

***BRANCH DISTRICT LIBRARY***  
***FINANCIAL STATEMENTS***  
***SEPTEMBER 30, 2014 AND 2013***

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# Taylor, Plant & Watkins, P.C.

Certified Public Accountants  
and Business Advisors

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## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Members of the Branch  
District Library Board  
Branch County, Michigan

October 8, 2014

*We have compiled the accompanying balance sheets of Branch District Library as of September 30, 2014 and 2013, and the related statements of revenues, expenditures and changes in fund balance, and other supplemental information for the nine months then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.*

*Management is responsible for the preparation and fair presentation of the financial statements and additional information in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.*

*Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements or additional information.*

*Management has elected to omit substantially all of the disclosures and the statements of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statements of cash flows were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.*

*The accompanying annual budget of Branch District Library for the year ending December 31, 2014, has not been compiled or examined by us and, accordingly, we do not express an opinion or any other form of assurance on it.*

*Management has elected to omit the summaries of significant assumptions and accounting policies required under established guidelines for presentation of prospective financial statements. If the omitted summaries were included in the budgeted information, they might influence the user's conclusions about the entity's budgeted information. Accordingly, this budgeted information is not designed for those who are not informed about such matters.*

*Taylor, Plant & Watkins, P.C.*  
TAYLOR, PLANT & WATKINS, P.C.

**BRANCH DISTRICT LIBRARY**

**GENERAL FUND  
BALANCE SHEETS**

**ASSETS**

	<b>September 30,</b>	
	<b>2014</b>	<b>2013</b>
Cash	\$ 462,243.96	\$ 204,793.24
Investments	400,060.87	499,774.94
Due from County	20,904.82	26,818.15
Due from the City of Coldwater	47.08	327.20
Prepaid expenses	<u>3,766.15</u>	<u>4,046.26</u>
Total assets	<u>\$ 887,022.88</u>	<u>\$ 735,759.79</u>

**LIABILITIES AND FUND EQUITY**

**LIABILITIES**

Accounts payable	\$ 10,014.26	\$ 9,650.72
Due to the City of Coldwater	272.50	493.46
Payroll taxes payable	7,083.88	6,760.85
Accrued wages	<u>24,758.04</u>	<u>26,742.36</u>
Total liabilities	42,128.68	43,647.39

**FUND BALANCE**

	<u>844,894.20</u>	<u>692,112.40</u>
Total liabilities and fund equity	<u>\$ 887,022.88</u>	<u>\$ 735,759.79</u>

See accountant's compilation report

**BRANCH DISTRICT LIBRARY  
SPECIAL REVENUE TRUST FUND  
BALANCE SHEETS**

**ASSETS**

	<b>September 30,</b>	
	<b><u>2014</u></b>	<b><u>2013</u></b>
Cash	\$ 114,867.31	\$ 102,496.01
Restricted assets:		
Cash	<u>69,364.22</u>	<u>66,144.58</u>
Total assets	<u>\$ 184,231.53</u>	<u>\$ 168,640.59</u>

**LIABILITIES AND FUND EQUITY**

**LIABILITIES**

Accounts payable	\$ 0.00	\$ 0.00
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**FUND BALANCE**

Restricted:		
Bronson operations	10,777.35	8,641.19
Fisher memorial	27,827.50	27,481.85
Dallen memorial	844.92	839.49
Morton memorial	28,842.96	28,787.98
Barnett memorial	<u>1,071.49</u>	<u>394.07</u>
Total Restricted	69,364.22	66,144.58
Committed	<u>114,867.31</u>	<u>102,496.01</u>
Total fund balance	<u>184,231.53</u>	<u>168,640.59</u>
Total liabilities and fund equity	<u>\$ 184,231.53</u>	<u>\$ 168,640.59</u>

See accountant's compilation report

**BRANCH DISTRICT LIBRARY**

**CAPITAL PROJECTS FUND  
BALANCE SHEETS**

**ASSETS**

	<b>September 30,</b>	
	<b>2014</b>	<b>2013</b>
<i>Cash</i>	\$ 88,970.87	\$ 61,891.63
<i>Investments</i>	<u>101,005.64</u>	<u>100,578.98</u>
<i>Total assets</i>	<u>\$ 189,976.51</u>	<u>\$ 162,470.61</u>

