

Toulon Public Library District
Stark County, Illinois

Annual Financial Review Report
(WITH INDEPENDENT ACCOUNTANT'S REVIEW REPORT THEREON)

June 30, 2023

Douglas W. Irwin & Co., Ltd.
Certified Public Accountant

TOULON PUBLIC LIBRARY DISTRICT
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Independent Auditor's Review Report

President and Trustees
Toulon Public Library District
Toulon, IL 61483

We have reviewed the accompanying financial statements of the governmental entities, each major fund, and the aggregate remaining fund information for Toulon Public Library District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Toulon Public Library District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting.

Basis of Accounting

We draw attention to Note D of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

Supplementary Information

The supplementary information is presented for purposes of additional analysis and is 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 financial statements. The supplementary information included on pages 22 through 28 has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to these supplementary information pages. We have not audited the supplementary information and do not express an opinion on such information.

Douglas W. Irwin & Co., Ltd

Douglas W. Irwin & Co., Ltd.
November 14, 2023

**BASIC FINANCIAL
STATEMENTS**

TOULON PUBLIC LIBRARY DISTRICT
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
June 30, 2023

ASSETS

Cash in bank	\$	43,629
Investments		195,004
Capital assets:		
Equipment, net of accumulated depreciation		790,523
Total assets	\$	<u><u>1,029,156</u></u>

NET POSITION

Net investment in capital assets	\$	790,523
Restricted		184,594
Unrestricted		54,039
Total net position	\$	<u><u>1,029,156</u></u>

These financial statements should be read only in connection with the accompanying accountant's report and notes to financial statements.

**TOULON PUBLIC LIBRARY DISTRICT
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
June 30, 2023**

REVENUES

Property tax	\$ 263,226
Replacement tax	1,413
Grants	4,244
Interest income	1,661
Memorials and donations	4,424
Other	2,066
Total revenues	<u>\$ 277,034</u>

EXPENDITURES

Administration	\$ 274,598
Depreciation	25,848
Total expenditures	<u>\$ 300,446</u>
Net changes in fund balances	\$ (23,412)
Fund balance, beginning of year	<u>1,052,568</u>
Fund balance, end of year	<u><u>\$ 1,029,156</u></u>

These financial statements should be read only in connection with the accompanying accountant's report and notes to financial statements.

**TOULON PUBLIC LIBRARY DISTRICT
BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
June 30, 2023**

ASSETS	GENERAL	LIABILITY INSURANCE	OTHER FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash in bank	\$ (140,965)	\$ 161,893	\$ 22,701	\$ 43,629
Investments	195,004	-	-	195,004
Total assets	<u>\$ 54,039</u>	<u>\$ 161,893</u>	<u>\$ 22,701</u>	<u>\$ 238,633</u>
FUND BALANCE				
Restricted:				
Liability insurance	\$ -	\$ 161,893	\$ -	\$ 161,893
Maintenance	-	-	(19,573)	(19,573)
Audit	-	-	2,423	2,423
Social security	-	-	15,639	15,639
IMRF contributions	-	-	14,322	14,322
Working cash	-	-	9,890	9,890
Unrestricted	54,039	-	-	54,039
Total fund balance	<u>\$ 54,039</u>	<u>\$ 161,893</u>	<u>\$ 22,701</u>	<u>\$ 238,633</u>

These financial statements should be read only in connection with the accompanying accountant's report and notes to financial statements.

**TOULON PUBLIC LIBRARY DISTRICT
RECONCILIATION OF THE BALANCE SHEET- MODIFIED CASH BASIS OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF
NET POSITION
Year Ended June 30, 2023**

Amounts reported for governmental activities in the statement of net position are different because:

Fund balance of governmental funds	\$ 238,633
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Building and equipment	1,033,926
Less: accumulated depreciation	<u>(243,403)</u>
Net position of governmental activities	<u>\$ 1,029,156</u>

These financial statements should be read only in connection with the accompanying accountant's report and notes to financial statements.

