

BRANCH DISTRICT LIBRARY
FINANCIAL STATEMENTS
FEBRUARY 28, 2014 AND 2013

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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

March 11, 2014

We have compiled the accompanying balance sheets of Branch District Library as of February 28, 2014 and 2013, and the related statements of revenues, expenditures and changes in fund balance, and other supplemental information for the two 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, 2014, 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

	February 28,	
	2014	2013
Cash	\$ 313,939.99	\$ 297,951.34
Investments	500,778.66	499,187.92
Due from County	44,531.32	27,015.17
Due from the City of Coldwater	106.76	52.74
Prepaid expenses	<u>3,766.15</u>	<u>4,046.26</u>
Total assets	<u>\$ 863,122.88</u>	<u>\$ 828,253.43</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 17,945.56	\$ 11,699.63
Due to the City of Coldwater	94.00	56.50
Payroll taxes payable	6,865.02	1,554.08
Accrued wages	<u>24,758.04</u>	<u>26,742.36</u>
Total liabilities	49,662.62	40,052.57

FUND BALANCE

	<u>813,460.26</u>	<u>788,200.86</u>
Total liabilities and fund equity	<u>\$ 863,122.88</u>	<u>\$ 828,253.43</u>

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

ASSETS

	February 28,	
	<u>2014</u>	<u>2013</u>
Cash	\$ 116,648.44	\$ 105,044.07
Restricted assets:		
Cash	<u>67,165.17</u>	<u>52,667.09</u>
Total assets	<u>\$ 183,813.61</u>	<u>\$ 157,711.16</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 334.65	\$ 940.57
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FUND BALANCE

Restricted:		
Bronson operations	8,872.42	19,853.44
Fisher memorial	27,794.66	27,449.65
Dallen memorial	841.56	836.16
Morton memorial	28,808.91	0.00
Barnett memorial	<u>677.82</u>	<u>4,488.84</u>
Total Restricted	66,995.37	52,628.09
Committed	<u>116,483.59</u>	<u>104,142.50</u>
Total fund balance	<u>183,478.96</u>	<u>156,770.59</u>
Total liabilities and fund equity	<u>\$ 183,813.61</u>	<u>\$ 157,711.16</u>

See accountant's compilation report

BRANCH DISTRICT LIBRARY

**CAPITAL PROJECTS FUND
BALANCE SHEETS**

ASSETS

	February 28,	
	2014	2013
Cash	\$ 93,748.24	\$ 81,426.44
Investments	<u>101,005.64</u>	<u>100,578.98</u>
Total assets	<u>\$ 194,753.88</u>	<u>\$ 182,005.42</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 0.00	\$ 6,909.08
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FUND BALANCE

	<u>194,753.88</u>	<u>175,096.34</u>
Total liabilities and fund equity	<u>\$ 194,753.88</u>	<u>\$ 182,005.42</u>

BRANCH DISTRICT LIBRARY
PERMANENT TRUST FUND
BALANCE SHEETS

ASSETS

	February 28,	
	<u>2014</u>	<u>2013</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>

See accountant's compilation report

BRANCH DISTRICT LIBRARY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE COMPARED TO BUDGET

	<u>Month Ended</u> <u>February 28, 2014</u>	<u>Two Months Ended</u> <u>February 28, 2014</u>	<u>Budget Year to Date</u> <u>2014</u>	
			<u>Amount</u>	<u>Variance</u>
REVENUES				
Taxes	\$ 288,857.15	\$ 366,943.98	\$ 664,420.08	\$ (297,476.10)
State shared revenue	0.00	0.00	25,200.00	(25,200.00)
Interest earned	12.24	5.91	1,200.00	(1,194.09)
Penal fines	24,531.32	44,531.32	161,000.00	(116,468.68)
Charges for services	1,206.13	1,977.29	21,000.00	(19,022.71)
Reimbursements	3,160.47	6,516.68	26,083.00	(19,566.32)
Miscellaneous	<u>1,267.67</u>	<u>1,841.60</u>	<u>14,000.00</u>	<u>(12,158.40)</u>
 Total revenues	 319,034.98	 421,816.78	 912,903.08	 (491,086.30)
EXPENDITURES				
Library	<u>74,503.56</u>	<u>178,168.47</u>	<u>993,127.88</u>	<u>(814,959.41)</u>
 Total expenditures	 <u>74,503.56</u>	 <u>178,168.47</u>	 <u>993,127.88</u>	 <u>(814,959.41)</u>
 Excess (deficiency) of revenues over expenditures	 244,531.42	 243,648.31	 (80,224.80)	 323,873.11
OTHER SOURCES (USES)				
Transfers from (to) other funds	<u>0.00</u>	<u>0.00</u>	<u>27,690.08</u>	<u>(27,690.08)</u>
 Excess (deficiency) of revenues and other sources over expenditures	 <u>\$ 244,531.42</u>	 243,648.31	 (52,534.72)	 296,183.03
 FUND BALANCE - BEGINNING		 <u>569,811.95</u>	 <u>494,835.00</u>	 <u>74,976.95</u>
 FUND BALANCE - ENDING		 <u>\$ 813,460.26</u>	 <u>\$ 442,300.28</u>	 <u>\$ 371,159.98</u>

