

CRETE PUBLIC LIBRARY DISTRICT

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

JUNE 30, 1996

CRETE PUBLIC LIBRARY DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 1996

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INDEPENDENT AUDITOR'S REPORT**BOARD OF TRUSTEES
CRETE PUBLIC LIBRARY DISTRICT**

We have audited the general purpose financial statements and the combining and individual fund and account group financial statements of the Crete Public Library District as of and for the year ended June 30, 1996, as listed in the foregoing table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Crete Public Library District as of June 30, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion the combining and individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of Crete Public Library District as of June 30, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining and individual fund and account group financial statements, of Crete Public Library District. The tables listed in the table of contents as supplementary information are presented for purpose of additional analysis and are not part of the financial statements of the Crete Public Library District. Such information has been subjected to the same audit procedures applied to the general purpose and combining and individual fund and account group financial statements and, in our opinion, are fairly presented in all material aspects in relation to the financial statements of the respective individual fund and account groups taken as a whole.

WILLIAM A. LAU
AND COMPANY, LTD.


CERTIFIED PUBLIC ACCOUNTANTS

August 1, 1996
Homewood, IL

CRETE PUBLIC LIBRARY DISTRICT
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1996

EXHIBIT 1

| | GOVERNMENTAL FUND TYPES | | | | FIDUCIARY FUND TYPES | | ACCOUNT GROUPS | | TOTALS (MEMO ONLY) | |
|----------------------------------------------------------------------------------------|-------------------------|--------------------|-------------------|---------------------|----------------------|------------------|----------------------------|------------------------------|-----------------------|---------------------|
| | GENERAL | SPECIAL REVENUE | DEBT SERVICE | CAPITAL PROJECTS | DEVELOPMENT TRUST | WORKING CASH | GENERAL FIXED ASSETS | GENERAL LONG-TERM DEBT | 1996 | 1995 |
| ASSETS | | | | | | | | | | |
| Cash and Investments | \$ 252,659 | \$ 188,161 | \$ 21,141 | \$ 656,170 | \$ 451 | \$ 77,581 | \$ - | \$ - | \$ 1,196,163 | \$ 2,881,553 |
| Receivables: (Net of Allowance For Uncollectibles) | | | | | | | | | | |
| Due from Other Funds | - | - | - | - | - | - | - | - | - | 188,622 |
| Property Taxes | 174,288 | 18,482 | 107,261 | - | - | - | - | - | 300,031 | 291,040 |
| Construction Grant | - | - | - | 25,000 | - | - | - | - | 25,000 | 250,000 |
| Personal Property Replacement Tax | - | - | - | - | - | - | - | - | - | - |
| Accrued Interest | - | - | - | 2,003 | - | - | - | - | 2,003 | 40,298 |
| Prepaid Expenses | 443 | 7,092 | - | - | - | - | - | - | 7,535 | 8,176 |
| Furniture and Equipment | - | - | - | - | - | - | 530,231 | - | 530,231 | 286,026 |
| Leasehold Improvements | - | - | - | - | - | - | 297 | - | 297 | 297 |
| Main Street Location: | | | | | | | | | | |
| Land | - | - | - | - | - | - | 130,431 | - | 130,431 | 118,342 |
| Legal and Consulting | - | - | - | - | - | - | 64,090 | - | 64,090 | 55,309 |
| Architecture | - | - | - | - | - | - | 254,836 | - | 254,836 | 230,963 |
| Amount To Be Provided From Tax Revenues for Retirement of General Long-Term Debt | - | - | - | - | - | - | - | 2,925,000 | 2,925,000 | 2,975,000 |
| Amount Available in Debt Service Fund | - | - | - | - | - | - | - | - | - | - |
| Total Assets | \$ 427,390 | \$ 213,735 | \$ 128,402 | \$ 683,173 | \$ 451 | \$ 77,581 | \$ 979,885 | \$ 2,925,000 | \$ 5,435,617 | \$ 7,325,626 |

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

CRETE PUBLIC LIBRARY DISTRICT
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1996

EXHIBIT 1
 (cont'd)

| LIABILITIES | GOVERNMENTAL FUND TYPES | | | | FIDUCIARY FUND TYPES | | ACCOUNT GROUPS | | TOTALS (MEMO ONLY) | |
|------------------------------------------|-------------------------|--------------------|--------------------|---------------------|----------------------|------------------|----------------------------|------------------------------|-----------------------|---------------------|
| | GENERAL | SPECIAL REVENUE | DEBT SERVICE | CAPITAL PROJECTS | DEVELOPMENT TRUST | WORKING CASH | GENERAL FIXED ASSETS | GENERAL LONG-TERM DEBT | 1996 | 1995 |
| Liabilities: | | | | | | | | | | |
| Accounts Payable | \$ 10,377 | \$ - | \$ - | \$ 3,143 | \$ - | \$ - | \$ - | \$ - | \$ 13,520 | \$ 10,805 |
| Due to Other Funds | 4,863 | - | - | - | - | - | - | - | 4,863 | 188,622 |
| Accrued Expenses | - | 1,800 | - | - | - | - | - | - | 1,800 | 5,013 |
| Contracts Payable | - | - | - | 450,831 | - | - | - | - | 450,831 | 2,190,435 |
| Deferred Revenue: | | | | | | | | | | |
| Property Taxes Receivable | 174,288 | 18,482 | 107,261 | - | - | - | - | - | 300,031 | 291,040 |
| Advance Collections of 1995 Tax Levy | 164,923 | 17,488 | 101,497 | - | - | - | - | - | 283,908 | 274,052 |
| General Obligation Bonds Payable | - | - | - | - | - | - | - | 2,925,000 | 2,925,000 | 2,975,000 |
| Total Liabilities | \$ 354,451 | \$ 37,770 | \$ 208,758 | \$ 453,974 | \$ - | \$ - | \$ - | \$ 2,925,000 | \$ 3,979,953 | \$ 5,934,967 |
| Fund Equity: | | | | | | | | | | |
| Investment in General Fixed Assets | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 979,885 | \$ - | \$ 979,885 | \$ 690,937 |
| Fund Balances: | | | | | | | | | | |
| Reserved | - | 175,965 | (80,356) | 229,199 | 451 | 77,581 | - | - | 402,840 | 655,050 |
| Unreserved | 72,939 | - | - | - | - | - | - | - | 72,939 | 44,672 |
| Total Fund Equity | \$ 72,939 | \$ 175,965 | \$ (80,356) | \$ 229,199 | \$ 451 | \$ 77,581 | \$ 979,885 | \$ - | \$ 1,455,664 | \$ 1,390,659 |
| Total Liabilities and Fund Equity | \$ 427,390 | \$ 213,735 | \$ 128,402 | \$ 683,173 | \$ 451 | \$ 77,581 | \$ 979,885 | \$ 2,925,000 | \$ 5,435,617 | \$ 7,325,626 |

CRETE PUBLIC LIBRARY DISTRICT
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES WITH COMPARATIVE TOTALS
 ALL GOVERNMENTAL FUND TYPES AND DEVELOPMENT TRUST FUND
 YEAR ENDED JUNE 30, 1996

