

BRANCH DISTRICT LIBRARY
FINANCIAL STATEMENTS
OCTOBER 31, 2018 AND 2017

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

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

November 12, 2018

We have compiled the accompanying balance sheets of Branch District Library as of October 31, 2018 and 2017, and the related statements of revenues, expenditures and changes in fund balance, and other supplemental information for the ten months then ended, and retained earnings and cash flows for the year 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 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 ten months ending October 31, 2018, 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 12, 2018

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,	
	<u>2018</u>	<u>2017</u>
Cash	\$ 366,086.61	\$ 639,942.38
Investments	659,506.11	652,650.81
Due from County	30,000.00	47,565.94
Due from the City of Coldwater	27.97	0.00
Due from others	0.00	2,075.52
Prepaid expenses	<u>21,796.69</u>	<u>8,101.12</u>
 Total assets	 <u>\$ 1,077,417.38</u>	 <u>\$ 1,350,335.77</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 28,907.97	\$ 2,395.00
Due to the City of Coldwater	44.16	101.80
Payroll taxes payable	3,099.91	1,517.81
Accrued wages	<u>46,066.22</u>	<u>15,637.01</u>
 Total liabilities	 78,118.26	 19,651.62

FUND BALANCE

	<u>999,299.12</u>	<u>1,330,684.15</u>
 Total liabilities and fund equity	 <u>\$ 1,077,417.38</u>	 <u>\$ 1,350,335.77</u>

BRANCH DISTRICT LIBRARY
SPECIAL REVENUE TRUST FUND
BALANCE SHEETS

ASSETS

	October 31,	
	<u>2018</u>	<u>2017</u>
Cash	\$ 187,521.58	\$ 171,428.63
Restricted assets:		
Cash	36,722.86	46,524.34
Investments	<u>29,072.46</u>	<u>0.00</u>
 Total Assets	 <u>\$ 253,316.90</u>	 <u>\$ 217,952.97</u>

LIABILITIES AND FUND EQUITY

LIABILITIES		
Accounts payable	\$ 183.22	\$ 0.00
 FUND BALANCE		
Restricted:		
A. Barnett memorial	23,618.22	11,088.28
Fisher memorial	2,204.83	1,540.14
Dallen memorial	873.61	866.43
Uhle memorial	4.72	0.00
Morton memorial	29,072.46	29,060.32
Union City Facilities	5,169.06	254.10
G. Barnett memorial	<u>4,852.42</u>	<u>3,715.07</u>
 Total Restricted	 65,795.32	 46,524.34
Committed	<u>187,338.36</u>	<u>171,428.63</u>
 Total fund balance	 <u>253,133.68</u>	 <u>217,952.97</u>
 Total liabilities and fund equity	 <u>\$ 253,316.90</u>	 <u>\$ 217,952.97</u>

BRANCH DISTRICT LIBRARY

**CAPITAL PROJECTS FUND
BALANCE SHEETS**

ASSETS

	October 31,	
	<u>2018</u>	<u>2017</u>
Cash	\$ 457,640.36	\$ 379,492.18
Investments	<u>103,563.60</u>	<u>102,379.97</u>
Total Assets	<u>\$ 561,203.96</u>	<u>\$ 481,872.15</u>

LIABILITIES AND FUND EQUITY

LIABILITIES		
Accounts payable	\$ 10,864.21	\$ 0.00
Total liabilities	10,864.21	0.00
FUND BALANCE	<u>550,339.75</u>	<u>481,872.15</u>
Total liabilities and fund equity	<u>\$ 561,203.96</u>	<u>\$ 481,872.15</u>

BRANCH DISTRICT LIBRARY

**PERMANENT TRUST FUND
BALANCE SHEETS**

ASSETS

	October 31,	
	<u>2018</u>	<u>2017</u>
Restricted assets:		
Cash	\$ 57,000.00	\$ 52,000.00
Investments	<u>90,133.62</u>	<u>90,133.62</u>
Total assets	<u>\$ 147,133.62</u>	<u>\$ 142,133.62</u>