See accountant's compilation report

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

	Month Ended February 28,		Two Months Ended February 28,	
	2014	2013	2014	2013
REVENUES				
Interest earned	\$ 93.49	\$ 92.71	\$ 186.50	\$ 178.04
Donations	1,650.00	1,580.00	5,587.97	7,545.05
Total revenues	1,743.49	1,672.71	5,774.47	7,723.09
EXPENDITURES				
Books	164.85	971.22	1,335.88	1,158.18
Bronson endowment	449.80	39.00	449.80	154.38
Total expenditures	614.65	1,010.22	1,785.68	1,312.56
Excess (deficiency) of revenues over expenditures	1,128.84	662.49	3,988.79	6,410.53
OTHER SOURCES (USES)				
Excess (deficiency) of revenues over expenditures and other uses	\$ 1,128.84	\$ 662.49	3,988.79	6,410.53
FUND BALANCE - BEGINNING			179,490.17	150,360.06
FUND BALANCE - ENDING			\$ 183,478.96	\$ 156,770.59

See accountant's compilation report

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

	Month Ended February 28,		Two Months Ended February 28,	
	2014	2013	2014	2013
REVENUES				
Taxes	\$ 48,142.85	\$ 18,459.41	\$ 61,157.32	\$ 60,645.08
Interest earned	11.51	14.01	19.13	22.64
Total revenues	48,154.36	18,473.42	61,176.45	60,667.72
EXPENDITURES				
Automation	0.00	5,048.64	0.00	5,048.64
Capital outlay	580.63	1,860.44	730.62	13,416.00
Total expenditures	580.63	6,909.08	730.62	18,464.64
Excess (deficiency) of revenues over expenditures	47,573.73	11,564.34	60,445.83	42,203.08
OTHER SOURCES (USES)				
Debt service	0.00	(10,101.69)	(10,101.69)	(10,101.69)
Total other sources (uses)	0.00	(10,101.69)	(10,101.69)	(10,101.69)
Excess (deficiency) of revenues over expenditures and other uses	\$ 47,573.73	\$ 1,462.65	50,344.14	32,101.39
FUND BALANCE - BEGINNING			144,409.74	142,994.95
FUND BALANCE - ENDING			\$ 194,753.88	\$ 175,096.34

See accountant's compilation report

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

	Month Ended February 28,		Two Months Ended February 28,	
	2014	2013	2014	2013
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

	Month Ended		Two Months		Budget Year to Date	
	February 28, 2014		Ended		2014	
			February 28, 2014		Amount	Variance
Salaries	\$	44,169.80	\$	108,314.71	\$ 590,211.00	\$ (481,896.29)
Payroll taxes		3,368.61		8,298.37	47,216.88	(38,918.51)
Unemployment		0.00		10.30	14,100.00	(14,089.70)
Workers compensation		423.00		423.00	2,500.00	(2,077.00)
Longevity		0.00		500.00	4,300.00	(3,800.00)
Board per diem		0.00		0.00	900.00	(900.00)
Contract labor		0.00		0.00	300.00	(300.00)
Hospitalization		3,766.15		9,812.41	46,000.00	(36,187.59)
Deferred compensation		0.00		2,500.00	4,500.00	(2,000.00)
Employee relations		0.00		25.00	500.00	(475.00)
Contracted services		0.00		0.00	12,600.00	(12,600.00)
Training		0.00		140.00	3,000.00	(2,860.00)
Telephone		477.64		967.37	6,500.00	(5,532.63)
Utilities		3,927.66		7,837.46	38,000.00	(30,162.54)
Insurance		0.00		158.43	11,500.00	(11,341.57)
Maintenance		3,412.61		7,973.43	50,500.00	(42,526.57)
Equipment maintenance		97.63		687.11	9,000.00	(8,312.89)
Network maintenance		0.00		735.00	8,000.00	(7,265.00)
Office supplies		2,604.03		4,433.42	23,000.00	(18,566.58)
Interloan document delivery		22.00		22.00	7,500.00	(7,478.00)
Postage		132.73		132.73	4,000.00	(3,867.27)
Books		4,248.12		9,258.93	42,000.00	(32,741.07)
Periodicals		217.40		266.15	5,200.00	(4,933.85)
Audio visual		1,013.83		1,718.69	8,000.00	(6,281.31)
Membership and dues		0.00		60.00	2,000.00	(1,940.00)
Transportation		573.44		774.93	8,000.00	(7,225.07)
Community promotions		467.26		621.26	6,300.00	(5,678.74)
Printing and publishing		0.00		0.00	1,000.00	(1,000.00)
Payroll fees		36.15		72.45	500.00	(427.55)
Professional services		5,545.50		12,370.50	33,000.00	(20,629.50)
Correction of prior year taxes		0.00		54.82	3,000.00	(2,945.18)
Total expenditures	\$	74,503.56	\$	178,168.47	\$ 993,127.88	\$ (814,959.41)

