



**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2023



SIKICH.COM

LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT AUDITOR’S REPORT.....	1-3
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis.....	MD&A 1-5
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	4
Statement of Activities	5
Fund Financial Statements	
Governmental Fund	
Balance Sheet	6
Reconciliation of Fund Balance of Governmental Fund to the Governmental Activities in the Statement of Net Position.....	7
Statement of Revenues, Expenditures and Changes in Fund Balance	8
Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Governmental Activities in the Statement of Activities	9
Notes to Financial Statements	10-26
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund.....	27
Schedule of Changes in the Employer’s Total OPEB Liability and Related Ratios	
Other Postemployment Benefit Plan	28
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	29
Schedule of Changes in the Employer’s Proportionate Share of the Net Pension Liability	
Illinois Municipal Retirement Fund	30
Notes to Required Supplementary Information	31

INDEPENDENT AUDITOR'S REPORT

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Trustees
Lake Bluff Public Library
Lake Bluff, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Lake Bluff Public Library, Lake Bluff, Illinois (the Library) as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Library'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 financial position of the governmental activities and the major fund of the Lake Bluff Public Library, Lake Bluff, Illinois as of April 30, 2023 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under these 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 the Library 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.

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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.

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 GAAS 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 GAAS, 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 Library'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 Library'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Sikich LLP

Naperville, Illinois
November 30, 2023

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended April 30, 2023

As management of the Lake Bluff Public Library, Illinois, we offer readers of the Library's financial statements this narrative overview and analysis of the financial activities of the Lake Bluff Public Library for the fiscal year ended April 30, 2023. The Library is a unit of local government operating in accordance with the Illinois Local Library Act, 75 ILCS 5/1-0.1 et seq. The powers and duties of the Board of Library Trustees are set forth in said Act and include "the exclusive control of the expenditure of all moneys collected for the library and deposited to the credit of the library fund" (75 ILCS 5/4-7(2)). Library taxes are levied by the Village in amounts determined by the Library Board and collected with other Village taxes (75 ILCS 5/3-5). Accordingly, the Library's budget is approved by the Library Board and included with other Village budgets.

This management discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues; (2) provide an overview of the Library's financial activity; (3) clarify the Library's financial position and ability to address future challenges; (4) identify material deviations from the budget; and (5) identify concerns specific to individual funds. The Library's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The Library's financial condition strengthened as total net position of \$2.23 million as of April 30, 2023 increased \$130,809 or 6.21% from \$2.10 million as of April 30, 2022. The *unrestricted* net position increased by \$109,654 to \$493,638 from \$383,984 in 2022.
- After depreciation expense, the net investment in capital assets of \$1.74 million increased \$21,155 as the disposal of aged books/media did not exceed the cost of new materials.
- Property tax revenues of \$1,034,157, program revenues of \$144,321 and other revenues of \$38,192 were greater than the expenses of \$1,085,861 accounting for the increase in net position of \$130,809.
- The net investment in capital assets (net of accumulated depreciation) is \$1,741,952, consisting of \$989,568 in buildings; \$301,048 in books and media; \$347,445 land value, and \$103,891 in furniture and equipment.
- The Library's spendable resources, represented by the governmental operating unrestricted fund balance, increased by \$73,743 or 17.53% to \$494,501 from \$420,758. This balance represents 43% of the total expenditures of \$1,142,927. The difference of \$57,066 between the increase in unrestricted fund balance of \$73,743 and the increase in net position of \$130,809 is attributed to the changes in capital assets (including depreciation and the loss on disposal of assets) of \$21,155 and changes in the net pension liability of \$574,252, other postemployment benefit obligation ("OPEB"), and compensated absences.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The Library's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Library's overall financial condition. Financial reporting at this level uses accounting similar to full accrual accounting such as in the private sector. Inter-fund activity is eliminated and the cost of assets with a long service life is spread out over future years so that capital expenditures are amortized through depreciation when the benefits are realized.

The first statement is the **Statement of Net Position** that presents information about all of the Library's assets and liabilities, with the differences reported as net position. Over a multi-year period, an increase or decrease in net position can detect an improvement or deterioration in the financial position of the Library. Additionally, one would need to evaluate non-financial factors, such as the condition of Library infrastructure, the satisfaction of constituents, and other information beyond the scope of this report to make a more complete assessment of whether the Library as a whole has improved.

The second statement is the **Statement of Activities**, which reports *how* the Library’s net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when the cash is received or paid. An important purpose of the design of the Statement of Activities is to show the financial reliance of the Library’s distinct activities or functions on revenues provided by the Library’s taxpayers.

REPORTING THE LIBRARY’S MOST SIGNIFICANT FUNDS

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Library uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Library has only one governmental fund.

Governmental funds. Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current position. Unlike the government-wide financial statements, governmental fund financial information focuses on near-term *flow* of spendable resources, as well as on *the balance* of spendable resources available at the end of the fiscal year. *Fund information for the Library is presented beginning with the “Governmental Fund Balance Sheet” on page 6.*

Notes to the financial statements. The accompanying notes to the financial statements provide information essential to a full understanding of these financial statements. *The notes are on pages 10-26 of this report.*

Other information. Pursuant to Governmental Accounting Standards Board (“GASB”) Statement 68 the Library’s Illinois Municipal Retirement Fund net pension liability is shown on the government-wide statements. *The Library’s net pension, post-employment, and compensated absences obligation information is presented on pages 17-26.*

Financial Analysis of the Library

The largest portion of the Library’s net position reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding. The Library uses capital assets to provide services to citizens; therefore, these assets are not available for future spending.

