

***BRANCH DISTRICT LIBRARY***  
***FINANCIAL STATEMENTS***  
***NOVEMBER 30, 2012 AND 2011***

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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

December 11, 2012

*We have compiled the accompanying balance sheets of Branch District Library as of November 30, 2012 and 2011, and the related statements of revenues, expenditures and changes in fund balance, and other supplemental information for the eleven 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, 2012, 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.  
(Formerly Rumsey & Watkins, P.C.)

**BRANCH DISTRICT LIBRARY**

**GENERAL FUND  
BALANCE SHEETS**

**ASSETS**

	<b>November 30, 2012</b>	<b>2011</b>
Cash	\$ 113,117.33	\$ 43,965.21
Investments	498,484.03	637,311.18
Due from County	10,000.00	34,038.16
Due from the City of Coldwater	<u>991.00</u>	<u>836.94</u>
 Total assets	 <u>\$ 622,592.36</u>	 <u>\$ 716,151.49</u>

**LIABILITIES AND FUND EQUITY**

**LIABILITIES**

Accounts payable	\$ 4,837.79	\$ 15,555.97
Due to the City of Coldwater	146.55	408.32
Payroll taxes payable	1,683.11	1,880.40
Accrued wages	<u>37,301.21</u>	<u>29,021.00</u>
 Total liabilities	 43,968.66	 46,865.69

**FUND BALANCE**

	<u>578,623.70</u>	<u>669,285.80</u>
 Total liabilities and fund equity	 <u>\$ 622,592.36</u>	 <u>\$ 716,151.49</u>

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

**ASSETS**

	<b>November 30,</b>	
	<b><u>2012</u></b>	<b><u>2011</u></b>
Cash	\$ 95,477.08	\$ 89,868.17
Restricted assets:		
Cash	<u>47,592.21</u>	<u>33,988.44</u>
Total assets	<u>\$ 143,069.29</u>	<u>\$ 123,856.61</u>

**LIABILITIES AND FUND EQUITY**

**LIABILITIES**

Accounts payable	\$ 0.00	\$ 1,473.71
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**FUND BALANCE**

Restricted:		
Bronson operations	16,433.76	4,612.51
Fisher memorial	26,026.11	24,496.92
Dallen memorial	834.91	828.11
Barnett memorial	<u>4,297.43</u>	<u>2,577.19</u>
Total Restricted	47,592.21	32,514.73
Committed	<u>95,477.08</u>	<u>89,868.17</u>
Total fund balance	<u>143,069.29</u>	<u>122,382.90</u>
Total liabilities and fund equity	<u>\$ 143,069.29</u>	<u>\$ 123,856.61</u>

See accountant's compilation report

**BRANCH DISTRICT LIBRARY**  
**CAPITAL PROJECTS FUND**  
**BALANCE SHEETS**

**ASSETS**

	<u>November 30,</u> <u>2012</u>	<u>2011</u>
Cash	\$ 53,041.19	\$ 79,750.55
Investments	<u>100,276.69</u>	<u>100,000.00</u>
 Total assets	 <u>\$ 153,317.88</u>	 <u>\$ 179,750.55</u>

**LIABILITIES AND FUND EQUITY**

<b>LIABILITIES</b>		
Accounts payable	\$ 12,211.00	\$ 2,356.15
 <b>FUND BALANCE</b>	 <u>141,106.88</u>	 <u>177,394.40</u>
 Total liabilities and fund equity	 <u>\$ 153,317.88</u>	 <u>\$ 179,750.55</u>

**BRANCH DISTRICT LIBRARY**

**PERMANENT TRUST FUND  
BALANCE SHEETS**

**ASSETS**

	<b>November 30,</b>	
	<b>2012</b>	<b>2011</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
------------------	---------	---------

