

**NEDERLAND COMMUNITY
LIBRARY DISTRICT**

BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2010

TABLE OF CONTENTS

INTRODUCTORY SECTION	<u>PAGE</u>
Title Page	
Table of Contents	
FINANCIAL SECTION	
Independent Auditors' Report	
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets	1
Statement of Activities	2
Fund Financial Statements	
Balance Sheet – Governmental Funds	3
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	4
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	5
Notes to Financial Statements	6 - 13
Required Supplementary Information	
General Fund – Budgetary Comparison Schedule	14

FINANCIAL SECTION



**JOHN CUTLER
& ASSOCIATES**

Board of Directors
Nederland Community Library District
Nederland, Colorado

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities and each major fund of the Nederland Community Library District, as of and for the year ended December 31, 2010, which collectively comprise the basic financial statements of the District. These financial statements are the responsibility of the Nederland Community Library District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Nederland Community Library District as of December 31, 2010, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The District has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The required supplementary information is not required parts of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

John Cutler & Associates, LLC

September 30, 2011

BASIC FINANCIAL STATEMENTS

NEDERLAND COMMUNITY LIBRARY DISTRICT

STATEMENT OF NET ASSETS

As of December 31, 2010

	GOVERNMENTAL ACTIVITIES	
	2010	2009
ASSETS		
Cash and Investments	\$ 116,311	\$ 70,758
Restricted Cash and Investments	481,302	1,877,010
Property Taxes Receivable	380,300	316,489
Prepaid Items	19,281	96,000
Inventory	10,943	10,943
Bond Issuance Costs	65,760	68,500
Capital Assets, not depreciated	<u>1,671,278</u>	<u>52,599</u>
 TOTAL ASSETS	 <u>2,745,175</u>	 <u>2,492,299</u>
LIABILITIES		
Accounts Payable	152,146	-
Retainage Payable	66,195	-
Accrued Expenses	3,449	2,735
Deferred Revenue - Property Taxes	380,300	316,489
Noncurrent Liabilities		
Due within One Year	45,000	40,000
Due in More Than One Year	<u>1,857,775</u>	<u>1,904,557</u>
 TOTAL LIABILITIES	 <u>2,504,865</u>	 <u>2,263,781</u>
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	249,805	29,609
Restricted for Emergencies	11,000	4,800
Unrestricted	<u>(20,495)</u>	<u>194,109</u>
 TOTAL NET ASSETS	 <u>\$ 240,310</u>	 <u>\$ 228,518</u>

The accompanying notes are an integral part of the financial statements.

NEDERLAND COMMUNITY LIBRARY DISTRICT

STATEMENT OF ACTIVITIES
Year Ended December 31, 2010

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES			Net (Expense) Revenue and Change in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
PRIMARY GOVERNMENT					2010	2009
Governmental Activities						
General Government	\$ 177,539	\$ -		\$ 4,000	\$ (173,539)	\$ (36,224)
Library	72,292	2,243	1,360	-	(68,689)	(62,586)
Interest on Long Term Debt	84,025	-	-	-	(84,025)	-
Total Governmental Activities	<u>\$ 249,831</u>	<u>\$ 2,243</u>	<u>\$ 1,360</u>	<u>\$ 4,000</u>	(326,253)	(98,810)
GENERAL REVENUES						
Property Taxes					311,904	148,458
Specific Ownership Taxes					15,543	7,941
Interest					10,598	614
TOTAL GENERAL REVENUES					<u>338,045</u>	<u>157,013</u>
CHANGE IN NET ASSETS					11,792	58,203
NET ASSETS, Beginning					<u>228,518</u>	<u>170,315</u>
NET ASSETS, Ending					<u>\$ 240,310</u>	<u>\$ 228,518</u>

The accompanying notes are an integral part of the financial statements.

NEDERLAND COMMUNITY LIBRARY DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2010

	<u>GENERAL FUND</u>	
	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and Investments	\$ 116,311	\$ 70,758
Restricted Cash and Investments	481,302	1,877,010
Property Taxes Receivable	380,300	316,489
Prepaid Items	19,281	96,000
Inventory	<u>10,943</u>	<u>10,943</u>
 TOTAL ASSETS	 <u>\$ 1,008,137</u>	 <u>\$ 2,371,200</u>
 LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts Payable	\$ 152,146	-
Retainage Payable	66,195	-
Accrued Expenses	3,449	2,735
Deferred Revenues	<u>380,300</u>	<u>316,489</u>
 TOTAL LIABILITIES	 <u>602,090</u>	 <u>319,224</u>
 FUND BALANCES		
Reserved for Emergencies	11,000	4,800
Reserved for Prepaid Items and Inventory	30,224	10,943
Unreserved, reported in General Fund	<u>364,823</u>	<u>2,036,233</u>
 TOTAL FUND BALANCES	 406,047	 2,051,976
 Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	1,671,278	52,599
Long-term liabilities are not due and payable in the current period and are not reported in the funds. This includes the bonds payable (\$1,860,000), bond premium (\$42,775) and bond issuance costs \$65,760.	<u>(1,837,015)</u>	<u>(1,876,057)</u>
Net assets of governmental activities	<u>\$ 240,310</u>	<u>\$ 228,518</u>

The accompanying notes are an integral part of the financial statements.