TOULON PUBLIC LIBRARY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
June 30, 2023

	<u>GENERAL</u>	<u>LIABILITY INSURANCE</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES				
Property tax	\$ 177,673	\$ 47,173	\$ 38,380	\$ 263,226
Replacement tax	1,413	-	-	1,413
Grants	4,244	-	-	4,244
Interest income	1,661	-	-	1,661
Memorials and donations	4,424	-	-	4,424
Other	2,066	-	-	2,066
Total revenues	\$ 191,481	\$ 47,173	\$ 38,380	\$ 277,034
EXPENDITURES				
Salaries	\$ 175,063	\$ -	\$ -	\$ 175,063
Payroll taxes	-	-	12,537	12,537
IMRF contribution	-	-	11,380	11,380
Audit	-	-	2,500	2,500
Library materials	14,251	-	-	14,251
Contractual computer services	5,203	-	-	5,203
Staff and board development	-	-	-	-
Postage	293	-	-	293
Public relations and publicity	11,982	-	-	11,982
Miscellaneous	-	-	-	-
Utilities	7,818	-	-	7,818
Office/library supplies	2,683	-	-	2,683
Memorial expense	5,936	-	-	5,936
Building repairs and maintenance	318	-	18,368	18,686
Interest expense	-	-	-	-
Debt repayment	-	-	-	-
Insurance	-	15,117	-	15,117
Total expenditures	\$ 223,547	\$ 15,117	\$ 44,785	\$ 283,449
Excess revenue (expenses)	\$ (32,066)	\$ 32,056	\$ (6,405)	\$ (6,415)
Other financing sources (uses):				
Transfers in (out)	\$ -	\$ -	\$ -	\$ -
Gain (loss) on investments	8,851	-	-	8,851
Total other financing sources (uses)	\$ 8,851	\$ -	\$ -	\$ 8,851
Net changes in fund balances	\$ (23,215)	\$ 32,056	\$ (6,405)	\$ 2,436
Fund balance, beginning of year	77,254	129,837	29,106	236,197
Fund balance, end of year	\$ 54,039	\$ 161,893	\$ 22,701	\$ 238,633

These financial statements should be read only in connection with the accompanying accountant's report and notes to financial statements.

**TOULON PUBLIC LIBRARY DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2023**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances – total governmental funds	\$	2,436
Depreciation expense is recorded on the Statement of Activities and not on the Statement of Revenues, Expenditures, and Changes in Fund Balances of governmental funds.		(25,848)
Debt payments		<u> -</u>
Change in net position of governmental activities	\$	<u><u>(23,412)</u></u>

These financial statements should be read only in connection with the accompanying accountant's report and notes to financial statements.

**TOULON PUBLIC LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. FINANCIAL REPORTING ENTITY

The Toulon Public Library District operates under a board of trustee form of government and provides public library services to residents of the District.

Generally accepted accounting principles required that the financial reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the financial reporting entity's financial statements to be misleading or incomplete. The criteria provided in Governmental Accounting Standards Board Statement No. 14 have been considered, and there are no agencies or entities which should be included as component units in the financial reporting entity.

As discussed in Note 1 C, the financial statements of Toulon Public Library District are presented on a modified cash basis of accounting. This modified basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

B. BASIS OF PRESENTATION

The District's basic financial statements consist of government-wide financial statements, including Statement of Net Position and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the District as a whole. They include all the funds of the District except fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Net Position presents the District's non-fiduciary assets and liabilities, with the difference reported as net position. Net position is reported in the following two categories:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board.

Net assets with donor restrictions – Net assets that are either temporarily or permanently subject to donor restrictions.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or activity is offset by program revenues. Direct expenses are those that are clearly identifiable with specific function or activity. Program revenues include: (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or identifiable activity; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or identifiable activity.

**TOULON PUBLIC LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
B. BASIS OF PRESENTATION (continued)

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

During the year, the District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The District currently has no fiduciary funds.

An emphasis is placed on major funds within the governmental categories GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

Governmental Funds

Governmental funds are those through which most governmental functions of the District are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following is the District's major governmental fund:

General Fund- The General Fund is the primary operating fund of the District and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in another fund.

