



AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2025

**Wilmette Public Library District
Audit Report
For the Year Ended June 30, 2025**

Table of Contents

Independent Auditor's Report	1 - 3
Management Discussion and Analysis	MD&A 1-7
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position - Modified Cash Basis	4
Statement of Activities - Modified Cash Basis	5
Fund Financial Statements:	
Combining Balance Sheet - Governmental Funds - Modified Cash Basis	6
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position - Modified Cash Basis	7
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Modified Cash Basis	8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities - Modified Cash Basis	9
Notes to the Financial Statements	10 - 26
Supplementary Information:	
Illinois Municipal Retirement Fund:	
Multiyear Schedule of Changes in the Net Pension Liability and Related Ratios	27 - 28
Multiyear Schedule of Contributions	29
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis General Fund	30
Schedule of Expenditures - Budget and Actual - Modified Cash Basis - General Fund	31 - 32

(cont'd)

**Wilmette Public Library District
Audit Report
For the Year Ended June 30, 2025**

Table of Contents (cont'd)

Supplementary Information:

Nonmajor Governmental Funds:

Combining Balance Sheet - Modified Cash Basis 33

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Modified Cash Basis 34

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual - Modified Cash Basis:

Retirement Fund 35

Audit Fund 36

Liability Insurance Fund 37

Supplemental Data

Property Tax Assessed Valuations, Rates, Extensions
and Collections - Last Ten Levy Years 38 - 39

INDEPENDENT AUDITOR'S REPORT

Selden Fox

Accounting for your future

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Wilmette Public Library
Wilmette, Illinois

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Wilmette Public Library District, Wilmette, Illinois, (the District)** as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Wilmette Public Library District, Wilmette, Illinois, as of June 30, 2025, and the respective changes in financial position – modified cash basis for the year then ended in accordance with the modified cash basis of accounting as described in Note I.C.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Wilmette Public Library District, Wilmette, Illinois, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis of Accounting

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Library's basic financial statements. The management's discussion and analysis and supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the management's discussion and analysis and supplementary information listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole on the modified cash basis of accounting described in Note I.C.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of assessed valuations, tax rates, extensions and collections listed as supplemental data in the table of contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Selden Fox, Ltd.

October 24, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Wilmette Public Library District
Management's Discussion and Analysis
For the Year Ended June 30, 2025**

The Management's Discussion and Analysis (MD&A) of Wilmette Public Library District (District) is designed to 1) assist the reader in focusing on significant financial issues, 2) provide an overview of the District's financial activity, 3) identify the District's financial position and ability to address future challenges, 4) identify material deviations from the budget, and 5) identify individual fund issues or concerns. The form of governance of the District and its pertinent legal basis are recited in the Illinois Public Library Act as amended. This is currently Chapter 75 of the Illinois Compiled Statutes.

Financial Highlights

- The District's net position decreased \$22,322, from a \$21,883,102 beginning balance to \$21,860,780.
- During the year, government-wide revenues totaled \$7,580,046, while government-wide expenses totaled \$7,602,368, resulting in a decrease to net position of \$22,322.
- Total fund balances for the governmental funds were \$13,240,721 at June 30, 2025, compared to a prior year balance of \$12,876,797, an increase of \$363,924 or 2.83 percent.

Overview of the Financial Statements

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of Wilmette Public Library District finances, in a manner similar to a private-sector business.

The statement of net position presents information on all Wilmette Public Library District's assets, deferred outflows, liabilities, and deferred inflows, with the difference 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 District is improving or deteriorating.

The statement of activities presents information showing how the District'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 the related cash flows.

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by taxes and intergovernmental revenues, such as grants, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges.

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

Overview of the Financial Statements (cont'd)

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole and, therefore, provide additional information that won't be found in the statement of net position or the statement of activities. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with the fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

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

The District 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 and the Special Reserve Fund (a Capital Projects Fund), which are considered major funds.

The District adopts a combined annual budget and appropriation ordinance for all funds. A budgetary comparison schedule for all General and the nonmajor Special Revenue Funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 6-9 of this report.

Notes to Basic Financial Statements

The notes to basic financial statements 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 10-26.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the District's Illinois Municipal Retirement Fund employee pension obligations, the District's budgetary information for the General Fund, and nonmajor combining and Individual fund schedules. Supplementary information can be found on pages 27-37 of this report.

District-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 District, assets exceeded liabilities by \$21,860,780 in the current year; this represents a decrease of \$22,322 from the prior year.

Statement of Net Position Governmental Activities

	June 30, 2025	June 30, 2024
Assets:		
Current and other assets	\$ 13,241,228	\$ 12,878,979
Capital assets	8,620,059	9,006,305
Total assets	21,861,287	21,885,284
Other liabilities	507	2,182
Net position:		
Investment in capital assets	8,620,059	9,006,305
Restricted	6,612,517	6,571,056
Unrestricted	6,628,204	6,305,741
Total net position	\$ 21,860,780	\$ 21,883,102

For more information see the statement of net position (page 4).

A portion of the District's net position, \$8,620,059, or 39.4 percent, reflects its investment in capital assets (for example, land, buildings, machinery, and equipment). The District uses these capital assets to provide services to its community; consequently, these assets are not available for future spending.

An additional portion, \$6,612,517, or 30.2 percent, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining net position of \$6,628,204 represents unrestricted net position. To the extent this balance is positive, it may be used to meet the government's ongoing obligations to its community and creditors.

District-wide Financial Analysis (cont'd)

The following table reflects the condensed statement of changes in net position:

Changes in Net Assets		
Governmental Activities		
	For the Year Ended	For the Year Ended
	June 30, 2025	June 30, 2024
Revenues:		
Program revenues:		
Charges for services	\$ 248,173	\$ 218,833
Operating grants and donations	67,333	70,642
Capital grants and donations	-	-
General revenues:		
Property taxes	6,475,546	6,085,722
Replacement taxes	75,584	113,987
Investment income	663,585	489,389
Other	49,825	23,829
Total revenues	7,580,046	7,002,402
Expenses:		
Culture and recreation	7,602,368	7,223,496
Total expenses	7,602,368	7,223,496
Decrease in net position	(22,322)	(221,094)
Net position, beginning of year,	21,883,102	22,104,196
Net position, end of year	\$ 21,860,780	\$ 21,883,102

Net position of the District's governmental activities decreased from \$21,883,102 to \$21,860,780. This is less than a 0.1 percent decrease. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, increased from \$6,305,741 in the previous fiscal year to \$6,628,204 at the end of this fiscal year due to positive operating results in the funds.