**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</u> <u>November 30, 2012</u>	<u>Eleven Months Ended</u> <u>November 30, 2012</u>	<u>Budget Year to Date</u> <u>2012</u>	
			<u>Amount</u>	<u>Variance</u>
<b>REVENUES</b>				
Taxes	\$ 100.66	\$ 661,250.33	\$ 651,895.00	\$ 9,355.33
State shared revenue	0.00	21,006.12	20,920.00	86.12
Interest earned	2.09	2,059.53	6,000.00	(3,940.47)
Penal fines	9,428.00	161,504.84	229,501.00	(67,996.16)
Charges for services	946.49	26,628.70	20,000.00	6,628.70
Reimbursements	1,045.44	18,836.67	35,392.00	(16,555.33)
Miscellaneous	837.18	14,517.03	14,000.00	517.03
<i>Total revenues</i>	12,359.86	905,803.22	977,708.00	(71,904.78)
<b>EXPENDITURES</b>				
Library	74,279.85	952,881.47	1,090,302.00	(137,420.53)
<i>Total expenditures</i>	74,279.85	952,881.47	1,090,302.00	(137,420.53)
<i>Excess (deficiency) of revenues over expenditures</i>	(61,919.99)	(47,078.25)	(112,594.00)	65,515.75
<b>OTHER SOURCES (USES)</b>				
<i>Transfers from (to) other funds</i>	0.00	25,934.00	25,934.00	0.00
<i>Excess (deficiency) of revenues and other sources over expenditures</i>	<u>\$ (61,919.99)</u>	(21,144.25)	(86,660.00)	65,515.75
<b>FUND BALANCE - BEGINNING</b>		<u>599,767.95</u>	<u>616,660.00</u>	<u>(16,892.05)</u>
<b>FUND BALANCE - ENDING</b>		<u>\$ 578,623.70</u>	<u>\$ 530,000.00</u>	<u>\$ 48,623.70</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 November 30,</b>		<b>Eleven Months Ended November 30,</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
<b>REVENUES</b>				
Interest earned	\$ 86.25	\$ 189.24	\$ 1,983.83	\$ 2,137.86
Donations	267.00	1,375.00	18,338.90	18,333.17
Total revenues	353.25	1,564.24	20,322.73	20,471.03
<b>EXPENDITURES</b>				
Books	0.00	0.00	5,377.76	6,432.45
Bronson endowment	0.00	1,473.71	807.11	5,823.63
Friends of the Library	0.00	0.00	0.00	4,000.00
Total expenditures	0.00	1,473.71	6,184.87	16,256.08
Excess (deficiency) of revenues over expenditures	\$ 353.25	\$ 90.53	14,137.86	4,214.95
<b>FUND BALANCE - BEGINNING</b>			128,931.43	118,167.95
<b>FUND BALANCE - ENDING</b>			\$ 143,069.29	\$ 122,382.90

See accountant's compilation report

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

	<b>Month Ended November 30,</b>		<b>Eleven Months Ended November 30,</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
<b>REVENUES</b>				
Taxes	\$ 16.77	\$ 24.13	\$ 108,684.44	\$ 110,842.11
Sale of fixed assets	135.00	0.00	835.00	20.00
Interest earned	4.72	27.05	215.43	603.24
	156.49	51.18	109,734.87	111,465.35
<b>EXPENDITURES</b>				
Automation	12,211.00	0.00	162,795.60	37,170.48
Capital outlay	181.90	3,428.73	36,563.40	89,687.72
	12,392.90	3,428.73	199,359.00	126,858.20
Excess (deficiency) of revenues over expenditures	(12,236.41)	(3,377.55)	(89,624.13)	(15,392.85)
<b>OTHER SOURCES (USES)</b>				
Transfer from (to) other funds	0.00	(15,469.00)	(25,934.00)	(15,469.00)
Debt proceeds	42,381.00	0.00	80,000.00	0.00
Debt repayments	(85.56)	0.00	(109.97)	0.00
	42,295.44	(15,469.00)	53,956.03	(15,469.00)
Excess (deficiency) of revenues over expenditures and other uses	\$ 30,059.03	\$ (18,846.55)	(35,668.10)	(30,861.85)
<b>FUND BALANCE - BEGINNING</b>			176,774.98	208,256.25
<b>FUND BALANCE - ENDING</b>			\$ 141,106.88	\$ 177,394.40

See accountant's compilation report

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

	<i>Month Ended November 30,</i>		<i>Eleven Months Ended November 30,</i>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
<b>REVENUES</b>				
<i>Total revenues</i>	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
<b>EXPENDITURES</b>				
<i>Total expenditures</i>	0.00	0.00	0.00	0.00
<i>Excess (deficiency) of revenues over expenditures</i>	\$ 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**

