

BRANCH DISTRICT LIBRARY
FINANCIAL STATEMENTS
MARCH 31, 2013 AND 2012

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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

April 9, 2013

We have compiled the accompanying balance sheets of Branch District Library as of March 31, 2013 and 2012, and the related statements of revenues, expenditures and changes in fund balance, and other supplemental information for the three 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, 2013, 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.

BRANCH DISTRICT LIBRARY

**GENERAL FUND
BALANCE SHEETS**

ASSETS

	March 31,	
	2013	2012
Cash	\$ 437,988.85	\$ 433,053.19
Investments	499,446.48	588,626.25
Due from County	23,740.99	35,479.71
Due from the City of Coldwater	0.00	56.00
Prepaid expenses	<u>4,046.26</u>	<u>0.00</u>
<i>Total assets</i>	<u>\$ 965,222.58</u>	<u>\$1,057,215.15</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 9,692.37	\$ 15,757.26
Due to the City of Coldwater	45.50	213.50
Payroll taxes payable	7,404.09	6,977.25
Accrued wages	<u>26,742.36</u>	<u>37,301.21</u>
<i>Total liabilities</i>	43,884.32	60,249.22

FUND BALANCE

	<u>921,338.26</u>	<u>996,965.93</u>
<i>Total liabilities and fund equity</i>	<u>\$ 965,222.58</u>	<u>\$1,057,215.15</u>

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

ASSETS

	March 31,	
	<u>2013</u>	<u>2012</u>
Cash	\$ 104,879.83	\$ 97,031.76
Restricted assets:		
Cash	<u>54,854.44</u>	<u>38,934.25</u>
Total assets	<u>\$ 159,734.27</u>	<u>\$ 135,966.01</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 1,199.88	\$ 945.36
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FUND BALANCE

Restricted:

Bronson operations	3,437.27	8,942.67
Fisher memorial	27,454.31	25,984.16
Dallen memorial	836.64	830.35
Morton memorial	23,007.97	0.00
Barnett memorial	<u>53.09</u>	<u>3,177.07</u>

Total Restricted	54,789.28	38,934.25
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Committed	<u>103,745.11</u>	<u>96,086.40</u>
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Total fund balance	<u>158,534.39</u>	<u>135,020.65</u>
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Total liabilities and fund equity	<u>\$ 159,734.27</u>	<u>\$ 135,966.01</u>
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BRANCH DISTRICT LIBRARY
CAPITAL PROJECTS FUND
BALANCE SHEETS

ASSETS

	March 31,	
	2013	2012
<i>Cash</i>	\$ 93,023.18	\$ 93,896.78
<i>Investments</i>	<u>100,578.98</u>	<u>150,201.74</u>
<i>Total assets</i>	<u>\$ 193,602.16</u>	<u>\$ 244,098.52</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

<i>Accounts payable</i>	\$ 2,838.15	\$ 444.97
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FUND BALANCE

<i>Total liabilities and fund equity</i>	<u>190,764.01</u>	<u>243,653.55</u>
	<u>\$ 193,602.16</u>	<u>\$ 244,098.52</u>

BRANCH DISTRICT LIBRARY
PERMANENT TRUST FUND
BALANCE SHEETS

ASSETS

	March 31,	
	<u>2013</u>	<u>2012</u>
<i>Restricted assets:</i>		
<i>Cash</i>	\$ 52,000.00	\$ 52,000.00
<i>Investments</i>	<u>90,133.62</u>	<u>90,133.62</u>
<i>Total assets</i>	<u>\$ 142,133.62</u>	<u>\$ 142,133.62</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

<i>Accounts payable</i>	\$ 0.00	\$ 0.00
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FUND BALANCE