Lake Bluff Public Library Net Position

	2023	2022	Increase/ (Decrease)	Percentage Change
Current & other assets	\$1,670,237	\$1,939,049	(\$268,812)	-13.86%
Capital assets	\$1,741,952	\$1,720,797	\$21,155	1.23%
Deferred outflows of resources	\$283,398	\$28,000	\$255,398	912.14%
Total assets & deferred outflows	\$3,695,587	\$3,687,846	\$7,741	0.21%
Short-term liabilities	\$95,715	\$72,724	\$22,991	31.61%
Long-term liabilities	\$245,098	\$94,705	\$150,393	158.80%
Total liabilities	\$340,813	\$167,429	\$173,384	103.56%
Deferred inflows of resources	\$1,119,184	\$1,415,636	(\$296,452)	-20.94%
Total liabilities & deferred inflows	\$1,459,997	\$1,583,065	(\$123,068)	-7.77%
Invested in capital assets, net of related debt	\$1,741,952	\$1,720,797	\$21,155	1.23%
Unrestricted	\$493,638	\$383,984	\$109,654	28.56%
Total net position	\$2,235,590	\$2,104,781	\$130,809	6.21%

Management's Discussion and Analysis – Fiscal Year Ending April 30, 2023

Current and other assets decreased \$268,812 due to change in net pension assets. Capital assets increased by \$21,155 as the disposal of dated books/media and depreciation did not exceed the cost of replacement books/media. Long-term liabilities decreased by \$154,760 for costs associated with the recognition of net pension asset / liability, total OPEB liability and compensated absences. Unrestricted net position increased by 28.56% or \$109,654.

Pursuant to GASB Statements 63 and 65, unearned revenues are categorized as deferred inflows of resources. The 2023 deferred inflow of \$1,084,367 accounts for the 2022 property tax levy to be billed and collected in the next fiscal year. The increase of \$51,636 or 5.0% is attributed to the Consumer Price Index-Urban (“CPI-U”) factor of 7.0% and \$2.23 million of new construction added to the tax rolls.

Library Activities

The Library has a major General Fund to account for its financial transactions. The Library provides books, CD's, and DVD's for rental to its patrons and periodicals, internet access, research assistance and special programs to the residents of the community. The focus of the General Fund is to provide information on current inflows, outflows, and balances of non-capital (spendable) assets.

Change in Net Position

The schedule below presents a summary of the changes in the net position for the fiscal year ended April 30, 2023 and the amount and percentage of increase or decrease compared to the fiscal year ended April 30, 2021. The fiscal year 2022 revenues increased from the prior year by \$71,056 or 6.87%. Charges for services decreased by \$26,830, operating grants and contributions decreased by \$6,001 and the property taxes grew by \$34,102. Total expenses increased during 2022 compared to 2021 by \$95,939 or 10.04%. The net position increased from 2021 to 2022 by \$79,534.

Lake Bluff Public Library Changes in Net Position

	Governmental Activities		Total	
	2023	2022	Increase/ (Decrease)	Percentage Change
Revenues:				
<i>Program revenues</i>				
Charge for services	\$41,819	\$32,129	\$9,690	30.16%
Operating grants and Contributions	102,502	24,006	78,496	326.98%
<i>General revenues</i>				
Property taxes	1,034,157	1,016,815	17,342	1.71%
Interest/Investment Income	22,896	1,132	21,764	1922.61%
Miscellaneous	15,296	31,826	-16,530	-51.94%
<i>Subtotal general revenue</i>	1,072,349	1,049,773	22,576	2.15%
Total Revenues	\$1,216,670	\$1,105,908	\$110,762	10.02%
Expenses:				
Library	\$1,085,861	\$1,051,257	\$34,604	3.29%
Change in net position	130,809	54,651	76,158	139.35%
Net position – May 1, 2020	\$2,104,781	\$2,050,130	\$54,651	2.67%
Change in accounting principle	0	0		
Net position – May 1, 2020 (Restated)	\$2,104,781	\$2,050,130		
Net position – April 30, 2021	\$2,235,590	\$2,104,781	\$130,809	6.21%

The schedule below presents a summary of **revenues** and **expenditures** for the fiscal year ended April 30, 2023 and the amount and percentage of increase or decrease in relation to the fiscal year ended April 30, 2022. This schedule shows capital outlay as a reduction in spendable resources and does not account for depreciation expense, losses on the disposal of assets, or pension, compensated absences and OPEB costs. These amounts account for the difference between the increase in net position of \$130,809 and the increase in fund balance of \$73,743. Unrestricted fund balance serves as a useful measure of the Library’s net resources available for spending at the end of the year. The 2023 total unrestricted fund balance of \$494,501 is or 17.53% greater than 2022.

Lake Bluff Public Library
Changes in Revenues, Expenditures and Changes in Fund Balance

	2023	2022	Increase/ (Decrease)	Percentage Change
Revenues:				
Property Taxes	1,034,157	1,016,815	17,342	1.71%
Intergovernmental	9,784	14,613	(4,829)	-33.05%
Donations & Grants	92,718	9,393	83,325	887.10%
Charge for Services	40,389	29,385	11,004	37.45%
Fines & Forfeits	1,430	2,744	(1,314)	-47.89%
Investment Income	22,896	1,132	21,764	1922.61%
Miscellaneous	15,296	31,826	(16,530)	-51.94%
Total Revenues	1,216,670	1,105,908	110,762	10.02%
Expenditures:				
Salaries and benefits	718,342	731,838	(13,496)	-1.84%
Books, DVD, CD	135,913	152,262	(16,349)	-10.74%
Contractual/Professional	24,006	33,673	(9,667)	-28.71%
Commodities/Utilities	50,969	42,197	8,772	20.79%
Special Programs	8,024	7,881	143	1.81%
Building maint/improve	52,218	43,933	8,285	18.86%
Technology	39,971	32,347	7,624	23.57%
Use of Donations	88,891	0	88,891	8889093.00%
Equipment/Capital	21,521	22,194	(673)	-3.03%
Contingency/Miscellaneous	3,072	414	2,658	642.03%
Total Expenditures	1,142,927	1,066,739	76,188	7.14%
Change in fund balance	73,743	39,169	34,574	88.27%
Fund balance – May 1	420,758	381,589	39,169	10.26%
Fund balance–April 30	494,501	420,758	73,743	17.53%