	<u>Month Ended</u> <u>November 30, 2012</u>	<u>Eleven Months Ende</u> <u>November 30, 2012</u>	<u>Budget Year to Date</u> <u>2012</u>	
			<u>Amount</u>	<u>Variance</u>
Salaries	\$ 46,873.47	\$ 566,163.10	\$ 648,379.00	\$ (82,215.90)
Payroll taxes	3,575.60	43,345.67	51,870.00	(8,524.33)
Workers compensation	0.00	1,658.00	2,500.00	(842.00)
Longevity	0.00	2,025.00	3,550.00	(1,525.00)
Board per diem	0.00	25.00	0.00	25.00
Contract labor	0.00	157.20	0.00	157.20
Hospitalization	7,433.27	58,623.31	61,000.00	(2,376.69)
Deferred compensation	0.00	2,500.00	6,500.00	(4,000.00)
Employee relations	0.00	220.80	0.00	220.80
Contracted services	0.00	10,503.06	10,500.00	3.06
Training	158.00	898.56	1,500.00	(601.44)
Telephone	478.29	5,923.59	7,000.00	(1,076.41)
Utilities	2,972.81	32,733.32	40,000.00	(7,266.68)
Insurance	0.00	11,421.49	13,000.00	(1,578.51)
Maintenance	2,935.22	39,171.93	50,400.00	(11,228.07)
Equipment maintenance	232.95	8,449.90	8,000.00	449.90
Network maintenance	0.00	5,828.56	10,000.00	(4,171.44)
Operating supplies	693.34	8,162.90	10,000.00	(1,837.10)
Office supplies	385.85	12,289.23	10,000.00	2,289.23
Interloan document delivery	0.00	3,854.39	700.00	3,154.39
Postage	90.00	2,803.17	4,500.00	(1,696.83)
Books	3,992.28	72,145.79	83,253.00	(11,107.21)
Periodicals	39.00	5,514.43	5,200.00	314.43
Audio visual	1,160.27	12,359.26	14,000.00	(1,640.74)
Membership and dues	0.00	1,278.95	2,500.00	(1,221.05)
Transportation	475.09	7,625.23	8,000.00	(374.77)
Community promotions	1,157.88	4,310.09	5,550.00	(1,239.91)
Printing and publishing	24.00	150.12	1,000.00	(849.88)
Payroll fees	36.15	420.75	500.00	(79.25)
Professional services	1,566.38	27,263.28	30,900.00	(3,636.72)
Correction of prior year taxes	0.00	5,005.39	0.00	5,005.39
Miscellaneous	0.00	50.00	0.00	50.00
<b>Total expenditures</b>	<b>\$ 74,279.85</b>	<b>\$ 952,881.47</b>	<b>\$1,090,302.00</b>	<b>\$ (137,420.53)</b>

See accountant's compilation report

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

	<b>Month Ended November 30,</b>		<b>Eleven Months Ended November 30,</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
Salaries	\$ 46,873.47	\$ 50,191.06	\$ 566,163.10	\$ 607,593.26
Payroll taxes	3,575.60	3,824.83	43,345.67	46,629.37
Workers compensation	0.00	530.00	1,658.00	2,100.00
Longevity	0.00	0.00	2,025.00	2,325.00
Board per diem	0.00	0.00	25.00	1,275.00
Contract labor	0.00	0.00	157.20	62.88
Hospitalization	7,433.27	4,823.29	58,623.31	53,916.51
Deferred compensation	0.00	1,000.00	2,500.00	5,000.00
Employee relations	0.00	50.00	220.80	244.15
Contracted services	0.00	0.00	10,503.06	11,292.67
Training	158.00	0.00	898.56	2,066.07
Education reimbursement	0.00	0.00	0.00	(2,819.75)
Telephone	478.29	105.95	5,923.59	4,623.20
Utilities	2,972.81	2,994.27	32,733.32	42,486.66
Insurance	0.00	0.00	11,421.49	12,299.78
Maintenance	2,935.22	5,372.64	39,171.93	39,703.25
Equipment maintenance	232.95	1,382.53	8,449.90	12,924.01
Network maintenance	0.00	0.00	5,828.56	8,045.85
Operating supplies	693.34	318.40	8,162.90	7,830.64
Office supplies	385.85	1,728.05	12,289.23	11,674.55
Interloan document delivery	0.00	34.88	3,854.39	106.76
Postage	90.00	193.00	2,803.17	2,663.78
Books	3,992.28	6,419.46	72,145.79	74,863.19
Periodicals	39.00	0.00	5,514.43	5,895.57
Audio visual	1,160.27	914.69	12,359.26	13,101.10
Membership and dues	0.00	0.00	1,278.95	1,309.00
Transportation	475.09	607.15	7,625.23	7,830.55
Community promotions	1,157.88	4.50	4,310.09	6,708.20
Printing and publishing	24.00	0.00	150.12	237.50
Payroll fees	36.15	36.45	420.75	439.80
Professional services	1,566.38	1,797.76	27,263.28	27,604.60
Correction of prior year tax	0.00	0.00	5,005.39	2,133.09
Miscellaneous	0.00	0.00	50.00	0.00
<b>Total expenditures</b>	<b>\$ 74,279.85</b>	<b>\$ 82,328.91</b>	<b>\$ 952,881.47</b>	<b>\$ 1,012,166.24</b>

