

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Twp <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other		Local Unit Name Public Libraries of Saginaw	County Saginaw
Fiscal Year End June 30, 2007	Opinion Date November 5, 2007	Date Audit Report Submitted to State December 7, 2007	

We affirm that:

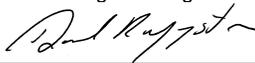
We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

- | | YES | NO | Check each applicable box below. (See instructions for further detail.) |
|-----|-------------------------------------|-------------------------------------|---|
| 1. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary. |
| 2. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures. |
| 3. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury. |
| 4. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has adopted a budget for all required funds. |
| 5. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | A public hearing on the budget was held in accordance with State statute. |
| 6. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division. |
| 7. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit. |
| 8. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit only holds deposits/investments that comply with statutory requirements. |
| 9. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the <i>Bulletin for Audits of Local Units of Government in Michigan</i> , as revised (see Appendix H of Bulletin). |
| 10. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover. |
| 11. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | The local unit is free of repeated comments from previous years. |
| 12. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The audit opinion is UNQUALIFIED. |
| 13. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP). |
| 14. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The board or council approves all invoices prior to payment as required by charter or statute. |
| 15. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | To our knowledge, bank reconciliations that were reviewed were performed timely. |

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)
Financial Statements	<input checked="" type="checkbox"/>	
The letter of Comments and Recommendations	<input type="checkbox"/>	
Other (Describe)	<input type="checkbox"/>	
Certified Public Accountant (Firm Name) Yeo & Yeo P.C.		Telephone Number 989-793-9830
Street Address 3023 Davenport	City Saginaw	State MI
		Zip 48605
Authorizing CPA Signature 	Printed Name David R. Youngstrom	License Number A262757

Public Libraries of Saginaw, Michigan
Annual Financial Statements
and
Auditors' Report
June 30, 2007

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Public Libraries of Saginaw, Michigan

List of Elected and Appointed Officials

June 30, 2007

Library Board

Carol Selby	President
Tina Gutierrez	Vice President
Joan B. Brownell	Treasurer
Neville Britto	Secretary
Ann Schneider Branch	Board Member
Pamela N. Clark	Board Member
Ralph Martin	Board Member

Administration

Trish Burns	Library Director
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Independent Auditors' Report

To the Board
Public Libraries of Saginaw, Michigan
Saginaw, Michigan

We have audited the basic financial statements of the Public Libraries of Saginaw, Michigan, as of and for the year ended June 30, 2007, as listed in the table of contents. The financial statements are the responsibility of the Public Libraries of Saginaw, Michigan'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.

The Public Libraries of Saginaw, Michigan, the Saginaw Public Libraries Foundation and the Hoyt Trust are separate entities having significant interrelationships, however, each is funded separately. The Public Libraries of Saginaw, Michigan contractual expense to the Hoyt Trust is primarily for maintenance and occupancy expenses of the Hoyt Public Library. Our audits of the Hoyt Trust and Saginaw Public Libraries Foundation are under separate cover.

The financial statements of one of the component units does not depreciate its exhaustible capital assets as required by accounting principles generally accepted in the United States of America. The effect on the financial statements of the component unit is not reasonably determinable.

In our opinion, except for the effects of the above paragraph, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Public Libraries of Saginaw, Michigan, at June 30, 2007 and its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information identified in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Libraries basic financial statements. The accompanying other supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Yeo & Yeo, P.C.

Saginaw, Michigan
November 5, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

Public Libraries of Saginaw, Michigan

Management's Discussion and Analysis

June 30, 2007

This section of the financial report presents our discussion and analysis of the Public Libraries of Saginaw financial performance during the year ended June 30, 2007. It is meant to provide an overall review of the Library's financial activities and provide a look at its past and current financial position. Readers should also review the Library's financial statements, immediately following this section, to enhance their understanding of the Library's financial performance.

This financial report is presented in the format required by the Governmental Accounting Standards Board (GASB) in their Statement Number 34, issued in June of 2000. Certain comparative information is required to be contained in financial statements that are prepared according to GASB 34 guidelines.

