

ELWOOD PUBLIC LIBRARY

FINANCIAL REPORT
WITH
ADDITIONAL INFORMATION

JUNE 30, 2020

ELWOOD PUBLIC LIBRARY

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Elwood Public Library
1929 Jericho Turnpike
East Northport, New York 11731

We have audited the accompanying basic financial statements of the governmental activities and each major fund of Elwood Public Library as of and for the year ended June 30, 2020, 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 from 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 the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Elwood Public Library, as of June 30, 2020, 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, budgetary comparison information, the schedule of proportionate share of the net pension liability, the schedule of library pension contributions and the schedule of changes in the Library's total OPEB Liability and related ratios on pages 5 through 8 and 31 through 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Balderson & Hartwig

Certified Public Accountants
Stewart Manor, New York
September 16, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

Using This Annual Report

This annual report consists of three parts- *management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include information that present two different views of the Library:

- The first three columns of these financial statements include information on the Library's funds under the modified accrual method. These *Fund Financial Statements* focus on current financial resources and provide a more detailed view about the accountability of the Library's sources and uses of funds.

The adjustment column of the financial statements represents adjustments necessary to convert the fund financial statements to the government-wide financial statements under the full-accrual method.

- The *government-wide financial statement* columns provide both long-term and short-term information about the Library's overall financial status. The statement of net position and the statement of activities provide information about the activities of the Library as a whole and present a longer-term view of the Library's finances. These statements tell how these services were financed in the short term as well as what remains for future spending.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Condensed Financial Information:

The table below compares key financial information in a condensed format between the current year and the prior year, in thousands of dollars:

	<u>June 30,</u> <u>2020</u>	<u>June 30,</u> <u>2019</u>	<u>Increase</u> <u>(Decrease)</u>
Assets:			
Current assets	\$ 1,289	\$ 1,193	\$ 96
Capital assets	<u>19</u>	<u>20</u>	<u>(1)</u>
Total Assets	<u>1,308</u>	<u>1,213</u>	<u>95</u>
Deferred Outflow of Resources	<u>614</u>	<u>94</u>	<u>520</u>
Liabilities:			
Long-term debt	2,004	1,318	686
Other liabilities	<u>60</u>	<u>59</u>	<u>1</u>
Total Liabilities	<u>2,064</u>	<u>1,377</u>	<u>687</u>
Deferred Inflow of Resources	<u>175</u>	<u>147</u>	<u>28</u>
Net Position:			
Net investment in capital assets	19	20	(1)
Unrestricted	<u>(336)</u>	<u>(237)</u>	<u>(99)</u>
Total Net Position	<u>\$ (317)</u>	<u>\$ (217)</u>	<u>\$ (100)</u>
Revenue:			
Tax revenues	\$ 1,604	\$ 1,572	\$ 32
Fines and other fees	0	1	(1)
Other revenue	<u>38</u>	<u>60</u>	<u>(22)</u>
Total Revenue	1,642	1,633	9
Expenses - Library Services	<u>1,742</u>	<u>1,622</u>	<u>120</u>
Change in net position	(100)	11	(111)
Net position - beginning of year	<u>(217)</u>	<u>(228)</u>	<u>11</u>
Net Position - End of Year	<u>\$ (317)</u>	<u>\$ (217)</u>	<u>\$ (100)</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

The Library As A Whole

- The Library's net position decreased by \$99,442 this year. The primary reason for this increase is detailed within the Statement of Activities on page eleven.
- The Library's primary source of revenue is from property taxes, which represents 98 percent of total revenue. In the prior year property taxes represented 96 percent of Library's total revenue.
- As is typical of service agencies, salaries and benefits are a significant expense of the Library, representing 63 percent of the Library's total expenses. In the prior year they represented 59 percent of the Library's total expenses.

The Library Funds:

Our analysis of the Library's major funds is included in the first three columns of pages 9 through 11 on the respective statements. The fund columns provide detailed information about the most significant funds – not the Library as a whole. The Library Board has the ability to create separate funds to help manage money for specific purposes and to maintain accountability for certain activities. Currently, the Library has two funds, the General Fund and the Capital Projects Fund.

The fund balance of the General Fund increased from \$922,111 to \$1,015,645. This is primarily the result of the budgetary highlights described below. The fund balance of the Capital Fund increased during the year from \$211,637 to \$213,648.

Budgetary Highlights:

The following are explanations for the significant variations between the Library's final budget and the actual results of the General Fund:

- The favorable variance in E-rate discount was due to receiving pass-through funds from SCLS relating to the Federal E-rate reimbursement program. The Library budgeted conservatively for this income because it was not a guaranteed source of revenue.
- The budget line for Children's programs was underspent by \$5,426. This was attributed to having to cancel previously scheduled on-site programs due to the Covid-19 pandemic.
- The budget line for capital contingency was underspent by \$50,000. Due to the uncertain economic conditions surrounding the Covid-19 pandemic, a decision was made to keep funds available for operating expenditures.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Capital Assets and Debt Administration:

Capital outlay totaled \$5,743 for the current year. The purchases were for new computer equipment and a refrigerator. During the year the Library also discarded broken or obsolete computer equipment that had an original cost of \$17,969.