Revenues

85% percent of the Library’s 2023 revenues are derived from property taxes. The 2022 property taxes (shown as revenue in fiscal year 2023) increased \$17,342 due to new construction added to the tax rolls and a 5% CPI-U factor. Donations & grants increased by \$83,325. Charges for services increased by \$11,004 to \$40,389 in 2023. Investment income increased by \$21,764.

Expenditures

Salaries and benefits decreased by \$13,496 or 1.88%, primarily due to staffing vacancies. The use of donation expenses is related to the Stroh Reading Room improvements.

Budgetary Highlights

The budget was not modified during the year and actual expenditures did not exceed the budget. State statutes and local ordinances require that the budget be approved before the beginning of the fiscal year. Salaries are in the process of being adjusted over the course of several years in order to be compliant with the new Illinois minimum wage law.

Economic Factors/Subsequent Events

- The Library has been exempt from the Property Tax Limitation Act since the voters approved Home Rule in April 2005. With the exception of the 2005, 2012 and 2019 levy, the Library has levied a property tax within the Property Tax Limitation Act.
- The CPI-U factor for the 2022 property levy is 5% with a projected increase in total equalized assessed value and minimal new construction added to the tax rolls.
- The Library anticipates a significant increase in required building and maintenance expenses informed by reports received about code compliance, accessibility, and age of building systems.
- The Library anticipates an increase in personnel costs, due to inflation, CPI, and results from a salary benchmarking project that will inform the development of an updated Salary Scale for the Library.
- The Library anticipates an increase in technology costs due to increases in contract costs, priorities set for added security and safety for the public and staff, and the age of existing equipment.
- The Library roof project reduced reserve funds and the Library has a multi-year plan to ensure that that fund balance is restored in order to plan for subsequent projects

These factors were considered when preparing the fiscal year 2022-23 biennial budget.

Contacting the Library's Financial Management

This financial report is designed to provide a general overview of the Library's finances, comply with finance related laws and regulations and demonstrate the Library's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Library Director, Renee Grassi at 123 E. Scranton Ave, Lake Bluff, IL 60044, 847-234-2540 x 110, or access the Library's website at www.lakeblufflibrary.org.

BASIC FINANCIAL STATEMENTS

**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

STATEMENT OF NET POSITION

April 30, 2023

	Governmental Activities
ASSETS	
Cash and investments	\$ 577,586
Receivables	
Property taxes	1,084,367
Intergovernmental	8,284
Capital assets not being depreciated	347,445
Capital assets (net of accumulated depreciation)	<u>1,394,507</u>
 Total assets	 <u>3,412,189</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension items - IMRF	264,701
OPEB items	<u>18,697</u>
 Total deferred outflows of resources	 <u>283,398</u>
 Total assets and deferred outflows of resources	 <u>3,695,587</u>
LIABILITIES	
Accounts payable	21,971
Accrued payroll	24,803
Due to other governments	44,595
Noncurrent liabilities	
Due within one year	4,346
Due in more than one year	<u>245,098</u>
 Total liabilities	 <u>340,813</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred revenue - property taxes	1,084,367
Pension items - IMRF	17,143
Pension items - OPEB	<u>17,674</u>
 Total deferred inflows of resources	 <u>1,119,184</u>
 Total liabilities and deferred inflows of resources	 <u>1,459,997</u>
NET POSITION	
Net investment in capital assets	1,741,952
Unrestricted	<u>493,638</u>
 TOTAL NET POSITION	 <u><u>\$ 2,235,590</u></u>

See accompanying notes to financial statements.

**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2023

	Program Revenues				Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
PRIMARY GOVERNMENT					
Governmental activities					
Culture and recreation	\$ 1,085,861	\$ 41,819	\$ 102,502	\$ -	\$ (941,540)
Total governmental activities	1,085,861	41,819	102,502	-	(941,540)
TOTAL PRIMARY GOVERNMENT	\$ 1,085,861	\$ 41,819	\$ 102,502	\$ -	(941,540)
			General revenues		
			Taxes		
			Property		1,034,157
			Investment income		22,896
			Miscellaneous		15,296
			Total		1,072,349
			CHANGE IN NET POSITION		130,809
			NET POSITION, MAY 1		2,104,781
			NET POSITION, APRIL 30		\$ 2,235,590

See accompanying notes to financial statements.

**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

BALANCE SHEET

April 30, 2023

	General
ASSETS	
Cash and investments	\$ 577,586
Receivables	
Property taxes	1,084,367
Intergovernmental	8,284
TOTAL ASSETS	\$ 1,670,237
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	
LIABILITIES	
Accounts payable	\$ 21,971
Accrued payroll	24,803
Due to other governments	44,595
Total liabilities	91,369
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - property taxes	1,084,367
Total deferred inflows of resources	1,084,367
Total liabilities and deferred inflows of resources	1,175,736
FUND BALANCE	
Unrestricted	
Unassigned	494,501
Total fund balance	494,501
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 1,670,237

See accompanying notes to financial statements.