NEDERLAND COMMUNITY LIBRARY DISTRICT

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2010

	GENERAL FUND	
	2010	2009
REVENUES		
Taxes	\$ 327,447	\$ 156,399
Charges for Services	2,243	1,042
Interest	10,598	614
Other	1,360	5,008
Contributed Assets	4,000	52,599
TOTAL REVENUES	<u>345,648</u>	<u>215,662</u>
EXPENDITURES		
Current		
General Government	177,539	88,823
Library	72,292	68,636
Capital Outlay	1,618,679	52,599
Bond Issuance Costs	-	68,500
Debt Service		
Principal	40,000	-
Interest	83,067	-
TOTAL EXPENDITURES	<u>1,991,577</u>	<u>278,558</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,645,929)</u>	<u>(62,896)</u>
OTHER FINANCING SOURCES (USES)		
Proceeds from Issuance of Debt	-	1,900,000
Bond Premium and Issuance Costs	-	44,557
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>1,944,557</u>
NET CHANGE IN FUND BALANCE	(1,645,929)	1,881,661
FUND BALANCE, Beginning	<u>2,051,976</u>	<u>170,315</u>
FUND BALANCE, Ending	<u>\$ 406,047</u>	<u>\$ 2,051,976</u>

The accompanying notes are an integral part of the financial statements.

NEDERLAND COMMUNITY LIBRARY DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2010

Amounts Reported for Governmental Activities in the Statement of Activities
are Different Because:

Net Changes in Fund Balances - Total Governmental Funds	\$ (1,645,929)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital outlay for the year.	1,618,679
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. These include payments on bonds payable \$40,000, amortization of bond issue cost (\$2,740) and bond premium \$1,782.	<u>39,042</u>
Change in Net Assets of Governmental Activities	<u><u>\$ 11,792</u></u>

The accompanying notes are an integral part of the financial statements.

NEDERLAND COMMUNITY LIBRARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Nederland Community Library District (the “District”) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. Following is a summary of the more significant policies:

Reporting Entity

The financial reporting entity consists of the District and organizations for which the District is financially accountable. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the District. In addition, any legally separate organizations for which the District is financially accountable are considered part of the reporting entity. Financial accountability exists if the District appoints a voting majority of the organization’s governing board and is able to impose its will on the organization, or if the organization provided benefits to, or imposes financial burdens on the District.

Based upon the application of these criteria, no organizations are includable within the District’s reporting entity.

Government-Wide and Fund Financial Statements

The District financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the District. Governmental activities, which normally are supported by intergovernmental revenues, are reported in a single column.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to patrons or others who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Unrestricted intergovernmental revenues not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported in separate columns in the fund financial statements.

NEDERLAND COMMUNITY LIBRARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The District's government-wide financial statements include a statement of net assets and a statement of activities. These statements present summaries of governmental activities for the District. Governmental activities normally are supported by taxes and intergovernmental revenues.

The government-wide financial statements are presented on an *economic resources* measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets and liabilities, including capital assets, and infrastructure assets, are included in the accompanying statement of net assets. The statement of activities presents changes in net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Governmental fund financial statements are reported using the *current financial resources* measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Available means collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Property taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period.

The District reports the following major governmental fund:

General Fund – This is the District's operating fund. It accounts for all activities of the government.

Assets, Liabilities and Fund Equity

Cash – Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the District's cash.

Accounts Receivable – Receivables consist of amounts due from other governments. An allowance for doubtful accounts is not necessary as they have been fully collected in the succeeding year.

NEDERLAND COMMUNITY LIBRARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Fund Equity (Continued)

Inventories – Inventories consist of books and magazines and are carried at cost using the first-in, first-out method.

Capital Assets – Capital assets are defined by the District as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value at the date of donation.

Long Term Obligations - In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity – In the fund financial statements, governmental funds may report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Property Taxes

Property taxes are levied on or before December 15 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the District on a monthly basis.

Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred revenue are recorded at December 31. As the tax is collected in the succeeding year, the deferred revenue is recognized as revenue and the receivable is reduced.

NEDERLAND COMMUNITY LIBRARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principles. An annual appropriated budget is adopted for the General Fund. All annual appropriations lapse at fiscal year end.

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by state law for all funds. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end.
- Public hearings are conducted by the Board of Directors to obtain citizen comments.
- Prior to December 31, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Directors. Budgeted amounts reported in the accompanying financial statements are as originally adopted and amended by the Board of Directors.

Legal Compliance

The actual expenditures in the General Fund exceeded budgeted amounts by \$365,964. This is primarily due to the District not budgeting for debt service expenditures and capital outlay expenditures exceeding budgeted amounts for 2010. This may be a violation of state statute.

NOTE 3: CASH AND INVESTMENTS

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations.

NEDERLAND COMMUNITY LIBRARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010

NOTE 3: CASH AND INVESTMENTS (Continued)

At December 31, 2010, State regulatory commissioners have indicated that all financial institutions holding deposits for the District are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The District has no policy regarding custodial credit risk for deposits.

At December 31, 2010, the District had deposits with financial institutions with a carrying amount of \$597,613. The bank balances with the financial institutions were \$600,149. Of these balances, \$250,000 was covered by federal depository insurance and \$350,149 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which includes:

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The District had no investments requiring categorization as of December 31, 2010.

Restricted Cash

At December 31, 2010, \$481,302 of the District's cash was restricted for the construction of the District's new facility.

NEDERLAND COMMUNITY LIBRARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2010 is summarized below:

	Balances <u>12/31/09</u>	<u>Additions</u>	<u>Deletions</u>	Balances <u>12/31/10</u>
Governmental Activities				
Capital Assets, not depreciated				
Construction in Process	\$ <u>52,599</u>	\$ <u>1,618,679</u>	\$ <u>-</u>	\$ <u>1,671,278</u>

NOTE 5: LONG-TERM DEBT

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2010.

	Balance <u>12/31/09</u>	<u>Additions</u>	<u>Payments</u>	Balance <u>12/31/10</u>	Due In <u>One Year</u>
Series 2009 G.O. Bonds	\$ 1,900,000	\$ -	\$ 40,000	\$ 1,860,000	\$ 45,000
Bond Premium	<u>44,557</u>	<u>-</u>	<u>1,782</u>	<u>42,775</u>	<u>-</u>
Total	<u>\$ 1,944,557</u>	<u>\$ -</u>	<u>\$ 41,782</u>	<u>\$ 1,902,775</u>	<u>\$ 45,000</u>

G.O. Bonds

The District issued 2009 General Obligation (G.O.) Bonds, dated December 28, 2009, with principal and interest payments due semi-annually on June 1 and December 1, through 2034. Interest accrues at rates ranging from 2.75% to 5.50%. Bonds maturing on and before December 1, 2019 are not subject to redemption prior to their respective maturity dates. Bonds maturing on or after December 1, 2020 are subject to redemption at the option of the District, in whole or in part in integral multiples of \$5,000, with no redemption premium. Bonds maturing on or after December 1, 2014 are subject to mandatory sinking fund redemption without any redemption premium.

NEDERLAND COMMUNITY LIBRARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE 5: LONG-TERM DEBT (Continued)

Annual debt service requirements for the bonds at December 31, 2010 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 45,000	\$ 89,245	\$ 134,245
2012	45,000	88,007	133,007
2013	50,000	86,770	136,770
2014	50,000	85,395	135,395
2015	50,000	84,020	134,020
2016-2020	295,000	386,278	681,278
2021-2025	370,000	305,625	675,625
2026-2030	475,000	196,125	671,125
2031-2034	<u>480,000</u>	<u>61,750</u>	<u>541,750</u>
Totals	<u>\$ 1,860,000</u>	<u>\$ 1,383,215</u>	<u>\$ 3,243,215</u>

NOTE 6: COMMITMENTS AND CONTINGENCIES

Tabor Amendment – In November 1992, Colorado voters passed the Tabor Amendment to the State Constitution which limits state and local government tax powers and imposes spending limitations. Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and growth. On November 2005, voters within the District approved the collection, retention and expenditure of property taxes, specific ownership taxes, interest income and any other income of the District. The District has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2010, the emergency reserve of \$11,000 was recorded in the General Fund.

Operating Lease – The District has entered into an operating lease for their building. The lease requires monthly payments of \$1,100, with the original lease term expiring on December 31, 2007. The original lease agreement was amended on September 1, 2009, extending the lease term to August 31, 2010.

Total rent expense for the year ended December 31, 2010 for the lease was \$ 16,646.