EXHIBIT 2

| | GOVERNMENTAL FUND TYPES | | | | FIDUCIARY FUND TYPES | | TOTALS (MEMO ONLY) | |
|--------------------------------------------------------------|-------------------------|--------------------|--------------------|---------------------|----------------------|------------------|-----------------------|-----------------------|
| | GENERAL | SPECIAL REVENUE | DEBT SERVICE | CAPITAL PROJECTS | DEVELOPMENT TRUST | WORKING CASH | 1996 | 1995 |
| Revenues: | | | | | | | | |
| Property Taxes | \$ 318,187 | \$ 39,671 | \$ 213,553 | \$ - | \$ - | \$ - | \$ 571,411 | \$ 503,289 |
| Personal Property Replacement Tax | 2,219 | - | - | - | - | - | 2,219 | 2,078 |
| State of Illinois: | | | | | | | | |
| Per Capita Grant | 18,263 | - | - | - | - | - | 18,263 | 18,263 |
| Construction Grant | - | - | - | - | - | - | - | 250,000 |
| Interest | 23,403 | - | - | 92,231 | - | - | 115,634 | 162,595 |
| Desk Receipts | 12,028 | - | - | - | - | - | 12,028 | 12,137 |
| Developer Fees | 5,100 | - | - | - | - | - | 5,100 | 1,200 |
| Miscellaneous & Donations | - | - | - | - | 300 | - | 300 | 783 |
| Total Revenues | \$ 379,200 | \$ 39,671 | \$ 213,553 | \$ 92,231 | \$ 300 | \$ - | \$ 724,955 | \$ 950,325 |
| Expenditures: | | | | | | | | |
| Operating | \$ 350,933 | \$ 50,063 | \$ 212,688 | \$ 334,778 | \$ - | \$ - | \$ 948,462 | \$ 3,256,251 |
| Development | - | - | - | - | 436 | - | 436 | 1,166 |
| Total Expenditures | \$ 350,933 | \$ 50,063 | \$ 212,688 | \$ 334,778 | \$ 436 | \$ - | \$ 948,898 | \$ 3,257,417 |
| Revenues Over (Under) Expenditures | \$ 28,267 | \$ (10,392) | \$ 865 | \$ (242,547) | \$ (136) | \$ - | \$ (223,943) | \$ (2,307,092) |
| Other Financing Sources (Uses): | | | | | | | | |
| Bond Proceeds | - | - | - | - | - | - | - | - |
| Operating Transfers In (Out) | - | - | - | - | - | - | - | - |
| Revenues Over (Under) Expenditures and Other Uses | \$ 28,267 | \$ (10,392) | \$ 865 | \$ (242,547) | \$ (136) | \$ - | \$ (223,943) | \$ (2,307,092) |
| Fund Balance - July 1, 1995 | 44,672 | 186,357 | (81,221) | 471,746 | 587 | 77,581 | 699,722 | 3,006,814 |
| Fund Balance - June 30, 1996 | <u>\$ 72,939</u> | <u>\$ 175,965</u> | <u>\$ (80,356)</u> | <u>\$ 229,199</u> | <u>\$ 451</u> | <u>\$ 77,581</u> | <u>\$ 475,779</u> | <u>\$ 699,722</u> |

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

CRETE PUBLIC LIBRARY DISTRICT
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 ALL GOVERNMENTAL FUND TYPES
 YEAR ENDED JUNE 30, 1996

EXHIBIT 3

| | <u>GENERAL</u> | | <u>SPECIAL REVENUE</u> | | <u>DEBT SERVICE</u> | | <u>CAPITAL PROJECTS</u> | |
|--------------------------------------------------------------|-------------------|-------------------|------------------------|--------------------|---------------------|--------------------|-------------------------|---------------------|
| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>BUDGET</u> | <u>ACTUAL</u> | <u>BUDGET</u> | <u>ACTUAL</u> | <u>BUDGET</u> | <u>ACTUAL</u> |
| Revenues: | | | | | | | | |
| Property Taxes | \$ 317,818 | \$ 318,187 | \$ 39,621 | \$ 39,671 | \$ - | \$ 213,553 | \$ - | \$ - |
| Personal Property Replacement Tax | 1,500 | 2,219 | - | - | - | - | - | - |
| State of Illinois: | | | | | | | | |
| Per Capita Grant | 62,000 | 18,263 | - | - | - | - | - | - |
| Construction Grant | - | - | - | - | - | - | - | - |
| Interest | 15,000 | 23,403 | - | - | - | - | - | 92,231 |
| Desk Receipts | 25,000 | 12,028 | - | - | - | - | - | - |
| Developer Fees | 30,000 | 5,100 | - | - | - | - | - | - |
| Miscellaneous & Donations | - | - | - | - | - | - | - | - |
| Total Revenues | \$ 451,318 | \$ 379,200 | \$ 39,621 | \$ 39,671 | \$ - | \$ 213,553 | \$ - | \$ 92,231 |
| Expenditures: | | | | | | | | |
| Operating | \$ 415,800 | \$ 350,933 | \$ 84,500 | \$ 50,063 | \$ - | \$ 212,688 | \$ - | \$ 334,778 |
| Total Expenditures | \$ 415,800 | \$ 350,933 | \$ 84,500 | \$ 50,063 | \$ - | \$ 212,688 | \$ - | \$ 334,778 |
| Revenues Over (Under) Expenditures | \$ 35,518 | \$ 28,267 | \$ (44,879) | \$ (10,392) | \$ - | \$ 865 | \$ - | \$ (242,547) |
| Other Financing Sources (Uses): | | | | | | | | |
| Bond Proceeds | - | - | - | - | - | - | - | - |
| Operating Transfers In (Out) | - | - | - | - | - | - | - | - |
| Revenues Over (Under) Expenditures and Other Uses | \$ 35,518 | \$ 28,267 | \$ (44,879) | \$ (10,392) | \$ - | \$ 865 | \$ - | \$ (242,547) |
| Fund Balance - July 1, 1995 | | 44,672 | | 186,357 | | (81,221) | | 471,746 |
| Fund Balance - June 30, 1996 | | \$ 72,939 | | \$ 175,965 | | \$ (80,356) | | \$ 229,199 |

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

CRETE PUBLIC LIBRARY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FUNDS

The accounts of the District are organized on the basis of funds and account groups and include all the activities of the District based on manifestations of oversight, scope of public service and special financing arrangements. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Refer to Note 2 for a description of the funds utilized by the District.

BASIS OF ACCOUNTING

The following funds are maintained during the year by the District largely on a cash basis. At the end of the year, the financial statements are converted to the modified accrual basis by journal entries:

General Fund
Special Revenue Funds
Debt Service Fund
Capital Projects Fund
Fiduciary Funds

Under such modified accrual basis, all major revenues are recorded when susceptible to accrual, (both measurable and available) and expenditures are recorded at the time liabilities are incurred. Accordingly, the District accrues the following:

Property tax revenues are recognized in accordance with the requirements of Interpretation three issued by the National Council on Governmental Accounting (NCGA).

The personal property replacement tax is recorded as revenue in the same year as the monies are collected by the State of Illinois.

The District provided vacation and sick pay benefits to its employees. These expenditures are accrued when incurred.

BUDGETING (APPROPRIATION)

The District prepares its budget for all governmental fund types in conformity with practices prescribed or permitted by the applicable statutes of the State of Illinois. As prescribed by the statutes,

the District in its budgeting process includes as a resource (amount available for current expenditures) a portion of the fund balance that has been accumulated in prior years.

Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds.

The District's fiscal year begins July 1 and ends on June 30. Its procedures for adopting the annual budget which follows statutory requirements are composed of the following stages:

- a) Department heads propose expenditure estimates for the coming year. These estimates, if approved by the Library Director, become her recommendations for presentation to the Board of Trustees as the tentative combined Annual Budget and Appropriation Ordinance.
- b) Notice is published in the paper that the tentative Annual Budget and Appropriation Ordinance is available for public inspection. The Ordinance is then presented at a public meeting after thirty days have passed.
- c) Immediately after the public meetings, the Board of Trustees adopts the Ordinance in final form, and it is published to meet statutory requirements.
- d) The Annual Budget and Appropriation Ordinance executory phase is performed by the Library Director and department heads, and commences July 1.
- e) The Library Director is authorized to transfer budgeted amounts between departments, within any fund, with the approval of the Board of Trustees.
- f) Appropriations lapse each June 30.