<i>Restricted:</i>		
<i>Semmelroth memorial</i>	50,000.00	50,000.00
<i>Dallen memorial</i>	2,000.00	2,000.00
<i>Barnett memorial</i>	<u>90,133.62</u>	<u>90,133.62</u>
<i>Total fund balance</i>	<u>142,133.62</u>	<u>142,133.62</u>
<i>Total liabilities and fund equity</i>	<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 March 31, 2013</u>	<u>Three Months Ended March 31, 2013</u>	<u>Budget Year to Date 2013</u>	
			<u>Amount</u>	<u>Variance</u>
REVENUES				
Taxes	\$ 214,285.72	\$ 578,805.65	\$ 655,138.00	\$ (76,332.35)
State shared revenue	0.00	0.00	23,633.00	(23,633.00)
Interest earned	421.03	429.28	2,700.00	(2,270.72)
Penal fines	11,740.99	38,756.16	100,500.00	(61,743.84)
Charges for services	981.12	3,158.86	21,000.00	(17,841.14)
Reimbursements	728.59	4,124.76	27,041.00	(22,916.24)
Miscellaneous	<u>735.80</u>	<u>2,830.44</u>	<u>15,000.00</u>	<u>(12,169.56)</u>
 Total revenues	 228,893.25	 628,105.15	 845,012.00	 (216,906.85)
EXPENDITURES				
Library	<u>95,755.85</u>	<u>245,744.12</u>	<u>957,402.00</u>	<u>(711,657.88)</u>
 Total expenditures	 <u>95,755.85</u>	 <u>245,744.12</u>	 <u>957,402.00</u>	 <u>(711,657.88)</u>
 Excess (deficiency) of revenues over expenditures	 133,137.40	 382,361.03	 (112,390.00)	 494,751.03
OTHER SOURCES (USES)				
Transfers from (to) other funds	<u>0.00</u>	<u>0.00</u>	<u>16,012.00</u>	<u>(16,012.00)</u>
 Excess (deficiency) of revenues and other sources over expenditures	 <u>\$ 133,137.40</u>	 382,361.03	 (96,378.00)	 478,739.03
 FUND BALANCE - BEGINNING		<u>538,977.23</u>	<u>490,000.00</u>	<u>48,977.23</u>
 FUND BALANCE - ENDING		<u>\$ 921,338.26</u>	<u>\$ 393,622.00</u>	<u>\$ 527,716.26</u>

See accountant's compilation report

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

	Month Ended March 31,		Three Months Ended March 31,	
	2013	2012	2013	2012
REVENUES				
Interest earned	\$ 87.15	\$ 183.14	\$ 265.19	\$ 561.04
Donations	23,961.52	440.00	31,506.57	7,928.84
Total revenues	24,048.67	623.14	31,771.76	8,489.88
EXPENDITURES				
Books	1,378.71	1,047.52	2,536.89	2,046.67
Bronson endowment	23,916.02	8.50	24,070.40	353.99
Total expenditures	25,294.73	1,056.02	26,607.29	2,400.66
Excess (deficiency) of revenues over expenditures	(1,246.06)	(432.88)	5,164.47	6,089.22
OTHER SOURCES (USES)				
Transfer from (to) other funds	3,009.86	0.00	3,009.86	0.00
Excess (deficiency) of revenues over expenditures and other uses	\$ 1,763.80	\$ (432.88)	8,174.33	6,089.22
FUND BALANCE - BEGINNING			150,360.06	128,931.43
FUND BALANCE - ENDING			\$ 158,534.39	\$ 135,020.65

See accountant's compilation report

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

	Month Ended March 31,		Three Months Ended March 31,	
	2013	2012	2013	2012
REVENUES				
Taxes	\$ 35,714.28	\$ 32,580.30	\$ 96,359.36	\$ 99,581.16
Sale of fixed assets	0.00	100.00	0.00	100.00
Interest earned	14.82	17.07	37.46	35.36
Total revenues	35,729.10	32,697.37	96,396.82	99,716.52
EXPENDITURES				
Automation	14,305.30	0.00	19,353.94	21,404.60
Capital outlay	2,746.27	5,875.95	16,162.27	11,433.35
Total expenditures	17,051.57	5,875.95	35,516.21	32,837.95
Excess (deficiency) of revenues over expenditures	18,677.53	26,821.42	60,880.61	66,878.57
OTHER SOURCES (USES)				
Transfer from (to) other funds	(3,009.86)	0.00	(3,009.86)	0.00
Debt service	0.00	0.00	(10,101.69)	0.00
Total other sources (uses)	(3,009.86)	0.00	(13,111.55)	0.00
Excess (deficiency) of revenues over expenditures and other uses	<u>\$ 15,667.67</u>	<u>\$ 26,821.42</u>	47,769.06	66,878.57
FUND BALANCE - BEGINNING			<u>142,994.95</u>	<u>176,774.98</u>
FUND BALANCE - ENDING			<u>\$ 190,764.01</u>	<u>\$ 243,653.55</u>