**LIABILITIES AND FUND EQUITY**

**LIABILITIES**

<i>Accounts payable</i>	\$ 199.49	\$ 1,776.41
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**FUND BALANCE**

	<u>189,777.02</u>	<u>160,694.20</u>
<i>Total liabilities and fund equity</i>	<u>\$ 189,976.51</u>	<u>\$ 162,470.61</u>

See accountant's compilation report

**BRANCH DISTRICT LIBRARY**

**PERMANENT TRUST FUND  
BALANCE SHEETS**

**ASSETS**

	<b>September 30,</b>	
	<b>2014</b>	<b>2013</b>
<i>Restricted assets:</i>		
Cash	\$ 52,000.00	\$ 52,000.00
Investments	<u>90,133.62</u>	<u>90,133.62</u>
 Total assets	 <u>\$ 142,133.62</u>	 <u>\$ 142,133.62</u>

**LIABILITIES AND FUND EQUITY**

**LIABILITIES**

Accounts payable	\$ 0.00	\$ 0.00
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**FUND BALANCE**

<i>Restricted:</i>		
Semmelroth memorial	50,000.00	50,000.00
Dallen memorial	2,000.00	2,000.00
Barnett memorial	<u>90,133.62</u>	<u>90,133.62</u>
 Total fund balance	 <u>142,133.62</u>	 <u>142,133.62</u>
 Total liabilities and fund equity	 <u>\$ 142,133.62</u>	 <u>\$ 142,133.62</u>



**BRANCH DISTRICT LIBRARY**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE COMPARED TO BUDGET**

	<u>Month Ended September 30, 2014</u>	<u>Nine Months Ended September 30, 2014</u>	<u>Budget Year to Date 2014</u>	
			<u>Amount</u>	<u>Variance</u>
<b>REVENUES</b>				
Taxes	\$ 273.17	\$ 673,916.00	\$ 664,420.08	\$ 9,495.92
State shared revenue	0.00	27,645.16	25,200.00	2,445.16
Interest earned	222.55	1,116.18	1,200.00	(83.82)
Penal fines	20,904.82	246,056.35	161,000.00	85,056.35
Charges for services	878.98	23,178.36	21,000.00	2,178.36
Reimbursements	2,077.26	21,627.33	26,083.00	(4,455.67)
Miscellaneous	<u>1,862.46</u>	<u>10,923.47</u>	<u>14,000.00</u>	<u>(3,076.53)</u>
Total revenues	26,219.24	1,004,462.85	912,903.08	91,559.77
<b>EXPENDITURES</b>				
Library	<u>72,036.73</u>	<u>753,970.68</u>	<u>993,127.88</u>	<u>(239,157.20)</u>
Total expenditures	<u>72,036.73</u>	<u>753,970.68</u>	<u>993,127.88</u>	<u>(239,157.20)</u>
Excess (deficiency) of revenues over expenditures	(45,817.49)	250,492.17	(80,224.80)	330,716.97
<b>OTHER SOURCES (USES)</b>				
Transfers from (to) other funds	<u>0.00</u>	<u>24,590.08</u>	<u>27,690.08</u>	<u>(3,100.00)</u>
Excess (deficiency) of revenues and other sources over expenditures	<u>\$ (45,817.49)</u>	275,082.25	(52,534.72)	327,616.97
<b>FUND BALANCE - BEGINNING</b>		<u>569,811.95</u>	<u>494,835.00</u>	<u>74,976.95</u>
<b>FUND BALANCE - ENDING</b>		<u>\$ 844,894.20</u>	<u>\$ 442,300.28</u>	<u>\$ 402,593.92</u>