Liability Insurance Fund- The Liability Insurance Fund accounts for the proceeds and expenditures of tort liability.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements are reported using the economic resources measurement focus and the modified cash basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized in the year 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 cash basis of accounting. Under the modified cash basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable, available, and earned). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

**TOULON PUBLIC LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (continued)**

The District recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Those revenues susceptible to accrual are property taxes, interest revenue, and charges for services. Fines and fees revenues are not susceptible to accrual because generally they are not measurable until received in cash. In applying susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The District reports unearned/unavailable revenue on its financial statements. Unearned/unavailable revenues arise when potential revenue does not meet the measurable, available, and earned criteria for recognition in the current period. Unearned/unavailable revenues also arise when resources are received by the government 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 the revenue recognition criteria are met, or when government has a legal claim to the resources, the liability for unearned/unavailable revenue is removed from the financial statements and revenue is recognized.

D. BUDGET AND APPROPRIATIONS

The District adopts an annual budget and appropriation ordinance in accordance with Illinois Compiled Statutes on or before August 31 of the issuing year. The budget covers the fiscal year ending June 30. These appropriations are adopted on a cash basis method of accounting. Prior to the adoption of the annual budget and appropriation ordinance, the District Board, at least 30 days prior to such adoption, shall make this proposed appropriation ordinance conveniently available to public inspection and shall hold at least one public hearing thereon. Notice of this hearing shall be given publication in one or more newspapers published locally at least 30 days prior to the time of the public hearing.

Subsequent to the public hearing and before final action is taken on the annual budget and appropriation ordinance, the Board may revise, alter, increase, or decrease the items contained therein.

The budgetary comparison schedule – cash basis for the governmental fund types present legally adopted budgets with actual data on a budgetary basis. The appropriation ordinance lapses as of the fiscal year end.

E. CAPITAL ASSETS

The District's modified cash basis of accounting reports capital assets resulting from cash transactions and reports depreciation where appropriate. The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations and whether they are reported in the government-wide or fund financial statements.

**TOULON PUBLIC LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
E. CAPITAL ASSETS (continued)

In the government-wide financial statements, capital assets arising from cash transactions are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable.

Depreciation of all exhaustible capital assets arising from cash transactions is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$2,000 is used to report capital assets. The range of estimated useful lives by type of asset is as follows:

Buildings	40 Years
Elevators	40 Years
Building renovations	20 Years
Heat/Air conditioning units	15 Years
Office equipment and furniture	7 Years
Computer systems and software	5 Years
EDP equipment	5 Years

In the fund financial statements, capital assets arising from cash transactions acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

F. USE OF ESTIMATES

The preparation of the financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

G. NET POSITION

Government-wide net position is divided into three components:

1. *Net investment in capital assets*- consist of historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.
2. *Restricted net position*- consists of assets that are restricted by the district's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
3. *Unrestricted net position* – all other net position is reported in this category.

H. FUND BALANCES – GOVERNMENTAL FUNDS

GASB 54 requires governmental entities to establish a policy for the application of expenditures to the above classifications. The district adopted a fund balance policy in June 2015 to take effect with the start of the new fiscal year. For the fiscal year being reviewed, the District applied the policy. When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the District considers restricted funds to have been spent first.

**TOULON PUBLIC LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
H. FUND BALANCES – GOVERNMENTAL FUNDS (continued)

When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the District considers the amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District Board of Trustees has provided otherwise in its commitment or assignment actions.

I. POST-EMPLOYMENT HEALTHCARE BENEFITS

The District does not provide post-employment healthcare benefits except those mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elected coverage under the Act, and no direct costs are incurred by the District.

J. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

K. VACATION, SICK LEAVE, AND OTHER COMPENSATED ABSENCES

Employees of the Toulon Public Library District are entitled to certain compensated absences based on their length of employment. Compensated absences are recorded as expenditures when they are paid.

L. ENCUMBRANCES

The Toulon Public Library District does not use encumbrance accounting.

M. INVESTMENTS

Investments of the District are in certificates of deposit and repurchase agreements. These investments are recorded at cost, which approximates market.

