

DANVILLE LIBRARY, INC.
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2021



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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the
Danville Library, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Danville Library, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets- modified cash basis as of June 30, 2021, and the related statements of support, revenue, and expenses- modified cash basis and cash flows-modified cash basis for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 1; includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Danville Library, Inc., as of June 30, 2021, and its support, revenue, and expenses and cash flows for the year then ended in accordance with the modified cash basis of accounting.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.



Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Operating Fund Statement of Support, Revenue, and Expense- Cash Budgetary Basis on page 14, and the Reconciliation of Operating Fund Statement of Support, Revenues, and Expense- Cash Budgetary Basis to Statement of Support, Revenue, and Expense- Modified Cash Basis on page 15 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Craft, Waninger, Noble & Company, PLLC

Craft, Waninger, Noble & Company, PLLC
Richmond, Kentucky
November 19, 2021

Danville Library, Inc.
Statement of Assets, Liabilities, and Net Assets- Modified Cash Basis
June 30, 2021

Assets

Current Assets:

Cash, unrestricted	\$ 206,604
Cash, restricted	34,059
Total Current Assets	240,663

Non-Current Assets:

Endowment investments	4,699,670
Non-depreciable assets	2,409,476
Depreciable assets, net of depreciation	207,920
Total Non-Current Assets	7,317,066

Total Assets	\$ 7,557,729
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Liabilities and Net Assets

Net Assets

Net assets with donor restrictions	\$ 34,059
Net assets without donor restrictions	
Invested in fixed assets	2,617,396
Operating fund	126,104
Endowment fund	4,699,670
Board restricted- depreciation fund	80,500
Total Net Assets	7,557,729

Total Liabilities and Net Assets	\$ 7,557,729
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The accompanying notes are an integral part of these financial statements.

Danville Library, Inc.
Statement of Support, Revenue, and Expense- Modified Cash Basis
For The Year Ended June 30, 2021

	Net Assets without Donor Restrictions			Net Assets with Donor Restrictions		
	Operating Fund	Endowment Fund	Depreciation Fund	Total Net Assets without Donor Restrictions	Memorial Gift Fund	Total All Funds
Revenues, Support & Other Reclassifications:						
Public library tax transfers	\$ 1,270,000	\$ -	\$ -	\$ 1,270,000	\$ -	\$ 1,270,000
Grants	3,500	-	-	3,500	-	3,500
Contributions	3,200	3,302	-	6,502	10,486	16,988
Desk receipts	11,774	-	-	11,774	-	11,774
Interest income	231	-	-	231	-	231
Other income	153	-	-	153	-	153
Endowment Fund:						
Earnings	-	105,783	-	105,783	-	105,783
Transfers	97,103	(98,339)	-	(1,236)	1,236	-
Net realized gain(loss)	-	570,313	-	570,313	-	570,313
Net unrealized gain(loss)	-	315,253	-	315,253	-	315,253
Total Revenues & Support	<u>\$ 1,385,961</u>	<u>\$ 896,312</u>	<u>\$ -</u>	<u>\$ 2,282,273</u>	<u>\$ 11,722</u>	<u>\$ 2,293,995</u>

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

Danville Library, Inc.
Statement of Support, Revenue, and Expense- Modified Cash Basis
For The Year Ended June 30, 2021