See accountant's compilation report

**BRANCH DISTRICT LIBRARY**  
**SPECIAL REVENUE TRUST FUND**  
**STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

	<b>Month Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>REVENUES</b>				
<i>Interest earned</i>	\$ 96.14	\$ 93.61	\$ 857.71	\$ 824.44
<i>Donations</i>	3,745.92	1,000.00	20,521.89	49,223.20
<i>Total revenues</i>	3,842.06	1,093.61	21,379.60	50,047.64
<b>EXPENDITURES</b>				
<i>Books</i>	0.00	0.00	10,667.25	7,846.68
<i>Bronson endowment</i>	0.00	0.00	1,170.99	24,530.29
<i>Friends of the Library</i>	2,400.00	0.00	4,800.00	2,400.00
<i>Total expenditures</i>	2,400.00	0.00	16,638.24	34,776.97
<i>Excess (deficiency) of revenues over expenditures</i>	1,442.06	1,093.61	4,741.36	15,270.67
<b>OTHER SOURCES (USES)</b>				
<i>Transfer from (to) other funds</i>	0.00	0.00	0.00	3,009.86
<i>Excess (deficiency) of revenues over expenditures and other uses</i>	\$ 1,442.06	\$ 1,093.61	4,741.36	18,280.53
<b>FUND BALANCE - BEGINNING</b>			179,490.17	150,360.06
<b>FUND BALANCE - ENDING</b>			\$ 184,231.53	\$ 168,640.59

See accountant's compilation report

**BRANCH DISTRICT LIBRARY**  
**CAPITAL PROJECTS FUND**  
**STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

	<b>Month Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>REVENUES</b>				
Taxes	\$ 11.37	\$ 3.55	\$ 110,739.44	\$ 108,496.01
Sale of fixed assets	81.20	0.00	281.20	284.00
Interest earned	14.65	10.21	159.00	123.23
 Total revenues	 107.22	 13.76	 111,179.64	 108,903.24
<b>EXPENDITURES</b>				
Automation	0.00	0.00	6,000.00	19,353.94
Capital outlay	199.49	2,256.41	4,917.21	22,523.12
 Total expenditures	 199.49	 2,256.41	 10,917.21	 41,877.06
 Excess (deficiency) of revenues over expenditures	 (92.27)	 (2,242.65)	 100,262.43	 67,026.18
<b>OTHER SOURCES (USES)</b>				
Transfer from (to) other funds	0.00	0.00	(24,590.08)	(19,021.86)
Debt service	0.00	0.00	(30,305.07)	(30,305.07)
 Total other sources (uses)	 0.00	 0.00	 (54,895.15)	 (49,326.93)
 Excess (deficiency) of revenues over expenditures and other uses	 <u>\$ (92.27)</u>	 <u>\$ (2,242.65)</u>	 45,367.28	 17,699.25
 <b>FUND BALANCE - BEGINNING</b>			 144,409.74	 142,994.95
 <b>FUND BALANCE - ENDING</b>			 \$ 189,777.02	 \$ 160,694.20

See accountant's compilation report

**BRANCH DISTRICT LIBRARY**  
**PERMANENT TRUST FUND**  
**STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

	<b>Month Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>REVENUES</b>				
Total revenues	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
<b>EXPENDITURES</b>				
Total expenditures	0.00	0.00	0.00	0.00
Excess (deficiency) of revenues over expenditures	\$ 0.00	\$ 0.00	0.00	0.00
<b>FUND BALANCE - BEGINNING</b>			142,133.62	142,133.62
<b>FUND BALANCE - ENDING</b>			\$ 142,133.62	\$ 142,133.62

See accountant's compilation report

**BRANCH DISTRICT LIBRARY**  
**OTHER SUPPLEMENTAL INFORMATION**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET**