LIABILITIES AND FUND EQUITY

LIABILITIES		
Accounts payable	\$ 0.00	\$ 0.00
FUND BALANCE		
Restricted:		
Semmelroth memorial	50,000.00	50,000.00
Dallen memorial	2,000.00	2,000.00
Uhle memorial	5,000.00	0.00
Barnett memorial	<u>90,133.62</u>	<u>90,133.62</u>
Total fund balance	<u>147,133.62</u>	<u>142,133.62</u>
Total liabilities fund equity	<u>\$ 147,133.62</u>	<u>\$ 142,133.62</u>

BRANCH DISTRICT LIBRARY

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

	One Month Ended October 31, 2018	Ten Months Ended October 31, 2018	Budget Year to Date 2018	
			Amount	Variance
REVENUES				
Taxes	\$ 18.80	\$ 1,378,742.53	\$ 1,457,951.02	\$ (79,208.49)
State shared revenue	0.00	34,396.54	34,137.46	259.08
Interest earned	117.41	1,878.66	3,658.55	(1,779.89)
Penal fines	20,567.80	172,078.15	183,746.05	(11,667.90)
Charges for services	3,364.07	23,912.24	26,331.60	(2,419.36)
Reimbursements	35.00	8,056.67	15,427.62	(7,370.95)
Miscellaneous	343.01	1,217.68	29,472.38	(28,254.70)
Total revenues	24,446.09	1,620,282.47	1,750,724.68	(130,442.21)
EXPENDITURES				
Library	155,993.59	1,701,315.95	1,876,703.90	(175,387.95)
Excess (deficiency) of revenues over expenditures	\$ (131,547.50)	(81,033.48)	(125,979.22)	44,945.74
FUND BALANCE - BEGINNING		1,080,332.60	1,935,043.25	(854,710.65)
FUND BALANCE - ENDING		\$ 999,299.12	\$ 1,809,064.03	\$ (809,764.91)

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

	One Month Ended October 31,		Ten Months Ended October 31,	
	2018	2017	2018	2017
REVENUES				
Interest earned	\$ 128.52	\$ 150.67	\$ 1,283.60	\$ 1,397.24
Donations	5,148.03	170.21	39,291.66	85,160.16
Total revenues	5,276.55	320.88	40,575.26	86,557.40
EXPENDITURES				
Expenses	202.11	389.72	8,735.88	27,084.05
Aileen Barnett endowment	0.00	0.00	175.00	325.38
Friends of the Library	0.00	0.00	0.00	9,600.00
Union City facilities	0.00	7,000.00	3,100.35	12,938.00
Total expenditures	202.11	7,389.72	12,011.23	49,947.43
 Excess (deficiency) of revenues over expenditures	 \$ 5,074.44	 \$ (7,068.84)	 28,564.03	 36,609.97
FUND BALANCE - BEGINNING			224,569.65	181,343.00
FUND BALANCE - ENDING			\$ 253,133.68	\$ 217,952.97

BRANCH DISTRICT LIBRARY

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

	One Month Ended October 31,		Ten Months Ended October 31,	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
REVENUES				
Taxes	\$ 0.00	\$ 0.00	\$ 217,074.72	\$ 234,037.05
Interest earned	98.16	85.47	927.99	899.15
Total revenues	98.16	85.47	218,002.71	234,936.20
EXPENDITURES				
Capital outlay	19,294.57	46,242.79	79,093.76	131,249.61
Excess (deficiency) of revenues over expenditures	<u>\$ (19,196.41)</u>	<u>\$ (46,157.32)</u>	138,908.95	103,686.59
FUND BALANCE - BEGINNING			<u>411,430.80</u>	<u>378,185.56</u>
FUND BALANCE - ENDING			<u>\$ 550,339.75</u>	<u>\$ 481,872.15</u>

