

**INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
DARIEN, ILLINOIS**

ANNUAL FINANCIAL REPORT

**For the Year Ended
June 30, 2013**

**INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors
Indian Prairie Public Library District
Darien, Illinois

We have audited the accompanying financial statements of governmental activities, each major fund, and the aggregate remaining fund information of the Indian Prairie Public Library District, (the District) as of and for the year ended June 30, 2013, and the related notes to the financial statements which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Indian Prairie Public Library District, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The District adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, during the year ended June 30, 2013. Statement No. 63 added new classifications on the statements of net position and changed net assets to net position. Statement No. 65 changed the classifications of certain items on the statement of net position to the new classifications contained in GASB Statement No. 63. The adoption of these statements had no effect on any of the District's net positions or fund balances as of and for the year ended June 30, 2013.

Other Matters

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, 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.

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 and individual fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to

prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

BRIAN ZABEL & ASSOCIATES, P.C.
Certified Public Accountants

Morris, Illinois
October 14, 2013

**INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2013**

As management of the Indian Prairie Public Library District (Library), we offer readers of the Library's statements this narrative overview and analysis of the financial activities of the Library for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information found in the notes to financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the Library exceeded its liabilities at June 30, 2013 by \$7,925,978 (net position). Of this amount, \$711,445 (unrestricted net position) may be used to meet the Library's ongoing obligations to citizens and creditors.
- The Library's total net position increased by \$344,318.
- At June 30, 2013, the Library's governmental funds reported combined ending fund balances of \$1,513,444 an increase of \$50,363 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Library's basic financial statements. The Library's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

This Management's Discussion and Analysis is intended to explain the significant changes in financial position and differences in operation between the current and prior years.

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 private-sector business.

The Statement of Net Position includes all of the Library's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position are an indicator of whether its financial position is improving or deteriorating, respectively.

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 the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

The government-wide financial statements show functions of the Library that are principally supported by taxes, fees, and other revenues (governmental activities). The Library does not conduct functions intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Library include providing general library services and general governmental administrative services.

The governmental-wide financial statements can be found on pages 4 and 5 of this report.

**INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

June 30, 2013

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. All of the funds of the Library can be allocated into two categories: governmental funds and fiduciary funds.

Governmental Funds - 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 on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Library'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 major governmental funds. The General Fund (Corporate Fund) is used to account for funds received from general property taxes and other general revenue, and to account for expenditures made for general Library purposes. The Special Reserve Fund is used accumulate monies for capital projects and improvements of the Library. The Debt Service Fund is used to accumulate monies for the payment of long-term debt.

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, the Special Reserve Fund, and the Debt Service Fund, all of which are considered to be major funds.

The basic governmental fund financial statements can be found on pages 6 through 11 of this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is in accordance with accounting principles generally accepted in the United States of America.

The basic fiduciary fund financial statements can be found on pages 12 and 13 of this report.

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

The notes to financial statements can be found on pages 14 through 25 of this report.

**INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

June 30, 2013

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Library's progress in meeting its obligation to provide library services to all of its residents.

The Library adopts an annual budget and appropriation ordinance that includes the General Fund, the Special Reserve Fund, the Debt Service Fund, and the Special Revenue Funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the adopted budget and appropriation ordinance.

The budgetary comparison statement and related notes can be found on pages 26 through 32 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Library, assets exceeded liabilities by \$7,925,978 at June 30, 2013.

A significant portion of the Library's net position (81%) reflects investment in capital assets (e.g., land, buildings, and vehicles and equipment); less any related debt used to acquire those assets that is still outstanding. The Library uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Library's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Indian Prairie Public Library District's Net Position at Year End

	Governmental Activities	
	FY 2013	FY 2012
Current and Other Assets	\$ 5,207,331	\$ 4,822,692
Capital Assets	6,867,534	7,033,579
Total Assets	\$ 12,074,865	\$ 11,856,271
Current Liabilities	\$ 102,112	\$ 89,755
Noncurrent Liabilities	532,139	991,374
Total Liabilities	\$ 634,251	\$ 1,081,129
Deferred Inflows of Resources	\$ 3,514,636	\$ 3,193,482
Total Deferred Inflows of Resources	\$ 3,514,636	\$ 3,193,482
Total Liabilities and Deferred Inflows of Resources	\$ 4,148,887	\$ 4,274,611
Net Position		
Invested in Capital Assets, Net of Related Debt	\$ 6,412,534	\$ 6,118,579
Restricted	801,999	795,779
Unrestricted	711,445	667,302
Total Net Position	\$ 7,925,978	\$ 7,581,660

**INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

June 30, 2013

The majority portion of the Library's net position (91%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$711,445) may be used to meet the Library's ongoing obligations to citizens and creditors.

