

TOMPKINS COUNTY PUBLIC LIBRARY

Ithaca, New York

EXECUTIVE SUMMARY

December 31, 2017



TOMPKINS COUNTY PUBLIC LIBRARY

SUMMARY OF 2017 AUDIT REPORT AND FINDINGS

Financial Statements

Independent Auditor's Report on Basic Financial Statements

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Communication with Those Charged with Governance at the Conclusion of the Audit

Management Comment Letter

Description of Report and Findings

Unmodified opinion on the Tompkins County Public Library's (the Library) basic financial statements for the year ended December 31, 2017.

Report on the Library's compliance with laws and regulations that may have a direct and material effect on the basic financial statements, and on the Library's internal control structure policies and procedures based on the auditor's understanding of the internal control structure and assessment of control risk obtained as part of the audit of the basic financial statements. This report identified **no material weaknesses or significant deficiencies in internal control** over financial reporting at the financial statement level and **no material instances of noncompliance**.

A letter that specifically addresses certain required communications to the Board of Trustees in accordance with professional standards - there were **no comments of concern** related to:

- Qualitative Aspects of Accounting Practices
- Difficulties Encountered in Performing the Audit
- Corrected and Uncorrected Misstatements
- Disagreements with Management
- Management Representations
- Management Consultations with Other Independent Accountants
- Other Audit Findings or Issues
- Other Matters

A separate management comment letter dated May 14, 2018 has been issued that discusses certain accounting issues.

TOMPKINS COUNTY PUBLIC LIBRARY

COMPARATIVE BALANCE SHEET GENERAL FUND DECEMBER 31,

| ASSETS | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|--------------------------|-------------------|-------------------|---------------------|-------------------|
| Cash and cash equivalents | \$ 632,540 | \$ 585,346 | \$ 395,770 | \$ 984,959 | \$ 488,201 |
| Accounts receivable | 19,886 | 24,489 | 48,830 | 67,400 | 92,986 |
| Prepaid expenses | <u>75,156</u> | <u>65,214</u> | <u>75,931</u> | <u>72,139</u> | <u></u> |
| Total Assets | <u>\$ 727,582</u> | <u>\$ 675,049</u> | <u>\$ 520,531</u> | <u>\$ 1,124,498</u> | <u>\$ 581,187</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities | | | | | |
| Accounts payable | \$ 73,268 | \$ 82,280 | \$ 51,460 | \$ 555,201 | \$ 34,646 |
| Accrued liabilities | <u>76,220</u> | <u>78,098</u> | <u>64,489</u> | <u>57,357</u> | <u>47,066</u> |
| Total Liabilities | <u>149,488</u> | <u>160,378</u> | <u>115,949</u> | <u>612,558</u> | <u>81,712</u> |
| Fund Balances | | | | | |
| Nonspendable | 75,156 | 65,214 | 75,931 | 72,139 | |
| Restricted | | | 47,021 | 46,556 | 23,800 |
| Assigned | 150,072 | | 35,950 | 173,128 | 145,049 |
| Unassigned | <u>352,866</u> | <u>449,457</u> | <u>245,680</u> | <u>220,117</u> | <u>330,626</u> |
| Total Fund Balance | <u>578,094</u> | <u>514,671</u> | <u>404,582</u> | <u>511,940</u> | <u>499,475</u> |
| Total Liabilities and Fund Balance | <u>\$ 727,582</u> | <u>\$ 675,049</u> | <u>\$ 520,531</u> | <u>\$ 1,124,498</u> | <u>\$ 581,187</u> |

Data Presented is Extracted from the Library's Independent Audit Reports for Purposes of Additional Analysis and is Not to be Used for Any Other Purpose.

