

ILLINOIS STATE LIBRARY
FY2017 Library System Annual Report Cover Sheet
23 ILAC 3030.270 (Multitype Library System)

1. Narrative Report

1.1 Narrative report containing an evaluative description of the system's activities and accomplishments for the year in light of the library system standards for core services specified in 23 ILAC 3030.215 and referring to the activities proposed in the FY2017 System Area and Per Capita Grant application.

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Library System: _____

Date Reviewed: _____

Signed: _____
Board President

Executive Director

1.1 Narrative Report

Introduction

This narrative describes the Reaching Across Illinois Library System's (RAILS) FY2017 activities and accomplishments. These activities/accomplishments directly relate to the goals and objectives presented in the RAILS FY2017 System Area and Per Capita Grant application and meet the requirements of the administrative rules for library systems.

1. Administration

Active Membership Review and Certification

Goal: *Ensure that RAILS has current information on all members and that all members meet current system membership requirements*

RAILS accomplished this goal by:

- Consulting/advising members from all types of libraries on regular basis to ensure they met system membership requirements
- Publicizing need for members to update their L2 information via library visits, *RAILS E-News* articles, and other communication vehicles/venues
- Consulting and assisting members to update their L2 information
- Updating L2 directly when notified of member library changes
- Identifying and consulting with potential new RAILS members, confirming that they met membership requirements through site visits, and working with RAILS Board and Illinois State Library (ISL) to advance appropriate applications

Goal: *Ensure that all RAILS libraries successfully complete the certification process*

RAILS accomplished this goal by:

- Meeting regularly with ISL and Illinois Heartland Library System (IHLS) staff to discuss certification
- Consulting with members throughout certification period and answering questions
- Continuously publicizing need for members to certify via *RAILS E-News*, conference exhibit booths, individual library visits, and other encounters
- Hosting certification networking events at RAILS service centers
- Directly contacting libraries that did not certify to answer questions and confirm that they met membership requirements
- Contacting libraries with "unexpected outcomes" and conducting site visits as needed
- Recommending libraries that did not certify for suspension and taking these recommendations to RAILS Board and ISL

Goal: *Ensure that revised membership standards will result in the greatest possible service to Illinois library users*

RAILS accomplished this goal by:

- Continuing to work on draft standards with System Membership Standards Committee
- Providing multiple opportunities for members to provide input on draft standards, including via RAILS website, *RAILS E-News*, member update sessions, library visits, etc.
- Revising standards in response to member feedback
- Presenting programs on the standards at Illinois Library Association (ILA) and Illinois School Library Media Association (ISLMA) conferences
- Meeting with American Library Association (ALA) staff to discuss potential training program to help members meet standards
- Presenting draft standards to Tri-County Directors group to gather feedback representative of rural library community
- Seeking feedback from ISL on draft standards
- Bringing amended version of standards to RAILS Board in June with plan to spend FY2018 testing and revising them as needed
- Keeping ISL and IHLS informed throughout process

Member Communication/Engagement

Goal: *Ensure that all system members have opportunities to provide input on RAILS planning and evaluation activities*

RAILS accomplished this goal by:

- Gathering member input via in-person encounters, library visits, networking meetings, conference exhibit booths, surveys, member update sessions, RAILS website, etc.
- Implementing member input when feasible given RAILS goals and objectives and administrative rules for library systems

Goal: *Visit at least 20% of RAILS member libraries*

RAILS accomplished this goal by:

- Visiting 26% of member libraries in FY2017 (337 different libraries)
- Targeting libraries not visited in prior two fiscal years, libraries unfamiliar with system services, nonautomated libraries, and libraries with new directors
- Undertaking a special project to evaluate member visits to ensure that they are as beneficial as possible to member libraries and that they result in increased knowledge/use of system services

Goal: *Ensure that the RAILS website is as effective a communication tool as possible*

RAILS accomplished this goal by:

- Rolling out new RAILS website on July 14, 2016, featuring a cleaner/mobile-friendly design, easy access to information for each library type, enhanced search function, and other improvements
- Publicizing redesigned website via *RAILS E-News*, member visits, conference exhibit booths, networking events, member update sessions, and special brochure highlighting site benefits
- Gathering member feedback on new design throughout FY2017, including via usability testing, pop-up survey on RAILS website, holding open house at ILA conference, and other means
- Making changes/enhancements to website based on member feedback

Goal: *Ensure that all members know about RAILS programs and services*

RAILS accomplished this goal by:

- Publicizing programs/services via RAILS website, *RAILS E-News*, and other vehicles
- Periodically issuing e-newsletters for academic, school, and special libraries to highlight RAILS programs/services for these library types
- Presenting targeted information on RAILS programs/services at library visits and other member meetings
- Planning/scheduling quarterly member updates at videoconference sites throughout RAILS service area and via streaming video
- Exhibiting at library conferences/events to promote RAILS programs/services, including:
 - Health Science Librarians of Illinois (35 booth visitors)
 - Illinois Library Association Conference (700 booth visitors)
 - Illinois School Library Media Association Conference (200 booth visitors)
 - Youth Services Institute (230 booth visitors)
 - Reaching Forward South (35 booth visitors)
 - Reaching Forward (567 booth visitors)
 - American Library Association Conference, Chicago (1,216 booth visitors)
- Developing special brochure on RAILS programs/services for distribution at conference exhibit booths, member visits, and to any library wishing to provide copies to staff or board members
- Utilizing RAILS Facebook page to engage with members
- Producing monthly episodes of *Sparks* podcast

Goal: *Continue to make changes to RAILS communication tools/strategies based on the results of member input and the changing needs of all types of RAILS libraries*

RAILS accomplished this goal by:

- Making changes to redesigned RAILS website based on member feedback as described above
- Conducting survey on *RAILS E-News* and planning changes based on feedback received
- Establishing new RAILS videoconference location at Macomb Public Library
- Hiring Marketing and Public Relations Specialist (expansion of former Communications Specialist position) to increase RAILS' social media presence and help revamp other communication tools
- Beginning to make changes to member visit process based on special evaluation project described above

Goal: *Build cooperative/networking relationships among all types of RAILS member libraries*

RAILS accomplished this goal by:

- Planning/conducting 14 in-person member networking events throughout RAILS area with 208 attendees
- Planning/conducting virtual networking sessions for academic, school, and special library staff
- Planning/conducting networking event at 2016 ILA conference
- Offering multitype grants to fund collaborative projects between different types of libraries. RAILS awarded \$16,609.38 to eight libraries in FY2017.
- Hosting/maintaining email lists for different types of libraries and different library positions/interests, developing new lists based on member need, and encouraging members to use lists
- Identifying networking groups throughout RAILS region and encouraging them to include their group's information in website networking group directory
- Continuing to assist members in scheduling/holding networking group meetings at available RAILS facilities and in adding member events to the L2 calendar

Human Resources

Goal: *Ensure that RAILS has high-quality, engaged staff to meet all specifications in administrative rules for library systems and all RAILS strategic goals and initiatives*

RAILS accomplished this goal by:

- Hiring additional RAILS staff as appropriate
- Implementing changes recommended in Management Association's benchmarking study
- Encouraging/supporting professional development for staff
- Continuing to work through RAILS Staff Learning Team to increase opportunities for staff to further develop knowledge/skills, including implementing staff tuition reimbursement program
- Working with RAILS Employee Committee to develop collaborative activities for RAILS staff, including annual all-staff retreat
- Continuing to work through Staff Communication Team to improve/enhance internal communication, including communication between service centers
- Combining learning and communication teams to form Staff Enrichment Team to prevent overlap in charges
- Rolling out redesigned staff intranet and making changes based on staff input
- Introducing RAILS staff to design thinking via presentation to RAILS Leadership Team

Finance/Accounting

Goal: *Provide excellent stewardship of financial resources*

RAILS accomplished this goal by:

- Conducting annual review of costs and contracts
- Maintaining program budgets and making improvements/enhancements as necessary
- Closely monitoring state funding and RAILS' financial reserve
- Monitoring existing investments in accordance with RAILS investment policy

- Providing leadership and operational support via staff participation on LIMRiCC (Library Insurance Management and Risk Control Combination) Board and LIRA (Libraries of Illinois Risk Agency) Board Executive Committee

Information Technology (IT)

Goal: *Maintain robust technology infrastructure to support RAILS operations, member services, and member communication efforts*

RAILS accomplished this goal by:

- Continuing to support/enhance RAILS videoconference services and to make RAILS Polycom bridge available for IHLS use
- Meeting with IHLS and ISL to discuss future of aging L2 platform
- Developing robust disaster recovery solution with replication of network services to CMS datacenter location in Springfield
- Updating staff hardware/software to ensure continued effectiveness, including purchasing new laptops and Office software upgrades
- Upgrading Wi-Fi access points at all RAILS service centers
- Upgrading Bolingbrook service center network/reducing costs
- Increasing bandwidth at Burr Ridge service center/reducing costs

Facilities Management

Goal: *Plan/begin renovations and upgrades to Burr Ridge service center to eliminate code violations, improve accessibility, ensure the safety/integrity of the building, and to support modern technology*

RAILS accomplished this goal by:

- Holding regular meetings with architect to discuss/plan renovations
- Presenting proposed renovation plan at November RAILS Board meeting with request for formal board approval in January 2017
- Meeting with realtor and ordering new appraisal to get more information on current market value of RAILS Burr Ridge and impact of proposed renovations
- Making additional changes to staff work spaces following departure of SWAN staff in December
- Holding online auction to dispose of unwanted items
- Beginning construction project to renovate kitchen and restrooms to make these areas code-compliant and accessible
- Replacing all carpeting to ensure safety of staff and visitors
- Adding floor outlets for power and data to main meeting room to better support technology and improve safety by reducing use of extension cords

Goal: *Investigate further downsizing of RAILS' physical footprint through additional consolidation of building sites, focusing on the Bolingbrook and Rockford service centers*

- Determining current market value of the Coal Valley service center and putting that property up for sale

- Deferring decision on making changes re: Bolingbrook and Rockford service centers until closer to lease expiration dates and pending examination of delivery study results (see below)

Other Administrative Activities

Goal: *Continue to work with and support the RAILS Board of Directors*

RAILS accomplished this goal by:

- Presenting in-depth orientation at July 2016 board meeting
- Inviting all board members to visit Burr Ridge service center for further orientation and to meet staff
- Communicating regularly with board via board mailing list
- Providing board development topics throughout FY2017
- Supporting RAILS Board members' attendance at conferences and other events to facilitate networking and to enhance their understanding of libraries
- Scheduling board meetings at different locations throughout RAILS area and giving board an opportunity to meet with member library staff in those areas

Goal: *Continue to implement RAILS records retention schedule*

RAILS accomplished this goal by:

- Submitting an application for disposal of unneeded records in Coal Valley in July 2016. Approval was received in October, and records disposal was done in November.
- Reviewing records at East Peoria service center. An application for disposal of unneeded records was submitted in June 2017. Records disposal will be done after approval is received.