The only long term debt that the Library has is to its employees for compensated absences, its net pension liability and its obligation for other post-employment benefits. The liability for compensated absences at June 30, 2020 was \$59,608. This represents a decrease of \$2,941 from the previous year. The net pension liability at June 30, 2020 was \$576,083. This represents an increase of \$416,787 from the previous year. The obligation for other post-employment benefits at June 30, 2020 was \$1,368,178. This represents an increase of \$272,002 from the previous year.

Currently Known Conditions:

The anticipated tax revenues for the 2020-2021 fiscal year are \$1,604,065. This represents a 0% tax increase as compared to the 2019-2020 fiscal year budget.

ELWOOD PUBLIC LIBRARY
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
JUNE 30, 2020

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments (Note 9)</u>	<u>Statement of Net Position</u>
Assets:					
Cash and cash equivalents:					
Checking and money market	\$ 981,455	\$ 213,648	\$ 1,195,103	\$	\$ 1,195,103
Petty cash	300		300		300
Total cash and cash equivalents	<u>981,755</u>	<u>213,648</u>	<u>1,195,403</u>	<u>0</u>	<u>1,195,403</u>
Payments in lieu of taxes receivable	9,618		9,618		9,618
Other receivable	78		78		78
Prepaid expenses	57,706		57,706		57,706
Inventory	1,960		1,960		1,960
Deposits	25,000		25,000		25,000
Capital assets, net of depreciation				18,752	18,752
Total Assets	<u>1,076,117</u>	<u>213,648</u>	<u>1,289,765</u>	<u>18,752</u>	<u>1,308,517</u>
Deferred Outflows of Resources:					
Deferred outflow on other post-employment benefits				250,742	250,742
Deferred outflow on pension				363,401	363,401
Total Deferred Outflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>614,143</u>	<u>614,143</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 1,076,117</u>	<u>\$ 213,648</u>	<u>\$ 1,289,765</u>	<u>\$ 632,895</u>	<u>\$ 1,922,660</u>

The accompanying notes are an integral part of the financial statements.

ELWOOD PUBLIC LIBRARY
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
JUNE 30, 2020

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments (Note 9)</u>	<u>Statement of Net Position</u>
Liabilities:					
Accounts payable	\$ 9,442	\$	\$ 9,442	\$	\$ 9,442
Accrued payroll	29,508		29,508		29,508
Accrued retirement	21,522		21,522		21,522
Non-current liabilities:					
Compensated absences payable				59,608	59,608
Net pension liability				576,083	576,083
Obligation for other post-employment benefits				1,368,178	1,368,178
Total Liabilities	<u>60,472</u>	<u>0</u>	<u>60,472</u>	<u>2,003,869</u>	<u>2,064,341</u>
Deferred Inflows of Resources:					
Deferred inflow on other- post employment benefits				145,967	145,967
Deferred inflow on pension				29,476	29,476
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>175,443</u>	<u>175,443</u>
Fund Balances/Net Position:					
Nonspendable	84,666		84,666	(84,666)	
Assigned for capital projects		213,648	213,648	(213,648)	
Unassigned	930,979		930,979	(930,979)	
Total Fund Balance	<u>1,015,645</u>	<u>213,648</u>	<u>1,229,293</u>	<u>(1,229,293)</u>	
Total Liabilities, Deferred Inflows of Resources And Fund Balances	<u>\$ 1,076,117</u>	<u>\$ 213,648</u>	<u>\$ 1,289,765</u>		
Net Position:					
Net investment in capital assets				18,752	18,752
Unrestricted				(335,876)	(335,876)
Total Net Position				<u>\$ (317,124)</u>	<u>\$ (317,124)</u>

The accompanying notes are an integral part of the financial statements.

ELWOOD PUBLIC LIBRARY
STATEMENT OF ACTIVITIES AND GOVERNMENTAL
FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments (Note 9)</u>	<u>Statement of Activities</u>
Revenues:					
Tax revenues	\$ 1,604,065	\$	\$ 1,604,065	\$	\$ 1,604,065
Fines and other fees	115		115		115
Payments in lieu of taxes	9,618		9,618		9,618
NY State aid and grants	7,416		7,416		7,416
Interest income	7,633	2,011	9,644		9,644
Lost materials	828		828		828
Copier	2,376		2,376		2,376
Gifts and donations	2,993		2,993		2,993
E-rate discount	5,595		5,595		5,595
Total Revenues	<u>1,640,639</u>	<u>2,011</u>	<u>1,642,650</u>	<u>0</u>	<u>1,642,650</u>
Expenditures/Expenses For					
Library Services:					
Salaries and benefits	907,322		907,322	193,974	1,101,296
Library materials	128,213		128,213		128,213
Programs	31,213		31,213		31,213
Professional services	18,119		18,119		18,119
Library operations	71,029		71,029		71,029
Building operations	385,466		385,466		385,466
Capital outlay	5,743		5,743	(5,743)	
Depreciation				6,756	6,756
Total Expenditures/Expenses	<u>1,547,105</u>	<u>0</u>	<u>1,547,105</u>	<u>194,987</u>	<u>1,742,092</u>
Excess (Deficiency) Of Revenues Over Expenditures	93,534	2,011	95,545	(194,987)	
Other Financing Sources/(Uses):					
Transfers - internal activities	<u>0</u>	<u>0</u>	<u>0</u>		
Excess (Deficiency) Of Revenues And Transfers In Over Expenditures	93,534	2,011	95,545	<u>(95,545)</u>	
Change In Net Position				(99,442)	(99,442)
Fund balance/net position- beginning of year	<u>922,111</u>	<u>211,637</u>	<u>1,133,748</u>	<u>(1,351,430)</u>	<u>(217,682)</u>
Fund Balance/Net Position- End Of Year	<u>\$ 1,015,645</u>	<u>\$ 213,648</u>	<u>\$ 1,229,293</u>	<u>\$ (1,546,417)</u>	<u>\$ (317,124)</u>

The accompanying notes are an integral part of the financial statements.

