

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

ANNUAL FINANCIAL REPORT

**For the Year Ended
June 30, 2015**

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION
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INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors
Library Insurance Management and
Risk Control Combination
Orland Park, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate fund information of the Library Insurance Management and Risk Control Combination, as of and for the year ended June 30, 2015, which collectively comprise the Library's basic financial statements as listed in the table of contents and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain 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 LIMRiCC's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of LIMRiCC's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material aspects, the respective financial position of the Library Insurance Management and Risk Control Combination, as of June 30, 2015, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

LIMRiCC adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources, and expenses; and modified certain disclosures in the notes to financial statements and the required supplementary information. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise LIMRiCC's basic financial statements. The combining and individual fund financial statements and schedules 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 are the responsibility of management and were derived from and relate 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 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

BRIAN ZABEL & ASSOCIATES, P.C.
Certified Public Accountants

Morris, Illinois
September 29, 2015

Library Insurance Management and Risk Control Combination (LIMRiCC)
Management Discussion and Analysis
June 30, 2015

As management of LIMRiCC, we offer readers of the LIMRiCC statements this narrative overview and analysis of the financial activities of LIMRiCC for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information found in the notes to financial statements.

FINANCIAL HIGHLIGHTS

- The LIMRiCC assets exceeded its liabilities by \$3,638,609. This amount is unrestricted and may be used to meet LIMRiCC's ongoing obligations.
- LIMRiCC's total net position decreased by \$1,523,924.
- LIMRiCC continues to maintain a strong financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

INDEPENDENT AUDITOR'S REPORT

The first item in this report is the independent auditor's report. This report tells the reader what the auditor audited and whether LIMRiCC has followed the accounting and financial reporting rules. For 2015, the auditor has given LIMRiCC what is commonly referred to as a "clean opinion". This means that LIMRiCC is following the accounting rules and the following financial statements reflect the financial position and the financial activity for the year ended June 30, 2015. The auditor's report is signed by the independent auditor. The auditor's report may be found on pages 1-2 of this financial report.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces LIMRiCC's basic financial statements. The basic financial statements include: (1) financial statements, and (2) notes to the basic financial statements. LIMRiCC also includes in this report additional information to supplement the basic financial statements, such as required supplementary information. Comparative data is presented when available.

Basic Financial Statements

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

Library Insurance Management and Risk Control Combination (LIMRiCC)
Management Discussion and Analysis
June 30, 2015

The first of these statements is the Statement of Net Position. This is the statement of position presenting information that includes all of LIMRiCC's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of LIMRiCC as a whole is improving or deteriorating.

The second statement is the Statement of Revenues, Expenses, and Changes in Net Position which reports how LIMRiCC's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the Statement of Revenues, Expenses, and Changes in Net Position is to show the financial reliance of LIMRiCC's activities or functions on revenues provided by LIMRiCC's members.

The third statement is the Statement of Cash Flows which reports how LIMRiCC's cash was generated and used during the fiscal year. Cash flow can be used as an indication of a company's financial strength.

The basic financial statements are presented on pages 3-5 of this report.

Notes to the basic financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the financial statements. The notes to the financial statements begin on page 6 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning LIMRiCC's budget presentation. The Enterprise Fund's budgetary comparison statement is included as "required supplementary information". Required supplementary information is information that the accounting rules strongly suggest be presented within LIMRiCC's financial report. The independent auditor does not formally audit this information, but reviews it in great detail to insure its accuracy. This statement demonstrates compliance with LIMRiCC's adopted and final revised budget. The required supplementary information can be found on page 19-26 of this report.

FINANCIAL ANALYSIS OF LIMRiCC AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of LIMRiCC, assets exceeded liabilities by \$3,638,609 at June 30, 2015.

Library Insurance Management and Risk Control Combination (LIMRiCC)
Management Discussion and Analysis
June 30, 2015

All of LIMRiCC's net assets are current assets.