	Net Assets without Donor Restrictions			Net Assets with Donor Restrictions		
	Operating Fund	Endowment Fund	Depreciation Fund	Total Net Assets without Donor Restrictions	Memorial Gift Fund	Total All Funds
Expenses:						
Compensation	\$ 1,096,714	\$ -	\$ -	\$ 1,096,714	\$ -	\$ 1,096,714
Library books & materials	134,944	-	-	134,944	5,456	140,400
Outreach expenses	4,362	-	-	4,362	-	4,362
Electronic access	48,677	-	-	48,677	-	48,677
Administrative expenses	60,373	15,761	-	76,134	-	76,134
Operating expenses	91,233	-	-	91,233	-	91,233
Transfer to Other Funds	-	-	-	-	-	-
Collection adjustment	(12,928)	-	-	(12,928)	-	(12,928)
Depreciation expense	52,267	-	-	52,267	-	52,267
Total Expenses	<u>1,475,642</u>	<u>15,761</u>	<u>-</u>	<u>1,491,403</u>	<u>5,456</u>	<u>1,496,859</u>
Increase (Decrease) in Net Assets	(89,681)	880,551	-	790,870	6,266	797,136
Net Assets- Beginning of Year	<u>2,833,181</u>	<u>3,819,119</u>	<u>80,500</u>	<u>6,732,800</u>	<u>27,793</u>	<u>6,760,593</u>
Net Assets- End of Year	<u>\$ 2,743,500</u>	<u>\$ 4,699,670</u>	<u>\$ 80,500</u>	<u>\$ 7,523,670</u>	<u>\$ 34,059</u>	<u>\$ 7,557,729</u>

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

Danville Library, Inc.
Statement of Cash Flows- Modified Cash Basis
For The Year Ended June 30, 2021

Change in Net Assets	\$	797,136
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation expense		52,267
Collection adjustment		(12,928)
Net realized (gain)/loss		(570,313)
Net unrealized (gain)/loss		<u>(315,253)</u>
Net cash (used) by operating activities		<u>(49,091)</u>
Cash flows from investing activities		
Purchase of fixed assets		(15,908)
Contributions to restricted investments		(3,302)
Reinvested earnings on restricted investments		(105,783)
Investment expense paid by restricted investments		<u>15,761</u>
Net cash (used) by investing activities		<u>(109,232)</u>
Cash flows from financing activities		
Transfers from endowment funds to other funds		<u>98,339</u>
Net cash provided by financing activities		<u>98,339</u>
Net change in cash		(59,984)
Cash, cash equivalents and restricted cash at beginning of year		<u>300,647</u>
Cash, cash equivalents and restricted cash at end of year	\$	<u><u>240,663</u></u>

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

Danville Library, Inc.
Notes to Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Danville Library, Inc. (the Library) is a not-for-profit corporation operated under Section 501 (c) (3) of the Internal Revenue Code. The Library was established in 1893 through private funding and has been operating with private and public funds since 1972. The public funds are primarily provided by the Boyle County Library Taxing District which collects property taxes from the local government.

Danville Library, Inc. provides access to materials and services to help users obtain information to meet their educational, personal, and professional needs. The Library services as a lifelong learning and general information center and as an access point for current resources of local, regional, and broader interests. The Library's primary emphasis is on developing a collection of materials for people of all ages to use in their pursuit of personal growth, development, and leisure.

Basis of Presentation

The Library is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restriction and net assets without donor restriction. Accordingly, net assets of the Library and changes therein are classified and reported as follows:

- Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.
- Net Assets with donor restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Basis of Accounting

The financial statements of the Library have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Accordingly, revenues and the related assets are recorded when received rather than when the obligations are incurred. Modifications to the cash basis of accounting include recording investments at fair market value and carrying fixed assets at historical cost less accumulated depreciation.

Cash and Cash Equivalents

The Library considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Investments

The Library's policy is to report investments in marketable securities, with readily determinable fair values and all investments in debt securities, at their fair values in the statement of assets, liabilities, and net assets- modified cash basis. Unrealized gains and losses are included in the statement of revenues, support, and expenses- modified cash basis.

Danville Library, Inc.
Notes to Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgeting

The Library annually adopts a budget in conjunction with the Boyle County Library Taxing District. The budget is presented on the cash budgetary basis of accounting, which is not consistent with the modified cash basis of accounting. Amendments to the budget must be made prior to the fact and approved by the majority of the Board of Trustees of both Danville Library, Inc. and Boyle County Library Taxing District.

