

BRANCH DISTRICT LIBRARY

FINANCIAL STATEMENTS

JULY 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

August 12, 2019

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

August 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

	July 31,	
	2019	2018
Cash	\$ 881,255.82	\$ 804,857.93
Investments	667,986.35	659,506.11
Due from County	34,011.49	34,202.15
Due from the City of Coldwater	0.00	27.97
Due from others	3,000.84	0.00
Prepaid expenses	<u>23,736.75</u>	<u>21,796.69</u>
Total assets	<u>\$ 1,609,991.25</u>	<u>\$ 1,520,390.85</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 30,300.10	\$ 43,195.89
Due to the City of Coldwater	130.85	19.16
Payroll taxes payable	2,572.94	12,357.92
Accrued wages	<u>46,492.88</u>	<u>46,066.22</u>
Total liabilities	79,496.77	101,639.19

FUND BALANCE

	<u>1,530,494.48</u>	<u>1,418,751.66</u>
Total liabilities and fund equity	<u>\$ 1,609,991.25</u>	<u>\$ 1,520,390.85</u>

BRANCH DISTRICT LIBRARY
SPECIAL REVENUE TRUST FUND
BALANCE SHEETS

ASSETS

	July 31,	
	<u>2019</u>	<u>2018</u>
Cash	\$ 196,736.55	\$ 187,638.66
Restricted assets:		
Cash	56,625.58	65,187.87
Investments	<u>29,072.46</u>	<u>0.00</u>
 Total Assets	 <u>\$ 282,434.59</u>	 <u>\$ 252,826.53</u>

LIABILITIES AND FUND EQUITY

LIABILITIES		
Accounts payable	\$ 156.50	\$ 2,919.89
 FUND BALANCE		
Restricted:		
A. Barnett memorial	32,644.57	20,306.44
Fisher memorial	3,511.59	2,204.83
Dallen memorial	878.86	871.80
Uhle memorial	13.86	1.57
Morton memorial	29,072.46	29,072.46
Union City Facilities	13,871.97	6,115.50
G. Barnett memorial	<u>5,704.73</u>	<u>4,565.47</u>
 Total Restricted	 85,698.04	 63,138.07
Committed	<u>196,580.05</u>	<u>186,768.57</u>
 Total fund balance	 <u>282,278.09</u>	 <u>249,906.64</u>
 Total liabilities and fund equity	 <u>\$ 282,434.59</u>	 <u>\$ 252,826.53</u>

BRANCH DISTRICT LIBRARY

**CAPITAL PROJECTS FUND
BALANCE SHEETS**

ASSETS

	July 31,	
	2019	2018
Cash	\$ 336,252.17	\$ 471,839.87
Investments	<u>104,238.00</u>	<u>103,563.60</u>
Total Assets	<u>\$ 440,490.17</u>	<u>\$ 575,403.47</u>

LIABILITIES AND FUND EQUITY

LIABILITIES		
Accounts payable	\$ 0.00	\$ 371.50
Total liabilities	0.00	371.50
FUND BALANCE	<u>440,490.17</u>	<u>575,031.97</u>
Total liabilities and fund equity	<u>\$ 440,490.17</u>	<u>\$ 575,403.47</u>

BRANCH DISTRICT LIBRARY

**PERMANENT TRUST FUND
BALANCE SHEETS**

ASSETS

	July 31,	
	<u>2019</u>	<u>2018</u>
Restricted assets:		
Cash	\$ 57,000.00	\$ 57,000.00
Investments	<u>90,133.62</u>	<u>90,133.62</u>
Total assets	<u>\$ 147,133.62</u>	<u>\$ 147,133.62</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 0.00	\$ 0.00
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FUND BALANCE

Restricted:		
Sammelroth memorial	50,000.00	50,000.00
Dallen memorial	2,000.00	2,000.00
Uhle memorial	5,000.00	5,000.00
Barnett memorial	<u>90,133.62</u>	<u>90,133.62</u>
Total fund balance	<u>147,133.62</u>	<u>147,133.62</u>
Total liabilities fund equity	<u>\$ 147,133.62</u>	<u>\$ 147,133.62</u>