Library Management and Risk Control Combination
Statement of Net Position

	FY2015	FY2014
Current and Other Assets	\$ 3,678,695	\$ 5,165,518
Capital Assets	-	-
Total Assets	3,678,695	5,165,518
Deferred Outflows of Resources	5,671	-
Total Assets and Deferred Outflows of Resources	\$ 3,684,366	\$ 5,165,518
Current Liabilities	\$ 45,757	\$ 2,985
Noncurrent Liabilities	-	-
Total Liabilities	45,757	2,985
Deferred Inflows of Resources	-	-
Total Liabilities and Deferred Inflows of Resources	45,757	2,985
Net Position		
Unrestricted	3,638,609	5,162,533
Total Net Position	3,638,609	5,162,533
Total Liabilities, Deferred Inflows of Resources, Net Position	\$ 3,684,366	\$ 5,165,518

Library Insurance Management and Risk Control Combination (LIMRiCC)
Management Discussion and Analysis
June 30, 2015

Business-Type Activities

LIMRiCC's net position decreased by \$1,523,924. The key elements of this decrease are as follows:

Library Insurance Management and Risk Control Combination
Statement of Revenues, Expenses, and Changes in Net Position

	FY2015	FY2014
Revenues		
Membership Dues	\$ 326,132	\$ 388,456
Members Insurance Premiums	6,794,192	6,293,685
Interest	7,206	13,157
Miscellaneous Income	242,740	233,505
Total Revenues	7,370,270	6,928,803
Expenses		
General Business	7,060,911	6,592,835
Total Expenses	7,060,911	6,592,835
Other Financing Source (Use)		
Net pension change	(33,283)	-
Balance Distribution	(1,800,000)	-
Increase in Net Position	(1,523,924)	335,968
Net Position - Beginning	5,162,533	4,826,565
Net Position - Ending	\$ 3,638,609	\$ 5,162,533

LIMRiCC reported a positive balance in net position for its Business-Type activities. LIMRiCC uses these assets to provide services to its members.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of LIMRiCC's finances. Questions concerning any of the information provided should be addressed to the Board of Trustees, LIMRiCC P.O. Box 1016, Orland Park, IL 60462.

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

Library Insurance Management and Risk Control Combination (LIMRiCC)
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FINANCIAL HIGHLIGHTS

- The LIMRiCC assets exceeded its liabilities by \$3,638,520. This amount is unrestricted and may be used to meet LIMRiCC's ongoing obligations.
- LIMRiCC's total net position decreased by \$1,524,013.
- LIMRiCC continues to maintain a strong financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

INDEPENDENT AUDITOR'S REPORT

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Capital Assets	-	-
Total Assets	3,678,695	5,165,518
Deferred Outflows of Resources	5,671	-
Total Assets and Deferred Outflows of Resources	\$ 3,684,366	\$ 5,165,518
Current Liabilities	\$ 45,846	\$ 2,985
Noncurrent Liabilities	-	-
Total Liabilities	45,846	2,985
Deferred Inflows of Resources	-	-
Total Liabilities and Deferred Inflows of Resources	45,846	2,985
Net Position		
Unrestricted	3,638,520	5,162,533
Total Net Position	3,638,520	5,162,533
Total Liabilities, Deferred Inflows of Resources, Net Position	\$ 3,684,366	\$ 5,165,518

Library Insurance Management and Risk Control Combination (LIMRiCC)
Management Discussion and Analysis
June 30, 2015

Business-Type Activities

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Library Insurance Management and Risk Control Combination
Statement of Revenues, Expenses, and Changes in Net Position

	FY2015	FY2014
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Total Revenues	7,370,270	6,928,803
Expenses		
General Business	7,061,000	6,592,835
Total Expenses	7,061,000	6,592,835
Other Financing Source (Use)		
Net pension change	(33,283)	-
Balance Distribution	(1,800,000)	-
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**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

STATEMENT OF NET POSITION

June 30, 2015

	Business-Type Activities
ASSETS	
Cash and Cash Equivalents	\$ 2,957,291
Investments	600,000
Accounts Receivable	98,339
Prepaid Expenses	23,065
TOTAL ASSETS	3,678,695
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflow, IMRF	5,671
TOTAL DEFERRED OUTFLOWS OF RESOURCES	5,671
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 3,684,366
LIABILITIES	
Accounts Payable	\$ 2,947
Payroll Liabilities	2,295
Accrued Payroll	89
Accrued Vacation	1,561
Net Pension Liability	38,954
TOTAL LIABILITIES	45,846
DEFERRED INFLOWS OF RESOURCES	
Unavailable membership dues	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	45,846
NET POSITION	
Unrestricted	3,638,520
TOTAL NET POSITION	3,638,520
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 3,684,366

See accompanying notes to financial statements.

