

**BROOKFIELD PUBLIC LIBRARY  
BROOKFIELD, ILLINOIS**

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**ANNUAL FINANCIAL REPORT**



**FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2014**



**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

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## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules



## **INDEPENDENT AUDITORS' REPORT**

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





## **INDEPENDENT AUDITORS' REPORT**

March 30, 2015

Members of the Board of Trustees  
Brookfield Public Library  
Village of Brookfield, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Brookfield Public Library, a component unit of the Village of Brookfield, Illinois, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Library's 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. 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 audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of 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 Library'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 Library'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 Brookfield Public Library, a component unit of the Village of Brookfield, Illinois, as of December 31, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Brookfield Public Library, Illinois' financial statements as a whole. The combining and individual fund financial statements and budgetary comparison schedules 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 budgetary comparison 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. Such 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**



**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2014**

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Our discussion and analysis of the Brookfield Public Library's financial performance provides an overview of the Library's financial activities for the fiscal year ended December 31, 2014. Please read it in conjunction with the Library's financial statements, which begin on page 3.

**FINANCIAL HIGHLIGHTS**

- The Library's net position increased from \$5,411,282 to \$6,079,886, an increase of \$668,604 or 12.4 percent.
- During the year, government-wide revenues totaled \$2,153,881, while government-wide expenses totaled \$1,485,277, resulting in an increase to net position of \$668,604.
- Total fund balances for the governmental funds were \$4,156,982 at December 31, 2014 compared to \$3,421,120 in the prior year, an increase of \$735,862 or 21.5 percent.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 3 - 4) provide information about the activities of the Library as a whole and present a longer-term view of the Library's finances.

Fund financial statements begin on page 5. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Library's operation in more detail than the government-wide statements by providing information about the Library's most significant funds.

**Government-Wide Financial Statements**

The government-wide financial statements provide readers with a broad overview of the Library's finances, in a matter similar to a private-sector business. The government-wide financial statements can be found on pages 3 - 4 of this report.

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

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2014**

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**USING THIS ANNUAL REPORT – Continued**

**Government-Wide Financial Statements – Continued**

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements report functions of the Library that are principally supported by taxes and charges for services revenues (governmental activities). The governmental activities of the Library include the cultural function.

**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 local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Library only maintains governmental 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, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Library's near-term financing requirements.

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

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2014**

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**USING THIS ANNUAL REPORT – Continued**

**Fund Financial Statements – Continued**

**Governmental Funds – Continued**

The Library maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Building and Sites Fund, and Capital Projects Fund, all of which are considered major funds. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 5 - 10 of this report.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11 - 21 of this report.

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2014**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Library, assets exceeded liabilities/deferred inflows by \$6,079,886.

	Net Position	
	2014	2013
Current Assets	\$ 6,295,299	5,515,978
Capital Assets	1,981,363	2,053,789
Total Assets	<u>8,276,662</u>	<u>7,569,767</u>
Long-Term Debt Outstanding	46,767	41,344
Other Liabilities/Deferred Inflows	2,150,009	2,105,194
Total Liabilities/Deferred Inflows	<u>2,196,776</u>	<u>2,146,538</u>
Net Position		
Investment in Capital Assets	1,981,363	2,053,789
Restricted	133,667	102,073
Unrestricted	<u>3,964,856</u>	<u>3,267,367</u>
Total Net Position	<u>6,079,886</u>	<u>5,423,229</u>

A large portion of the Library's net position (32.6 percent) reflects its investment in capital assets (for example, land, buildings, equipment and furniture), 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.

An additional portion or 2.2 percent of the Library's net position represents resources that are subject to external restrictions on how they may be used, including \$81,489 restricted for IMRF and \$52,178 restricted for social security. The remaining \$3,964,856 represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2014**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

	Change in Net Position	
	2014	2013
Revenues		
Program Revenues		
Charges for Services	\$ 22,304	24,776
Operating Grants/Contributions	26,229	24,403
General Revenues		
Property and Replacement Taxes	2,097,619	2,078,472
Interest	7,729	3,933
Miscellaneous	-	268,152
Total Revenues	2,153,881	2,399,736
Expenses		
General Government	1,485,277	1,753,408
Change in Net Position	668,604	646,328
Net Position-Beginning as Restated	5,411,282	4,776,901
Net Position-Ending	6,079,886	5,423,229

Net position of the Library's governmental activities increased from \$5,411,282 to \$6,079,886.