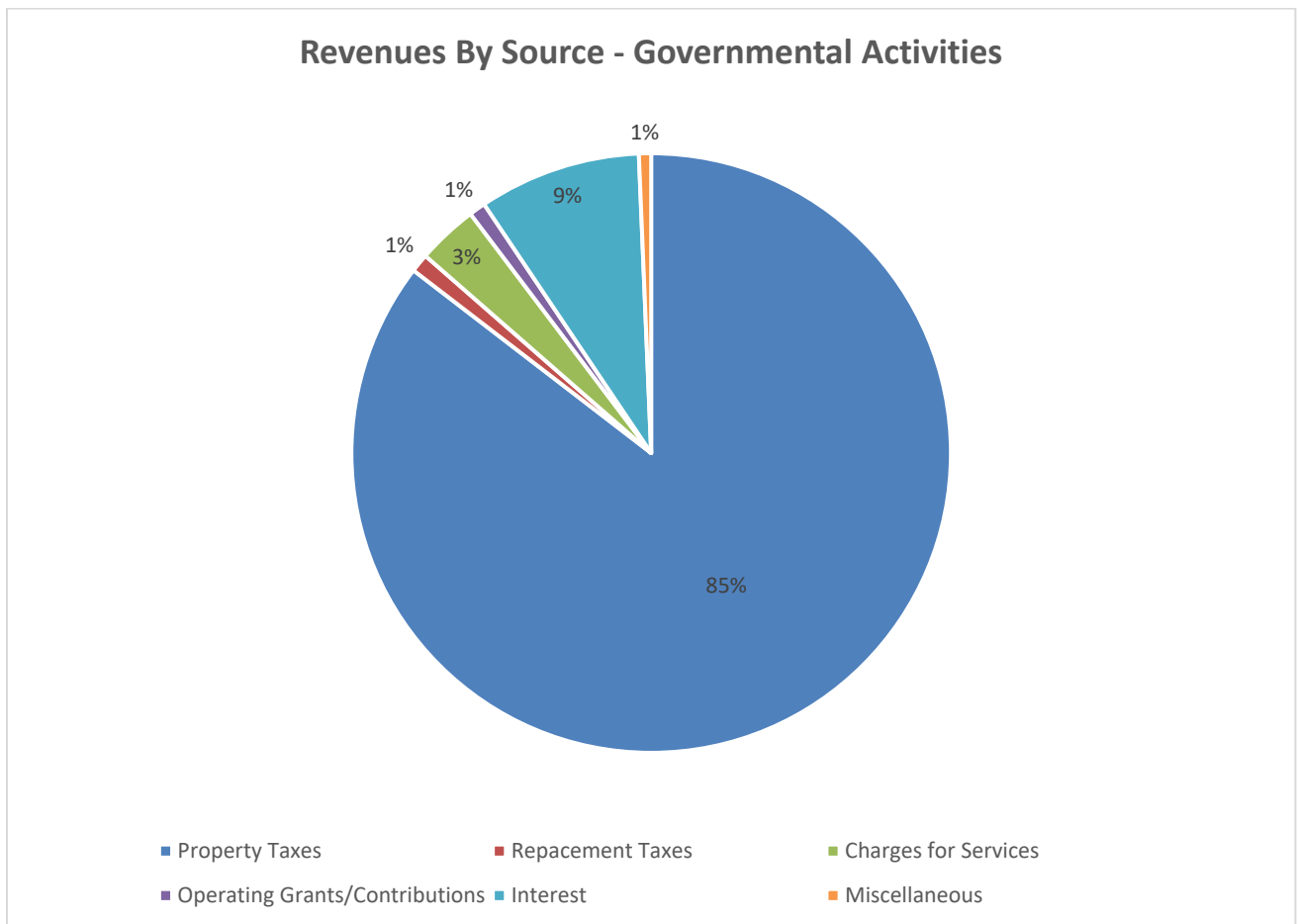
District-wide Financial Analysis (cont'd)

Governmental Activities

Revenues for governmental activities for the year ended June 30, 2025, increased by \$577,614 from the year ended June 30, 2024. Increases in taxes and investment income helped to offset decreases in replacement taxes received from the State of Illinois.

Expenses for governmental activities for the year ended June 30, 2025, increased by \$378,872, or 5.2%, from the year ended June 30, 2024, primarily due to increases in salaries, health insurance and depreciation expense.

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



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

The focus of the District'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 in assessing resources available at the end of the year in comparison with upcoming financing requirements.

As of the end of the current fiscal period, the governmental funds reported a combined ending fund balance of \$13,240,721, which is \$363,924 more than the June 30, 2024, total of \$12,876,797. The General Fund balance increased by \$322,463, which compares favorably to a budgeted decrease in this Fund of \$355,652. The Special Reserve Fund, the other major fund, had a negative bottom line of \$28,595 due to planned capital expenditures.

Budgetary Highlights

The budget was not amended during 2025. Revenues in the General Fund were budgeted at \$6,247,266, and the actual balance exceeded budget by \$403,258. Interest income made up a significant part of the excess over budget, as the District took advantage of a favorable interest rate environment to generate interest of \$362,864, which was \$212,864 over the budget of \$150,000. Expenditures in the General Fund were budgeted at \$6,602,918, and the actual balance came in under budget by \$274,857, as all major functions were under budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2025, was \$8,620,059 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, and library materials. The District had \$177,775 of additions to furniture and equipment, and \$366,165 of additions and \$202,692 of disposals to books and library materials. Current year depreciation was \$930,186, resulting in the total decrease in the District's investment in capital assets for the current fiscal year of \$386,246.

	Capital Assets – Net of Depreciation	
	June 30, 2025	June 30, 2024
Land	\$ 51,384	\$ 51,384
Buildings and improvements	6,964,003	7,440,476
Furniture and equipment	387,998	272,768
Library materials	1,216,674	1,241,677
Total	\$ 8,620,059	\$ 9,006,305

Additional information on the District's capital assets can be found in Note III.D. on page 18 of this report.

