

PLATTEKILL PUBLIC LIBRARY  
MODENA, NEW YORK

AUDIT REPORT FOR FISCAL YEAR ENDED  
DECEMBER 31, 2016

PLATTEKILL PUBLIC LIBRARY  
MODENA, NEW YORK  
DECEMBER 31, 2016  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Plattekill Public Library  
2047 Route 32  
Modena, New York 12548

### Report on the Financial Statements

We have audited the accompanying financial statements of the Plattekill Public Library, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with accounting principles generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Plattekill Public Library, as of December 31, 2016, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Required Supplemental Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the Library's proportionate share of net pension liability and the Library's pension contributions on pages 3 through 11 and 35 through 38 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2017 on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering Plattekill Public Library's internal control over financial reporting and compliance.



Montgomery, New York  
May 2, 2017

PLATTEKILL PUBLIC LIBRARY  
MODENA, NEW YORK

**Management Discussion and Analysis**

**Introductory Section**

Within this section of the Plattekill Public Library's annual financial report, the Library's management provides narrative discussion and analysis of the financial activities of the Library for the fiscal year ended December 31, 2016. The Library's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosure following this section. Additional information is available in the auditor's opinion letter which precedes management's discussion and analysis.

**Financial Highlights**

The first item in this report is the independent auditor's report. This report tells the reader what the auditor audited and whether the Plattekill Public Library has followed the accounting and financial reporting rules. For fiscal year ending December 31, 2016, the auditor has given the Plattekill Public Library what is commonly called "a clean opinion". This means that the Plattekill Public Library is following the accounting rules and the following financial statements reflect the financial position and the financial activity for the year ended December 31, 2016. The auditor's report is signed by the independent auditor. The auditor's report may be found on pages 1 and 2 of this financial report.

**Overview of the Financial Statements**

Management's discussion and analysis introduces the Library's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The Plattekill Public Library also includes in this report additional information to supplement the basic financial statements, such as required supplementary information and supplementary information. Comparative data is presented when available.

**Government -Wide Financial Statements**

The Library's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Library's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of activities between funds, when applicable.

The first of these district-wide statements is the Statement of Net Position. This is a government-wide statement of position presenting information that includes all of the Library's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Library taken as a whole is improving or deteriorating. Evaluation of the overall health of the Library would extend to other non financial factors such as diversification of the taxpayer base or the condition of the Library's infrastructure, in addition to the financial information provided in this report.

The second district-wide statement is the Statement of Activities which reports how the Library's net position changed during the current fiscal year. All current revenues and expenditures are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Library's distinct activities or functions on revenues provided by the Library's taxpayers.

The government-wide financial statements are presented on pages 12 and 13 of this report.

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**Management Discussion and Analysis**  
**(Continued)**

**Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Library uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Library's general fund.

The Library uses only one fund type:

The Governmental Fund is reported in the fund financial statements and encompasses essentially the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Library's governmental fund. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financial requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the government fund balance sheet and the government fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 14 and 15 of this report.

Notes to Financial Statements

The accompanying notes to financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 18 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Library's budget presentation. The general fund's budgetary comparison statement is included as "required supplementary information". Required supplementary information is information that the accounting rules strongly suggest be presented within the Library's financial report. The independent auditor does not formally audit this information, but reviews it in great detail to insure its accuracy. This statement demonstrates compliance with the Library's adopted and final revised budget. The required supplementary information can be found on pages 35 and 36 of this report.

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**Management Discussion and Analysis**  
**(Continued)**

**Financial Analysis of the Library as a Whole**

The Library's net position at December 31, 2016 is \$369,765. This is a \$472 increase from last year's net position of \$369,293. The following table provides a summary of the Library's net position:

Summary of Net Position

	Library Activities		
	December 31, 2016	December 31, 2015	% Change
Cash (Restricted and Unrestricted)	\$ 352,643	\$ 307,384	14.72%
Prepaid Expenses	9,733	11,259	-13.55%
Other Assets	4,940	36,519	-86.47%
Total Assets	<u>367,316</u>	<u>355,162</u>	3.42%
Deferred Outflows of Resources	<u>136,498</u>	<u>40,237</u>	239.24%
Total Assets and Deferred Outflows of Resources	<u>\$ 503,814</u>	<u>\$ 395,399</u>	27.42%
Accounts Payable	7,228	2,602	177.79%
Compensated Absences	683	1,191	-42.65%
ERS Net Pension Liability - Proportionate Share	112,771	22,313	405.40%
Total Liabilities	<u>120,682</u>	<u>26,106</u>	362.28%
Deferred Inflows of Resources	<u>13,367</u>	<u>0</u>	0.00%
Total Liabilities and Deferred Inflows of Resources	<u>134,049</u>	<u>26,106</u>	413.48%
Net Position:			
Restricted	217,193	28,449	663.45%
Unrestricted	152,572	340,844	-55.24%
Total Net Position	<u>369,765</u>	<u>369,293</u>	0.13%
Total Liabilities and Net Position	<u>\$ 503,814</u>	<u>\$ 395,399</u>	27.42%

The table and supporting graphs on page 6 provides a summary of revenues, expenses and changes in net position for the year ended December 31, 2016.