BRANCH DISTRICT LIBRARY

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

	<u>One Month Ended July 31, 2019</u>	<u>Seven Months Ended July 31, 2019</u>	<u>Budget Year to Date 2019</u>	
			<u>Amount</u>	<u>Variance</u>
REVENUES				
Taxes	\$ 749.50	\$ 1,610,241.32	\$ 1,611,850.10	\$ (1,608.78)
State shared revenue	0.00	18,616.12	34,458.40	(15,842.28)
Interest earned	226.44	1,286.32	8,000.00	(6,713.68)
Penal fines	23,506.93	141,904.82	220,000.00	(78,095.18)
Charges for services	16,959.95	24,271.50	22,000.00	2,271.50
Reimbursements	5,891.42	10,576.02	12,000.00	(1,423.98)
Miscellaneous	482.09	4,335.17	1,000.00	3,335.17
Total revenues	47,816.33	1,811,231.27	1,909,308.50	(98,077.23)
EXPENDITURES				
Library	122,873.81	1,086,720.01	1,962,516.35	(875,796.34)
Excess (deficiency) of revenues over expenditures	\$ (75,057.48)	724,511.26	(53,207.85)	777,719.11
FUND BALANCE - BEGINNING		805,983.22	752,776.63	53,206.59
FUND BALANCE - ENDING		\$ 1,530,494.48	\$ 699,568.78	\$ 830,925.70

BRANCH DISTRICT LIBRARY

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

	One Month Ended July 31,		Seven Months Ended July 31,	
	2019	2018	2019	2018
REVENUES				
Interest earned	\$ 130.46	\$ 128.64	\$ 905.38	\$ 893.21
Donations	11,700.02	922.79	23,638.43	34,118.63
Total revenues	11,830.48	1,051.43	24,543.81	35,011.84
EXPENDITURES				
Expenses	437.08	1,246.32	3,526.75	7,345.94
Aileen Barnett endowment	0.00	175.00	210.91	175.00
Union City facilities	0.00	1,874.80	0.00	2,153.91
Total expenditures	437.08	3,296.12	3,737.66	9,674.85
Excess (deficiency) of revenues over expenditures	\$ 11,393.40	\$ (2,244.69)	20,806.15	25,336.99
FUND BALANCE - BEGINNING			261,471.94	224,569.65
FUND BALANCE - ENDING			\$ 282,278.09	\$ 249,906.64

BRANCH DISTRICT LIBRARY

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

	One Month Ended July 31,		Seven Months Ended July 31,	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
REVENUES				
Taxes	\$ 0.00	\$ 0.00	\$ 25,962.70	\$ 217,074.72
Interest earned	<u>71.38</u>	<u>101.72</u>	<u>463.78</u>	<u>634.12</u>
Total revenues	71.38	101.72	26,426.48	217,708.84
EXPENDITURES				
Capital outlay	<u>0.00</u>	<u>14,231.11</u>	<u>544.97</u>	<u>54,107.67</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 71.38</u>	<u>\$ (14,129.39)</u>	25,881.51	163,601.17
FUND BALANCE - BEGINNING			<u>414,608.66</u>	<u>411,430.80</u>
FUND BALANCE - ENDING			<u>\$ 440,490.17</u>	<u>\$ 575,031.97</u>

BRANCH DISTRICT LIBRARY

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

	One Month Ended July 31,		Seven Months Ended July 31,	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
REVENUES				
Donation	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,000.00
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	5,000.00
FUND BALANCE - BEGINNING			<u>147,133.62</u>	<u>142,133.62</u>
FUND BALANCE - ENDING			<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 July 31, 2019	Seven Months Ended July 31, 2019	Budget Year to Date 2019	
			Amount	Variance
Salaries	\$ 72,325.54	\$ 614,100.60	\$ 1,049,268.47	\$ (435,167.87)
Board per diem	650.00	1,350.00	4,200.00	(2,850.00)
Payroll taxes	5,566.32	46,896.90	83,871.48	(36,974.58)
Insurance benefits	18,892.89	139,739.50	244,375.40	(104,635.90)
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	4,672.00	17,935.00	18,000.00	(65.00)
Employee benefits	0.00	866.56	5,000.00	(4,133.44)
Training and education	0.00	374.66	6,500.00	(6,125.34)
Travel-Training	0.00	185.53	1,500.00	(1,314.47)
Travel-Business	522.58	4,167.77	10,000.00	(5,832.23)
Rents and leases	110.00	1,390.00	2,000.00	(610.00)
Telecommunications	1,563.13	16,433.85	26,000.00	(9,566.15)
Utilities	1,672.07	15,777.84	31,000.00	(15,222.16)
Operating supplies	461.82	5,450.77	18,000.00	(12,549.23)
Office supplies	159.72	14,412.95	30,000.00	(15,587.05)
Janitorial supplies	50.01	2,008.30	3,000.00	(991.70)
Building/grounds maintenace materials	12.38	835.62	3,000.00	(2,164.38)
Postage	297.33	2,383.57	6,000.00	(3,616.43)
Interlibrary loans	9.99	253.19	1,000.00	(746.81)
Food and catering	0.00	171.80	200.00	(28.20)
Building and grounds maintenance svcs	2,545.69	19,582.83	45,000.00	(25,417.17)
Janitorial services	1,910.00	9,684.00	21,000.00	(11,316.00)
Other contractual services	477.34	15,950.93	22,000.00	(6,049.07)
Licensing and subscription services	45.00	25,072.52	45,000.00	(19,927.48)
Books	3,580.00	50,987.55	81,000.00	(30,012.45)
Periodicals	217.00	1,061.54	7,000.00	(5,938.46)
Audio visual	1,212.22	8,708.99	18,000.00	(9,291.01)
Digital services	1,958.74	16,455.49	34,489.00	(18,033.51)
Technology hardware	0.00	0.00	40,000.00	(40,000.00)
Technology equipment repair & supplies	438.14	1,677.60	2,000.00	(322.40)
Membership and dues	250.00	1,589.38	2,000.00	(410.62)
Community promotions	679.61	3,079.95	5,400.00	(2,320.05)
Performers	40.00	2,672.00	12,290.00	(9,618.00)
Food	95.64	1,012.25	2,700.00	(1,687.75)
Program supplies	702.33	8,221.92	12,290.00	(4,068.08)
Printing and binding	0.00	258.20	2,000.00	(1,741.80)
Public announcements	230.90	562.64	1,000.00	(437.36)
Bank and merchant charges	44.60	329.75	732.00	(402.25)
Management and consulting services	0.00	450.00	0.00	450.00
Legal and accounting services	1,800.00	27,144.10	50,000.00	(22,855.90)
Correction of prior year taxes	(319.18)	82.28	700.00	(617.72)
Total expenditures	\$ 122,873.81	\$ 1,086,720.01	\$ 1,962,516.35	\$ (875,796.34)