Using this Annual Report

This annual report consists of the following three parts:

- Management's Discussion and Analysis (this section)
- Basic Financial Statements
- Required Supplemental Information
- Other Supplemental Information

These statements are organized to help the reader understand the financial position of the Public Libraries of Saginaw as a whole. The Government-wide Financial Statements provide information about the activities of the Library as a whole. The fund financial statements provide the next level of detail, providing more detailed information about the Library's General Fund. The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by required supplemental information that supports and further

explains the financial statements with a comparison of the Library's budget for the year.

Government-Wide Financial Statements

The Government-wide statements are new and provide financial information of the Library as a whole. They report on the governmental activities of the Library, which includes most of the Library's basic services, including programming and technology. These activities are mostly funded by property taxes, penal fines and state shared revenue. These statements use the full accrual basis of accounting, similar to private sector companies. There are two Government-wide statements: The Statement of Net Assets and the Statement of Activities.

The **Statement of Net Assets** includes all the assets and liabilities of the Library, whether short-term or long-term, and regardless of whether or not they are currently available. As a result, capital assets and long-term obligations of the Library are included in this statement.

The **Statement of Activities** accounts for current year revenues regardless of when cash is received or paid, consistent with the full accrual basis method of accounting. The intent of this statement is to summarize and simplify the user's analysis of the costs of various Library services.

When analyzed together, these two statements help the reader determine whether the Library is financially stronger or weaker as a result of the year's activities. Both statements report the Library's net assets, which is the difference between the library's assets and liabilities. The change in net assets is one way to measure the Library's financial health or position. Over time, increases and decreases in the Library's net assets

Public Libraries of Saginaw, Michigan
Management's Discussion and Analysis
June 30, 2007

are an indicator of whether the Library's financial health is improving or deteriorating. However, the Library's goal is to provide services to our patrons not generate profits as in the private sector. As a result, other non-financial factors should be considered in assessing the overall health of the Library. Such factors would include the condition of the Library's building and the property tax base of the library.

Fund Financial Statements

The fund financial statements focus on providing more detailed information about the major funds of the Library and not on the Library as a whole, as reported in the Government-wide statements. The fund level statements are reported on a *modified accrual basis*. Only those assets that are "*measurable*" and "*currently available*" are reported. Liabilities are recognized to the extent they are normally expected to be paid with current financial resources. The fund statements provide a detailed short-term view of the Library's operations and help in determining whether there are more or less financial resources available in the near future to finance the Library's programs and services provided.

In general, the fund financial statements have changed very little as a result of GASB 34 requirements and are comparable to prior year financial statements. The primary difference is that the Account Groups (General Fixed Assets and general Long-term Debt) are no longer reported.

Summary of Net Assets

<u>Government Activities</u>	<u>2007</u>	<u>2006</u>
Assets		
Current assets	\$ 11,725,869	\$ 10,892,576
Capital assets	<u>4,150,731</u>	<u>4,178,835</u>
Total assets	<u>15,876,600</u>	<u>15,071,411</u>
Liabilities		
Current liabilities	234,217	131,726
Long-term liabilities	<u>110,608</u>	<u>100,577</u>
Total liabilities	<u>344,825</u>	<u>232,303</u>
Net Assets		
Total capital assets	4,115,731	4,143,835
Unrestricted	<u>11,416,044</u>	<u>10,695,273</u>
Total net assets	<u>\$ 15,531,775</u>	<u>\$ 14,839,108</u>

The net assets for the Library were \$15,531,775 at June 30, 2007. The largest portion of the Library's net assets consist of unrestricted net assets that will be used for funding future programming, capital improvements, material, technology upgrades, and for maintaining adequate cash flow to eliminate the need for borrowing.

Unrestricted net assets are similar but not identical to fund balance. A reconciliation of the difference between the change in net assets and a change in fund balance is included the basic financial statements.

