

**BRANCH DISTRICT LIBRARY**

**FINANCIAL STATEMENTS**

**JUNE 30, 2019 AND 2018**

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## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

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

July 10, 2019

We have compiled the accompanying balance sheets of Branch District Library as of June 30, 2019 and 2018, and the related statements of revenues, expenditures and changes in fund balance, and other supplemental information for the six 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 six months ending June 30, 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

July 10, 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>June 30,</b>	
	<u><b>2019</b></u>	<u><b>2018</b></u>
Cash	\$ 989,923.89	\$ 917,209.08
Investments	667,986.35	659,506.11
Due from County	15,000.00	34,199.85
Due from the City of Coldwater	0.00	27.97
Due from others	110.26	0.00
Prepaid expenses	<u>23,736.75</u>	<u>21,796.69</u>
Total assets	<u>\$ 1,696,757.25</u>	<u>\$ 1,632,739.70</u>

**LIABILITIES AND FUND EQUITY**

**LIABILITIES**

Accounts payable	\$ 33,940.87	\$ 27,282.47
Due to the City of Coldwater	22.40	19.16
Payroll taxes payable	10,749.14	14,037.52
Accrued wages	<u>46,492.88</u>	<u>46,066.22</u>
Total liabilities	91,205.29	87,405.37

**FUND BALANCE**

	<u>1,605,551.96</u>	<u>1,545,334.33</u>
Total liabilities and fund equity	<u>\$ 1,696,757.25</u>	<u>\$ 1,632,739.70</u>

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

**ASSETS**

	<b>June 30,</b>	
	<b>2019</b>	<b>2018</b>
Cash	\$ 197,785.68	\$ 187,447.08
Restricted assets:		
Cash	44,864.45	65,371.75
Investments	29,072.46	0.00
Total Assets	\$ 271,722.59	\$ 252,818.83

**LIABILITIES AND FUND EQUITY**

**LIABILITIES**

Accounts payable	\$ 837.90	\$ 667.50
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**FUND BALANCE**

Restricted:		
A. Barnett memorial	29,681.83	20,481.44
Fisher memorial	3,511.59	2,204.83
Dallen memorial	878.25	871.19
Uhle memorial	12.80	0.51
Morton memorial	29,072.46	29,072.46
Union City Facilities	5,169.06	7,990.30
G. Barnett memorial	5,610.92	4,471.91
Total Restricted	73,936.91	65,092.64
Committed	196,947.78	187,058.69
Total fund balance	270,884.69	252,151.33
Total liabilities and fund equity	\$ 271,722.59	\$ 252,818.83

**BRANCH DISTRICT LIBRARY**

**CAPITAL PROJECTS FUND  
BALANCE SHEETS**

**ASSETS**

	<b>June 30,</b>	
	<u><b>2019</b></u>	<u><b>2018</b></u>
Cash	\$ 336,180.79	\$ 486,398.41
Investments	<u>104,238.00</u>	<u>103,563.60</u>
Total Assets	<u><u>\$ 440,418.79</u></u>	<u><u>\$ 589,962.01</u></u>

**LIABILITIES AND FUND EQUITY**

<b>LIABILITIES</b>		
Accounts payable	\$ 0.00	\$ 800.65
Total liabilities	0.00	800.65
<b>FUND BALANCE</b>	<u>440,418.79</u>	<u>589,161.36</u>
Total liabilities and fund equity	<u><u>\$ 440,418.79</u></u>	<u><u>\$ 589,962.01</u></u>

**BRANCH DISTRICT LIBRARY**

**PERMANENT TRUST FUND  
BALANCE SHEETS**

**ASSETS**

	<b>June 30,</b>	
	<u><b>2019</b></u>	<u><b>2018</b></u>
Restricted assets:		
Cash	\$ 57,001.03	\$ 57,000.00
Investments	<u>90,133.62</u>	<u>90,133.62</u>
Total assets	<u><u>\$ 147,134.65</u></u>	<u><u>\$ 147,133.62</u></u>

**LIABILITIES AND FUND EQUITY**

<b>LIABILITIES</b>		
Accounts payable	\$ 0.00	\$ 0.00
<b>FUND BALANCE</b>		
Restricted:		
Semmelroth memorial	50,000.00	50,000.00
Dallen memorial	2,000.00	2,000.00
Uhle memorial	5,001.03	5,000.00
Barnett memorial	<u>90,133.62</u>	<u>90,133.62</u>
Total fund balance	<u>147,134.65</u>	<u>147,133.62</u>
Total liabilities fund equity	<u><u>\$ 147,134.65</u></u>	<u><u>\$ 147,133.62</u></u>