Revenues of \$2,153,881 exceeded expenses of \$1,485,277, resulting in the increase to net position in the current year of \$668,604.

**Governmental Activities**

In the current year, governmental net position increased \$668,604, an increase of 20.6 percent. Property and Replacement taxes increased \$19,147 over the prior year (\$2,078,472 in 2013 compared to \$2,097,619 in 2014) and miscellaneous income decreased \$268,152 from the prior year (\$268,152 in 2013 compared to \$0 in 2014) due to the Library the sale of land held for resale in 2013.

**BROOKFIELD PUBLIC LIBRARY  
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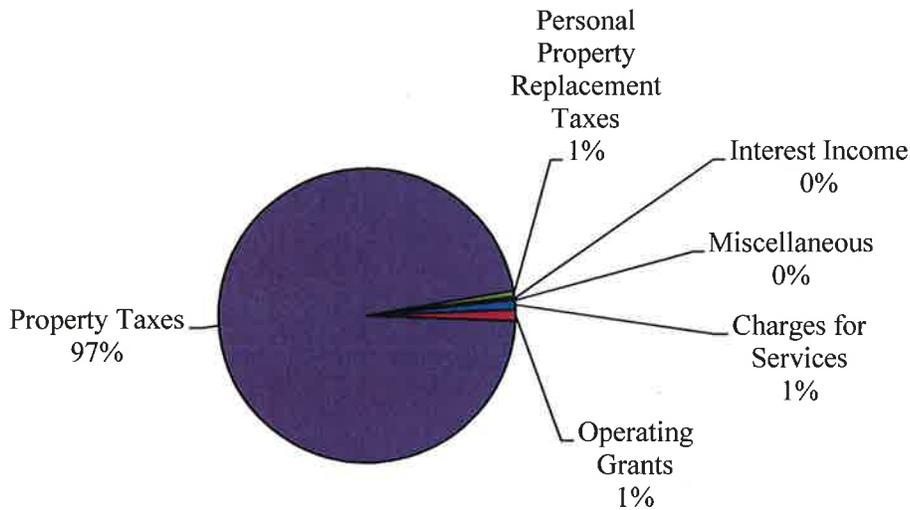
**Management’s Discussion and Analysis  
December 31, 2014**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

**Governmental Activities – Continued**

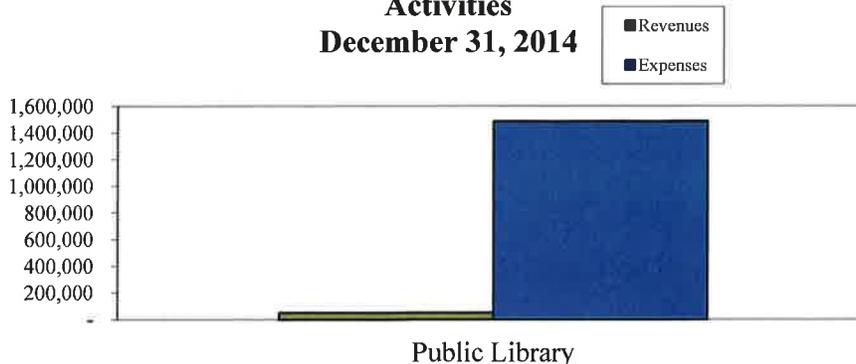
The following table graphically depicts the major revenue sources of the Library. It depicts very clearly the reliance of property taxes to fund governmental activities.

**Revenues by Source - Governmental Activities  
December 31, 2014**



The ‘Expenses and Program Revenues’ Table identifies those governmental functions where program expenses greatly exceed revenues. The public library functions charge user fees for services provided. The user fees charged do not cover the expenses, which furthermore signifies the Library’s reliance on general revenues such as property taxes and personal property replacement taxes to fund operations.

