

BRANCH DISTRICT LIBRARY

FINANCIAL STATEMENTS

MAY 31, 2019 AND 2018

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

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

June 12, 2019

We have compiled the accompanying balance sheets of Branch District Library as of May 31, 2019 and 2018, and the related statements of revenues, expenditures and changes in fund balance, and other supplemental information for the five 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 five months ending May 31, 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

June 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

	May 31,	
	<u>2019</u>	<u>2018</u>
Cash	\$ 1,124,052.91	\$ 983,081.05
Investments	667,986.35	659,506.11
Due from County	15,000.00	29,858.64
Due from the City of Coldwater	312.50	27.97
Due from others	110.26	0.00
Prepaid expenses	<u>23,736.75</u>	<u>21,796.69</u>
 Total assets	 <u>\$ 1,831,198.77</u>	 <u>\$ 1,694,270.46</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 30,870.30	\$ 29,891.69
Due to the City of Coldwater	22.40	27.89
Payroll taxes payable	12,117.39	3,078.22
Accrued wages	<u>46,492.88</u>	<u>46,066.22</u>
 Total liabilities	 89,502.97	 79,064.02

FUND BALANCE

	<u>1,741,695.80</u>	<u>1,615,206.44</u>
 Total liabilities and fund equity	 <u>\$ 1,831,198.77</u>	 <u>\$ 1,694,270.46</u>

BRANCH DISTRICT LIBRARY
SPECIAL REVENUE TRUST FUND
BALANCE SHEETS

ASSETS

	May 31,	
	2019	2018
Cash	\$ 199,484.88	\$ 186,695.55
Restricted assets:		
Cash	44,976.91	53,854.46
Investments	29,072.46	0.00
Total Assets	\$ 273,534.25	\$ 240,550.01

LIABILITIES AND FUND EQUITY

LIABILITIES		
Accounts payable	\$ 755.08	\$ 1,210.06
FUND BALANCE		
Restricted:		
A. Barnett memorial	29,681.83	17,169.66
Fisher memorial	3,511.59	2,204.83
Dallen memorial	877.66	870.60
Uhle memorial	11.77	0.00
Morton memorial	29,072.46	29,072.46
Union City Facilities	5,169.06	254.20
G. Barnett memorial	5,514.09	4,282.71
Total Restricted	73,838.46	53,854.46
Committed	198,940.71	185,485.49
Total fund balance	272,779.17	239,339.95
Total liabilities and fund equity	\$ 273,534.25	\$ 240,550.01

BRANCH DISTRICT LIBRARY

**CAPITAL PROJECTS FUND
BALANCE SHEETS**

ASSETS

	May 31,	
	<u>2019</u>	<u>2018</u>
Cash	\$ 336,311.69	\$ 499,265.02
Investments	<u>104,238.00</u>	<u>103,563.60</u>
Total Assets	<u>\$ 440,549.69</u>	<u>\$ 602,828.62</u>

LIABILITIES AND FUND EQUITY

LIABILITIES		
Accounts payable	\$ 199.98	\$ 862.68
Total liabilities	199.98	862.68
FUND BALANCE	<u>440,349.71</u>	<u>601,965.94</u>
Total liabilities and fund equity	<u>\$ 440,549.69</u>	<u>\$ 602,828.62</u>

BRANCH DISTRICT LIBRARY

**PERMANENT TRUST FUND
BALANCE SHEETS**

ASSETS

	May 31,	
	<u>2019</u>	<u>2018</u>
Restricted assets:		
Cash	\$ 57,000.00	\$ 52,000.00
Investments	<u>90,133.62</u>	<u>90,133.62</u>
Total assets	<u>\$ 147,133.62</u>	<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	<u>90,133.62</u>	<u>90,133.62</u>
Total fund balance	<u>147,133.62</u>	<u>142,133.62</u>
Total liabilities fund equity	<u>\$ 147,133.62</u>	<u>\$ 142,133.62</u>

BRANCH DISTRICT LIBRARY

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

	<u>One Month Ended May 31, 2019</u>	<u>Five Months Ended May 31, 2019</u>	<u>Budget Year to Date 2019</u>	
			<u>Amount</u>	<u>Variance</u>
REVENUES				
Taxes	\$ 168,959.22	\$ 1,609,481.38	\$ 1,570,788.41	\$ 38,692.97
State shared revenue	18,616.12	18,616.12	34,458.40	(15,842.28)
Interest earned	258.31	814.31	4,000.00	(3,185.69)
Penal fines	30,230.96	98,935.00	190,000.00	(91,065.00)
Charges for services	1,147.26	6,946.25	22,000.00	(15,053.75)
Reimbursements	1,174.37	4,684.60	12,000.00	(7,315.40)
Miscellaneous	243.90	2,685.76	5,000.00	(2,314.24)
Total revenues	220,630.14	1,742,163.42	1,838,246.81	(96,083.39)
EXPENDITURES				
Library	195,026.92	806,450.84	1,973,607.04	(1,167,156.20)
Excess (deficiency) of revenues over expenditures	\$ <u>25,603.22</u>	935,712.58	(135,360.23)	1,071,072.81
FUND BALANCE - BEGINNING		<u>805,983.22</u>	<u>696,407.29</u>	<u>109,575.93</u>
FUND BALANCE - ENDING		\$ <u>1,741,695.80</u>	\$ <u>561,047.06</u>	\$ <u>1,180,648.74</u>