**BRANCH DISTRICT LIBRARY**

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

	One Month Ended June 30, 2019	Six Months Ended June 30, 2019	Budget Year to Date 2019	
			Amount	Variance
<b>REVENUES</b>				
Taxes	\$ 10.44	\$ 1,609,491.82	\$ 1,611,850.10	\$ (2,358.28)
State shared revenue	0.00	18,616.12	34,458.40	(15,842.28)
Interest earned	245.57	1,059.88	8,000.00	(6,940.12)
Penal fines	19,462.89	118,397.89	220,000.00	(101,602.11)
Charges for services	365.30	7,311.55	22,000.00	(14,688.45)
Reimbursements	0.00	4,684.60	12,000.00	(7,315.40)
Miscellaneous	1,167.32	3,853.08	1,000.00	2,853.08
 Total revenues	 21,251.52	 1,763,414.94	 1,909,308.50	 (145,893.56)
<b>EXPENDITURES</b>				
Library	157,395.36	963,846.20	1,962,516.35	(998,670.15)
 Excess (deficiency) of revenues over expenditures	 \$ (136,143.84)	 799,568.74	 (53,207.85)	 852,776.59
<b>FUND BALANCE - BEGINNING</b>		805,983.22	752,776.63	53,206.59
<b>FUND BALANCE - ENDING</b>		\$ 1,605,551.96	\$ 699,568.78	\$ 905,983.18

**BRANCH DISTRICT LIBRARY**

**SPECIAL REVENUE TRUST FUND**

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

	One Month Ended June 30,		Six Months Ended June 30,	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>REVENUES</b>				
Interest earned	\$ 132.58	\$ 222.54	\$ 774.92	\$ 764.57
Donations	(776.20)	14,326.99	11,938.41	33,195.84
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	(643.62)	14,549.53	12,713.33	33,960.41
<b>EXPENDITURES</b>				
Expenses	1,250.86	1,459.04	3,089.67	6,099.62
Aileen Barnett endowment	0.00	0.00	210.91	0.00
Union City facilities	0.00	279.11	0.00	279.11
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	1,250.86	1,738.15	3,300.58	6,378.73
Excess (deficiency) of revenues over expenditures	<u>\$ (1,894.48)</u>	<u>\$ 12,811.38</u>	9,412.75	27,581.68
<b>FUND BALANCE - BEGINNING</b>			<hr/>	<hr/>
			261,471.94	224,569.65
<b>FUND BALANCE - ENDING</b>			<u>\$ 270,884.69</u>	<u>\$ 252,151.33</u>

**BRANCH DISTRICT LIBRARY**

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

	One Month Ended June 30,		Six Months Ended June 30,	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>REVENUES</b>				
Taxes	\$ 0.00	\$ (3,596.19)	\$ 25,962.70	\$ 217,074.72
Interest earned	69.08	101.26	392.40	532.40
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	69.08	(3,494.93)	26,355.10	217,607.12
<b>EXPENDITURES</b>				
Capital outlay	0.00	9,309.65	544.97	39,876.56
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	<u>\$ 69.08</u>	<u>\$ (12,804.58)</u>	25,810.13	177,730.56
<b>FUND BALANCE - BEGINNING</b>			<hr/>	<hr/>
			414,608.66	411,430.80
<b>FUND BALANCE - ENDING</b>			<u>\$ 440,418.79</u>	<u>\$ 589,161.36</u>

**BRANCH DISTRICT LIBRARY**

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

	One Month Ended June 30,		Six Months Ended June 30,	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>REVENUES</b>				
Donation	\$ 0.00	\$ 5,000.00	\$ 0.00	\$ 5,000.00
<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>\$ 5,000.00</u>	0.00	5,000.00
<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>\$ 147,133.62</u>