BRANCH DISTRICT LIBRARY

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

	One Month Ended October 31,		Ten Months Ended October 31,	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
REVENUES				
Donation	\$ 0.00	\$ 0.00	\$ 5,000.00	\$ 0.00
EXPENDITURES				
Total expenditures	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 0.00</u>	<u>\$ 0.00</u>	5,000.00	0.00
FUND BALANCE - BEGINNING			<u>142,133.62</u>	<u>142,133.62</u>
FUND BALANCE - ENDING			<u>\$ 147,133.62</u>	<u>\$ 142,133.62</u>

BRANCH DISTRICT LIBRARY

**OTHER SUPPLEMENTAL INFORMATION
GENERAL FUND**

SCHEDULE OF EXPENDITURES COMPARED TO BUDGET

	One Month Ended October 31, 2018	Ten Months Ended October 31, 2018	Budget Year to Date 2018	
			Amount	Variance
Salaries	\$ 76,872.80	\$ 775,921.91	\$ 1,037,459.47	\$ (261,537.56)
Board per diem	575.00	2,275.00	4,200.00	(1,925.00)
Payroll taxes	6,660.41	68,550.31	82,996.76	(14,446.45)
Insurance benefits	20,694.28	220,498.55	223,300.32	(2,801.77)
Other benefits	10,084.26	121,612.63	4,275.00	117,337.63
Deferred compensation	0.00	6,000.00	3,272.73	2,727.27
Liability insurance-employees	0.00	17,707.00	16,112.73	1,594.27
Employee benefits	0.00	599.98	0.00	599.98
Training and education	706.44	15,527.06	17,000.00	(1,472.94)
Travel-Training	119.00	9,517.65	16,000.00	(6,482.35)
Travel-Business	915.76	10,476.84	10,000.00	476.84
Rents and leases	110.00	1,700.00	1,100.00	600.00
Telecommunications	2,015.38	21,086.85	6,270.00	14,816.85
Utilities	1,854.86	24,870.19	31,000.00	(6,129.81)
Operating supplies	1,000.07	16,215.22	10,000.00	6,215.22
Office supplies	657.45	24,531.01	21,818.18	2,712.83
Janitorial supplies	586.27	2,332.72	3,272.73	(940.01)
Building/grounds maintenace materials	1,757.54	19,873.72	9,000.00	10,873.72
Postage	200.00	4,491.38	4,909.09	(417.71)
Food and catering	389.76	1,224.04	1,000.00	224.04
Equipment maintenance	683.21	7,264.79	0.00	7,264.79
Building and grounds maintenance svcs	3,208.43	45,084.47	45,000.00	84.47
Janitorial services	0.00	10,543.22	20,640.00	(10,096.78)
Other contractual services	(3,309.04)	21,036.41	19,000.00	2,036.41
Licensing and subscription services	9,206.52	14,430.90	22,801.11	(8,370.21)
Books	7,958.82	82,115.57	90,000.00	(7,884.43)
Periodicals	265.00	2,258.36	7,414.00	(5,155.64)
Professional and technical publications	0.00	759.00	1,633.00	(874.00)
Audio visual	809.47	13,844.45	19,870.00	(6,025.55)
Digital services	3,872.99	39,413.05	27,626.00	11,787.05
Membership and dues	0.00	2,945.82	3,000.00	(54.18)
Community promotions	921.52	6,460.75	6,000.00	460.75
Performers	810.00	16,166.55	13,655.00	2,511.55
Food	272.45	1,903.82	13,655.00	(11,751.18)
Program supplies	1,956.08	15,025.83	13,655.00	1,370.83
Printing and binding	0.00	1,814.95	4,800.00	(2,985.05)
Public announcements	0.00	3,313.35	4,800.00	(1,486.65)
Bank and merchant charges	48.80	597.77	1,090.90	(493.13)
Broadcast content fees	0.00	0.00	1,826.88	(1,826.88)
Management and consulting services	1,850.06	17,357.36	16,500.00	857.36
Legal and accounting services	2,240.00	33,343.37	40,000.00	(6,656.63)
Correction of prior year taxes	0.00	624.10	750.00	(125.90)
Total expenditures	\$ 155,993.59	\$ 1,701,315.95	\$ 1,876,703.90	\$ (175,387.95)