**Expenses and Program Revenues - Governmental Activities  
December 31, 2014**



**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2014**

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

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

**Governmental funds**

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

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$4,156,982 which is 21.5 percent higher than last year's ending fund balance of \$3,421,120.

In the current year, governmental fund balances increased by \$735,862. The General Fund reported an increase of \$131,322, due primarily to expenditures being less than anticipated in personnel, materials, and services and supplies. The Building and Sites Fund had an increase of \$16,059, due primarily to capital outlay being lower than budgeted. The Capital Projects Fund reported an increase of \$556,887, due primarily to transfers from the General Fund of \$550,000.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

During the year, no supplemental amendments were made to the budget for the General Fund.

The General Fund actual revenues were higher than budgeted revenues. Actual revenues for the current year were \$1,941,599, compared to budgeted revenues of \$1,631,000. This resulted primarily from property tax receipts being \$304,948 higher than the budgeted amount of \$1,573,000.

The General Fund actual expenditures were lower than budgeted expenditures. Actual expenditures totaled \$1,260,277, while budgeted expenditures totaled \$1,794,552. This was due primarily to substantial savings realized versus the budgeted expenditures in the areas of personnel services and contractual services, collection expenditures and office expenditures, along with smaller savings on other budget line items.

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2014**

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**CAPITAL ASSETS**

The Library's investment in capital assets for its governmental activities as of December 31, 2014 was \$1,981,363 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, equipment and furniture, and library collections.

	Capital Assets - Net of Depreciation	
	2014	2013
Land	\$ 596,448	596,448
Construction in Progress	461,175	461,175
Buildings	602,961	676,985
Equipment and Furniture	5,379	6,932
Library Collection	315,400	300,302
Total	1,981,363	2,041,842

This year's additions to capital assets included additions to library collection of \$131,981.

Additional information on the Library's capital assets can be found in note 3 on page 18 of this report.

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

The Library Board of Trustees continues on the path toward a new Library facility and a prospective building referendum. In 2015, the Board expects to secure final architectural design approval from the Village of Brookfield and is tentatively planning a spring 2016 building referendum. As was the case in 2014, the Library will continue to incur additional architectural fees as it works with architects on building plans.

In the effort to control operating costs and to set aside unexpended funds to save for the new facility, Trustees are expected to once again carefully scrutinize the proposed 2016 budget.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Library's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Library Director, Brookfield Public Library, 3609 Grand Boulevard, Brookfield, Illinois 60513.

## **BASIC FINANCIAL STATEMENTS**

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

- Government-Wide Financial Statements
- Fund Financial Statements

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



**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Statement of Net Position  
December 31, 2014**

<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 4,153,384
Receivables - Net of Allowances	2,098,929
Prepays	42,986
Total Current Assets	<u>6,295,299</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	1,057,623
Depreciable	2,402,779
Accumulated Depreciation	<u>(1,479,039)</u>
Total Noncurrent Assets	<u>1,981,363</u>
Total Assets	<u>8,276,662</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	27,839
Accrued Payroll	33,562
Compensated Absences Payable	<u>11,692</u>
Total Current Liabilities	73,093
Noncurrent Liabilities	
Compensated Absences Payable	<u>46,767</u>
Total Liabilities	<u>119,860</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	<u>2,076,916</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,196,776</u>
<b>NET POSITION</b>	
Investment in Capital Assets	1,981,363
Restricted - IMRF	81,489
Restricted - Social Security	52,178
Unrestricted	<u>3,964,856</u>
Total Net Position	<u>6,079,886</u>

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

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Statement of Activities  
Fiscal Year Ended December 31, 2014**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants/ Contributions	
Governmental Activities				
Cultural	\$ 1,485,277	22,304	26,229	(1,436,744)
			General Revenues	
			Property and Replacement Taxes	2,097,619
			Interest	7,729
				<u>2,105,348</u>
			Change in Net Position	668,604
			Net Position - Beginning as Restated	<u>5,411,282</u>
			Net Position - Ending	<u><u>6,079,886</u></u>

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

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Balance Sheet  
December 31, 2014**

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**See Following Page**

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Balance Sheet  
December 31, 2014**

