

DANVILLE LIBRARY, INC.
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2023



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INDEPENDENT AUDITOR'S REPORT

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

Opinion

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, 2023, and the related statements of support, revenues, and expenses- modified cash basis and cash flows- modified cash basis for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Danville Library, Inc. as of June 30, 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Danville Library, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1, and for 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with generally accepted auditing standards we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Danville Library, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Danville Library, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

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 13, 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 14 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
December 20, 2023

Danville Library, Inc.
Statement of Assets, Liabilities, and Net Assets- Modified Cash Basis
June 30, 2023

Assets

Current Assets:

Cash, unrestricted	\$ 300,038
Cash, restricted	55,067
Total Current Assets	<u>355,105</u>

Non-Current Assets:

Endowment investments	4,416,606
Non-depreciable assets	1,737,764
Depreciable assets, net of depreciation	177,044
Total Non-Current Assets	<u>6,331,414</u>

Total Assets	<u>\$ 6,686,519</u>
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Liabilities and Net Assets

Net Assets

Net assets with donor restrictions	\$ 55,067
Net assets without donor restrictions	
Invested in fixed assets	1,914,808
Operating fund	219,538
Endowment fund	4,416,606
Board restricted- depreciation fund	80,500
Total Net Assets	<u>6,686,519</u>

Total Liabilities and Net Assets	<u>\$ 6,686,519</u>
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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, 2023

	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	\$ 1,700,000	\$ -	\$ -	\$ 1,700,000	\$ -	\$ 1,700,000
Grants	17,152	-	-	17,152	-	17,152
Contributions	-	-	-	-	9,620	9,620
Desk receipts	14,162	-	-	14,162	-	14,162
Interest income	765	-	-	765	-	765
Other income	140	-	-	140	-	140
Endowment Fund:						
Earnings	-	128,276	-	128,276	-	128,276
Transfers	116,988	(118,224)	-	(1,236)	1,236	-
Net realized gain(loss)	-	158,121	-	158,121	-	158,121
Net unrealized gain(loss)	-	58,660	-	58,660	-	58,660
Total Revenues & Support	\$ 1,849,207	\$ 226,833	\$ -	\$ 2,076,040	\$ 10,856	\$ 2,086,896

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, 2023

	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	\$ 1,249,691	\$ -	\$ -	\$ 1,249,691	\$ -	\$ 1,249,691
Library books & materials	157,550	-	-	157,550	8,822	166,372
Outreach expenses	10,980	-	-	10,980	-	10,980
Electronic access	55,199	-	-	55,199	-	55,199
Administrative expenses	138,124	17,129	-	155,253	-	155,253
Operating expenses	128,241	-	-	128,241	-	128,241
Collection adjustment	173,442	-	-	173,442	-	173,442
Depreciation expense	41,724	-	-	41,724	-	41,724
Total Expenses	1,954,951	17,129	-	1,972,080	8,822	1,980,902
Increase (Decrease) in Net Assets	(105,744)	209,704	-	103,960	2,034	105,994
Net Assets- Beginning of Year	2,240,090	4,206,902	80,500	6,527,492	53,033	6,580,525
Net Assets- End of Year	\$ 2,134,346	\$ 4,416,606	\$ 80,500	\$ 6,631,452	\$ 55,067	\$ 6,686,519

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, 2023

Change in Net Assets	\$ 105,994
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation expense	41,724
Collection adjustment	173,442
Net realized (gain)/loss	(158,121)
Net unrealized (gain)/loss	<u>(58,660)</u>
Net cash provided by operating activities	<u>104,379</u>
Cash flows from investing activities	
Purchase of fixed assets	(44,080)
Reinvested earnings on endowment investments	(128,276)
Investment expense paid by endowment investments	<u>17,129</u>
Net cash (used) by investing activities	<u>(155,227)</u>
Cash flows from financing activities	
Transfers from endowment funds to other funds	<u>118,224</u>
Net cash provided by financing activities	<u>118,224</u>
Net change in cash	67,376
Cash, cash equivalents and restricted cash at beginning of year	<u>287,729</u>
Cash, cash equivalents and restricted cash at end of year	<u><u>\$ 355,105</u></u>

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

Danville Library, Inc.
Notes to Financial Statements
June 30, 2023

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, 2023

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 reported as net assets with donor restrictions.

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, 2023 was \$41,724.

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, 2023. 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 2020.

Danville Library, Inc.
Notes to Financial Statements
June 30, 2023

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, 2023 was as follows:

Category 1	\$	250,000
Category 2	\$	128,066
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, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Cash Accounts:			
Checking Accounts	\$ 14,623	\$ 55,067	\$ 69,690
Money Market Accounts	285,415	-	285,415
	<u>\$ 300,038</u>	<u>\$ 55,067</u>	<u>\$ 355,105</u>

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 decrease in the collection value of \$173,442.