Public Libraries of Saginaw, Michigan
Management's Discussion and Analysis
June 30, 2007

Statement of Net Assets Operating Results

<u>Governmental Activities</u>	<u>2007</u>	<u>2006</u>
Revenues		
Program revenues		
Charge for services	\$ 149,468	\$ 148,725
Operating grants and contributions	888,366	863,135
General revenue		
Property tax	3,710,944	3,685,079
Penal fines	564,053	566,044
Single business tax	273,198	273,198
State aid - unrestricted	104,897	95,858
Interest and investment earnings	509,939	359,659
Other	<u>51,394</u>	<u>8,568</u>
 Total revenues and transfers	 <u>6,252,259</u>	 <u>6,000,266</u>
 Expenses		
Main Library	3,392,292	3,281,931
Zauef Library	990,594	957,080
Butman-Fish Library	867,043	818,071
Claytor Library	145,386	140,396
Ruth Brady Wickes Library	<u>164,277</u>	<u>145,920</u>
 Total expenses	 <u>5,559,592</u>	 <u>5,343,398</u>
 Increase in net assets	 692,667	 656,868
 Net assets - beginning of year	 <u>14,839,108</u>	 <u>14,182,240</u>
 Net assets - end of year	 <u>\$ 15,531,775</u>	 <u>\$ 14,839,108</u>

As shown above, the net assets for the Library increased by \$692,667 during the year.

The *Statement of Activities* presented later in the government-wide financial statements provides greater detail on the Library's annual activity. As reported in the statement of activities, the cost of all government activities this year was \$5.5 million. However, the amount that was ultimately financed by our taxpayers through property taxes was \$3.5 million. Nearly 9.1% of the Library's revenue is from penal fines and 1.7% is from state shared revenue.

Up until July 1, 2004, the Library levied 4 mills in property taxes on city, Kochville and Zilwaukee properties. Beginning July 1, 2004, we are able to levy only 3.9947 mills because of the Headlee Tax rollback we experienced as a result of higher growth than expected in Kochville and Zilwaukee.

Local Property Tax History

Fiscal Year Revenue	% of Revenue	Local Property Tax
2007	57%	\$3,532,518.00
2006	61%	\$3,685,079.00
2005	62%	\$3,528,559.00
2004	65%	\$3,613,975.00
2003	56%	\$3,413,739.00

Local property tax revenues in the table include the receipt of delinquent taxes from prior years.

Budgetary Highlights

The library added \$710,936 to its fund balance this year. This exceeds our expectation of a balanced budget. A majority of this figure will be placed into a restricted Technology budget for use in the next two years as the Library implements two large technology projects. Some of the overage was due to

Public Libraries of Saginaw, Michigan
Management's Discussion and Analysis
June 30, 2007

receiving \$25,000 more than budgeted in penal fines. Another large unexpected increase in revenue was in the Renaissance Zones reimbursement which was up by \$43,000. We expect the current trend of rising Renaissance Zone revenue and declining property tax revenue to continue since one offsets the other. Interest income was over budget by \$343,873 due to unexpectedly higher interest rates. Interest on delinquent taxes was over budget by \$15,967 due to the continued payment of interest on the revenue from the county purchase of real property taxes and higher than expected delinquent property tax collection.

On the expenditure side, there were some changes in personnel during the year that aggregated into a significant amount of savings to the Library in the secretarial line item. A full-time secretarial position was reclassified into a professional position, which showed a savings of over \$30,000 in the secretarial line item. A small roofing project was not realized and saved \$15,000. A keyless entry system was installed in three phases, with the final phase being paid after the June 30 cutoff, although it is still encumbered in the current year.

As more senior staff leave and are replaced, we have more employees out of the higher-cost Michigan Public School Employees Retirement System and into the Municipal Employees Retirements System. This has resulted in, and will continue to cause, substantial savings for the Library.

Budget Adjustments

Budget adjustments this year were minimal overall. We were able to adjust Health Insurance expense downward because of slight alterations that were made to the plan. Sub salaries were adjusted upwards by \$5,900 to compensate for staff

medical leave. An adjustment of \$2,500 was made to accommodate a position being increased to full-time status. Telecommunications lines for Zauel and PLOS needed adjusting because savings on telecom contracts were not realized.

