

**BRANCH DISTRICT LIBRARY**  
**FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2019 AND 2018**

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## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

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

March 12, 2019

We have compiled the accompanying balance sheets of Branch District Library as of February 28, 2019 and 2018, and the related statements of revenues, expenditures and changes in fund balance, and other supplemental information for the two 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 two months ending February 28, 2019, 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

March 12, 2019

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**

	<b>February 28,</b>	
	<b>2019</b>	<b>2018</b>
Cash	\$ 824,319.15	\$ 928,264.72
Investments	667,986.35	659,506.11
Due from County	15,000.00	31,073.76
Due from the City of Coldwater	27.97	0.00
Due from others	1,262.62	0.00
Prepaid expenses	23,736.75	10,346.72
	<hr/>	<hr/>
Total assets	\$ 1,532,332.84	\$ 1,629,191.31

**LIABILITIES AND FUND EQUITY**

**LIABILITIES**

Accounts payable	\$ 49,974.55	\$ 44,527.13
Due to the City of Coldwater	69.86	468.55
Payroll taxes payable	3,085.91	2,951.65
Accrued wages	46,492.88	46,066.22
	<hr/>	<hr/>
Total liabilities	99,623.20	94,013.55

**FUND BALANCE**

	1,432,709.64	1,535,177.76
	<hr/>	<hr/>
Total liabilities and fund equity	\$ 1,532,332.84	\$ 1,629,191.31

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

**ASSETS**

	<b>February 28,</b>	
	<b>2019</b>	<b>2018</b>
Cash	\$ 196,620.66	\$ 187,819.43
Restricted assets:		
Cash	41,731.11	50,356.11
Investments	29,072.46	0.00
Total Assets	\$ 267,424.23	\$ 238,175.54

**LIABILITIES AND FUND EQUITY**

<b>LIABILITIES</b>		
Accounts payable	\$ 69.41	\$ 15.84
<b>FUND BALANCE</b>		
Restricted:		
A. Barnett memorial	26,930.00	13,857.88
Fisher memorial	3,511.59	2,204.83
Dallen memorial	875.85	868.79
Uhle memorial	8.62	0.00
Morton memorial	29,072.46	29,072.46
Union City Facilities	5,169.06	254.20
G. Barnett memorial	5,235.99	4,097.95
Total Restricted	70,803.57	50,356.11
Committed	196,551.25	187,803.59
Total fund balance	267,354.82	238,159.70
Total liabilities and fund equity	\$ 267,424.23	\$ 238,175.54

**BRANCH DISTRICT LIBRARY**

**CAPITAL PROJECTS FUND  
BALANCE SHEETS**

**ASSETS**

	<b>February 28,</b>	
	<b>2019</b>	<b>2018</b>
Cash	\$ 324,781.59	\$ 421,164.82
Investments	<u>104,238.00</u>	<u>103,563.60</u>
Total Assets	<u>\$ 429,019.59</u>	<u>\$ 524,728.42</u>

**LIABILITIES AND FUND EQUITY**

<b>LIABILITIES</b>		
Accounts payable	\$ 0.00	\$ 16,176.82
Total liabilities	0.00	16,176.82
<b>FUND BALANCE</b>	<u>429,019.59</u>	<u>508,551.60</u>
Total liabilities and fund equity	<u>\$ 429,019.59</u>	<u>\$ 524,728.42</u>

**BRANCH DISTRICT LIBRARY**

**PERMANENT TRUST FUND  
BALANCE SHEETS**

**ASSETS**

	<b>February 28,</b>	
	<b>2019</b>	<b>2018</b>
	<hr/>	<hr/>
Restricted assets:		
Cash	\$ 57,000.00	\$ 52,000.00
Investments	<hr/> 90,133.62	<hr/> 90,133.62
Total assets	<hr/> <u>\$ 147,133.62</u>	<hr/> <u>\$ 142,133.62</u>

**LIABILITIES AND FUND EQUITY**

**LIABILITIES**

Accounts payable	\$ 0.00	\$ 0.00
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**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	<hr/> 90,133.62	<hr/> 90,133.62
Total fund balance	<hr/> 147,133.62	<hr/> 142,133.62
Total liabilities fund equity	<hr/> <u>\$ 147,133.62</u>	<hr/> <u>\$ 142,133.62</u>