General

**ASSETS**

Cash and Investments	\$ 260,585
Receivables - Net of Allowances	
Property Taxes	1,885,086
Replacement Taxes	7,585
Due from Other Funds	40,340
Prepays	<u>42,986</u>
 Total Assets	 <u><u>2,236,582</u></u>

**LIABILITIES**

Accounts Payable	25,343
Accrued Payroll	33,562
Due to Other Funds	<u>-</u>
Total Liabilities	58,905

**DEFERRED INFLOWS OF RESOURCES**

Property Taxes	<u>1,872,081</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,930,986</u>

**FUND BALANCES**

Nonspendable	42,986
Restricted	-
Committed	-
Unassigned	<u>262,610</u>
Total Fund Balances	<u>305,596</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u><u>2,236,582</u></u>

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

Special Revenue			
Building and Sites	Capital Projects	Nonmajor	Totals
-	3,757,596	135,203	4,153,384
67,096	-	139,162	2,091,344
-	-	-	7,585
-	-	-	40,340
-	-	-	42,986
67,096	3,757,596	274,365	6,335,639
-	-	2,496	27,839
-	-	-	33,562
40,340	-	-	40,340
40,340	-	2,496	101,741
66,633	-	138,202	2,076,916
106,973	-	140,698	2,178,657
-	-	-	42,986
-	-	133,667	133,667
-	3,757,596	-	3,757,596
(39,877)	-	-	222,733
(39,877)	3,757,596	133,667	4,156,982
67,096	3,757,596	274,365	6,335,639

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

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Reconciliation of Total Fund Balances to the Statement of Net Position  
December 31, 2014**

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<b>Total Fund Balances</b>	<b>\$ 4,156,982</b>
Amounts reported in the Statement of Net Position are different because:	
Capital assets are not financial resources and therefore, are not reported in the funds.	1,981,363
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Compensated Absences Payable	<u>(58,459)</u>
<b>Net Position</b>	<u><u>6,079,886</u></u>

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

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Fiscal Year Ended December 31, 2014**

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**See Following Page**

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Fiscal Year Ended December 31, 2014**

	<u>General</u>
Revenues	
Taxes	\$ 1,892,224
Intergovernmental	26,229
Charges for Services	22,292
Interest	842
Miscellaneous	12
Total Revenues	<u>1,941,599</u>
Expenditures	
Cultural	1,225,511
Capital Outlay	34,766
Total Expenditures	<u>1,260,277</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>681,322</u>
Other Financing Sources (Uses)	
Transfers In	-
Transfers Out	(550,000)
	<u>(550,000)</u>
Changes in Fund Balance	131,322
Fund Balance - Beginning as Restated	<u>174,274</u>
Fund Balance - Ending	<u><u>305,596</u></u>

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

Special Revenue			
Building and Sites	Capital Projects	Nonmajor	Totals
66,781	-	138,614	2,097,619
-	-	-	26,229
-	-	-	22,292
-	6,887	-	7,729
-	-	-	12
66,781	6,887	138,614	2,153,881
1,004	-	107,020	1,333,535
49,718	-	-	84,484
50,722	-	107,020	1,418,019
16,059	6,887	31,594	735,862
-	550,000	-	550,000
-	-	-	(550,000)
-	550,000	-	-
16,059	556,887	31,594	735,862
(55,936)	3,200,709	102,073	3,421,120
(39,877)	3,757,596	133,667	4,156,982

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

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities  
Fiscal Year Ended December 31, 2014**

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**Net Change in Fund Balances** **\$ 735,862**

Amounts reported in the Statement of Activities  
are different because:

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

Capital Outlays	131,981
Depreciation Expense	(192,460)
Disposals - Net of Accumulated Depreciation	-

The increases to long-term liabilities provides current financial resources to  
governmental funds, while the reduction of the balances  
consumes the current financial resources of the governmental funds.

Increase to Compensated Absences Payable	<u>(6,779)</u>
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**Changes in Net Position** **668,604**

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2014**

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

The Brookfield Public Library (the Library) is located in Brookfield, Illinois. The Library was organized to provide cultural and library services to local residents.

The basic financial statements are prepared in accordance with generally accepted accounting principles in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP in the United States for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Library's accounting policies established in GAAP in the United States and used by the Library are described below.