Debt Administration

As of June 30, 2025 and 2024, the District had no general obligation debt outstanding.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District's elected officials and staff considered many factors when setting the fiscal-year 2025 budget. Those factors include tax rates, patron services, resources, and capital improvement projects. The District is faced with similar economic challenges as other local municipalities, including inflation and unemployment rates. The District is committed to providing high quality library services to its constituents, while remaining a fiscally responsible unit of government.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District'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 at Wilmette Public Library District, 1242 Wilmette Avenue, Wilmette, Illinois 60091-2558.

BASIC FINANCIAL STATEMENTS

Wilmette Public Library District
Statement of Net Position - Modified Cash Basis
June 30, 2025

Assets	
Current assets:	
Cash and investments	<u>\$ 13,241,228</u>
Noncurrent assets:	
Capital assets:	
Nondepreciable	51,384
Depreciable	19,165,359
Accumulated depreciation	<u>(10,596,684)</u>
Total noncurrent assets	<u>8,620,059</u>
Total assets	<u>\$ 21,861,287</u>
Liabilities	
Current Liabilities:	
Accrued payroll	<u>\$ 507</u>
Net Position	
Net investment in capital assets	\$ 8,620,059
Restricted:	
Audit	11,114
Liability insurance	48,286
Retirement	563,821
Specific programs	155,158
Capital improvements	5,834,138
Unrestricted	<u>6,628,204</u>
Net position	<u>\$ 21,860,780</u>

See independent auditor's report and accompanying notes.

Wilmette Public Library District
Statement of Activities - Modified Cash Basis
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position - Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Culture and recreation	<u>\$ 7,602,368</u>	<u>\$ 248,173</u>	<u>\$ 67,333</u>	<u>\$ -</u>	<u>\$ (7,286,862)</u>
Total governmental activities	<u>\$ 7,602,368</u>	<u>\$ 248,173</u>	<u>\$ 67,333</u>	<u>\$ -</u>	<u>(7,286,862)</u>
		General revenues:			
		Property taxes			6,475,546
		Intergovernmental:			
		Replacement taxes			75,584
		Investment income			663,585
		Miscellaneous			<u>49,825</u>
		Total general revenues			<u>7,264,540</u>
		Changes in net position			(22,322)
		Net position, beginning of year			<u>21,883,102</u>
		Net position, end of year			<u>\$ 21,860,780</u>

See independent auditor's report and accompanying notes.

Wilmette Public Library District
Combining Balance Sheet - Modified Cash Basis
Governmental Funds
June 30, 2025

	General	Capital Projects Special Reserve	Nonmajor Governmental	Total
Assets				
Cash and investments	\$ 6,783,869	5,834,138	\$ 623,221	\$ 13,241,228
Liabilities				
Accrued payroll	507	-	-	507
Fund Balances				
Fund balances:				
Restricted	155,158	5,834,138	623,221	6,612,517
Unassigned	6,628,204		-	6,628,204
Total fund balances	6,783,362	5,834,138	623,221	13,240,721
Total liabilities and fund balances	\$ 6,783,869	\$ 5,834,138	\$ 623,221	\$ 13,241,228

See independent auditor's report and accompanying notes.

**Wilmette Public Library District
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position - Modified Cash Basis
June 30, 2025**

Total fund balance - governmental fund (page 6)	\$ 13,240,721
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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 fund.	<u>8,620,059</u>
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Net position of governmental activities (page 4)	<u>\$ 21,860,780</u>
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See independent auditor's report and accompanying notes.

Wilmette Public Library District
Statement of Revenues, Expenditures and Changes in
Fund Balances - Modified Cash Basis - Governmental Funds
For the Year Ended June 30, 2025

	General	Capital Projects Special Reserve	Nonmajor Governmental	Total
Revenues:				
Property taxes	\$ 5,846,745	\$ -	\$ 628,801	\$ 6,475,546
Intergovernmental - replacement taxes	75,584	-	-	75,584
Grant	48,253	-	-	48,253
Kenilworth Library services contract	233,807	-	-	233,807
Interest	362,864	278,804	21,917	663,585
Fines and fees	14,366	-	-	14,366
Friends donations	19,080	-	-	19,080
Miscellaneous	49,825	-	-	49,825
Total revenues	6,650,524	278,804	650,718	7,580,046
Expenditures:				
Current:				
Culture and recreation	6,328,061	-	580,662	6,908,723
Capital outlay	-	307,399	-	307,399
Total expenditures	6,328,061	307,399	580,662	7,216,122
Net changes in fund balances	322,463	(28,595)	70,056	363,924
Fund balances, beginning of the year	6,460,899	5,862,733	553,165	12,876,797
Fund balances, end of the year	\$ 6,783,362	\$ 5,834,138	\$ 623,221	\$ 13,240,721

See independent auditor's report and accompanying notes.

**Wilmette Public Library District
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances to the
Statement of Activities - Modified Cash Basis
For the Year Ended June 30, 2025**

Net changes in fund balances (page 8)	\$ 363,924
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Amounts reported for governmental activities in the statement of activities
(page 5) are different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of these assets
is allocated over their estimated useful lives and reported as
depreciation expense.

Current year additions to capital assets	543,940
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Depreciation expense	<u>(930,186)</u>
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Changes in net position of governmental activities (page 5)	<u>\$ (22,322)</u>
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See independent auditor's report and accompanying notes.

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements

I. Summary of Significant Accounting Policies

The financial statements of Wilmette Public Library District (the District) are presented in accordance with a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) established by the Governmental Accounting Standards Board (GASB). These modified cash basis financial statements generally meet the presentation and disclosure requirements applicable to GAAP, in substance, but are limited to the elements presented in the financial statements and the constraints of the measurement and recognition criteria of the modified cash basis of accounting.

A. The Reporting Entity

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are no fiduciary component units that are required to be included in the financial statements of the District as pension trust funds and there are no discretely presented component units to include in the reporting entity.

B. Basis of Presentation

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as governmental activities.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis and is reported using the economic resource measurement focus within the limitations of the modified cash basis of accounting, which recognizes long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations within the limitations of the modified cash basis of accounting. The District's net position is reported in three parts: investment in capital assets, restricted net position, and unrestricted net position.

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

B. Basis of Presentation (cont'd)

The government-wide statement of activities reports both the gross and net cost of each of the District's functions (culture and recreation). These functions are supported by program revenues (fines and fees). 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. The District does not allocate indirect costs. This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Fund Financial Statements – The financial transactions of the District are reported in governmental funds in the fund financial statements using the current financial resources measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheet. The 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 District reports the following governmental fund types:

General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except for those in another fund. The General Fund is considered 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 District maintains three nonmajor special revenue funds: the Retirement Fund, the Audit Fund and the Liability Insurance Fund.