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION**

For the Year Ended June 30, 2015

	Business -Type Activities
OPERATING REVENUES	
Membership dues	\$ 326,132
Members' insurance premiums	6,794,192
Miscellaneous income	242,740
Total Operating Revenues	7,363,064
OPERATING EXPENSES	
Insurance premiums	6,587,845
Claims	199,877
Salaries	108,315
Professional services	36,276
Contractual agreements with system's member libraries and other cooperatives	124,171
Dividends	-
Miscellaneous	4,516
Total Operating Expenses	7,061,000
OPERATING INCOME (LOSS)	302,064
NONOPERATING REVENUES	
Investment income	7,206
OTHER FINANCING SOURCES (USES)	
Net pension change	(33,283)
Balance distributions	(1,800,000)
CHANGE IN NET POSITION	(1,524,013)
NET POSITION, JULY 1	5,162,533
NET POSITION, JUNE 30	\$ 3,638,520

See accompanying notes to financial statements.

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2015

	Business-Type Activities
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from members and users	\$ 7,358,745
Payments to employees	(108,315)
Payments to suppliers	(6,743,572)
Payments made to members	-
Claims paid	(199,877)
	306,981
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
None	-
CASH FLOWS FROM CAPITAL AND RELATED FIANCING ACTIVITIES	
Balance distributions	(855,321)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	7,206
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(541,134)
CASH AND CASH EQUIVALENTS, JULY 1	3,498,425
CASH AND CASH EQUIVALENTS, JUNE 30	\$ 2,957,291
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ 302,064
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Changes in assets and liabilities	
Accounts receivable	(4,319)
Prepaid expenses	5,329
Accounts payable	3,907
Deferred revenue	-
NET CASH FROM OPERATING ACTIVITIES	\$ 306,981

See accompanying notes to financial statements.

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Library Insurance Management and Risk Control Combination (LIMRiCC) 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.

The accounting policies of LIMRiCC conform to GAAP as applicable to governmental units. The more significant of LIMRiCC's accounting policies are described below.

a. Reporting Entity

LIMRiCC, formerly a component unit of Metropolitan Library System (MLS), formerly the Library Insurance Management and Risk Control Cooperative, is an intergovernmental entity and was established by contracting library systems, municipal libraries, and library districts on April 17, 1989. The purpose of LIMRiCC is to provide conventional insurance coverage and/or self-insurance for claims against or by its participants. LIMRiCC is governed by a Board of Directors (the Board). The Board of Directors of Metropolitan Library System acted as the Board of LIMRiCC through March 31, 2010. Effective April 1, 2010, a new separately elected board was put in place. Since that point LIMRiCC is no longer a component unit of MLS.

On April 17, 1989, the Board approved the first insurance program offered by LIMRiCC, titled System Libraries Insurance Cooperative (SLIC). SLIC provides for the group purchase of property, casualty, and liability insurance. Participation in SLIC is voluntary and is established by the execution of an intergovernmental agreement between the participants and LIMRiCC. Membership begins after the Board approves the participant's application and the participant accepts insurance coverage and continues until the participant elects to discontinue membership. Participants pay membership dues of \$100 each year. Participants pay premiums directly to the insurance agent and not to SLIC. As of June 30, 2010, this program is no longer available.

Effective May 31, 1993, LIMRiCC began to administer two additional programs - an unemployment compensation program and a joint self-insurance program. The assets, liabilities, and net position of these programs are accounted for separately by LIMRiCC.

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

The Unemployment Compensation Group Account (UCGA) was established as part of the Suburban Library System on October 16, 1978 on behalf of participating libraries and systems to administer a joint unemployment compensation pool. Participation by the libraries or systems is voluntary and is established by the execution of a contract between the library or system and UCGA. Under the agreement, the participating libraries and systems contribute an average of the rate of the entire pool's experience in each of the first three years. Thereafter, the participating libraries and systems contribute to UCGA based upon the percentage of actual claims paid as compared to taxable payroll, with the Contribution being not less than .2% or greater than 5% of taxable payroll. At June 30, 2015, there were 104 participating libraries and systems.