A summary of the capital assets at June 30, 2023 is as follows:

	June 30, 2023
Land	\$ 77,000
Library collection	1,660,764
Buildings	1,043,000
Furniture and equipment	564,564
Bookmobile	61,894
Total at historical cost	<u>3,407,222</u>
Less: Accumulated Depreciation	<u>(1,492,414)</u>
Capital assets – net	<u>\$ 1,914,808</u>

Danville Library, Inc.
Notes to Financial Statements
June 30, 2023

NOTE 5 – INVESTMENTS

Investments held by the Library consisted of the following as of June 30, 2023:

	<u>Cost</u>	<u>Market Value</u>	<u>Unrealized Gain (Loss)</u>
Cash and cash equivalents	\$ 212,879	\$ 212,879	\$ -
Fixed Income Bonds	1,300,018	1,181,023	(118,995)
Stocks & Equities	2,536,002	3,022,704	486,702
Balance, June 30, 2023	<u>\$ 4,048,899</u>	<u>\$ 4,416,606</u>	367,707
Balance, June 30, 2022	<u>\$ 3,897,855</u>	<u>\$ 4,206,902</u>	309,047
Unrealized gain (loss) on investments			<u>\$ 58,660</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, 2023 is as follows:

		<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
June 30, 2023	<u>Fair Value</u>			
Cash and cash equivalents	\$ 212,879	\$ 212,879	\$ -	\$ -
Fixed income bonds	1,181,023	1,181,023	-	-
Stocks and equities	3,022,704	3,022,704	-	-
	<u>\$ 4,416,606</u>	<u>\$ 4,416,606</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, 2023

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, restricted by the donor, are accounted for in the Memorial Fund. The Library records all restricted contributions whose restrictions have been met in the same reporting period as support without donor restrictions.

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 5% to the plan with the Library contributing an additional 7.65% of the gross wages.

During the year ending June 30, 2023, Library employees contributed \$64,911 in mandatory and elective contributions to the retirement plan. The Library contributed \$44,543 on behalf of its employees during the fiscal year ending June 30, 2023. 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, 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, 2014, and 2013

Year	Contractually required employee contribution	Additional employee contribution	Contractually required employer contribution	Required total contribution	Percent of required contribution made
2023	29,113	35,798	44,543	109,454	100%
2022	34,092	33,023	52,160	119,275	100%
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%

Danville Library, Inc.
Notes to Financial Statements
June 30, 2023

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 resources without donor restrictions 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 subject to donor restrictions, are listed in the endowment fund. All restrictions have been met on endowment funds currently held and are listed as assets without donor restrictions. 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 donations with donor restrictions 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, 2027.

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.

NOTE 11 – SUBSEQUENT EVENTS

Management of the Organization has considered subsequent events through December 20, 2023, 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, 2023

	Original Budget	Revisions	Revised Budget	Actual	Favorable (Unfavorable) Balance
Revenues & other support					
Public library tax	\$ 1,700,000	\$ -	\$ 1,700,000	\$ 1,700,000	\$ -
Grants and contributions	15,908	-	15,908	17,152	1,244
Desk receipts	14,500	-	14,500	14,162	(338)
Other revenues	-	-	-	140	140
Interest income	240	-	240	765	525
Transfers from endowment fund	116,988	-	116,988	116,988	-
Total revenue & other support	1,847,636	-	1,847,636	1,849,207	1,571
Expenditures					
Compensation					
Salaries & wages	1,041,189	-	1,041,189	971,186	70,003
Payroll taxes	86,898	-	86,898	74,907	11,991
Retirement	59,122	-	59,122	44,543	14,579
Benefit expense	188,598	-	188,598	159,055	29,543
Total Compensation	1,375,807	-	1,375,807	1,249,691	126,116
Library books & materials	168,000	-	168,000	157,550	10,450
Outreach	11,000	-	11,000	10,980	20
Electronic access	48,861	-	48,861	55,199	(6,338)
Administrative expenses					
Professional fees	6,860	-	6,860	6,860	-
Office supplies	10,200	-	10,200	10,297	(97)
Programming supplies	36,508	-	36,508	68,511	(32,003)
Processing supplies	23,700	-	23,700	27,110	(3,410)
Postage	3,000	-	3,000	1,562	1,438
Staff development	9,000	-	9,000	9,327	(327)
Advertising & public relations	9,400	-	9,400	9,433	(33)
Other expenses	8,700	-	8,700	5,024	3,676
Total Administrative expenses	107,368	-	107,368	138,124	(30,756)
Operating expenses					
Building repairs & maintenance	10,000	-	10,000	5,592	4,408
Building & maintenance supplies	16,000	-	16,000	16,494	(494)
Service contracts	20,000	-	20,000	22,479	(2,479)
Utilities & telephone	54,100	-	54,100	53,890	210
Insurance	14,500	-	14,500	14,697	(197)
Equipment & furnishings	22,000	-	22,000	59,169	(37,169)
Total Operating expenses	136,600	-	136,600	172,321	(35,721)
Total Expenditures	1,847,636	-	1,847,636	1,783,865	63,771
Net change in fund balance	\$ -	\$ -	\$ -	\$ 65,342	

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, 2023

Reconciliation to the Statement of Support, Revenues, and Expenses

Net Change in Fund Balance - Budgetary Cash Basis	\$ 65,342
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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	44,080
Collection Adjustment Expense	(173,442)
Depreciation Expense	<u>(41,724)</u>

Change in Unrestricted Net Assets in Statement of Support, Revenues, and Expenses- Modified Cash Basis	<u><u>\$ (105,744)</u></u>
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See Independent Auditor's Report.