

BRANCH DISTRICT LIBRARY

FINANCIAL STATEMENTS

JULY 31, 2015 AND 2014

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

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

August 10, 2015

We have compiled the accompanying balance sheets of Branch District Library as of July 31, 2015 and 2014, and the related statements of revenues, expenditures and changes in fund balance, and other supplemental information for the seven 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, 2015, 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 10, 2015

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,	
	2015	2014
<i>Cash</i>	\$ 734,710.81	\$ 523,088.02
<i>Investments</i>	644,657.64	400,060.87
<i>Due from County</i>	33,326.72	53,589.15
<i>Due from the City of Coldwater</i>	707.51	51.34
<i>Prepaid expenses</i>	<u>3,766.15</u>	<u>3,766.15</u>
 <i>Total assets</i>	 <u>\$ 1,417,168.83</u>	 <u>\$ 980,555.53</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

<i>Accounts payable</i>	\$ 24,352.31	\$ 25,027.94
<i>Due to the City of Coldwater</i>	2,534.53	249.50
<i>Payroll taxes payable</i>	9,590.73	1,676.81
<i>Accrued wages</i>	<u>31,616.10</u>	<u>24,758.04</u>
 <i>Total liabilities</i>	 68,093.67	 51,712.29

FUND BALANCE

*Total liabilities and
fund equity*

<u>1,349,075.16</u>	<u>928,843.24</u>
 <u>\$ 1,417,168.83</u>	 <u>\$ 980,555.53</u>

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

ASSETS

	July 31,	
	<u>2015</u>	<u>2014</u>
Cash	\$ 115,739.69	\$ 112,563.88
Restricted assets:		
Cash	<u>65,782.98</u>	<u>71,949.96</u>
Total assets	<u>\$ 181,522.67</u>	<u>\$ 184,513.84</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 0.00	\$ 146.45
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FUND BALANCE

Restricted:

Bronson operations	822.87	13,498.15
A. Barnett memorial	9,590.33	0.00
Fisher memorial	16,744.78	27,818.20
Dallen memorial	850.37	843.97
Morton memorial	28,898.20	28,833.32
Union City Facilities	7,273.90	0.00
G. Barnett memorial	<u>1,602.53</u>	<u>956.32</u>
Total Restricted	65,782.98	71,949.96
Committed	<u>115,739.69</u>	<u>112,417.43</u>
Total fund balance	<u>181,522.67</u>	<u>184,367.39</u>
Total liabilities and fund equity	<u>\$ 181,522.67</u>	<u>\$ 184,513.84</u>

BRANCH DISTRICT LIBRARY

**CAPITAL PROJECTS FUND
BALANCE SHEETS**

ASSETS

	July 31,	
	2015	2014
<i>Cash</i>	\$ 208,188.24	\$ 124,215.45
<i>Investments</i>	<u>101,207.39</u>	<u>101,005.64</u>
<i>Total assets</i>	<u>\$ 309,395.63</u>	<u>\$ 225,221.09</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable \$ 3,922.93 \$ 0.00

FUND BALANCE

305,472.70 225,221.09

*Total liabilities and
fund equity*

\$ 309,395.63 \$ 225,221.09

**BRANCH DISTRICT LIBRARY
PERMANENT TRUST FUND
BALANCE SHEETS**

ASSETS

	July 31,	
	2015	2014
<i>Restricted assets:</i>		
<i>Cash</i>	\$ 52,000.00	\$ 52,000.00
<i>Investments</i>	90,133.62	90,133.62
<i>Total assets</i>	\$ 142,133.62	\$ 142,133.62

LIABILITIES AND FUND EQUITY

LIABILITIES

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

Restricted:

<i>Semmelroth memorial</i>	50,000.00	50,000.00
<i>Dallen memorial</i>	2,000.00	2,000.00
<i>Barnett memorial</i>	90,133.62	90,133.62

<i>Total fund balance</i>	142,133.62	142,133.62
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<i>Total liabilities and fund equity</i>	\$ 142,133.62	\$ 142,133.62
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BRANCH DISTRICT LIBRARY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE COMPARED TO BUDGET