**REPORTING ENTITY**

The Library is administered by a publicly elected seven-member board of trustees. The Library is reported as a discretely presented component unit of the Village of Brookfield, Illinois. This report represents the financial activity of the Library for the year.

**BASIS OF PRESENTATION**

**Government-Wide Statements**

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

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Library's functions. The functions are supported by general government revenues (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

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

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2014**

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

**BASIS OF PRESENTATION – Continued**

**Government-Wide Statements – Continued**

The Library does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

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

**Governmental Funds**

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

**General fund** is the general operating fund of the Library. It accounts for all revenues and expenditures of the Library which are not accounted for in other funds. The General Fund is a major fund.

**Special revenue funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Library maintains three special revenue funds. The Building and Sites Fund, a major fund, is used to account for the financial resources to be used for the maintenance of the building, equipment purchases and capital improvements.

**Capital projects funds** are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Library maintains one Capital Projects Fund that is reported as a major fund.

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

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

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2014**

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

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

**Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities, activities are presented using the economic resources measurement focus as defined below.

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

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

**Basis of Accounting**

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

In the fund financial statements, funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Library recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for debt principal and interest which are recognized when due, if applicable.

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

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2014**

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

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

**Cash and Investments**

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

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

**Receivables**

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

**Capital Assets**

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

Buildings	20 – 40 Years
Equipment and Furniture	4 – 10 Years
Library Collection	5 Years

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2014**

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

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

**Compensated Absences**

The Library's policy allows employees to accumulate unused sick and personal days up to sixty days. These days are then paid to the employee based on a percentage of their salary upon retirement. In the event of termination, an employee is not reimbursed for unused sick or personal days. The Library does not recognize a liability for accumulated unused sick and personal days because Management is unable to reasonably estimate the liability due to the uncertainties and assumptions relating to the calculation.

**Long-Term Obligations**

In the government-wide financial statements, long-term obligations are reported as liabilities.

**Net Position**

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

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

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

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

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2014**

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

**BUDGETARY INFORMATION**

Budgets for funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The following procedures are used to establish the budgets.

- Early in the fiscal year, the Library Director prepares an annual operating budget which is subsequently reviewed and approved by the Library Board of Trustees.
- Any revision that alter the total expenditure of the Library fund must be approved by the Library Board. During the current fiscal year, no revisions were made.
- Expenditures may not legally exceed the budgeted appropriations at the fund level. The budget may be amended by the Board of Directors. There were no amendments to the budget for the fiscal year ended December 31, 2014.
- The District did not budget for the Capital Projects Fund.

**DEFICIT FUND BALANCE**

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

<u>Fund</u>	<u>Deficit</u>
Building and Sites	\$ 39,877

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

**PROPERTY TAXES**

Property taxes for 2014 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1, 2015 and August 1, 2015. The County collects such taxes and remits them periodically to the Library. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

**DEPOSITS AND INVESTMENTS**

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

Permitted Deposits and Investments – Statutes 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, obligations of States and their political subdivisions, insured credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2014**

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

**DEPOSITS AND INVESTMENTS – Continued**

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

*Deposits.* At year-end the carrying amount of the Library’s deposits totaled \$4,153,384 and the bank balances totaled \$4,154,871.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. It is the policy of the Library to invest its funds in a manner which will provide the highest investment return and ensure the safety of principal while meeting the daily cash flow demands of the Library and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy in order of priority are safety, liquidity and return on investment. The Library’s investment policy does not limit the Library’s investment portfolio to specific maturities, although it does state that the Treasurer shall establish a maximum maturity limit.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Library’s investment policy does not address credit risk.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Library’s deposits may not be returned to it. The Library’s investment policy states that balances in all deposit accounts will not exceed the insured amount. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Library will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Library’s investment policy states that investments will only be made in securities guaranteed by the U.S. government or insured accounts.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the Library’s investment in a single issuer. The Library’s investment policy states that the Library shall diversify its investments to the best of its ability based on the nature of the funds invested and cash flow needs of those funds. At year-end, the Library had no investments greater than 5% of its total cash and investment portfolio.