Goal: *Conduct other administrative-related activities to meet ISL and administrative rules requirements*

RAILS accomplished this goal by:

- Providing required reports/applications to ISL
- Distributing ISL information to members as appropriate
- Participating in statewide projects/activities, including but not limited to annual member certification

2. General Resource Sharing

Maintaining/Strengthening Resource Sharing (including training/consulting)

Goal: *Continue to promote, support, and expand resource sharing among RAILS libraries and encourage all libraries to share materials as freely and widely as possible*

RAILS accomplished this goal by:

- Consulting with staff from all types of member libraries re: variety of resource sharing issues
- Promoting resource sharing during all member encounters
- Beginning work on museum pass program to share cultural resources with RAILS member libraries and their customers, including investigating software possibilities and recruiting museum participants
- Updating State of Resource Sharing in RAILS map depicting consortia participation, standalone catalogs, and unserved areas
- Consulting with member library staff and boards on administrative code options to expand services to untaxed communities, including intergovernmental agreements

Goal: *Continue to offer consulting and continuing education related to resource sharing and provide assistance to members in understanding and complying with applicable state statutes, administrative rules for library systems, RAILS policies, etc.*

RAILS accomplished this goal by:

- Developing interlibrary loan training videos and making them available via RAILS YouTube channel
- Offering webinar on interlibrary loan workflow analysis
- Presenting on interlibrary loan at networking group meetings and RSA Day
- Co-presenting a session on interlibrary loan at ILA conference
- Offering webinar on available open access materials to fill interlibrary loan requests
- Conducting survey on patron-initiated and other interlibrary loan methods
- Providing one-on-one interlibrary loan training to member library staff

Goal: *Continue to look for ways to enhance resource sharing statewide and beyond, and to collaborate with ISL, IHLS, Chicago Public Library System (CPLS), and other partners on statewide resource sharing efforts*

RAILS accomplished this goal by:

- Partnering with IHLS to provide ILDS delivery as described below
- Partnering with ISL, CPL, and others to support Illinois Digital Heritage Hub and DPLAfest as described below
- Co-planning the 2017 Great Lakes Resource Sharing Conference and holding it in Illinois for the first time
- Meeting with CARLI (Consortium of Academic and Research Libraries in Illinois) to discuss potential participation in eRead Illinois and possible future collaboration on shared e-book platform focused on academic libraries
- Serving on the conference planning committee and attending Upper Midwest Digital Collections Conference

Goal: *Ensure that RAILS members follow the ILLINET Interlibrary Loan Code*

RAILS accomplished this goal by:

- Providing information about code on RAILS website

- Promoting code via variety of communication channels and member encounters
- Consulting with members on code, answering questions, and providing one-on-one training
- Making presentations to local networking groups on code and related issues

3. Bibliographic Access

LLSAPs and Related Services

Goal: *Continue to develop and enhance partnerships with four RAILS LLSAPs*

RAILS accomplished this goal by:

- Providing administrative, financial, HR, and technical support to LLSAPs
- Housing LLSAP staff and some servers at RAILS service centers
- Working with PrairieCat to build website with individual catalog launch page for each library
- Revising RAILS contract with SWAN following SWAN move from Burr Ridge service center

Goal: *Ensure that as many libraries as possible can afford LLSAP membership*

RAILS accomplished this goal by:

- Offering LLSAP grants to help libraries with start-up costs and awarding \$400,000 in FY2017 to 15 libraries, as well as a grant to SWAN to cover costs of migrating 19 libraries from MAGIC and LINC
- Widely promoting LLSAP grant offerings including via *RAILS E-News*, sponsoring open forum at ILA conference to promote LLSAP and other RAILS grants, and discussing grants at member update session
- Investigating ways to help members with OCLC costs

Goal: *Publicize the value of LLSAP membership and encourage libraries to participate in a RAILS LLSAP or other consortia*

RAILS accomplished this goal by:

- Promoting benefits of LLSAP membership on library visits, at conference exhibit booths, and via other member encounters and communication tools
- Targeting likely candidates to become LLSAP members including nonautomated and small libraries with limited automation funds
- Continuing to further discuss and define the types and levels of support that might be offered to other consortia under the expanded LLSAP definition adopted by RAILS Board in FY2016
- Offering/promoting availability of LLSAP grants as noted above

Goal: *Facilitate and support consolidation discussions between LINC, an independent RAILS consortium, MAGIC, and SWAN*

RAILS accomplished this goal by:

- Facilitating ongoing consolidation discussions between three groups
- Establishing LINC/MAGIC/SWAN task force to identify project deadlines and costs, facilitating regular meetings of group, and providing other support
- Hiring MAGIC LLSAP Manager to assist with transition
- Bringing intergovernmental agreement to RAILS Board to gain approval for RAILS' support of project
- Attending SWAN Committee of the Whole and multiple MAGIC and LINC Board meetings to share information about RAILS' support
- Awarding \$295,003.42 grant to SWAN to cover one-time migration costs
- Awarding individual grants to six libraries to help them comply with SWAN's requirements for network hardware and PC workstations

Goal: *Make resource sharing easier for libraries and library patrons in an environment with multiple online catalogs*

RAILS accomplished this goal by:

- Continuing to work on RAILS overlay project, including:
 - Forming software search working group
 - Developing/issuing RFP for overlay product
 - Reviewing vendor proposals and issuing requests for clarifications and best and final offers
 - Holding three day-long vendor demos in May 2017
 - Interviewing managers of similar projects in other states
 - Preparing for contract negotiations and implementation planning
 - Providing opportunities for IHLS and CARLI to participate
- Continuing to facilitate work of RAILS Consortia Committee to further enhance resource sharing efforts in Illinois
- Establishing new Consortial Model Working Group (under RAILS Consortia Committee) to explore consortial models with emphasis on consortial sustainability and equity of RAILS support
- Holding first-ever learning/networking event for staff of Illinois shared catalog consortia
- Continuing to provide financial incentives to RAILS consortia to encourage them to join eRead Illinois

Goal: *Provide training/consulting on bibliographic access issues, including encouraging and supporting high-quality and cost-effective cataloging*

RAILS accomplished this goal by:

- Working through Cataloging Work Group (subgroup of RAILS Consortia Committee) to recommend best practices for cataloging in consortial environment, identify high-priority cataloging needs, and recommend ways for RAILS to meet those needs
- Offering training on cataloging and cataloging standards, including workshops on RDA (Resource Description and Access) cataloging and Library of Congress Subject Headings
- Consulting with members and offering training to help them build/maintain library collections to meet the primary needs of their patrons

4. Consulting and Continuing Education (CE)

Goal: *Continue to develop, implement, and evaluate a CE/consulting program that meets the changing needs of all member libraries and that leverages partnerships and expertise within RAILS and among other organizations and partners*

RAILS accomplished this goal by:

- Planning/offering CE/consulting to address core service areas defined in administrative rules and other priority needs identified through member input
- Identifying/monitoring important issues affecting RAILS member libraries and providing CE/consulting to address those issues
- Continuing to offer competitive grants to RAILS networking groups to help support CE offerings made available to RAILS members
- Offering members access to archived webinars on variety of topics through People Connect Institute (PCI)
- Continuing partnership with Management Association to provide CE for all members and discounted association membership for qualifying libraries
- Continuing partnership with LYRASIS and other appropriate organizations to provide training/consulting on digitization-related issues
- Partnering with Infinite Connections consulting firm to provide E-rate support to RAILS members
- Recruiting libraries to participate in website best practices project and sharing resulting document with all RAILS members
- Continuing to use remote meeting tools (GoToMeeting, GoToWebinar, live streaming, videoconference, recorded webinars, etc.) to offer CE to as many members from all types of libraries as possible

Goal: *Continue to offer CE/consulting programs to benefit libraries throughout the state*

RAILS accomplished this goal by:

- Continuing to offer statewide FOIA hotline
- Continuing to provide statewide trustee training, including:
 - Renewing RAILS' statewide subscription to United for Libraries' Trustee Academy and Short Takes for Trustees
 - Distributing information on RAILS trustee services at booth at ILA Trustee Workshop
 - Presenting several Saturday workshops on "Running More Successful Board Meetings"
 - Presenting at ALA conference on board development
 - Recording webinar for United for Libraries' Trustee Academy on "an effective working relationship between library director and trustees"
- Continuing to offer/share RAILS-initiated CE with IHLS and CPL staff as possible
- Partnering with ISL, ILA, and others to plan new multitype library leadership development program to replace Synergy program, including:
 - Participating in Illinois Library Leadership Summit
 - Serving on steering committee and issuing RFI, selecting organization to facilitate training, developing a name/logo for project (Elevate)

Goal: *Explore development of a robust training program focused on new library directors to replicate training previously available through SPLMI (Statewide Public Library Management Institute)*

RAILS accomplished this goal by:

- Collaborating with IHLS, ISL, and ILA on week-long director training initiative (Directors University)
- Writing LSTA grant
- Working with co-chairs and steering committee to plan, implement, and evaluate program
- RAILS staff serving as master of ceremonies at event
- Publicizing program and recruiting participants
- Establishing post-training outreach events and activities

5. Delivery

Goal: *Provide highest quality delivery service possible to RAILS member libraries*

RAILS accomplished this goal by:

- Providing service via RAILS delivery vans and U.S. mail
- Contracting with Continental Transportation Solutions (CTS) to provide delivery service for members in Burr Ridge and Wheeling service areas
- Contracting with Comet Messenger Service to provide service for non-ILDS RAILS libraries in Chicago

Goal: *Continue to implement recommendations from the Illinois State Library Delivery Advisory Committee (including increasing number of community partnerships)*

RAILS accomplished this goal by:

- Working cooperatively with ISL and IHLS throughout FY2017 to implement recommendations
- Increasing number of community delivery partnerships (CDPs) by:
 - Identifying libraries receiving delivery one to three days per week and contacting them to determine if a CDP would improve their service
 - Locating a public library within five miles of these locations and evaluating feasibility as CDP location
 - Initiating/achieving a formal agreement with all libraries involved
- Publicizing delivery fine counts and ensuring full participation
- Publicizing/encouraging use of statewide delivery ticketing system
- Continuing to work on ILS-generated delivery label project

Goal: *Ensure member compliance with delivery standards/procedures*

RAILS accomplished this goal by:

- Publicizing delivery standards/procedures via RAILS website, *RAILS E-News*, and other tools

- Contacting members not adhering to standards/procedures to provide consulting assistance

Goal: *Provide statewide delivery service*

RAILS accomplished this goal by:

- Successfully providing statewide delivery service to 131 locations through ILDS, in partnership with IHLS, beginning on July 1, 2016
- Working with CARLI and IHLS to resolve implementation issues and explore future service improvements
- Assuming daily shuttle run of ILDS materials between Bolingbrook and Champaign from IHLS to make it easier for IHLS to meet 24-hour delivery turnaround time contract requirement

Goal: *Collaborate with the Illinois State Library, Illinois Heartland Library System, the Consortium of Academic and Research Libraries in Illinois, and other stakeholders to investigate changes to the current delivery structure in Illinois, including the location of delivery hubs and route boundaries*