At June 30, 2013, the Library is able to report positive balances in all three categories of net position. The same situation held true for the prior fiscal year.

The Library's net position increased by \$344,318 during the year ended June 30, 2013.

Governmental Activities - Governmental activities increased the Library's net position by \$344,318. The key elements of this increase are as follows:

Indian Prairie Public Library District's Change in Net Position

	Governmental Activities	
	FY 2013	FY 2012
Revenues		
Program Revenues		
Charges for Services	\$ 183,706	\$ 191,212
Grants and Contributions	54,973	45,423
General Revenues		
Property Taxes	3,625,045	3,542,475
Interest	(2,012)	28,683
Miscellaneous	3,199	1,934
Total Revenues	3,864,911	3,809,727
Expenses		
General Government	3,520,593	3,526,479
Total Expenses	3,520,593	3,526,479
Increase in Net Position	344,318	283,248
Net Position-Beginning	7,581,660	7,298,412
Net Position-Ending	\$ 7,925,978	\$ 7,581,660

FINANCIAL ANALYSIS OF THE LIBRARY'S FUNDS

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

Governmental Funds- The focus of the Library's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Library's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Library's net resources available for spending at the end of the fiscal year.

At June 30, 2013 the Library's governmental funds reported combined ending unrestricted fund balances of \$711,445.

**INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2013**

The General Fund is the chief operating fund of the Library. At June 30, 2013, unrestricted fund balance of the General Fund was \$711,445. The fund balance of the General Fund increased by \$44,143 during the year ended June 30, 2013.

GENERAL FUND BUDGETARY HIGHLIGHTS

Significant differences between the final budget and the actual revenues and expenditures are summarized as follows:

- The difference between the estimated revenues and the actual revenues was \$218,850 (unfavorable).
- The difference between the estimated expenditures and the actual expenditures was \$372,524 (favorable).

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets – The Library’s investment in capital assets for its governmental activities as of June 30, 2013 amount to \$6,867,534 (net of accumulated depreciation). This investment in capital assets includes land, buildings, and furniture, fixtures, and equipment. The total decrease in the Library’s investment in capital assets for the year ended June 30, 2013 was \$166,045 and was due to the depreciation expense being greater than the asset additions.

Indian Prairie Public Library District's Capital Assets
(Net of Depreciation)

	Governmental Activities	
	6/30/2013	6/30/2012
Land	\$ 491,400	\$ 491,400
Building and Improvements	6,348,975	6,502,659
Furniture, Fixtures, and Equipment	27,159	39,520
Total	\$ 6,867,534	\$ 7,033,579

Additional information on the Library’s capital assets can be found in Note 4 on page 22 of this report.

Long-Term Debt – At June 30, 2013, the Library had \$455,000 in debt outstanding.

Additional information on the Library’s long-term debt can be found in Note 5 on page 22 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The equalized assessed valuation (EAV) for the Library for 2013 is \$1,879,904,577. That represents a decrease in EAV of \$182,210,365 over the prior year’s EAV.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Library’s finances for all those with an interest in the Library’s finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Board of Trustees, Indian Prairie Public Library District, 401 Plainfield Rd, Darien, IL 60561.

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

STATEMENT OF NET POSITION

June 30, 2013

ASSETS	
Cash and Investments	\$ 3,261,916
Property Taxes Receivable	1,945,415
Capital Assets (net of accumulated depreciation)	<u>6,867,534</u>
TOTAL ASSETS	<u><u>\$ 12,074,865</u></u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 27,551
Accrued Payroll	<u>74,561</u>
Total Current Liabilities	<u>102,112</u>
Noncurrent Liabilities	
Bond Payable - due within one year	455,000
Bond Payable - due in more than one year	-
Compensated Absences	<u>77,139</u>
Total Noncurrent Liabilities	<u>532,139</u>
Total Liabilities	<u>634,251</u>
DEFERRED INFLOWS OF RESOURCES	
Unearned Property Taxes	<u>3,514,636</u>
Total Deferred Inflows of Resources	<u>3,514,636</u>
Total Liabilities and Deferred Inflows of Resources	<u>4,148,887</u>
NET POSITION	
Invested in Capital Assets	6,412,534
Restricted for:	
Future Projects	22,072
Debt Service	301,838
Special Revenue	88,242
Working Cash	389,847
Unrestricted	<u>711,445</u>
Total Net Position	<u>7,925,978</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u><u>\$ 12,074,865</u></u>