	<u>Month Ended</u> <u>July 31, 2015</u>	<u>Seven Months Ended</u> <u>July 31, 2015</u>	<u>Budget Year to Date</u> <u>2015</u>	
			<u>Amount</u>	<u>Variance</u>
REVENUES				
Taxes	\$ 108.31	\$ 1,223,620.94	\$ 1,192,813.54	\$ 30,807.40
State shared revenue	13,941.66	27,619.42	25,200.00	2,419.42
Interest earned	209.96	1,386.35	1,200.00	186.35
Penal fines	21,771.50	123,516.08	269,000.00	(145,483.92)
Charges for services	1,333.17	6,968.35	21,000.00	(14,031.65)
Reimbursements	4,074.62	15,134.01	33,583.00	(18,448.99)
Donations	0.00	699.10	0.00	699.10
Miscellaneous	1,638.33	8,746.32	14,000.00	(5,253.68)
Total revenues	43,077.55	1,407,690.57	1,556,796.54	(149,105.97)
EXPENDITURES				
Library	122,048.54	751,406.36	1,495,431.80	(744,025.44)
Total expenditures	122,048.54	751,406.36	1,495,431.80	(744,025.44)
<i>Excess (deficiency) of revenues over expenditures</i>	(78,970.99)	656,284.21	61,364.74	594,919.47
OTHER SOURCES (USES)				
Transfers from (to) other funds	15,330.00	15,330.00	34,085.00	(18,755.00)
<i>Excess (deficiency) of revenues and other sources over expenditures</i>	\$ (63,640.99)	671,614.21	95,449.74	576,164.47
FUND BALANCE - BEGINNING		677,460.95	677,000.00	460.95
FUND BALANCE - ENDING		\$ 1,349,075.16	\$ 772,449.74	\$ 576,625.42

See accountant's compilation report

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

	Month Ended July 31,		Seven Months Ended July 31,	
	2015	2014	2015	2014
REVENUES				
<i>Interest earned</i>	\$ 124.45	\$ 95.50	\$ 766.31	\$ 664.11
<i>Donations</i>	1,205.00	3,424.00	23,009.63	16,120.97
<i>Total revenues</i>	1,329.45	3,519.50	23,775.94	16,785.08
EXPENDITURES				
<i>Books</i>	1,032.30	(106.28)	7,158.53	8,861.87
<i>Fisher endowment</i>	0.00	0.00	11,509.74	0.00
<i>Bronson endowment</i>	0.00	72.61	4,354.72	645.99
<i>Aileen Barnett endowment</i>	15.50	0.00	1,668.10	0.00
<i>Friends of the Library</i>	0.00	0.00	4,800.00	2,400.00
<i>Total expenditures</i>	1,047.80	(33.67)	29,491.09	11,907.86
<i>Excess (deficiency) of revenues over expenditures</i>	\$ 281.65	\$ 3,553.17	(5,715.15)	4,877.22
FUND BALANCE - BEGINNING			187,237.82	179,490.17
FUND BALANCE - ENDING			\$ 181,522.67	\$ 184,367.39

See accountant's compilation report

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

	Month Ended July 31,		Seven Months Ended July 31,	
	2015	2014	2015	2014
REVENUES				
<i>Taxes</i>	\$ 0.00	\$ 8.22	\$ 222,674.18	\$ 110,678.73
<i>Sale of fixed assets</i>	0.00	0.00	87.10	200.00
<i>Interest earned</i>	46.95	21.10	307.35	126.22
<i>Total revenues</i>	46.95	29.32	223,068.63	111,004.95
EXPENDITURES				
<i>Automation</i>	10,512.80	0.00	68,247.40	6,000.00
<i>Capital outlay</i>	4,067.91	0.00	12,061.87	3,990.22
<i>Total expenditures</i>	14,580.71	0.00	80,309.27	9,990.22
<i>Excess (deficiency) of revenues over expenditures</i>	(14,533.76)	29.32	142,759.36	101,014.73
OTHER SOURCES (USES)				
<i>Transfer from (to) other funds</i>	(15,330.00)	0.00	(15,330.00)	0.00
<i>Debt service</i>	0.00	0.00	0.00	(20,203.38)
<i>Total other sources (uses)</i>	(15,330.00)	0.00	(15,330.00)	(20,203.38)
<i>Excess (deficiency) of revenues over expenditures and other uses</i>	\$ (29,863.76)	\$ 29.32	127,429.36	80,811.35
FUND BALANCE - BEGINNING			178,043.34	144,409.74
FUND BALANCE - ENDING			\$ 305,472.70	\$ 225,221.09