Revenue Threats

There are several threats looming in the future for Library revenue. Last year, penal fines rose about 9% due to a new ticketing system. During the first three months of the 2007/2008 fiscal year penal fines collections have been down by 25%, according to figures received from Saginaw County.

Current local taxes continue to be of concern. The number of vacant homes in the city is increasing sharply and we expect this to become a difficult number to budget in coming years.

Tax abatements will continue to affect our revenues, especially in the city. We know that declines in city population, demolition of property and the resultant loss in tax base will affect us even more as time goes on.

Renaissance zone revenue has increased in contrast to general property tax revenue. As properties qualify for Renaissance zone exemptions, they move off the regular tax rolls and the state makes up what is lost. If they lose their qualification, they revert back to the regular rolls and the revenue is then collected by the city and remitted to the library. So we should expect some fluctuation between the two revenue sources over time, which makes for difficult budgeting.

Public Libraries of Saginaw, Michigan
Management's Discussion and Analysis
June 30, 2007

State Aid funding did not see the realization of a proposed 25% cut this year, but the state budget for next year does include an 18% cut.

This budget saw the final year of the Sales Tax Inventory Reimbursement, which had brought us \$273,000 annually. This amount will not be budgeted in the 2007/2008 budget.

Requests for Information

This financial report is designed to provide a general overview for anyone interested in the Library's finances and to demonstrate the Library's accountability for the money it received. Questions concerning this report or requests for additional information should be addressed to:

Library Director
Public Libraries of Saginaw
505 Janes Avenue
Saginaw, MI 48607
Telephone number (989) 755-9833

Component Units

The component units' columns in the financial statements include the financial data of the Library's two component units, Hoyt Trust and Saginaw Public Libraries Foundation. These units, which have the same board members as the Public Libraries of Saginaw, Michigan are reported in separate columns to emphasize that they are legally separate from the Library.

The Library's financial statements include condensed financial statements of the Hoyt Trust. The Library's financial statements include complete financial statements of the

Saginaw Public Libraries Foundation. Complete audited financial statements of the Hoyt Trust and Saginaw Public Libraries Foundation can be obtained from the administrative offices of the Public Libraries of Saginaw, Michigan at 505 Janes Street, Saginaw, Michigan 48607.

BASIC FINANCIAL STATEMENTS

Public Libraries of Saginaw, Michigan
Statement of Net Assets
June 30, 2007

	<u>Primary Government</u>	<u>Component Units</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 10,760,073	\$ 491,025
Investments	-	1,093,176
Accounts receivable	25,000	15,788
Interest receivable	211,316	-
Due from other governmental units	666,059	-
Prepaid expenses	63,421	-
Total current assets	<u>11,725,869</u>	<u>1,599,989</u>
Noncurrent assets		
Assets held by others	-	797,668
Capital assets not being depreciated	35,000	4,647,061
Capital assets, less accumulated depreciation of \$1,805,212	4,115,731	-
Total noncurrent assets	<u>4,150,731</u>	<u>5,444,729</u>
Total assets	<u>15,876,600</u>	<u>7,044,718</u>
Liabilities		
Current liabilities		
Accounts payable	73,863	32,748
Accrued payroll and related liabilities	33,163	-
Deferred revenue	127,191	-
Total current liabilities	<u>234,217</u>	<u>32,748</u>
Noncurrent liabilities		
Accrued compensated absences	110,608	-
Total liabilities	<u>344,825</u>	<u>32,748</u>
Net assets		
Invested in capital assets	4,115,731	4,647,061
Restricted for:		
Hoyt Trust	-	1,121,219
Saginaw Public Library Foundation	-	370,072
Unrestricted	<u>11,416,044</u>	<u>873,618</u>
Total net assets	<u>\$ 15,531,775</u>	<u>\$ 7,011,970</u>

See Accompanying Notes to Financial Statements

Public Libraries of Saginaw, Michigan
Statement of Activities
Year Ended June 30, 2007