NOTE 2 – PROPERTY TAXES

Property taxes are levied annually at the November meeting and become a lien on property on January 1 of the year of levy and are collected in two installments by the County Treasurers on June 1 and September 1 of the following year. The District receives its significant distributions approximately 30 days later. Because of the extraordinarily long period between the levy date and the receipt of tax distributions from the County Collector's, the property taxes are not 'available' to finance current year expenditures.

**TOULON PUBLIC LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 2– PROPERTY TAXES (continued)

A schedule of assessed valuations, taxes levied and collected for the years 2022 and 2021 is as follows:

	Assessed valuation		\$ <u>66,393,125</u>	
	2021 Levy			
	Rate	Taxes	Taxes	
	Valuation	Extended	Collected	
General	\$ 0.2603	\$ 172,821	\$	-
Maintenance	0.0193	12,814		-
IMRF	0.0157	10,424		-
Audit	0.0035	2,324		-
Tort liability insurance	0.0157	10,424		-
Social security	0.0722	47,936		-
Total	<u>\$ 0.3867</u>	<u>\$ 256,743</u>	<u>\$</u>	<u>-</u>

	Assessed valuation		\$ <u>62,516,120</u>	
	2021 Levy			
	Rate	Taxes	Taxes	
	Valuation	Extended	Collected	
General	\$ 0.2613	\$ 163,355	\$	177,673
Maintenance	0.0199	12,441		13,208
IMRF	0.0151	9,440		10,023
Audit	0.0035	2,188		2,323
Tort liability insurance	0.0159	9,940		47,173
Social security	0.0745	46,575		12,826
Total	<u>\$ 0.3902</u>	<u>\$ 243,939</u>	<u>\$</u>	<u>263,226</u>

NOTE 3 – CASH DEPOSITS

State statutes authorize the District to make deposits in commercial banks and savings and loan institutions, and to make investments in obligations of the U.S. Treasury and U. S. agencies, obligations of states and their political subdivisions, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Public Treasurer's Investment Pool. The District does not have a policy to limit allowable deposits or investments.

At June 30, 2023, the carrying amount of the District's cash accounts totaled \$128,627.

**TOULON PUBLIC LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 4 – DEFINED BENEFIT PENSION PLAN

Plan Description. The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is affiliated with Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, the District's regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2022 was 7.93 percent. The employer also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at IMRF level.

Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. The required contribution for calendar year 2022 was \$11,117.

The three-year trend information for the regular plan is as follows:

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2022	\$ 11,117	100%	\$ 0
12/31/2021	11,127	100%	0
12/31/2020	9,679	100%	0

The required contribution rate for 2022 was determined as part of the December 31, 2020, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2020, included (a) 7.25 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 3.50% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular plan's overfunded actuarial accrued liability at December 31, 2020, is being amortized as a level percentage of projected payrolls on an open 21-year basis.

Funded Status and Funding Progress. As of December 31, 2022, the most recent actuarial valuation date, the Regular plan was 78.34 percent funded. The actuarial accrued liability for benefits was \$234,953 and the actuarial value of assets was \$184,067, resulting in an underfunded actuarial accrued liability (UAAL) of \$50,886. The covered payroll for the calendar year 2022 (annual payroll of active employees covered by the plan) was \$140,189, and the ratio of the UAAL to the covered payroll was 36 percent.

**TOULON PUBLIC LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 4 – DEFINED BENEFIT PENSION PLAN (continued)

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Valuation Date	Assets (a)	Entry Age (b)	(UAAL) (b-a)	Ratio (a/b)	Payroll (c)	Payroll ((b-a)/c)
12/31/22	\$ 184,067	\$ 234,953	\$ 50,886	78.34%	\$ 140,189	36.30%
12/31/21	155,627	199,405	43,778	78.05%	135,530	32.30%
12/31/20	348,512	387,907	39,395	89.84%	119,488	32.97%

On a market value basis, the actuarial value of assets as of December 31, 2022, is \$154,035. On a market basis, the funded ratio would be 65.56%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Toulon Public Library District. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

NOTE 5 – CAPITAL ASSETS

The capital asset activity, resulting from modified cash basis transactions, for the fiscal year ended June 30, 2023, was as follows:

	Balance 6/30/2023
Capital assets being depreciated:	
Building	\$ 1,033,926
Less: Accumulated depreciation	(243,403)
Capital assets net of depreciation	<u>\$ 790,523</u>

NOTE 6 – RISK MANAGEMENT

The District is exposed to various risks from torts; theft of, damage to, and destruction of assets; business interruption, errors and omissions; employee injuries and illnesses; natural disasters; and employee health and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

NOTE 7 – INTERFUND TRANSFERS

The District did not have interfund transfers during the June 30, 2023 fiscal year.

