



**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2023



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AURORA, ILLINOIS
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AURORA, ILLINOIS
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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors
Aurora Public Library District
Aurora, Illinois

Opinions

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

In our opinion, the financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Aurora Public Library District, as of June 30, 2023, and the respective changes in financial position for the year then ended in conformity 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 (GAAS). Our responsibilities under these 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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 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 GAAS 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 GAAS, 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 District'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 District'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information 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 District's basic financial statements. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

Sikich LLP

Naperville, Illinois
February 20, 2024

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

Management’s Discussion and Analysis Report

The management of Aurora Public Library District offers readers of the financial statements this narrative overview and analysis of the financial activities for the 2023 fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the financial statements as a whole.

General Background

The library is a local public library established in 1881 in accordance with the laws of the State of Illinois in order to serve the residents of the City of Aurora. The Aurora Public Library, previously a component unit of the City of Aurora, became the Aurora Public Library District, a primary government stand-alone entity, effective July 1, 2020. The vision of the library is to cultivate a place where Aurora comes together to discover, create, connect, and succeed. The main library building is in Aurora’s downtown at 101 South River Street. The library has branches on the east side of Aurora at 555 South Eola Road (the “Eola Road Branch”) and on the west side at 233 South Constitution Drive (the “West Branch”).

Overview of the Financial Statements

Management’s discussion and analysis serves as an introduction to the library’s financial statements. The statements presented include a Government Funds Balance Sheet and Statement of Net Position, a Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balances and Statement of Activities, and notes to the financial statements. The library qualifies as a special-purpose government engaged in only one governmental type of activity allowing it to combine the fund and government-wide financial statements. This is done using an adjustment column, on the face of the statements, which reconciles the fund-based accounting to the government-wide statements. The financial statements of the library are intended to provide the reader with an understanding of the financial position of the library as of the close of the fiscal year and the results of activities for the year then ended.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the library’s finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the library’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

The Statement of Activities presents information showing how the library’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as an event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, allowing revenues and expenses to be reported.

The library typically prepares government-wide financial statements that distinguish between functions that are principally supported by property taxes, and other revenues, such as investment income, and grants.

Fund Financial Statements

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 state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds may be classified into one of three types: governmental, proprietary, or fiduciary.

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

Management’s Discussion and Analysis Report

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 this comparison between governmental funds and governmental activities.

The library maintains three individual 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 General Fund which is considered to be a “major” fund. Data for the Special Reserve Fund, Bond Fund, and Interest Fund are aggregated and shown in total as nonmajor governmental funds.

The library adopts an annual budget for its General Fund. Budgetary comparison schedules have been provided for the General Fund to demonstrate compliance with the budget.

Financial Highlights

The library’s total net position, as of June 30, 2023, was \$28,459,009. This is an increase in net position of \$2,829,453 from the prior year. This increase is due to an increase in property tax revenue, increased investment revenue and unspent expenditure costs as a result of unfilled positions, supply chain issues, and delayed capital projects. The Special Reserve Fund had a fund balance of \$1,619,947 as of June 30, 2023. In fiscal year 2024 the library finalized a capital needs assessment detailing infrastructure needs for all locations as well as Eola Road Branch and West Branch renovation projects.

Financial Analysis

Net position may serve, over time, as a useful indicator of a government’s financial position. The library’s assets/deferred outflows were \$63,459,177, the liabilities/deferred inflows of resources were \$35,000,168. Which resulted in our assets/deferred outflows exceeding our liabilities/deferred inflows of resources by \$28,459,009 as of the close of the fiscal year. Of the net position balance, \$17,609,419 is net investment in capital assets, and \$10,849,590 is unrestricted.

Capital Assets and Debt Administration

Capital Assets – The library’s investment in capital assets as of June 30, 2023, was \$33,885,580 (net of accumulated depreciation). For additional information regarding the library’s capital assets, refer to note 3 of the basic financial statements.

Debt – On June 30, 2023, the library’s long-term obligations is \$18,736,073. This includes an amount due to the City of Aurora for bonds, net pension liability, total OPEB liability, unamortized bond premium, and compensated absences. For further information regarding the library’s long-term obligations, please refer to note 5 long - term debt of the financial statements.

Description of Current or Expected Conditions

In June 2023, the library board of trustees adopted an Ordinance Amending the Purpose of the Special Reserve Fund, incorporating by reference a comprehensive Facilities Assessment prepared by StudioGC, Inc. This report details anticipated capital needs for the next 30 years. In response to this report, the board of trustees also began discussions regarding the issuance of debt to finance the most urgent of these capital needs. This will impact the financial position of the library in coming years.

Management's Discussion and Analysis Report

Request for Information

This financial report is designed to provide a general overview of the library's finances for interested parties. Questions concerning any information provided in this report or requests for additional financial information should be addressed to Ms. Michaela Haberkern, Executive Director, Aurora Public Library District, 101 South River Street, Aurora, IL 60506 or Mr. Mark Salem, Finance Manager, Aurora Public Library District, 101 South River Street, Aurora, IL 60506.

Management's Discussion and Analysis Report

AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS

STATEMENT OF NET POSITION

June 30, 2023

	<u>Government Activities</u>	
	<u>FY23</u>	<u>FY22</u>
ASSETS		
Cash and Investments	\$ 18,807,802	\$ 15,466,454
Property Taxes Receivable (Net, Where Applicable, of Allowances for Uncollectibles)	8,069,263	7,460,978
Federal/State Grants	266,299	516,299
Prepaid Items	333,777	336,680
Capital Assets (Nondepreciable)	3,378,686	3,378,686
Depreciable Capital Assets (Net of Accumulated Depreciation)	30,506,894	31,473,256
Total Assets	61,362,721	58,632,353
DEFERRED OUTFLOWS OF RESOURCES		
Pension Items - IMRF	2,066,759	2,202,807
OPEB Items	29,697	37,652
Total Deferred Outflows of Resources	2,096,456	2,240,466
Total Assets and Deferred Outflows of Resources	63,459,177	60,872,819
LIABILITIES		
Accounts Payable and Accrued Liabilities	2,908	114,999
Accrued Payroll	230,429	261,033
Noncurrent Liabilities		
Due Within One Year	683,795	675,454
Due in More than One Year	18,052,278	18,724,222
Total Liabilities	18,969,410	19,775,708
DEFERRED INFLOWS OF RESOURCES		
Deferred Revenue - Property Taxes	15,947,629	15,338,506
OPEB Items	83,129	129,139
Total Deferred Inflows of Resources	16,030,758	15,467,645
Total Liabilities and Deferred Inflows of Resources	35,000,168	35,243,353
NET POSITION		
Net Investment in Capital Assets	17,609,419	17,909,157
Restricted for Capital Improvements	-	-
Unassigned (Deficit)	10,849,590	7,720,309
TOTAL NET POSITION	\$ 28,459,009	\$ 25,629,466
TOTAL DIFFERENCE NET POSITION BETWEEN FY23 VS FY22		<u>\$2,829,453</u>