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Units
Primary government						
Governmental activities						
Main library	\$ 3,392,292	\$ 107,286	\$ 234,786	\$ -	\$ (3,050,220)	\$ -
Zauel	990,594	42,182	653,580	-	(294,832)	-
Butman Fish	867,043	-	-	-	(867,043)	-
Claytor	145,386	-	-	-	(145,386)	-
Ruth Brady Wickes	164,277	-	-	-	(164,277)	-
Total governmental activities	<u>\$ 5,559,592</u>	<u>\$ 149,468</u>	<u>\$ 888,366</u>	<u>\$ -</u>	<u>(4,521,758)</u>	<u>-</u>
Component units						
Hoyt Trust	\$ 167,190	\$ 195,972	\$ -	\$ -	-	28,782
Saginaw Public Library Foundation	24,551	-	31,229	-	-	6,678
Total component activities	<u>\$ 191,741</u>	<u>\$ 195,972</u>	<u>\$ 31,229</u>	<u>\$ -</u>	<u>-</u>	<u>35,460</u>
General revenues						
Property taxes, levied for general purposes					3,710,944	-
Penal fines					564,053	-
Single business tax					273,198	-
State aid - unrestricted					104,897	-
Interest and investment earnings					509,939	225,631
Other					51,394	1,310
Total general revenues and special items					<u>5,214,425</u>	<u>226,941</u>
Change in net assets					692,667	262,401
Net assets - beginning					<u>14,839,108</u>	<u>6,749,569</u>
Net assets - ending					<u>\$ 15,531,775</u>	<u>\$ 7,011,970</u>

See Accompanying Notes to Financial Statements

Public Libraries of Saginaw, Michigan
Balance Sheet
General Fund
June 30, 2007

Assets

Cash and cash equivalents	\$ 10,760,073
Accounts receivable	25,000
Interest receivable	211,316
Due from other governmental units	666,059
Prepaid expenses	<u>63,421</u>
Total assets	<u><u>\$ 11,725,869</u></u>

Liabilities

Accounts payable	\$ 73,863
Accrued payroll and related liabilities	33,163
Deferred revenue	<u>279,472</u>
Total liabilities	<u>386,498</u>

Fund balance

Reserved for encumbrances	
Saginaw Public Library	48,305
Zauel Public Library	7,157
Component units	4,336
Prepaid expense	63,421
Designated by the board for	
Zauel operations	428,217
Technology upgrade	594,612
Repair, replacement and improvement	1,245,000
Materials	164,791
Procurements and operations	275,450
Undesignated	<u>8,508,082</u>
Total fund balance	<u>11,339,371</u>

Total liabilities and fund balance

\$ 11,725,869

See Accompanying Notes to Financial Statements

Public Libraries of Saginaw, Michigan
Reconciliation of the Balance Sheet of
General Fund to the Statement of Net Assets
June 30, 2007

Total general fund balance \$ 11,339,371

Total net assets reported for governmental activities in the statement of net assets is different because:

Deferred property taxes	\$ 35,000	
Deferred interest	<u>117,281</u>	152,281

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Those assets consist of:

Land	35,000	
Buildings and building improvements	1,768,193	
Furniture and equipment	548,437	
Leasehold improvements	3,604,313	
Accumulated depreciation	<u>(1,805,212)</u>	4,150,731

Long-term liabilities applicable to governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net assets.

Balances as of June 30, 2007 are as follows:

Compensated absences payable		<u>(110,608)</u>
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Net assets of governmental activities **\$ 15,531,775**

Public Libraries of Saginaw, Michigan
Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
Year Ended June 30, 2007

Revenues

Current local taxes	\$ 3,501,047
Interest on delinquent taxes	17,167
Payments in lieu of taxes	193,426
Delinquent taxes	14,304
Single business tax	273,198
Contract income	794,871
State aid	104,897
Contributions and gifts	56,339
Book fines and fees	60,193
Penal fines	564,053
Telefacsimile fees	6,577
Copy machines	14,231
Investment income	505,073
Microcomputer support and maintenance	5,775
Universal service fund	2,533
Concessions	19,967
Processing data entry	48,500
Operating revenue component units	41,208
Miscellaneous	<u>9,034</u>
Total revenues	<u>6,232,393</u>

Expenditures

Main library	3,293,648
ZaueI	979,236
Butman Fish	945,321
Claytor	142,181
Ruth Brady Wickes	<u>161,071</u>
Total expenditures	<u>5,521,457</u>

Excess of revenues over expenditures	710,936
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Fund balance - beginning of year	<u>10,628,435</u>
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Fund balance - end of year	<u>\$ 11,339,371</u>
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See Accompanying Notes to Financial Statements

Public Libraries of Saginaw, Michigan
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
General Fund to the Statement of Activities
Year Ended June 30, 2007

Net change in fund balances - general fund \$ 710,936

Total change in net assets reported for governmental activities in the statement of activities is different because:

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.