NOTE 8 – SUBSEQUENT EVENTS

Subsequent events were evaluated through November 14, 2023, which is the date the financial statements were available to be issued.

**SUPPLEMENTARY
INFORMATION**

TOULON PUBLIC LIBRARY DISTRICT
 COMBINING BALANCE SHEET - MODIFIED CASH BASIS
 NONMAJOR FUNDS
 June 30, 2023

ASSETS	MAINTENANCE FUND	AUDIT FUND	SOCIAL SECURITY FUND	IMRF FUND	WORKING CASH FUND	TOTAL
Cash in bank	\$ (19,573)	\$ 2,423	\$ 15,639	\$ 14,322	\$ 9,890	\$ 22,701
Total assets	<u>\$ (19,573)</u>	<u>\$ 2,423</u>	<u>\$ 15,639</u>	<u>\$ 14,322</u>	<u>\$ 9,890</u>	<u>\$ 22,701</u>
FUND BALANCE						
Restricted:						
Maintenance	\$ (19,573)	\$ -	\$ -	\$ -	\$ -	\$ (19,573)
Audit	-	2,423	-	-	-	2,423
Social security	-	-	15,639	-	-	15,639
IMRF contributions	-	-	-	14,322	-	14,322
Working cash	-	-	-	-	9,890	9,890
Unrestricted	-	-	-	-	-	-
Total fund balance	<u>\$ (19,573)</u>	<u>\$ 2,423</u>	<u>\$ 15,639</u>	<u>\$ 14,322</u>	<u>\$ 9,890</u>	<u>\$ 22,701</u>

These financial statements should be read only in connection with the accompanying accountant's report and notes to financial statements.

TOULON PUBLIC LIBRARY DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
NONMAJOR FUNDS
 June 30, 2023

REVENUES	MAINTENANCE FUND	AUDIT FUND	SOCIAL SECURITY FUND	IMRF FUND	WORKING CASH FUND	TOTAL
Property tax	\$ 13,208	\$ 2,323	\$ 12,826	\$ 10,023	\$ -	\$ 38,380
Other	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Total revenues	<u>\$ 13,208</u>	<u>\$ 2,323</u>	<u>\$ 12,826</u>	<u>\$ 10,023</u>	<u>\$ -</u>	<u>\$ 38,380</u>
EXPENDITURES						
Maintenance	\$ 18,368	\$ -	\$ -	\$ -	\$ -	\$ 18,368
Audit	-	2,500	-	-	-	2,500
Social security	-	-	12,537	-	-	12,537
IMRF contributions	-	-	-	11,380	-	11,380
Working cash	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total expenditures	<u>\$ 18,368</u>	<u>\$ 2,500</u>	<u>\$ 12,537</u>	<u>\$ 11,380</u>	<u>\$ -</u>	<u>\$ 44,785</u>
Other financing sources (uses):						
Transfers in (out)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	\$ (5,160)	\$ (177)	\$ 289	\$ (1,357)	\$ -	\$ (6,405)
Fund balance, beginning of year	<u>(14,413)</u>	<u>2,600</u>	<u>15,350</u>	<u>15,679</u>	<u>9,890</u>	<u>29,106</u>
Fund balance, end of year	<u>\$ (19,573)</u>	<u>\$ 2,423</u>	<u>\$ 15,639</u>	<u>\$ 14,322</u>	<u>\$ 9,890</u>	<u>\$ 22,701</u>

These financial statements should be read only in connection with the accompanying accountant's report and notes to financial statements.