See accompanying notes to financial statements.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

STATEMENT OF ACTIVITIES

June 30, 2013

	Program Revenues			
Expenses	Charges for Services	Operating Grants and Contributions	Total	
FUNCTIONS/PROGRAMS				
Governmental Activities				
Current				
General Government	\$ 3,520,593	\$ 183,706	\$ 54,973	\$ (3,281,914)
 TOTAL PRIMARY GOVERNMENT	 \$ 3,520,593	 \$ 183,706	 \$ 54,973	 (3,281,914)
General Revenues				
Property Taxes				3,625,045
Interest Income				(2,012)
Miscellaneous Income				3,199
Total				3,626,232
CHANGE IN NET POSITION				344,318
NET POSITION, JULY 1				7,581,660
NET POSITION, JUNE 30				\$ 7,925,978

See accompanying notes to financial statements.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2013

	Governmental Fund Types				Total Governmental Funds
	General Fund	Special Reserve Fund	Debt Service Fund	Non-Major Governmental Funds	
ASSETS					
Cash and Investments	\$ 2,360,425	\$ 22,072	\$ 301,838	\$ 577,581	\$ 3,261,916
Property Taxes Receivable	1,605,661	-	232,603	107,151	1,945,415
Deferred Compensation Plan	-	-	-	-	-
TOTAL ASSETS	<u>\$ 3,966,086</u>	<u>\$ 22,072</u>	<u>\$ 534,441</u>	<u>\$ 684,732</u>	<u>\$ 5,207,331</u>

**LIABILITIES, DEFERRED INFLOWS
OF RESOURCES, AND FUND BALANCES**

LIABILITIES					
Accounts Payable	\$ 27,551	-	-	-	\$ 27,551
Accrued Payroll	74,561	-	-	-	74,561
Compensated Absences	77,139	-	-	-	77,139
Total Liabilities	<u>179,251</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>179,251</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Property Taxes	3,075,390	-	232,603	206,643	3,514,636
Total Deferred Inflows of Resources	<u>3,075,390</u>	<u>-</u>	<u>232,603</u>	<u>206,643</u>	<u>3,514,636</u>
Total Liabilities and Deferred Inflows of Resources	<u>3,254,641</u>	<u>-</u>	<u>232,603</u>	<u>206,643</u>	<u>3,693,887</u>

See accompanying notes to financial statements.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2013

	Governmental Fund Types					Total Governmental Funds
	General Fund	Special Reserve Fund	Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (continued)						
FUND BALANCES						
Restricted						
Future Projects	-	22,072	-	-	-	22,072
Debt Service	-	-	301,838	-	-	301,838
Special Revenue	-	-	-	88,242	-	88,242
Working Cash	-	-	-	389,847	-	389,847
Unrestricted						
Unassigned	711,445	-	-	-	-	711,445
Total Fund Balances	711,445	22,072	301,838	478,089	-	1,513,444
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 3,966,086	\$ 22,072	\$ 534,441	\$ 684,732	\$ -	\$ 5,207,331

See accompanying notes to financial statements.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

June 30, 2013

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 1,513,444
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	6,867,534
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the governmental funds	(455,000)
Bond Payable	<u>-</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 7,925,978</u>

See accompanying notes to financial statements.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2013

	Governmental Fund Type					Total Governmental Funds
	General	Special Reserve Fund	Debt Service Fund	Non-major Governmental Funds	Governmental Funds	
REVENUES						
Property taxes	\$ 2,915,410	-	\$ 479,159	\$ 230,476	\$ 3,625,045	
Grants	50,872	-	-	-	50,872	
IL Historical Records Preservation Service Fees	183,706	-	-	-	183,706	
Gifts and Donations	4,101	-	-	-	4,101	
Interest	41,821	16	213	14,383	56,433	
Realized/Unrealized Gain/(Loss)	(43,790)	-	-	(14,655)	(58,445)	
Collection Agency Fee	391	-	-	-	391	
Miscellaneous	2,808	-	-	-	2,808	
Total Revenues	3,155,319	16	479,372	230,204	3,864,911	
EXPENDITURES						
Current						
Personnel	2,222,350	-	-	-	2,222,350	
Materials	472,108	-	-	-	472,108	
Building	168,068	-	-	-	168,068	
Automation	121,412	-	-	-	121,412	
Operations	33,216	-	-	-	33,216	
Contractual Services	26,330	-	-	-	26,330	
Insurance	-	-	-	14,810	14,810	
Public Information	52,787	-	-	-	52,787	
Maintenance, repair and service	-	-	-	90,162	90,162	

