

BRANCH DISTRICT LIBRARY
FINANCIAL STATEMENTS
OCTOBER 31, 2015 AND 2014

C O N T E N T S

	<i>Page</i>
FINANCIAL STATEMENTS	
<i>Independent accountants' compilation report</i>	<i>1</i>
<i>Basic Financial Statements:</i>	
<i>Governmental Funds Balance Sheets:</i>	
<i>General Fund</i>	<i>3</i>
<i>Special Revenue Trust Fund</i>	<i>4</i>
<i>Capital Projects Fund</i>	<i>5</i>
<i>Permanent Trust Fund</i>	<i>6</i>
<i>Statement of Revenues, Expenditures and</i>	
<i>Changes in Fund Balance Compared to Budget:</i>	
<i>General Fund</i>	<i>7</i>
<i>Statements of Revenues, Expenditures and</i>	
<i>Changes in Fund Balance:</i>	
<i>Special Revenue Trust Fund</i>	<i>8</i>
<i>Capital Projects Fund</i>	<i>9</i>
<i>Permanent Trust Fund</i>	<i>10</i>
 OTHER SUPPLEMENTAL INFORMATION	
<i>General Fund:</i>	
<i>Schedule of expenditures compared to budget</i>	<i>11</i>
<i>Schedule of expenditures</i>	<i>12</i>



INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

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

November 10, 2015

We have compiled the accompanying balance sheets of Branch District Library as of October 31, 2015 and 2014, and the related statements of revenues, expenditures and changes in fund balance, and other supplemental information for the ten 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, 2015, has not been compiled or examined by us and, accordingly, we do not express an opinion or any other form of assurance on it.

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

November 10, 2015

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.

BRANCH DISTRICT LIBRARY

**GENERAL FUND
BALANCE SHEETS**

ASSETS

	October 31,	
	2015	2014
Cash	\$ 577,375.88	\$ 401,301.30
Investments	645,177.01	400,060.87
Due from County	15,000.00	22,000.00
Due from the City of Coldwater	3,044.52	44.37
Prepaid expenses	<u>3,766.15</u>	<u>3,766.15</u>
 Total assets	 <u>\$ 1,244,363.56</u>	 <u>\$ 827,172.69</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 66,229.20	\$ 4,026.71
Due to the City of Coldwater	2,850.68	271.50
Payroll taxes payable	1,957.51	1,661.88
Accrued wages	<u>31,616.10</u>	<u>24,758.04</u>
 Total liabilities	 102,653.49	 30,718.13

FUND BALANCE

	<u>1,141,710.07</u>	<u>796,454.56</u>
 Total liabilities and fund equity	 <u>\$ 1,244,363.56</u>	 <u>\$ 827,172.69</u>

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

ASSETS

	October 31,	
	2015	2014
Cash	\$ 116,629.18	\$ 114,178.43
Restricted assets:		
Cash	<u>55,362.54</u>	<u>72,483.02</u>
 Total assets	 <u>\$ 171,991.72</u>	 <u>\$ 186,661.45</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 0.00	\$ 200.00
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FUND BALANCE

Restricted:

Bronson operations	6,825.27	13,828.44
A. Barnett memorial	7,423.26	0.00
Fisher memorial	2,233.86	27,832.23
Dallen memorial	852.18	845.40
Morton memorial	28,916.42	28,847.86
Union City Facilities	7,278.48	0.00
G. Barnett memorial	<u>1,833.07</u>	<u>1,129.09</u>

Total Restricted	55,362.54	72,483.02
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Committed	<u>116,629.18</u>	<u>113,978.43</u>
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Total fund balance	<u>171,991.72</u>	<u>186,461.45</u>
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Total liabilities and fund equity	<u>\$ 171,991.72</u>	<u>\$ 186,661.45</u>
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BRANCH DISTRICT LIBRARY

**CAPITAL PROJECTS FUND
BALANCE SHEETS**

ASSETS

	October 31,	
	2015	2014
<i>Cash</i>	\$ 138,347.43	\$ 88,790.92
<i>Investments</i>	<u>101,207.39</u>	<u>101,005.64</u>
<i>Total assets</i>	<u>\$ 239,554.82</u>	<u>\$ 189,796.56</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

<i>Accounts payable</i>	\$ 0.00	\$ 10,703.78
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FUND BALANCE

<i>Total liabilities and fund equity</i>	<u>239,554.82</u>	<u>179,092.78</u>
	<u>\$ 239,554.82</u>	<u>\$ 189,796.56</u>