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1: Summary of Significant Accounting Policies

The accounting policies of Elwood Public Library conform to accounting principles generally accepted in the United States of America as applicable to governmental units. Accordingly, in June 1999, the Governmental Accounting Standards Board issued Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. Some of the significant changes in the statement include the following:

- A Management’s Discussion and Analysis section providing an analysis of the Library’s overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the Library’s activities.
- A change in the fund financial statements to focus on the major funds.

The following is a summary of the significant accounting policies:

A. **Reporting Entity:** On April 29, 2003 the Board of Regents formally voted to grant a provisional charter to the Elwood Public Library, which became permanent on December 9, 2005. The Board of Trustees is responsible for the approval of the annual budget and oversight of the Library management’s control and disbursement of funds and maintenance of assets. The Library’s management is solely responsible for day-to-day operations. The Library coordinates the raising of its real estate tax revenues with the Elwood Union Free School District.

B. **Management Focus, Basis of Accounting and Financial Statement Presentation:** 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).

Government-Wide Financial Statements: The Government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The effect of interfund governmental activity has been eliminated from the government-wide financial statements.

The Statement of Net Position includes and recognizes all long-term assets and receivables as well as long-term debt and obligations. The Library’s net position are reported in three parts- net investment in capital assets; restricted net position; and unrestricted net position.

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1: **Summary of Significant Accounting Policies** (continued)

B. **Management Focus, Basis of Accounting and Financial Statement Presentation:**
(continued)

Fund Financial Statements: Governmental fund financial statements are reported using the modified accrual basis of accounting prescribed by the Governmental Accounting Standards Board and the State of New York's Department of Audit and Control, Division of Municipal Affairs. Under this method, revenues are recognized in the period in which they become both measurable and available. The Library considers all revenues reported in the governmental funds to be available if the revenues are collected within a reasonable period of time after fiscal year end, except for real property taxes, which are considered to be available if they are collected within sixty days after the end of the fiscal year. Fees and other income items other than interest income are recorded when received in cash. Expenditures are recognized in the period in which the liability is incurred. However, debt service expenditures, if applicable, are recorded only when a payment is due. The Library reports on the following funds:

General Fund: This fund is established to account for resources devoted to the general services that the Library performs for its taxpayers. General tax revenues and other sources of revenues used to finance the fundamental operation of the Library are included in this fund.

Capital Projects Fund: This fund is used to account for resources devoted to major capital improvements of the Library.

C. **Interfund Transactions:** The operations of the Library include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The Library typically loans resources between funds for cash flow purposes. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include transfers to provide financing or other services. This includes the transfer of unrestricted General Fund revenues to finance various expenditures that the Library must account for in other funds in accordance with budgetary authorizations.

D. **Use of Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1: **Summary of Significant Accounting Policies (continued)**

- E. Fund Balance Classifications:** The Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* that defines the different types of fund balances that a governmental entity must use for financial reporting purposes. They are as follows:
- Nonspendable:** This includes amounts that cannot be spent because they are either not in spendable form (i.e. inventories, prepaid expenses, etc.) or they are legally or contractually required to be maintained intact.
- Restricted:** This includes amounts with constraints placed on the use of resources. These constraints can be externally imposed by creditors, grantors, contributors, or imposed by laws and regulations.
- Committed:** This includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the Library's Board. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- Assigned:** This includes amounts that are constrained by the Library's intent to be used for specific purposes, but are neither restricted nor committed. The Library Board is not required to impose or remove the constraint. Assignments of fund balance cannot be made if it would result in a negative unassigned fund balance.
- Unassigned:** This includes the residual classification for the Library's general fund. This classification represents fund balance that has not been assigned to other funds, assigned for specific purposes, restricted, or committed.
- F. Order of Use of Restricted/Unrestricted Net Position and Fund Balance:** When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Library's policy is to apply restricted net position first. Expenditures incurred from unrestricted resources are applied to committed fund balance as determined by the Board, then to assigned fund balance, and then to the unassigned fund balance.
- G. Cash and Cash equivalents:** The Library has defined cash and cash equivalents to include cash on hand, demand deposits, and short term investments with a maturity of three months or less.