Presented by: Inero & Co. CPAs, LLP

TOMPKINS COUNTY PUBLIC LIBRARY

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE FOR THE YEARS ENDED DECEMBER 31,

| REVENUES | 2017 | 2016 | 2015 | 2014 | 2013 |
|----------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| State sources | \$ 31,982 | \$ 33,457 | \$ 28,240 | \$ 66,690 | \$ 26,409 |
| Tompkins County | 3,403,415 | 3,233,201 | 3,087,217 | 2,978,032 | 2,683,032 |
| City of Ithaca | 15,237 | 15,086 | 15,301 | 14,623 | 14,319 |
| Town of Ithaca | 10,000 | 10,000 | 15,000 | 20,000 | 20,000 |
| CLD grant | 98,334 | 98,245 | 94,183 | 89,009 | 88,071 |
| Friends of the Library | 295,000 | 340,000 | 285,000 | 273,000 | 273,000 |
| Library Foundation | 131,203 | 158,883 | 142,670 | 105,479 | 117,202 |
| Library charges | 61,918 | 67,442 | 82,451 | 87,997 | 94,937 |
| Other | 19,068 | 19,895 | 111,265 | 617,601 | 40,325 |
| Total Revenues | <u>4,066,157</u> | <u>3,976,209</u> | <u>3,861,327</u> | <u>4,252,431</u> | <u>3,357,295</u> |
| EXPENDITURES | | | | | |
| Salaries | 2,035,271 | 1,915,592 | 1,837,653 | 1,856,968 | 1,666,666 |
| Fringe benefits | 468,758 | 465,702 | 488,955 | 503,092 | 485,034 |
| Health insurance | 622,762 | 581,315 | 612,536 | 584,132 | 539,471 |
| Books | 174,734 | 183,270 | 162,709 | 153,777 | 144,707 |
| AV/CD ROM materials | 100,956 | 112,434 | 95,656 | 91,555 | 87,021 |
| Professional fees | 245,040 | 228,021 | 274,720 | 313,867 | 193,252 |
| Other | 355,213 | 379,786 | 496,456 | 808,714 | 282,420 |
| Total Expenditures | <u>4,002,734</u> | <u>3,866,120</u> | <u>3,968,685</u> | <u>4,312,105</u> | <u>3,398,571</u> |
| Excess of Revenue (Expense) | <u>63,423</u> | <u>110,089</u> | <u>(107,358)</u> | <u>(59,674)</u> | <u>(41,276)</u> |
| Fund Balance, Beginning of Year | <u>514,671</u> | <u>404,582</u> | <u>511,940</u> | <u>499,475</u> | <u>540,751</u> |
| Restatement | | | | 72,139 | |
| Fund Balance, End of Year | <u><u>\$ 578,094</u></u> | <u><u>\$ 514,671</u></u> | <u><u>\$ 404,582</u></u> | <u><u>\$ 511,940</u></u> | <u><u>\$ 499,475</u></u> |

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TOMPKINS COUNTY PUBLIC LIBRARY

EXECUTIVE SUMMARY OF 2017 AUDIT

AUDIT FOCUS - REPORTING OBJECTIVES

1) Basic Financial Statements

- *Management's Discussion and Analysis
- *Government-wide Financial Statements
 - *Statement of Net Position
 - *Statement of Activities
- *Governmental Fund Financial Statements
- *Notes to Financial Statements
- *Supplemental Financial Information

Independent Auditor's Report

Report on Compliance and on Internal Control Over Financial Reporting

AUDIT APPROACH

- *Preliminary Planning
- *Consideration of Internal Control Over Financial Reporting
- *Tests of Controls
- *Tests of Compliance with Laws and Regulations
- *Substantive Testing of Financial Information (Includes Analytical Review)
- *Consideration of Internal Control Over Compliance Requirements

UNDERSTANDING THE LIBRARY'S OPERATIONS

- *Services Provided
- *Assessment of Accounting and Reporting System
- *Nature of Activities
- *Special Reporting Requirements
- *Nature of Compliance Requirements
- *Assessment of Management

FACTORS AFFECTING THE SCOPE OF THE AUDIT

- *Effectiveness of Overall Financial Controls
- *Qualifications of Key Personnel
- *Appropriate Segregation of Duties
- *Ability to Demonstrate Compliance with Laws and Regulations
- *Effectiveness of Budget Process Administration
- *Accuracy and Comprehensiveness of Internal Reporting
- *Existence of Adequate Policies and Procedures
- *Ability to Issue Timely and Accurate Financial Reports