BRANCH DISTRICT LIBRARY

**OTHER SUPPLEMENTAL INFORMATION
GENERAL FUND
SCHEDULE OF EXPENDITURES**

	One Month Ended July 31,		Seven Months Ended July 31,	
	2019	2018	2019	2018
Salaries	\$ 72,325.54	\$ 86,033.02	\$ 614,100.60	\$ 635,479.33
Board per diem	650.00	0.00	1,350.00	1,700.00
Payroll taxes	5,566.32	6,555.24	46,896.90	48,547.35
Insurance benefits	18,892.89	21,561.35	139,739.50	152,185.17
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	4,672.00	1,454.00	17,935.00	17,707.00
Employee benefits	0.00	0.00	866.56	599.98
Training and education	0.00	30.00	374.66	14,820.62
Travel-Training	0.00	782.00	185.53	8,499.65
Travel-Business	522.58	873.97	4,167.77	7,750.33
Rents and leases	110.00	110.00	1,390.00	1,370.00
Telecommunications	1,563.13	1,523.03	16,433.85	15,942.85
Utilities	1,672.07	1,938.49	15,777.84	18,734.13
Operating supplies	461.82	1,048.81	5,450.77	13,137.47
Office supplies	159.72	9,892.94	14,412.95	20,942.66
Janitorial supplies	50.01	364.94	2,008.30	1,256.67
Building/grounds maintenace materials	12.38	29.00	835.62	1,758.38
Postage	297.33	328.00	2,383.57	3,458.04
Interlibrary loans	9.99	0.00	253.19	0.00
Food and catering	0.00	0.00	171.80	822.62
Equipment maintenance	0.00	1,551.88	0.00	4,305.72
Building and grounds maintenance svcs	2,545.69	1,254.24	19,582.83	28,679.67
Janitorial services	1,910.00	0.00	9,684.00	8,367.22
Other contractual services	477.34	2,743.91	15,950.93	19,847.82
Licensing and subscription services	45.00	0.00	25,072.52	3,101.12
Books	3,580.00	6,092.04	50,987.55	54,235.68
Periodicals	217.00	527.03	1,061.54	1,652.36
Professional and technical publications	0.00	0.00	0.00	660.00
Audio visual	1,212.22	1,124.28	8,708.99	10,822.15
Digital services	1,958.74	2,404.88	16,455.49	17,938.82
Technology equipment repair & supplies	438.14	0.00	1,677.60	0.00
Membership and dues	250.00	250.00	1,589.38	2,632.82
Community promotions	679.61	204.15	3,079.95	3,259.84
Performers	40.00	380.00	2,672.00	12,262.11
Food	95.64	76.09	1,012.25	1,217.07
Program supplies	702.33	1,116.86	8,221.92	9,649.16
Printing and binding	0.00	0.00	258.20	1,814.95
Public announcements	230.90	160.66	562.64	2,712.78
Bank and merchant charges	44.60	51.50	329.75	426.25
Management and consulting services	0.00	0.00	450.00	6,680.00
Legal and accounting services	1,800.00	2,010.50	27,144.10	27,031.69
Correction of prior year taxes	(319.18)	0.00	82.28	169.88
Total expenditures	\$ 122,873.81	\$ 152,472.81	\$ 1,086,720.01	\$ 1,188,179.36