UCGA recognizes as an expense claims paid by the State of Illinois through June 30, 2015.

The Joint Self-Insurance Pool (JSIP) was organized under the laws of the State of Illinois on April 20, 1987. JSIP was established as an intergovernmental agency. The purpose of JSIP is to seek the reduction of losses by reason of liability claims and to reduce the cost of insuring against such claims for any public libraries and library systems in the State of Illinois whose applications have been accepted by JSIP. JSIP was governed by a Board of Directors prior to its transfer to LIMRiCC.

Participation in JSIP is voluntary and is established by the execution of an intergovernmental agreement (the Agreement) between the public library or library system and JSIP. Participants join JSIP for one-year terms. Their membership starts the first day of the month after the Board approves their application. Under the Agreement, liability for claims is limited to \$1,000,000 per occurrence.

As of June 30, 2013, this program is no longer available. The remaining fund balance will be distributed back to members as remaining cases close.

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

The Purchase of Health Insurance Program (PHIP) provides for the purchase of health insurance coverage for employees, spouses, and dependents of members of PHIP including, but not limited to, the following insurance coverages:

- Comprehensive Health Insurance
- Life Insurance Benefits
- Accidental Death and Dismemberment Benefit
- Dental Insurance
- Vision Insurance
- Prescription Drug Coverage

The Business Services Fund (BS) is the administration fund for LIMRiCC. This fund pays salaries and miscellaneous administrative items.

As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary unit; or
- 2) Fiscal dependency on the primary government.

b. Fund Accounting

LIMRiCC uses a fund to report on its financial position and the changes in its financial position and cash flows. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Proprietary funds are used to account for activities similar to those found in the private sector where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of revenues, expenses, and changes in net position) report information on all of the non-fiduciary activities of LIMRiCC. The effect of material interfund activity has been eliminated from these statements.

Major individual enterprise fund is reported as separate columns in the fund financial statements.

LIMRiCC reports the following programs of the enterprise fund:

BS is the administration fund for LIMRiCC. This fund pays salaries and miscellaneous administrative items.

JSIP accounts for the activities of participating libraries seeking to reduce losses attributed to liability claims and to reduce the cost of insuring against such claims.

UCGA accounts for the activities of participating libraries seeking to reduce unemployment compensation costs by paying to the pool instead of paying directly to the state at a higher rate.

PHIP accounts for the activities of participating libraries seeking to reduce the premium costs for life, health, dental, and vision insurance.

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

LIMRiCC reports unearned/unavailable revenue on its statement of net assets. Unearned/unavailable revenues arise when resources are received by LIMRiCC before it has a legal claim to them. In subsequent periods, when LIMRiCC has a legal claim to the resources, the liability for unearned/unavailable revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, LIMRiCC's proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments are stated at fair value.

f. Net Position

On the statement of net position, restricted net positions are legally restricted by outside parties for a specific purpose. None of the restricted net positions resulted from enabling legislation adopted by LIMRiCC.

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. LIMRiCC has no items that qualify for reporting in this category.

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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. LIMRiCC has only one type of item, which arises under a modified accrual basis of accounting that qualifies for reporting in this category. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

h. GASB Pronouncements

LIMRiCC has elected, under the provisions of GASB Statement No. 20, titled *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to apply all applicable GASB pronouncements and all FASB Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements.

2. DEPOSITS AND INVESTMENTS

Investments are separately held by several of LIMRiCC's funds.

Permitted Deposits and Investments – Statutes and LIMRiCC's investment policy authorize LIMRiCC 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 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.

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

2. DEPOSITS AND INVESTMENTS (Continued)

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, which is the price for which the investment could be sold.

a. Deposits

To guard against credit risk for deposits with financial institutions, LIMRiCC's 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 LIMRiCC.

b. Investments

At June 30, 2015, LIMRiCC had invested \$600,000, which is the fair value, in a CD at Wintrust Financial. These investments have an underlying maturity of 12 months.