BRANCH DISTRICT LIBRARY

**PERMANENT TRUST FUND
BALANCE SHEETS**

ASSETS

	October 31,	
	2015	2014
<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 October 31, 2015</u>	<u>Ten Months Ended October 31, 2015</u>	<u>Budget Year to Date 2015</u>	
			<u>Amount</u>	<u>Variance</u>
REVENUES				
Taxes	\$ 679.59	\$ 1,224,810.85	\$ 1,192,813.54	\$ 31,997.31
State shared revenue	0.00	27,619.42	25,200.00	2,419.42
Interest earned	148.85	2,346.86	1,200.00	1,146.86
Penal fines	15,000.00	191,274.61	269,000.00	(77,725.39)
Charges for services	1,242.80	26,607.88	21,000.00	5,607.88
Reimbursements	22,926.76	41,788.39	33,583.00	8,205.39
Miscellaneous	1,247.92	15,043.57	14,000.00	1,043.57
Total revenues	41,245.92	1,529,491.58	1,556,796.54	(27,304.96)
EXPENDITURES				
Library	168,277.02	1,095,622.46	1,495,431.80	(399,809.34)
Total expenditures	168,277.02	1,095,622.46	1,495,431.80	(399,809.34)
Excess (deficiency) of revenues over expenditures	(127,031.10)	433,869.12	61,364.74	372,504.38
OTHER SOURCES (USES)				
Transfers from (to) other funds	0.00	30,380.00	34,085.00	(3,705.00)
Excess (deficiency) of revenues and other sources over expenditures	\$ (127,031.10)	464,249.12	95,449.74	368,799.38
FUND BALANCE - BEGINNING		677,460.95	677,000.00	460.95
FUND BALANCE - ENDING		\$ 1,141,710.07	\$ 772,449.74	\$ 369,260.33

See accountant's compilation report

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

	Month Ended October 31,		Ten Months Ended October 31,	
	2015	2014	2015	2014
REVENUES				
Interest earned	\$ 123.55	\$ 97.74	\$ 1,142.50	\$ 955.45
Donations	3,439.00	3,149.00	34,288.73	23,670.89
	3,562.55	3,246.74	35,431.23	24,626.34
EXPENDITURES				
Books	15.90	1,016.82	8,569.10	11,684.07
Fisher endowment	14,519.94	0.00	26,029.68	0.00
Bronson endowment	0.00	0.00	4,354.72	1,170.99
Aileen Barnett endowment	0.00	0.00	2,123.83	0.00
Friends of the Library	0.00	0.00	9,600.00	4,800.00
	14,535.84	1,016.82	50,677.33	17,655.06
Excess (deficiency) of revenues over expenditures	\$ (10,973.29)	\$ 2,229.92	(15,246.10)	6,971.28
FUND BALANCE - BEGINNING			187,237.82	179,490.17
FUND BALANCE - ENDING			\$ 171,991.72	\$ 186,461.45

See accountant's compilation report

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

	Month Ended October 31,		Ten Months Ended October 31,	
	2015	2014	2015	2014
REVENUES				
Taxes	\$ 0.00	\$ 4.44	\$ 222,674.18	\$ 110,743.88
Sale of fixed assets	0.00	0.00	87.10	281.20
Interest earned	43.25	15.10	459.69	174.10
Total revenues	43.25	19.54	223,220.97	111,199.18
EXPENDITURES				
Automation	2,911.94	0.00	71,159.34	6,000.00
Capital outlay	47,574.06	600.00	59,744.66	5,517.21
Total expenditures	50,486.00	600.00	130,904.00	11,517.21
<i>Excess (deficiency) of revenues over expenditures</i>	(50,442.75)	(580.46)	92,316.97	99,681.97
OTHER SOURCES (USES)				
Transfer from (to) other funds	0.00	0.00	(30,380.00)	(24,590.08)
Debt proceeds	0.00	0.00	80,000.00	0.00
Debt service	(80,225.49)	(10,103.78)	(80,425.49)	(40,408.85)
Total other sources (uses)	(80,225.49)	(10,103.78)	(30,805.49)	(64,998.93)
<i>Excess (deficiency) of revenues over expenditures and other uses</i>	\$ (130,668.24)	\$ (10,684.24)	61,511.48	34,683.04
FUND BALANCE - BEGINNING			178,043.34	144,409.74
FUND BALANCE - ENDING			\$ 239,554.82	\$ 179,092.78

See accountant's compilation report

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

	Month Ended October 31,		Ten Months Ended October 31,	
	2015	2014	2015	2014
REVENUES				
Total revenues	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
EXPENDITURES				
Total expenditures	0.00	0.00	0.00	0.00
Excess (deficiency) of revenues over expenditures	\$ 0.00	\$ 0.00	0.00	0.00
FUND BALANCE - BEGINNING			142,133.62	142,133.62
FUND BALANCE - ENDING			\$ 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