Although the budget is principally prepared on a cash basis, the differences from generally accepted accounting principles are not material.

General fixed assets purchased are recorded as expenditures in the governmental fund types at time of purchase. Such assets are capitalized in the general fixed assets group of accounts at historical cost. No depreciation has been provided on general fixed assets.

TOTAL COLUMNS ON THE COMBINED STATEMENTS

Total columns on the combined statements are captioned Memo Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position,

results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of these data.

2. DESCRIPTION OF FUND AND ACCOUNT GROUP STRUCTURE

The various funds are summarized by type in the financial statements with homogenous funds being combined to provide a more meaningful presentation. The following funds and account groups are used by the District.

GOVERNMENTAL FUNDS

GENERAL FUND

Established to account for the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

AUDIT FUND

Established to account for audit fees and the annual property taxes specifically levied to fund those costs.

PUBLIC LIABILITY INSURANCE FUND

Established to account for annual liability insurance costs and the annual property taxes specifically levied to fund those costs.

WORKMEN'S COMPENSATION FUND

Established to account for annual workmen's compensation insurance costs and the annual property taxes specifically levied to fund those costs.

ILLINOIS MUNICIPAL RETIREMENT FUND

Established to account for annual pension costs and the annual property taxes which are specifically levied to fund pension costs in accordance with statutory requirements. The taxes are paid to the Illinois Municipal Retirement Fund.

SOCIAL SECURITY FUND

Established to account for the District's annual cost of participation in social security and the annual property taxes which are specifically levied to fund those costs.

UNEMPLOYMENT COMPENSATION FUND

Established to account for annual unemployment compensation insurance costs and the annual property taxes specifically levied to fund those costs.

LIBRARY BUILDING AND SITE FUND

Established to account for the purchase of sites and buildings, for the construction and equipment of buildings, for the rental of buildings required for library purposes, and for maintenance, repairs, and alterations of library buildings and equipment, and the annual property taxes specifically levied to fund those costs.

SPECIAL RESERVE FUND

Established for the accumulation of the unexpended balance from the proceeds received from the corporate taxes. These funds are to be accumulated and set aside for the purchase of sites and construction and equipment of buildings for library purposes.

DEBT SERVICE FUND

Established to account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs.

CAPITAL PROJECTS FUND

Established to account for financial resources to be used for the acquisition or construction of a new Library facility.

FIDUCIARY FUNDS

DEVELOPMENT TRUST

Established to account for assets held by the District in a trustee capacity for individuals and private organizations. The Development Trust Fund is an Expendable Trust and is accounted for in essentially the same manner as a governmental fund.

WORKING CASH

Established to account for monies provided by a tax levy for working capital. These funds are non-expendable and are, from time to time, temporarily advanced to other funds.

GENERAL FIXED ASSET GROUP OF ACCOUNTS

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. Governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources".

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in Governmental Funds. All Fixed Assets are valued at current market value if historical cost is not available. No depreciation has been provided on general fixed assets.

The account group is not a "fund." It is concerned only with the measurement of financial position. It is not involved with measurement of results of operations.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources," since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become current receivables.

GENERAL LONG-TERM DEBT ACCOUNT GROUP

The accounting and reporting treatment applied to the long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The account group is not a "fund." It is concerned only with the measurement of financial position. It is not involved with measurement of results of operations.

3. CASH AND INVESTMENTS

The common cash and investments of the District at June 30, 1996 were stated at cost which approximates market as follows:

| | |
|-----------------------------|--------------|
| Grand National Bank | |
| Checking Account | \$ 241,380 |
| United Bank of Crete-Steger | |
| Checking Account | 451 |
| Illinois Public Treasurer's | |
| Investment Pool | 954,329 |
| PMA Securities | 3 |
| | ----- |
| | \$ 1,196,163 |
| | ===== |

4. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

| | Balance July 1, 1995 | Additions | Dispositions | Balance June 30, 1996 |
|----------------------------|-------------------------|------------|--------------|--------------------------|
| | ----- | ----- | ----- | ----- |
| Land and Building | \$ - | \$ - | \$ - | - |
| Furniture and Equipment | 286,026 | 244,205 | - | 530,231 |
| Leasehold Improvements | 297 | - | - | 297 |
| Main Street Location: | | | | |
| Land | 118,342 | 12,089 | - | 130,431 |
| Legal and Consulting | 55,309 | 8,781 | - | 64,090 |
| Architecture | 230,963 | 23,873 | - | 254,836 |
| | ----- | ----- | ----- | ----- |
| | \$690,937 | \$ 288,948 | \$ - | \$979,885 |
| | ===== | ===== | ===== | ===== |

5. CHANGES IN LONG-TERM DEBT

The following is a summary of long-term obligation transactions of the District for the year ended June 30, 1996.

BONDS PAYABLE

The following is a summary of Bond Transactions of the District for the year ended June 30, 1996.

| | |
|--------------------------------|--------------|
| Bonds Payable at July 1, 1995 | \$ 2,975,000 |
| Bonds Issued | - |
| Bonds Retired | 50,000 |
| | ----- |
| Bonds Payable at June 30, 1996 | \$ 2,925,000 |
| | ===== |

Bonds Payable at June 30, 1996 are comprised of the following:
 \$ 2,925,000 - 1993 Library Bonds

| Bonds due in Annual Installments: | | |
|-----------------------------------|--------------------|---------------------------|
| Year Ending June 30th ----- | Principal ----- | Interest Rate ----- |
| 1997 | \$ 50,000 | 5.000% |
| 1998 | 75,000 | 5.000% |
| 1999 | 75,000 | 7.200% |
| 2000 | 100,000 | 7.200% |
| 2001 | 100,000 | 7.200% |
| 2002 | 125,000 | 7.200% |
| 2003 | 125,000 | 7.200% |
| 2004 | 150,000 | 7.200% |
| 2005 | 150,000 | 7.200% |
| 2006 | 175,000 | 7.200% |
| 2007 | 175,000 | 5.500% |
| 2008 | 200,000 | 5.000% |
| 2009 | 200,000 | 5.100% |
| 2010 | 225,000 | 4.200% |
| 2011 | 225,000 | 4.250% |
| 2012 | 250,000 | 4.300% |
| 2013 | 250,000 | 4.350% |
| 2014 | 275,000 | 4.375% |
| | ----- | |
| | \$ 2,925,000 | |
| | ===== | |

6. DEFINED BENEFIT PENSION PLAN

The employer contributes to the Illinois Municipal Retirement Fund ("IMRF"), an agent-multiple-employer public employee retirement system that acts as a common investment and administrative agent for 2,844 local governments and school districts in Illinois. The employer's total payroll for the year ended December 31, 1995 was \$203,210. Of this amount, \$ 180,359. in payroll earnings were reported to and covered by the IMRF system.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3 percent of their final rate of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Participating members are required to contribute 4.5 percent of their annual salary to IMRF. The Employer is required to contribute remaining amounts necessary to fund the System, using the actuarial funding method specified by statute.

RELATED PARTY TRANSACTIONS

There were no securities of the Employer and related parties included in the System's assets.

FUNDING STATUS AND PROGRESS

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of IMRF on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits prorated on service and is independent of the funding method used to determine contributions to IMRF.

The pension benefit obligation was computed as part of an actuarial valuation performed as of December 31, 1995. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investment of present and future assets of 7.50% a year compounded annually, (b) projected salary increases of 4.25% a year compounded annually, attributable to inflation, (c) additional projected salary increases ranging from .6% to 6.8% per year, depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3% annually.