GASB 40 – Operating Funds

In accordance with its investment policy, LIMRiCC 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.

3. CLAIMS PAYABLE – JOINT SELF-INSURANCE POOL

The liability for all self-insured general liability claims, including all known claims plus claims incurred but not reported, has been estimated to be zero at both June 30, 2015 and 2014. Additionally, there were \$17,000 of self-insured claims paid for the year ended June 30, 2015. There have been no changes made in the coverage or payments in excess of coverage for the last three years.

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

3. CLAIMS PAYABLE – JOINT SELF-INSURANCE POOL (Continued)

	2015	2014
CLAIMS PAYABLE - BEGINNING OF YEAR	\$ -	\$ -
Current year provisions for insured events	17,000	29,000
Payments of Claims		
Events of the Current Year	(17,000)	(29,000)
Events of the Prior Year	-	-
CLAIMS PAYABLE - END OF YEAR	\$ -	\$ -

4. DEFINED BENEFIT PENSION PLAN

LIMRiCC's 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.

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.

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

4. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2014, IMRF membership consisted of:

Retirees and beneficiaries	-
Inactive, non-retired members	-
Active plan members	1
 TOTAL	1

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 10 year of IMRF services divided by 48.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 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 10 years of IMRF service, divided by 96.

Contributions

LIMRiCC employees participating in IMRF are required to contribute 4.5% of their annual eligible covered salary. The member rate is established by state statute. LIMRiCC is required to contribute at an actuarially determined rate. The employer rate for calendar year 2014 was 12.67% of payroll. LIMRiCC's contribution requirements are established and may be amended by the IMRF Board of Trustees.

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

4. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

LIMRiCC's net pension liability was measured as of December 31, 2014 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, 2014
Actuarial cost method	Aggregate Entry Age Normal
Assumptions	
Inflation	3.00%
Salary increases	4.40% to 16.00%
Investment rate of return	7.50%
Cost of living adjustments	4.00%
Asset valuation method	5-year smoothed market

Net Pension

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP014 (base year 2014). 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 2014). 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 2014). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

4. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

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 LIMRiCC's 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.

Changes in Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Balances at January 1, 2014	54,445	20,999	33,446
Changes for the period			
Service cost	9,743	-	9,743
Interest	4,449	-	4,449
Difference between expected and actual experience	18	-	18
Changes in assumptions	5,730	-	5,730
Employer contributions	-	9,682	(9,682)
Employee contributions	-	3,616	(3,616)
Net investment income	-	1,687	(1,687)
Benefit payments and refunds	-	-	-
Other	-	(553)	553
Net changes	<u>19,940</u>	<u>14,432</u>	<u>5,508</u>
Balances at June 30, 2015	<u>\$ 74,385</u>	<u>\$ 35,431</u>	<u>\$ 38,954</u>

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

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

4. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended June 30, 2015 LIMRiCC recognized pension expense of \$9,519. At June 30, 2015, LIMRiCC reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 17	\$ -
Changes in assumption	5,361	-
Net difference between projected and actual earnings on pension plan investments	293	-
Contributions after measurement date	-	-
TOTAL	\$ 5,671	\$ -

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

Year Ending December 31	Net Deferred Outflows of Resources
2015	\$ 443
2016	443
2017	443
2018	443
2019	370
Thereafter	3,529
TOTAL	\$ 5,671

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

4. DEFINED BENEFIT PENSION PLAN (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 LIMRiCC calculated using the discount rate of 7.5 as well as what LIMRiCC's 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)	\$ 55,926	\$ 38,954	\$ 24,769

REQUIRED SUPPLEMENTARY INFORMATION

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

December 31, 2014*

	2014
Actuarially determined contribution	\$ 9,683
Contributions in relation to the actuarially determined contribution	9,682
CONTRIBUTION DEFICIENCY (Excess)	\$ 1
Covered-employee payroll	\$ 80,356
Contributions as a percentage of covered-employee payroll	12.05%

Notes to Required Supplementary Information

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 percentage of pay, closed and the amortization period was 29 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 4.40% to 16.00% compounded annually and postretirement benefit increases of 3.00% compounded annually.