Management's Discussion and Analysis Report

ADDSION PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS

STATEMENT OF ACTIVITIES

June 30, 2023

	<u>Governmental Activities</u>	
	<u>FY23</u>	<u>FY22</u>
REVENUES		
Program Revenues	\$ 15,084	\$ 23,384
Charges for Services	536,807	419,050
Operating Grants & Contributions		
General Revenue		
Property Taxes	15,031,553	14,742,305
Replacement Tax	500,000	301,011
Other Income	377,190	36,059
	<hr/>	<hr/>
Total Revenues	16,460,634	15,521,809
EXPENSES		
Culture and Recreation	13,088,796	9,128,518
Interest	542,295	554,562
	<hr/>	<hr/>
Total Expenses	13,631,091	9,683,080
Change in Net Position	2,829,543	5,838,729
NET POSITION		
Beginning of Year	25,629,466	19,790,737
	<hr/>	<hr/>
End of Year	<u>\$ 28,459,009</u>	<u>\$ 25,629,466</u>

Management's Discussion and Analysis Report

ADDSION PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

June 30, 2023

	FY23 Total Governmental Funds	FY22 Total Governmental Funds	Total Governmental Funds Changes
REVENUES			
Property Taxes	\$ 15,031,553	\$ 14,742,305	\$ 289,248
Other Taxes	500,000	301,011	198,989
Intergovernmental	536,806	361,250	175,556
Licenses, Permits and Fees	13,204	19,073	(5,869)
Fines	1,880	4,311	(2,431)
Donations	1	57,800	(57,799)
Investment Income	319,044	10,391	308,653
Other	58,146	46,450	11,696
Total Revenues	16,460,634	15,521,809	938,825
EXPENDITURES			
Culture and Recreation			
Central Services	4,685,730	5,013,291	(327,561)
Santori Library	3,658,432	2,685,783	972,649
Eola Branch Library	1,941,578	1,950,128	(8,550)
West Branch Library	1,079,693	1,129,842	(50,149)
Outreach Services	632,193	449,087	183,106
Other Services and Charges	23,787	239,483	(215,696)
Debt Service			
Principal & Interest	1,208,919	1,213,193	(4,274)
Total Expenditures	13,230,332	12,680,807	549,525
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,230,302	2,841,002	389,300
OTHER FINANCING SOURCES (USES)			
Transfers In	2,345,748	845,130	1,500,618
Transfers (Out)	(2,345,748)	(845,130)	(1,500,618)
Total Other Financing Sources (Uses)	-	-	-
NET CHANGE IN FUND BALANCES	3,230,302	2,841,002	389,300
FUND BALANCES, JULY 1	8,065,873	5,224,871	2,841,002
FUND BALANCES JUNE 30	\$ 11,296,175	\$ 8,065,873	\$ 3,230,302

BASIC FINANCIAL STATEMENTS

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

STATEMENT OF NET POSITION

June 30, 2023

	Primary Governmental Activities	Component Unit Aurora Public Library Foundation
ASSETS		
Cash and Investments	\$ 18,807,802	\$ 3,699,025
Property Taxes Receivable (Net, Where Applicable, of Allowances for Uncollectibles)	8,069,263	-
Due from Other Governments	266,299	-
Pledge Receivables, Net	-	319,497
Prepaid Items	333,777	-
Capital Assets (Nondepreciable)	3,378,686	-
Depreciable Capital Assets (Net of Accumulated Depreciation)	30,506,894	-
	61,362,721	4,018,522
DEFERRED OUTFLOWS OF RESOURCES		
Pension Items - IMRF	2,066,759	-
OPEB Items	29,697	-
	2,096,456	-
Total Deferred Outflows of Resources	2,096,456	-
Total Assets and Deferred Outflows of Resources	63,459,177	4,018,522
LIABILITIES		
Accounts Payable and Accrued Liabilities	2,908	2,206
Accrued Payroll	230,429	-
Noncurrent Liabilities		
Due Within One Year	683,795	-
Due in More than One Year	18,052,278	-
	18,969,410	2,206
Total Liabilities	18,969,410	2,206
DEFERRED INFLOWS OF RESOURCES		
Deferred Revenue - Property Taxes	15,947,629	-
OPEB Items	83,129	-
	16,030,758	-
Total Deferred Inflows of Resources	16,030,758	-
Total Liabilities and Deferred Inflows of Resources	35,000,168	2,206
NET POSITION		
Net Investment in Capital Assets	17,609,419	-
Restricted for		
Capital Improvements	-	3,619,296
Unrestricted	10,849,590	397,020
	\$ 28,459,009	\$ 4,016,316

See accompanying notes to financial statements.

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2023

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Change in Net Position	Component Unit Aurora Public Library Foundation
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	
					Governmental Activities	
PRIMARY GOVERNMENT						
Governmental Activities						
Culture and Recreation	\$ 13,088,796	\$ 15,084	\$ 536,807	\$ -	\$ (12,536,905)	\$ -
Interest	542,295	-	-	-	(542,295)	-
Total Governmental Activities	13,631,091	15,084	536,807	-	(13,079,200)	-
TOTAL PRIMARY GOVERNMENT	\$ 13,631,091	\$ 15,084	\$ 536,807	\$ -	(13,079,200)	-
COMPONENT UNIT						
Aurora Public Library Foundation	\$ 217,649	\$ -	\$ -	\$ 278,826	-	61,177
			General Revenues			
			Taxes			
			Property		15,031,553	-
			Replacement		500,000	-
			Investment Income		319,044	(470,255)
			Miscellaneous		58,146	-
			Total		15,908,743	(470,255)
			CHANGE IN NET POSITION		2,829,543	(409,078)
			NET POSITION, JULY 1		25,629,466	4,425,394
			NET POSITION, JUNE 30		\$ 28,459,009	\$ 4,016,316

See accompanying notes to financial statements.