See accompanying notes to financial statements.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2013

	Governmental Fund Type				Total Governmental Funds
	General	Special Reserve Fund	Debt Service Fund	Non-major Governmental Funds	
EXPENDITURES (continued)					
Current (continued)					
IMRF	-	-	-	61,754	61,754
Social security	-	-	-	55,540	55,540
Capital Outlay	4,610	-	-	-	4,610
Debt Service:					
Principal	-	-	460,000	-	460,000
Interest	-	-	19,520	-	19,520
Bond Fees	-	-	301	-	301
Contingencies	10,295	-	-	1,285	11,580
Total Expenditures	3,111,176	-	479,821	223,551	3,814,548
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	44,143	16	(449)	6,653	50,363
OTHER FINANCING SOURCES (USES)					
Transfers in (out)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
NET CHANGE IN FUND BALANCES	44,143	16	(449)	6,653	50,363
FUND BALANCES, JULY 1	667,302	22,056	302,287	471,436	1,463,081
FUND BALANCES, JUNE 30	\$ 711,445	\$ 22,072	\$ 301,838	\$ 478,089	\$ 1,513,444

See accompanying notes to financial statements.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

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

For the Year Ended June 30, 2013

NET CHANGE IN FUND BALANCES		
TOTAL GOVERNMENTAL FUNDS	\$	50,363
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures, however, they are capitalized and depreciated in the Statement of Activities		5,759
The repayment of the principal portion of long-term debt is reported as an expenditure when due in governmental funds but as a reduction or principal outstanding in the statement of activities		460,000
Some expenses in the Statement of Activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>(171,804)</u>
CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>344,318</u>

See accompanying notes to financial statements.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2013

	Deferred Compensation Plan
ASSETS	
Cash and Cash Equivalents	\$ -
Deferred Compensation Plan	<u>1,086,699</u>
 TOTAL ASSETS	 <u><u>\$ 1,086,699</u></u>
 LIABILITIES	
Accounts Payable	<u>\$ -</u>
 Total Liabilities	 <u>-</u>
 NET POSITION HELD IN TRUST FOR DEFERRED COMPENSATION	 <u><u>\$ 1,086,699</u></u>

See accompanying notes to financial statements.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2013

	<u>Deferred Compensation Plan</u>
ADDITIONS	
Contributions	
Member contributions	\$ 45,472
Investment Income	
Net Appreciation (Depreciation) in Fair Value of Investments	135,511
Less: Investment Expenses	<u>(4,687)</u>
Net Investment Income	<u>130,824</u>
TOTAL ADDITIONS	<u>176,296</u>
DEDUCTIONS	
Withdrawals	88,091
Miscellaneous	<u>-</u>
TOTAL DEDUCTIONS	<u>88,091</u>
NET INCREASE	88,205
NET POSITION - JULY 1, 2012	<u>998,494</u>
NET POSITION - JUNE 30, 2013	<u><u>\$ 1,086,699</u></u>

See accompanying notes to financial statements.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Indian Prairie 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 Library was organized under the laws of the State of Illinois. The Library is governed by a Board of Trustees (the Board) and the rules and regulations for library districts.

The accounting policies of the Library conform to GAAP as applicable to governmental units. The following is a summary of the more significant policies.

a. Reporting Entity

As defined by generally accepted accounting principles established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board and either (a) the ability to impose will be by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government.

b. Fund Accounting

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

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of capital assets (capital projects funds). The general fund is used to account for all activities of the District not accounted for in some other fund. The District has no fiduciary funds.

c. Government-Wide and Fund Financial Statements

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

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

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

The Library reports the following major governmental funds:

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

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Special Reserve Fund is used to accumulate monies for capital projects and improvements of the Library.

The Debt Service Fund is used to accumulate monies for payment on long-term debt.

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. Under the modified accrual 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. 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.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The District reports unearned/unavailable revenue on its financial statements. Unearned/unavailable revenues arise when potential revenue does not meet the measureable, 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 the government has a legal claim to the resources, the liability for unearned/unavailable revenue is removed from the financial statements and revenue is recognized.

e. Restricted Cash

The Library has transferred funds to the Special Reserve. Additionally the Library has funds in the Debt Service Fund. These amounts are restricted.

f. Prepaid Item/Expenses

Payments made to vendors for services that will benefit periods beyond the draft of this report are recorded as prepaid items/expenses.

g. 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 \$5,000 and an estimated useful life in excess of one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Capital Assets (Continued)

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20-50
Furniture, fixtures and equipment	5-10

h. Compensated Absences

Vested or accumulated vacation, compensatory, and holiday time are reported as expenditures and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation, compensatory, or holiday time of proprietary funds and governmental activities are recorded as an expense and liability as the benefits accrue to employees.