*IMRF's measurement date is December 31, 2014; therefore information above is presented for the calendar year ended December 31, 2014.

(See independent auditor's report.)

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

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

December 31, 2014*

	2014
TOTAL PENSION LIABILITY	
Service cost	\$ 9,743
Interest	4,449
Changes of benefit terms	-
Differences between expected and actual experience	18
Changes of assumptions	5,730
Benefit payments, including refunds of member contributions	-
	19,940
TOTAL PENSION LIABILITY - BEGINNING	54,445
TOTAL PENSION LIABILITY - ENDING	\$ 74,385
PLAN FIDUCIARY NET POSITION	
Contributions - employer	\$ 9,682
Contributions - member	3,616
Net investment income	1,687
Benefit payments, including refunds of member contributions	-
Other	(553)
	14,432
PLAN FIDUCIARY NET POSITION - BEGINNING	20,999
PLAN FIDUCIARY NET POSITION - ENDING	\$ 35,431
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 38,954
Plan fiduciary net position as a percentage of the total pension liability (asset)	47.63%
Covered-employee payroll	\$ 80,356
Employer's net pension liability as a percentage of covered-employee payroll	48.48%

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

*IMRF's measurement date is December 31, 2014; therefore information above is presented for the calendar year ended December 31, 2014.

(See independent auditor's report.)

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**
REQUIRED SUPPLEMENTARY INFORMATION
CLAIMS DEVELOPMENT INFORMATION
JOINT SELF-INSURANCE POOL

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues	\$ 6,182	\$ 17,742	\$ 72,106	\$ 62,617	\$ 103,575	\$ 157,500	\$ 160,333	\$ 159,125	\$ 160,000	\$ 155,083
Unallocated expenses	23,670	43,083	282,844	148,829	71,910	113,329	71,017	300,654	104,379	36,346
Net incurred expenses	17,000	29,000	65,000	7,500	74,800	30,350	-	-	-	-
Paid claims										
End of policy year	17,000	29,000	65,000	7,500	74,800	30,350	-	-	-	-
One year later	-	-	-	-	-	-	-	-	-	-
Two years later	-	-	-	-	-	-	-	-	-	-
Three years later	-	-	-	-	-	-	-	-	-	-
Four years later	-	-	-	-	-	-	-	-	-	-
Five years later	-	-	-	-	-	-	-	-	-	-
Six years later	-	-	-	-	-	-	-	-	-	-
Seven years later	-	-	-	-	-	-	-	-	-	-
Eight years later	-	-	-	-	-	-	-	-	-	-
Nine years later	-	-	-	-	-	-	-	-	-	-
Reestimated incurred claims and expense										
End of policy year	17,000	29,000	65,000	7,500	74,800	30,350	-	-	-	-
One year later	-	-	-	-	-	-	-	-	-	-
Two years later	-	-	-	-	-	-	-	-	-	-
Three years later	-	-	-	-	-	-	-	-	-	-
Four years later	-	-	-	-	-	-	-	-	-	-
Five years later	-	-	-	-	-	-	-	-	-	-
Six years later	-	-	-	-	-	-	-	-	-	-
Seven years later	-	-	-	-	-	-	-	-	-	-
Eight years later	-	-	-	-	-	-	-	-	-	-
Nine years later	-	-	-	-	-	-	-	-	-	-

(See independent auditor's report.)

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2015

LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets

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

1. The Executive Director prepares and submits to the Board a proposed operating budget for the fiscal year. The operating budget includes proposed expenses and the means of financing them. Annual budgets are adopted on a basis consistent with GAAP.
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 presented by the Board. The original budget was approved on June 17, 2014.