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

**BALANCE SHEET
GOVERNMENTAL FUNDS**

June 30, 2023

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Cash and Investments	\$ 17,187,855	\$ 1,619,947	\$ 18,807,802
Receivables			
Property Taxes, Net of Allowance	8,069,263	-	8,069,263
Intergovernmental	266,299	-	266,299
Advances to other funds	12,373	-	12,373
Prepaid Items	333,777	-	333,777
	25,869,567	1,619,947	27,489,514
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
	-	-	-
	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 25,869,567	\$ 1,619,947	\$ 27,489,514
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 2,908	\$ -	\$ 2,908
Accrued Payroll	230,429	-	230,429
Advances from other funds	-	12,373	12,373
	233,337	12,373	245,710
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	15,947,629	-	15,947,629
	15,947,629	-	15,947,629
Total Liabilities and Deferred Inflows of Resources	16,180,966	12,373	16,193,339
FUND BALANCES			
Nonspendable, Prepaid Items	333,777	-	333,777
Nonspendable, Advances	12,373	-	12,373
Unrestricted			
Assigned			
Subsequent Year's Budget	854	-	854
Capital Projects	-	1,607,574	1,607,574
Unassigned	9,341,597	-	9,341,597
	9,688,601	1,607,574	11,296,175
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 25,869,567	\$ 1,619,947	\$ 27,489,514

See accompanying notes to financial statements.

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

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

June 30, 2023

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 11,296,175
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 governmental funds	33,885,580
Premiums, discounts, loss on refundings and similar items are recognized when debt is first issued in governmental funds, whereas these amounts are deferred and amortized on the statement of net position	(236,161)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(16,040,000)
Compensated absences	(427,973)
Total other postemployment benefit liability is shown as a liability on the statement of net position	(123,654)
Differences between expected and actual experiences, assumption changes and changes of benefit terms for other postemployment benefits are recognized as deferred outflows and inflows of resources on the statement of net position	(53,432)
Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(1,908,285)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions after the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	<u>2,066,759</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 28,459,009</u></u>

See accompanying notes to financial statements.

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

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

For the Year Ended June 30, 2023

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Property Taxes	\$ 15,031,553	\$ -	\$ 15,031,553
Other Taxes	500,000	-	500,000
Intergovernmental	536,806	-	536,806
Licenses, Permits and Fees	13,204	-	13,204
Fines	1,880	-	1,880
Donations	1	-	1
Investment Income	293,850	25,194	319,044
Other	58,146	-	58,146
Total Revenues	16,435,440	25,194	16,460,634
EXPENDITURES			
Culture and Recreation			
Central Services	4,685,730	-	4,685,730
Santori Library	3,658,432	-	3,658,432
Eola Branch Library	1,941,578	-	1,941,578
West Branch Library	1,079,693	-	1,079,693
Outreach Services	632,193	-	632,193
Other Services and Charges	-	23,787	23,787
Debt Service			
Principal	650,000	-	650,000
Interest	558,919	-	558,919
Total Expenditures	13,206,545	23,787	13,230,332
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,228,895	1,407	3,230,302
OTHER FINANCING SOURCES (USES)			
Transfers In	-	2,345,748	2,345,748
Transfers (Out)	(2,345,748)	-	(2,345,748)
Total Other Financing Sources (Uses)	(2,345,748)	2,345,748	-
NET CHANGE IN FUND BALANCES	883,147	2,347,155	3,230,302
FUND BALANCES (DEFICIT), JULY 1	8,805,454	(739,581)	8,065,873
FUND BALANCES, JUNE 30	\$ 9,688,601	\$ 1,607,574	\$ 11,296,175

See accompanying notes to financial statements.

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

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

For the Year Ended June 30, 2023

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 3,230,302
Amounts reported for governmental activities in the statement of activities are different because:	
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	650,000
The change in the total other postemployment benefit liability is reported only in the statement of activities	(7,318)
The change in deferred inflows and outflows of resources for other postemployment benefits is reported only in the statement of activities	38,055
The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(14,493)
The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(136,048)
Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	16,624
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	(966,362)
Change in compensated absences	18,783
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 2,829,543</u>

See accompanying notes to financial statements.

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Aurora Public Library District (the Library) 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 and financial reporting principles. The more significant of the Library's accounting policies are described below.

A. Reporting Entity

The Library became the Aurora Public Library District, a primary government, effective July 1, 2020. Accordingly, the amounts reported in the basic financial statements for the Aurora Public Library are for the year ended June 30, 2023. These financial statements present the Library's reporting entity as required by GAAP. The Library is considered to be a primary government since its board is separately elected and the Library is fiscally independent.

The component unit column in the basic financial statements includes the financial data of the Library's component unit. It is reported in a separate column to emphasize that it is legally separate from the Library.

The Aurora Public Library Foundation

The Library has determined that the Aurora Public Library Foundation (the Foundation) meets the requirements of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, an amendment of GASB Statement 14, and GASB Statement No. 61, *The Financial Reporting Entity - Omnibus*, which has resulted in the Foundation being reported as a discretely presented component unit of the Library as it is legally separate from the Library. The Foundation follows GAAP for not-for-profits as promulgated by the Financial Accounting Standards Board (FASB). Separate financial statements as of December 31, 2022 for the Aurora Public Library Foundation are available by contacting the Foundation at 101 S. River Street, Aurora, Illinois 60506.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting

The accounts of the Library are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary and fiduciary. The Library reports only governmental funds.

Governmental funds are used to account for all of the Library's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds) and the funds committed, restricted or assigned for the servicing of long-term debt (debt service fund). The General Fund is used to account for all activities of the Library not accounted for in another fund.

C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Library. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Government-Wide and Fund Financial Statements (Continued)

The Library reports the following major governmental fund:

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Library considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for Federal/State Grants which are based upon when the Library has a legal claim to them. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due, or at year end if due the first day of the following fiscal year.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Library.