Total unfunded pension benefit obligation applicable to the Employer's employees was \$ 99,529. at December 31, 1995, determined as follows:

Pension benefit obligations:

Terminated employees not yet receiving benefits \$ 61

Current employees-

| | |
|----------------------------------------------------------------------------|---------|
| Accumulated employee contributions including allocated investment earnings | 58,831 |
| Employer-financed vested | 232,978 |
| Employer-financed nonvested | 14,334 |
| | ----- |

| | |
|----------------------------------|---------|
| Total pension benefit obligation | 306,204 |
|----------------------------------|---------|

| | |
|---------------------------------------------------------------------------|---------|
| Net assets available for benefits at cost (market value is \$208,797). | 206,675 |
| | ----- |

| | |
|-------------------------------------|-----------|
| Unfunded pension benefit obligation | \$ 99,529 |
| | ===== |

The pension benefit obligation applicable to retirees and beneficiaries currently receiving benefits is not included in the above schedule due to the fact that this obligation was transferred from the Employer to IMRF as a whole when the annuity became payable.

ACTUARIALY DETERMINED CONTRIBUTION REQUIREMENTS AND CONTRIBUTIONS MADE

The I.M.R.F. funding policy provides for actuarially determined monthly contributions at rates that will accumulate sufficient assets to pay benefits when due without having to be increased for future generations of taxpayers. The contribution rate for normal cost is determined using the entry age normal actuarial funding method. I.M.R.F. used the level percentage of payroll method to amortize the unfunded liability over a 38 year period.

The contributions to IMRF for 1995 of \$ 27,775. was made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of December 31, 1993. The contribution consisted of (a) \$ 21,138 normal cost (11.72 percent of 1995 covered payroll) (b) \$ 4,960 amortization of the unfunded actuarial accrued liability (2.75 percent of 1995 covered payroll) and (c) \$559 death and disability cost (0.31 percent of 1995 covered payroll) (d) \$1,118 cost of supplemental retirement benefit (.62 percent of 1995 covered payroll). The employer contributed \$19,659 (10.90 percent of 1995 covered payroll; employees contributed \$ 8,116. (4.5 percent of the 1995 covered payroll).

TREND INFORMATION

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Ten year trend information may be found on page five of this statement. For the three years ended 1993, 1994, and 1995 respectively, available assets were sufficient to fund 70.38, 77.20 and 67.50 percent of the pension benefit obligation. Unfunded pension benefit obligation represents 31.08, 25.82 and 55.18 percent of the annual payroll for the participating members covered by IMRF for 1993, 1994 and 1995, respectively. Showing unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation for analysis purposes. In addition, for the three years ended 1993, 1994, and 1995, the employer's contribution to IMRF, all made in accordance with actuarially determined requirements, were 10.68, 11.09 and 10.90 percent respectively of annual covered payroll.

DIGEST OF CHANGES

Actuarial assumptions were modified based on the 1990-1992 experience study.

ANALYSIS OF FUNDING PROGRESS

| Year | (1) Pension Benefit Obligation | (2) Assets at Cost | Percent Funded (2)/(1) | (3) Unfunded Pensn Oblig (1)-(2) | (4) Annual Covered Payroll | Unfunded as Perct of Pyrl1 (3)/(4) |
|------|-----------------------------------------|--------------------------|------------------------------|-------------------------------------------|-------------------------------------|---------------------------------------------|
| 1995 | 306,204 | 206,675 | 67.50% | 99,529 | 180,359 | 55.18% |
| 1994 | 191,133 | 147,564 | 77.20% | 43,569 | 168,746 | 25.82% |
| 1993 | 161,198 | 113,446 | 70.38% | 47,752 | 153,624 | 31.08% |
| 1992 | 130,626 | 84,709 | 64.85% | 45,917 | 152,285 | 30.15% |
| 1991 | 90,939 | 58,057 | 63.84% | 32,882 | 146,216 | 22.49% |
| 1990 | 62,245 | 34,194 | 54.93% | 28,051 | 129,140 | 21.72% |
| 1989 | 32,942 | 15,299 | 46.44% | 17,643 | 88,995 | 19.82% |
| 1988 | 19,134 | 6,937 | 36.25% | 12,197 | 74,391 | 16.40% |

7. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosure, as part of the Combined Statements - Overview, of certain information concerning individual funds including:

A. Excesses of Expenditures over appropriations in individual funds:

NONE

B. Deficit fund balances of individual funds:

| | |
|--------------|-------------|
| Debt Service | \$ (80,356) |
| Audit | \$ (369) |

8. CONTRACTS PAYABLE

The District has three Contracts Payable at June 30, 1996 in connection with the construction of the new library building located on Main Street in Crete:

| Contractor | Total Contract | Payable at June 30 |
|-------------------|----------------|--------------------|
| ----- | ----- | ----- |
| Henricksen: | | |
| Furnishings | \$ 221,663 | \$ 56,590 |
| Oliver Structures | 2,705,691 | 394,241 |

9. GRANTS RECEIVABLE

The District has applied for and been accepted to receive a construction grant from the Office of the Secretary of the State of Illinois the terms of the grant call for a total project cost of \$ 3,339,600 funded as follows:

| | |
|-------------------------|--------------|
| District Matching Funds | \$ 3,089,600 |
| Grant Funds | 250,000 |
| | ----- |
| Total Project Cost | \$ 3,339,600 |
| | ===== |

**CRETE PUBLIC LIBRARY DISTRICT
GENERAL FUND
BALANCE SHEET
JUNE 30, 1996**

ASSETS

| | | |
|-------------------------------------------------------|----|-----------------------|
| Cash and Investments | \$ | 252,659 |
| Receivables: (Net of Allowance for Uncollectibles) | | |
| Property Tax | | 174,288 |
| Prepaid Expenses | | <u>443</u> |
| | \$ | <u><u>427,390</u></u> |
| Liabilities: | | |
| Liabilities: | | |
| Accounts Payable | \$ | 10,377 |
| Accrued Expenses | | 4,863 |
| Deferred Revenue: | | |
| Property Taxes Receivable | | 174,288 |
| Advance Collections of 1995 Tax Levy | | <u>164,923</u> |
| Total Liabilities | \$ | <u><u>354,451</u></u> |
| Fund Equity: | | |
| Fund Balance | \$ | <u><u>72,939</u></u> |
| | \$ | <u><u>427,390</u></u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 1996**

| | <u>BUDGET</u> | <u>ACTUAL</u> |
|--------------------------------------------------------------|-------------------|-------------------|
| Revenues: | | |
| Property Taxes | \$ 317,818 | \$ 318,187 |
| Personal Property Replacement Tax | 1,500 | 2,219 |
| State of Illinois: | | |
| Per Capita Grant | 62,000 | 18,263 |
| Interest | 15,000 | 23,403 |
| Desk Receipts | 25,000 | 12,028 |
| Developer Fees | 30,000 | 5,100 |
| Miscellaneous & Donations | - | - |
| | <u> </u> | <u> </u> |
| Total Revenues | \$ 451,318 | \$ 379,200 |
| Expenditures: | | |
| Operating | \$ 415,800 | \$ 350,933 |
| | <u> </u> | <u> </u> |
| Total Expenditures | \$ 415,800 | \$ 350,933 |
| Revenues Over (Under) Expenditures | \$ 35,518 | \$ 28,267 |
| Other Financing Sources (Uses): | | |
| Operating Transfers In (Out) | - | - |
| | <u> </u> | <u> </u> |
| Revenues Over (Under) Expenditures and Other Uses | \$ 35,518 | \$ 28,267 |
| | <u> </u> | <u> </u> |
| Fund Balance - July 1, 1995 | | 44,672 |
| | | <u> </u> |
| Fund Balance - June 30, 1996 | | \$ 72,939 |
| | | <u> </u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 1996**