SUPPLEMENTARY INFORMATION

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**

**COMBINING STATEMENT OF NET POSITION
ENTERRISE FUND - BY PROGRAM**

June 30, 2015

	Business Services	Joint Self- Insurance Pool	Unemployment Compensation Group Account	Purchase of Health Insurance Program	Totals
CURRENT ASSETS					
Cash and cash equivalents	\$ 69,984	\$ 1,086,309	\$ 1,064,426	\$ 736,572	\$ 2,957,291
Investments	100,000	-	-	500,000	600,000
Accounts receivable	-	-	-	98,339	98,339
Prepaid expenses	1,197	-	-	21,868	23,065
Total Assets	171,181	1,086,309	1,064,426	1,356,779	3,678,695
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflow, IMRF	5,671	-	-	-	5,671
Total deferred outflows of resources	5,671	-	-	-	5,671
Total assets and deferred outflows of resources	\$ 176,852	\$ 1,086,309	\$ 1,064,426	\$ 1,356,779	\$ 3,684,366
CURRENT LIABILITIES					
Accounts payable	\$ 2,947	\$ -	\$ -	\$ -	\$ 2,947
Payroll liabilities	2,295	-	-	-	2,295
Accrued payroll	89	-	-	-	89
Accrued vacation	1,561	-	-	-	1,561
Net pension liability	38,954	-	-	-	38,954
Total current liabilities	45,846	-	-	-	45,846
DEFERRED INFLOWS OF RESOURCES					
Unavailable membership dues	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Total liabilities and deferred inflows of resources	45,846	-	-	-	45,846
NET POSITION					
Unrestricted	131,006	1,086,309	1,064,426	1,356,779	3,638,520
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 176,852	\$ 1,086,309	\$ 1,064,426	\$ 1,356,779	\$ 3,684,366

(See independent auditor's report.)

LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION

COMBINING SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION - BUDGET AND ACTUAL
ENTERPRISE FUND - BY PROGRAM

For the Year Ended June 30, 2015

	Business Services			Joint Self-Insurance Pool		
	Budget	Actual	Variance Over (Under)	Budget	Actual	Variance Over (Under)
REVENUES						
Membership dues	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
Members' insurance premiums	-	-	-	-	-	-
Miscellaneous income	179,686	183,753	4,067	-	-	-
Total Revenues	179,686	183,753	4,067	-	1,000	1,000
EXPENSES						
Insurance premiums	13,083	12,455	628	-	-	-
Claims	-	-	-	50,000	17,000	33,000
Salaries	113,347	108,315	5,032	-	-	-
Professional services						
Legal	5,000	5,334	(334)	50,000	8,170	41,830
Audit/accounting services	5,000	5,066	(66)	-	-	-
Consulting	5,000	-	5,000	10,000	3,500	6,500
Contractual agreements with system's member libraries, member libraries, and other cooperatives	6,258	5,672	586	12,000	12,000	-
Dividends	-	-	-	-	-	-
Miscellaneous						
Office supplies	2,000	896	1,104	-	-	-
Travel and registration	4,500	2,949	1,551	-	-	-
Rent	8,436	7,452	984	-	-	-
Miscellaneous	750	509	241	-	-	-
Total Expenses	163,374	148,648	14,726	122,000	40,670	81,330
OPERATING INCOME (LOSS)	16,312	35,105	(10,659)	(122,000)	(39,670)	
NONOPERATING REVENUES						
Investment income	-	-	-	9,000	5,182	(3,818)
OTHER FINANCING SOURCES (USES)						
Total pension expense	-	(9,519)	9,519	-	-	-
Net change in pension liability	-	(23,764)	23,764	-	-	-
Balance distributions	-	-	-	-	(1,800,000)	-
CHANGES IN NET POSITION	\$ 16,312	1,822	\$ (10,659)	\$ (113,000)	(1,834,488)	\$ (3,818)
NET POSITION, JULY 1		129,184			2,920,797	
NET POSITION, JUNE 30		\$ 131,006			\$ 1,086,309	

(See independent auditor's report.)

LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION

COMBINING SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION - BUDGET AND ACTUAL
ENTERPRISE FUND - BY PROGRAM

For the Year Ended June 30, 2015

Unemployment Compensation Group Account			Purchase of Health Insurance Program			Total		
Budget	Actual	Variance Over (Under)	Budget	Actual	Variance Over (Under)	Budget	Actual	Variance Over (Under)
\$ 330,000	\$ 325,132	\$ (4,868)	\$ -	\$ -	\$ -	\$ 330,000	\$ 326,132	\$ (3,868)
-	-	-	6,770,109	6,794,192	24,083	6,770,109	6,794,192	24,083
-	-	-	54,186	58,987	4,801	233,872	242,740	8,868
<u>330,000</u>	<u>325,132</u>	<u>(4,868)</u>	<u>6,824,295</u>	<u>6,853,179</u>	<u>28,884</u>	<u>7,333,981</u>	<u>7,363,064</u>	<u>29,083</u>
-	-	-	6,621,213	6,575,390	45,823	6,634,296	6,587,845	46,451
250,000	182,877	67,123	-	-	-	300,000	199,877	100,123
-	-	-	-	-	-	113,347	108,315	5,032
500	-	500	500	-	500	56,000	13,504	42,496
-	-	-	-	-	-	5,000	5,066	(66)
8,500	6,754	1,746	-	-	-	23,500	10,254	13,246
49,500	47,902	1,598	54,186	58,597	(4,411)	121,944	124,171	(2,227)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,000	896	1,104
-	-	-	-	-	-	4,500	2,949	1,551
-	-	-	-	-	-	8,436	7,452	984
-	-	-	300	162	138	1,050	671	379
<u>308,500</u>	<u>237,533</u>	<u>70,967</u>	<u>6,676,199</u>	<u>6,634,149</u>	<u>42,050</u>	<u>7,270,073</u>	<u>7,061,000</u>	<u>209,073</u>
21,500	87,599		148,096	219,030		63,908	302,064	
400	510	110	900	1,514	614	10,300	7,206	(3,094)
-	-	-	-	-	-	-	(9,519)	9,519
-	-	-	-	-	-	-	(23,764)	23,764
-	-	-	-	-	-	-	(1,800,000)	-
<u>\$ 21,900</u>	<u>88,109</u>	<u>\$ 66,209</u>	<u>148,996</u>	<u>220,544</u>	<u>71,548</u>	<u>74,208</u>	<u>(1,524,013)</u>	<u>(3,094)</u>
	<u>976,317</u>			<u>1,136,235</u>			<u>5,162,533</u>	
	<u>\$ 1,064,426</u>			<u>\$ 1,356,779</u>			<u>\$ 3,638,520</u>	

(See independent auditor's report.)

**LIBRARY INSURANCE MANAGEMENT
AND RISK CONTROL COMBINATION**
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUND - BY PROGRAM
For the Year Ended June 30, 2015

	Business Services	Joint Self- Insurance Pool	Unemployment Compensation Group Account	Purchase of Health Insurance Program	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from members and users	\$ 183,753	\$ 1,000	\$ 325,132	\$ 6,848,860	\$ 7,358,745
Payments to employees	(108,315)	-	-	-	(108,315)
Payments to suppliers	(29,655)	(25,112)	(54,656)	(6,634,149)	(6,743,572)
Payments made to members	-	-	-	-	-
Claims paid	-	(17,000)	(182,877)	-	(199,877)
Net cash from operating activities	45,783	(41,112)	87,599	214,711	306,981
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
None	-	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Balance distributions	(100,000)	(255,321)	-	(500,000)	(855,321)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of CD (reinvested interest)	-	-	-	-	-
Investment income	-	5,182	510	1,514	7,206
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(54,217)	(291,251)	88,109	(283,775)	(541,134)
CASH AND CASH EQUIVALENTS, JULY 1	124,201	1,377,560	976,317	1,020,347	3,498,425
CASH AND CASH EQUIVALENTS, JUNE 30	<u>\$ 69,984</u>	<u>\$ 1,086,309</u>	<u>\$ 1,064,426</u>	<u>\$ 736,572</u>	<u>\$ 2,957,291</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income (loss)	\$ 35,105	\$ (39,670)	\$ 87,599	\$ 219,030	\$ 302,064
Adjustments to reconcile operating income (loss) to net cash from operating activities					
Changes in assets and liabilities					
Accounts receivable	-	-	-	(4,319)	(4,319)
Prepaid expenses	5,329	-	-	-	5,329
Accounts payable	5,349	(1,442)	-	-	3,907
Unearned revenues	-	-	-	-	-
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 45,783</u>	<u>\$ (41,112)</u>	<u>\$ 87,599</u>	<u>\$ 214,711</u>	<u>\$ 306,981</u>

See accompanying notes to financial statements.