**INTERFUND TRANSFERS**

Interfund transfers for the year consisted of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Capital Projects	General	<u>\$ 550,000</u>

Transfers are used to move revenues from the General Fund to reserves for future capital improvement projects.

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2014**

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

**CAPITAL ASSETS**

Capital asset activity at year end was as follows:

	Restated Beginning Balances	Additions	Deductions	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 596,448	-	-	596,448
Construction in Progress	461,175	-	-	461,175
	<u>1,057,623</u>	<u>-</u>	<u>-</u>	<u>1,057,623</u>
<b>Depreciable Capital Assets</b>				
Buildings	1,763,985	-	-	1,763,985
Equipment and Furniture	37,701	-	-	37,701
Library Collection	567,743	131,981	98,631	601,093
	<u>2,369,429</u>	<u>131,981</u>	<u>98,631</u>	<u>2,402,779</u>
<b>Less Accumulated Depreciation</b>				
Buildings	1,087,000	74,024	-	1,161,024
Equipment and Furniture	30,769	1,553	-	32,322
Library Collection	267,441	116,883	98,631	285,693
	<u>1,385,210</u>	<u>192,460</u>	<u>98,631</u>	<u>1,479,039</u>
Total Net Depreciable Capital Assets	<u>984,219</u>	<u>(60,479)</u>	<u>-</u>	<u>923,740</u>
Total Net Capital Assets	<u>2,041,842</u>	<u>(60,479)</u>	<u>-</u>	<u>1,981,363</u>

Depreciation expense of \$192,462 was charged to the Cultural function.

**LONG-TERM LIABILITY ACTIVITY**

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Compensated Absences	\$ 51,680	13,556	6,777	58,459	11,692

Payments on the compensated absences are made by the General Fund.

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2014**

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

**FUND BALANCE CLASSIFICATIONS**

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

	General	Special Revenue Building and Sites	Capital Projects	Nonmajor	Totals
Fund Balances					
Nonspendable					
Prepays	\$ 42,986	-	-	-	42,986
Restricted					
IMRF	-	-	-	81,489	81,489
Social Security	-	-	-	52,178	52,178
	-	-	-	133,667	133,667
Committed					
Capital Improvements	-	-	3,757,596	-	3,757,596
Unassigned	262,610	(39,877)	-	-	222,733
Total Fund Balances	305,596	(39,877)	3,757,596	133,667	4,156,982

**FUND BALANCE/NET POSITION RESTATEMENT**

The Library has restated beginning net position in the governmental activities to update capital assets to reflect changes in a new capital asset policy and has restated beginning fund balance in the General Fund and Capital Projects Fund to correct an error in recognition of funds budgeted for capital improvement projects. The following is a summary of the net position as originally reported and as restated:

Fund Balance	As Reported	As Restated	Increase (Decrease)
Governmental Activities	\$ 5,423,229	5,411,282	(11,947)
General Fund	2,974,181	174,274	(2,799,907)
Capital Projects Fund	400,802	3,200,709	2,799,907

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2014**

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

**FUND BALANCE CLASSIFICATIONS – Continued**

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

**Minimum Fund Balance Policy.** The Library’s policy manual states that the General Fund should maintain a minimum fund balance equal to 25% to 100% of budgeted operating expenditures.

**Committed Fund Balance.** The Library reports committed fund balance in the Capital Projects Fund, a major fund, for future capital improvements. The Library Board, through formal board action in the budget ordinance, has committed these funds for multiple priorities based on how these funds were received, including capital improvements to Library facilities. Formal Board action is required to establish, modify or rescind a fund balance commitment.

**NOTE 4 – OTHER INFORMATION**

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

The Library contributes, through the Village, to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for 2,640 local governments and school districts in Illinois. However, the Library’s participation in IMRF is equivalent to a cost sharing multiple-employer pension plan since only one actuarial valuation is performed for both the Village and the Library combined. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

**Plan Descriptions, Provisions and Funding Policies**

**Illinois Municipal Retirement System**

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Participating members hired before January 1, 2011 (Tier 1) who retire at or after age 60 (full benefits) or age 55 (reduced benefits) with 8 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter.