The Library reports unearned and unavailable/deferred revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available or year intended to finance criteria for recognition in the current period. Unearned revenues arise when resources are received by the Library before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Library has a legal claim to the resources, the deferred inflow of resources for unavailable/deferred revenue or the liability for unearned revenue is removed and revenue is recognized.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Investments

Investments with a maturity greater than one year when purchased are stated at fair value at June 30, 2023. Investments with a maturity of one year or less when purchased are reported at cost or amortized cost.

F. Interfund Receivables/Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “advances to/from other funds” (noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items on the consumption method.

H. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Library as assets with an initial, individual cost in excess of the following and an estimated useful life in excess of one year.

Asset Class	Capitalization Threshold
Land	\$ -
Building Improvements and Land Improvements	100,000
Intangible Assets	100,000
Vehicles, Machinery, Furniture and Equipment	50,000
Works of Art, Historical Artifacts	50,000

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Capital Assets (Continued)

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

Assets	Years
Buildings and Land and Improvements	20-65
Vehicles	8
Machinery, Furniture and Equipment, Software	5-15

I. Compensated Absences

Vested or accumulated vacation and sick leave that is due and payable is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated vacation and sick leave of governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to employees.

J. Fund Balance/Net Position

In the fund financial statements, governmental funds can report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Library. Committed fund balance is constrained by formal actions of the Library’s Board of Trustees, which is considered the Library’s highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Library’s intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Library Director by the Library Board of Trustees. Any residual fund balance in the General Fund or any deficit fund balances in other governmental funds are reported as unassigned.

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Fund Balance/Net Position (Continued)

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. None of the net positions are restricted as a result of enabling legislation adopted by the Library. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt principal issued to construct capital assets.

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

L. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources 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.

2. DEPOSITS AND INVESTMENTS

The Library categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Library had the following recurring fair value measurements as of June 30, 2023: The U.S. Treasury obligations are valued using quoted prices or observable inputs for similar assets (Level 2).

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

2. DEPOSITS AND INVESTMENTS (Continued)

Permitted Deposits and Investments - In accordance with the Library’s investment policy, the Library’s monetary assets may be placed in all instruments permitted by the Illinois Public Funds Investment Act. This act permits deposits and investments in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services and The Illinois Funds.

The Illinois Public Treasurers’ Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer’s Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

It is the policy of the Library to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Library and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

Library Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank’s failure, the Library’s deposits may not be returned to it. The Library’s investment policy requires pledging of collateral with a fair value of 103% of all bank balances in excess of federal depository insurance with collateral held by the Library’s agent in the Library’s name.

Library Investments

The following table presents the investments and maturities of the Library’s securities that are subject to interest rate risk as of June 30, 2023:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury Obligations	\$ 6,830,211	\$ 5,701,789	\$ 1,128,422	\$ -	\$ -
TOTAL	\$ 6,830,211	\$ 5,701,789	\$ 1,128,422	\$ -	\$ -

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

2. DEPOSITS AND INVESTMENTS (Continued)

Library Investments (Continued)

In accordance with the Library's investment policy, the Library limits its exposure to interest rate risk by structuring the portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools. Unless matched to a specific cash flow, the Library does not directly invest in securities maturing more than three years from the date of purchase.

The Library limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury obligations and U.S. Government agency notes and state and local obligations rated in the highest three categories by national rating agencies.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Library's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Library's agent separate from where the investment was purchased. The money market mutual funds are not subject to custodial credit risk.

Concentration of credit risk - the investment portfolio of the Library shall not exceed the diversification standards below:

Diversification by Instrument	Percent of Portfolio
Commercial Paper	10%
The Illinois Funds	50%

The Library's investment policy requires diversification to the best of its ability.

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

3. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land and Land Improvements	\$ 3,378,686	\$ -	\$ -	\$ 3,378,686
Total Capital Assets not Being Depreciated	<u>3,378,686</u>	<u>-</u>	<u>-</u>	<u>3,378,686</u>
Capital Assets Being Depreciated				
Buildings and Improvements	39,568,383	-	-	39,568,383
Machinery and Equipment	1,797,811	-	-	1,797,811
Vehicles	210,059	-	-	210,059
Total Capital Assets Being Depreciated	<u>41,576,253</u>	<u>-</u>	<u>-</u>	<u>41,576,253</u>
Less Accumulated Depreciation for				
Buildings and Improvements	8,580,342	800,029	-	9,380,371
Machinery and Equipment	1,312,598	166,333	-	1,478,931
Vehicles	210,057	-	-	210,057
Total Accumulated Depreciation	<u>10,102,997</u>	<u>966,362</u>	<u>-</u>	<u>11,069,359</u>
Total Capital Assets Being Depreciated, Net	<u>31,473,256</u>	<u>(966,362)</u>	<u>-</u>	<u>30,506,894</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 34,851,942</u>	<u>\$ (966,362)</u>	<u>\$ -</u>	<u>\$ 33,885,580</u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
Culture and Recreation	<u>\$ 966,362</u>

4. PROPERTY TAXES

Property taxes for 2022 attach as an enforceable lien on January 1, 2022, on property values assessed as of the same date. Taxes are levied by December of the same fiscal year (by passage of a tax levy ordinance), December 20 in the current fiscal year. Taxes levied in one year become due and payable in two installments, on or about June 1 and September 1 of the following year. The 2022 levy is intended to finance the 2024 fiscal year and, therefore, is reported as unavailable/deferred revenue at June 30, 2023.

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

5. LONG-TERM DEBT

Long-term debt of the Library is comprised of the following:

A. General Obligation Bonds

Bonds payable issued by the City of Aurora and payable by the Library at June 30, 2023, are comprised of the following:

\$19,200,000 2012A Corporate Purpose Serial Bonds, due in annual installments of \$145,000 to \$1,095,000 from December 30, 2014, to December 30, 2041, interest from 3% to 4%. While a general obligation of the City, the principal and interest is to be repaid with the Library's tax levy.