BRANCH DISTRICT LIBRARY
OTHER SUPPLEMENTAL INFORMATION
GENERAL FUND
SCHEDULE OF EXPENDITURES

	One Month Ended October 31,		Ten Months Ended October 31,	
	2018	2017	2018	2017
Salaries	\$ 76,872.80	\$ 73,061.53	\$ 775,921.91	\$ 768,000.48
Board per diem	575.00	0.00	2,275.00	675.00
Payroll taxes	6,660.41	5,355.30	68,550.31	57,572.08
Insurance benefits	20,694.28	10,139.69	220,498.55	103,608.15
Other benefits	10,084.26	0.00	121,612.63	2,125.00
Deferred compensation	0.00	0.00	6,000.00	3,000.00
Liability insurance-employees	0.00	0.00	17,707.00	0.00
Employee benefits	0.00	483.04	599.98	1,279.13
Training and education	706.44	562.03	15,527.06	12,640.50
Travel-Training	119.00	0.00	9,517.65	0.00
Travel-Business	915.76	1,331.72	10,476.84	6,959.08
Rents and leases	110.00	208.00	1,700.00	1,144.00
Telecommunications	2,015.38	1,610.37	21,086.85	15,065.20
Utilities	1,854.86	2,268.23	24,870.19	23,405.26
Insurance	0.00	0.00	0.00	4,040.16
Operating supplies	1,000.07	368.60	16,215.22	5,235.92
Office supplies	657.45	2,859.89	24,531.01	20,156.81
Janitorial supplies	586.27	9.51	2,332.72	1,576.99
Building/grounds maintenace materials	1,757.54	595.00	19,873.72	5,601.70
Postage	200.00	88.20	4,491.38	3,013.43
Food and catering	389.76	0.00	1,224.04	0.00
Equipment maintenance	683.21	3,567.30	7,264.79	12,800.54
Building and grounds maintenance svcs	3,208.43	4,517.28	45,084.47	33,424.16
Janitorial services	0.00	0.00	10,543.22	0.00
Other contractual services	(3,309.04)	294.79	21,036.41	21,556.07
Licensing and subscription services	9,206.52	1,837.57	14,430.90	43,936.31
Books	7,958.82	11,852.63	82,115.57	77,223.15
Periodicals	265.00	300.99	2,258.36	1,482.16
Professional and technical publications	0.00	0.00	759.00	1,751.75
Audio visual	809.47	2,442.12	13,844.45	14,911.80
Digital services	3,872.99	928.58	39,413.05	7,652.12
Membership and dues	0.00	0.00	2,945.82	3,256.39
Community promotions	921.52	5,936.87	6,460.75	35,021.93
Performers	810.00	0.00	16,166.55	0.00
Food	272.45	0.00	1,903.82	0.00
Program supplies	1,956.08	0.00	15,025.83	0.00
Printing and binding	0.00	85.22	1,814.95	1,193.68
Public announcements	0.00	428.38	3,313.35	3,477.70
Bank and merchant charges	48.80	61.87	597.77	515.49
Management and consulting services	1,850.06	0.00	17,357.36	0.00
Legal and accounting services	2,240.00	2,464.18	33,343.37	42,373.38
Correction of prior year taxes	0.00	305.54	624.10	742.91
Total expenditures	\$ 155,993.59	\$ 133,964.43	\$ 1,701,315.95	\$ 1,336,418.43