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1: **Summary of Significant Accounting Policies (continued)**

- H. **Investments:** The Library's investment policies are governed by State statutes and its own written investment policy. Permissible investments for the Library include special time deposit accounts, certificates of deposit and obligations of the United States of America.
- I. **Capital Assets:** Capital assets are defined by the Library as assets with an initial cost of \$500 or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost. Donated assets are reported at estimated fair market value at the date of donation. 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. Library books and materials are not capitalized. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Equipment	5 years
Furniture	7 years
Leasehold improvements	1 month to 10 years (life of the lease)

NOTE 2: **Concentration of Credit Risk**

The Library maintains all of its cash balances at two banks. At year end, the Library's carrying amount of deposits was \$1,195,103 (excludes petty cash) and the bank balance was \$1,212,591. Of the bank balance, \$539,244 was covered by federal depository insurance and \$673,347 was covered by collateral held by the Library's agent.

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3: Capital Assets

A summary of changes in general fixed assets is as follows:

	Balance as of 7/1/2019	Additions	Deletions	Balance as of 6/30/2020
Assets being depreciated:				
Leasehold improvements	\$ 663,642	\$ 0	\$ 0	\$ 663,642
Computer equipment	82,879	5,003	(17,969)	69,913
Other equipment	17,086	740	0	17,826
Furniture and fixtures	107,071	0	0	107,071
Total	870,678	5,743	(17,969)	858,452
Accumulated depreciation	(850,913)	(6,756)	17,969	(839,700)
Net Book Value	\$ 19,765	\$ (1,013)	\$ 0	\$ 18,752

NOTE 4: Compensated Absences Payable

The Library has an accumulated liability as of June 30, 2020 for unused sick, personal and vacation pay amounting to \$59,608. This is a decrease of \$2,941 from the prior year. No portion of this liability is expected to be paid out during the next twelve months.

NOTE 5: Long Term Debt

The following is a summary of changes in long-term debt for the period ended June 30, 2020:

	Balance 7/1/2019	Increases	Reductions	Balance 6/30/2020	<u>Non-current liabilities</u> Due within one year	Due after one year
Compensated absences	\$ 62,549	\$ 0	\$ 2,941	\$ 59,608	\$ 0	\$ 59,608
Net pension liability	159,296	416,787	0	576,083	0	576,083
Other post-employment benefits payable	1,096,176	272,002	0	1,368,178	0	1,368,178
	<u>\$ 1,318,021</u>	<u>\$ 688,789</u>	<u>\$ 2,941</u>	<u>\$ 2,003,869</u>	<u>\$ 0</u>	<u>\$ 2,003,869</u>

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6: **Retirement Plan**

- A. **Plan Description and Benefits Provided:** The Elwood Public Library participates in the New York State and Local Employees' Retirement System (the System). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November 2018, he was elected for a new term commencing January 1, 2019. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Elwood Public Library also participates in the Public Employees' Group Term Life Insurance plan (GTLI), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.
- B. **Benefits Provided:** The System provides retirement benefits as well as death and disability benefits.

Tiers 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service.

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6: **Retirement Plan: (continued)**

B. **Benefits Provided: (continued)**

Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months. Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20 percent of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous two years.

Tiers 3, 4, and 5

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have 10 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with 10 or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 3, 4 and 5 members, each year of final average salary is limited to no more than 10 percent of the average of the previous two years.

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have 10 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63.

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6: **Retirement Plan: (continued)**

B. Benefits Provided: (continued)

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied for each year of service over 20 years. Tier 6 members with 10 or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

Ordinary Disability Benefits

Generally, ordinary disability benefits, usually one-third of salary, are provided to eligible members after 10 years of service; in some cases, they are provided after five years of service.

Accidental Disability Benefits

For all eligible Tier 1 and Tier 2 ERS members, the accidental disability benefit is a pension of 75 percent of final average salary, with an offset for any Workers' Compensation benefits received. The benefit for eligible Tier 3, 4, 5 and 6 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for 10 years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement.

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6: **Retirement Plan: (continued)**

B. Benefits Provided: (continued)

Post-Retirement Benefit Increases (Continued)

An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

- C. Contributions:** The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3 percent of their salary for the first 10 years of membership, and employees who joined on or after January 1, 2010 (ERS) who generally contribute 3 percent of their salary for their entire length of service. For Tier 6 members, the contribution rate varies from 3 percent to 6 percent depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required. The required contribution for the current fiscal year was \$83,490, for the 2019 fiscal year it was \$81,101, and for the 2018 fiscal year it was \$80,738.

- D. Pension Liabilities, Pension Expenses, Deferred Outflows of Resources and Deferred Inflow of Resources Related to Pensions:** At June 30, 2020, the Elwood Public Library reported a liability of \$576,083 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Elwood Public Library's proportion of the net pension liability was based on a projection of the Elwood Public Library's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2020, the Elwood Public Library's proportion was 0.0021755 percent, which was a decrease of .0000728 percent from its proportion measured at June 30, 2019.

For the year ended June 30, 2020, the Elwood Public Library recognized pension expense of \$181,358.