	\$ 16,040,000
TOTAL	\$ 16,040,000

B. Debt Service to Maturity

Annual debt service requirements to maturity are as follows:

Year	General Long-Term Debt	
	Corporate Purpose Serial Bonds	
	Principal	Interest
2024	\$ 660,000	\$ 539,269
2025	675,000	519,244
2026	690,000	498,767
2027	710,000	477,768
2028	725,000	456,243
2029-2033	3,915,000	1,929,557
2034-2038	4,505,000	1,233,116
2039-2042	4,160,000	339,800
TOTAL	\$ 16,040,000	\$ 5,993,764

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

5. LONG-TERM DEBT (Continued)

C. Changes in Long-Term Debt

Changes in long-term debt during the year ended June 30, 2023 is as follows:

	Balance January 1	Increases	Decreases	Balance June 30	Current Portion
Due to City for Bonds	\$ 16,690,000	\$ -	\$ 650,000	\$ 16,040,000	\$ 660,000
Compensated Absences	446,756	3,556	22,339	427,973	21,399
Net Pension Liability	1,893,792	14,493	-	1,908,285	-
Total Other Postemployment Benefit Liability	116,336	7,318	-	123,654	2,396
Unamortized Bond Premium	252,792	-	16,631	236,161	-
TOTAL	\$ 19,399,676	\$ 25,367	\$ 688,970	\$ 18,736,073	\$ 683,795

6. INDIVIDUAL FUND DISCLOSURES

Interfund Transfers

Interfund transfers during the year ended June 30, 2023 consisted of the following:

	Transfer In	Transfer Out
General	\$ -	\$ 2,345,748
Nonmajor Governmental	2,345,748	-
TOTAL	\$ 2,345,748	\$ 2,345,748

The purposes of significant interfund transfers are as follows:

- \$1,000,000 transferred to the Special Reserve (nonmajor) from the General Fund. This transfer is for funding projects. The transfer will not be repaid.
- \$1,345,748 transferred to the Bond and Interest Fund (nonmajor) from the General Fund. This transfer is to cover cash deficits. The transfer will not be repaid.

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

6. INDIVIDUAL FUND DISCLOSURES (Continued)

Advance From/To Other Funds

Individual fund advances from/to other funds at June 30, 2023 are as follows:

	Advance From	Advance To
General	\$ 12,373	\$ -
Nonmajor Governmental	-	12,373
TOTAL	\$ 12,373	\$ 12,373

7. DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund

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

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standards 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. Investments are reported at fair value.

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

7. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2022, IMRF membership consisted of:

Inactive Employees or their Beneficiaries Currently Receiving Benefits	13
Inactive Employees Entitled to but not yet Receiving Benefits	14
Active Employees	<u>120</u>
 TOTAL	 <u><u>147</u></u>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Library is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the fiscal year ended 2023 was 8.86% of covered payroll.

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

7. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The Library's net pension liability was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2022
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.25%
Salary Increases	2.85% to 13.75%
Interest Rate	7.25%
Cost of Living Adjustments	3.50%
Asset Valuation Method	Fair Value

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.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Library's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, IMRF'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 of 7.25% was used to determine the total pension liability.

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

7. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2022	\$ 2,144,127	\$ 250,335	\$ 1,893,792
Changes for the period			
Service cost	497,651	-	497,651
Interest	173,325	-	173,325
Difference between expected and actual experience	47,905	-	47,905
Changes in assumptions	-	-	-
Employer contributions	-	524,331	(524,331)
Employee contributions	-	242,746	(242,746)
Net investment income	-	(20,610)	20,610
Benefit payments and refunds	(4,520)	(4,520)	-
Other (net transfer)	-	(42,079)	42,079
Net changes	714,361	699,868	14,493
BALANCES AT DECEMBER 31, 2022	\$ 2,858,488	\$ 950,203	\$ 1,908,285

There were no changes in assumptions from the previous valuation.

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

7. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2023, the Library recognized pension expense of \$651,530. At June 30, 2023, the Library reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,775,658	\$ -
Changes in Assumption	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	57,347	-
Contributions Made After the Measurement Date	233,754	-
TOTAL	<u>\$ 2,066,759</u>	<u>\$ -</u>

\$233,754 reported as deferred outflows of resources related to pensions resulting from the Library's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2024	\$ 225,468
2025	225,468
2026	225,468
2027	223,655
2028	210,678
Thereafter	<u>722,268</u>
TOTAL	<u>\$ 1,833,005</u>

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

7. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Library calculated using the discount rate of 7.25% as well as what the Library's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 2,460,806	\$ 1,908,285	\$ 1,398,348

8. RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; employee health; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

9. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

In addition to providing the pension benefits described, the Library provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and any employer contributions are governed by the Library and can be amended by the Library through its personnel manual and union contracts. The plan does not issue a separate report. The activity of the plan is reported in the Library's governmental activities. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

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

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

B. Benefits Provided

The Library provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under the Library's retirement plan or meet COBRA requirements.

All health care benefits are provided through the Library's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Eligibility in library sponsored health care plans is discontinued upon eligibility for federally sponsored health care benefits. The retiree pays the full premium, but not an age adjusted premium, which creates an implicit subsidy to the Library.

C. Membership

At June 30, 2023, membership consisted of:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	-
Inactive Employees Entitled to but not yet Receiving Benefit Payments	-
Active Employees	<u>79</u>
TOTAL	<u><u>79</u></u>

D. Total OPEB Liability

The Library's total OPEB liability of \$123,654 was measured as of June 30, 2023, determined by an actuarial valuation as of June 30, 2022.

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

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Actuarial Assumptions and Other Inputs

The total OPEB liability at June 30, 2023, as determined by an actuarial valuation as of June 30, 2022, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry-Age Normal
Actuarial Value of Assets	NA
Inflation	2.50%
Salary Increases	Varies by Service
Discount Rate	4.13%
Healthcare Cost Trend Rates	7.25% Initial 4.00% Ultimate
Retirees Share of Benefit-Related Costs	100% Regular Plan

The discount rate was based on the index rate for tax-exempt general obligation municipal bonds rated AA or better at June 30, 2023.

The Pub-2010, Amount-Weighted, below-median income, General Employee, Male and Female tables, with future mortality improvements projected using scale MP-2021.

The actuarial assumptions used in the June 30, 2023 valuation are based on 12% participation assumed, with 50% electing spouse coverage, which changed from 50% and 100%, respectively.