Capital Projects Funds. The Special Reserve Fund is a Capital Projects Fund used to account for resources restricted for capital improvements at the District. The Special Reserve Fund is considered a major fund.

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

C. Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the modified cash basis of accounting, which is a basis of accounting other than GAAP as established by GASB. This basis of accounting involves modifications to the cash basis of accounting to report in the statement of net position or balance sheet cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments, interfund receivables and payables, capital assets and related depreciation, and short-term and long-term liabilities arising from cash transactions or events.

The modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for good or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows of resources, liabilities and deferred inflows of resources that do not arise from a cash transaction or event are not reported.

If the District utilized GAAP, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financial statements would be presented in accordance with the accrual basis of accounting.

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity

1. Cash and Investments

Investments are stated at fair value. The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Deposits are not subject to fair value and are valued at cost or amortized cost.

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

2. Capital Assets

In the government-wide financial statements, capital assets arising from cash transactions or events greater than \$5,000 are accounted for as assets in the statement of net position at historical cost or estimated historical cost. 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.

Capital assets are depreciated using the straight-line method, using the following estimated useful lives:

Buildings and Improvements	10 - 40 years
Furniture and Equipment	5 - 40 years
Library materials	7 years

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

3. Fund Equity and Net Position

Equity in the government-wide statements is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on its 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.
- c. Unrestricted net position – Remaining net position that does not meet the definitions of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

3. Fund Equity and Net Position (cont'd)

In the governmental fund financial statements, governmental funds report fund balance as either nonspendable or spendable. Spendable fund balance is further classified as restricted, committed, assigned or unassigned, based on the relative strength of the constraints that control how specific amounts can be spent.

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 of Trustees, which is considered the District's highest level of decision-making authority. Formal action is in the form of an ordinance approved at a Board meeting. The District has no committed fund balance.

Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance is at the Board level. Assignment of fund balance does not require passage of an ordinance. The District has no assigned fund balance. Deficit fund balances and the residual fund balance in the General Fund is reported as unassigned.

The District assumes that 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. Unrestricted funds are considered spent in the following order as available - committed funds, assigned funds, and then unassigned funds.

4. Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting 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 expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

II. Stewardship, Compliance and Accountability

Budgets

The District annually adopts a Combined Annual Budget and Appropriation Ordinance for all funds. The following procedures are used to establish the budget:

- Budget hearings are conducted.
- The budget is legally enacted through passage of an ordinance.
- The budget may be amended by the Board of Trustees. No supplemental appropriations were adopted by the Board of Trustees in the current fiscal year.
- Budgets are adopted on a cash basis.
- The level of control (level at which expenditures/expenses may not exceed appropriations) is the fund level. All appropriations lapse at year end.

Excess of Actual Expenditures Over Budget in Individual Funds

<u>Fund Name</u>	<u>Actual</u>	<u>Budget</u>	<u>Excess</u>
Retirement	\$ 497,593	\$ 440,000	\$ 57,593

III. Detailed Notes For All Fund Types and Account Groups

A. Cash and Investments

Illinois Compiled Statutes (ILCS) authorize the District to make deposits/invest in 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 Government 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 The Illinois Funds.

It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio.

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Fund Types and Account Groups (cont'd)

B. Deposits and Investments

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office 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. Investments in Illinois Funds are valued at the share price, which is the price for which the investment could be sold.

Deposits – Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District's investment policy requires all deposits with financial institutions in excess of federal depository insurance be with collateral held by an independent third party in the name of the District.

At year end, the carrying amount of the District's deposits with financial institutions was \$5,611,686 and the bank balance totaled \$5,709,048. The District also holds twenty-nine non-negotiable certificates of deposit, which are nonparticipating interest-earning contracts that are recorded at cost, with a carrying amount of \$7,007,933 and original terms ranging from twelve to twenty-four months. All certificates of deposit were fully insured by federal depository insurance. In addition, the District had cash on hand of \$150.

Investments – As of June 30, 2025, the District had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury Securities	\$ 621,077	\$ 372,604	\$ 248,473	\$ -	\$ -
Illinois Funds	197,853	197,853	-	-	-
IPRIME	33,706	33,706	-	-	-
	<u>\$ 852,636</u>	<u>\$ 604,163</u>	<u>\$ 248,473</u>	<u>\$ -</u>	<u>\$ -</u>

The District has the following recurring fair value measurements as of year-end:

- U.S. Treasury Securities of \$621,077 are valued using quoted market prices (Level 1 inputs)
- Certificates of Deposit are valued at original cost which approximate fair value
- Illinois Funds of \$197,853 are measured at the net asset value (NAV) per share as determined by the pool
- IPRIME of \$33,706 is measured at the net asset value (NAV) per share as determined by the pool

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Fund Types and Account Groups (cont'd)

B. Deposits and Investments (cont'd)

Investments (cont'd)

Interest Rate Risk – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The District's investment policy states they will attempt to match its investments with anticipated cash flows requirements. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than five years from the date of purchase. Any investment purchased with a maturity longer than four years must be supported with written documentation explaining the reason for the purchase and must be supported with written documentation explaining the reason for the purchase and must be specifically approved by the District Board. The District's investments in the Illinois Funds and IPRIME have average maturities of less than one year.

Custodial Credit Risk – For investments, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. At June 30, 2025, the District's investment in Illinois Funds and IPRIME are not subject to custodial credit risk.

Credit Risk – Generally, credit risk is the risk that an issuer of a debt-type instrument will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. At year-end, the District's investment in the Illinois Fund was rated AAAfm by Fitch and IPRIME was rated AAAM by Standard & Poor.

Concentration of Credit Risk – For investments, this is the risk that the District has too high a percentage of their investments invested in one type of investment. The District's investment policy does not require diversification of investment to avoid unreasonable risk. At year-end, the District does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in the mutual fund, external investment pools, and other pooled investments).

C. Property Taxes

Property taxes for 2024 attach as an enforceable lien on January 1, 2024, on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills are then prepared by the County Collector and are payable in two installments, on or about March 1 and September 1 of that year. The County collects such taxes and remits them periodically.