TOULON PUBLIC LIBRARY DISTRICT
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
June 30, 2023

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Property tax	\$ -	\$ 172,947	\$ 177,673	\$ (4,726)
Replacement tax	-	315	1,413	(1,098)
Grants	-	4,735	4,244	491
Interest income	-	2,000	1,661	339
Memorials and donations	-	8,250	4,424	3,826
Other	-	3,500	2,066	1,434
Total revenues	\$ -	\$ 191,747	\$ 191,481	\$ 266
EXPENDITURES				
Administration:				
Salaries:				
Wages	\$ -	\$ 162,012	\$ 163,885	\$ (1,873)
Health insurance	-	12,000	11,178	822
Total salaries	\$ -	\$ 174,012	\$ 175,063	\$ (1,051)
Library materials:				
Books	\$ -	\$ 13,615	\$ 13,105	\$ 510
Periodicals	-	750	371	379
Audio-visual	-	1,500	572	928
Newspapers	-	800	203	597
Total library materials	\$ -	\$ 16,665	\$ 14,251	\$ 2,414
Staff and board development:				
Workshops	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
Total staff and board development	\$ -	\$ -	\$ -	\$ -
Public relations and publicity:				
Publications	\$ -	\$ -	\$ -	\$ -
Programming	-	12,400	11,982	418
Total public relations and publicity	\$ -	\$ 12,400	\$ 11,982	\$ 418

These financial statements should be read only in connection with the accompanying accountant's report and notes to financial statements.

TOULON PUBLIC LIBRARY DISTRICT
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
June 30, 2023

EXPENDITURES (continued)	BUDGETED AMOUNTS		ACTUAL	VARIANCE
Administration (continued):	ORIGINAL	FINAL	AMOUNTS	
Computer services:				
Contract ALS	\$ -	\$ 3,250	\$ 3,155	\$ 95
Website	-	550	472	78
Internet	-	1,170	1,012	158
OCLC	-	600	564	36
Total computer services	\$ -	\$ 5,570	\$ 5,203	\$ 367
Utilities:				
Power	\$ -	\$ 5,500	\$ 7,233	\$ (1,733)
Garbage	-	1,000	585	415
Total utilities	\$ -	\$ 6,500	\$ 7,818	\$ (1,318)
Other:				
Equipment	\$ -	\$ -	\$ -	\$ -
Postage	-	500	293	207
Library supplies	-	2,250	962	1,288
Building maintenance	-	750	318	432
Office supplies	-	2,250	1,721	529
Miscellaneous	-	-	-	-
Memorial expense	-	-	5,936	(5,936)
Summer reading program	-	-	-	-
Interest expense	-	-	-	-
Legal fees	-	-	-	-
Debt repayment	-	-	-	-
Total other	\$ -	\$ 5,750	\$ 9,230	\$ (3,480)
Total administration	\$ -	\$ 220,897	\$ 223,547	\$ (2,650)
Excess revenue (expenses)			\$ (32,066)	
Other financing sources (uses):				
Transfers in (out)			\$ -	
Gain (loss) on investments			8,851	
Total other financing sources (uses)			\$ 8,851	
Net change in fund balance			\$ (23,215)	
Fund balance, beginning of year			77,254	
Fund balance, end of year			\$ 54,039	

These financial statements should be read only in connection with the accompanying accountant's report and notes to financial statements.

TOULON PUBLIC LIBRARY DISTRICT
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
LIABILITY INSURANCE FUND
June 30, 2023

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Property tax	\$ -	\$ 47,000	\$ 47,173	\$ (173)
Reimbursements	-	-	-	-
COVID grant	-	-	-	-
Interest income	-	-	-	-
Total revenues	<u>\$ -</u>	<u>\$ 47,000</u>	<u>\$ 47,173</u>	<u>\$ (173)</u>
EXPENDITURES				
Insurance	\$ -	\$ 7,500	\$ 5,002	\$ 2,498
Treasurer's bond	-	8,250	9,134	(884)
Contractual fees and legal fees	-	1,000	460	540
COVID grant expense	-	-	-	-
Worker's compensation	-	1,250	521	729
Risk management and loss control	-	-	-	-
Interest expense	-	-	-	-
Unemployment insurance	-	-	-	-
Total expenditures	<u>\$ -</u>	<u>\$ 18,000</u>	<u>\$ 15,117</u>	<u>\$ 2,883</u>
Excess revenue (expenses)			\$ 32,056	
Other financing sources (uses):				
Transfer in (out)			<u>\$ -</u>	
Total other financing sources (uses)			<u>\$ -</u>	
Net change in fund balance			\$ 32,056	
Fund balance, beginning of year			<u>129,837</u>	
Fund balance, end of year			<u>\$ 161,893</u>	

These financial statements should be read only in connection with the accompanying accountant's report and notes to financial statements.