See accountant's compilation report

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

	Month Ended July 31,		Seven Months Ended July 31,	
	2015	2014	2015	2014
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		Seven Months		Budget Year to Date	
	July 31, 2015		Ended		2015	
			July 31, 2015		Amount	Variance
Salaries	\$	82,179.85	\$	427,109.67	\$ 883,085.00	\$ (455,975.33)
Payroll taxes		6,282.72		32,730.74	70,646.80	(37,916.06)
Unemployment		0.00		0.00	14,100.00	(14,100.00)
Workers compensation		0.00		1,220.00	2,500.00	(1,280.00)
Longevity		0.00		1,600.00	4,300.00	(2,700.00)
Board per diem		150.00		225.00	900.00	(675.00)
Contract labor		0.00		65.22	300.00	(234.78)
Hospitalization		4,119.48		32,477.08	80,000.00	(47,522.92)
Deferred compensation		0.00		4,500.00	4,500.00	0.00
Employee relations		0.00		394.95	600.00	(205.05)
Contracted services		6,970.83		17,728.96	18,000.00	(271.04)
Training		0.00		5,736.17	7,500.00	(1,763.83)
Facilities rent		0.00		0.00	600.00	(600.00)
Telephone		614.53		3,655.76	10,000.00	(6,344.24)
Utilities		2,883.80		23,083.82	50,000.00	(26,916.18)
Insurance		0.00		15,059.89	11,500.00	3,559.89
Capital outlay		(720.00)		(360.00)	0.00	(360.00)
Maintenance		4,316.26		34,082.63	74,040.00	(39,957.37)
Equipment maintenance		71.66		4,451.01	9,000.00	(4,548.99)
Network maintenance		239.99		13,060.38	15,000.00	(1,939.62)
Operating supplies		197.82		230.26	0.00	230.26
Office supplies		2,237.71		24,688.16	36,000.00	(11,311.84)
Interloan document delivery		0.00		121.99	7,500.00	(7,378.01)
Postage		101.40		995.67	4,000.00	(3,004.33)
Books		6,629.63		47,689.58	100,000.00	(52,310.42)
Periodicals		78.00		1,183.24	6,500.00	(5,316.76)
Audio visual		281.52		3,327.17	14,000.00	(10,672.83)
Membership and dues		0.00		1,899.00	2,000.00	(101.00)
Transportation		658.81		4,441.23	8,000.00	(3,558.77)
Community promotions		1,026.23		8,156.01	16,360.00	(8,203.99)
Printing and publishing		0.00		0.00	1,000.00	(1,000.00)
Payroll fees		36.60		284.27	500.00	(215.73)
Professional services		3,342.60		39,489.11	40,000.00	(510.89)
Correction of prior year taxes		0.00		1,730.29	3,000.00	(1,269.71)
Miscellaneous		349.10		349.10	0.00	349.10
Total expenditures	\$	122,048.54	\$	751,406.36	\$ 1,495,431.80	\$ (744,025.44)

See accountant's compilation report

BRANCH DISTRICT LIBRARY
OTHER SUPPLEMENTAL INFORMATION
GENERAL FUND
SCHEDULE OF EXPENDITURES

	Month Ended July 31,		Seven Months Ended July 31,	
	2015	2014	2015	2014
<i>Salaries</i>	\$ 82,179.85	\$ 46,409.06	\$ 427,109.67	\$ 337,209.01
<i>Payroll taxes</i>	6,282.72	3,539.93	32,730.74	25,802.85
<i>Unemployment</i>	0.00	0.00	0.00	10.30
<i>Workers compensation</i>	0.00	0.00	1,220.00	846.00
<i>Longevity</i>	0.00	0.00	1,600.00	1,100.00
<i>Board per diem</i>	150.00	0.00	225.00	0.00
<i>Contract labor</i>	0.00	0.00	65.22	0.00
<i>Hospitalization</i>	4,119.48	3,766.15	32,477.08	28,643.16
<i>Deferred compensation</i>	0.00	0.00	4,500.00	4,500.00
<i>Employee relations</i>	0.00	0.00	394.95	106.64
<i>Contracted services</i>	6,970.83	13,822.58	17,728.96	17,664.98
<i>Training</i>	0.00	(75.00)	5,736.17	2,779.42
<i>Telephone</i>	614.53	585.10	3,655.76	3,582.64
<i>Utilities</i>	2,883.80	3,115.01	23,083.82	24,016.40
<i>Insurance</i>	0.00	0.00	15,059.89	11,444.43
<i>Capital outlay</i>	(720.00)	0.00	(360.00)	0.00
<i>Maintenance</i>	4,316.26	5,093.69	34,082.63	27,571.78
<i>Equipment maintenance</i>	71.66	648.17	4,451.01	3,152.97
<i>Network maintenance</i>	239.99	0.00	13,060.38	9,360.31
<i>Operating supplies</i>	197.82	0.00	230.26	0.00
<i>Office supplies</i>	2,237.71	2,175.68	24,688.16	20,030.50
<i>Interloan document delivery</i>	0.00	0.00	121.99	262.02
<i>Postage</i>	101.40	209.78	995.67	1,055.59
<i>Books</i>	6,629.63	5,201.06	47,689.58	29,625.03
<i>Periodicals</i>	78.00	0.00	1,183.24	431.90
<i>Audio visual</i>	281.52	614.59	3,327.17	5,071.03
<i>Membership and dues</i>	0.00	0.00	1,899.00	1,994.00
<i>Transportation</i>	658.81	674.02	4,441.23	3,812.42
<i>Community promotions</i>	1,026.23	723.85	8,156.01	4,582.79
<i>Payroll fees</i>	36.60	36.15	284.27	274.38
<i>Professional services</i>	3,342.60	1,798.50	39,489.11	20,369.28
<i>Correction of prior year tax</i>	0.00	0.00	1,730.29	83.00
<i>Miscellaneous</i>	349.10	0.00	349.10	0.00
Total expenditures	\$ 122,048.54	\$ 88,338.32	\$ 751,406.36	\$ 585,382.83

See accountant's compilation report