Land Lease – In 2009, the District entered into a land lease agreement with the Nederland Community Library Foundation for the construction of the District’s new building. The lease required a prepayment of the entire lease in the amount of \$100,000, with the lease term expiring on March 31, 2028. On January 5, 2010 the Nederland Community Library Foundation and the District cancelled the land lease agreement and the land was donated to the District through a quitclaim deed.

NEDERLAND COMMUNITY LIBRARY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010

NOTE 7: RISK MANAGEMENT

The District is exposed to various risks of loss relating to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carried commercial insurance for these risks of loss.

NOTE 8: RETIREMENT COMMITMENTS

Employees Pension Plan

The District contributes to a multiple employer defined contribution retirement plan administered by the TIAA/CREF. This plan is for all full-time employees, as of December 31, 2010, the Director of the District is the only employee who is qualified to participate in the plan. The District contributes 3% of the employee's base salary. Employees may make additional voluntary contributions not to exceed \$14,000. Plan provisions are established and may be amended by the Board of Directors. During the year ended December 31, 2010 and 2009, employer and employee contributions were \$1,599 and \$1,547, respectively.

NOTE 9: SUBSEQUENT EVENT

During 2010, the District constructed its new facility and moved in January of 2011.

REQUIRED SUPPLEMENTARY INFORMATION

NEDERLAND COMMUNITY LIBRARY DISTRICT

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2010

	2010			VARIANCE Positive (Negative)	2009 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
REVENUES					
Local Sources					
Property Taxes	\$ 156,988	\$ 156,988	\$ 311,904	\$ 154,916	\$ 148,458
Specific Ownership Taxes	8,000	8,000	15,543	7,543	7,941
Grants and Donations	10,000	10,000	1,360	(8,640)	5,008
Charges for Services	1,000	1,000	2,243	1,243	1,042
Interest	1,000	10,956	10,598	(358)	614
Contributed Assets	-	-	4,000	4,000	52,599
TOTAL REVENUES	<u>176,988</u>	<u>186,944</u>	<u>345,648</u>	<u>158,704</u>	<u>215,662</u>
EXPENDITURES					
General Government					
Salaries and Benefits	55,766	55,766	60,798	(5,032)	58,848
Rent	8,775	18,772	26,643	(7,871)	13,697
Supplies	3,000	3,000	1,805	1,195	2,725
Insurance	3,488	3,488	3,335	153	4,615
Professional Fees	12,700	88,693	82,453	6,240	5,141
Small Equipment	-	1,050	392	658	609
Miscellaneous	1,472	1,592	2,113	(521)	3,188
Contingency	44,200	44,200	-	44,200	-
Capital Outlay	-	1,319,618	1,618,679	(299,061)	52,599
Bond Issuance Costs	-	-	-	-	68,500
Debt Service					
Principal	-	-	40,000	(40,000)	-
Interest	-	-	83,067	(83,067)	-
Total General Government	<u>129,401</u>	<u>1,536,179</u>	<u>1,919,285</u>	<u>(383,106)</u>	<u>209,922</u>
Library					
Salaries and Benefits	41,939	41,939	36,152	5,787	26,872
Books and Materials	22,200	22,200	17,707	4,493	25,347
Computer System	6,300	6,300	1,050	5,250	2,628
Program Development	5,300	5,300	3,990	1,310	3,445
Maintenance	9,395	9,395	10,125	(730)	7,151
Utilities	2,700	2,700	2,638	62	2,386
Miscellaneous	1,600	1,600	630	970	807
Total Library	<u>89,434</u>	<u>89,434</u>	<u>72,292</u>	<u>17,142</u>	<u>68,636</u>
TOTAL EXPENDITURES	<u>218,835</u>	<u>1,625,613</u>	<u>1,991,577</u>	<u>(365,964)</u>	<u>278,558</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(41,847)</u>	<u>(1,438,669)</u>	<u>(1,645,929)</u>	<u>(207,260)</u>	<u>(62,896)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from Issuance of Debt	-	-	-	-	1,900,000
Bond Premium	-	-	-	-	44,557
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,944,557</u>
NET CHANGE IN FUND BALANCE	(41,847)	(1,438,669)	(1,645,929)	(207,260)	1,881,661
FUND BALANCE, Beginning	<u>54,147</u>	<u>1,931,157</u>	<u>2,051,976</u>	<u>120,819</u>	<u>170,315</u>
FUND BALANCE, Ending	<u>\$ 12,300</u>	<u>\$ 492,488</u>	<u>\$ 406,047</u>	<u>\$ (86,441)</u>	<u>\$ 2,051,976</u>

See the accompanying independent auditors' report.