Support and Revenue

The Library received its funding from a few main sources that are summarized in Note 6. The remaining funds are derived from private donations and client fees. The Library considers all contributions to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reports as temporarily restricted support which increase that net asset class.

Property, Equipment and Depreciation

Property and equipment is stated at cost or, if donated, at the approximate fair value at the date of donation. All property and equipment purchases have been capitalized and recorded in the financial statements. The Library defines capital assets as assets with an initial individual cost of more than \$1,000.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Depreciation for the year ended June 30, 2021 was \$52,267.

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Tax Status

The organization is recognized as a tax-exempt organization under code Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income tax has been made. In addition, the Organization has been classified as an Organization that is not a private foundation under Section 509(a).

The Organization is not aware of any unrelated business income as of June 30, 2021. In Accounting Standards Codification (ASC) 740-10-50, Income Taxes, (formerly FIN 48, Accounting for Uncertainty in Income Taxes) the Financial Accounting Standards Board (FASB) requires entities to disclose known or anticipated positions of income tax uncertainty. The Organization is not aware of any uncertain tax positions that would require adjustment to the financial statements. The Organization files income tax returns in the U.S. federal jurisdiction. Generally, the Organization is no longer subject to income tax examination by the U.S. federal, state or local tax authorities for years before 2018.

Danville Library, Inc.
Notes to Financial Statements
June 30, 2021

NOTE 2 – CONCENTRATION OF CREDIT RISK

The Library maintains cash and cash equivalents in local banks which may, at times, exceed the FDIC limits. The Library's cash and cash equivalents are categorized as either (1) insured or collateralized with securities held by the entity or by its agent in the entity's name, (2) collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name or (3) uncollateralized (this includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the entity's name).

The Library's categorization as of June 30, 2021 was as follows:

Category 1	\$	250,000
Category 2	\$	27,731
Category 3	\$	-

NOTE 3 – CASH AND CASH EQUIVALENTS

The Library has cash which is restricted by either the board or the donor. Below is the summary of the cash on hand at June 30, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Cash Accounts:			
Checking Accounts	\$ 10,707	\$ 34,059	\$ 44,766
Money Market Accounts	195,897	-	195,897
	\$ 206,604	\$ 34,059	\$ 240,663

NOTE 4 – CAPITAL ASSETS

The Library has worked with Boyle County Library Taxing District over the years to jointly expand the current library building, purchase furniture, equipment, and supplies. Jointly owned fixed assets purchased prior to July 1, 2000 are stated at historical cost in the Danville Library, Inc. financial statements. Fixed assets purchased since July 1, 2000 are included in the Boyle County Library Taxing District's fixed assets and are stated at historical cost.

The Library purchases various educational materials each year, some of which increase in value and some that depreciate. Rather than attempting to depreciate each unit, the Library values these materials based on a five-year rolling average. The average takes the costs of library materials over the most recent five-year period. During the year, the Library reviewed and evaluated the collection resulting in an increase in the collection value of \$12,928.

A summary of the capital assets at June 30, 2021 is as follows:

	June 30, 2021
Land	\$ 77,000
Library collection	2,332,476
Buildings	1,043,000
Furniture and equipment	507,881
Bookmobile	61,894
Total at historical cost	4,022,251
Less: Accumulated Depreciation	(1,404,855)
Capital assets – net	\$ 2,617,396

Danville Library, Inc.
Notes to Financial Statements
June 30, 2021

NOTE 5 – INVESTMENTS

Investments held by the Library consisted of the following as of June 30, 2021:

	<u>Cost</u>	<u>Market Value</u>	<u>Unrealized Appreciation</u>
Mutual Funds	\$ 19,674	\$ 19,984	\$ 310
Fixed Income Bonds	1,255,558	1,292,732	37,174
Stocks & Equities	<u>2,278,371</u>	<u>3,386,954</u>	<u>1,108,583</u>
Balance, June 30, 2021	<u>\$ 3,553,603</u>	<u>\$ 4,699,670</u>	<u>1,146,067</u>
Balance, June 30, 2020	<u>\$ 2,988,508</u>	<u>\$ 3,819,119</u>	<u>830,814</u>
Unrealized gain (loss) on investments			<u>\$ 315,253</u>

The Library has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The hierarchy gives the highest priority to unadjusted quoted prices in an active market for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Financial assets and liabilities recorded on the statement of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Library has the ability to access.