See accountant's compilation report

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

	<i>Month Ended March 31,</i>		<i>Three Months Ended March 31,</i>	
	2013	2012	2013	2012
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

	<u>Month Ended</u> <u>March 31, 2013</u>	<u>Three Months Ended</u> <u>March 31, 2013</u>	<u>Budget Year to Date</u> <u>2013</u>	
			<u>Amount</u>	<u>Variance</u>
Salaries	\$ 66,013.13	\$ 154,325.40	\$ 548,248.00	\$ (393,922.60)
Payroll taxes	5,076.25	11,893.88	43,860.00	(31,966.12)
Unemployment	0.00	0.00	14,100.00	(14,100.00)
Workers compensation	495.00	495.00	2,500.00	(2,005.00)
Longevity	475.00	1,550.00	4,500.00	(2,950.00)
Board per diem	0.00	0.00	900.00	(900.00)
Contract labor	31.44	62.88	200.00	(137.12)
Hospitalization	4,046.26	13,138.78	51,500.00	(38,361.22)
Deferred compensation	0.00	2,500.00	4,500.00	(2,000.00)
Employee relations	0.00	50.00	500.00	(450.00)
Contracted services	0.00	0.00	11,817.00	(11,817.00)
Training	1,436.63	1,932.63	3,000.00	(1,067.37)
Telephone	553.96	1,538.48	7,000.00	(5,461.52)
Utilities	3,708.38	10,305.92	38,000.00	(27,694.08)
Insurance	0.00	156.89	12,500.00	(12,343.11)
Maintenance	4,804.97	12,411.99	52,050.00	(39,638.01)
Equipment maintenance	212.56	473.36	9,000.00	(8,526.64)
Network maintenance	0.00	0.00	11,000.00	(11,000.00)
Office supplies	1,604.22	4,689.12	23,000.00	(18,310.88)
Interloan document delivery	94.92	151.15	7,500.00	(7,348.85)
Postage	111.59	501.89	4,000.00	(3,498.11)
Books	3,701.22	11,319.98	42,127.00	(30,807.02)
Periodicals	39.00	281.96	5,200.00	(4,918.04)
Audio visual	609.34	1,774.20	8,000.00	(6,225.80)
Membership and dues	420.00	420.00	2,000.00	(1,580.00)
Transportation	507.03	1,570.70	8,000.00	(6,429.30)
Community promotions	33.50	236.87	6,900.00	(6,663.13)
Printing and publishing	0.00	0.00	1,000.00	(1,000.00)
Payroll fees	35.85	116.25	500.00	(383.75)
Professional services	1,745.60	13,814.26	31,000.00	(17,185.74)
Correction of prior year taxes	0.00	32.53	3,000.00	(2,967.47)
Total expenditures	\$ 95,755.85	\$ 245,744.12	\$ 957,402.00	\$ (711,657.88)