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6: **Retirement Plan (continued)**

D. Pension Liabilities, Pension Expenses, Deferred Outflows of Resources and Deferred Inflow of Resources Related to Pensions: (continued)

At June 30, 2020, the Elwood Public Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 33,905	\$ 0
Changes in assumptions	11,600	10,016
Net difference between projected and actual investment earnings on pension plan investments	295,328	0
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,046	19,460
Library's contributions subsequent to the measurement date	<u>21,522</u>	<u>0</u>
Total	<u>\$ 363,401</u>	<u>\$ 29,476</u>

\$21,522 reported as deferred outflows of resources related to pensions resulting from Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other 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 June 30,</u>	<u>Amount Recognized</u>
2021	\$ 47,237
2022	76,801
2023	103,736
2024	84,629
2025	<u>0</u>
Total	<u>\$ 312,403</u>

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6: **Retirement Plan** (continued)

- E. **Actuarial Assumptions:** The total pension liability at March 31, 2020 was determined by using an actuarial valuation as of April 1, 2019, with update procedures used to roll forward the total pension liability to March 31, 2020. The actuarial valuation (prepared for the NYS Retirement System as a whole) used the following actuarial assumptions:

Inflation	2.50%
Salary increases	4.20%
Investment rate of return (net of investment expense, including inflation)	6.80%
Cost of living adjustments	1.30%

Annuitant mortality rates are based on April 1, 2010 – March 31, 2015 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2018. The previous actuarial valuation as of April 1, 2018 used the Society of Actuaries' Scale MP-2014.

The actuarial assumptions used in the April 1, 2019 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

The long term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The previous actuarial valuation as of April 1, 2018 used a long-term expected rate of return of 7%.

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6: **Retirement Plan** (continued)

E. **Actuarial Assumptions: (continued)**

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2020 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	36.00%	4.05%
International equity	14.00%	6.15%
Private equity	10.00%	6.75%
Real estate	10.00%	4.95%
Absolute return strategies	2.00%	3.25%
Opportunistic portfolio	3.00%	4.65%
Real assets	3.00%	5.95%
Bonds and mortgages	17.00%	0.75%
Cash	1.00%	0.00%
Inflation-Indexed bonds	4.00%	0.50%
Total	<u>100.00%</u>	

The real rate of return is net of the long-term inflation assumption of 2.5%

Discount Rate – The discount rate used to calculate the total pension liability was 6.8%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6: **Retirement Plan** (continued)

E. **Actuarial Assumptions: (continued)**

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption – The following presents the current-period net pension liability of the Library, calculated using the current-period discount rate assumption of 6.8 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (5.8 percent) or 1 percentage-point higher (7.8 percent) than the current assumption:

	<u>1%</u> <u>Decrease</u> <u>(5.8%)</u>	<u>Current</u> <u>Assumption</u> <u>(6.8%)</u>	<u>1%</u> <u>Increase</u> <u>(7.8%)</u>
Library's proportionate share of the net pension liability	\$ 1,057,275	\$ 576,083	\$ 132,903

Pension plan fiduciary net position – The components of the current year net pension liability of the New York State and Local Retirement System as of March 31, 2020, in thousands of dollars was as follows:

	<u>Total</u>
Employers' total pension liability	\$ 194,596,261
Plan net position	<u>(168,115,682)</u>
Employers' net pension liability	<u>\$ 26,480,579</u>
Ratio of plan net position to the Employers' total pension liability	86.39%

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 7: Commitments and Contingencies

On November 30, 2017 the Library signed an amendment to its lease for its current location at 1929 Jericho Turnpike, East Northport, N.Y. The agreement is for a ten-year term that commenced on January 1, 2018. The minimum monthly lease commitment starts at \$25,000 per month and increases to \$32,376 per month over the ten-year term. In addition, the Library is obligated to pay their proportional share of any increase in real estate taxes over and above the base year tax. On March 14, 2019 the Library executed a 60-month lease for two copiers at \$236 per month. For the year ending June 30, 2020 the Library made rental and lease payments totaling \$302,832.

The estimated future minimum lease commitment is detailed as follows:

<u>Year Ending June 30,</u>	<u>Minimum Payments</u>
2021	\$ 316,332
2022	329,832
2023	329,832
2024	343,839
2025	356,430
2026-2028	<u>923,153</u>
Total	<u>\$ 2,599,418</u>

NOTE 8: Post-employment Benefits Other Than Pensions

- A. Plan Description:** The New York State Department of Civil Service (DCS) administers the New York Health Insurance Program (NYSHIP) which provides health insurance to current and retired employees of New York State, and participating public authorities and local governmental units, such as the Elwood Public Library. NYSHIP offers comprehensive hospital, medical and prescription drug benefits. As administrator of NYSHIP, the DCS performs all administrative tasks and has the authority to establish and amend the benefit provisions offered. Annual benefit premiums charged to and paid by participating local governmental entities are generally the same, regardless of each individual employer's risk profile. The annual benefit premiums collected by DCS are then remitted to the health insurance carriers that comprise NYSHIP. NYSHIP is considered an agent multiple-employer defined benefit plan, it is not a separate entity or trust, and does not issue stand-alone financial statements. The Library, as a participant in the plan, recognizes these postemployment benefits on an accrual basis.

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8: Post-employment Benefits Other Than Pensions (continued)

- B. Funding Policy:** Contribution requirements are determined by the Library Board. Currently, if the employee was hired prior to December 1, 2009, the Library will pay 90% of the amount for an individual policy premium and 75% for a family policy. If the employee was hired after December 1, 2009, the Library will pay 75% of the amount for an individual policy premium and 50% for a family policy.