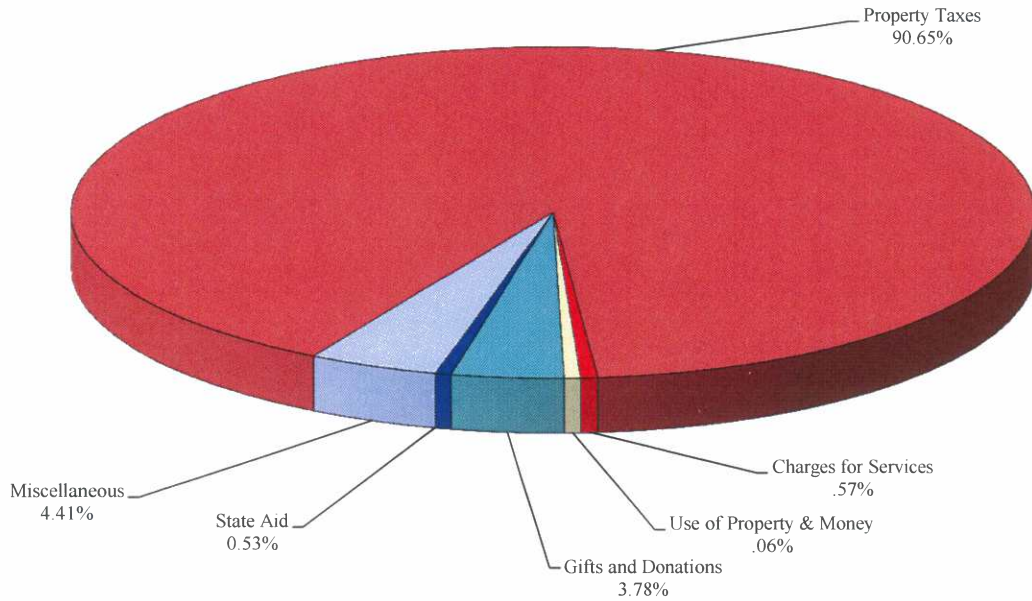
PLATTEKILL PUBLIC LIBRARY  
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STATEMENT OF ACTIVITIES  
SUMMARY OF CHANGES IN NET POSITION

	YEAR ENDED		YEAR ENDED		\$ Change	% Change
	DECEMBER 31, 2016	%	DECEMBER 31, 2015	%		
<b>REVENUES</b>						
PROGRAM REVENUES:						
Operating Grants	\$ -	-	-	-	-	-
GENERAL REVENUES:						
Property Taxes	439,662	90.65%	435,310	90.45%	4,352	1.00%
Charges for Services	2,742	0.57%	4,885	1.02%	(2,143)	-43.87%
Use of Money & Property	283	0.06%	225	0.05%	58	25.78%
Gifts and Donations	18,350	3.78%	10,584	2.20%	7,766	73.37%
State Aid	2,579	0.53%	2,706	0.56%	(127)	-4.69%
Sale of Property and Compensation for Loss	-	0.00%	-	0.00%	-	0.00%
Miscellaneous	21,391	4.41%	27,524	5.72%	(6,133)	-22.28%
<b>TOTAL REVENUES</b>	<b>485,007</b>	<b>100.00%</b>	<b>481,234</b>	<b>100.00%</b>	<b>3,773</b>	<b>0.78%</b>
<b>EXPENSES</b>						
Personnel - Salaries	245,438	50.65%	248,085	59.24%	(2,647)	-1.07%
Equipment	3,277	0.65%	8,000	1.89%	(4,723)	-59.04%
Books	38,428	7.93%	31,933	7.62%	6,495	20.34%
Audio Books & Periodicals	1,324	0.27%	2,134	0.51%	(810)	-37.96%
Periodicals & Microform	1,804	0.37%	1,888	0.45%	(84)	-4.45%
Supplies, Services, Arts & Crafts and Copy Supplies	19,975	4.12%	20,108	4.80%	(133)	-0.66%
Miscellaneous	22,749	4.71%	19,051	4.56%	3,698	19.41%
Operation and Maintenance of Building	3,035	0.64%	5,208	1.25%	(2,173)	-41.72%
Other Professional Fees	40,708	8.41%	-	0.00%	40,708	0.00%
Employee Benefits	107,797	22.25%	82,402	19.68%	25,395	30.82%
<b>TOTAL EXPENSES</b>	<b>484,535</b>	<b>100.00%</b>	<b>418,809</b>	<b>100.00%</b>	<b>65,726</b>	<b>15.69%</b>
<b>INCREASE IN NET POSITION</b>	<b>\$ 472</b>		<b>\$ 62,425</b>		<b>\$ (61,953)</b>	<b>-99.24%</b>



PLATTEKILL PUBLIC LIBRARY  
MODENA, NEW YORK

**SOURCES OF REVENUES  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**



**SOURCES OF REVENUE  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015**