**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

**RECONCILIATION OF FUND BALANCE OF GOVERNMENTAL FUND TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

April 30, 2023

FUND BALANCE OF GOVERNMENTAL FUND	\$ 494,501
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 governmental funds	1,741,952
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings for the Illinois Municipal Retirement Fund are recognized as contributions subsequent to measurement date, deferred outflows of resources and deferred inflows of resources on the statement of net position	247,558
Differences between expected and actual experiences and assumption changes for the Other Postemployment Benefit Plan are recognized as deferred outflows and inflows of resources on the statement of net position	1,023
IMRF net pension liability does not relate to current financial resources and, therefore, is not reported in governmental funds	(161,416)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds	
Total OPEB liability	(53,540)
Compensated absences	(34,488)
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 2,235,590

See accompanying notes to financial statements.

**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE**

For the Year Ended April 30, 2023

	<u>General</u>
REVENUES	
Taxes	\$ 1,034,157
Intergovernmental	9,784
Charges for services	40,389
Fines and forfeits	1,430
Investment income	22,896
Donations	92,718
Miscellaneous	<u>15,296</u>
Total revenues	<u>1,216,670</u>
EXPENDITURES	
Current	
Culture and recreation	<u>1,142,927</u>
Total expenditures	<u>1,142,927</u>
NET CHANGE IN FUND BALANCE	73,743
FUND BALANCE, MAY 1	<u>420,758</u>
FUND BALANCE, APRIL 30	<u><u>\$ 494,501</u></u>

See accompanying notes to financial statements.

**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

**RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES**

For the Year Ended April 30, 2023

NET CHANGE IN FUND BALANCE - TOTAL GOVERNMENTAL FUND	\$ 73,743
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	232,303
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(211,148)
The change in the deferred outflows of resources and deferred inflows of resources for the Illinois Municipal Retirement Fund is not a source or use of a financial resource	614,160
The change in deferred outflows and inflows of resources for the total OPEB liability is reported only on the statement of activities	(10,674)
The change in the total other postemployment benefit liability is not a source or use of a financial resource	5,880
The change in the Illinois Municipal Retirement Fund net pension asset is not a source or use of a financial resource	(574,252)
The change in compensated absences is not a source or use of a financial resource	<u>797</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 130,809</u>

See accompanying notes to financial statements.

**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

April 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Lake Bluff Public Library, Lake Bluff, Illinois (the Library), have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles. The more significant of the accounting policies are described below.

a. Reporting Entity

The Library is governed by a seven-member Library Board of Trustees (the Board) that is separately elected. The Board selects management staff and directs the affairs of the Library. As required by GAAP, these financial statements include all funds of the Library. Management has also considered all potential component units.

Based on the criteria of GASB Statement No 61, *The Financial Reporting Entity: Omnibus - an Amendment of GASB Statements No. 14 and No. 34*, the Library does not have any component units. The Lake Bluff Public Library Foundation and the Friends of the Library, while potential component units, are not significant to the Library and, therefore, have been excluded from its reporting entity.

b. Fund Accounting

The Library uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary and fiduciary. The Library reports only governmental funds.

Governmental funds are used to account for all or most of the Library's general activities including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds) and the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the Library.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements

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

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

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

The Library reports the following major governmental fund:

The General Fund is the Library's primary operating fund. It accounts for all financial resources of the Library.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both "measurable" and "available." Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Library considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a fund liability is incurred.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Property taxes, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Library.

The Library reports unavailable/deferred revenue and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet the measurable and available or earned criteria for recognition in the current period. Unearned revenues arise when resources are received by the Library before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Library has a legal claim to the resources, the deferred inflow for unavailable/deferred revenue or the liability for unearned revenue is removed from the financial statements and revenue is recognized.

e. Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchase, if any, are stated at fair value. The Library categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on valuation inputs used to measure 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. The Library held no investments to measure at fair value at April 30, 2023.

f. Prepaid Items

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed, rather than when purchased.

LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Capital Assets

Capital assets, which include property, equipment and books are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Library as assets with an initial, individual cost in excess of \$1,000 (except that all books are capitalized) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

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

Assets	Years
Buildings	15-50
Equipment	3-25
Books	10

h. Compensated Absences

Vested or accumulated vacation and sick leave, including related Social Security and Medicare taxes, that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated vacation and sick leave of governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to active employees. The General Fund has been used in prior years to liquidate the liability for compensated absences.

i. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or which are legally or contractually required to be maintained intact, unless conversion of the nonspendable asset to a spendable asset would result in a restriction or commitment on the spendable asset, in which case reporting the restriction or commitment takes precedent.

LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Fund Balance/Net Position (Continued)

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 or from enabling legislation adopted by the Library. Committed fund balance is constrained by formal actions of the Library's Board, which is considered the Library's highest level of decision-making authority. Formal actions include ordinances approved by the Board. Assigned fund balance represents amounts constrained by the Library's intent to use them for a specific purpose. The authority to assign fund balance resides with the Executive Director. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

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

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. None of the Library's net position is restricted as a result of enabling legislation adopted by the Library. Net investment in capital assets represents the Library's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital assets.

j. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

k. Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

2. DEPOSITS AND INVESTMENTS

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

The Illinois Funds operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

It is the policy of the Library 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 Library and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are safety of principal, liquidity, yield and maintaining the public trust.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Library's deposits may not be returned to it. To guard against credit risk for deposits with financial institutions, the Library's investment policy requires that deposits with financial institutions in excess of FDIC insurance be collateralized with collateral held by an independent third party in the name of the Library.

b. Investments

In accordance with its investment policy, the Library limits its exposure to interest rate risk by diversifying its investment portfolio to the best of its ability based on the nature of the funds invested and the cash flow needs of those funds. A variety of financial instruments and maturities, properly balanced, will help to ensure liquidity and reduce risk or interest rate volatility and loss of principal. Diversifying investments and maturities will avoid incurring unreasonable risks in the investment portfolio regarding specific security types, issuers or individual financial institutions. The Library's investment policy does not specifically limit the maximum maturity length of investments.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

The Library limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government. However, the Library's investment policy does not specifically limit the Library to these types of investments. The Illinois Funds are rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in the possession of an outside party. To limit its exposure, the Library's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Library's agent separate from where the investment was purchased. The Illinois Funds are not subject to custodial credit risk

Concentration of credit risk is the risk that the Library has a lack of diversification resulting in concentrated risk based on one type of investment. The Library's investment policy does not specifically address diversification of investments.