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

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

F. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JULY 1, 2022	\$ 116,336
Changes for the Period	
Service Cost	5,310
Interest	4,926
Difference Between Expected and Actual Experience	-
Changes in Benefit Terms	-
Changes in Assumptions	(522)
Benefit Payments	<u>(2,396)</u>
Net Changes	<u>7,318</u>
BALANCES AT JUNE 30, 2023	<u>\$ 123,654</u>

Changes of Assumptions reflect a change in the discount rate from 4.09% for the reporting period ended June 30, 2022, to 4.13% for the reporting period ended June 30, 2023.

G. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Library calculated using the discount rate of 4.13% as well as what the Library total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.13%) or 1 percentage point higher (5.13%) than the current rate:

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
Total OPEB Liability	\$ 137,563	\$ 123,654	\$ 111,404

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

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

G. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the Library calculated using the healthcare rate of 4.00% to 7.25% as well as what the Library's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.00% to 6.25%) or 1 percentage point higher (5.00% to 8.25%) than the current rate:

	1% Decrease (3.00% to 6.25%)	Current Healthcare Rate (4.00% to 7.25%)	1% Increase (5.00% to 8.25%)
Total OPEB Liability	\$ 107,028	\$ 123,654	\$ 143,583

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

For the year ended June 30, 2023, the Library recognized OPEB expense (revenue) of \$(26,341). At June 30, 2023, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,680	\$ 34,635
Changes in Assumptions	28,017	48,494
TOTAL	\$ 29,697	\$ 83,129

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

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

Year Ending June 30,	
2024	\$ (38,577)
2025	(2,819)
2026	(4,023)
2027	(320)
2028	(2,051)
Thereafter	<u>(5,642)</u>
TOTAL	<u>\$ (53,432)</u>

10. AURORA PUBLIC LIBRARY FOUNDATION

A. Financial Information

The Library has determined that the Foundation meets the requirements of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, an amendment of GASB Statement No. 14, which has resulted in the Foundation being reported as a discretely presented component unit of the Library as it is legally separate from the Library. Separate financial statements for the Foundation are available by contacting the Foundation at 101 S. River Street, Aurora, Illinois 60506. Information presented below is for the Foundation's fiscal year end December 31, 2022.

B. Nature of Activities

The Foundation is a nonprofit organization incorporated April 3, 2002, whose mission is to support the Library in their effort of supporting lifelong learning and access to information, knowledge and ideas.

10. AURORA PUBLIC LIBRARY FOUNDATION (Continued)

C. Summary of Significant Accounting Policies

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments

Foundation investments with a maturity of one year or less when purchased and non-negotiable certificates of deposit are stated at amortized cost. Foundation investments with a maturity greater than one year when purchased are reported at fair value. Fair value is based on quoted market prices at June 30 for equity securities and mutual funds.

Contributions

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets and are transferred to unrestricted net assets when the restrictions expire.

D. Income Taxes

The Foundation has been determined to be exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code pursuant to a determination letter issued in April 2002. Accordingly, no provision for income tax is included in the financial statements.

The Foundation has evaluated its tax positions for all open tax years. Currently, the tax years open and subject to examination by the Internal Revenue Service are the 2015, 2016 and 2017 tax years. However, the Foundation is not currently under audit nor has the Foundation been contacted by any jurisdiction. Based on the evaluation of the Foundation's tax positions, management believes all tax positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions has been recorded for the year ended December 31, 2022.

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

10. AURORA PUBLIC LIBRARY FOUNDATION (Continued)

E. Pledges Receivable

Unconditional promises to give are included in the financial statements as pledges receivable and revenue of the appropriate net asset category. Pledges are recorded after discounting at a risk free rate of 3% to the present value of the future cash flows.

Unconditional promises at December 31, 2022, are expected to be realized in the following periods:

In One Year or Less	\$ 303,919
Between One Year and Five Years	16,314
Between Six Years and Ten Years	-
Less Discount	<u>(736)</u>
TOTAL PLEDGES RECEIVABLE	<u>\$ 319,497</u>

F. Endowment

The Foundation's endowment consists of donor-restricted endowment funds. As required by GAAP, net position associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. As of December 31, 2022, all endowment assets were permanently restricted.

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the historic dollar value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The endowment assets are invested in accordance with predetermined asset allocation and performance benchmarks.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation's spending policy provides that only the income from endowments may be used for the general purposes of the Foundation, with the Foundation withdrawing current income as it is needed.

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

11. SUBSEQUENT EVENTS

On October 18, 2023, the Library approved Ordinance 2023-06 authorizing the issuance of General Obligation Bonds (Alternate Revenue Source), Series 2024 in an aggregate principal amount not to exceed \$13,000,000 for the purpose of financing costs of certain capital projects within the District and paying for costs related there to.

REQUIRED SUPPLEMENTARY INFORMATION

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended June 30, 2023

	Appropriation	Original and Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes		\$ 15,054,874	\$ 15,031,553	\$ (23,321)
Other Taxes				
Replacement Taxes		1,000,000	500,000	(500,000)
Intergovernmental				
Grants		346,967	536,806	189,839
Licenses, Permits and Fees		42,500	13,204	(29,296)
Fines		2,500	1,880	(620)
Donations		33,800	1	(33,799)
Investment Income		6,000	293,850	287,850
Other		403,860	58,146	(345,714)
		<u>16,890,501</u>	<u>16,435,440</u>	<u>(455,061)</u>
EXPENDITURES				
Culture and Recreation				
Central Services				
Personnel Services	\$ 3,890,520	3,614,813	2,902,171	(712,642)
Materials and Supplies	662,588	626,120	523,680	(102,440)
Other Services and Charges	1,143,571	865,130	576,017	(289,113)
Capital Outlay	3,311,402	802,400	683,862	(118,538)
		<u>9,008,081</u>	<u>5,908,463</u>	<u>(1,222,733)</u>
Santori Library				
Personnel Services	3,173,844	2,263,788	2,443,349	179,561
Materials and Supplies	641,882	603,200	502,216	(100,984)
Other Services and Charges	914,857	748,600	465,260	(283,340)
Capital Outlay	1,156,363	281,525	247,607	(33,918)
		<u>5,886,946</u>	<u>3,897,113</u>	<u>(238,681)</u>
Eola Branch Library				
Personnel Services	1,638,113	1,369,747	1,273,581	(96,166)
Materials and Supplies	414,118	402,700	324,591	(78,109)
Other Services and Charges	457,428	964,420	232,883	(731,537)
Capital Outlay	525,620	112,225	110,523	(1,702)
		<u>3,035,279</u>	<u>2,849,092</u>	<u>(907,514)</u>

(This statement is continued on the following page.)