	Month Ended		Ten Months		Budget Year to Date	
	October 31, 2015		Ended		2015	
			October 31, 2015		Amount	Variance
Salaries	\$	53,215.45	\$	590,068.94	\$ 883,085.00	\$ (293,016.06)
Payroll taxes		4,067.37		45,197.67	70,646.80	(25,449.13)
Unemployment		0.00		0.00	14,100.00	(14,100.00)
Workers compensation		610.00		1,830.00	2,500.00	(670.00)
Longevity		0.00		1,925.00	4,300.00	(2,375.00)
Board per diem		125.00		350.00	900.00	(550.00)
Contract labor		130.44		195.66	300.00	(104.34)
Hospitalization		3,675.68		43,474.53	80,000.00	(36,525.47)
Deferred compensation		0.00		4,500.00	4,500.00	0.00
Employee relations		105.66		600.61	600.00	0.61
Contracted services		0.00		17,728.96	18,000.00	(271.04)
Training		35.25		5,771.42	7,500.00	(1,728.58)
Facilities rent		0.00		600.00	600.00	0.00
Telephone		592.18		5,163.64	10,000.00	(4,836.36)
Utilities		2,636.57		31,182.56	50,000.00	(18,817.44)
Insurance		0.00		15,059.89	11,500.00	3,559.89
Maintenance		21,723.87		64,315.23	74,040.00	(9,724.77)
Equipment maintenance		1,837.93		7,309.14	9,000.00	(1,690.86)
Network maintenance		49,684.88		62,844.26	15,000.00	47,844.26
Office supplies		1,930.06		30,959.31	36,000.00	(5,040.69)
Interloan document delivery		0.00		226.90	7,500.00	(7,273.10)
Postage		412.62		1,971.40	4,000.00	(2,028.60)
Books		11,823.97		76,645.72	100,000.00	(23,354.28)
Periodicals		4,256.58		5,739.82	6,500.00	(760.18)
Audio visual		548.39		6,049.90	14,000.00	(7,950.10)
Membership and dues		0.00		1,649.00	2,000.00	(351.00)
Transportation		1,338.75		7,167.71	8,000.00	(832.29)
Community promotions		2,098.34		13,077.32	16,360.00	(3,282.68)
Printing and publishing		0.00		141.79	1,000.00	(858.21)
Payroll fees		36.15		395.87	500.00	(104.13)
Professional services		7,391.88		50,811.85	40,000.00	10,811.85
Correction of prior year taxes		0.00		2,668.36	3,000.00	(331.64)
Total expenditures	\$	168,277.02	\$	1,095,622.46	\$ 1,495,431.80	\$ (399,809.34)

See accountant's compilation report

BRANCH DISTRICT LIBRARY
OTHER SUPPLEMENTAL INFORMATION
GENERAL FUND
SCHEDULE OF EXPENDITURES

	Month Ended October 31,		Ten Months Ended October 31,	
	2015	2014	2015	2014
<i>Salaries</i>	\$ 53,215.45	\$ 46,177.86	\$ 590,068.94	\$ 499,687.81
<i>Payroll taxes</i>	4,067.37	3,522.22	45,197.67	38,253.51
<i>Unemployment</i>	0.00	2,464.90	0.00	2,475.20
<i>Workers compensation</i>	610.00	0.00	1,830.00	1,269.00
<i>Longevity</i>	0.00	0.00	1,925.00	1,850.00
<i>Board per diem</i>	125.00	0.00	350.00	0.00
<i>Contract labor</i>	130.44	0.00	195.66	0.00
<i>Hospitalization</i>	3,675.68	3,766.15	43,474.53	39,941.61
<i>Deferred compensation</i>	0.00	0.00	4,500.00	4,500.00
<i>Employee relations</i>	105.66	50.00	600.61	169.17
<i>Contracted services</i>	0.00	0.00	17,728.96	17,664.98
<i>Training</i>	35.25	0.00	5,771.42	3,168.42
<i>Facilities rent</i>	0.00	0.00	600.00	0.00
<i>Telephone</i>	592.18	589.41	5,163.64	5,067.72
<i>Utilities</i>	2,636.57	3,126.84	31,182.56	32,805.11
<i>Insurance</i>	0.00	0.00	15,059.89	11,444.43
<i>Maintenance</i>	21,723.87	2,535.10	64,315.23	35,528.66
<i>Equipment maintenance</i>	1,837.93	698.86	7,309.14	4,966.28
<i>Network maintenance</i>	49,684.88	0.00	62,844.26	9,360.31
<i>Office supplies</i>	1,930.06	2,592.11	30,959.31	26,270.46
<i>Interloan document delivery</i>	0.00	20.00	226.90	447.02
<i>Postage</i>	412.62	299.02	1,971.40	1,818.40
<i>Books</i>	11,823.97	3,682.51	76,645.72	40,593.65
<i>Periodicals</i>	4,256.58	132.75	5,739.82	1,357.20
<i>Audio visual</i>	548.39	959.78	6,049.90	7,399.57
<i>Membership and dues</i>	0.00	0.00	1,649.00	1,994.00
<i>Transportation</i>	1,338.75	1,136.15	7,167.71	6,343.45
<i>Community promotions</i>	2,098.34	224.50	13,077.32	5,834.35
<i>Printing and publishing</i>	0.00	0.00	141.79	0.00
<i>Payroll fees</i>	36.15	36.15	395.87	382.53
<i>Professional services</i>	7,391.88	1,996.40	50,811.85	25,430.98
<i>Correction of prior year tax</i>	0.00	0.00	2,668.36	1,957.57
<i>Total expenditures</i>	\$ 168,277.02	\$ 74,010.71	\$ 1,095,622.46	\$ 827,981.39

See accountant's compilation report