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Fund Types and Account Groups (cont'd)

D. Capital Assets

Capital asset activity for the year ended June 30, 2024, was as follows:

	Balances July 1	Additions	Retirements	Balances June 30
Capital assets not being depreciated:				
Land	\$ 51,384	\$ -	\$ -	\$ 51,384
Total capital assets not being depreciated	51,384	-	-	51,384
Capital assets being depreciated:				
Buildings and Improvements	15,506,639	-	-	15,506,639
Furniture and equipment	742,757	177,775	-	920,532
Library materials	2,574,715	366,165	202,692	2,738,188
	18,824,111	543,940	202,692	19,165,359
Less accumulated depreciation for:				
Buildings and Improvements	8,066,163	476,473	-	8,542,636
Furniture and equipment	469,989	62,545	-	532,534
Library materials	1,333,038	391,168	202,692	1,521,514
	9,869,190	930,186	202,692	10,596,684
Total capital assets being depreciated, net	8,954,921	(386,246)	-	8,568,675
Governmental activities, capital assets, net	\$ 9,006,305	\$ (386,246)	\$ -	\$ 8,620,059

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

Culture and Recreation \$ 930,186

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Fund Types and Account Groups (cont'd)

E. Fund Balance Classifications

In the governmental funds financial statements, the District 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 District 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.

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

	General	Special Reserve	Nonmajor	Totals
Fund Balances:				
Restricted:				
Audit	\$ -	\$ -	\$ 11,114	\$ 11,114
Liability Insurance	-	-	48,286	48,286
Retirement	-	-	563,821	563,821
Specific programs	155,158	-	-	155,158
Capital improvements	-	5,834,138	-	5,834,138
	<u>155,158</u>	<u>5,834,138</u>	<u>623,221</u>	<u>6,612,517</u>
Unassigned	<u>6,628,204</u>	<u>-</u>	<u>-</u>	<u>6,628,204</u>
	<u>\$ 6,783,362</u>	<u>\$ 5,834,138</u>	<u>\$ 623,221</u>	<u>\$ 13,240,721</u>

IV. Other Information

A. Risk Management

The District is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; or acts of God. The District has purchased commercial insurance coverage from independent third parties to cover possible liabilities related to these risks. Risks covered include general liability, worker's compensation, medical, and others. Settlements have not exceeded insurance coverage in each of the past three years.

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

B. Contingent Liabilities

Litigation

From time to time, the District is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the District attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the District's financial position or results of operations

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

C. Jointly Governed Organizations

The District participates in Cooperative Computer Services (CCS). CCS is an intergovernmental entity formed by library members of the former North Suburban Library System and exists to administer a jointly owned integrated library automation system. CCS's governing board is comprised of one member from each participating library. No participant has any obligation, entitlement or residual interest in CCS. In order to terminate membership in CCS, member libraries must provide one-year notice of termination. The District's expenditure to CCS for the year ending June 30, 2025, was \$61,584.

The Kenilworth Public Library District entered into a contract with the District and the Winnetka-Northfield Public Library District to pay for services provided to Kenilworth District residents. The amounts to be paid are based on an agreed-upon amount, adjusted for inflation, divided between the two libraries based on their proportion of circulation.

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

D. Defined Benefit Pension Plan

General Information About the Pension Plan

Plan Description – The District’s defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments, and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. A summary of IMRF’s pension benefits is provided in the following “Benefits Provided” section. Benefit provisions are established by statute and may only be amended by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements, detailed information about the pension plan’s fiduciary net position and required supplementary information (RSI). That report may be obtained on-line at www.imrf.org.

At December 31, 2024, the IMRF Plan membership consisted of:

Retirees and beneficiaries	59
Inactive, non-retired members	23
Active members	<u>57</u>
Total	<u>139</u>

Benefits Provided – IMRF provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011, who retire at or after age 60 with 8 years of 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 of each year thereafter. For participating members hired on or after January 1, 2011, who retire at or after age 67 with 10 years of 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, with a maximum salary cap of \$125,774 at January 1, 2024, and \$127,283 at January 1, 2025. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits.

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

D. Defined Benefit Pension Plan (cont'd)

General Information About the Pension Plan (cont'd)

Contributions – 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 District is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution and annual required contribution rate for calendar year 2024 and 2025 was 7.30 percent and 6.89 percent, respectively. The District's annual required contribution and actual contribution to the Plan in the fiscal year ended June 30, 2025, totaled \$230,016. The District 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The District's net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Valuation and Assumptions – The actuarial assumptions used in the December 31, 2024, valuation were based on an actuarial experience study of the period 2020-2022, using the entry age normal actuarial cost method. The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%
Post-retirement benefit increase:	
Tier 1	3.0%-simple
Tier 2	lesser of 3.0%-simple or ½ increase in CPI

The actuarial value of IMRF 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. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at December 31, 2024, was 19 years.

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

D. Defined Benefit Pension Plan (cont'd)

Net Pension Liability (cont'd)

Mortality Rates – For non-disabled lives, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (Adjusted 106.4%) tables, and future mortality improvement projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

Long-term Expected Rate of Return – The long-term expected rate of return was determined using a building-block method in which best-estimate ranges for expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Equities	32.5%	4.35%
International equities	18.0%	5.40%
Fixed income	24.5%	5.20%
Real estate	10.5%	6.40%
Alternatives:	12.5%	
Private equity		6.25%
Hedge funds		N/A
Commodities		4.85%
Cash equivalents	1.0%	3.60%

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

D. Defined Benefit Pension Plan (cont'd)

Net Pension Liability (cont'd)

Single Discount Rate – Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects: (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.08%, and the resulting single discount rate used to measure the total pension liability is 7.25%.

Based on the assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees for the next 99 years.

Changes in Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balances 12/31/23	\$ 15,529,460	\$ 14,659,917	\$ 869,543
Changes for the year:			
Service cost	259,921	-	259,921
Interest	1,090,488	-	1,090,488
Differences between expected and actual experience	(210,749)	-	(210,749)
Assumption changes	-	-	-
Contributions - employer	-	224,526	(224,526)
Contributions - employee	-	138,407	(138,407)
Net investment income	-	1,505,954	(1,505,954)
Benefit payments, including refunds of employee contributions	(1,236,417)	(1,236,417)	-
Other changes	-	(713,357)	713,357
Balances 12/31/24	<u>\$ 15,432,703</u>	<u>\$ 14,579,030</u>	<u>\$ 853,673</u>

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

D. Defined Benefit Pension Plan (cont'd)

Net Pension Liability (cont'd)

Discount Rate Sensitivity – The following presents the net pension liability of the District, calculated using the discount rate of 7.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate.