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
GENERAL FUND**

For the Year Ended June 30, 2023

	<u>Appropriation</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
EXPENDITURES (Continued)				
Culture and Recreation (Continued)				
West Branch Library				
Personnel Services	\$ 921,439	\$ 615,564	\$ 695,762	\$ 80,198
Materials and Supplies	248,471	229,300	189,811	(39,489)
Other Services and Charges	257,304	242,420	138,448	(103,972)
Capital Outlay	262,810	55,000	55,672	672
Total West Branch Library	1,690,024	1,142,284	1,079,693	(63,263)
Outreach Services				
Personnel Services	614,292	549,427	486,949	(62,478)
Materials and Supplies	103,529	115,600	76,565	(39,035)
Other Services and Charges	85,768	66,370	48,915	(17,455)
Capital Outlay	-	21,613	19,764	(1,849)
Total Outreach Services	803,589	753,010	632,193	(120,817)
Debt Service				
Principal	2,500,000	1,340,536	650,000	(690,536)
Interest	-	-	558,919	558,919
Total Debt Service	2,500,000	1,340,536	1,208,919	(131,617)
Total Expenditures	<u>\$ 22,923,919</u>	15,890,498	13,206,545	(2,684,625)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		1,000,003	3,228,895	2,228,892
OTHER FINANCING SOURCES (USES)				
Transfers (Out)		(1,000,000)	(2,345,748)	(1,345,748)
Total Other Financing Sources (Uses)		(1,000,000)	(2,345,748)	(1,345,748)
NET CHANGE IN FUND BALANCE		<u>\$ 3</u>	883,147	<u>\$ 883,144</u>
FUND BALANCE, JULY 1			<u>8,805,454</u>	
FUND BALANCE, JUNE 30			<u><u>\$ 9,688,601</u></u>	

(See independent auditor's report.)

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

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

Last Two Fiscal Years

FISCAL YEAR ENDED JUNE 30,	2022	2023
Actuarially Determined Contribution	\$ 546,960	\$ 500,989
Contributions in Relation to the Actuarially Determined Contribution	<u>546,960</u>	<u>500,989</u>
CONTRIBUTION DEFICIENCY (Excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered Payroll	\$ 5,258,338	\$ 5,654,778
Contributions as a Percentage of Covered Payroll	10.40%	8.86%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 21 years; the asset valuation method was at smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.85% to 13.75% compounded annually and postretirement benefit increases of 2.75% compounded annually.

The Library had its first actuarial valuation performed for the IMRF plan year ended December 31, 2021, as a result of becoming a separate library district for the fiscal year ended June 30, 2021. This schedule presents the Library's actuarially determined contributions for the fiscal year ended June 30.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

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

Last Two Calendar Years

MEASUREMENT DATE DECEMBER 31,	2021	2022
TOTAL PENSION LIABILITY		
Service Cost	\$ -	\$ 497,651
Interest	(6)	173,325
Differences Between Expected and Actual Experience	2,144,292	47,905
Changes of Assumptions	-	-
Benefit Payments, Including Refunds of Member Contributions	(159)	(4,520)
Net Change in Total Pension Liability	2,144,127	714,361
Total Pension Liability - Beginning	-	2,144,127
TOTAL PENSION LIABILITY - ENDING	\$ 2,144,127	\$ 2,858,488
PLAN FIDUCIARY NET POSITION		
Contributions - Employer	\$ 182,230	\$ 524,331
Contributions - Member	84,366	242,746
Net Investment Income	-	(20,610)
Benefit Payments, Including Refunds of Member Contributions	(159)	(4,520)
Other	(16,102)	(42,079)
Net Change in Plan Fiduciary Net Position	250,335	699,868
Plan Fiduciary Net Position - Beginning	-	250,335
PLAN FIDUCIARY NET POSITION - ENDING	\$ 250,335	\$ 950,203
EMPLOYER'S NET PENSION LIABILITY	\$ 1,893,792	\$ 1,908,285
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	11.70%	33.20%
Covered Payroll	\$ 1,874,800	\$ 5,394,352
Employer's Net Pension Liability as a Percentage of Covered Payroll	101.00%	35.40%

Notes to Require Supplementary Information

The Library had its first actuarial valuation performed for the IMRF plan year ended December 31, 2021, as a result of becoming a separate library district for the fiscal year ended June 30, 2021.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

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

Fiscal Years 2015 to 2021

FISCAL YEAR ENDED	December 31,				June 30,		
	2015	2016	2017	2018	2019	2020*	2021
Contractually Required Contribution	\$ 664,765	\$ 692,190	\$ 689,116	\$ 639,445	\$ 573,448	\$ 372,528	\$ 723,637
Contributions in Relation to the Contractually Required Contribution	672,677	692,190	689,116	639,445	573,448	372,528	723,637
CONTRIBUTION DEFICIENCY (Excess)	\$ (7,912)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 5,042,151	\$ 5,147,634	\$ 5,172,395	\$ 4,907,414	\$ 4,974,150	\$ 2,750,206	\$ 5,557,403
Contributions as a Percentage of Covered Payroll	13.34%	13.49%	14.35%	14.77%	11.53%	13.55%	13.02%

Notes to Required Supplementary Information

The Library had its first actuarial valuation performed for the IMRF plan year ended December 31, 2021, as a result of becoming a separate library district for the fiscal year ended June 30, 2021. This schedule presents the contractually required contributions through June 30, 2021 as a result of the Library's participation in the City of Aurora's plan. See the Schedule of Employer Contributions elsewhere in the required supplementary information.

*Library fiscal year changed to June 30, 2020 and is no longer a component unit of the City. This is for the stub year from January 1, 2020 to June 30, 2020.

(See independent auditor's report.)