3. RECEIVABLES - TAXES

Property taxes for 2022 attach as an enforceable lien on January 1, 2022, on property values assessed as of the same date. Taxes are levied by December 31 of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1 and August 1 and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically. Based upon collection histories, library management does not consider an allowance for uncollectible property taxes at April 30, 2023 to be necessary. These 2022 taxes are intended to finance the 2024 fiscal year and are not considered available or earned for current operations and, therefore, are reported as unavailable/deferred revenue. The 2023 tax levy has not been recorded as a receivable at April 30, 2023, as the tax attached as a lien on property as of January 1, 2023; however, the tax will not be levied until December 2023 and, accordingly, is not measurable at April 30, 2023.

LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2023 was as follows:

	Balances May 1	Increase	Decrease	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 347,445	\$ -	\$ -	\$ 347,445
Total capital assets not being depreciated	<u>347,445</u>	<u>-</u>	<u>-</u>	<u>347,445</u>
Capital assets being depreciated				
Buildings	2,109,180	96,642	-	2,205,822
Equipment	372,600	22,059	34,263	360,396
Books	753,424	113,602	122,535	744,491
Total capital assets being depreciated	<u>3,235,204</u>	<u>232,303</u>	<u>156,798</u>	<u>3,310,709</u>
Less accumulated depreciation for				
Buildings	1,154,316	61,938	-	1,216,254
Equipment	265,910	24,858	34,263	256,505
Books	441,626	124,352	122,535	443,443
Total accumulated depreciation	<u>1,861,852</u>	<u>211,148</u>	<u>156,798</u>	<u>1,916,202</u>
Total capital assets being depreciated, net	<u>1,373,352</u>	<u>21,155</u>	<u>-</u>	<u>1,394,507</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 1,720,797</u>	<u>\$ 21,155</u>	<u>\$ -</u>	<u>\$ 1,741,952</u>

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

GOVERNMENTAL ACTIVITIES	
Culture and recreation	<u>\$ 211,148</u>

5. LONG-TERM OBLIGATIONS

During the year, the following changes occurred in liabilities reported in long-term obligations:

	Balances May 1	Additions	Retirements	Balances April 30	Due Within One Year
Total other postemployment benefits liability	\$ 59,420	\$ -	\$ 5,880	\$ 53,540	\$ 897
Net pension liability - IMRF	-	161,416	-	161,416	-
Compensated absences	35,285	2,790	3,587	34,488	3,449
TOTAL LONG-TERM OBLIGATIONS	<u>\$ 94,705</u>	<u>\$ 164,206</u>	<u>\$ 9,467</u>	<u>\$ 249,444</u>	<u>\$ 4,346</u>

6. DEFINED BENEFIT PENSION PLAN

The Library contributes, through the Village of Lake Bluff, Illinois (the Village), to the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. However, the Library's participation in IMRF is equivalent to a cost sharing multiple-employer pension plan since only one actuarial valuation is performed for both the Village and the Library combined. All disclosures for an agent plan can be found in the Village's annual comprehensive financial report at lakebluff.org.

Illinois Municipal Retirement Fund

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable. Investments are reported at fair value.

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village and the Library are required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for fiscal year ended April 30, 2023 was 6.11% of covered payroll. For the fiscal year ended April 30, 2023, salaries totaling \$423,703 were paid that required employer contributions of \$25,895, which was equal to the Library's actual contributions.

Net Pension Liability (Asset)

At April 30, 2023, the Library reported a net pension liability (asset) of \$161,416 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2022, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability (asset) was based on the Library's contribution to the plan for the plan year ended December 31, 2022 relative to the contributions of the Village, actuarially determined. At April 30, 2023, the Library's proportion was 19.11% of the Village's total contribution.

Actuarial Assumptions

The Library's net pension liability was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions:

Actuarial valuation date	December 31, 2022
Actuarial cost method	Entry-age normal
Assumptions	
Price inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate or return	7.25%
Asset valuation method	Fair value

LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables were used. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled retiree, Male and Female (both unadjusted) tables were used and future mortality improvements were projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables were used, and future mortality improvements projected using scale MP-2020.

Discount Rate

The discount rate used to measure the IMRF total pension liability was 7.25% for 2022. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF'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.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the fiscal year ended April 30, 2023, the Library recognized pension expense of \$(14,013). At April 30, 2023, the Library reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 22,085	\$ 16,849
Changes in assumptions	-	294
Net difference between projected and actual earnings on pension plan investments	236,996	-
Contributions subsequent to measurement date	5,620	-
TOTAL	\$ 264,701	\$ 17,143

LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
(Continued)

The contributions of \$5,620 were made after the plan’s measurement date and will be recognized as a reduction in net pension liability for the fiscal year ending April 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Fiscal Year Ending April 30,	
2024	\$ (26,229)
2025	47,717
2026	78,853
2027	141,597
2028	-
Thereafter	<u>-</u>
TOTAL	<u>\$ 241,938</u>

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Library calculated using the discount rate of 7.25% as well as what the Library’s net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 515,613	\$ 161,416	\$ (121,774)

7. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Library provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the Library and can be amended by the Library through its personnel manual. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the Library's General Fund and governmental activities.