RAILS accomplished this goal by:

- Discussing issues with RAILS Board Delivery Committee, ISL, and IHLS
- Drafting RFP for logistics expert to review current statewide delivery structure and reviewing alternative options due to lack of appropriate responses
- Meeting with staff from Laboratory for Applied Spatial Analysis (LASA) at Southern Illinois University to discuss ways LASA could help analyze delivery stops and hub locations for better efficiency, service, and potential cost savings

Goal: *Find a high quality, efficient, and fiscally responsible method for providing timely delivery service to all RAILS communities*

RAILS accomplished this goal by:

- Beginning work with LASA on distance, time, and cost analysis in preparation for analyzing delivery routes and hub locations as noted above

Goal: *Ensure accurate delivery data in L2*

RAILS accomplished this goal by:

- Continuing to use coding system to eliminate redundant data entry of route codes and delivery frequencies
- Updating delivery information in L2 as changes were made
- Performing annual "L2 data scrub" including reviewing all locations assigned to each RAILS service center to ensure that L2 data for those locations remained current

6. Reciprocal Access, Reciprocal Borrowing, Interlibrary Loan

Goal: *Ensure that all RAILS members are familiar with appropriate policies and procedures re: interlibrary loan, reciprocal access, reciprocal borrowing, and nonresident services*

RAILS accomplished this goal by:

- Conducting one-on-one and group interlibrary loan training/consulting with members
- Speaking about interlibrary loan and benefits of resource sharing on individual library visits and at variety of meetings attended by RAILS members
- Continuing development of interlibrary loan training videos as referenced above
- Providing information about interlibrary loan policies and procedures on RAILS website
- Providing information to members on nonresident program via web-based resources, the *RAILS E-News*, individual consultations, and other means
- Publicizing names of participating and nonparticipating libraries in nonresident program on the RAILS website via L2

Goal: *Support access to information for all Illinois residents*

RAILS accomplished this goal by:

- Developing draft plan for providing library services to unserved and sharing with RAILS Board and members
- Strategizing/meeting with ISL, IHLS, and other stakeholders on how to address the issue of the unserved
- Promoting availability of intergovernmental agreement template on RAILS website for libraries interested in entering into agreements with untaxed residents and speaking to library boards about intergovernmental agreements
- Rolling out statewide BiblioBoard platform to deliver e-content to anyone in Illinois via geolocation option (including Illinois residents in untaxed areas)
- Continuing to work with ILA Public Policy Committee on unserved/underserved issues
- Contributing to discussion of unserved/untaxed issue at Illinois State Library Advisory Committee (ISLAC) meeting

7. Other Resource Sharing Services

E-Resources/Self-Publishing

Goal: *Continue expansion and development of eRead Illinois program*

RAILS accomplished this goal by:

- Providing staffing and support for eRead Illinois Axis 360 program
- Developing and growing Axis 360 e-book collection to meet user needs/demand
- Consulting one-on-one with members re: eRead questions/issues
- Promoting eRead Illinois via *RAILS E-News*, library visits, conference exhibit booths, etc.

- Recruiting all types of RAILS libraries and IHLS non-SHARE libraries to join eRead Illinois Axis 360
- Supporting marketing and training needs of eRead Illinois Axis 360 libraries, including developing Axis 360 training request form
- Working with Baker & Taylor to improve accessibility of Axis 360 to better serve those with visual or physical disabilities
- Rolling out Baker & Taylor’s new browser reader to provide eRead access on Chromebooks to better serve school library market
- Presenting on “Best Practices for Connecting Kids to E-Books” at ISLMA conference

Goal: *Continue expansion of e-content statewide and beyond*

RAILS accomplished this goal by:

- Developing RAILS Econtent Strategy to expand and build on original eRead Illinois goals
- Rolling out statewide BiblioBoard platform to help deliver e-content to anyone in Illinois via geolocation option, including:
 - Partnering with BiblioLabs on beta projects to give Illinois residents unlimited digital access to novels, children’s books, videos, and other products
 - Partnering with BiblioLabs and Independent Publishers Group (IPG) to introduce Popup Picks quarterly online service
 - Publicizing platform widely, including via regular articles in the *RAILS E-News*, on member visits, ILA conference and networking group presentations, and at conference exhibit booths, etc.
- Continuing to partner with Massachusetts Library System (MLS), New York Public Library (NYPL) and Minitex on the IMLS SimplyE for Consortia grant project to test single sign-on consortial access for libraries subscribing to multiple e-book platforms, including:
 - Continuing to serve as grant project partner
 - Co-developing/promoting survey to develop project awareness and gather member feedback
 - Beginning discussions with RAILS LLSAPs re: getting involved in pilot project
- Continuing to work with other library organizations on national level to educate publishers on need for better e-book access and pricing for libraries and consortia, including:
 - Participating in BookExpo America 2017
 - Providing continued leadership to ALA/American Association of Specialized and Cooperative Library Agencies (ASCLA) interest group on consortial e-book platforms
 - Beginning work with New York Public Library and other library consortia on overarching e-book strategy to position libraries as major players in e-book world
- Presenting “Innovate and Dominate with E-Books at Your Library” at ILA conference

Goal: *Further self-publishing efforts*

RAILS accomplished this goal by:

- Continuing to participate in Soon to be Famous (STBF) Illinois Author statewide project, including:
 - Publicizing STBF program to RAILS members/statewide
 - RAILS staff member serving on STBF planning team

- Working with BiblioLabs and STBF team on implementing BiblioBoard platform as submission portal for STBF entries
- Extending BiblioBoard partnership to STBF project via including winning author's work in Popup Picks
- Negotiating special pricing for BiblioLabs products: Pressbooks, SELF-e, and Creator to help libraries support self-published authors
- Participating on panel for *Library Journal* webinar, "Indie State of Mind: Finding and Celebrating the Best Local Authors in Your State or Region"

Discounts/Group Offers

Goal: *Use economies of scale to provide greater purchasing power for member libraries*

RAILS accomplished this goal by:

- Continuing to offer wide selection of group purchases, discounts, and vendor trials and publicizing opportunities via RAILS website, *RAILS E-News*, on member visits, and other communication tools
- Developing "Pulse Point" survey to gather member input on potential RAILS group purchases/discounts
- Financially supporting Career Online High School assessment portal to lower price and create opportunity for RAILS libraries to purchase discounted scholarships to offer online high school diplomas to their communities through Gale Career Online High School group purchase offer, including:
 - Offering/promoting group purchase of scholarship seats—10 libraries participated and over 100 patrons submitted applications
 - Publicizing Fountaindale Public Library District as first Illinois library to offer access to online diploma program and to have graduates
 - Publicizing participating libraries via joint press release with Gale
- Offering these discounts/group purchases in FY2017:
 - BrainHQ (brain-training system to strengthen brain function)—including hosting a demo of BrainHQ
 - Communico (unified platform to manage website, events, digital signage, etc.)—including hosting a demo and training session for Communico
 - Credo Reference (higher education products)
 - i-Pathways (online high school equivalency exam preparation resource)—including hosting presentation on adult education needs featuring demo of i-Pathways
 - Ingram Content Group (book/audio-visual distributor)
 - Intercept Library (software program to help create business plans)
 - MicroMarketing (wholesaler of print, audio, and video media, MARC records, etc.)
 - Midwest Tape (audiovisual materials for all library types)
 - Public Web Browser (designed for use in public areas)
 - Vernon Library Supplies (book covers, security, bar code labels, etc.)
 - Vickery Tape (custom-printed tape, labels, and stamps)
- Continuing to offer additional discounts through RAILS' agent membership in LYRASIS
- Promoting ISL's Try-It Illinois free database trial program via regular articles in *RAILS E-News* and other publicity

- Attending CARLI Board meeting and talking about cooperative purchasing opportunities

8. Other Core Member Services

Talking Book and Braille Service

Goal: *Continue providing talking book and braille services through the Illinois Talking Book Outreach Center (ITBOC)*

RAILS accomplished this goal by:

- Registering new patrons for service
- Assisting patrons with book selection and machine acquisition
- Educating/training patrons in using the Braille and Audio Reading Download (BARD) and Axis 360 services

Goal: *Ensure that system members and others know about the services available through ITBOC*

RAILS accomplished this goal by:

- Participating in wide variety of outreach events, including presentations at libraries, senior fairs, low vision events, assisted living centers, health and wellness fairs, and other venues
- Exhibiting at library conferences, including ILA conference and Youth Institute
- Promoting effective use of available services via ITBOC website and Facebook page
- Using outreach events to build partnerships with vision teachers and other stakeholders serving talking book patrons throughout Illinois
- Recruiting public libraries throughout state to be ambassadors to help promote available services
- Promoting available services via the *RAILS E-News*, member visits, networking events, conference exhibit booths, and other communication tools and venues

Goal: *Work with the Illinois State Library Talking Book and Braille Service to develop a transition plan for FY2018*

RAILS accomplished this goal by:

- Bringing recommendation to RAILS Board to discontinue funding ITBOC services effective August 31, 2017
- Discussing ITBOC transition planning with ISL staff on numerous occasions
- Notifying all ITBOC patrons re: upcoming changes
- Forming staff team to work on transition issues, including developing a communication plan for member libraries, talking book patrons, and other partners
- Notifying RAILS members of service changes as of September 1 via *RAILS E-News* and other communication vehicles
- Coordinating transfer of ITBOC's 800 number to ISL

- Going through ITBOC records/files and arranging for storage or disposal in accordance with RAILS records retention procedures

9. Additional Components Requested by the Illinois State Library

Goal: *Provide outreach and training to support the Digital Public Library of America (DPLA) Project*

RAILS accomplished this goal by:

- Serving on Illinois Digital Heritage Hub Board
- Hosting DPLAfest 2017 in partnership with Chicago Public Library and other organizations
- Publicizing DPLAfest through the *RAILS E-News*, *Sparks* podcast, and other venues
- Publicizing the Illinois Digital Heritage Hub collections in DPLA
- Offering a webinar on best practices to create quality metadata that functions well in DPLA

Goal: *Support professional development hours (PDHs) for school library staff*

RAILS accomplished this goal by:

- Continuing to operate as subcontractor of PDH credits under ISL jurisdiction
- Expanding number of RAILS training events eligible for PDHs
- Continuing to promote availability of PDHs to school members

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

SINGLE AUDIT REPORT

For the Year Ended
June 30, 2017

“We are submitting to you the following draft of your financial statements to expedite your review. As stated in our engagement letter with you, the fair presentation of the financial statements is your responsibility. This draft, or elements within should not be shared with any external parties, nor should any inference be made to any parties that no material adjustments or material disclosure modifications are expected before these statements are submitted as final.”