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2014**

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**NOTE 4 – OTHER INFORMATION – Continued**

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

**Plan Descriptions, Provisions and Funding Policies – Continued**

**Illinois Municipal Retirement System – Continued**

For participating members hired on or after January 1, 2011 (Tier 2) who retire at or after age 67 (full benefits) or age 62 (reduced benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter.

IMRF also provides death and disability benefits. These benefits provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Library is required to contribute the remaining amounts necessary to fund the plan using the actuarial funding method specified by statute.

The amount reported below as actuarial accrued liability is a standardized disclosure measure of the present value of benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial entry-age normal method and is intended to assist users to assess the plan's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due and make comparisons among government pension plans and employers. IMRF does not conduct separate measurements of assets and actuarial accrued liability for individual employers within the Village. The actuarial accrued liability at December 31, 2014, for the Village as a whole, determined through an actuarial valuation performed as of December 31, 2012 was \$9.4 million. The assets available for benefits on that date were \$7.1 million, resulting in an underfunded actuarial accrued liability of \$2.3 million. The employer's contribution for the calendar year ended December 31, 2014 was 11.53% of covered payroll.

**OTHER POST-EMPLOYMENT BENEFITS**

The Library provides COBRA health benefits to all prior employees as required by federal law. The Library also provides continued health benefits to eligible retirees as required by Illinois Public Act 86-1444. The prior employees and retirees pay 100 percent of the premiums. The Library has determined the provisions of GASB Statement No. 45 *Financial Reporting for Post-Employment Benefits Other Than Pension Funds* to be immaterial to the financial statements based on membership in the plan and the fact that the Library has no explicit cost for post-employment benefits.



## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Budgetary Comparison Schedules
  - General Fund
  - Building and Sites – Special Revenue Fund

### Notes to the Required Supplementary Information

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



**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Fiscal Year Ended December 31, 2014**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,573,000	1,573,000	1,877,948
Replacement Taxes	12,000	12,000	14,276
Intergovernmental			
Grants	19,000	19,000	26,229
Charges for Services	23,000	23,000	22,292
Interest	3,000	3,000	842
Miscellaneous	1,000	1,000	12
Total Revenues	<u>1,631,000</u>	<u>1,631,000</u>	<u>1,941,599</u>
Expenditures			
Cultural	1,487,922	1,487,922	1,225,511
Capital Outlay	306,630	306,630	34,766
Total Expenditures	<u>1,794,552</u>	<u>1,794,552</u>	<u>1,260,277</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(163,552)	(163,552)	681,322
Other Financing (Uses)			
Transfers Out	-	-	(550,000)
Changes in Fund Balance	<u>(163,552)</u>	<u>(163,552)</u>	131,322
Fund Balance - Beginning as Restated			<u>174,274</u>
Fund Balance - Ending			<u><u>305,596</u></u>

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Building and Sites - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Fiscal Year Ended December 31, 2014**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 82,000	82,000	66,781
Expenditures			
Cultural			
Operations	-	-	1,004
Capital Outlay	81,630	81,630	49,718
Total Expenditures	81,630	81,630	50,722
Changes in Fund Balance	370	370	16,059
Fund Balance - Beginning			(55,936)
Fund Balance - Ending			(39,877)

## **OTHER SUPPLEMENTARY INFORMATION**

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

Such schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds

# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

## **GENERAL FUND**

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

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## **SPECIAL REVENUE FUNDS**

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

### **Building and Sites Fund**

The Building and Sites Fund is used to account for the financial resources to be used for the maintenance of the building, equipment purchases and capital improvements.

### **Illinois Municipal Retirement Fund**

The Illinois Municipal Retirement Fund is used to account for the revenues derived from a specific annual property tax levy for the purpose and employee contributions which are fixed by law and subsequently paid to the state sponsored Illinois Municipal Retirement Fund.

### **Social Security Fund**

The Social Security Fund is used to account for revenues derived from a specific annual property tax levy and employee contributions which are fixed by law and subsequently paid to the United States Treasury Social Security Fund.

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## **CAPITAL PROJECTS FUND**

The Capital Projects Fund is used to account for long-term borrowing and other resources to be used for capital improvement projects.