In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as "terminal leave" prior to retirement.

i. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. 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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District only has no items that qualify for reporting in this category. 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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of time, which arises under a modified accrual basis of accounting that qualifies for reporting in this category. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

k. Fund Balances/Net Position

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

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

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Fund Balances/Net Position (Continued)

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. None of the District's restricted net positions are restricted as a result of enabling legislation adopted by the District. Invested in capital assets, net of related debt is the book value of the capital assets less the outstanding principal balance of long-term debt issued to construct or acquire the capital assets.

l. Interfund Transactions

Interfund transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made that are properly applicable to another fund are recorded as expenditures/expenses in the fund that is reimbursed.

All other interfund transaction, except interfund services and reimbursements, are reported as transfers.

m. Accounting Estimates

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

2. DEPOSITS AND INVESTMENTS

Permitted Deposits and Investments – Statutes and the Library's investment policy authorize the Library to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

2. DEPOSITS AND INVESTMENTS (Continued)

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, which is the price for which the investment could be sold.

a. Deposits

To guard against credit risk for deposits with financial institutions, the Library's investment policy requires that deposits with financial institutions in excess of FDIC be collateralized with collateral in an amount of the uninsured deposits with the collateral held by a third party acting as the agent of the Library.

b. Investments

At June 30, 2013, the Library had invested \$1,544,868, which is the fair value, in Illinois Funds. These investments are liquid with no maturity date.

GASB 40 – Operating Funds

In accordance with its investment policy, the Library limits its exposure to interest rate risk to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The portfolio that is invested with Illinois Funds, which is completely liquid, is not subject to interest rate risk.

Illinois Funds is "AAA" rated and credit risk is very marginal.

3. RECEIVABLES – TAXES

Property taxes for 2012 attach as an enforceable lien on January 1, 2012, on property values assessed as of the same date. Taxes are levied by December 31 of the subsequent fiscal year (by passage of a Tax Ordinance). Tax bills are prepared by the County and issued on or about June 1, 2013 and September 1, 2013. The County collects such taxes and remits them periodically. Based upon actual collection experience, uncollectible property taxes are immaterial, therefore, an allowance provision has not been recorded. Except for the Debt Service Fund (see note 10), the District has deferred recognition of the 2012 tax levy as it is intended to fund operations of the 2013-2014 fiscal year.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 491,400	\$ -	\$ -	\$ 491,400
Capital assets being depreciated				
Building and improvements	7,684,213	-	-	7,684,213
Furniture, fixtures, and equipment	258,581	5,759	-	264,340
Total capital assets being depreciated	7,942,794	5,759	-	7,948,553
Less accumulated depreciation for				
Building improvements	1,181,554	153,684	-	1,335,238
Furniture, fixtures, and equipment	219,061	18,120	-	237,181
Total accumulated depreciation	1,400,615	171,804	-	1,572,419
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 7,033,579	\$ (166,045)	\$ -	\$ 6,867,534

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

GOVERNMENTAL ACTIVITIES	
General Government	\$ 171,804

5. LONG-TERM DEBT

The following is a summary of changes in long-term liabilities during the year ended June 30, 2013:

	Balances July 1	Additions	Reductions	Balances June 30	Current Portion
GOVERNMENTAL ACTIVITIES					
Bonds payable	\$ 915,000	\$ -	\$ 460,000	\$ 455,000	\$ 455,000
Compensated absences	76,374	765	-	77,139	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 991,374	\$ 765	\$ 460,000	\$ 532,139	\$ 455,000

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

5. LONG-TERM DEBT (Continued)

On December 16, 1993, the District issued \$4,950,000 in library bonds to provide financing for the construction of new library facilities. A portion of the above issue has been refunded by the issuance of \$3,840,000 General Obligation Refunding Bonds, Series 2003 dated July 1, 2003 resulting in a savings to the District of \$478,353. These bonds mature annually in varying amounts beginning December 30, 2004 through December 30, 2014. Interest at varying rates is due in June and December of each year through December 30, 2014. As of June 30, 2013, the District owes \$0 from the original issuance and \$455,000 from the refunding issuance, for a total of \$455,000 of outstanding bonds payable.

Principal and interest maturities of the outstanding bonds at June 30, 2013 are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2014	<u>455,000</u>	<u>6,598</u>
Totals	<u>\$ 455,000</u>	<u>\$ 6,598</u>

6. RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. 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 fiscal years.