See accountant's compilation report

BRANCH DISTRICT LIBRARY  
BARNETT FIDUCIARY RESERVED FUND

BARNETT INCOME 2011 (BEGINNING BALANCE) \$2,725.87

INCOME:

DEPOSIT	(JAN)	153.10
ALLOCATED INTEREST	(JAN)	0.52
DEPOSIT	(FEB)	153.10
ALLOCATED INTEREST	(FEB)	0.59
DEPOSIT	(MAR)	143.23
ALLOCATED INTEREST	(MAR)	0.66
DEPOSIT	(APR)	153.10
ALLOCATED INTEREST	(APR)	0.67
DEPOSIT	(MAY)	148.16
ALLOCATED INTEREST	(MAY)	0.72
DEPOSIT	(JUNE)	153.10
ALLOCATED INTEREST	(JUNE)	0.73
DEPOSIT	(JULY)	148.16
ALLOCATED INTEREST	(JULY)	0.79
DEPOSIT	(AUG)	153.10
ALLOCATED INTEREST	(AUG)	0.82
DEPOSIT	(SEPT)	153.10
ALLOCATED INTEREST	(SEPT)	0.82
DEPOSIT	(OCT)	148.16
ALLOCATED INTEREST	(OCT)	0.88
DEPOSIT	(NOV)	57.42
ALLOCATED INTEREST	(NOV)	0.63

TOTAL INCOME \$1,571.56

EXPENSES:

#640202 TOTAL DISBURSEMENTS 0.00

BALANCE ENDOWMENT RESERVED FUND \$4,297.43

#304300

BRANCH DISTRICT LIBRARY  
BRONSON FIDUCIARY RESERVED FUND

BRONSON INCOME 2011 (BEGINNING BALANCE) \$5,508.64

INCOME:

ALLOCATED INTEREST (JAN)	1.35
DONATIONS (JAN)	3,428.00
DONATIONS (FEB)	50.00
ALLOCATED INTEREST (FEB)	1.77
DONATIONS (MAR)	305.00
ALLOCATED INTEREST (MAR)	1.90
DONATIONS (APR)	2,641.00
ALLOCATED INTEREST (APR)	2.11
ALLOCATED INTEREST (MAY)	2.46
ALLOCATED INTEREST (JUNE)	2.38
DONATIONS (JULY)	2,641.00
ALLOCATED INTEREST (JULY)	2.74
ALLOCATED INTEREST (AUG)	2.99
ALLOCATED INTEREST (SEPT)	2.87
DONATIONS (OCT)	2,641.00
ALLOCATED INTEREST (OCT)	3.23
ALLOCATED INTEREST (NOV)	2.43

TOTAL INCOME \$11,732.23

EXPENSES:

LYNNELL EASH (FEB)	(58.09)
UPSTART (FEB)	(21.00)
LYNNELL EASH (FEB)	(66.56)
TAYLOR'S STATIONERS (FEB)	(199.84)
FAMILY DOLLAR (MAR)	(8.50)
LYNNELL EASH (JULY)	(56.50)
LYNNELL EASH (AUG)	(229.67)
LYNNELL EASH (SEPT)	(75.05)
FAMILY DOLLAR (SEPT)	(91.90)

TOTAL DISBURSEMENTS (807.11)  
(#655-201: #640-201: #680-200)

BALANCE ENDOWMENT RESERVED FUND \$16,433.76  
(#302200)