b. Benefits Provided

The Library provides pre and post-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). The benefit levels are the same as those afforded to active employees. To be eligible for benefits, the employee must qualify for retirement under the Library's retirement plan. The retirees pay 100% of the average employer group cost. The retiree pays a blended premium which creates an implicit subsidy.

c. Membership

At April 30, 2023 (most recent data available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	-
Terminated employees entitled to benefits but not yet receiving them	1
Active employees	<u>5</u>
TOTAL	<u><u>6</u></u>
Participating employers	<u><u>1</u></u>

LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation performed as of April 30, 2023 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2023
Measurement date	April 30, 2023
Actuarial cost method	Entry-age normal
Inflation	3.00%
Discount rate	3.77%
Healthcare cost trend rates	Ranging from 6.75% to an Ultimate Trend Rate of 4.50%
Asset valuation method	N/A
Mortality rates	PubS-2010 base rates projected fully generationally using scale MP2021 for Police. For all others, PubG-2010 base rates projected fully generationally using scale MP2021

e. Discount Rate

The discount rate was based on the S&P Municipal Bond 20-year high-grade rate index rate for tax exempt general obligation municipal bonds rated AA or better at April 30, 2023.

LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT MAY 1, 2022	<u>\$ 59,420</u>
Changes for the period	
Service cost	3,307
Interest	2,017
Differences between expected and actual experience	(10,717)
Changes in assumptions	410
Implicit benefit payments	<u>(897)</u>
Net changes	<u>(5,880)</u>
BALANCES AT APRIL 30, 2023	<u>\$ 53,540</u>

There was a change in assumptions related to the discount rate, healthcare cost trend rates and mortality rates in 2023.

g. Rate Sensitivity

The following is a sensitive analysis of total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Library calculated using the discount rate of 3.77% 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 (2.77%) or 1 percentage point higher (4.77%) than the current rate:

	1% Decrease (2.77%)	Current Discount Rate (3.77%)	1% Increase (4.77%)
Total OPEB liability	\$ 65,102	\$ 53,540	\$ 44,834

LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the Library calculated using the healthcare rate of 6.75% to 4.50% as well as what the Library's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (5.75% to 3.50%) or 1 percentage point higher (7.75% to 5.50%) than the current rate:

	1% Decrease (5.75% to 3.50%)	Current Healthcare Rate (6.75% to 4.50%)	1% Increase (7.75% to 5.50%)
Total OPEB liability	\$ 44,605	\$ 53,540	\$ 65,228

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended April 30, 2023, the Library recognized OPEB expense of \$5,691. At April 30, 2023, the Library reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 10,527	\$ 9,739
Changes in assumption	8,170	7,935
TOTAL	\$ 18,697	\$ 17,674

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

Fiscal Year Ending April 30,	
2024	\$ 367
2025	367
2026	367
2027	367
2028	367
Thereafter	(812)
TOTAL	\$ 1,023

8. RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; employee health; natural disasters; and injuries to the Library's employees. Employees' health insurance is purchased through a broker and no risk of loss is retained by the Library.

Intergovernmental Risk Management Agency

The Library participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in northeastern Illinois that have formed an association under the Illinois Intergovernmental Cooperation Statute to pool their risk management needs. IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claims administration; extension risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The Library's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Library does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Library is aware of no additional contributions due to IRMA as of April 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended April 30, 2023

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes	\$ 1,032,715	\$ 1,034,157	\$ 1,442
Intergovernmental	10,990	9,784	(1,206)
Charges for services	23,000	40,389	17,389
Fines and forfeits	1,000	1,430	430
Investment income	15,250	22,896	7,646
Donations	2,790	92,718	89,928
Miscellaneous	36,233	15,296	(20,937)
	<hr/>		
Total revenues	1,121,978	1,216,670	94,692
EXPENDITURES			
Culture and recreation			
Salaries and employee benefits	735,250	718,342	(16,908)
Books, periodicals, films and records	171,600	135,913	(35,687)
Professional services	26,000	24,006	(1,994)
Printing, stationery and office supplies	32,000	37,439	5,439
Dues and professional development	5,500	4,812	(688)
Utilities	10,000	8,718	(1,282)
Special programs	9,440	8,024	(1,416)
Building and grounds maintenance	43,500	52,218	8,718
Computers/automation	41,000	39,971	(1,029)
Equipment	6,000	21,521	15,521
Miscellaneous	1,000	3,072	2,072
Contingency	1,688	-	(1,688)
Use of donations	17,000	88,891	71,891
Capital outlay	6,000	-	(6,000)
Budgeted transfer to reserve	16,000	-	(16,000)
	<hr/>		
Total expenditures	1,121,978	1,142,927	20,949
	<hr/>		
NET CHANGE IN FUND BALANCE	\$ -	73,743	\$ 73,743
	<hr/>		
FUND BALANCE, MAY 1		420,758	
	<hr/>		
FUND BALANCE, APRIL 30		\$ 494,501	
	<hr/>		

(See independent auditor's report.)

**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS

OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Five Fiscal Years

MEASUREMENT DATE APRIL 30,	2019	2020	2021	2022	2023
TOTAL OPEB LIABILITY					
Service cost	\$ 1,266	\$ 1,368	\$ 1,699	\$ 4,014	\$ 3,307
Interest	1,237	1,308	1,214	1,357	2,017
Difference between expected and actual experience	-	-	14,127	-	(10,717)
Changes in assumptions	849	4,533	5,681	(9,559)	410
Benefit payments	-	-	-	(838)	(897)
Other changes	-	-	-	-	-
Net change in total OPEB liability	3,352	7,209	22,721	(5,026)	(5,880)
Total OPEB liability - beginning	31,164	34,516	41,725	64,446	59,420
TOTAL OPEB LIABILITY - ENDING	\$ 34,516	\$ 41,725	\$ 64,446	\$ 59,420	\$ 53,540
Covered-employee payroll	\$ 272,400	\$ 281,934	\$ 363,876	\$ 376,612	\$ 273,810
Employer's total OPEB liability as a percentage of covered-employee payroll	12.67%	14.80%	17.71%	15.78%	19.55%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

There was a change in assumptions related to the discount rate, healthcare cost trend rates and mortality rates in 2023.