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

**SCHEDULE OF THE LIBRARY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
ILLINOIS MUNICIPAL RETIREMENT FUND**

Calendar Years 2014 to 2020

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020
Employer's Proportion of Net Pension Liability	11.52%	11.52%	11.78%	10.86%	10.86%	10.86%	10.86%
Employer's Proportionate Share of Net Pension Liability	\$ 3,435,044	\$ 5,538,929	\$ 4,994,564	\$ 2,112,998	\$ 6,209,632	\$ 3,485,085	\$ 884,232
Employer's Covered Payroll	5,192,579	5,042,151	5,009,356	4,762,350	4,892,463	4,974,263	4,999,870
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	66.15%	109.85%	99.70%	44.37%	126.92%	70.06%	17.69%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.60%	81.30%	83.80%	92.80%	80.50%	89.46%	97.40%

Notes to Required Supplementary Information

The Library had its first actuarial valuation performed for the IMRF plan year ended December 31, 2021, as a result of becoming a separate library district for the fiscal year ended June 30, 2021. This schedule presents the IMRF proportionate share of the City of Aurora's net pension liability through the 2020 plan year. See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios elsewhere in the required supplementary information.

(See independent auditor's report.)

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Eight Fiscal Years

MEASUREMENT DATE	December 31,					June 30,		
	2016	2017	2018	2019	2020*	2021	2022	2023
TOTAL OPEB LIABILITY								
Service Cost	\$ 16,383	\$ 16,281	\$ 16,364	\$ 4,465	\$ 2,647	\$ 6,806	\$ 7,738	\$ 5,310
Interest	12,891	11,534	11,563	4,015	1,800	3,339	3,040	4,926
Differences Between Expected and Actual Experience	(53,602)	-	(59,793)	-	(22,956)	-	2,160	-
Changes of Benefit Terms	-	-	-	-	-	-	-	-
Changes of Assumptions	12,819	8,602	(190,513)	8,463	30,564	5,906	(26,759)	(522)
Benefit Payments	(5,545)	(5,501)	(5,564)	(2,232)	(1,205)	(2,912)	(3,116)	(2,396)
Net Change in Total OPEB Liability	(17,054)	30,916	(227,943)	14,711	10,850	13,139	(16,937)	7,318
Total OPEB Liability - Beginning	308,654	291,600	322,516	94,573	109,284	120,134	133,273	116,336
TOTAL OPEB LIABILITY - ENDING	\$ 291,600	\$ 322,516	\$ 94,573	\$ 109,284	\$ 120,134	\$ 133,273	\$ 116,336	\$ 123,654
Covered Payroll	\$ 4,169,974	\$ 4,195,828	\$ 4,169,974	\$ 4,396,744	\$ 4,291,063	\$ 4,469,829	\$ 4,477,521	\$ 4,656,040
Employer's Total OPEB Liability as a Percentage of Covered Payroll	6.99%	7.69%	2.27%	2.49%	2.80%	2.98%	2.60%	2.66%

Notes to Required Supplementary Information

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

The health care trend rate assumption has been updated from the prior valuation to reflect recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries. The discount rate was also changed from 3.78% to 3.44% in 2017, from 3.44% to 4.10% in 2018, from 4.10% to 3.26% in 2019, from 3.26% to 2.66% in 2020, from 2.66% to 2.18% in 2021, from 2.18% to 4.09% in 2022, and from 4.09% to 4.13% in 2023. Also reflected as assumption changes are updated health care costs and premiums and updated termination and mortality rates in 2022.

*Library fiscal year changed to June 30, 2020 and is no longer a component unit of the City. This is for the stub year from January 1, 2020 to June 30, 2020.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2023

BUDGET AND BUDGETARY ACCOUNTING

The Library's budget represents departmental expenditures and estimated revenues for the General Fund. The Special Reserve Fund and Bond and Interest Fund were not budgeted for in fiscal year ending June 30, 2023. The budget is adopted on the modified accrual basis consistent with GAAP. The Library follows these procedures in establishing the budgetary data reflected in the financial statements:

- The Library submits to the Board of Library Trustees a proposed budget for the Library. The proposed budget includes proposed expenditures and the means of financing them.
- A public hearing is conducted to obtain citizen comments.
- No later than the fourth Tuesday of September of the year preceding the budget year the budget is legally enacted through passage of an ordinance.
- Upon request by the Executive Director of the Library, the Treasurer may transfer budgeted amounts between objects within a fund. The budget of any fund may be amended by a majority vote of the Board of Library Trustees. The level of budgetary control is the fund level. The Library reports the original and final amended budget.
- All budgetary authority lapses at year end.

COMBINING FUND FINANCIAL STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

June 30, 2023

	Special Reserve	Bond and Interest	Total Nonmajor Governmental Funds
ASSETS			
Cash and Investments	\$ 1,619,947	\$ -	\$ 1,619,947
Total Assets	1,619,947	-	1,619,947
LIABILITIES			
Advances from other funds	12,373	-	12,373
Total Liabilities	12,373	-	12,373
FUND BALANCES			
Unrestricted			
Assigned for Capital Projects	1,607,574	-	1,607,574
Unassigned	-	-	-
Total Fund Balances	1,607,574	-	1,607,574
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,619,947	\$ -	\$ 1,619,947

(See independent auditor's report.)

**AURORA PUBLIC LIBRARY DISTRICT
AURORA, ILLINOIS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2023

	Special Reserve	Bond and Interest	Total Nonmajor Governmental Funds
REVENUES			
Investment Income	\$ 25,194	\$ -	\$ 25,194
Total Revenues	25,194	-	25,194
EXPENDITURES			
Culture and Recreation			
Other Services and Charges	23,787	-	23,787
Total Expenditures	23,787	-	23,787
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,407	-	1,407
OTHER FINANCING SOURCES (USES)			
Transfers In	1,000,000	1,345,748	2,345,748
Total Other Financing Sources (Uses)	1,000,000	1,345,748	2,345,748
NET CHANGE IN FUND BALANCES	1,001,407	1,345,748	2,347,155
FUND BALANCES (DEFICIT), JULY 1	606,167	(1,345,748)	(739,581)
FUND BALANCES, JUNE 30	\$ 1,607,574	\$ -	\$ 1,607,574

(See independent auditor's report.)