See accountant's compilation report

BRANCH DISTRICT LIBRARY
OTHER SUPPLEMENTAL INFORMATION
GENERAL FUND
SCHEDULE OF EXPENDITURES

	Month Ended		Three Months Ended	
	March 31,		March 31,	
	2013	2012	2013	2012
<i>Salaries</i>	\$ 66,013.13	\$ 64,809.58	\$ 154,325.40	\$ 165,116.67
<i>Payroll taxes</i>	5,076.25	4,949.14	11,893.88	12,648.53
<i>Workers compensation</i>	495.00	0.00	495.00	530.00
<i>Longevity</i>	475.00	150.00	1,550.00	875.00
<i>Board per diem</i>	0.00	25.00	0.00	25.00
<i>Contract labor</i>	31.44	0.00	62.88	0.00
<i>Hospitalization</i>	4,046.26	4,859.47	13,138.78	14,595.28
<i>Deferred compensation</i>	0.00	0.00	2,500.00	2,500.00
<i>Employee relations</i>	0.00	0.00	50.00	0.00
<i>Contracted services</i>	0.00	5,242.24	0.00	5,242.24
<i>Training</i>	1,436.63	10.00	1,932.63	145.00
<i>Telephone</i>	553.96	408.96	1,538.48	1,952.36
<i>Utilities</i>	3,708.38	3,213.92	10,305.92	9,708.81
<i>Insurance</i>	0.00	0.00	156.89	0.00
<i>Maintenance</i>	4,804.97	6,538.64	12,411.99	14,716.70
<i>Equipment maintenance</i>	212.56	3,374.37	473.36	4,709.87
<i>Network maintenance</i>	0.00	263.83	0.00	397.16
<i>Operating supplies</i>	0.00	104.86	0.00	1,485.87
<i>Office supplies</i>	1,604.22	3,337.95	4,689.12	5,194.99
<i>Interloan document delivery</i>	94.92	45.00	151.15	75.00
<i>Postage</i>	111.59	607.67	501.89	1,165.11
<i>Books</i>	3,701.22	6,252.90	11,319.98	26,439.11
<i>Periodicals</i>	39.00	168.00	281.96	298.15
<i>Audio visual</i>	609.34	1,201.62	1,774.20	4,072.67
<i>Membership and dues</i>	420.00	304.95	420.00	304.95
<i>Transportation</i>	507.03	855.50	1,570.70	1,921.90
<i>Community promotions</i>	33.50	0.00	236.87	206.50
<i>Printing and publishing</i>	0.00	126.12	0.00	126.12
<i>Payroll fees</i>	35.85	36.30	116.25	119.10
<i>Professional services</i>	1,745.60	1,930.30	13,814.26	13,149.34
<i>Correction of prior year tax</i>	0.00	0.00	32.53	1,536.75
<i>Total expenditures</i>	<u>\$ 95,755.85</u>	<u>\$ 108,816.32</u>	<u>\$ 245,744.12</u>	<u>\$ 289,258.18</u>

See accountant's compilation report

BRANCH DISTRICT LIBRARY
BRONSON FIDUCIARY RESERVED FUND

BRONSON INCOME 2012 (BEGINNING BALANCE) \$17,335.91

INCOME:

ALLOCATED INTEREST (JAN)	2.54
DONATIONS (JAN)	2,666.00
ALLOCATED INTEREST (FEB)	3.37
ALLOCATED INTEREST (MAR)	1.99
TRANSFER FROM CAPITAL (MAR)	3,009.86
TRANSFER FROM G. BARNE' (MAR)	4,488.00
TOTAL INCOME	<u>\$10,171.76</u>

EXPENSES:

SANTA CLAUS PUBLISHING (JAN)	(77.38)
LYNELL EASH (JAN)	(38.00)
FAMILY DOLLAR (FEB)	(39.00)
BRUSSEE/BRADY (MAR)	(23,850.86)
LYNELL EASH (MAR)	(65.16)
TOTAL DISBURSEMENTS	<u>(24,070.40)</u>
(#655-201: #640-201: #680-200)	

BALANCE ENDOWMENT RESERVED FUND \$3,437.27
(#302200)

BRANCH DISTRICT LIBRARY
BARNETT FIDUCIARY RESERVED FUND

BARNETT INCOME 2013 (BEGINNING BALANCE) \$4,372.67

INCOME:

DEPOSIT (JAN)	57.41
ALLOCATED INTEREST (JAN)	0.60
DEPOSIT (FEB)	57.41
ALLOCATED INTEREST (FEB)	0.75
DEPOSIT (MAR)	51.86
ALLOCATED INTEREST (MAR)	0.39

TOTAL INCOME \$168.42

EXPENSES:

BRUSSEE/BRADY (4,488.00)

#640202 TOTAL DISBURSEMENTS (4,488.00)

BALANCE ENDOWMENT RESERVED FUND \$53.09

#304300