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 2,372,902	\$ 853,673	\$ (400,910)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial report.

Net Pension Liability, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Library

For the year ended June 30, 2025, the District recognized pension expense of \$973,177 in the government-wide financial statements. At June 30, 2025, the District reported deferred inflows and outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	\$ 116,870	\$ 227,988	\$ (111,118)
Changes in assumptions	-	18,355	(18,355)
Net difference between projected and actual earnings on pension plan investments	344,286	-	344,286
Subtotal	461,156	246,343	214,813
Contributions made subsequent to the measurement date	112,319	-	112,319
Total	\$ 573,475	\$ 246,343	\$ 327,132

Wilmette Public Library District
Wilmette, Illinois
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

D. Defined Benefit Pension Plan (cont'd)

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

<u>Year Ending December 31,</u>		
2025	\$	188,425
2026		388,481
2027		(261,968)
2028		<u>(100,125)</u>
Total	\$	<u>214,813</u>

E. Other Post-Employment Benefits

The District has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the District are required to pay 100% of the current premium. However, there is minimal participation. As the District provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions. Therefore, the District has not determined a liability as of June 30, 2025.

SUPPLEMENTARY INFORMATION

Wilmette Public Library District
Illinois Municipal Retirement Fund
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Calendar Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability:										
Service cost	\$ 259,921	\$ 265,364	\$ 237,106	\$ 235,777	\$ 262,000	\$ 254,628	\$ 217,813	\$ 230,400	\$ 224,722	\$ 223,722
Interest on the total pension liability	1,090,488	1,101,583	1,061,408	1,040,179	987,045	978,392	928,618	920,306	881,555	864,059
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	(210,749)	(149,145)	541,646	159,794	727,200	(239,477)	429,170	194,285	96,893	(198,907)
Changes of assumptions	-	(36,847)	-	-	(199,117)	-	320,570	(458,226)	(37,758)	12,088
Benefit payments and refunds	(1,236,417)	(1,426,126)	(1,174,168)	(1,113,038)	(949,227)	(806,530)	(795,646)	(743,635)	(653,929)	(649,641)
Net changes in total pension liability	(96,757)	(245,171)	665,992	322,712	827,901	187,013	1,100,525	143,130	511,483	251,321
Total pension liability - beginning	15,529,460	15,774,631	15,108,639	14,785,927	13,958,026	13,771,013	12,670,488	12,527,358	12,015,875	11,764,554
Total pension liability - ending	\$ 15,432,703	\$ 15,529,460	\$ 15,774,631	\$ 15,108,639	\$ 14,785,927	\$ 13,958,026	\$ 13,771,013	\$ 12,670,488	\$ 12,527,358	\$ 12,015,875
Plan fiduciary net position:										
Employer contributions	\$ 224,526	\$ 193,279	\$ 242,394	\$ 225,498	\$ 289,384	\$ 222,883	\$ 263,835	\$ 234,556	\$ 254,528	\$ 238,069
Employee contributions	138,407	130,645	125,874	110,002	119,077	113,037	104,237	92,996	109,923	90,708
Net investment income	1,505,954	1,591,691	(2,362,694)	2,647,073	1,918,887	2,270,491	(746,583)	2,002,380	730,139	53,037
Benefit payments and refunds	(1,236,417)	(1,426,126)	(1,174,168)	(1,113,038)	(949,227)	(806,530)	(795,646)	(743,635)	(653,929)	(649,641)
Other (Net Transfer)	(713,357)	191,852	199,832	(27,509)	89,440	100,711	299,478	(122,208)	112,377	94,607
Net changes in plan fiduciary net position	(80,887)	681,341	(2,968,762)	1,842,026	1,467,561	1,900,592	(874,679)	1,464,089	553,038	(173,220)
Plan fiduciary net position - beginning	14,659,917	13,978,576	16,947,338	15,105,312	13,637,751	11,737,159	12,611,838	11,147,749	10,594,711	10,767,931
Plan fiduciary net position - ending	\$ 14,579,030	\$ 14,659,917	\$ 13,978,576	\$ 16,947,338	\$ 15,105,312	\$ 13,637,751	\$ 11,737,159	\$ 12,611,838	\$ 11,147,749	\$ 10,594,711
Net pension (asset) liability	\$ 853,673	\$ 869,543	\$ 1,796,055	\$ (1,838,699)	\$ (319,385)	\$ 320,275	\$ 2,033,854	\$ 58,650	\$ 1,379,609	\$ 1,421,164
Plan fiduciary net position as a percentage of total pension liability	94.47%	94.40%	88.61%	112.17%	102.16%	97.71%	85.23%	99.54%	88.99%	88.17%
Covered valuation payroll	\$ 3,075,701	\$ 2,903,213	\$ 2,789,347	\$ 2,436,608	\$ 2,637,959	\$ 2,501,501	\$ 2,316,376	\$ 2,066,571	\$ 2,076,076	\$ 1,997,222
Net pension liability as a percentage of covered valuation payroll	27.76%	29.95%	64.39%	-75.46%	-12.11%	12.80%	87.80%	2.84%	66.45%	71.16%

See independent auditor's report.

**Wilmette Public Library District
Illinois Municipal Retirement Fund
Required Supplementary Information -
Multiyear Schedule of Contributions
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2025	\$ 230,016	\$ 230,016	\$ -	\$ 3,086,199	7.45 %
2024	187,063	187,063	-	2,696,742	6.94
2023	226,355	226,355	-	2,977,792	7.60
2022	229,955	229,955	-	2,554,133	9.00
2021	250,131	250,131	-	2,449,107	10.21
2020	249,946	249,946	-	2,431,018	10.28
2019	242,018	242,018	-	2,146,702	11.27
2018	242,530	242,530	-	2,044,912	11.86
2017	248,140	248,140	-	2,064,161	12.02
2016	244,487	244,487	-	1,980,561	12.34

Notes to Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % of Pay (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Market; 20% Corridor
Inflation	2.25%
Salary Increases	2.75% to 13.75% Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled, retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

See independent auditor's report.