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**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual  
Fiscal Year Ended December 31, 2014**

	Budget		Actual
	Original	Final	
<b>Cultural</b>			
<b>Personel</b>			
Salaries - Operating Regular	\$ 491,549	491,549	467,775
Salaries - Part-Time	205,922	205,922	224,409
Medical Insurance	146,389	146,389	119,036
Other Expenditures	143,007	143,007	14,175
	<u>986,867</u>	<u>986,867</u>	<u>825,395</u>
<b>Materials</b>			
Books	93,700	93,700	90,702
Periodicals	12,750	12,750	9,972
Audio-Visual	47,400	47,400	41,278
Electronic Databases	94,200	94,200	57,528
	<u>248,050</u>	<u>248,050</u>	<u>199,480</u>
<b>Services and Supplies</b>			
Professional Associations	3,500	3,500	4,038
Co-Worker Services	5,100	5,100	3,372
Continuing Education	18,940	18,940	14,828
Professional Services	36,100	36,100	13,717
Insurance - General	21,425	21,425	8,320
Maintenane - Office Equipment	67,000	67,000	66,788
Printing and Publications	15,400	15,400	10,230
Telephone	11,040	11,040	9,282
Office Supplies	9,000	9,000	5,367
Technical Service Supplies	12,500	12,500	9,707
Circulation Service Supplies	4,000	4,000	5,314
Reciprical Borrowing Services	3,000	3,000	-
Postage	8,000	8,000	9,071
Programming	24,600	24,600	21,699
Public Relations	11,000	11,000	17,735
Gifts Given	900	900	512
Contingency	1,500	1,500	656
	<u>253,005</u>	<u>253,005</u>	<u>200,636</u>
<b>Total Cultural</b>	<u>1,487,922</u>	<u>1,487,922</u>	<u>1,225,511</u>

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
Fiscal Year Ended December 31, 2014**

	Budget		Actual
	Original	Final	
Capital Outlay			
Capital Projects	\$ 106,630	106,630	9,024
Grant Funds	200,000	200,000	25,742
Total Capital Outlay	306,630	306,630	34,766
Total Expenditures	1,794,552	1,794,552	1,260,277

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Balance Sheet  
December 31, 2014**

	Illinois Municipal Retirement	Social Security	Totals
<b>ASSETS</b>			
Cash and Investments	\$ 80,894	54,309	135,203
Receivables - Net of Allowances			
Property Taxes	86,266	52,896	139,162
Total Assets	167,160	107,205	274,365
<b>LIABILITIES</b>			
Accounts Payable	-	2,496	2,496
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	85,671	52,531	138,202
Total Liabilities and Deferred Inflows of Resources	85,671	55,027	140,698
<b>FUND BALANCES</b>			
Restricted	81,489	52,178	133,667
Total Liabilities, Deferred Inflows of Resources and Fund Balances	167,160	107,205	274,365

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Fiscal Year Ended December 31, 2014**

	Illinois Municipal Retirement	Social Security	Totals
Revenues			
Taxes			
Property Taxes	\$ 85,924	52,690	138,614
Expenditures			
Cultural			
Operations	56,731	50,289	107,020
Changes in Fund Balance	29,193	2,401	31,594
Fund Balance - Beginning	52,296	49,777	102,073
Fund Balance - Ending	81,489	52,178	133,667

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Illinois Municipal Retirement - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Fiscal Year Ended December 31, 2014**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 90,000	90,000	85,924
Expenditures			
Cultural			
Operations	80,304	80,304	56,731
Changes in Fund Balance	<u>9,696</u>	<u>9,696</u>	29,193
Fund Balance - Beginning			<u>52,296</u>
Fund Balance - Ending			<u><u>81,489</u></u>

**BROOKFIELD PUBLIC LIBRARY  
VILLAGE OF BROOKFIELD, ILLINOIS**

**Social Security - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Fiscal Year Ended December 31, 2014**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 55,000	55,000	52,690
Expenditures			
Cultural			
Operations	53,357	53,357	50,289
Changes in Fund Balance	<u>1,643</u>	<u>1,643</u>	2,401
Fund Balance - Beginning			<u>49,777</u>
Fund Balance - Ending			<u><u>52,178</u></u>