Level 2 – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable whether directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in non-active markets;
- Pricing models whose inputs are observable for substantially the full term of the asset or liability; and
- Pricing models whose inputs are derived principally from or corroborated by observable market data through correlation or other means for substantially the full term of the asset or liability.

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The Library's fair value of securities available for sale measured on a recurring basis at June 30, 2021 is as follows:

		<u>Fair Value Measurements at Reporting Date Using</u>		
		Quoted Prices in Active Markets for Identical Assets/Liabilities <u>(Level 1)</u>	Significant Other Observable Inputs <u>(Level 2)</u>	Significant Unobservable Inputs <u>(Level 3)</u>
<u>June 30, 2021</u>	<u>Fair Value</u>			
Mutual funds	\$ 19,984	\$ 19,984	\$ -	\$ -
Fixed income bonds	1,292,732	1,292,732	-	-
Stocks and equities	<u>3,386,954</u>	<u>3,386,954</u>	-	-
	<u>\$4,699,670</u>	<u>\$ 4,699,670</u>	<u>\$ -</u>	<u>\$ -</u>

Fair value for investments is determined by reference to quoted market prices and other relevant information generated by market transactions. There have been no changes in valuation techniques and related inputs.

Danville Library, Inc.
Notes to Financial Statements
June 30, 2021

NOTE 6 – SUPPORT AND REVENUE

Major sources of support and revenues are as follows:

Local District Taxes- Budgeted amounts of taxes collected by the Boyle County Fiscal Court and remitted to the Boyle County Library Taxing District are transferred to the Library throughout the year.

State Financial Assistance- State Aid if provided by the Kentucky Department of Libraries and Archives and is recognized as received.

Endowment Funds- Income from Endowment Funds are used to finance the current operations of the Library.

Memorial Fund- Small donations are normally received from local residents. Donations, specifically restricted by the donor, are account for in the Memorial Fund. The Library records all restricted contributions whose restrictions have been met in the same reporting period as unrestricted support.

NOTE 7 – RETIREMENT PLAN

The Library’s employees are provided with the Teachers IAA/CREFF (TIAA/CREF) retirement plan.

General information about the Teacher IAA/CREFF retirement plan

Plan description—Employees who have worked for one year (full or part-time) may choose to participate in the defined contribution retirement plan. Participants have five percent of their gross wages withheld and the Library has a matching contribution.

Benefits provided—TIAA/CREF provides retirement benefits to Plan employees and beneficiaries.

Contributions—Employees contribute five percent to the plan with the Library contributing an additional 7.65% of the gross wages.

During the year ending June 30, 2021, Library employees contributed \$67,106 in mandatory and elective contributions to the retirement plan. The Library contributed \$45,463 on behalf of its employees during the fiscal year ending June 30, 2021. Should employees choose not to accept this benefit, the employees will not be given any other benefit in lieu of retirement contributions. Employees may choose to have additional funds withheld from their paycheck and invested in the retirement plan, up to the amount allowable by law.