7. INDIVIDUAL FUND DISCLOSURES

Transfers between funds during the year were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ -
Working Cash Fund	-	-
TOTAL ALL FUNDS	<u>\$ -</u>	<u>\$ -</u>

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

8. CONTINGENT LIABILITIES

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

9. DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all government employees, permits them to defer a portion of their salary until future year. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in Trust for the exclusive benefit of participants and their beneficiaries.

10. EMPLOYEE RETIREMENT SYSTEMS

Illinois Municipal Retirement Fund

The Library'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 Library's plan is affiliated with the 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. The report may be obtained on-line at www.imrf.org.

As set by statute, Library employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Library's annual required contribution rate for calendar year 2012 was 13.92 percent. The Library also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the 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.

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

For December 31, 2012, the Library's annual pension cost of \$176,254 was equal to the Library's required and actual contributions. The required contribution was determined as part of the December 31, 2010 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% 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 the 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 Library's plan's unfunded actuarial accrued liability at December 31, 2010 is being amortized as a level percentage of projected payroll on an open 30 year basis.

As of December 31, 2012, the most recent actuarial valuation date, the plan was 60.80% funded. The actuarial accrued liability for benefits was \$3,311,880 and the actuarial value of assets was \$2,013,683, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,298,197. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$1,266,196 and the ratio of UAAL to the covered payroll was 103 percent.

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2012	\$ 176,254	100%	\$ -
2011	169,210	100%	-
2010	163,433	100%	-

The schedule of funding progress, presented as RSI following the notes to 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.

11. DEBT SERVICE REVENUE RECOGNITION

The District has elected to recognize property taxes received during the fiscal year for the Debt Service Fund as revenue earned. This is a departure from the method property taxes are recorded in other funds. (See Note 1)

REQUIRED SUPPLEMENTARY INFORMATION

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Property taxes	\$ 3,145,229	\$ 3,145,229	\$ 2,915,410
Per Capita Grant	42,000	42,000	43,705
Other Grants	-	-	7,167
IL Historical Records Preservation	-	-	-
Service Fees:			
Copier	5,000	5,000	4,598
Computer Copies	10,000	10,000	10,990
Fines/Fees	58,000	58,000	57,165
Lost Materials	12,000	12,000	11,051
Non-Resident Fees	85,000	85,000	87,428
Video Rental	9,000	9,000	10,005
Book Rental	2,500	2,500	2,169
Meeting Room Rental	-	-	300
Gifts/Donations	2,000	2,000	4,101
Collection Agency Fee	-	-	391
Interest	3,000	3,000	41,821
Realized/Unrealized Gain/(Loss) on Investment	-	-	(43,790)
Miscellaneous	1,000	1,000	2,808
	<u>3,374,729</u>	<u>3,374,729</u>	<u>3,155,319</u>
Total Revenues			
EXPENDITURES			
Current			
Personnel:			
Salaries	1,970,000	1,970,000	1,880,536
Medical/Life Insurance	125,000	125,000	98,706
Staff Development	23,000	23,000	20,096
Recruitment	-	-	-
Benefits - IMRF	125,000	125,000	116,415
Benefits - FICA	90,000	90,000	86,751
Workers Compensation	12,000	12,000	10,564
Unemployment Insurance	5,000	5,000	5,408
Employee Assistance Program	3,000	3,000	2,500
Board Development	1,500	1,500	1,374
	<u>2,354,500</u>	<u>2,354,500</u>	<u>2,222,350</u>
Total Personnel			

(See independent auditor's report.)

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
EXPENDITURES (cont)			
Current (cont)			
Materials:			
Books	255,000	255,000	237,228
Periodicals	42,000	42,000	30,701
Audio	52,000	52,000	52,545
Video	60,000	60,000	55,057
Story Boxes	-	-	-
Electronic Reference Resources	70,000	70,000	70,166
Circulating CD Rom	5,000	5,000	-
Government Documents	-	-	-
Life Skills/Ell	3,700	3,700	1,893
Processing Supplies	25,000	25,000	24,518
Total Materials	<u>512,700</u>	<u>512,700</u>	<u>472,108</u>
Building:			
Cleaning Service	65,000	65,000	67,395
Maintenance Supplies	20,000	20,000	16,157
Building Maintenance/Repairs	60,000	60,000	36,711
Utilities	16,000	16,000	11,366
Security System Monitoring	1,800	1,800	1,568
Property Maintenance	35,000	35,000	34,871
Total Building	<u>197,800</u>	<u>197,800</u>	<u>168,068</u>
Automation:			
Supplies	12,000	12,000	9,511
Automation-Prof Services	12,000	12,000	6,000
Purchase of Equipment	20,000	20,000	19,396
Automation Equipment Maintenance	4,000	4,000	1,265
Software	23,000	23,000	17,841
SWAN Maintenance	-	-	-
SWAN Database Maintenance	64,000	64,000	62,095
New Technologies	-	-	-
Telecommunications	12,000	12,000	5,304
Total Automation	<u>147,000</u>	<u>147,000</u>	<u>121,412</u>

(See independent auditor's report.)