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

	One Month Ended May 31,		Five Months Ended May 31,	
	2019	2018	2019	2018
REVENUES				
Interest earned	\$ 130.79	\$ 130.64	\$ 642.34	\$ 542.03
Donations	1,526.75	1,081.94	12,714.61	18,868.85
	1,657.54	1,212.58	13,356.95	19,410.88
EXPENDITURES				
Expenses	1,242.57	4,321.79	1,838.81	4,640.58
Aileen Barnett endowment	210.91	0.00	210.91	0.00
	1,453.48	4,321.79	2,049.72	4,640.58
Excess (deficiency) of revenues over expenditures	<u>\$ 204.06</u>	<u>\$ (3,109.21)</u>	11,307.23	14,770.30
FUND BALANCE - BEGINNING			261,471.94	224,569.65
FUND BALANCE - ENDING			<u>\$ 272,779.17</u>	<u>\$ 239,339.95</u>

BRANCH DISTRICT LIBRARY

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

	One Month Ended May 31,		Five Months Ended May 31,	
	2019	2018	2019	2018
REVENUES				
Taxes	\$ 2,809.44	\$ 32,124.43	\$ 25,962.70	\$ 220,670.91
Interest earned	71.12	102.58	323.32	431.14
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	2,880.56	32,227.01	26,286.02	221,102.05
EXPENDITURES				
Capital outlay	424.98	862.68	544.97	30,566.91
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	<u>\$ 2,455.58</u>	<u>\$ 31,364.33</u>	25,741.05	190,535.14
FUND BALANCE - BEGINNING			<hr/> 414,608.66	<hr/> 411,430.80
FUND BALANCE - ENDING			<u>\$ 440,349.71</u>	<u>\$ 601,965.94</u>

BRANCH DISTRICT LIBRARY

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

	One Month Ended May 31,		Five Months Ended May 31,	
	2019	2018	2019	2018
REVENUES				
Donation	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
EXPENDITURES				
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
FUND BALANCE - BEGINNING			<u>147,133.62</u>	<u>142,133.62</u>
FUND BALANCE - ENDING			<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 May 31, 2019	Five Months Ended May 31, 2019	Budget Year to Date 2019	
			Amount	Variance
Salaries	\$ 113,399.92	\$ 468,145.91	\$ 1,037,459.47	\$ (569,313.56)
Board per diem	0.00	700.00	4,200.00	(3,500.00)
Payroll taxes	8,650.61	35,714.16	82,996.76	(47,282.60)
Insurance benefits	17,458.92	103,834.22	271,971.07	(168,136.85)
Unemployment insurance	0.00	0.00	2,000.00	(2,000.00)
Workers compensation	700.84	1,401.68	4,000.00	(2,598.32)
Deferred compensation	0.00	6,000.00	6,000.00	0.00
Liability insurance-employees	13,263.00	13,263.00	17,000.00	(3,737.00)
Employee benefits	101.57	866.56	5,000.00	(4,133.44)
Training and education	50.00	350.00	9,000.00	(8,650.00)
Travel-Training	1,678.39	1,717.09	3,000.00	(1,282.91)
Travel-Business	1,062.25	2,931.44	12,750.00	(9,818.56)
Rents and leases	350.00	1,170.00	2,000.00	(830.00)
Telecommunications	1,708.52	7,194.14	25,428.63	(18,234.49)
Utilities	2,192.94	12,433.13	30,687.11	(18,253.98)
Operating supplies	1,787.98	4,553.48	18,000.00	(13,446.52)
Office supplies	4,788.14	14,105.78	26,000.00	(11,894.22)
Janitorial supplies	592.70	1,564.35	1,700.00	(135.65)
Building/grounds maintenace materials	99.94	713.24	9,000.00	(8,286.76)
Postage	331.80	2,051.25	3,200.00	(1,148.75)
Interlibrary loans	78.69	200.25	1,500.00	(1,299.75)
Food and catering	10.42	159.82	0.00	159.82
Equipment maintenance	0.00	371.30	0.00	371.30
Building and grounds maintenance svcs	6,225.11	15,063.76	45,000.00	(29,936.24)
Janitorial services	1,977.00	7,774.00	15,000.00	(7,226.00)
Other contractual services	435.58	2,119.64	19,000.00	(16,880.36)
Licensing and subscription services	1,198.59	3,285.46	40,000.00	(36,714.54)
Books	7,209.34	43,321.20	90,000.00	(46,678.80)
Periodicals	108.50	365.50	8,000.00	(7,634.50)
Audio visual	1,118.40	6,519.67	19,870.00	(13,350.33)
Digital services	2,476.91	11,995.83	27,327.00	(15,331.17)
Technology hardware	0.00	0.00	40,000.00	(40,000.00)
Technology equipment repair & supplies	133.75	484.27	8,775.00	(8,290.73)
Membership and dues	0.00	1,339.38	1,000.00	339.38
Community promotions	(123.40)	1,405.14	6,000.00	(4,594.86)
Performers	637.00	887.00	13,655.00	(12,768.00)
Food	491.86	827.84	3,000.00	(2,172.16)
Program supplies	1,549.32	6,845.99	13,655.00	(6,809.01)
Printing and binding	0.00	258.20	2,000.00	(1,741.80)
Public announcements	119.00	307.94	3,000.00	(2,692.06)
Bank and merchant charges	44.00	241.30	732.00	(490.70)
Management and consulting services	450.00	450.00	5,000.00	(4,550.00)
Legal and accounting services	2,633.60	23,319.10	39,000.00	(15,680.90)
Correction of prior year taxes	35.73	198.82	700.00	(501.18)
Total expenditures	\$ 195,026.92	\$ 806,450.84	\$ 1,973,607.04	\$ (1,167,156.20)