REACHING ACROSS ILLINOIS LIBRARY SYSTEM
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For Discussion Purposes Only

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Members of the Board of Directors
Reaching Across Illinois Library System

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Reaching Across Illinois Library System (RAILS), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise RAILS' basic financial statements, and have issued our report thereon dated September XX, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Reaching Across Illinois Library System's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Reaching Across Illinois Library System's internal control. Accordingly, we do not express an opinion on the effectiveness of RAILS' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether RAILS' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Naperville, Illinois
September XX, 2017

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL
OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE**

Members of the Board of Directors
Reaching Across Illinois Library System

Report on Compliance for Each Major Federal Program

We have audited the Reaching Across Illinois Library System (RAILS) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2017. RAILS' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of RAILS' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance required that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about RAILS' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of RAILS' compliance.

Opinion on Each Major Federal Program

In our opinion, the Reaching Across Illinois Library System complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control Over Compliance

The management of RAILS is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered RAILS' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of RAILS' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining information of RAILS as of and for the year ended June 30, 2017 and the related notes to financial statements, which collectively comprise RAILS' basic financial statements. We issued our report thereon dated **September XX, 2017**, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates

directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Naperville, Illinois
September XX, 2017

REACHING ACROSS ILLINOIS LIBRARY SYSTEM
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Preliminary and Tentative
For Discussion Purposes Only

For the Year Ended June 30, 2017

Federal Grantor	Pass-Through Grantor	Grant Name	Federal CFDA#	Expenditures
National Endowment for the Humanities	Illinois State Library	Grants to States	45.310	<u>\$ 1,880,238</u>
TOTAL ALL FEDERAL AWARDS				<u><u>\$ 1,880,238</u></u>

Notes to Schedule of Expenditures of Federal Awards

Note A The accompanying schedule of expenditures of federal awards is a summary of the activity of RAILS' federal award programs presented on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when the qualifying expenditure has been incurred and expenditures have been recognized when the fund liability has been incurred.

Note B RAILS did not have any non-cash federal assistance or federal insurance in effect. RAILS did not provide any federal funds to any subrecipients and they did not elect the 10% de minimus indirect cost rate. RAILS did not have any outstanding federal loan with continuous compliance requirements.

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2017

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: *unmodified*

Internal control over financial reporting:
Material weakness(es) identified? yes no
Significant deficiency(ies) identified? yes no

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal Control over major federal programs:
Material weakness(es) identified? yes no
Significant deficiency(ies) identified? yes no

Type of auditor's report issued on compliance
for major federal programs: *unmodified*

Any audit findings disclosed that are required
to be reported in accordance with
2 CFR 200.516(a)? yes no

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
45.310	Grants to States

Dollar threshold used to distinguish
between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? yes no

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended June 30, 2017

Section II - Financial Statement Findings

None.

Section III - Federal Awards Findings and Questioned Costs

None.

Section IV - Prior Year Findings

None

Preliminary and Tentative
For Discussion Purposes Only

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

ANNUAL FINANCIAL REPORT

For the Year Ended
June 30, 2017

“We are submitting to you the following draft of your financial statements to expedite your review. As stated in our engagement letter with you, the fair presentation of the financial statements is your responsibility. This draft, or elements within should not be shared with any external parties, nor should any inference be made to any parties that no material adjustments or material disclosure modifications are expected before these statements are submitted as final.”



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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors
Reaching Across Illinois Library System

We have audited the accompanying financial statements of the governmental activities, each major fund of the Reaching Across Illinois Library System (RAILS), and related notes to the financial statements, as of and for the year ended June 30, 2017, which collectively comprise RAILS' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to RAILS' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of RAILS' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund of the Reaching Across Illinois Library System, as of June 30, 2017, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information 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.

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise RAILS' basic financial statements as a whole. The combining and individual fund financial statements and schedules and supplementary financial information are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules and supplementary financial information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated **September XX, 2017** on our consideration of RAILS' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering RAILS' internal control over financial reporting and compliance.

Naperville, Illinois
September XX, 2017

Preliminary and Tentative
For Discussion Purposes Only

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

Management's Discussion and Analysis

September XX, 2017

As the management of the Reaching Across Illinois Library System (RAILS), we offer readers of the RAILS financial statements this narrative overview and analysis of the financial activities of RAILS for the fiscal year ended June 30, 2017. These activities represent RAILS', which formed on July 1, 2011 as a merger of five previously existing library systems, sixth year of operations. Comparative data to RAILS' prior year of operations, ended June 30, 2016 is presented. This analysis is intended to be an easily readable overview of current year activities and operations and should be read in combination with the basic financial statements that follow.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

Financial Highlights

- Due to the State of Illinois Budget impasse that persisted throughout the year, RAILS Area and Per Capita Grant allocation, for the second straight year, remained at \$5,842,358, or \$4,143,172 below the amount granted for fiscal year 2015. Of this amount, RAILS received \$1,880,238 during fiscal year 2017. RAILS anticipates receipt of the remaining awarded amount of \$3,962,120 in fiscal year 2018.
- Assets exceeded liabilities by \$25,576,489 (net position) at the close of the fiscal year. Of this amount, \$737,184 is restricted for the net pension asset of \$676,848 and the deferred outflows of \$60,336 related to contributions made after the measurement date for IMRF. The investment in capital assets, net of any debt used to acquire those assets, is \$1,736,646. The remaining balance of \$23,102,659 is unrestricted and available to fund future operations. The decline in total net position for RAILS is \$4,996,596, primarily from losses from operations resulting from the above noted reduction in operating grants.
- Total governmental funds reported an end of the year fund balance of \$16,712,811, a decrease of \$7,706,872 from the prior year-end funds balance. Cash and investments were \$16,420,387, a decrease of \$8,003,731 from the prior year-end cash and investment balance. The unassigned General Fund balance of \$12,367,202 would be an amount sufficient to fund approximately thirteen months of governmental fund expenditures. In addition, RAILS has a \$3.65 million balance in its Capital Projects fund that could be reassigned, if necessary, to fund operations.
- Governmental funds reported a combined total of \$4,810,452 in revenues and \$12,517,324 in expenditures. Area and Per Capita (APC) Grant revenues, RAILS' primary source of revenues, were \$1,880,238, all of which pertained to the reduced fiscal year 2017 award. An additional \$3,962,120 was awarded but not received during the availability period for recognition of revenue in the governmental funds, and therefore is classified as deferred inflows of resources. RAILS anticipates receipt of this payment in fiscal year 2018.
- The General Fund's total revenues of \$4,774,372 were below the final budget by \$3,653,027, primarily due to the \$3,962,120 decline in Area and Per Capita Grant revenues, partially offset by above budget revenues from group purchasing activities.

- Total General Fund expenditures of \$12,283,368 were below the final budget by \$109,658 due primarily to below budget expenditures in Supplies, Postage and Printing (\$93,332), Personnel (\$79,199), Buildings and Grounds (\$71,385), Vehicle expenditures (\$41,306), Travel and Continuing Education (\$47,156), and Professional Services (\$39,035), partially offset by higher Library Materials (\$211,929, primarily reimbursed group purchases for members) and Contractual Services (\$63,201).
- During fiscal year 2016, RAILS was awarded a contract for the statewide delivery between academic libraries. This contract became effective on July 1, 2016 and is the major factor in the substantial increase in FY2017 net delivery expense.
- The Illinois State Library, beginning on July 1, 2016, terminated grant funding of the Illinois Talking Books Program, with the intention of fully administering this program internally. The RAILS board authorized the funding of the RAILS' operated segment of the program, the Illinois Talking Books Outreach Center, from RAILS' General Fund for fiscal year 2017 and for the first two months of fiscal year 2018, after which RAILS discontinued this operation.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

RAILS' financial statements present two kinds of statements, each with a different snapshot of its finances. The financial statement's focus is on both RAILS as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance RAILS' accountability.

Government-Wide Financial Statements

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

The Statement of Net Position presents information on all of RAILS' assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of RAILS is improving or deteriorating.

The Statement of Activities presents information showing how RAILS's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement of some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of RAILS that are principally supported by operating grants, capital grants, and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The primary governmental activities of RAILS are 1) culture and recreation specifically relating to public, academic, school and special libraries 2) the administration of the Talking Books program 3) Delivery 4) the administration of the eRead Illinois program 5) RAILS' group purchases and 6) LLSAP (Local Library System Automation Program) support. LLSAPs are shared online catalog provider entities (MAGIC, PrairieCat, RSA NFP and SWAN) that RAILS helps support. These entities provide library users access to a wider variety of materials and help make automation affordable for libraries of all types and sizes. For fiscal years 2017 and 2016, RAILS recorded no business-type activities.

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

Fund Financial Statements

A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. RAILS, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of RAILS can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

RAILS maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Capital Projects Fund and the Grant Fund, all of which are considered to be major funds. LLSAP and Delivery support data are shown in the Supplementary Financial Statements as subsets of the General Fund.

RAILS adopts an annual budget for its General, Grant and Capital Projects Funds in conjunction with its annual Area and Per Capita Grant application. Original and final budgetary comparison statements have been provided for these funds to demonstrate compliance with the budgets. RAILS adopted the original and final budget in June 2016.

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

Proprietary Funds

RAILS is recording no activities within its proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Such funds were used by the legacy systems that merged to form RAILS to primarily account for LLSAP activities, which now are legal entities separate from RAILS. RAILS provides financial and administrative support to the LLSAPs. The fees charged for these services partially reimburse RAILS for the expenditures incurred.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 10-27 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning RAILS’ progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 28-33 of this report.

The combining statements referred to earlier in connection with non-major governmental funds immediately follow the required supplementary information. Combining and individual fund statements and schedules can be found on pages 34-39 of this report.

Financial Analysis of RAILS as a Whole

Government-Wide Financial Statements

As noted earlier, net position may serve over time as a useful indicator of RAILS’ financial position. Prior year data (RAILS’ fifth year of operations, fiscal year 2016) is shown. The following table reflects the condensed Statement of Net Position as of June 30, 2017:

	2017	2016
Current and other assets	\$ 21,857,632	\$ 25,955,476
Capital assets	1,736,646	1,953,518
Deferred outflows, IMRF	2,667,457	3,306,290
Total Assets & Def. Outflows	26,261,735	31,215,282
Long-term liabilities	186,297	126,915
Other liabilities	498,949	500,578
Deferred inflows, IMRF	-	14,704
Total Liabilities	685,246	642,197
Invested in capital assets	1,736,646	1,953,518
Restricted	737,184	1,120,057
Unrestricted	23,102,659	27,499,510
Total Net Position	\$ 25,576,489	\$ 30,573,085

The governmental activities end-of-year total net position was \$25,576,489. Current and other assets primarily consisted of cash and investments (\$16.4 million), due from other governments (\$4.0 million), the net pension asset (\$.7 million) and prepaid expenses (\$.7 million). Long-term liabilities were the liability for compensated absences. Other liabilities consisted primarily of accounts payable (\$.3 million) and accrued payroll (\$.1 million). The amounts invested in capital assets decreased \$.2 million, due primarily to depreciation of existing assets (\$.4 million), exceeding capital expenditures of \$.2 million.