	<b>Month Ended</b>		<b>Nine Months</b>		<b>Budget Year to Date</b>	
	<b>September 30, 201</b>		<b>Ended</b>		<b>2014</b>	
			<b>September 30, 2014</b>		<b>Amount</b>	<b>Variance</b>
Salaries	\$	45,899.42	\$	453,509.95	\$ 590,211.00	\$ (136,701.05)
Payroll taxes		3,535.35		34,731.29	47,216.88	(12,485.59)
Unemployment		0.00		10.30	14,100.00	(14,089.70)
Workers compensation		0.00		1,269.00	2,500.00	(1,231.00)
Longevity		450.00		1,850.00	4,300.00	(2,450.00)
Board per diem		0.00		0.00	900.00	(900.00)
Contract labor		0.00		0.00	300.00	(300.00)
Hospitalization		3,766.15		36,175.46	46,000.00	(9,824.54)
Deferred compensation		0.00		4,500.00	4,500.00	0.00
Employee relations		0.00		119.17	500.00	(380.83)
Contracted services		0.00		17,664.98	12,600.00	5,064.98
Training		389.00		3,168.42	3,000.00	168.42
Telephone		498.07		4,478.31	6,500.00	(2,021.69)
Utilities		3,071.58		29,678.27	38,000.00	(8,321.73)
Insurance		0.00		11,444.43	11,500.00	(55.57)
Maintenance		2,504.27		32,993.56	50,500.00	(17,506.44)
Equipment maintenance		986.00		4,267.42	9,000.00	(4,732.58)
Network maintenance		0.00		9,360.31	8,000.00	1,360.31
Office supplies		3,049.18		23,678.35	23,000.00	678.35
Interloan document delivery		165.00		427.02	7,500.00	(7,072.98)
Postage		135.21		1,519.38	4,000.00	(2,480.62)
Books		3,612.33		36,911.14	42,000.00	(5,088.86)
Periodicals		502.40		1,224.45	5,200.00	(3,975.55)
Audio visual		883.58		6,439.79	8,000.00	(1,560.21)
Membership and dues		0.00		1,994.00	2,000.00	(6.00)
Transportation		864.38		5,207.30	8,000.00	(2,792.70)
Community promotions		260.01		5,609.85	6,300.00	(690.15)
Printing and publishing		0.00		0.00	1,000.00	(1,000.00)
Payroll fees		36.00		346.38	500.00	(153.62)
Professional services		1,428.80		23,434.58	33,000.00	(9,565.42)
Correction of prior year taxes		0.00		1,957.57	3,000.00	(1,042.43)
<b>Total expenditures</b>	<b>\$</b>	<b>72,036.73</b>	<b>\$</b>	<b>753,970.68</b>	<b>\$ 993,127.88</b>	<b>\$ (239,157.20)</b>

See accountant's compilation report

**BRANCH DISTRICT LIBRARY**  
**OTHER SUPPLEMENTAL INFORMATION**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES**

	<b>Month Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
Salaries	\$ 45,899.42	\$ 42,349.77	\$ 453,509.95	\$ 433,996.07
Payroll taxes	3,535.35	3,255.85	34,731.29	33,350.14
Unemployment	0.00	0.00	10.30	0.00
Workers compensation	0.00	0.00	1,269.00	990.00
Longevity	450.00	275.00	1,850.00	2,775.00
Contract labor	0.00	31.44	0.00	94.32
Hospitalization	3,766.15	3,563.00	36,175.46	36,449.82
Deferred compensation	0.00	0.00	4,500.00	2,500.00
Employee relations	0.00	0.00	119.17	123.45
Contracted services	0.00	0.00	17,664.98	11,704.02
Training	389.00	0.00	3,168.42	3,501.03
Telephone	498.07	494.30	4,478.31	4,393.91
Utilities	3,071.58	2,579.68	29,678.27	27,345.87
Insurance	0.00	0.00	11,444.43	11,442.89
Maintenance	2,504.27	2,240.06	32,993.56	34,930.93
Equipment maintenance	986.00	190.54	4,267.42	3,581.42
Network maintenance	0.00	0.00	9,360.31	4,110.86
Operating supplies	0.00	0.00	0.00	75.00
Office supplies	3,049.18	2,087.67	23,678.35	20,283.90
Interloan document delivery	165.00	75.00	427.02	4,080.36
Postage	135.21	0.00	1,519.38	1,335.12
Books	3,612.33	3,049.87	36,911.14	34,268.01
Periodicals	502.40	39.00	1,224.45	713.86
Audio visual	883.58	963.84	6,439.79	6,278.42
Membership and dues	0.00	0.00	1,994.00	420.00
Transportation	864.38	522.32	5,207.30	5,269.22
Community promotions	260.01	72.29	5,609.85	3,181.67
Printing and publishing	0.00	66.00	0.00	84.00
Payroll fees	36.00	36.45	346.38	345.45
Professional services	1,428.80	1,849.52	23,434.58	25,016.88
Correction of prior year tax	0.00	0.00	1,957.57	269.60
<b>Total expenditures</b>	<b>\$ 72,036.73</b>	<b>\$ 63,741.60</b>	<b>\$ 753,970.68</b>	<b>\$ 712,911.22</b>