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
EXPENDITURES (cont)			
Current (cont)			
Operations:			
Office Supplies	16,000	16,000	12,753
Photocopy Supplies	6,000	6,000	3,960
Patron Cards	2,000	2,000	613
Postage	15,000	15,000	6,371
Non-Payment Reimbursements	6,000	6,000	1,024
Travel	1,000	1,000	503
Bank and Investment Fees	3,000	3,000	6,317
Organizational Membership	2,000	2,000	1,675
Total Operations	<u>51,000</u>	<u>51,000</u>	<u>33,216</u>
Contractual Services:			
Professional Services	20,000	20,000	15,713
Legal Services	7,000	7,000	1,944
Credit Bureau	1,500	1,500	926
Audit	3,500	3,500	2,850
Equipment Maint./Repair	1,200	1,200	1,003
Equipment Maint. Contracts	7,500	7,500	1,829
Photocopy Maint. Contracts	2,500	2,500	2,065
Total Contractual Services	<u>43,200</u>	<u>43,200</u>	<u>26,330</u>
Insurance:			
Multi-peril Physical Assets	2,000	2,000	-
Bonding & Liability	3,000	3,000	-
Total Insurance	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Public Information			
Legal Notices	2,000	2,000	989
Marketing	29,000	29,000	23,354
Information Supplies	4,000	4,000	3,809
Special Events	30,000	30,000	19,872
Information Printing	7,500	7,500	4,763
Total Public Information	<u>72,500</u>	<u>72,500</u>	<u>52,787</u>

(See independent auditor's report.)

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
EXPENDITURES (cont)			
Current (cont)			
Capital Outlay	-	-	4,610
Contingencies	100,000	100,000	10,295
Total Expenditures	<u>3,483,700</u>	<u>3,483,700</u>	<u>3,111,176</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(108,971)	(108,971)	44,143
OTHER FINANCING SOURCES (USES)			
Transfers In (Out)	-	-	-
NET CHANGE IN FUND BALANCE	<u>(108,971)</u>	<u>(108,971)</u>	44,143
FUND BALANCE, JULY 1			<u>667,302</u>
FUND BALANCE, JUNE 30			<u>\$ 711,445</u>

(See independent auditor's report.)

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

**SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND**

June 30, 2013

Actuarial Valuation Date: <u>December 31</u>	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) As a Percentage of Covered Payroll (4) / (5)
2010	\$ 1,799,112	\$ 3,108,068	57.89%	\$ 1,308,956	\$ 1,255,247	104.28%
2011	1,945,054	3,204,079	60.71%	1,259,025	1,261,818	99.78%
2012	2,013,683	3,311,880	60.80%	1,298,197	1,266,196	102.53%

(See independent auditor's report.)

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

June 30, 2013

<u>Year Ended December 31</u>	<u>Employer Contribution</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2010	\$ 163,433	\$ 163,433	100%
2011	169,210	169,210	100%
2012	176,254	176,254	100%

(See independent auditor's report.)

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2013

LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted (at the fund level) for the General, Special Reserve, Debt Service and Special Revenue Funds. All annual appropriations lapse at fiscal year end.

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

1. The District prepares and submits to the Board a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures/expenses and the means of financing them. Annual budgets are adopted for the General Fund on a basis consistent with GAAP. The legal level of budgetary control is at the fund level.
2. The proposed operating budget is adopted by the Board at a public meeting.
3. Any amendments to the budget must be adopted by the Board at a public meeting.
4. Budgeted amounts presented in the financial statements are those as originally adopted by the Board. There were no amendments to the budget for the year ended June 30, 2013.