The decline (\$4.1 million) in current and other assets from the prior year-end amount is due primarily to an \$8.0 million decrease in cash and investments, partially offset by a \$4.0 million increases in due from other governments. The due from other governments represents the unpaid amounts of the fiscal year 2017 Area and Per Capita grant. Cash and investments declined primarily from an excess of expenditures over revenues within the General and Capital Projects Funds of \$7.5 million and \$.2 million, respectively.

The following table summarizes the government-wide statement of changes in net position for the years ended June 30, 2017 and June 30, 2016:

Table 2
Governmental Activities

	2017	2016
REVENUES		
Program Revenues:		
Charges for Services	\$ 2,764,364	\$ 1,952,466
Operating Grants	5,878,438	6,510,747
Capital Grants	-	-
Total Program Revenues:	8,642,802	8,463,193
Investment Income	84,741	39,092
Miscellaneous	45,029	1,765
Total Revenues	<u>8,772,572</u>	<u>8,504,050</u>
EXPENSES		
Administration	5,547,854	5,378,701
Talking Books	594,468	625,274
eRead Illinois	374,107	514,961
MARC of Quality	36,080	36,080
Group Purchases	994,459	754,548
Delivery	3,867,552	2,410,241
LLSAP	2,354,648	1,947,281
Total Expenses	<u>13,769,168</u>	<u>11,667,086</u>
Increase (Decrease) in net position before contributions and transfers	(4,996,596)	(3,163,036)
Beginning Net Position	<u>30,573,085</u>	<u>33,736,121</u>
Total Net Position	<u>\$ 25,576,489</u>	<u>\$ 30,573,085</u>

RAILS' total revenues for fiscal year 2017 were \$8,772,572, an increase of \$268,522 from the prior year, primarily due to an \$811,898 increase in charges for services, partially offset by a \$632,309 decrease in operating grants. Charges for Services increased due primarily from fees of \$526,845 received pertaining to the contract for the statewide delivery between academic libraries, which began on July 1, 2016, and a \$263,970 increase of group purchase fees, due to the expansion of vendor and product options. Operating grants declined primarily due to the termination of grant funding of the Talking Books Program, for which RAILS for fiscal year 2016 was awarded a grant of \$622,309. The Area and Per Capita Grant allocation from the State, for the second straight year, remained at \$5,842,358, or \$4,143,172 below the amount granted for fiscal year 2015

Investment Income of \$84,741 was \$45,649 above the prior year due to higher interest rates on certificates of deposit and money market investments. Miscellaneous revenues for fiscal year 2017

primarily include E-Rate reimbursement payments of \$25,910, of which no reimbursement funds were received in the prior year.

RAILS' fiscal year 2017 expenses totaled \$13,769,168, an increase of \$2,102,082 from fiscal year 2016 expenses primarily from increases in Delivery (\$1,457,311), LLSAP (\$407,367) and Group Purchase (\$239,911) expenses. Delivery expenses increased primarily from the first year implementation of the contract for the statewide delivery between academic libraries, which resulted in substantial increases in personnel, fuel and other expenses. In addition, beginning in fiscal year 2017, facility expenses of approximately \$145,000 were allocated to delivery. LLSAP expenses increased primarily from increased personnel expenses, as RAILS filled vacant positions from the prior fiscal year. Group Purchase expenses, which are reimbursed by the participating members, increased due to the expansion of vendor and product options.

Financial Analysis of RAILS' Funds

For the fiscal year ended June 30, 2017, the governmental funds had a combined fund balance of \$16,712,811, of which \$13,060,554 was within the General Fund, which is the main operating fund of RAILS, and \$3,652,257 million within the Capital Projects Fund. Revenues of \$4,810,452, consisting entirely of operating revenues, were \$3,819,844 below the final budget primarily from a \$3,962,120 shortfall of Area and Per Capita Grant revenues and lower Grant Fund revenues (\$166,817), due to the non-award of grant funds for a Federal program for which RAILS had applied and budgeted for, partially offset by increased reimbursement revenues.

Expenditures of \$12,517,324 were \$358,599 below budget due primarily to lower Grant Fund expenditures (\$166,817), due to the non-award of Federal grant funds for which program expenditures were budgeted, and lower General Fund (\$109,658) and Capital Projects Fund (\$82,124) expenditures.

General Fund expenditures were below budget primarily from lower expenditures for Supplies, Postage and Printing (\$93,332), Personnel (\$79,199), Buildings and Grounds (\$71,385), Vehicle expenditures (\$41,306), Travel and Continuing Education (\$47,156) and Professional Services (\$39,035), partially offset by higher Library Materials (\$211,929), primarily reimbursed group purchases for members, and Contractual Services (\$63,201). Personnel expenditures were lower primarily from not filling vacant positions. Supplies, Postage and Printing expenditures were below budget as RAILS replaced its desktop computers at much lower than budgeted costs. Buildings and Grounds expenditures were lower than budget mainly from favorable repairs and maintenance (\$60,650) expenditures. Vehicle expenditures benefitted from lower than budget fuel prices and insurance costs, partially offset by higher repairs and maintenance, due to the aging of RAILS' fleet. Professional Services were above budget primarily from increased delivery related expenditures due to the statewide delivery operation.

Capital outlays were below budget due primarily to lower buildings and improvements expenditures for a building renovation project, which continued into fiscal year 2018.

The following table summarizes General Fund actual and budget net changes in fund balance for the years ended June 30, 2017 and June 30, 2016:

Table 3
General Fund Budgetary Highlights
For the Fiscal Years Ended June 30

	Fiscal Year 2017		Fiscal Year 2016	
	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues:				
State Grants	\$ 5,842,358	\$ 1,880,238	\$ 5,842,358	\$ 5,842,358
Other	2,585,041	2,894,134	1,981,219	2,010,699
Total revenues	8,427,399	4,774,372	7,823,577	7,853,057
Expenditures and Transfers:				
Expenditures - Current	12,393,026	12,283,368	10,082,332	10,158,801
Expenditures - Capital outlay	-	-	-	-
Total expenditures	12,393,026	12,283,368	10,082,332	10,158,801
Excess (Deficit) of Revenues over Expenditures	(3,965,627)	(7,508,996)	(2,258,755)	(2,305,744)
Other Financing Sources	-	-	-	-
Prior Period Adjustment	-	-	-	-
Net Change in Fund Balance	<u>\$ (3,965,627)</u>	<u>\$ (7,508,755)</u>	<u>\$ (2,258,755)</u>	<u>\$ (2,305,744)</u>

During fiscal year 2017, there were no amendments to the budget. The RAILS' board of directors, for both fiscal years 2017 and 2016, directed that RAILS continue its planned activities and fund any operating deficit by using its reserves.

There were no fiscal year 2017 revenues from other financing sources.

Capital Assets

At the end of fiscal year 2017, RAILS Governmental activities had net capital assets of approximately \$1.7 million, compared to net capital assets of approximately \$1.9 million at the end of fiscal year 2016. Of this amount, approximately \$1.2 million was infrastructure (land and buildings and improvements), vehicles were \$.3 million and computers and equipment approximated \$.2 million. The decrease in net capital assets was primarily due to depreciation exceeding capital additions. Additional information on RAILS capital assets can be found in note 3 of this report on page 17.

Economic Factors

RAILS is one of two multi-type regional library systems in the State. Its membership includes academic, public, school and special libraries and the RAILS service area covers northern and western Illinois. RAILS serves more than 1,300 public, private, university, and school library members, representing more than 3,000 library facilities in a 27,000 square mile area, and delivers nearly 10 million items between member libraries each year. The funding of RAILS' operations is primarily through the Illinois State Area and Per Capita Grant. The severe budgetary impasses, with the result that the State of Illinois did not adopt fiscal year 2016 and 2017 budgets, resulted in greatly reduced funding and significant fund balance decreases for RAILS. The State of Illinois' adoption of a fiscal year 2018 budget provides optimism that RAILS' funding may be restored to fiscal year 2015 amounts.

CONTACTING RAILS' FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of RAILS' finances and to demonstrate RAILS' accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Jim Kregor, Director of Finance and Human Resources, Reaching Across Illinois Library System, 125 Tower Drive, Burr Ridge, IL 60527.

STATEMENT OF NET POSITION

June 30, 2017

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 16,420,387
Receivables (net of allowance where applicable)	
Accounts	69,040
Notes	2,179
Other	26,802
Due from other governments	3,962,120
Prepaid expenses	693,352
Net pension asset	676,848
Net other postemployment benefit asset	6,904
Capital assets, not being depreciated	107,000
Capital assets (net of accumulated depreciation)	<u>1,629,646</u>
 Total assets	 23,594,278
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflow, IMRF	<u>2,667,457</u>
 Total assets and deferred outflows of resources	 <u>26,261,735</u>
LIABILITIES	
Accounts payable	347,937
Accrued payroll	128,275
Unearned revenue	22,737
Noncurrent liabilities	
Due within one year	18,630
Due in more than one year	<u>167,667</u>
 Total liabilities	 <u>685,246</u>
NET POSITION	
Net investment in capital assets	1,736,646
Restricted for net pension asset	737,184
Unrestricted	<u>23,102,659</u>
 TOTAL NET POSITION	 <u>\$ 25,576,489</u>

See accompanying notes to financial statements.

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2017

	General	Grant	Capital Projects	Total Governmental Funds
ASSETS				
Cash and investments	\$ 12,595,703	\$ -	\$ 3,824,684	\$ 16,420,387
Accounts receivable				
Accounts	69,040	-	-	69,040
Notes	2,179	-	-	2,179
Other	26,802	-	-	26,802
Due from other governments	3,962,120	-	-	3,962,120
Prepaid items	693,352	-	-	693,352
TOTAL ASSETS	\$ 17,349,196	\$ -	\$ 3,824,684	\$ 21,173,880
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 175,510	\$ -	\$ 172,427	\$ 347,937
Accrued payroll	128,275	-	-	128,275
Unearned revenue	22,737	-	-	22,737
Total liabilities	326,522	-	172,427	498,949
DEFERRED INFLOWS OF RESOURCES				
Unavailable grant revenue	3,962,120	-	-	3,962,120
Total deferred inflows of resources	3,962,120	-	-	3,962,120
Total liabilities and deferred inflows of resources	4,288,642	-	172,427	4,461,069
FUND BALANCES				
Nonspendable - prepaid items	693,352	-	-	693,352
Assigned for special projects	-	-	3,652,257	3,652,257
Unassigned	12,367,202	-	-	12,367,202
Total fund balances	13,060,554	-	3,652,257	16,712,811
TOTAL LIABILITIES, DEFERRED REVENUE AND FUND BALANCES	\$ 17,349,196	\$ -	\$ 3,824,684	\$ 21,173,880

See accompanying notes to financial statements.

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

June 30, 2017

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 16,712,811
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	1,736,646
Net pension assets are not current financial resources and, therefore, are not reported in the governmental funds	676,848
Deferred outflows of resources related to pensions are not current financial resources and, therefore, are not reported in the governmental funds	2,667,457
Certain grant revenues are unavailable in the governmental funds, but is recorded as revenue in the governmental activities	3,962,120
Other postemployment benefit assets are not current financial resources and, therefore, are not reported in the governmental funds	6,904
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Compensated absences payable	<u>(186,297)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 25,576,489</u></u>

See accompanying notes to financial statements.