Schedule of Pension Contributions
For the Years Ended June 30, 2021, 2020, 2019,2018, 2017, 2016, 2015, 2014, 2013, and 2012

Year	Contractually required employee contribution	Additional employee contribution	Contractually required employer contribution	Required total contribution	Percent of required contribution made
2021	29,666	37,440	45,463	112,569	100%
2020	26,556	36,912	45,220	108,688	100%
2019	32,267	37,352	49,368	118,987	100%
2018	30,728	34,666	47,267	112,661	100%
2017	30,587	29,583	46,797	106,967	100%
2016	29,598	22,367	45,286	97,251	100%
2015	26,800	19,322	41,005	87,127	100%
2014	26,383	12,719	40,365	79,467	100%
2013	28,236	28,601	43,200	100,037	100%
2012	27,026	25,760	41,350	94,136	100%

Danville Library, Inc.
Notes to Financial Statements
June 30, 2021

NOTE 8 – NET ASSETS

The Library's net assets are classified based on availability of cash funds for current or restricted purposes. Net assets without donor restrictions are those amounts that are available for use without any imposed restriction. Net assets with donor restrictions are those amounts available, but with certain restrictions, such as contributions earmarked for a specific purpose or endowment funds with restrictions on the use of the investments

Net Assets without Donor Restrictions consist of the following funds:

- Operating Fund- The Library uses this fund to manage unrestricted resources available for support of operations.
- Equipment Replacement/Depreciation Fund - The Library established this fund to provide for maintenance and replacement of equipment and maintenance of the building.
- Endowment Fund - Donations from various gifts and bequests, whose original principal was restricted temporarily, are listed in the endowment fund. All restrictions have been met on endowment funds currently held and are listed as unrestricted assets. The Board will continue to use the income for operations, but has designated the principal for future expansion. Therefore, they are accounted for separately.

Net Assets with Donor Restrictions consist of the following funds:

- Memorial Fund- The Library records restricted donations in the Memorial Gift Fund. As restrictions are met, funds are released. The end of the year balance reflects donations whose restrictions have not been met. This fund is listed as with donor restriction.

NOTE 9 – FUNCTIONAL ALLOCATION OF EXPENSES

The Library provides one program, library services. The costs of providing this program and its activities have been summarized on a functional basis in the statement of Revenue, Support, and Expenses Operating fund Budget to Actual- Cash Budgetary Basis. Were there to be additional programs, a separate statement of functional expenses would be presented and accordingly, certain costs would be allocated among the programs and supporting service benefited.

NOTE 10 – CONTRACT AND CONCENTRATION WITH BOYLE COUNTY LIBRARY TAXING DISTRICT

The Library has a five-year contract with Boyle County Library Taxing District to provide library services for Boyle County residents. Should Boyle County Library Taxing District no longer contract with Danville Library, Inc. to provide these services, the Library may have difficulty finding a replacement.

The contract signed in June 2012 for a five-year term by both the Board of Trustee of Boyle County Library Taxing District and Board of Trustees of the Danville Library, Inc. was extended for an additional five years and will be in effect until June 30, 2022.

Under the terms of the contract the two boards will establish a sum by June 30 for the following fiscal year's budget. All Kentucky Department for Libraries and Archive grants will go to Danville Library unless designated for a construction project.

Should this contract not be renewed and Danville Library, Inc. no longer provide these services in connection with the Library Taxing District finding a replacement could impact the Library in its ability to continue operations. Currently the main revenue of the Library is the funds it receives from the Library Taxing District under the contract.

Danville Library, Inc.
Notes to Financial Statements
June 30, 2021

NOTE 11 – CORONAVIRUS (COVID-19) IMPACT

The global coronavirus (COVID-19) pandemic continues to impact the Library. COVID-19 continues to spread across the globe and is impacting worldwide economic activity and financial markets. The continued spread of the disease represents a significant risk that operations could be disrupted in the near future. The extent to which COVID-19 may impact the Library will depend on future developments and government regulations, which are highly uncertain and cannot be predicted. As a result, the Organization has not yet determined the impact this disruption may have on its financial statements for the year ending June 30, 2022.

NOTE 12 – SUBSEQUENT EVENTS

Management of the Organization has considered subsequent events through November 19, 2021, the date this report became available for issuance.