For the year ending June 30, 2020, the Library recognized the cost of providing health insurance by recording its share of retiree insurance premiums of \$16,133 as an expenditure in the General Fund. Elwood Public Library also reimburses retired employees and their spouses the full cost of Medicare deducted from their Social Security benefits, which amounted to \$1,626.

As of June 30, 2019, the following employees were covered by the benefit terms:

Active employees	8
Inactive employees entitled to but not yet receiving benefit payments	0
Inactive employees or beneficiaries currently receiving benefit payments	<u>2</u>
Total	<u><u>10</u></u>

- C. Total Other Post-employment Benefit (OPEB) Liability:** The Library's total OPEB liability of \$1,368,178 was updated through June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019.

D. Actuarial Assumptions and Other Inputs:

Inflation	2.00%
Annual Payroll Increase	2.50%
Discount Rate	2.21%
2018 Medical Trend Rates (Pre-65/Post-65)	8.00% / 5.00%
2019 Medical Trend Rates (Pre-65/Post-65)	7.50% / 5.00%
Ultimate Medical Trend Rate	5.00%
Year Ultimate Trend Year Reached (Pre-65/Post-65)	2025/2019

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8: Post-employment Benefits Other Than Pensions (continued)

D. Actuarial Assumptions and Other Inputs: (continued)

The discount rate was based on the *Bond Buyer's 20 Bond Index* as of June 30, 2020.

Mortality rates were based on the Society of Actuaries' RPH-2014 Total Dataset head count-weighted fully generational mortality table with projection scale MP-2019.

E. Changes in the Total OPEB Liability:

Balance at June 30, 2019	\$ 1,096,176
Changes for the year:	
Service cost	78,250
Interest	38,364
Changes in benefit terms	0
Differences between expected and actual experience	(93,703)
Changes in assumptions and other inputs	276,538
Benefit payments	<u>(27,447)</u>
Net changes	<u>272,002</u>
Balance at June 30, 2020	<u><u>\$ 1,368,178</u></u>

Note: For the purpose of calculating this liability, there have been no plan changes. The assumption changes were the updating of the pre-65 healthcare cost trend rates and the mortality improvement scale. The discount rate was 3.50% at June 30, 2019 and was 2.21% at June 30, 2020.

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Library, as well as what the Library's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.21%) or 1 percentage point higher (3.21%) than the current discount rate:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB Liability	\$ 1,641,798	\$ 1,368,178	\$ 1,150,240

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8: Post-employment Benefits Other Than Pensions (continued)

E. Changes in the Total OPEB Liability: (continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates –
The following presents the total OPEB liability of the Library, as well as what the Library's total OPEB liability would be if it were calculated using a healthcare cost trend rates that are 1 percentage point lower (6.50% decreasing to 3.50%) or 1 percentage point higher (8.50% decreasing to 5.50%) than the current healthcare cost trend rate:

	1% Decrease (6.50% Decreasing to 3.50%)	Healthcare Cost Trend Rate (7.50% Decreasing to 4.50%)	1% Increase (8.50% Decreasing to 5.50%)
Total OPEB Liability	\$ 1,084,505	\$ 1,368,178	\$ 1,750,774

F. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of resources Related to OPEB: For the year ending June 30, 2020, the Library recognized OPEB expense of \$127,440.

At June 30, 2020, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 0	\$ 84,962
Changes in assumptions	<u>250,742</u>	<u>60,735</u>
Total	<u>\$ 250,742</u>	<u>\$ 145,697</u>

**ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8: Post-employment Benefits Other Than Pensions (continued)

F. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of resources Related to OPEB: (continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to post-employment benefits other than pensions will be recognized in other post-employment benefits expense as follows:

<u>Year Ending June 30,</u>	<u>Amount Recognized</u>
2021	\$ 10,826
2022	10,826
2023	10,826
2024	10,826
2025	10,826
Thereafter	<u>50,915</u>
Total	<u>\$ 105,045</u>

ELWOOD PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9: Reconciliation of Fund Financial Statements to Government-Wide Financial Statements

Total fund balance and the net change in fund balance of the Library's governmental fund differs from net position and changes in net position of the governmental activities reported in the statement of net position and statement of activities. This difference primarily results from the long-term economic focus of the statement of net position and statement of activities versus the current financial resources focus of the governmental fund balance sheet and statement of revenue, expenditures, and change in fund balance. The following are reconciliations of fund balance to net position and the net change in fund balance to the net change in net position:

Total Fund Balance - Modified Accrual Basis \$ 1,229,293

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

- Capital assets are not financial resources, and are not reported in the funds 18,752
- Deferred outflows on other post-employment benefits (OPEB) is not reported in the funds 250,742
- Deferred outflow on pension is not reported in the funds 363,401
- Compensated absences are included as a liability (59,608)
- Obligation for post-employment health insurance, to be paid in future periods is not reported in the funds (1,368,178)
- Net NYS Retirement System pension liability (576,083)
- Deferred inflows on other post-employment benefits (OPEB) is not reported in the funds (145,967)
- Deferred inflow on pension is not reported in the funds (29,476)

Total Net Position - Full Accrual Basis \$ (317,124)

Net Change in Fund Balance - Modified Accrual Basis \$ 95,545

Amounts reported in the statement of activities are different because:

- Capital outlays are reported as expenditures in the statement of revenue, expenditures, and changes in fund balance; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:
 - Capital outlay 5,743
 - Depreciation expense (6,756)
- (Increase)/decrease in the items reported as expenditures in the statements of activities, not in the fund statements:
 - Compensated absences 2,942
 - Post-employment health costs (100,264)
 - NYS Retirement pension costs (96,652)

Change in Net Position - Full Accrual Basis \$ (99,442)

ELWOOD PUBLIC LIBRARY
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Balances</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Tax revenues	\$ 1,604,065	\$ 1,604,065	\$ 1,604,065	\$ 0
Operating Revenue:				
Fines and other fees	0	0	115	115
Payments in lieu of taxes	9,855	9,855	9,618	(237)
NY State aid and grants	3,000	3,000	7,416	4,416
Interest income	10,000	10,000	7,633	(2,367)
Lost materials	1,000	1,000	828	(172)
Copier	3,000	3,000	2,376	(624)
Gifts and donations	5,000	5,000	2,993	(2,007)
E-rate discount	0	0	5,595	5,595
Total Operating Revenue	<u>31,855</u>	<u>31,855</u>	<u>36,574</u>	<u>4,719</u>
Non-Operating Revenue:				
Transfer from unappropriated fund balance	0	0	0	0
Total Revenues	<u>\$ 1,635,920</u>	<u>\$ 1,635,920</u>	<u>\$ 1,640,639</u>	<u>\$ 4,719</u>
Expenditures:				
Salaries And Benefits:				
Salaries	\$ 685,000	\$ 685,000	\$ 675,535	\$ 9,465
Hospital & medical insurance	82,860	82,860	90,695	(7,835)
Social Security taxes	52,403	52,403	49,847	2,556
State retirement	82,000	82,000	84,706	(2,706)
Workers' compensation insurance	6,000	6,000	5,272	728
Disability insurance	350	350	278	72
Other employee benefits	1,000	1,000	989	11
Total Salaries And Benefits	<u>\$ 909,613</u>	<u>\$ 909,613</u>	<u>\$ 907,322</u>	<u>\$ 2,291</u>

The accompanying notes are an integral part of the financial statements.

ELWOOD PUBLIC LIBRARY
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Balances</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures: (continued)				
Library Materials:				
Adult books	\$ 17,000	\$ 17,000	\$ 14,816	\$ 2,184
Adult reference books	300	300	59	241
Adult DVD's	9,000	9,000	5,507	3,493
Adult audio books - CD	750	750	469	281
Adult music	250	250	14	236
Adult periodicals	6,000	6,000	5,755	245
Young adult books	2,500	2,500	1,853	647
Children's books	8,000	8,000	5,272	2,728
Children's reference books	100	100	0	100
Children's DVD's	1,500	1,500	1,334	166
Children's music	150	150	194	(44)
Lost books	250	250	619	(369)
Processing supplies	2,500	2,500	1,122	1,378
Database subscription	20,000	20,000	23,177	(3,177)
Downloadable resources	43,987	43,987	48,974	(4,987)
Lending library	500	500	1,117	(617)
S.C.L.S. membership	18,238	18,238	17,931	307
Total Library Materials	<u>\$ 131,025</u>	<u>\$ 131,025</u>	<u>\$ 128,213</u>	<u>\$ 2,812</u>

The accompanying notes are an integral part of the financial statements.

ELWOOD PUBLIC LIBRARY
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Balances</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures: (continued)				
Programs:				
Adult programs	\$ 17,000	\$ 17,000	\$ 14,194	\$ 2,806
Young adult programs	6,000	6,000	1,895	4,105
Children's programs	18,000	18,000	12,574	5,426
Museum passes	4,000	4,000	2,550	1,450
Total Programs	<u>45,000</u>	<u>45,000</u>	<u>31,213</u>	<u>13,787</u>
Professional Services:				
Legal fees	6,500	6,500	8,078	(1,578)
Accounting fees	7,500	7,500	7,941	(441)
Other professional fees	1,000	1,000	2,100	(1,100)
Total Professional Services	<u>15,000</u>	<u>15,000</u>	<u>18,119</u>	<u>(3,119)</u>
Library Operations:				
Telecommunications (frame relay)	11,000	11,000	10,695	305
Office and library supplies	8,000	8,000	9,370	(1,370)
General office equipment	500	500	318	182
Circulation system (P.A.L.S.)	9,000	9,000	8,645	355
Printing	12,000	12,000	9,850	2,150
Publicity and promotional supply	1,932	1,932	1,656	276
Telephone	5,000	5,000	2,970	2,030
Postage and mailing	5,000	5,000	5,414	(414)
Election	4,500	4,500	1,802	2,698
Website and computer maintenance	11,000	11,000	9,595	1,405
Computer software	3,000	3,000	3,035	(35)
Payroll processing	3,500	3,500	3,728	(228)
Conferences and workshops	2,500	2,500	1,482	1,018
Professional memberships	1,400	1,400	1,506	(106)
Fees and licenses	700	700	334	366
Travel	1,500	1,500	536	964
Bank fees	250	250	93	157
Total Library Operations	<u>\$ 80,782</u>	<u>\$ 80,782</u>	<u>\$ 71,029</u>	<u>\$ 9,753</u>

The accompanying notes are an integral part of the financial statements.