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2017

	General	Grant	Capital Projects	Total Governmental Funds
REVENUES				
State grants				
Area and per capita	\$ 1,880,238	\$ -	\$ -	\$ 1,880,238
System automation and technology	-	36,080	-	36,080
Fees for services and materials	1,520,407	-	-	1,520,407
Reimbursements	1,030,547	-	-	1,030,547
Investment income	84,741	-	-	84,741
Other revenues				
Rental income	239,321	-	-	239,321
Miscellaneous	17,103	-	-	17,103
Gifts	2,015	-	-	2,015
Total revenues	4,774,372	36,080	-	4,810,452
EXPENDITURES				
Culture and recreation				
Personnel	6,496,530	-	-	6,496,530
Library materials	1,318,316	-	-	1,318,316
Buildings and grounds	627,807	-	-	627,807
Vehicle	389,632	-	-	389,632
Travel and continuing education	299,286	-	-	299,286
Public relations	31,789	-	-	31,789
Commercial insurance	30,282	-	-	30,282
Supplies, postage, and printing	258,072	-	-	258,072
Telephone and communications	146,009	-	-	146,009
Equipment rental, repair, and maintenance	107,193	-	-	107,193
Professional services	246,465	-	-	246,465
Contractual services	2,320,136	36,080	-	2,356,216
Professional association membership dues	9,443	-	-	9,443
Miscellaneous	2,408	-	-	2,408
Capital outlay	-	-	197,876	197,876
Total expenditures	12,283,368	36,080	197,876	12,517,324
NET CHANGE IN FUND BALANCES	(7,508,996)	-	(197,876)	(7,706,872)
FUND BALANCES, JULY 1	20,569,550	-	3,850,133	24,419,683
FUND BALANCES, JUNE 30	\$ 13,060,554	\$ -	\$ 3,652,257	\$ 16,712,811

See accompanying notes to financial statements.

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2017

NET CHANGE IN FUND BALANCES -
TOTAL GOVERNMENTAL FUNDS \$ (7,706,872)

Amounts reported for governmental activities in the statement of activities are different because:

The increase of long-term liabilities for compensated absences is reported as an expenditure when due in governmental funds but as an increase of liabilities on the statement of net position (59,382)

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 (414,748)

Governmental funds report capital outlay expenditures; however, they are capitalized in the statement of activities 197,876

The change in the deferred outflow is reported as an expense on the statement of activities (638,833)

The change in the deferred inflow is reported as a revenue on the statement of activities 3,962,120

The change in the deferred inflow is reported as an expense on the statement of activities 14,704

The change in the net pension asset is reported as an expense on the statement of activities (352,547)

The change in other postemployment benefit asset is reported as an expense on the statement of activities 1,086

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (4,996,596)

See accompanying notes to financial statements.

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Reaching Across Illinois Library System (RAILS) 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 financial reporting principles.

RAILS is governed by a Board of Directors (the Board), the rules and regulations for library systems, and the regulations of the State Librarian related to state aid.

The accounting policies of RAILS conform to GAAP as applicable to governmental units. The following is a summary of the more significant policies.

a. Reporting Entity

The accompanying basic financial statements present RAILS alone and do not include any component units. RAILS has a board elected by their members, the power to self govern, the authorization to expend funds, the responsibility to designate management, and the ability to prepare and modify the annual budget and issue debt. Therefore, RAILS is not included as a component unit of any other entity.

b. 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 RAILS. The effect of material interfund activity has been eliminated from these statements. Governmental activities are normally supported by grants and intergovernmental revenues.

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. 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Government-Wide and Fund Financial Statements (Continued)

RAILS reports the following major governmental funds:

The General Fund is RAILS' primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Grant Fund, a major special revenue fund, exists to account for the various grants administered by RAILS. RAILS has elected to present this fund as a major fund.

The Capital Projects Fund, which accounts for future capital improvements.

c. 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. 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 and earned. 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. RAILS 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.

Charges for services 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.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to RAILS; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

RAILS reports unearned revenue and unavailable revenue on its financial statements. Unavailable revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period, under the modified accrual basis of accounting. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by RAILS before it has a legal claim to them or prior to the provision of services, 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 RAILS has a legal claim to the resources, the liability and deferred inflows of resource for unearned and unavailable revenue are removed from the financial statements and revenue is recognized.

d. Unearned/Unavailable Revenue

The General Fund reports unearned revenue in the amount of \$22,737 pertaining to E-Book for Illinois fiscal year 2018 membership fees invoiced in fiscal year 2017.

The General Fund reports unavailable revenue in the amount of \$3,962,120 pertaining to RAILS' per capita state grant that was not received during the 60-day availability period for revenue recognition.

e. Cash and Investments

Cash and Cash Equivalents

RAILS considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

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 purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by RAILS as assets with an initial, individual cost in excess of \$5,000 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 of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	20-50
Computers	5
Office furniture and equipment	5-10
Vehicles	5-8

g. Vacation and Sick Leave

In the event of termination, an employee is reimbursed for earned vacation days. No more than five vacation days may be carried over from the prior year without the Executive Director's approval. No more than 90 sick leave days may be accrued for employee use and an additional 240 sick leave days may be utilized for service credit with the Illinois Municipal Retirement Fund (IMRF) upon retirement.

Vested or accumulated vacation that was owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that paid it in the fund financial statements. Vested or accumulated vacation of governmental activities at the government-wide level was recorded as an expense and liability as the benefits accrue to employees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Interfund Transactions

Interfund service transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund service transactions and reimbursements, are reported as transfers.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

i. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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.

j. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. 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. Committed fund balance is constrained by formal actions of RAILS’ Board, which is considered RAILS highest level of decision-making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance represents amounts constrained by RAILS intent to use them for a specific purpose.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Fund Balances/Net Position (Continued)

The authority to assign fund balance has been delegated to RAILS' Director of Finance through the approved fund balance policy of RAILS. Any residual fund balance in the General Fund is reported as unassigned. Any deficit balances in other funds are reported as unassigned.

RAILS' 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, RAILS considers committed funds to be expended first followed by assigned and then unassigned funds.

RAILS has established fund balance reserve policies for its governmental funds. A fiscal year end target of 150% of annual budgeted expenditures for fiscal sustainability is included in unassigned fund balance for the General Fund.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. The net pension asset of \$676,848 net of the deferred outflows for employer contributions in the amount of \$60,336, are reported as restricted. Net investment in capital assets is the book value of capital assets less any long-term debt outstanding that was issued to construct or acquire the capital assets.

k. Use of Estimates

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

2. DEPOSITS AND INVESTMENTS

RAILS categorizes the fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. RAILS does not report any investments subject to fair value reporting.

2. DEPOSITS AND INVESTMENTS (Continued)

RAILS maintains a cash and investment pool that is available for use by the General Fund, Capital Projects Fund, and the Grant Fund. Each fund's portion of this pool is displayed on the financial statements as "cash and investments."

Permitted Deposits and Investments - Statutes and RAILS' investment policy authorize RAILS 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 same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State of Illinois to pool their funds for investment purposes. Investments in Illinois Funds are valued at Illinois Funds' share price, which is the price for which the investment could be sold.

a. Deposits

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, RAILS' deposits may not be returned to it. To guard against custodial credit risk for deposits with financial institutions, RAILS investment policy requires that deposits with financial institutions in excess of FDIC be collateralized with collateral in an amount equal to the uninsured deposits with the collateral held by a third party acting as the agent of RAILS.

b. Investments

In accordance with its investment policy, RAILS limits its exposure to interest rate risk to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The portfolio that is invested with Illinois Funds, which is completely liquid, is not subject to interest rate risk.

RAILS 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 only in Illinois Funds and insured Certificates of Deposit.

Illinois Funds is "AAAm" rated by S&P.

3. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

	Balances July 1	Increases	Decreases	Balances June 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 107,000	\$ -	\$ -	\$ 107,000
Total capital assets not being depreciated	107,000	-	-	107,000
Capital assets being depreciated				
Building and improvements	3,816,245	172,427	1,421,110	2,567,562
Furniture, fixtures, equipment, and computers	1,098,092	7,504	39,469	1,066,127
Vehicles	1,143,176	17,945	-	1,161,121
Total capital assets being depreciated	6,057,513	197,876	1,460,579	4,794,810
Less accumulated depreciation for				
Building improvements	2,667,277	183,237	1,421,110	1,429,404
Furniture, fixtures, equipment, and computers	788,410	101,938	39,469	850,879
Vehicles	755,308	129,573	-	884,881
Total accumulated depreciation	4,210,995	414,748	1,460,579	3,165,164
Total capital assets being depreciated, net	1,846,518	(216,872)	-	1,629,646
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 1,953,518	\$ (216,872)	\$ -	\$ 1,736,646

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

GOVERNMENTAL ACTIVITIES	
Culture and recreation	\$ 324,850
Delivery	89,898
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	\$ 414,748

4. LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2017:

	Balance July 1	Additions	Reductions	Balance June 30	Current Portion
GOVERNMENTAL ACTIVITIES					
Compensated absences	\$ 126,915	\$ 59,382	\$ -	\$ 186,297	\$ 18,630
TOTAL GOVERNMENTAL ACTIVITIES	\$ 126,915	\$ 59,382	\$ -	\$ 186,297	\$ 18,630

Compensated absences are liquidated by the General Fund.

5. DEFINED BENEFIT PENSION PLAN

RAILS contributes to a defined benefit pension plan: the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. The benefits, benefit levels, employee contributions, and employer contributions for all plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. IMRF’s plan does not issue a separate report for the plan. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

Plan Descriptions

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.

Plan Membership

At December 31, 2016, IMRF membership consisted of:

Inactive plan members	417
Inactive, nonretired members	157
Active plan members	<u>111</u>
 TOTAL	 <u><u>685</u></u>

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. The final rate of earnings is the highest total earnings during one consecutive 48 months within the last ten years of IMRF services divided by 48.

5. DEFINED BENEFIT PENSION PLAN (Continued)

Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided (Continued)

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. The final rate of earnings is the highest total earnings during any consecutive 96 months within the last ten years of IMRF service, divided by 96.

Contributions

RAILS employees participating in IMRF are required to contribute 4.50% of their annual eligible covered salary. The member rate is established by state statute. RAILS is required to contribute at an actuarially determined rate. The employer contribution rates for calendar year 2017 and 2016 were 2.38% and 4.61% of covered payroll, respectively. RAILS contribution requirements are established and may be amended by the IMRF Board of Trustees.

Actuarial Assumptions

RAILS' net pension liability was measured as of December 31, 2016 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, 2016
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Investment rate of return	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market value

5. DEFINED BENEFIT PENSION PLAN (Continued)

Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. 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 RAILS' 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.