Wilmette Public Library District
General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual - Modified Cash Basis
For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 5,677,700	\$ 5,846,745	\$ 169,045
Intergovernmental - replacement taxes	100,000	75,584	(24,416)
Grant	41,566	48,253	6,687
Kenilworth Library services contract	210,000	233,807	23,807
Interest	150,000	362,864	212,864
Fines and fees	9,000	14,366	5,366
Friends donations	-	19,080	19,080
Miscellaneous	59,000	49,825	(9,175)
Total revenues	<u>6,247,266</u>	<u>6,650,524</u>	<u>403,258</u>
Expenditures:			
Culture and recreation:			
Personnel	4,606,818	4,573,867	32,951
Patron materials/services	1,251,000	1,171,090	79,910
Operations	745,100	583,104	161,996
Total expenditures	<u>6,602,918</u>	<u>6,328,061</u>	<u>274,857</u>
Net changes in fund balance	<u>\$ (355,652)</u>	<u>322,463</u>	<u>\$ 678,115</u>
Fund balance, beginning of the year		<u>6,460,899</u>	
Fund balance, end of the year		<u>\$ 6,783,362</u>	

See independent auditor's report.

Wilmette Public Library District
General Fund
Schedule of Expenditures - Budget and Actual -
Modified Cash Basis
For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Positive (Negative)
Culture and recreation:			
Personnel services:			
Salaries:			
Librarian	\$ 1,702,154	\$ 1,680,891	\$ 21,263
Non-Librarian	1,864,419	1,841,129	23,290
Custodial	205,245	202,681	2,564
Professional memberships	8,000	6,082	1,918
Registrations	10,000	4,734	5,266
Travel - mileage	20,000	9,471	10,529
Staff development	25,000	15,806	9,194
Insurance	772,000	813,073	(41,073)
Total personnel services	4,606,818	4,573,867	32,951
Patron materials and services:			
Books and communications	287,000	267,484	19,516
Audio visual materials	75,000	63,618	11,382
Periodicals	35,000	35,063	(63)
Electronic resources	534,314	517,627	16,687
Computer software	12,887	12,485	402
Electronic service providers	149,799	145,121	4,678
Programming	70,000	53,537	16,463
Friends purchases	32,000	28,929	3,071
Web design	-	-	-
Newsletter	35,000	34,255	745
Promotion	10,000	5,086	4,914
Rutherford Trust expenses	10,000	7,885	2,115
Total patron materials and services	1,251,000	1,171,090	79,910
Operations:			
Accounting	14,000	14,005	(5)
Professional fees	25,000	4,779	20,221
Legal fees	-	9,818	(9,818)
Bank and other fees	-	7,843	(7,843)

(cont'd)

Wilmette Public Library District
General Fund
Schedule of Expenditures - Budget and Actual -
Modified Cash Basis
For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Positive (Negative)
Culture and recreation (cont'd):			
Operations (cont'd):			
Library supplies	\$ 25,000	\$ 17,738	\$ 7,262
Office supplies	25,000	12,965	12,035
Copiers	28,000	24,796	3,204
Printing	1,000	-	1,000
Postage and shipping	10,000	9,280	720
Telephone	20,000	19,396	604
Equipment/furniture/computers	150,000	62,091	87,909
Equipment/computer/maintenance	110,000	153,766	(43,766)
Building improvement	35,000	7,800	27,200
Building supplies	40,000	26,604	13,396
Building maintenance	50,000	35,859	14,141
Building maintenance contracts	120,000	116,932	3,068
Grounds maintenance	40,000	24,783	15,217
Parking lot rental	13,000	11,400	1,600
Utilities	25,000	19,590	5,410
Vehicle maintenance	3,000	2,210	790
Miscellaneous	1,100	1,449	(349)
Grant expense	10,000	-	10,000
Total operations	745,100	583,104	161,996
Total expenditures	\$ 6,602,918	\$ 6,328,061	\$ 274,857

See independent auditor's report.

Wilmette Public Library District
Combining Balance Sheet - Modified Cash Basis
Nonmajor Governmental Funds
June 30, 2025

	<u>Retirement</u>	<u>Audit</u>	<u>Liability Insurance</u>	<u>Total</u>
Assets				
Cash and investments	\$ 563,821	\$ 11,114	\$ 48,286	\$ 623,221
Total assets	\$ 563,821	\$ 11,114	\$ 48,286	\$ 623,221
Liabilities				
None	\$ -	\$ -	\$ -	\$ -
Fund Balances				
Restricted:				
Retirement	\$ 563,821	\$ -	\$ -	\$ 563,821
Audit	-	11,114	-	11,114
Liability insurance	-	-	48,286	48,286
Total fund balances	563,821	11,114	48,286	623,221
Total liabilities and fund balances	\$ 563,821	\$ 11,114	\$ 48,286	\$ 623,221

See independent auditor's report.

Wilmette Public Library District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Nonmajor Governmental Funds - Modified Cash Basis
For the Year Ended June 30, 2025

	<u>Retirement</u>	<u>Audit</u>	<u>Liability Insurance</u>	<u>Total</u>
Revenues:				
Taxes:				
Property	\$ 518,485	\$ 11,032	\$ 99,284	\$ 628,801
Investment income	21,917	-	-	21,917
Total revenues	<u>540,402</u>	<u>11,032</u>	<u>99,284</u>	<u>650,718</u>
Expenditures:				
Culture and recreation	497,593	9,475	73,594	580,662
Total expenditures	<u>497,593</u>	<u>9,475</u>	<u>73,594</u>	<u>580,662</u>
Net changes in fund balances	42,809	1,557	25,690	70,056
Fund balances, beginning of the year	<u>521,012</u>	<u>9,557</u>	<u>22,596</u>	<u>553,165</u>
Fund balances, end of the year	<u>\$ 563,821</u>	<u>\$ 11,114</u>	<u>\$ 48,286</u>	<u>\$ 623,221</u>

See independent auditor's report.

**Wilmette Public Library District
Retirement Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual - Modified Cash Basis
For the Year Ended June 30, 2025**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ -	\$ 518,485	\$ 518,485
Interest	-	21,917	21,917
Total revenues	-	540,402	540,402
Expenditures:			
Culture and recreation:			
Fringe benefits - IMRF/FICA	440,000	497,593	(57,593)
Net changes in fund balance	\$ (440,000)	42,809	\$ 482,809
Fund balance, beginning of the year		521,012	
Fund balance, end of the year		\$ 563,821	

See independent auditor's report.

Wilmette Public Library District
Audit Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual - Modified Cash Basis
For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ -	\$ 11,032	\$ 11,032
Expenditures:			
Culture and recreation:			
Audit	9,500	9,475	25
Net changes in fund balance	\$ (9,500)	1,557	\$ 11,057
Fund balance, beginning of the year		9,557	
Fund balance, end of the year		\$ 11,114	

See independent auditor's report.

