <b>Contribution Excess/ (Deficiency)</b> | <b>Covered Payroll</b> | <b>Contributions as a Percentage of Covered Payroll</b> |
|--------------------|--|---|--|------------------------|---|
| 2016               | \$ N/A                                     | \$ N/A  | \$ N/A                                   | \$ N/A                 | N/A   |
| 2017               | N/A  | N/A   | N/A                                      | N/A                    | N/A   |
| 2018               | N/A  | N/A   | N/A                                      | N/A                    | N/A   |
| 2019               | N/A  | N/A   | N/A                                      | N/A                    | N/A   |
| 2020               | 57,626                                     | 57,626  | —  | 542,219                | 10.63%  |
| 2021               | 70,001                                     | 70,001  | —  | 583,764                | 11.99%  |

**Notes to the Required Supplementary Information:**

|                                      |  |
|--------------------------------------|--|
| <b>Actuarial Cost Method</b>         | <b>Entry Age Normal</b>  |
| <b>Amortization Method</b>           | <b>Level % Pay (Closed)</b>  |
| <b>Remaining Amortization Period</b> | <b>23 Years</b>  |
| <b>Asset Valuation Method</b>        | <b>5-Year Smoothed Fair Value</b>  |
| <b>Inflation</b>                     | <b>2.50%</b>   |
| <b>Salary Increases</b>              | <b>3.35% - 14.25%</b>  |
| <b>Investment Rate of Return</b>     | <b>7.25%</b>   |
| <b>Retirement Age</b>                | <b>See the Notes to the Financial Statements</b>   |
| <b>Mortality</b>                     | <b>IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).</b> |

**Note:**

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

N/A - Not Available

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Illinois Municipal Retirement Fund  
Schedule of the Fund's Proportionate Share of the Net Pension Liability  
April 30, 2021**

---

**See Following Page**

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Illinois Municipal Retirement Fund  
Schedule of the Fund's Proportionate Share of the Net Pension Liability  
April 30, 2021**

---

|  | <u>12/31/15</u> |
|--|-----------------|
| Fund's Proportion of Net Pension Liability   | N/A             |
| Fund's Proportionate Share of Net Pension Liability  | \$ N/A          |
| Fund's Covered-Employee Payroll  | \$ N/A          |
| Fund's Proportionate Share of the Net Pension Liability<br>as a Percentage of its Covered-Employee Payroll | N/A             |
| Plan Fiduciary Net Position as a Percentage<br>of the Total Pension Liability                              | N/A             |

Note:

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

N/A - Not Available

| 12/31/16 | 12/31/17 | 12/31/18 | 12/31/19 | 12/31/20 |
|----------|----------|----------|----------|----------|
| N/A      | N/A      | N/A      | 9.49%    | 10.27%   |
| N/A      | N/A      | N/A      | 254,111  | 23,912   |
| N/A      | N/A      | N/A      | 547,452  | 601,509  |
| N/A      | N/A      | N/A      | 46.42%   | 3.98%    |
| N/A      | N/A      | N/A      | 91.65%   | 99.29%   |

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Retiree Benefit Plan  
Schedule of Fund's Proportionate Share of the Total OPEB Liability  
April 30, 2021**

---

|   | <u>4/30/17</u> |
|---|----------------|
| Fund's Proportion of Total OPEB Liability   | N/A            |
| Fund's Proportionate Share of Total OPEB Liability  | \$ N/A         |
| Fund's Covered-Employee Payroll   | \$ N/A         |
| Fund's Proportionate Share of the Total OPEB Liability<br>as a Percentage of its Covered-Employee Payroll | N/A            |

**Note:**

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

N/A - Not Available

| 4/30/18 | 4/30/19 | 4/30/20 | 4/30/21 |
|---------|---------|---------|---------|
| N/A     | N/A     | 2.39%   | 3.39%   |
| N/A     | N/A     | 596,057 | 844,036 |
| N/A     | N/A     | 298,033 | 398,310 |
| N/A     | N/A     | 200.00% | 211.90% |



**OTHER SUPPLEMENTARY INFORMATION**

**LIBRARY FUND  
CITY OF PEKIN, ILLINOIS**

**Library Fund  
Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended April 30, 2021**

|   | Budgeted         |                  | Actual<br>Amounts |
|---|------------------|------------------|-------------------|
|   | Original         | Final            |                   |
| <b>Culture and Recreation</b>           |                  |                  |                   |
| Salaries                                | \$ 665,805       | 665,805          | 642,589           |
| Payroll Taxes                           | 118,300          | 118,300          | 116,745           |
| Group Health Insurance                  | 129,000          | 129,000          | 203,532           |
| Worker's Compensation Insurance         | 2,350            | 2,350            | 2,020             |
| Books, Periodicals, and Cassettes       | 143,450          | 143,450          | 127,380           |
| Circulation System                      | 26,500           | 26,500           | 26,378            |
| ISP Costs                               | 3,850            | 3,850            | 3,749             |
| Equipment Rental, Supplies, and Postage | 35,250           | 35,250           | 31,642            |
| Program Costs                           | 35,400           | 35,400           | 16,319            |
| Repairs and Maintenance                 | 63,100           | 63,100           | 60,922            |
| Utilities                               | 47,000           | 47,000           | 45,190            |
| Telephone                               | 3,400            | 3,400            | 3,228             |
| Insurance                               | 15,000           | 15,000           | 17,864            |
| Dues and Subscriptions                  | 2,200            | 2,200            | 1,829             |
| Travel and Conferences                  | 6,500            | 6,500            | 873               |
| Outside Services                        | 800              | 800              | 400               |
| Computer Costs                          | 7,600            | 7,600            | 8,441             |
| Equipment Purchases                     | 4,000            | 4,000            | 4,147             |
| Miscellaneous                           | 15,100           | 15,100           | 10,642            |
| Grant Expenditures                      | 44,050           | 44,050           | 74,949            |
| Purchases from Gifts and Endowments     | 14,500           | 14,500           | 16,215            |
| <b>Total Culture and Recreation</b>     | <b>1,383,155</b> | <b>1,383,155</b> | <b>1,415,054</b>  |
| <b>Capital Outlay</b>                   | <b>1,800</b>     | <b>1,800</b>     | <b>5,975</b>      |
| <b>Total Expenditures</b>               | <b>1,384,955</b> | <b>1,384,955</b> | <b>1,421,029</b>  |