5. DEFINED BENEFIT PENSION PLAN (Continued)

Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2016	\$ 47,835,040	\$ 48,864,435	\$ (1,029,395)
Changes for the period			
Service cost	431,916	-	431,916
Interest	3,473,417	-	3,473,417
Difference between expected and actual experience	460,084	-	460,084
Changes in assumptions	-	-	-
Employer contributions	-	207,692	(207,692)
Employee contributions	-	205,937	(205,937)
Net investment income	-	3,351,477	(3,351,477)
Benefit payments and refunds	(3,477,540)	(3,477,540)	-
Administrative expense	-	247,764	(247,764)
Net changes	887,877	535,330	352,547
BALANCES AT DECEMBER 31, 2016	\$ 48,722,917	\$ 49,399,765	\$ (676,848)

5. DEFINED BENEFIT PENSION PLAN (Continued)

Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended June 30, 2017, RAILS recognized pension expense of \$1,154,042. At June 30, 2017, RAILS reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	<u>Deferred Outflows of Resources</u>
Difference between expected and actual experience	\$ 64,143
Changes in assumption	-
Net difference between projected and actual earnings on pension plan investments	2,542,978
Contributions made subsequent to the measurement date	<u>60,336</u>
TOTAL	<u>\$ 2,667,457</u>

\$60,336 reported as deferred outflows of resources related to pensions resulting from RAILS contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	
2018	\$ 944,543
2019	880,401
2020	740,627
2021	41,550
Thereafter	<u>-</u>
TOTAL	<u>\$ 2,607,121</u>

5. DEFINED BENEFIT PENSION PLAN (Continued)

Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of RAILS calculated using the discount rate of 7.5% as well as what RAILS' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5%) or 1 percentage point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net pension liability (asset)	\$ 4,186,002	\$ (676,848)	\$ (4,748,451)

6. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, RAILS provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by IMRF and can be amended by IMRF through legislation, except for the implicit subsidy which is governed by the State Legislature and ILCS. 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 RAILS' governmental activities.

b. Benefits Provided

RAILS provides continued health insurance coverage at the active employer rate paid by the former employees to all eligible former employees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under IMRF. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree can continue to participate, at a much higher rate, but can purchase a Medicare supplement plan externally.

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At June 30, 2015 (most recent available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	5
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>81</u>
 TOTAL	 <u><u>86</u></u>
 Participating employers	 <u><u>1</u></u>

d. Funding Policy

RAILS is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement

e. Annual OPEB Costs and Net OPEB Obligation

RAILS had an actuarial valuation performed for the plan as of July 1, 2015 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended June 30, 2017. RAILS annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2015	\$ 7,063	\$ 8,619	122.03%	\$ (6,803)
2016	7,061	6,076	86.05%	(5,818)
2017	7,062	8,148	115.38%	(6,904)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

The net OPEB obligation (asset) as of June 30, 2017 was calculated as follows:

Annual required contribution	\$ 7,071
Interest on net OPEB obligation	(233)
Adjustment to annual required contribution	<u>224</u>
Annual OPEB cost	7,062
Contributions made	<u>(8,148)</u>
Decrease in net OPEB obligation	(1,086)
Net OPEB obligation (asset), beginning of year	<u>(5,818)</u>
NET OPEB OBLIGATION ASSET, END OF YEAR	<u>\$ (6,904)</u>

Funded Status and Funding Progress. The funded status of the plan as of June 30, 2015 (most recent available) was as follows:

Actuarial accrued liability (AAL)	\$ 65,008
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	65,008
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 4,486,498
UAAL as a percentage of covered payroll	1.40%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2015 actuarial valuation (most recent available), the entry-age normal actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return and an initial healthcare cost trend rate of 7.0% with an ultimate healthcare inflation rate of 6.0%. Both rates include 2.5% inflation assumption. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2016 was 30 years.

7. LEASE COMMITMENT AND TOTAL RENT EXPENSE

RAILS entered into an operating lease for its 4607 Colt Road, Rockford, Illinois facility. The initial term of the lease was from June 16, 2012 to May 31, 2014. RAILS, during the fiscal year 2014, exercised the option to extend the terms of the lease for additional terms. The lease requires monthly lease payments of \$1,604 for the first year and \$1,654, \$1,703, \$1,750, and \$1,929 for the second, third, fourth, and fifth years, respectively.

In May 2013, RAILS entered into a lease agreement to lease various copier and printing equipment. The agreement commenced May 15, 2013 and terminates May 15, 2018. The monthly lease payment is \$1,340, beginning in July 2013. In April 2014, RAILS entered into a second lease agreement to lease additional copier and printing equipment. The agreement commenced April 28, 2014 and terminates June 26, 2018. The monthly lease payment was \$201 beginning in May 2014.

RAILS entered into an operating lease for its 1000 W. Crossroads Parkway, Bolingbrook, Illinois facility. The initial term of the lease was from June 1, 2013 to May 31, 2015. The lease included options to extend the terms of the lease for two additional two-year terms plus an option to lease additional space. During fiscal year 2014, RAILS exercised the option to lease additional space, and in doing so, also automatically exercised the option to extend the terms of the lease for the first additional two-year term. The lease requires monthly lease payments of \$4,649 and, upon the exercise of the option to lease additional space, \$6,935 beginning in September 2013. Required monthly lease payments for the third year of the lease are \$4,885.

7. LEASE COMMITMENT AND TOTAL RENT EXPENSE (Continued)

RAILS entered into two operating leases for a portion of its former East Peoria facility, which has been sold. The term of both leases is from March 14, 2014 to April 30, 2019. The leases require monthly payments of \$5,520 and \$2,418 per month through the duration of the leases. The leases also require RAILS to pay its portion of real estate taxes and common area maintenance.

Rent expense totaled \$392,834 for the year ended June 30, 2017. Future minimum lease payments as of June 30, 2017 are as follows:

Fiscal Year Ending June 30,	
2018	\$ 227,025
2019	157,750
2020	<u>-</u>
TOTAL	<u><u>\$ 384,775</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

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

For the Year Ended June 30, 2017

	Original and Final Budget	Actual
REVENUES		
State grants		
Area and per capita	\$ 5,842,358	\$ 1,880,238
Fees for services and materials	1,508,480	1,520,407
Reimbursements	765,600	1,030,547
Investment income	56,617	84,741
Other revenues		
Rental income	244,844	239,321
Miscellaneous	9,500	17,103
Gifts	-	2,015
	<hr/>	<hr/>
Total revenues	8,427,399	4,774,372
	<hr/>	<hr/>
EXPENDITURES		
Culture and recreation		
Personnel	6,575,729	6,496,530
Library materials	1,106,490	1,318,316
Buildings and grounds	699,088	627,807
Vehicle	430,938	389,632
Travel and continuing education	346,442	299,286
Public relations	28,500	31,789
Commercial insurance	35,320	30,282
Supplies, postage, and printing	351,405	258,072
Telephone and communications	121,451	146,009
Equipment rental, repair, and maintenance	140,726	107,193
Professional services	285,500	246,465
Contractual services	2,256,935	2,320,136
Professional association membership dues	8,652	9,443
Miscellaneous	5,850	2,408
	<hr/>	<hr/>
Total expenditures	12,393,026	12,283,368
	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (3,965,627)</u>	(7,508,996)
FUND BALANCE, JULY 1		<hr/> 20,569,550
FUND BALANCE, JUNE 30		<hr/> \$ 13,060,554 <hr/>

(See independent auditor's report.)

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

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

For the Year Ended June 30, 2017

	<u>Original</u>	<u>Final</u>	
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>
REVENUES			
Federal grants	\$ 166,817	\$ 166,817	\$ -
State grants			
System automation and technology	36,080	36,080	36,080
	<hr/>	<hr/>	<hr/>
Total revenues	202,897	202,897	36,080
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Culture and recreation			
Professional services	34,423	34,423	-
Travel and continuing education	2,045	2,045	-
Supplies, postage, and printing	2,000	2,000	-
Contractual services	164,429	164,429	36,080
	<hr/>	<hr/>	<hr/>
Total expenditures	202,897	202,897	36,080
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	-
FUND BALANCE, JULY 1			<hr/> -
FUND BALANCE, JUNE 30			<u><u>\$ -</u></u>

(See independent auditor's report.)

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Three Fiscal Years

FISCAL YEAR ENDED JUNE 30,	2015 Restated	2016	2017
Actuarially determined contribution	\$ 396,960	\$ 184,718	\$ 177,366
Contributions in relation to the actuarially determined contribution	396,960	184,718	177,366
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 4,058,894	\$ 4,222,176	\$ 4,018,835
Contributions as a percentage of covered-employee payroll	9.78%	4.37%	4.41%

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.

* 2015 was restated due to changes in the information from the System's actuary and auditor.

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 27 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually, and postretirement benefit increases of 3.50% compounded annually.

(See independent auditor's report.)

REACHING ACROSS ILLINOIS LIBRARY SYSTEM Preliminary and Tentative
For Discussion Purposes Only

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFIT PLAN

June 30, 2017

Schedule of Funding Progress

Actuarial Valuation Date June 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	\$ -	\$ 65,008	0.00%	\$ 65,008	\$ 4,486,498	1.45%
2016	N/A	N/A	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A	N/A	N/A

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2014	\$ 18,504	\$ 16,411	112.75%
2015	8,619	7,063	122.03%
2016	6,076	7,061	86.05%
2017	8,148	7,062	115.38%

N/A - Information not available

(See independent auditor's report.)

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Three Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014* Restated	2015	2016
TOTAL PENSION LIABILITY			
Service cost	\$ 438,134	\$ 437,025	\$ 431,916
Interest	3,253,499	3,449,018	3,473,417
Changes of benefit terms	-	-	-
Differences between expected and actual experience	432,684	(94,014)	460,084
Changes of assumptions	1,843,383	-	-
Benefit payments, including refunds of member contributions	(3,269,672)	(3,450,775)	(3,477,540)
Net change in total pension liability	2,698,028	341,254	887,877
Total pension liability - beginning	44,795,758	47,493,786	47,835,040
TOTAL PENSION LIABILITY - ENDING	\$ 47,493,786	\$ 47,835,040	\$ 48,722,917
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 388,935	\$ 181,761	\$ 207,692
Contributions - member	192,707	218,671	205,937
Net investment income	3,009,579	248,475	3,351,477
Benefit payments, including refunds of member contributions	(3,269,672)	(3,450,775)	(3,477,540)
Administrative expense	217,278	446,094	247,764
Net change in plan fiduciary net position	538,827	(2,355,774)	535,330
Plan fiduciary net position - beginning	50,681,382	51,220,209	48,864,435
PLAN FIDUCIARY NET POSITION - ENDING	\$ 51,220,209	\$ 48,864,435	\$ 49,399,765
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ (3,726,423)	\$ (1,029,395)	\$ (676,848)
Plan fiduciary net position as a percentage of the total pension liability (asset)	107.85%	102.15%	101.39%
Covered-employee payroll	\$ 4,058,894	\$ 4,362,191	\$ 4,505,259
Employer's net pension liability (asset) as a percentage of covered-employee payroll	(91.81%)	(23.60%)	(15.02%)

* 2014 was restated due to changes in the information from the System's actuary and auditor.

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

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.)