| | <u>BUDGET</u> | <u>ACTUAL</u> |
|-----------------------------------------|--------------------------|--------------------------|
| Operating: | | |
| Salaries | \$ 220,000 | \$ 214,253 |
| Custodial Services | 7,000 | 5,130 |
| Cultural/Educational Programming | 2,000 | 1,179 |
| Staff/Board Development | 3,000 | 2,232 |
| Books | 45,000 | 42,990 |
| Periodicals | 5,500 | 4,989 |
| A-V Materials | 2,500 | 1,720 |
| Printing | 2,000 | 2,058 |
| Purchase of Library Supplies | 8,000 | 7,936 |
| Postage | 4,000 | 2,980 |
| Computer Services Expense | 52,000 | 12,012 |
| Maintenance of Office Equipment | 2,000 | 1,206 |
| Equipment Rental | 500 | 121 |
| Gas | - | 676 |
| Electric | 33,000 | 19,149 |
| Telephone | 5,500 | 4,939 |
| Professional Services (including legal) | 4,000 | 2,104 |
| Bookkeeping | 4,500 | 4,305 |
| Building Rental | 7,800 | 14,080 |
| Contingency | 2,000 | 1,109 |
| Treasurer's Bond | - | 532 |
| Hospitalization | 5,500 | 5,233 |
| | <u>415,800</u> | <u>350,933</u> |
| Total Operating | \$ <u>415,800</u> | \$ <u>350,933</u> |

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

CRETE PUBLIC LIBRARY DISTRICT
 SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 1996

EXHIBIT 7

| | <u>AUDIT</u> | <u>PUBLIC LIABILITY INSURANCE</u> | <u>WORKMEN'S COMPENSATION</u> | <u>ILLINOIS MUNICIPAL RETIREMENT</u> | <u>SOCIAL SECURITY</u> | <u>UNEMPLOYMENT COMPENSATION</u> | <u>LIBRARY BUILDING AND SITES</u> | <u>SPECIAL RESERVE</u> | <u>TOTAL</u> |
|-------------------------------------------------------|---------------|-------------------------------------------|-----------------------------------|----------------------------------------------|----------------------------|--------------------------------------|-------------------------------------------|----------------------------|-------------------|
| ASSETS | | | | | | | | | |
| Cash and Investments | \$ 576 | \$ (1,663) | \$ 1,787 | \$ 31,455 | \$ 23,099 | \$ 8,291 | \$ 62,237 | \$ 62,379 | \$ 188,161 |
| Receivables: (Net of Allowance for Uncollectibles) | | | | | | | | | |
| Property Taxes | - | - | - | 8,131 | 7,561 | - | 2,790 | - | 18,482 |
| Prepaid Expenses | - | 6,942 | 150 | - | - | - | - | - | 7,092 |
| Total Assets | \$ 576 | \$ 5,279 | \$ 1,937 | \$ 39,586 | \$ 30,660 | \$ 8,291 | \$ 65,027 | \$ 62,379 | \$ 213,735 |
| LIABILITIES AND DISTRICT EQUITY | | | | | | | | | |
| Liabilities: | | | | | | | | | |
| Deferred Revenue: | | | | | | | | | |
| Property Tax Receivable | \$ - | \$ - | \$ - | \$ 8,131 | \$ 7,561 | \$ - | \$ 2,790 | \$ - | \$ 18,482 |
| Advance Collections of 1995 Tax Levy | - | - | - | 7,694 | 7,154 | - | 2,640 | - | 17,488 |
| Accrued Expenses | 945 | - | - | 507 | 348 | - | - | - | 1,800 |
| Total Liabilities | \$ 945 | \$ - | \$ - | \$ 16,332 | \$ 15,063 | \$ - | \$ 5,430 | \$ - | \$ 37,770 |
| District Equity: | | | | | | | | | |
| Fund Balance | \$ (369) | \$ 5,279 | \$ 1,937 | \$ 23,254 | \$ 15,597 | \$ 8,291 | \$ 59,597 | \$ 62,379 | \$ 175,965 |
| Total Liabilities and District Equity | \$ 576 | \$ 5,279 | \$ 1,937 | \$ 39,586 | \$ 30,660 | \$ 8,291 | \$ 65,027 | \$ 62,379 | \$ 213,735 |

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

CRETE PUBLIC LIBRARY DISTRICT
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 1996

| | AUDIT | | PUBLIC LIABILITY INSURANCE | | WORKMEN'S COMPENSATION | | ILLINOIS MUNICIPAL RETIREMENT | |
|--------------------------------------------------------------|-------------------|-------------------|-------------------------------|-------------------|---------------------------|-----------------|-------------------------------------|-------------------|
| | BUDGET | ACTUAL | BUDGET | ACTUAL | BUDGET | ACTUAL | BUDGET | ACTUAL |
| Revenues: | | | | | | | | |
| Property Taxes | \$ - | \$ 1 | \$ 4,873 | \$ 4,857 | \$ - | \$ - | \$ 19,069 | \$ 19,085 |
| Developers Fee | - | - | - | - | - | - | - | - |
| Total Revenues | \$ - | \$ 1 | \$ 4,873 | \$ 4,857 | \$ - | \$ - | \$ 19,069 | \$ 19,085 |
| Expenditures - Operating | \$ 2,500 | \$ 2,368 | \$ 8,500 | \$ 9,474 | \$ 1,000 | \$ 940 | \$ 24,000 | \$ 20,152 |
| Revenues Over (Under) Expenditures | \$ (2,500) | \$ (2,367) | \$ (3,627) | \$ (4,617) | \$ (1,000) | \$ (940) | \$ (4,931) | \$ (1,067) |
| Other Financing Sources (Uses): | | | | | | | | |
| Operating Transfers In (Out) | - | - | - | - | - | - | - | - |
| Revenues Over (Under) Expenditures and Other Uses | \$ (2,500) | \$ (2,367) | \$ (3,627) | \$ (4,617) | \$ (1,000) | \$ (940) | \$ (4,931) | \$ (1,067) |
| Fund Balance - July 1, 1995 | | 1,998 | | 9,896 | | 2,877 | | 24,321 |
| Fund Balance - June 30, 1996 | | \$ (369) | | \$ 5,279 | | \$ 1,937 | | \$ 23,254 |