ELWOOD PUBLIC LIBRARY
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Balances</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures: (continued)				
Building Operations:				
Rent	\$ 315,000	\$ 315,000	\$ 300,000	\$ 15,000
Fuel and utilities	22,000	22,000	25,708	(3,708)
Building service contracts	30,000	30,000	31,780	(1,780)
Insurance	14,500	14,500	13,408	1,092
Custodial supplies	3,500	3,500	7,426	(3,926)
Facility repair and maintenance	8,000	8,000	7,144	856
Total Building Operations	<u>393,000</u>	<u>393,000</u>	<u>385,466</u>	<u>7,534</u>
Capital Outlay:				
Computer equipment	6,000	6,000	5,003	997
Other equipment	4,000	4,000	740	3,260
Furniture	1,500	1,500	0	1,500
Total Capital Outlay	<u>11,500</u>	<u>11,500</u>	<u>5,743</u>	<u>5,757</u>
Post Retirement Benefits	<u>50,000</u>	<u>50,000</u>	<u>0</u>	<u>50,000</u>
Total Expenditures	<u>1,635,920</u>	<u>1,635,920</u>	<u>1,547,105</u>	<u>88,815</u>
Excess Of Revenues Over Expenditures	0	0	93,534	93,534
Other Financing Uses:				
Transfer to Capital Projects Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess Of Revenues Over Expenditures And Other Financing Uses	0	0	93,534	93,534
Budgetary fund balance - beginning of year	<u>922,111</u>	<u>922,111</u>	<u>922,111</u>	<u>922,111</u>
Budgetary Fund Balance - End Of Year	<u><u>\$ 922,111</u></u>	<u><u>\$ 922,111</u></u>	<u><u>\$ 1,015,645</u></u>	<u><u>\$ 1,015,645</u></u>

The accompanying notes are an integral part of the financial statements.

ELWOOD PUBLIC LIBRARY
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
NYSLRS PENSION PLAN
FOR THE 2020 FISCAL YEAR**

	2020	2019	2018	2017	2016	2015
Library's proportion of the net pension liability (asset)	0.00218%	0.00225%	0.00227%	0.00241%	0.00228%	0.00243%
Library's proportionate share of the net pension liability (asset)	\$ 576,083	\$ 159,296	\$ 73,389	\$ 226,424	\$ 366,140	\$ 109,736
Library's covered-employee payroll	\$ 586,034	\$ 563,656	\$ 550,059	\$ 534,353	\$ 491,308	\$ 542,310
Library's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	98.3020%	28.2612%	13.3420%	42.3735%	74.5235%	20.2349%
Plan fiduciary net position as a percentage of the total pension liability	86.39%	96.27%	98.24%	94.70%	90.70%	97.95%

** The amounts presented for the fiscal year were determined as of the March 31st that occurred within the fiscal year.

The accompanying notes are an integral part of the financial statements.

**ELWOOD PUBLIC LIBRARY
SCHEDULE OF LIBRARY PENSION CONTRIBUTIONS
NYSLRS PENSION PLAN
FOR THE 2020 FISCAL YEAR**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 83,490	\$ 81,101	\$ 80,738	\$ 79,364	\$ 73,241	\$ 100,323
Contributions in relation to the contractually required contribution	<u>83,490</u>	<u>81,101</u>	<u>80,738</u>	<u>79,364</u>	<u>73,241</u>	<u>100,323</u>
Contribution deficiency (excess)	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Library's covered-employee payroll	\$ 586,034	\$ 563,656	\$ 550,059	\$ 534,353	\$ 491,308	\$ 542,310
Contributions as a percentage of covered-employee payroll	14.25%	14.39%	14.68%	14.85%	14.91%	18.50%

The accompanying notes are an integral part of the financial statements.

ELWOOD PUBLIC LIBRARY
SCHEDULE OF CHANGES IN THE LIBRARY'S TOTAL OPEB
LIABILITY AND RELATED RATIOS

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service Cost	\$ 78,250	\$ 87,030	\$ 84,907
Interest	38,364	35,946	33,027
Changes of benefit terms	0	0	0
Differences between expected and actual experience	(93,703)	0	0
Changes in assumptions or other inputs	276,538	(73,193)	0
Benefit payments	<u>(27,447)</u>	<u>(29,794)</u>	<u>(23,871)</u>
Net Change in total OPEB liability	272,002	19,989	94,063
Total OPEB liability- beginning	<u>1,096,176</u>	<u>1,076,187</u>	<u>982,124</u>
Total OPEB liability- ending	<u><u>\$ 1,368,178</u></u>	<u><u>\$ 1,096,176</u></u>	<u><u>\$ 1,076,187</u></u>
Covered-employee payroll	\$ 503,330	\$ 407,052	\$ 397,124
Total OPEB liability as a % of covered-employee payroll	271.83%	269.30%	271.00%

Notes to schedule:

Changes of benefit terms: None

Changes of assumptions:

Discount rate	2.21%	3.50%	3.13%
Mortality Improvement Scale	MP-2019	MP-2016	MP-2016
Pre-65 Trend Rate	7.5% down to 4.5%	8.5% down to 5.0%	9.0% down to 5.0%

The accompanying notes are an integral part of the financial statements.