See accountant's compilation report

BRANCH DISTRICT LIBRARY
OTHER SUPPLEMENTAL INFORMATION
GENERAL FUND
SCHEDULE OF EXPENDITURES

	Month Ended		Two Months Ended	
	February 28,		February 28,	
	2014	2013	2014	2013
<i>Salaries</i>	\$ 44,169.80	\$ 42,540.16	\$ 108,314.71	\$ 88,312.27
<i>Payroll taxes</i>	3,368.61	3,288.06	8,298.37	6,817.63
<i>Unemployment</i>	0.00	0.00	10.30	0.00
<i>Workers compensation</i>	423.00	0.00	423.00	0.00
<i>Longevity</i>	0.00	575.00	500.00	1,075.00
<i>Contract labor</i>	0.00	31.44	0.00	31.44
<i>Hospitalization</i>	3,766.15	4,046.26	9,812.41	9,092.52
<i>Deferred compensation</i>	0.00	0.00	2,500.00	2,500.00
<i>Employee relations</i>	0.00	50.00	25.00	50.00
<i>Training</i>	0.00	496.00	140.00	496.00
<i>Telephone</i>	477.64	494.98	967.37	984.52
<i>Utilities</i>	3,927.66	3,464.07	7,837.46	6,597.54
<i>Insurance</i>	0.00	156.89	158.43	156.89
<i>Maintenance</i>	3,412.61	2,938.89	7,973.43	7,607.02
<i>Equipment maintenance</i>	97.63	169.25	687.11	260.80
<i>Network maintenance</i>	0.00	0.00	735.00	0.00
<i>Office supplies</i>	2,604.03	1,792.55	4,433.42	3,084.90
<i>Interloan document delivery</i>	22.00	21.23	22.00	56.23
<i>Postage</i>	132.73	47.24	132.73	390.30
<i>Books</i>	4,248.12	2,178.72	9,258.93	7,618.76
<i>Periodicals</i>	217.40	194.21	266.15	242.96
<i>Audio visual</i>	1,013.83	584.29	1,718.69	1,164.86
<i>Membership and dues</i>	0.00	0.00	60.00	0.00
<i>Transportation</i>	573.44	553.65	774.93	1,063.67
<i>Community promotions</i>	467.26	0.00	621.26	203.37
<i>Payroll fees</i>	36.15	36.30	72.45	80.40
<i>Professional services</i>	5,545.50	5,176.68	12,370.50	12,068.66
<i>Correction of prior year tax</i>	0.00	0.00	54.82	32.53
<i>Total expenditures</i>	<u>\$ 74,503.56</u>	<u>\$ 68,835.87</u>	<u>\$ 178,168.47</u>	<u>\$ 149,988.27</u>

See accountant's compilation report

BRANCH DISTRICT LIBRARY
BARNETT FIDUCIARY RESERVED FUND

BARNETT INCOME 2014 (BEGINNING BALANCE) \$562.80

INCOME:

DEPOSIT	(JAN)	57.42
ALLOCATED INTEREST	(JAN)	0.09
DEPOSIT	(FEB)	57.41
ALLOCATED INTEREST	(FEB)	0.10

TOTAL INCOME \$115.02

EXPENSES:

#640202 TOTAL DISBURSEMENTS 0.00

BALANCE ENDOWMENT RESERVED FUND \$677.82

#304300

BRANCH DISTRICT LIBRARY
BRONSON FIDUCIARY RESERVED FUND

BRONSON INCOME 2013 (BEGINNING BALANCE) \$9,319.39

INCOME:

ALLOCATED INTEREST (JAN) 1.42
ALLOCATED INTEREST (FEB) 1.41

TOTAL INCOME \$2.83

EXPENSES:

LYNELL EASH (FEB) (280.00)
TAYLOR'S (FEB) (147.54)
LINDA DULL (FEB) (22.26)

TOTAL DISBURSEMENTS (449.80)
(#655-201: #640-201: #680-200)

BALANCE ENDOWMENT RESERVED FUND \$8,872.42
(#302200)

BRANCH DISTRICT LIBRARY
MORTON

MORTON 2013 (BEGINNING BALANCE) \$28,800.09

INCOME:

ALLOCATED INTEREST (JAN) 4.40
ALLOCATED INTEREST (FEB) 4.42

TOTAL INCOME \$8.82

EXPENSES:

TOTAL DISBURSEMENTS 0.00

BALANCE ENDOWMENT RESERVED FUND \$28,808.91
(#304400)