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

CRETE PUBLIC LIBRARY DISTRICT
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 1996

| | SOCIAL SECURITY | | UNEMPLOYMENT COMPENSATION | | LIBRARY BUILDING AND SITES | | SPECIAL RESERVE | | TOTAL | |
|----------------------------------------------------------|-------------------|------------------|---------------------------|-----------------|----------------------------|------------------|-----------------|------------------|--------------------|--------------------|
| | BUDGET | ACTUAL | BUDGET | ACTUAL | BUDGET | ACTUAL | BUDGET | ACTUAL | BUDGET | ACTUAL |
| Revenues: | | | | | | | | | | |
| Property Taxes | \$ 15,679 | \$ 15,716 | \$ - | \$ 1 | \$ - | \$ 11 | \$ - | \$ - | \$ 39,621 | \$ 39,671 |
| Developers Fee | - | - | - | - | - | - | - | - | - | - |
| Total Revenues | \$ 15,679 | \$ 15,716 | \$ - | \$ 1 | \$ - | \$ 11 | \$ - | \$ - | \$ 39,621 | \$ 39,671 |
| Expenditures - Operating | \$ 17,000 | \$ 16,286 | \$ 1,500 | \$ 568 | \$ 30,000 | \$ 275 | \$ - | \$ - | \$ 84,500 | \$ 50,063 |
| Revenues Over (Under) Expenditures | \$ (1,321) | \$ (570) | \$ (1,500) | \$ (567) | \$ (30,000) | \$ (264) | \$ - | \$ - | \$ (44,879) | \$ (10,392) |
| Other Financing Sources (Uses): | | | | | | | | | | |
| Operating Transfers In (Out) | - | - | - | - | - | - | - | - | - | - |
| Revenues Over (Under) Expenditures and Other Uses | \$ (1,321) | \$ (570) | \$ (1,500) | \$ (567) | \$ (30,000) | \$ (264) | \$ - | \$ - | \$ (44,879) | \$ (10,392) |
| Fund Balance - July 1, 1995 | | 16,167 | | 8,858 | | 59,861 | | 62,379 | | 186,357 |
| Fund Balance - June 30, 1996 | | \$ 15,597 | | \$ 8,291 | | \$ 59,597 | | \$ 62,379 | | \$ 175,965 |

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

CRETE PUBLIC LIBRARY DISTRICT
AUDIT FUND
BALANCE SHEET
JUNE 30, 1996

ASSETS

| | | |
|-------------------------------------------------------|----|------------|
| Cash and Investments | \$ | 576 |
| Receivables: (Net of Allowance for Uncollectibles) | | |
| Property Taxes | | - |
| Prepaid Expenses | | - |
| | \$ | <u>576</u> |

Liabilities:

Liabilities:

| | | |
|--------------------------------------|----|------------|
| Deferred Revenue: | | |
| Property Tax Receivable | \$ | - |
| Advance Collections of 1995 Tax Levy | | - |
| Accrued Expenses | | <u>945</u> |
| Total Liabilities | \$ | <u>945</u> |

District Equity:

| | | |
|--------------|----|--------------|
| Fund Balance | \$ | <u>(369)</u> |
| | \$ | <u>576</u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
AUDIT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 1996**

| | <u>BUDGET</u> | <u>ACTUAL</u> |
|-----------------------------------------------------------------|-------------------|-----------------|
| Revenues - Taxes | \$ - | \$ 1 |
| Expenditures - Operating | <u>2,500</u> | <u>2,368</u> |
| Revenues Over (Under) Expenditures | \$ (2,500) | \$ (2,367) |
| Other Financing Sources (Uses): Operating Transfers In (Out) | <u>-</u> | <u>-</u> |
| Revenues Over (Under) Expenditures and Other Uses | \$ <u>(2,500)</u> | \$ (2,367) |
| Fund Balance - July 1, 1995 | | <u>1,998</u> |
| Fund Balance - June 30, 1996 | | \$ <u>(369)</u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
PUBLIC LIABILITY INSURANCE FUND
BALANCE SHEET
JUNE 30, 1996**

ASSETS

| | | |
|-------------------------------------------------------|----|---------------------|
| Cash and Investments | \$ | (1,663) |
| Receivables: (Net of Allowance for Uncollectibles) | | |
| Property Taxes | | - |
| Prepaid Expenses | | <u>6,942</u> |
| | \$ | <u><u>5,279</u></u> |

Liabilities:

Liabilities:

| | | |
|--------------------------------------|----|----------|
| Deferred Revenue: | | |
| Property Tax Receivable | \$ | - |
| Advance Collections of 1995 Tax Levy | | - |
| Accrued Expenses | | <u>-</u> |
| Total Liabilities | \$ | <u>-</u> |

District Equity:

| | | |
|--------------|----|---------------------|
| Fund Balance | \$ | <u>5,279</u> |
| | \$ | <u><u>5,279</u></u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
PUBLIC LIABILITY INSURANCE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 1996**

| | <u>BUDGET</u> | <u>ACTUAL</u> |
|-----------------------------------------------------------------|-------------------|-----------------|
| Revenues - Taxes | \$ 4,873 | \$ 4,857 |
| Expenditures - Operating | <u>8,500</u> | <u>9,474</u> |
| Revenues Over (Under) Expenditures | \$ (3,627) | \$ (4,617) |
| Other Financing Sources (Uses): Operating Transfers In (Out) | <u>-</u> | <u>-</u> |
| Revenues Over (Under) Expenditures and Other Uses | \$ <u>(3,627)</u> | \$ (4,617) |
| Fund Balance - July 1, 1995 | | <u>9,896</u> |
| Fund Balance - June 30, 1996 | | \$ <u>5,279</u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
WORKMEN'S COMPENSATION FUND
BALANCE SHEET
JUNE 30, 1996**

ASSETS

| | | |
|-------------------------------------------------------|----|---------------------|
| Cash and Investments | \$ | 1,787 |
| Receivables: (Net of Allowance for Uncollectibles) | | |
| Property Taxes | | - |
| Prepaid Expenses | | <u>150</u> |
| | \$ | <u><u>1,937</u></u> |

Liabilities:

Liabilities:

| | | |
|--------------------------------------|----|----------|
| Deferred Revenue: | | |
| Property Tax Receivable | \$ | - |
| Advance Collections of 1995 Tax Levy | | - |
| Accrued Expenses | | <u>-</u> |
| Total Liabilities | \$ | <u>-</u> |

District Equity:

| | | |
|--------------|----|---------------------|
| Fund Balance | \$ | <u>1,937</u> |
| | \$ | <u><u>1,937</u></u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
WORKMEN'S COMPENSATION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 1996**

| | <u>BUDGET</u> | <u>ACTUAL</u> |
|-----------------------------------------------------------------|-------------------|-----------------|
| Revenues - Taxes | \$ - | \$ - |
| Expenditures - Operating | <u>1,000</u> | <u>940</u> |
| Revenues Over (Under) Expenditures | \$ (1,000) | \$ (940) |
| Other Financing Sources (Uses): Operating Transfers In (Out) | <u>-</u> | <u>-</u> |
| Revenues Over (Under) Expenditures and Other Uses | \$ <u>(1,000)</u> | \$ (940) |
| Fund Balance - July 1, 1995 | | <u>2,877</u> |
| Fund Balance - June 30, 1996 | | \$ <u>1,937</u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
ILLINOIS MUNICIPAL RETIREMENT FUND
BALANCE SHEET
JUNE 30, 1996**

ASSETS

| | | |
|-------------------------------------------------------|----|---------------|
| Cash and Investments | \$ | 31,455 |
| Receivables: (Net of Allowance for Uncollectibles) | | |
| Property Taxes | | 8,131 |
| Prepaid Expenses | | <u>-</u> |
| | \$ | <u>39,586</u> |

Liabilities:

Liabilities:

| | | |
|--------------------------------------|----|---------------|
| Deferred Revenue: | | |
| Property Tax Receivable | \$ | 8,131 |
| Advance Collections of 1995 Tax Levy | | 7,694 |
| Accrued Expenses | | <u>507</u> |
| Total Liabilities | \$ | <u>16,332</u> |

District Equity:

| | | |
|--------------|----|---------------|
| Fund Balance | \$ | <u>23,254</u> |
| | \$ | <u>39,586</u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
ILLINOIS MUNICIPAL RETIREMENT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 1996**

| | <u>BUDGET</u> | <u>ACTUAL</u> |
|-----------------------------------------------------------------|-------------------|------------------|
| Revenues - Taxes | \$ 19,069 | \$ 19,085 |
| Expenditures - Operating | <u>24,000</u> | <u>20,152</u> |
| Revenues Over (Under) Expenditures | \$ (4,931) | \$ (1,067) |
| Other Financing Sources (Uses): Operating Transfers In (Out) | <u>-</u> | <u>-</u> |
| Revenues Over (Under) Expenditures and Other Uses | \$ <u>(4,931)</u> | \$ (1,067) |
| Fund Balance - July 1, 1995 | | <u>24,321</u> |
| Fund Balance - June 30, 1996 | | \$ <u>23,254</u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
SOCIAL SECURITY FUND
BALANCE SHEET
JUNE 30, 1996**