See accountant's compilation report

BRANCH DISTRICT LIBRARY  
BRONSON FIDUCIARY RESERVED FUND

BRONSON INCOME 2013 (BEGINNING BALANCE) \$9,319.39

INCOME:

ALLOCATED INTEREST	(JAN)	1.42
ALLOCATED INTEREST	(FEB)	1.41
DEPOSIT	(MAR)	965.00
ALLOCATED INTEREST	(MAR)	1.60
DEPOSIT	(APR)	3,149.00
ALLOCATED INTEREST	(APR)	1.67
ALLOCATED INTEREST	(MAY)	1.88
DEPOSIT	(JUNE)	50.00
ALLOCATED INTEREST	(JUNE)	1.73
DEPOSIT	(JULY)	3,049.00
ALLOCATED INTEREST	(JULY)	2.04
ALLOCATED INTEREST	(AUG)	2.25
ALLOCATED INTEREST	(SEPT)	1.95
DEPOSIT	(SEPT)	200.00

TOTAL INCOME \$7,428.95

EXPENSES:

LYNELL EASH	(FEB)	(280.00)
TAYLOR'S	(FEB)	(147.54)
LINDA DULL	(FEB)	(22.26)
LYNELL EASH	(MAR)	(42.58)
CENTURY BANK & TRUST	(MAR)	(2,400.00)
LYNELL EASH	(MAY)	(81.00)
LYNELL EASH	(JULY)	(72.61)
KALAMAZOO NATURE CENTER	(AUG)	(525.00)
CENTURY BANK & TRUST	(SEPT)	(2,400.00)

TOTAL DISBURSEMENTS (5,970.99)  
(#655-201: #640-201: #680-200)

BALANCE ENDOWMENT RESERVED FUND  
(#302200)

\$10,777.35

BRANCH DISTRICT LIBRARY  
BARNETT FIDUCIARY RESERVED FUND

BARNETT INCOME 2014 (BEGINNING BALANCE) \$562.80

INCOME:

DEPOSIT	(JAN)	57.42
ALLOCATED INTEREST	(JAN)	0.09
DEPOSIT	(FEB)	57.41
ALLOCATED INTEREST	(FEB)	0.10
DEPOSIT	(MAR)	51.86
ALLOCATED INTEREST	(MAR)	0.12
DEPOSIT	(APR)	57.41
ALLOCATED INTEREST	(APR)	0.12
DEPOSIT	(MAY)	55.57
ALLOCATED INTEREST	(MAY)	0.15
DEPOSIT	(JUNE)	57.41
ALLOCATED INTEREST	(JUNE)	0.14
DEPOSIT	(JULY)	55.56
ALLOCATED INTEREST	(JULY)	0.16
DEPOSIT	(AUG)	57.41
ALLOCATED INTEREST	(AUG)	0.17
DEPOSIT	(SEPT)	57.42
ALLOCATED INTEREST	(SEPT)	0.17
	TOTAL INCOME	<u>\$508.69</u>

EXPENSES:

#640202	TOTAL DISBURSEMENTS	<u>0.00</u>
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BALANCE ENDOWMENT RESERVED FUND \$1,071.49

#304300



BRANCH DISTRICT LIBRARY  
MORTON

MORTON 2013 (BEGINNING BALANCE) \$28,800.09

INCOME:

ALLOCATED INTEREST	(JAN)	4.40
ALLOCATED INTEREST	(FEB)	4.42
ALLOCATED INTEREST	(MAR)	4.89
ALLOCATED INTEREST	(APR)	4.74
ALLOCATED INTEREST	(MAY)	5.14
ALLOCATED INTEREST	(JUNE)	4.74
ALLOCATED INTEREST	(JULY)	4.90
ALLOCATED INTEREST	(AUG)	4.90
ALLOCATED INTEREST	(SEPT)	4.74

TOTAL INCOME \$42.87

EXPENSES:

TOTAL DISBURSEMENTS 0.00

BALANCE ENDOWMENT RESERVED FUND \$28,842.96  
**(#304400)**