There was a change in assumptions related to the discount rate in 2022.

There was a change in assumptions related to the discount rate, health care rates, and mortality rates in 2021.

There was a change in the discount rate for 2019 and 2020.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

SCHEDULE OF EMPLOYER CONTRIBUTIONS

ILLINOIS MUNICIPAL RETIREMENT FUND

Last Eight Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 45,055	\$ 42,026	\$ 38,210	\$ 33,476	\$ 34,990	\$ 41,290	\$ 30,561	\$ 25,895
Contributions in relation to the contractually required contribution	45,055	42,026	38,210	33,476	34,990	41,290	30,561	25,895
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 426,249	\$ 414,908	\$ 435,132	\$ 434,860	\$ 427,603	\$ 402,987	\$ 334,519	\$ 423,703
Contributions as a percentage of covered payroll	10.57%	10.13%	8.78%	7.70%	8.18%	10.25%	9.14%	6.11%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuation as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percentage of payroll, closed and the amortization period was 21-year closed period; the asset valuation method was five-year smoothed fair value with a 20% corridor; and the significant actuarial assumptions were wage growth at 2.75% annually; price inflation of 2.25% annually; projected salary increases of 2.85% to 13.75%, annually, including inflation; and an investment rate of return of 7.25% annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

ILLINOIS MUNICIPAL RETIREMENT FUND

Last Eight Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022
Employer's proportion of net pension liability (asset)	20.00%	20.00%	20.00%	20.00%	18.45%	19.33%	15.50%	19.11%
Employer's proportionate share of net pension liability (asset) \$	231,305	\$ 157,256	\$ (33,267)	\$ 371,252	\$ 67,934	\$ (195,186)	\$ (412,836)	\$ 161,416
Employer's covered payroll	426,249	414,908	429,200	433,359	394,463	416,896	328,536	423,703
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	54.27%	37.90%	(7.75%)	85.67%	17.22%	(46.82%)	(125.66%)	38.10%
Plan fiduciary net position as a percentage of the total pension liability	91.16%	94.06%	101.21%	87.50%	97.58%	106.46%	116.75%	94.89%

Notes to Required Supplementary Information

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2023

BUDGETS

The Library Board has the authority to approve the budget for the General Fund. The Village Board of Trustees passes the tax levy and appropriations ordinance for that fund. State statutes and local ordinances require that the budget be approved before the beginning of the fiscal year.

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, no supplementary appropriations were adopted.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET

The following funds had an excess of actual expenditures over budget for the fiscal year:

Fund	Final Budget	Actual
General Fund	\$ 1,121,978	\$ 1,142,927



**LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS**

**AUDITOR'S COMMUNICATION TO THE
BOARD OF TRUSTEES**

For the Year Ended April 30, 2023



SIKICH.COM

LAKE BLUFF PUBLIC LIBRARY
LAKE BLUFF, ILLINOIS
AUDITOR'S COMMUNICATION TO THE BOARD OF TRUSTEES
TABLE OF CONTENTS

	<u>Page(s)</u>
COVER LETTER.....	1
REQUIRED COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE.....	2-6
• Adjusting Journal Entries	
• Passed Adjustments	
MANAGEMENT LETTER.....	7-11
FIRM PROFILE	

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

November 30, 2023

The Honorable President
Members of the Board of Trustees
Lake Bluff Public Library
123 E. Scranton Avenue
Lake Bluff, Illinois 60044

Ladies and Gentlemen:

As part of our audit process we are required to have certain communications with those charged with governance at the beginning of our audit process and at the conclusion of the audit. Those communications include information related to the planned scope and timing of our audit, as well as other information required by auditing standards. Our communication at the beginning of our audit process along with our questionnaire regarding consideration of fraud in a financial statement audit dated June 28, 2023.

In addition, auditing standards require the communication of internal control related matters to those charged with governance. Our management letter, as well as a listing of future pronouncements that may affect the Library, are enclosed within this document.

This information is intended solely for the use of the President, Board of Trustees and Management of the Lake Bluff Public Library and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,



Sikich LLP
By: Martha Trotter, CPA
Partner

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

November 30, 2023

The Honorable President
Members of the Board of Trustees
Lake Bluff Public Library
Lake Bluff, Illinois

We have audited the financial statements of the governmental activities and the major fund of the Lake Bluff Public Library (the Library), as of and for the year ended April 30, 2023, and have issued our report thereon dated November 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Library are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended April 30, 2023. We noted no transactions entered into by the Library during the year for which there is a lack of authoritative guidance or consensus.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We noted no particularly sensitive estimates made by management during our audit of the basic financial statements, with the exception of the estimates in connection with the actuarial valuation performed for the IMRF and Other Postemployment Benefits plans. Management's estimate of the net pension liabilities and total other postemployment benefit liability are based on various actuarially determined amounts, including estimated investment returns, dates of employee retirement, discount rates, healthcare trend rates, and mortality rates as well as a proportionate share allocation. We evaluated key factors and assumptions used to develop the management's estimates of the Library's net pension liabilities and total other postemployment benefit liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole, with the exception of AJE#03.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 30, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Library's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Library's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis and the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the management of the Lake Bluff Public Library and is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate the courtesies extended to us by the Library. If you have any questions regarding the purpose of this letter or the requirement mentioned, please give me a call.