Danville Library, Inc.
 Operating Fund Statement of Support, Revenues, and Expenses Budget to Actual- Cash Budgetary Basis
 For The Year Ended June 30, 2021

	Original Budget	Revisions	Revised Budget	Actual	Favorable (Unfavorable) Balance
Revenues & other support					
Public library tax	\$ 1,270,000	\$ -	\$ 1,270,000	\$ 1,270,000	\$ -
Grants and contributions	6,700	-	6,700	6,700	-
Desk receipts	13,500	-	13,500	11,774	(1,726)
Other revenues	-	-	-	153	153
Interest income	350	-	350	231	(119)
Transfers from endowment fund	88,000	-	88,000	97,103	9,103
Total revenue & other support	<u>1,378,550</u>	<u>-</u>	<u>1,378,550</u>	<u>1,385,961</u>	<u>7,411</u>
Expenditures					
Compensation					
Salaries & wages	840,324	-	840,324	812,413	27,911
Payroll taxes	72,084	-	72,084	65,655	6,429
Retirement	54,954	-	54,954	45,406	9,548
Benefit expense	154,950	-	154,950	173,240	(18,290)
Other payroll expenses	-	-	-	-	-
Total Compensation	<u>1,122,312</u>	<u>-</u>	<u>1,122,312</u>	<u>1,096,714</u>	<u>25,598</u>
Library books & materials	145,300	-	145,300	134,944	10,356
Outreach	8,350	-	8,350	4,362	3,988
Electronic access	68,600	-	68,600	48,677	19,923
Administrative expenses					
Professional fees	6,860	-	6,860	6,860	-
Office supplies	7,000	-	7,000	7,352	(352)
Programming supplies	14,000	-	14,000	16,791	(2,791)
Processing supplies	7,000	-	7,000	4,816	2,184
Postage	3,000	-	3,000	2,630	370
Staff development	10,000	-	10,000	5,849	4,151
Advertising & public relations	8,100	-	8,100	8,050	50
Other expenses	4,000	-	4,000	8,025	(4,025)
Total Administrative expenses	<u>59,960</u>	<u>-</u>	<u>59,960</u>	<u>60,373</u>	<u>(413)</u>
Operating expenses					
Building repairs & maintenance	7,400	-	7,400	7,903	(503)
Building & maintenance supplies	11,500	-	11,500	10,949	551
Service contracts	8,350	-	8,350	13,358	(5,008)
Utilities & telephone	46,600	-	46,600	42,198	4,402
Insurance	12,000	-	12,000	13,072	(1,072)
Equipment & furnishings	19,000	-	19,000	19,661	(661)
Total Operating expenses	<u>104,850</u>	<u>-</u>	<u>104,850</u>	<u>107,141</u>	<u>(2,291)</u>
Total Expenditures	<u>1,509,372</u>	<u>-</u>	<u>1,509,372</u>	<u>1,452,211</u>	<u>57,161</u>
Net change in fund balance	<u>(130,822)</u>	<u>-</u>	<u>(130,822)</u>	<u>(66,250)</u>	

See Independent Auditor's Report.

Danville Library, Inc.

Reconciliation of the Operating Fund Statement of Support, Revenues, and Expenses Budget to Actual-
Cash Budgetary Basis to the Statement of Support, Revenues, and Expenses- Modified Cash Basis
For The Year Ended June 30, 2021

Reconciliation to the Statement of Support, Revenues, and Expenses

Net Change in Fund Balance - Budgetary Cash Basis \$ (66,250)

The budgetary cash report capital outlays as expenditures; however, in the Statement of Support, Revenues, and Expenses- Modified Cash Basis the cost of those assets are allocated over their useful lives and reported as as depreciation expenses.

Capital Outlay	15,908
Collection Adjustment Expense	12,928
Depreciation Expense	<u>(52,267)</u>

Change in Unrestricted Net Assets in Statement of Support, Revenues, and Expenses- Modified Cash Basis \$ (89,681)

See Independent Auditor's Report.