ASSETS

| | | |
|-------------------------------------------------------|----|----------------------|
| Cash and Investments | \$ | 23,099 |
| Receivables: (Net of Allowance for Uncollectibles) | | |
| Property Taxes | | 7,561 |
| Prepaid Expenses | | <u>-</u> |
| | \$ | <u><u>30,660</u></u> |

Liabilities:

Liabilities:

| | | |
|--------------------------------------|----|---------------|
| Deferred Revenue: | | |
| Property Tax Receivable | \$ | 7,561 |
| Advance Collections of 1995 Tax Levy | | 7,154 |
| Accrued Expenses | | <u>348</u> |
| Total Liabilities | \$ | <u>15,063</u> |

District Equity:

| | | |
|--------------|----|----------------------|
| Fund Balance | \$ | <u>15,597</u> |
| | \$ | <u><u>30,660</u></u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
SOCIAL SECURITY FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 1996**

| | <u>BUDGET</u> | <u>ACTUAL</u> |
|-----------------------------------------------------------------|-------------------|------------------|
| Revenues - Taxes | \$ 15,679 | \$ 15,716 |
| Expenditures - Operating | <u>17,000</u> | <u>16,286</u> |
| Revenues Over (Under) Expenditures | \$ (1,321) | \$ (570) |
| Other Financing Sources (Uses): Operating Transfers In (Out) | <u>-</u> | <u>-</u> |
| Revenues Over (Under) Expenditures and Other Uses | \$ <u>(1,321)</u> | \$ (570) |
| Fund Balance - July 1, 1995 | | <u>16,167</u> |
| Fund Balance - June 30, 1996 | | \$ <u>15,597</u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
UNEMPLOYMENT COMPENSATION FUND
BALANCE SHEET
JUNE 30, 1996**

ASSETS

| | | |
|-------------------------------------------------------|----|--------------|
| Cash and Investments | \$ | 8,291 |
| Receivables: (Net of Allowance for Uncollectibles) | | |
| Property Taxes | | - |
| Prepaid Expenses | | - |
| | | <hr/> |
| | \$ | <u>8,291</u> |

LIABILITIES AND DISTRICT EQUITY

Liabilities:

| | | |
|--------------------------------------|----|----------|
| Deferred Revenue: | | |
| Property Tax Receivable | \$ | - |
| Advance Collections of 1995 Tax Levy | | - |
| Accrued Expenses | | - |
| | | <hr/> |
| Total Liabilities | \$ | <u>-</u> |

District Equity:

| | | |
|--------------|----|--------------|
| Fund Balance | \$ | <u>8,291</u> |
| | \$ | <u>8,291</u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
UNEMPLOYMENT COMPENSATION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 1996**

| | <u>BUDGET</u> | <u>ACTUAL</u> |
|-----------------------------------------------------------------|-------------------|-----------------|
| Revenues - Taxes | \$ - | \$ 1 |
| Expenditures - Operating | <u>1,500</u> | <u>568</u> |
| Revenues Over (Under) Expenditures | \$ (1,500) | \$ (567) |
| Other Financing Sources (Uses): Operating Transfers In (Out) | <u>-</u> | <u>-</u> |
| Revenues Over (Under) Expenditures and Other Uses | \$ <u>(1,500)</u> | \$ (567) |
| Fund Balance - July 1, 1995 | | <u>8,858</u> |
| Fund Balance - June 30, 1996 | | \$ <u>8,291</u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
LIBRARY BUILDING AND SITES FUND
BALANCE SHEET
JUNE 30, 1996**

ASSETS

| | | |
|-------------------------------------------------------|----|----------------------|
| Cash and Investments | \$ | 62,237 |
| Receivables: (Net of Allowance for Uncollectibles) | | |
| Property Taxes | | 2,790 |
| Prepaid Expenses | | - |
| | \$ | <u>65,027</u> |
| | | |
| Liabilities: | | |
| | | |
| Liabilities: | | |
| Deferred Revenue: | | |
| Property Tax Receivable | \$ | 2,790 |
| Advance Collections of 1995 Tax Levy | | 2,640 |
| Accrued Expenses | | - |
| Total Liabilities | \$ | <u>5,430</u> |
| | | |
| District Equity: | | |
| Fund Balance | \$ | <u>59,597</u> |
| | \$ | <u><u>65,027</u></u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
LIBRARY BUILDING AND SITES FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 1996**

| | <u>BUDGET</u> | <u>ACTUAL</u> |
|------------------------------------------------------|----------------------|-----------------------|
| Revenues: | | |
| Property Taxes | \$ <u> -</u> | \$ <u> 11</u> |
| Total Revenues | \$ <u> -</u> | \$ <u> 11</u> |
| Expenditures: | | |
| Operating | \$ <u> 30,000</u> | \$ <u> 275</u> |
| Total Expenditures | \$ <u> 30,000</u> | \$ <u> 275</u> |
| Revenues Over (Under) Expenditures | \$ <u> (30,000)</u> | \$ <u> (264)</u> |
| Other Financing Sources (Uses): | | |
| Operating Transfers In (Out) | <u> -</u> | <u> -</u> |
| Revenues Over (Under) Expenditures and Other Uses | \$ <u> (30,000)</u> | \$ <u> (264)</u> |
| Fund Balance - July 1, 1995 | | <u> 59,861</u> |
| Fund Balance - June 30, 1996 | | \$ <u> 59,597</u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
SPECIAL RESERVE FUND
BALANCE SHEET
JUNE 30, 1996**

ASSETS

| | | |
|-------------------------------------------------------|----|---------------|
| Cash and Investments | \$ | 62,379 |
| Receivables: (Net of Allowance for Uncollectibles) | | |
| Property Taxes | | - |
| Prepaid Expenses | | - |
| | \$ | <u>62,379</u> |

Liabilities:

Liabilities:

| | | |
|-------------------------|----|----------|
| Deferred Revenue: | | |
| Property Tax Receivable | \$ | - |
| Total Liabilities | | - |
| Accrued Expenses | | - |
| Total Liabilities | \$ | <u>-</u> |

District Equity:

| | | |
|--------------|----|---------------|
| Fund Balance | \$ | <u>62,379</u> |
| | \$ | <u>62,379</u> |

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

CRETE PUBLIC LIBRARY DISTRICT
FIDUCIARY FUND
BALANCE SHEET
JUNE 30, 1996

ASSETS

| | <u>DEVELOPMENT TRUST FUND</u> |
|------------------|-----------------------------------|
| Cash | \$ <u>451</u> |
| | \$ <u><u>451</u></u> |
| | |
| Liabilities: | |
| Liabilities | \$ - |
| District Equity: | |
| Fund Balance | <u>451</u> |
| | \$ <u><u>451</u></u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
FIDUCIARY FUND
BALANCE SHEET
JUNE 30, 1996**

ASSETS

| | | <u>WORKING CASH</u> |
|-------------------------------------------------------|----|-------------------------|
| Cash and Investments | \$ | 77,581 |
| Receivables: (Net of Allowance for Uncollectibles) | | - |
| Property Taxes | | - |
| Due From Other Funds | | - |
| | \$ | <u>77,581</u> |
| Liabilities: | | |
| Liabilities | | |
| Due to Other Funds | \$ | - |
| Deferred Revenue: | | |
| Property Tax Receivable | | - |
| Total Liabilities | | - |
| Total Liabilities | \$ | <u>-</u> |
| District Equity: | | |
| Fund Balance | \$ | <u>77,581</u> |
| | \$ | <u>77,581</u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 1996**