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2017

BUDGETS

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual budgets are adopted (at the fund level) for the major governmental funds. All annual budgets lapse at fiscal year end.

RAILS follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The Director of Finance prepares and submits to the Board, as part of the annual area and per capita grant application, a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them. Annual budgets are adopted for the governmental (general, grant, and capital project funds) on a basis consistent with GAAP. The legal level of budgetary control is at the fund level.
2. The proposed operating budget is adopted by the Board at a public meeting.
3. Any amendments to the budget must be adopted by the Board at a public meeting.
4. Budgeted amounts presented in the financial statements are those as originally adopted by the Board. There were no budget amendments during the fiscal year ended June 30, 2017.

Preliminary and Tentative
For Discussion Purposes Only

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

MAJOR GOVERNMENTAL FUNDS

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

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

For the Year Ended June 30, 2017

	Culture and Recreation		LLSAP	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
State grants				
Area and per capita	\$ 5,842,358	\$ 1,880,238	\$ -	\$ -
Fees for services and materials	337,500	347,102	646,460	646,460
Reimbursements	765,600	1,030,547	-	-
Investment income	56,617	84,741	-	-
Other revenues				
Miscellaneous	254,344	256,424	-	-
Gifts	-	2,015	-	-
Total revenues	7,256,419	3,601,067	646,460	646,460
EXPENDITURES				
Expenditures				
Personnel	3,045,721	2,767,738	1,810,887	1,785,755
Library materials	1,106,490	1,318,316	-	-
Buildings and grounds	563,617	481,534	-	-
Vehicle	23,165	22,104	14,500	11,340
Travel and continuing education	289,638	261,991	51,725	33,342
Public relations	28,500	31,789	-	-
Commercial insurance	35,320	30,282	-	-
Supplies, postage, and printing	269,475	178,042	6,550	674
Telephone and communications	91,076	111,559	22,625	25,199
Equipment rental, repair, and maintenance	140,726	103,660	-	-
Professional services	275,500	245,205	10,000	-
Contractual services	613,430	625,264	478,419	487,422
Professional association membership dues	8,095	8,627	557	566
Miscellaneous	3,750	1,612	1,025	190
Total expenditures	6,494,503	6,187,723	2,396,288	2,344,488
NET CHANGE IN FUND BALANCES	\$ 761,916	\$ (2,586,656)	\$ (1,749,828)	\$ (1,698,028)

FUND BALANCES, JULY 1

FUND BALANCES, JUNE 30

Delivery		Total	
Final Budget	Actual	Final Budget	Actual
\$ -	\$ -	\$ 5,842,358	\$ 1,880,238
524,520	526,845	1,508,480	1,520,407
-	-	765,600	1,030,547
-	-	56,617	84,741
-	-	254,344	256,424
-	-	-	2,015
524,520	526,845	8,427,399	4,774,372
1,719,121	1,943,037	6,575,729	6,496,530
-	-	1,106,490	1,318,316
135,471	146,273	699,088	627,807
393,273	356,188	430,938	389,632
5,079	3,953	346,442	299,286
-	-	28,500	31,789
-	-	35,320	30,282
75,380	79,356	351,405	258,072
7,750	9,251	121,451	146,009
-	3,533	140,726	107,193
-	1,260	285,500	246,465
1,165,086	1,207,450	2,256,935	2,320,136
-	250	8,652	9,443
1,075	606	5,850	2,408
3,502,235	3,751,157	12,393,026	12,283,368
<u>\$ (2,977,715)</u>	<u>\$ (3,224,312)</u>	<u>\$ (3,965,627)</u>	<u>(7,508,996)</u>
			<u>20,569,550</u>
			<u>\$ 13,060,554</u>

(See independent auditor's report.)

SUPPLEMENTARY FINANCIAL INFORMATION

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual
PERSONNEL		
Library professionals	\$ 1,659,737	\$ 1,461,273
Other professionals	1,994,330	1,980,444
Support services	1,402,594	1,566,391
Social Security taxes	384,609	363,473
Unemployment insurance	64,015	73,503
Workers' compensation	119,138	130,316
Retirement benefits	228,933	169,453
Health, dental, and life insurance	676,873	654,300
Other fringe benefits	10,000	7,495
Temporary help	10,500	71,395
Recruiting	25,000	18,487
Total personnel	6,575,729	6,496,530
LIBRARY MATERIALS		
Print materials	9,440	3,445
E-resources	1,097,050	1,314,871
Total library materials	1,106,490	1,318,316
BUILDINGS AND GROUNDS		
Rent/lease	341,878	392,834
Utilities	143,250	105,603
Property insurance	10,200	11,681
Repairs and maintenance	102,000	41,350
Custodial/janitorial service and supplies	56,800	50,341
Other buildings and grounds	44,960	25,998
Total buildings and grounds	699,088	627,807
VEHICLES		
Fuel	260,498	189,717
Repairs and maintenance	50,600	103,663
Vehicle insurance	115,840	87,785
Vehicles leasing and rent	500	-
Other vehicle expense	3,500	8,467
Total vehicles	430,938	389,632

(This schedule is continued on the following pages.)

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended June 30, 2017

	Final Budget	Actual
TRAVEL AND CONTINUING EDUCATION		
In-state travel	\$ 66,170	\$ 58,832
Out-of-state travel	61,283	37,783
Registration and meeting fees	74,489	58,072
Better together symposium	-	-
Conferences and continuing education meetings	144,500	144,599
Total travel and continuing education	346,442	299,286
PUBLIC RELATIONS	28,500	31,789
COMMERCIAL INSURANCE		
Liability insurance	35,320	30,282
SUPPLIES, POSTAGE, AND PRINTING		
Computers, software, and supplies	195,700	135,642
General office supplies and equipment	47,650	31,953
Postage	41,225	22,200
Library supplies	500	-
Delivery supplies	66,105	67,442
Other supplies	225	835
Total supplies, postage, and printing	351,405	258,072
TELEPHONE AND COMMUNICATIONS	121,451	146,009
EQUIPMENT RENTAL, REPAIR, AND MAINTENANCE		
Equipment rental	32,400	31,928
Equipment repair and maintenance agreements	108,326	75,265
Total equipment rental, repair, and maintenance	140,726	107,193
PROFESSIONAL SERVICES		
Legal	51,000	43,427
Accounting	25,000	23,162
Consulting	175,000	139,582
Payroll service fee	34,500	40,294
Total professional services	285,500	246,465

(This schedule is continued on the following page.)

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended June 30, 2017

	Final Budget	Actual
CONTRACTUAL SERVICES		
Information service costs	\$ 66,375	\$ 40,002
Contract agreements with systems, member libraries, other co-ops	889,974	913,509
Outside printing services	3,000	-
Other contractual services	1,297,586	1,366,625
Total contractual services	<u>2,256,935</u>	<u>2,320,136</u>
PROFESSIONAL ASSOCIATION MEMBERSHIP DUES	<u>8,652</u>	<u>9,443</u>
MISCELLANEOUS	<u>5,850</u>	<u>2,408</u>
TOTAL EXPENDITURES	<u>\$ 12,393,026</u>	<u>\$ 12,283,368</u>

(See independent auditor's report.)

REACHING ACROSS ILLINOIS LIBRARY SYSTEM

Preliminary and Tentative
For Discussion Purposes Only

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

For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual
REVENUES			
None	\$ -	\$ -	\$ -
EXPENDITURES			
Capital outlay			
Computers	-	-	7,504
Building and improvements	-	260,000	172,428
Vehicles	-	20,000	17,944
Total expenditures	-	280,000	197,876
NET CHANGE IN FUND BALANCE	\$ -	\$ (280,000)	(197,876)
FUND BALANCE, JULY 1			3,850,133
FUND BALANCE, JUNE 30			\$ 3,652,257

(See independent auditor's report.)

RAILS - Reaching Across Illinois Library System - FY2017 Annual Report

2.2 System Member Fees and Revenue

Reimbursement Revenue

CREDO Reference Database	\$	13,756
Boopsie Optimum Package Database	\$	138,652
Gale Analytics on Demand	\$	48,596
EBSCO Electronic Databases	\$	396,396
Zinio One Clickdigital	\$	10,929
GALE Virtual Reference Library	\$	7,013
Gale Databases	\$	80,788
Marc Report & Global Subscriptions	\$	2,023
RDFA Tool Kit	\$	1,848
Web Dewey	\$	369
GALE Career Online High School	\$	82,880
Communico	\$	177,400
Brain HQ	\$	12,800
Auto Finance Resource	\$	22,926
Platinum Community Engagement Package	\$	8,260

Total System Member Reimbursement Revenue		\$ 1,004,636
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Fees for Services and Materials

MAI Membership Fees	\$	13,158
ILDS-Delivery Service	\$	526,845
eRead Illinois Membership Subscriptions	\$	331,728
Continuing Education Seminars	\$	2,215

Total System Member Fees for Services		\$ 873,946
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Total System Member Fees and Revenue		\$ 1,878,582
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RAILS - Reaching Across Illinois Library System - FY2017 Annual Report

2.3 System Non-Member Fees and Revenue

Other Grant Revenue

\$ -

LLSAP - Contract Services

Prairie Cat	\$	426,991	
RSA	\$	150,371	
MAGIC	\$	69,098	
		<hr/>	\$ 646,460

Investment Income

Interest on Deposits - Illinois Funds	\$	20,891	
PMA CitiBank	\$	752	
Interest on Max Safe CD Investment	\$	26,908	
Interest on PMA CD Investment	\$	28,450	
Hinsdale Bank & Trust Money Market	\$	6,772	
Interest on Sworsky Donation - Bonds	\$	806	
Interest on Student Loan - A. Jackson	\$	162	
		<hr/>	\$ 84,741

Rental Income

Coal Valley Lamar - Sign Rental	\$	500	
FMS sub lease Morsay Dr. - Rockford	\$	238,821	
		<hr/>	\$ 239,321

Other Income

Auction Proceeds - Burr Ridge	\$	5,504	
Baker & Taylor SWAN Refund	\$	6,361	
Illinois Library Law Book	\$	22	
Credit Card Cash Back Redemption	\$	2,000	
E-Rate Revenue	\$	25,910	
Illinois Unemployment Tax Refund FY2011	\$	3,216	
		<hr/>	\$ 43,013

Gifts - Unrestricted

Donations to Talking Books Programs	\$	2,015	
		<hr/>	\$ 2,015

Other Financing Sources

\$ -

Total System Non-Member Fees and Revenue \$ 1,015,550

RAILS - Reaching Across Illinois Library System - FY2017 Annual Report

2.4 Capital Expenditures in Excess of \$5,000

Burr Ridge Renovation In Progress	\$	172,427
Cisco Core Router - Burr Ridge	\$	7,504
2016 Ford Taurus SE Coal Valley	\$	17,946
		<hr/>
Total Capital Expenditures in Excess of \$5,000		<u>\$ 197,877</u>

RAILS - Reaching Across Illinois Library System - FY2017 Annual Report

2.5 Loans

RAILS did not have any loans in FY2017

\$

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