TOULON PUBLIC LIBRARY DISTRICT
 BUDGETARY COMPARISON SCHEDULE - CASH BASIS
 NONMAJOR FUNDS
 June 30, 2023

	MAINTENANCE FUND				AUDIT FUND			
	BUDGETED AMOUNTS		ACTUAL	VARIANCE	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS		ORIGINAL	FINAL	AMOUNTS	
REVENUES								
Property tax	\$ -	\$ 13,000	\$ 13,208	\$ (208)	\$ -	\$ 2,300	\$ 2,323	\$ (23)
Interest income	-	-	-	-	-	-	-	-
Total revenues	\$ -	\$ 13,000	\$ 13,208	\$ (208)	\$ -	\$ 2,300	\$ 2,323	\$ (23)
EXPENDITURES								
Administration:								
Audit fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,400	\$ 2,500	\$ (100)
Total administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,400	\$ 2,500	\$ (100)
Maintenance:								
Contractual services	\$ -	\$ 1,400	\$ 965	\$ 435	\$ -	\$ -	\$ -	\$ -
Building repairs & maintenance	-	10,100	17,403	(7,303)	-	-	-	-
Contingencies	-	-	-	-	-	-	-	-
Total maintenance	\$ -	\$ 11,500	\$ 18,368	\$ (6,868)	\$ -	\$ -	\$ -	\$ -
Total expenditures	\$ -	\$ 11,500	\$ 18,368	\$ (6,868)	\$ -	\$ 2,400	\$ 2,500	\$ (100)
Excess revenue (expenses)			\$ (5,160)				\$ (177)	
Other financing sources (uses):								
Transfer in (out)			\$ -				\$ -	
Total other financing sources (uses)			\$ -				\$ -	
Net change in fund balance			\$ (5,160)				\$ (177)	
Fund balance, beginning of year			(14,413)				2,600	
Fund balance, end of year			(19,573)				2,423	

These financial statements should be read only in connection with the accompanying accountant's report and notes to financial statements.

TOULON PUBLIC LIBRARY DISTRICT
 BUDGETARY COMPARISON SCHEDULE - CASH BASIS
 NONMAJOR FUNDS
 June 30, 2023

REVENUES	SOCIAL SECURITY FUND				IMRF FUND			
	BUDGETED AMOUNTS		ACTUAL	VARIANCE	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS		ORIGINAL	FINAL	AMOUNTS	
Property tax	\$ -	\$ 13,000	\$ 12,826	\$ 174	\$ -	\$ 10,000	\$ 10,023	\$ (23)
Interest income	-	-	-	-	-	-	-	-
Total revenues	\$ -	\$ 13,000	\$ 12,826	\$ 174	\$ -	\$ 10,000	\$ 10,023	\$ (23)
EXPENDITURES								
Administration:								
Social security taxes	\$ -	\$ 12,500	\$ 12,537	\$ (37)	\$ -	\$ -	\$ -	\$ -
IMRF contributions	-	-	-	-	-	11,750	11,380	370
Total expenditures	\$ -	\$ 12,500	\$ 12,537	\$ (37)	\$ -	\$ 11,750	\$ 11,380	\$ 370
Excess revenue (expenses)			\$ 289				\$ (1,357)	
Other financing sources (uses):								
Transfer in (out)			\$ -				\$ -	
Total other financing sources (uses)			\$ -				\$ -	
Net change in fund balance			\$ 289				\$ (1,357)	
Fund balance, beginning of year			15,350				15,679	
Fund balance, end of year			\$ 15,639				\$ 14,322	

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