Wilmette Public Library District
Liability Insurance Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual - Modified Cash Basis
For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ -	\$ 99,284	\$ 99,284
Expenditures:			
Culture and recreation:			
Personnel services:			
Liability insurance	65,561	64,332	1,229
Unemployment insurance	9,439	9,262	177
Total expenditures	75,000	73,594	1,406
Net changes in fund balance	\$ (75,000)	25,690	\$ 100,690
Fund balance, beginning of the year		22,596	
Fund balance, end of the year		\$ 48,286	

See independent auditor's report.

SUPPLEMENTAL DATA

Wilmette Public Library District
Property Tax Assessed Valuations, Rates, Extensions and Collections
Last Ten Levy Years

Tax Levy Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Assessed Valuations	<u>\$ 1,583,111,678</u>	<u>\$ 1,540,264,790</u>	<u>\$ 1,922,332,036</u>	<u>\$ 1,961,313,130</u>	<u>\$ 1,900,968,654</u>	<u>\$ 2,062,021,187</u>	<u>\$ 2,066,495,782</u>	<u>\$ 1,912,953,962</u>	<u>\$ 2,370,160,512</u>	<u>\$ 2,412,377,707</u>
Tax Rates:										
General	0.3487	0.3612	0.2920	0.2791	0.2707	0.2440	0.2434	0.2662	0.2272	0.2383
IMRF	0.0172	0.0128	0.0129	0.0126	0.0130	0.0137	0.0137	0.0148	0.0109	0.0101
FICA	0.0115	0.0166	0.0086	0.0079	0.0081	0.0112	0.0112	0.0121	0.0096	0.0085
Liability Insurance	0.0029	0.0030	0.0019	0.0018	0.0018	0.0017	0.0017	0.0018	0.0039	0.0042
Audit	<u>0.0005</u>	<u>0.0006</u>	<u>0.0005</u>	<u>0.0050</u>	<u>0.0005</u>	<u>0.0005</u>	<u>0.0005</u>	<u>0.0005</u>	<u>0.0004</u>	<u>0.0005</u>
Total tax rates	<u>0.3808</u>	<u>0.3942</u>	<u>0.3159</u>	<u>0.3064</u>	<u>0.2941</u>	<u>0.2711</u>	<u>0.2705</u>	<u>0.2954</u>	<u>0.2520</u>	<u>0.2616</u>
Tax Extensions:										
General	\$ 5,519,541	\$ 5,563,200	\$ 5,613,979	\$ 5,473,629	\$ 5,145,212	\$ 5,030,779	\$ 5,030,779	\$ 5,091,115	\$ 5,385,382	\$ 5,749,606
IMRF	271,920	197,760	247,200	247,200	247,200	283,250	283,250	283,250	257,500	243,080
FICA	181,280	255,440	164,800	154,500	154,500	231,750	231,750	231,750	226,600	206,000
Liability Insurance	46,350	46,350	36,050	35,149	35,149	35,020	35,020	35,020	92,700	100,940
Audit	<u>8,549</u>	<u>8,549</u>	<u>9,270</u>	<u>9,038</u>	<u>9,038</u>	<u>10,300</u>	<u>10,300</u>	<u>10,300</u>	<u>10,300</u>	<u>11,330</u>
Total tax extensions	<u>\$ 6,027,640</u>	<u>\$ 6,071,299</u>	<u>\$ 6,071,299</u>	<u>\$ 5,919,516</u>	<u>\$ 5,591,099</u>	<u>\$ 5,591,099</u>	<u>\$ 5,591,099</u>	<u>\$ 5,651,435</u>	<u>\$ 5,972,482</u>	<u>\$ 6,310,956</u>
Tax collections	<u>\$ 5,948,702</u>	<u>\$ 6,091,734</u>	<u>\$ 5,932,416</u>	<u>\$ 5,816,322</u>	<u>\$ 5,538,543</u>	<u>\$ 5,501,780</u>	<u>\$ 5,550,344</u>	<u>\$ 5,541,470</u>	<u>\$ 6,085,722</u>	<u>\$ 6,475,546</u>
Percentage collected	<u>98.69%</u>	<u>100.34%</u>	<u>97.71%</u>	<u>98.26%</u>	<u>99.06%</u>	<u>98.40%</u>	<u>99.27%</u>	<u>98.05%</u>	<u>101.90%</u>	<u>102.61%</u>

Property tax rates per \$100 of assessed valuation.

See independent auditor's report.

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October 24, 2025

Board of Trustees and Management
Wilmette Library District
Wilmette, Illinois

We have audited the financial statements of **Wilmette Public Library District** for the year ended June 30, 2025, and have issued our report thereon dated October 24, 2025. During our audit, we noted the following operational or administrative matters we believe to be of potential benefit to you.

Future Accounting and Auditing Pronouncements

GASB has issued several other pronouncements that become effective in future years.

GASB Statement 102, *Certain Risk Disclosures*, improves financial reporting by providing users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. Users of financial statements will have better information with which to understand and anticipate certain risks to a government's financial condition. Statement No. 102 is effective for the fiscal year ending June 30, 2026.

GASB Statement 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. Changes are proposed to the management's discussion and analysis, presentation of unusual or infrequent items, presentation of proprietary fund statement of revenues, expenses and changes in fund net position, major component unit information, and budgetary comparison information. Statement No. 103 is effective for the fiscal year ending June 30, 2026.

GASB Statement 104, *Disclosure of Certain Capital Assets*, improves financial reporting by requiring separate disclosure in the capital assets note disclosure of lease assets recognized in accordance with GASB Statement No. 87, intangible assets recognized in accordance with GASB Statement No. 94, and subscription assets recognized in accordance with GASB Statement No. 96. The Statement also requires additional disclosures for capital assets held for sale. Statement No. 104 is effective for the fiscal year ending June 30, 2026.

This report is intended solely for the information and use of the Board of Trustees, management and others within the Library District, and is not intended to be and should not be used by anyone other than these specified parties.

We would like to take this opportunity to express our appreciation to you, and to the Library District's staff, for the courtesy and cooperation extended to our staff during the course of the audit.

Should you wish to discuss further any of the matters referred to, or if we can be of assistance in implementing any of the suggestions, we will be pleased to do so at your convenience.

Selden Fox, Ltd.