**BRANCH DISTRICT LIBRARY**

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

	<u>One Month Ended February 28, 2019</u>	<u>Two Months Ended February 28, 2019</u>	<u>Budget Year to Date 2019</u>	
			<u>Amount</u>	<u>Variance</u>
<b>REVENUES</b>				
Taxes	\$ 898,239.80	\$ 898,239.80	\$ 1,570,788.41	\$ (672,548.61)
State shared revenue	0.00	0.00	34,458.40	(34,458.40)
Interest earned	116.65	161.22	4,000.00	(3,838.78)
Penal fines	17,118.70	32,118.70	190,000.00	(157,881.30)
Charges for services	1,944.06	3,645.47	22,000.00	(18,354.53)
Reimbursements	1,262.62	2,300.38	12,000.00	(9,699.62)
Miscellaneous	1,686.56	1,913.52	5,000.00	(3,086.48)
Total revenues	920,368.39	938,379.09	1,838,246.81	(899,867.72)
<b>EXPENDITURES</b>				
Library	153,042.66	311,652.67	1,973,607.04	(1,661,954.37)
Excess (deficiency) of revenues over expenditures	\$ <u>767,325.73</u>	626,726.42	(135,360.23)	762,086.65
<b>FUND BALANCE - BEGINNING</b>		<u>805,983.22</u>	<u>696,407.29</u>	<u>109,575.93</u>
<b>FUND BALANCE - ENDING</b>		<u>\$ 1,432,709.64</u>	<u>\$ 561,047.06</u>	<u>\$ 871,662.58</u>

**BRANCH DISTRICT LIBRARY**

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

	One Month Ended February 28,		Two Months Ended February 28,	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>REVENUES</b>				
Interest earned	\$ 129.57	\$ 126.85	\$ 254.96	\$ 255.86
Donations	<u>1,049.55</u>	<u>4,188.50</u>	<u>5,800.02</u>	<u>13,425.13</u>
Total revenues	1,179.12	4,315.35	6,054.98	13,680.99
<b>EXPENDITURES</b>				
Expenses	<u>69.41</u>	<u>49.96</u>	<u>172.10</u>	<u>90.94</u>
Total expenditures	<u>69.41</u>	<u>49.96</u>	<u>172.10</u>	<u>90.94</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 1,109.71</u>	<u>\$ 4,265.39</u>	5,882.88	13,590.05
<b>FUND BALANCE - BEGINNING</b>			<u>261,471.94</u>	<u>224,569.65</u>
<b>FUND BALANCE - ENDING</b>			<u>\$ 267,354.82</u>	<u>\$ 238,159.70</u>

See accountant's compilation report

**BRANCH DISTRICT LIBRARY**

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

	One Month Ended February 28,		Two Months Ended February 28,	
	2019	2018	2019	2018
<b>REVENUES</b>				
Taxes	\$ 14,295.34	\$ 99,331.94	\$ 14,295.34	\$ 125,159.55
Interest earned	60.90	71.23	115.59	138.07
Total revenues	14,356.24	99,403.17	14,410.93	125,297.62
<b>EXPENDITURES</b>				
Capital outlay	0.00	16,176.82	0.00	28,176.82
Excess (deficiency) of revenues over expenditures	<u>\$ 14,356.24</u>	<u>\$ 83,226.35</u>	14,410.93	97,120.80
<b>FUND BALANCE - BEGINNING</b>			414,608.66	411,430.80
<b>FUND BALANCE - ENDING</b>			<u>\$ 429,019.59</u>	<u>\$ 508,551.60</u>

**BRANCH DISTRICT LIBRARY**

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

	One Month Ended February 28,		Two Months Ended February 28,	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>REVENUES</b>				
Donation	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
<b>EXPENDITURES</b>				
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>	0.00	0.00
<b>FUND BALANCE - BEGINNING</b>			<u>147,133.62</u>	<u>142,133.62</u>
<b>FUND BALANCE - ENDING</b>			<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 February 28, 2019	Two Months Ended February 28, 2019	Budget Year to Date 2019	
			Amount	Variance
Salaries	\$ 87,607.27	\$ 177,697.91	\$ 1,037,459.47	\$ (859,761.56)
Board per diem	0.00	0.00	4,200.00	(4,200.00)
Payroll taxes	6,667.65	13,525.34	82,996.76	(69,471.42)
Insurance benefits	21,674.26	43,865.08	271,971.07	(228,105.99)
Unemployment insurance	0.00	0.00	2,000.00	(2,000.00)
Workers compensation	700.84	700.84	4,000.00	(3,299.16)
Deferred compensation	0.00	6,000.00	6,000.00	0.00
Liability insurance-employees	0.00	0.00	17,000.00	(17,000.00)
Employee benefits	250.00	800.00	5,000.00	(4,200.00)
Training and education	0.00	0.00	9,000.00	(9,000.00)
Travel-Training	0.00	0.00	3,000.00	(3,000.00)
Travel-Business	276.22	513.34	12,750.00	(12,236.66)
Rents and leases	110.00	220.00	2,000.00	(1,780.00)
Telecommunications	903.39	2,633.98	25,428.63	(22,794.65)
Utilities	2,858.77	5,700.26	30,687.11	(24,986.85)
Operating supplies	249.15	792.87	18,000.00	(17,207.13)
Office supplies	640.27	990.20	26,000.00	(25,009.80)
Janitorial supplies	324.13	636.78	1,700.00	(1,063.22)
Building/grounds maintenace materials	266.25	613.30	9,000.00	(8,386.70)
Postage	51.03	922.41	3,200.00	(2,277.59)
Interlibrary loans	116.56	116.56	1,500.00	(1,383.44)
Food and catering	8.38	43.68	0.00	43.68
Equipment maintenance	0.00	371.30	0.00	371.30
Building and grounds maintenance svcs	2,823.74	4,636.54	45,000.00	(40,363.46)
Janitorial services	3,820.00	3,820.00	15,000.00	(11,180.00)
Other contractual services	394.40	776.90	19,000.00	(18,223.10)
Licensing and subscription services	0.00	190.67	40,000.00	(39,809.33)
Books	9,009.82	16,626.12	90,000.00	(73,373.88)
Periodicals	0.00	217.00	8,000.00	(7,783.00)
Audio visual	1,167.46	2,948.44	19,870.00	(16,921.56)
Digital services	3,137.94	6,889.94	27,327.00	(20,437.06)
Technology hardware	0.00	0.00	40,000.00	(40,000.00)
Technology equipment repair & supplies	133.75	133.75	8,775.00	(8,641.25)
Membership and dues	85.00	85.00	1,000.00	(915.00)
Community promotions	24.60	250.42	6,000.00	(5,749.58)
Performers	75.00	250.00	13,655.00	(13,405.00)
Food	26.27	76.04	3,000.00	(2,923.96)
Program supplies	1,981.52	2,398.83	13,655.00	(11,256.17)
Printing and binding	0.00	3.00	2,000.00	(1,997.00)
Public announcements	332.40	58.78	3,000.00	(2,941.22)
Bank and merchant charges	48.50	94.30	732.00	(637.70)
Management and consulting services	0.00	0.00	5,000.00	(5,000.00)
Legal and accounting services	7,115.00	15,890.00	39,000.00	(23,110.00)
Correction of prior year taxes	163.09	163.09	700.00	(536.91)
<b>Total expenditures</b>	<b>\$ 153,042.66</b>	<b>\$ 311,652.67</b>	<b>\$ 1,973,607.04</b>	<b>\$ (1,661,954.37)</b>