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

	One Month Ended June 30, 2019	Six Months Ended June 30, 2019	Budget Year to Date 2019	
			Amount	Variance
Salaries	\$ 73,629.15	\$ 541,775.06	\$ 1,049,268.47	\$ (507,493.41)
Board per diem	0.00	700.00	4,200.00	(3,500.00)
Payroll taxes	5,616.42	41,330.58	83,871.48	(42,540.90)
Insurance benefits	17,012.39	120,846.61	244,375.40	(123,528.79)
Unemployment insurance	0.00	0.00	8,000.00	(8,000.00)
Workers compensation	0.00	1,401.68	1,000.00	401.68
Deferred compensation	0.00	6,000.00	6,000.00	0.00
Liability insurance-employees	0.00	13,263.00	18,000.00	(4,737.00)
Employee benefits	0.00	866.56	5,000.00	(4,133.44)
Training and education	24.66	374.66	6,500.00	(6,125.34)
Travel-Training	(1,531.56)	185.53	1,500.00	(1,314.47)
Travel-Business	713.75	3,645.19	10,000.00	(6,354.81)
Rents and leases	110.00	1,280.00	2,000.00	(720.00)
Telecommunications	7,676.58	14,870.72	26,000.00	(11,129.28)
Utilities	1,672.64	14,105.77	31,000.00	(16,894.23)
Operating supplies	435.47	4,988.95	18,000.00	(13,011.05)
Office supplies	147.45	14,253.23	30,000.00	(15,746.77)
Janitorial supplies	393.94	1,958.29	3,000.00	(1,041.71)
Building/grounds maintenace materials	110.00	823.24	3,000.00	(2,176.76)
Postage	34.99	2,086.24	6,000.00	(3,913.76)
Interlibrary loans	42.95	243.20	1,000.00	(756.80)
Food and catering	11.98	171.80	200.00	(28.20)
Equipment maintenance	(371.30)	0.00	0.00	0.00
Building and grounds maintenance svcs	1,973.38	17,037.14	45,000.00	(27,962.86)
Janitorial services	0.00	7,774.00	21,000.00	(13,226.00)
Other contractual services	13,353.95	15,473.59	22,000.00	(6,526.41)
Licensing and subscription services	21,742.06	25,027.52	45,000.00	(19,972.48)
Books	4,086.35	47,407.55	81,000.00	(33,592.45)
Periodicals	479.04	844.54	7,000.00	(6,155.46)
Audio visual	977.10	7,496.77	18,000.00	(10,503.23)
Digital services	2,500.92	14,496.75	34,489.00	(19,992.25)
Technology hardware	0.00	0.00	40,000.00	(40,000.00)
Technology equipment repair & supplies	755.19	1,239.46	2,000.00	(760.54)
Membership and dues	0.00	1,339.38	2,000.00	(660.62)
Community promotions	995.20	2,400.34	5,400.00	(2,999.66)
Performers	1,745.00	2,632.00	12,290.00	(9,658.00)
Food	88.77	916.61	2,700.00	(1,783.39)
Program supplies	673.60	7,519.59	12,290.00	(4,770.41)
Printing and binding	0.00	258.20	2,000.00	(1,741.80)
Public announcements	23.80	331.74	1,000.00	(668.26)
Bank and merchant charges	43.85	285.15	732.00	(446.85)
Management and consulting services	0.00	450.00	0.00	450.00
Legal and accounting services	2,025.00	25,344.10	50,000.00	(24,655.90)
Correction of prior year taxes	202.64	401.46	700.00	(298.54)
<b>Total expenditures</b>	<b>\$ 157,395.36</b>	<b>\$ 963,846.20</b>	<b>\$ 1,962,516.35</b>	<b>\$ (998,670.15)</b>

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

	One Month Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Salaries	\$ 73,629.15	\$ 126,814.96	\$ 541,775.06	\$ 549,446.31
Board per diem	0.00	775.00	700.00	1,700.00
Payroll taxes	5,616.42	9,721.27	41,330.58	41,992.11
Insurance benefits	17,012.39	21,561.35	120,846.61	130,623.82
Workers compensation	0.00	0.00	1,401.68	0.00
Deferred compensation	0.00	0.00	6,000.00	6,000.00
Liability insurance-employees	0.00	4,185.00	13,263.00	16,253.00
Employee benefits	0.00	49.99	866.56	599.98
Training and education	24.66	61.50	374.66	14,790.62
Travel-Training	(1,531.56)	394.00	185.53	7,717.65
Travel-Business	713.75	1,168.12	3,645.19	6,876.36
Rents and leases	110.00	110.00	1,280.00	1,260.00
Telecommunications	7,676.58	7,652.28	14,870.72	14,419.82
Utilities	1,672.64	1,949.09	14,105.77	16,795.64
Operating supplies	435.47	584.46	4,988.95	12,088.66
Office supplies	147.45	1,877.98	14,253.23	11,049.72
Janitorial supplies	393.94	118.92	1,958.29	891.73
Building/grounds maintenace materials	110.00	29.00	823.24	1,729.38
Postage	34.99	912.89	2,086.24	3,130.04
Interlibrary loans	42.95	0.00	243.20	0.00
Food and catering	11.98	0.00	171.80	822.62
Equipment maintenance	(371.30)	877.93	0.00	2,753.84
Building and grounds maintenance svcs	1,973.38	4,536.53	17,037.14	27,425.43
Janitorial services	0.00	1,785.35	7,774.00	8,367.22
Other contractual services	13,353.95	12,957.96	15,473.59	17,103.91
Licensing and subscription services	21,742.06	1,290.59	25,027.52	3,101.12
Books	4,086.35	7,734.98	47,407.55	48,143.64
Periodicals	479.04	442.96	844.54	1,125.33
Professional and technical publications	0.00	0.00	0.00	660.00
Audio visual	977.10	1,234.13	7,496.77	9,697.87
Digital services	2,500.92	2,129.76	14,496.75	15,533.94
Technology equipment repair & supplies	755.19	0.00	1,239.46	0.00
Membership and dues	0.00	0.00	1,339.38	2,382.82
Community promotions	995.20	250.63	2,400.34	3,055.69
Performers	1,745.00	925.00	2,632.00	11,882.11
Food	88.77	202.80	916.61	1,140.98
Program supplies	673.60	3,312.84	7,519.59	8,532.30
Printing and binding	0.00	0.00	258.20	1,814.95
Public announcements	23.80	732.93	331.74	2,552.12
Bank and merchant charges	43.85	51.95	285.15	374.75
Management and consulting services	0.00	180.00	450.00	6,680.00
Legal and accounting services	2,025.00	2,038.80	25,344.10	25,021.19
Correction of prior year taxes	202.64	0.00	401.46	169.88
<b>Total expenditures</b>	<b>\$ 157,395.36</b>	<b>\$ 218,650.95</b>	<b>\$ 963,846.20</b>	<b>\$ 1,035,706.55</b>