ASSETS

| | | |
|-------------------------------------------------------|----|----------------|
| Cash and Investments | \$ | 21,141 |
| Receivables: (Net of Allowance for Uncollectibles) | | |
| Property Taxes | | 107,261 |
| Prepaid Expenses | | - |
| | \$ | <u>128,402</u> |

Liabilities:

Liabilities:

| | | |
|--------------------------------------|----|----------------|
| Deferred Revenue: | | |
| Property Tax Receivable | \$ | 107,261 |
| Advance Collections of 1995 Tax Levy | | <u>101,497</u> |
| Total Liabilities | \$ | <u>208,758</u> |

District Equity:

| | | |
|--------------|----|-----------------|
| Fund Balance | \$ | <u>(80,356)</u> |
| | \$ | <u>128,402</u> |

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

**CRETE PUBLIC LIBRARY DISTRICT
CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 1996**

ASSETS

| | |
|---------------------------------------------------------------|--------------------------|
| Cash and Investments | \$ 656,170 |
| Receivables: (Net of Allowance for Uncollectibles) | |
| Grant Receivable | 25,000 |
| Prepaid Insurance | 2,003 |
| | \$ <u>683,173</u> |

LIABILITIES AND DISTRICT EQUITY

Liabilities:

| | |
|---------------------------|--------------------------|
| Accounts Payable | \$ 3,143 |
| Contracts Payable: | |
| Furnishings | 56,590 |
| Construction | 394,241 |
| Total Liabilities | \$ <u>453,974</u> |

District Equity:

| | |
|---------------------|---------------------------------|
| Fund Balance | \$ <u>229,199</u> |
| | \$ <u><u>683,173</u></u> |

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

STATISTICAL SECTION

SUPPLEMENTAL

**BOARD OF TRUSTEES
CRETE PUBLIC LIBRARY DISTRICT**

Our examination was made for the purpose of forming an opinion on the general purpose financial statements and the combining and individual fund and account group financial statements taken as a whole. The following supplemental financial information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and the combining and individual fund and account group financial statements and, in our opinion is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account groups taken as a whole.

**WILLIAM A. LAU
AND COMPANY, LTD.**


CERTIFIED PUBLIC ACCOUNTANTS

August 1, 1996
Homewood, IL

TABLE 1

CRETE PUBLIC LIBRARY DISTRICT
TAX COLLECTED AND TAXES RECEIVABLE
JUNE 30, 1996

GROSS TAXES COLLECTED

| TAX LEVY YEAR | EXTENSIONS | PRIOR YEARS | YEAR ENDED JUNE 30, 1995 | JUNE 30, 1995 | PERCENT COLLECTED | GROSS TAXES RECEIVABLE | PROVISION FOR LOSS AND COST ON COLLECTIONS | NET TAXES RECEIVABLE |
|---------------------|---------------------|---------------------|-----------------------------|---------------------|----------------------|---------------------------|--------------------------------------------------|-------------------------|
| 1988 | \$ 254,441 | \$ 254,337 | - | \$ 254,337 | 99.96 | \$ 104 | \$ 104 | - |
| 1989 | 281,274 | 281,374 | - | 281,374 | 100.04 | (100) | - | - |
| 1990 | 358,891 | 360,844 | - | 360,844 | 100.54 | (1,953) | - | - |
| 1991 | 313,833 | 313,974 | 105 | 314,079 | 100.08 | (246) | - | - |
| 1992 | 317,465 | 318,284 | - | 318,284 | 100.26 | (819) | - | - |
| 1993 | 501,585 | 502,796 | 11 | 502,807 | 100.24 | (1,222) | - | - |
| 1994 | 570,800 | 274,052 | 297,243 | 571,295 | 100.09 | (495) | - | - |
| 1995 | 589,837 | - | 283,908 | 283,908 | 48.13 | 305,929 | 5,898 | 300,031 |
| | <u>\$ 3,188,126</u> | <u>\$ 2,305,661</u> | <u>\$ 581,267</u> | <u>\$ 2,886,928</u> | | <u>\$ 301,198</u> | <u>\$ 6,002</u> | <u>\$ 300,031</u> |

ADD: Advance Collection

1994 Tax Levy 274,052

LESS: Advance Collections

1995 Tax Levy 283,908

Earned Property Tax Revenue

June 30, 1996 \$ 571,411

GROSS TAXES COLLECTED - BY FUND

| | |
|-------------------------------|-------------------|
| CORPORATE | \$ 318,187 |
| AUDIT | 1 |
| PUBLIC LIABILITY INSURANCE | 4,857 |
| WORKMEN'S COMPENSATION | - |
| ILLINOIS MUNICIPAL RETIREMENT | 19,085 |
| SOCIAL SECURITY | 15,716 |
| UNEMPLOYMENT COMPENSATION | 1 |
| LIBRARY BUILDING AND SITES | 11 |
| WORKING CASH | - |
| DEBT SERVICE | 213,553 |
| TOTAL | <u>\$ 571,411</u> |

NET TAXES RECEIVABLE - BY FUND

| | |
|-------------------------------|-------------------|
| CORPORATE | \$ 174,288 |
| AUDIT | - |
| PUBLIC LIABILITY INSURANCE | - |
| WORKMEN'S COMPENSATION | - |
| ILLINOIS MUNICIPAL RETIREMENT | 8,131 |
| SOCIAL SECURITY | 7,561 |
| UNEMPLOYMENT COMPENSATION | - |
| LIBRARY BUILDING AND SITES | 2,790 |
| WORKING CASH | - |
| DEBT SERVICE | 107,261 |
| TOTAL | <u>\$ 300,031</u> |

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

TABLE 2

**CRETE PUBLIC LIBRARY DISTRICT
ASSESSED VALUATION AND EXTENDED TAX RATES
FOR THE TAX LEVY YEAR 1995**

| <u>TAX LEVY YEAR</u> | <u>ASSESSED VALUATIONS</u> | <u>EXTENDED TAX RATES</u> |
|--------------------------|--------------------------------|-------------------------------|
| 1988 | \$ 126,023,126 | .2019 |
| 1989 | 141,272,723 | .1991 |
| 1990 | 154,361,573 | .2325 |
| 1991 | 166,225,312 | .1888 |
| 1992 | 182,346,440 | .1741 |
| 1993 | 197,396,739 | .2541 |
| 1994 | 211,878,151 | .2694 |
| 1995 | 228,442,091 | .2582 |

ANALYSIS OF THE 1995 TAX LEVY

| <u>FUND</u> | <u>RATE</u> | <u>PERCENT</u> | <u>AMOUNT</u> |
|----------------------------|--------------|----------------|-------------------|
| CORPORATE | .1500 | 58.09 | \$ 342,636 |
| AUDIT | - | - | - |
| PUBLIC LIABILITY INSURANCE | - | - | - |
| IMRF | .0070 | 2.71 | 15,985 |
| SOCIAL SECURITY | .0065 | 2.52 | 14,864 |
| UNEMPLOYMENT COMPENSATION | - | - | - |
| WORKMEN'S COMPENSATION | - | - | - |
| BUILDING & SITES | .0024 | 0.93 | 5,485 |
| DEBT SERVICE | .0923 | 35.75 | 210,867 |
| | <u>.2582</u> | <u>100.00</u> | <u>\$ 589,837</u> |

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