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

	One Month Ended February 28,		Two Months Ended February 28,	
	2019	2018	2019	2018
Salaries	\$ 87,607.27	\$ 81,373.98	\$ 177,697.91	\$ 165,355.50
Board per diem	0.00	0.00	0.00	925.00
Payroll taxes	6,667.65	6,198.88	13,525.34	12,667.97
Insurance benefits	21,674.26	21,396.17	43,865.08	53,841.79
Workers compensation	700.84	0.00	700.84	0.00
Deferred compensation	0.00	6,000.00	6,000.00	6,000.00
Employee benefits	250.00	0.00	800.00	500.00
Training and education	0.00	899.20	0.00	2,344.20
Travel-Training	0.00	1,465.00	0.00	1,472.58
Travel-Business	276.22	1,138.74	513.34	1,730.01
Rents and leases	110.00	110.00	220.00	110.00
Telecommunications	903.39	1,801.70	2,633.98	2,204.91
Utilities	2,858.77	1,406.86	5,700.26	5,224.29
Operating supplies	249.15	1,336.18	792.87	1,336.18
Office supplies	640.27	3,374.93	990.20	4,681.51
Janitorial supplies	324.13	16.70	636.78	16.70
Building/grounds maintenace materials	266.25	947.09	613.30	947.09
Postage	51.03	599.69	922.41	1,358.15
Interlibrary loans	116.56	0.00	116.56	0.00
Food and catering	8.38	431.13	43.68	988.14
Equipment maintenance	0.00	0.00	371.30	0.00
Building and grounds maintenance svcs	2,823.74	4,763.98	4,636.54	6,593.00
Janitorial services	3,820.00	2,056.87	3,820.00	2,056.87
Other contractual services	394.40	1,704.14	776.90	3,012.88
Licensing and subscription services	0.00	190.67	190.67	190.67
Books	9,009.82	8,241.13	16,626.12	11,747.40
Periodicals	0.00	385.15	217.00	556.54
Audio visual	1,167.46	2,299.57	2,948.44	2,988.98
Digital services	3,137.94	6,318.86	6,889.94	6,934.73
Technology equipment repair & supplies	133.75	0.00	133.75	0.00
Membership and dues	85.00	651.66	85.00	736.66
Community promotions	24.60	93.24	250.42	468.11
Performers	75.00	1,836.25	250.00	4,373.25
Food	26.27	124.73	76.04	237.03
Program supplies	1,981.52	286.43	2,398.83	1,209.26
Printing and binding	0.00	0.00	3.00	556.03
Public announcements	332.40	65.70	58.78	446.70
Bank and merchant charges	48.50	74.59	94.30	123.69
Legal and accounting services	7,115.00	9,232.49	15,890.00	17,221.09
Correction of prior year taxes	163.09	5.37	163.09	169.88
<b>Total expenditures</b>	<b>\$ 153,042.66</b>	<b>\$ 166,827.08</b>	<b>\$ 311,652.67</b>	<b>\$ 321,326.79</b>