Sincerely,

Sikich LLP

Sikich LLP

By: Martha Trotter, CPA

Partner

Sikich LLP is a global company specializing in technology-enabled professional services.

Now with more than 1,600 employees, Sikich draws on a diverse portfolio of technology solutions to deliver transformative digital strategies and ranks as one of the largest CPA firms in the United States. From corporations and not-for-profits to state and local governments and federal agencies, Sikich clients utilize a broad spectrum of services and products to help them improve performance and achieve long-term, strategic goals.

INDUSTRIES

Sikich provides services and solutions to a wide range of industries. We have devoted substantial resources to develop a significant base of expertise and experience in:

AGRICULTURE	AUTOMOTIVE	CONSTRUCTION & REAL ESTATE
DISTRIBUTION & SUPPLY CHAIN	GOVERNMENT	HIGH-TECH
LIFE SCIENCES	MANUFACTURING	NOT-FOR-PROFIT
PRIVATE EQUITY	PROFESSIONAL SERVICES	

SPECIALIZED SERVICES

ACCOUNTING, AUDIT, TAX & CONSULTING SERVICES

- Outsourced Accounting
- Audit & Assurance
- Consulting Services
- Employee Benefit Plan Audits
- International Tax
- Tax

TECHNOLOGY

- Business Application
- Cloud & Infrastructure
- Consulting & Implementation
- Cybersecurity & Compliance
- Digital Transformation Consulting

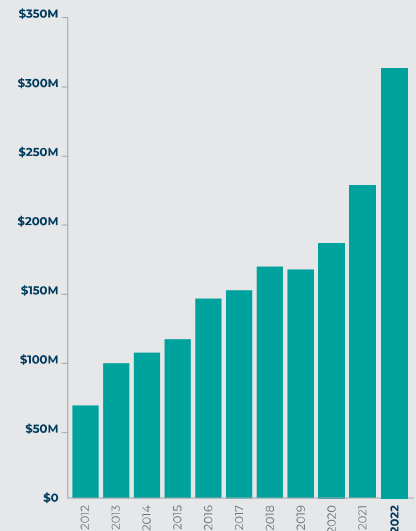
ADVISORY

- Forensic & Valuation Services
- Governance, Risk & Compliance Services
- Human Capital Management & Payroll Consulting
- Insurance Services
- Investment Banking*
- Marketing & Communications
- Retirement Plan Services
- Regulatory, Quality & Compliance
- Site Selection & Business Incentives
- Succession Planning
- Supply Chain
- Transaction Advisory Services
- Wealth Management**
- Workforce Risk Management

* Securities offered through Sikich Corporate Finance LLC, member FINRA/SIPC.
 ** Investment advisory services offered through Sikich Financial, an SEC Registered Investment Advisor.

WHO WE ARE

TOTAL PARTNERS100+
 TOTAL PERSONNEL1,600+
 2022 REVENUE\$316.4M



OFFICE LOCATIONS

Ahmedabad, GJ	Sacramento, CA
Akron, OH	925.577.5144
330.864.6661	Milwaukee, WI
Alexandria, VA	262.754.9400
703.836.1350	Naperville, IL
703.836.6701	630.566.8400
Bangalore, KA	Peoria, IL
Boston, MA	309.694.4251
508.485.5588	Princeton, NJ
Chattanooga, TN	609.285.5000
423.954.3007	Springfield, IL
Chicago, IL	217.793.3363
312.648.6666	St. Louis, MO
Decatur, IL	314.275.7277
217.423.6000	Washington, MO
Indianapolis, IN	636.239.4785
317.842.4466	
Los Angeles, CA	
877.279.1900	

CULTURE

Our dynamic work culture fosters learning, growth and innovation, attracting top-notch team members who see the big picture. Sikich's culture is built on a flexible, trusting work environment and the key pillars of Absolute Integrity, Bias for Action, Continuous Innovation and Servant Leadership. We believe our people are our greatest asset and work hard to ensure that all team members feel empowered, comfortable and valued.



CERTIFICATIONS & AWARDS

All professional accounting staff with more than one year of experience have earned or are working toward earning the Certified Public Accountant designation. Sikich is a member of the **American Institute of Certified Public Accountants' Governmental Audit Quality Center** and the **Employee Benefit Plan Audit Quality Center**.

We adhere to the strict requirements of membership, which assure we meet the highest standards of audit quality. **In 2020, Sikich received its 11th consecutive unmodified ("pass") peer review report**, the highest level of recognition conferred upon a public accounting firm for its quality control systems.

Sikich ranks among the **top 30 firms nationally** on the **Accounting Today Top 100 Firms list**.



Sikich is among the **50 firms that place on Inside Public Accounting's 2023 Best of the Best Firms**, an exclusive list that ranks organizations on key areas of management, growth and strategic vision.



Sikich is a **Microsoft Dynamics' 2023/2024 Inner Circle** award recipient, a recognition that places Sikich in the **top 1% of all Microsoft Business Applications partners globally**.



We also maintain the **Oracle NetSuite 5 Star Award** and are among the **top three U.S. partners of Oracle NetSuite**.



Sikich ranks on the **Redmond Channel Partner Magazine's top 350 Microsoft partners in the U.S.**, **CRN's Top 500 Managed Service Providers**, **CRN's Top 500 Solution Providers** and **Channel Futures' MSP 501**.



NET PROMOTER SCORE

The firm's overall Net Promoter Score (NPS) is 87%.

This is a measure of our clients' willingness to recommend Sikich's services and products. An NPS of 50% is considered excellent, and 70% NPS is considered world-class.