NON-MAJOR GOVERNMENTAL FUNDS

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS

June 30, 2013

	Special Revenue					Totals
	IMRF	Social Security	Liability Insurance	Building Maintenance	Working Cash	
ASSETS						
Cash and investments	\$ 34,667	\$ 30,584	\$ 18,049	\$ 104,434	\$ 389,847	\$ 577,581
Property tax receivable	30,218	27,444	3,650	45,839	-	107,151
TOTAL ASSETS	\$ 64,885	\$ 58,028	\$ 21,699	\$ 150,273	\$ 389,847	\$ 684,732
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES						
Unavailable Property Taxes	58,284	52,985	7,065	88,309	-	206,643
Total Deferred Inflows of Resources	58,284	52,985	7,065	88,309	-	206,643
Total Liabilities and Deferred Inflows of Resources	58,284	52,985	7,065	88,309	-	206,643
FUND BALANCES						
Restricted						
Special Revenue	6,601	5,043	14,634	61,964	-	88,242
Working Cash	-	-	-	-	389,847	389,847
Unrestricted	-	-	-	-	-	-
Total Fund Equities	6,601	5,043	14,634	61,964	389,847	478,089
TOTAL LIABILITIES AND FUND BALANCES	\$ 64,885	\$ 58,028	\$ 21,699	\$ 150,273	\$ 389,847	\$ 684,732

(See independent auditor's report.)

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2013

	Special Revenues					Totals
	IMRF	Social Security	Liability Insurance	Building Maintenance	Working Cash	
REVENUES						
Property Taxes	\$ 63,908	\$ 57,452	\$ 17,017	\$ 92,099	\$ -	\$ 230,476
Interest	-	-	-	-	14,383	14,383
Gain/(Loss) on Investments	-	-	-	-	(14,655)	(14,655)
Total Revenues	63,908	57,452	17,017	92,099	(272)	230,204
EXPENDITURES						
General Government						
Insurance premiums	-	-	14,810	-	-	14,810
Building maintenance	-	-	-	90,162	-	90,162
IMRF	61,754	-	-	-	-	61,754
FICA	-	55,540	-	-	-	55,540
Investment Expense	-	-	-	-	1,285	1,285
Total Expenditures	61,754	55,540	14,810	90,162	1,285	223,551
NET CHANGES IN FUND BALANCES	2,154	1,912	2,207	1,937	(1,557)	6,653
Other financing sources (uses):						
Transfers from (to) general fund	-	-	-	-	-	-
FUND BALANCES, JULY 1	4,447	3,131	12,427	60,027	391,404	471,436
FUND BALANCES, JUNE 30	\$ 6,601	\$ 5,043	\$ 14,634	\$ 61,964	\$ 389,847	\$ 478,089

(See independent auditor's report.)

SUPPLEMENTARY INFORMATION

INDIAN PRAIRIE PUBLIC LIBRARY DISTRICT

PROPERTY TAX ASSESSED VALUATIONS, RATES, EXTENSIONS, AND COLLECTIONS

June 30, 2013

Tax Levy Year	2012			2011			
	DuPage County Amount	Cook County Rate	Cook County Amount	DuPage County Rate	DuPage County Amount	Cook County Rate	Cook County Amount
Assessed Valuation	1,766,171,328		113,733,249		1,941,235,088		120,879,854
Tax Extensions							
Corporate	0.1630 \$ 2,878,859	0.1721	\$ 196,531	0.1415	\$ 2,746,848	0.1532	\$ 185,292
I.M.R.F.	0.0033 58,284	0.0000	-	0.0030	58,237	0.0000	-
Social Security	0.0030 52,985	0.0000	-	0.0027	52,413	0.0000	-
Audit	0.0000 -	0.0000	-	0.0000	-	0.0000	-
Liability Insurance	0.0004 7,065	0.0000	-	0.0008	15,530	0.0000	-
Building Maintenance	0.0050 88,309	0.0000	-	0.0044	85,414	0.0000	-
Debt Service	0.0248 447,734	0.0262	29,798	0.0236	465,688	0.0247	29,874
	<u>0.1995</u> 3,533,236	<u>0.1983</u>	226,329	<u>0.1760</u>	3,424,130	<u>0.1779</u>	215,166
Total DuPage Co Extension	\$ 3,533,236				\$ 3,424,130		
Total Cook Co Extension			226,329		215,166		
Total Extensions	\$ 3,759,565				\$ 3,639,296		
Tax Collections:							
year ended June 30, 2013	\$ 1,598,656				\$ 2,026,389		
Previous years	-				1,693,472		
Total Collected	<u>\$ 1,598,656</u>				<u>\$ 3,719,861</u>		
Percent Collected	<u>42.52%</u>				<u>102.21%</u>		

Property tax rates are per \$100 of assessed valuation. Assessed valuation, rates and extended amounts of property taxes levied have been presented for each of the counties for which the District files a property tax levy.

(See independent auditor's report.)