BRANCH DISTRICT LIBRARY
OTHER SUPPLEMENTAL INFORMATION
GENERAL FUND
SCHEDULE OF EXPENDITURES

	One Month Ended May 31,		Five Months Ended May 31,	
	2019	2018	2019	2018
Salaries	\$ 113,399.92	\$ 85,947.34	\$ 468,145.91	\$ 422,631.35
Board per diem	0.00	0.00	700.00	925.00
Payroll taxes	8,650.61	6,548.73	35,714.16	32,270.84
Insurance benefits	17,458.92	22,436.98	103,834.22	109,062.47
Workers compensation	700.84	0.00	1,401.68	0.00
Deferred compensation	0.00	0.00	6,000.00	6,000.00
Liability insurance-employees	13,263.00	12,068.00	13,263.00	12,068.00
Employee benefits	101.57	49.99	866.56	549.99
Training and education	50.00	7,772.87	350.00	14,729.12
Travel-Training	1,678.39	2,559.07	1,717.09	7,323.65
Travel-Business	1,062.25	2,189.93	2,931.44	5,708.24
Rents and leases	350.00	220.00	1,170.00	1,150.00
Telecommunications	1,708.52	1,687.10	7,194.14	6,767.54
Utilities	2,192.94	3,985.26	12,433.13	14,846.55
Operating supplies	1,787.98	1,074.21	4,553.48	11,504.20
Office supplies	4,788.14	1,816.89	14,105.78	9,171.74
Janitorial supplies	592.70	200.52	1,564.35	772.81
Building/grounds maintenace materials	99.94	0.00	713.24	1,700.38
Postage	331.80	217.22	2,051.25	2,217.15
Interlibrary loans	78.69	0.00	200.25	0.00
Food and catering	10.42	(260.73)	159.82	822.62
Equipment maintenance	0.00	1,251.55	371.30	1,875.91
Building and grounds maintenance svcs	6,225.11	9,262.82	15,063.76	22,888.90
Janitorial services	1,977.00	0.00	7,774.00	6,581.87
Other contractual services	435.58	449.64	2,119.64	4,145.95
Licensing and subscription services	1,198.59	20.00	3,285.46	1,810.53
Books	7,209.34	9,455.61	43,321.20	40,408.66
Periodicals	108.50	33.48	365.50	682.37
Professional and technical publications	0.00	0.00	0.00	660.00
Audio visual	1,118.40	2,670.22	6,519.67	8,463.74
Digital services	2,476.91	2,026.02	11,995.83	13,404.18
Technology equipment repair & supplies	133.75	0.00	484.27	0.00
Membership and dues	0.00	1,379.16	1,339.38	2,382.82
Community promotions	(123.40)	1,204.61	1,405.14	2,805.06
Performers	637.00	427.11	887.00	10,957.11
Food	491.86	512.73	827.84	938.18
Program supplies	1,549.32	1,824.18	6,845.99	5,219.46
Printing and binding	0.00	158.48	258.20	1,814.95
Public announcements	119.00	777.55	307.94	1,819.19
Bank and merchant charges	44.00	47.60	241.30	322.80
Management and consulting services	450.00	6,500.00	450.00	6,500.00
Legal and accounting services	2,633.60	1,946.50	23,319.10	22,982.39
Correction of prior year taxes	35.73	0.00	198.82	169.88
Total expenditures	\$ 195,026.92	\$ 188,460.64	\$ 806,450.84	\$ 817,055.60