Depreciation expense	(160,273)
Capital outlay	132,169

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.

Property taxes	\$ 15,000	
Interest	<u>4,866</u>	19,866

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in compensated absences payable	<u>(10,031)</u>
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Change in net assets of governmental activities \$ 692,667

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2007

Note 1 - Significant Accounting Policies

The financial statements of the Public Libraries of Saginaw, Michigan, have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to the Library. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant policies are described below.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the Statement of Net Assets and the Statement of Changes in Net Assets) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, normally supported by taxes and inter-governmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants 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. Taxes and other items properly excluded from program revenue are reported as general revenue.

Reporting Entity

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the Public Libraries of Saginaw, Michigan and its component units. The component units discussed below are included in the Library's reporting entity because of the significance of their operational or financial relationships with the Library.

Component Units

The component units' columns in the financial statements include the financial data of the Library's two component units, Hoyt Trust and Saginaw Public Libraries Foundation. These units, which have the same board members as the Public Libraries of Saginaw, Michigan are reported in separate columns to emphasize that they are legally separate from the Library.

Hoyt Trust

The Hoyt Trust was established under the will of Jesse Hoyt in June of 1882. The endowment to the Hoyt Trust included money to construct the Hoyt Library. The funds of the Hoyt Trust are controlled by the Hoyt Trust Board and are reserved for the purpose of maintaining the Hoyt Library as a reference library per the terms of the will of Jesse Hoyt. By the 1920's the Hoyt Trust was no longer financially capable of supporting Hoyt Library services. The Hoyt Trust's inability to support the Hoyt Library lead to the merger of Hoyt Library and the Public Libraries of Saginaw with the Public Libraries of Saginaw renting the Hoyt Library from the Hoyt Trust. Since that time the Trust has continued to provide modest financial support to the Hoyt Library.

The Library's financial statements include condensed financial statements of the Hoyt Trust.

Saginaw Public Libraries Foundation

The Saginaw Public Libraries Foundation was created to provide a means of giving into posterity to the Public Libraries of Saginaw.

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2007

This foundation raises money to be used to purchase books and other library materials as a supplement to the regular library materials budget. Only a portion of the earnings from the Foundation investments are used annually, allowing the principal to remain to generate earnings for future library materials support and services.

The Library's financial statements include complete financial statements of the Saginaw Public Libraries Foundation. The Foundation assets are held in trust at Merrill Lynch. Complete audited financial statements of the Saginaw Public Library Foundation can be obtained from the administrative offices of the Public Libraries of Saginaw, Michigan at 505 Janes Street, Saginaw, Michigan 48607.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, restricted resources are applied first.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government 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. However, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

The Library reports only one fund as follows:

- The General Fund is used to record the operations of the Library which pertain to maintaining and operating of the Public Libraries of Saginaw, Michigan. Included are all transactions related to the approved current operating budget.

Assets, Liabilities and Equity

Cash and investments – The Library has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with a maturity of 3 months or less when acquired. Investments are stated at fair value based on a quoted market price. Certificates of deposit are stated at cost which approximates fair value.

Receivables and payables – All trade and property tax receivables are shown as net of allowance for uncollectible amounts.

Property taxes are assessed as of December 31 and the related taxes become a lien on March 1 of the following year. The Libraries' taxes are due in July with the final collection date on February 28 before they are added to the County tax rolls. The delinquent real property taxes of the City are purchased by Saginaw County. These taxes have been recorded as revenue in the current year.

Prepaid items – Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2007

Capital assets – Purchased or constructed capital assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Library as assets with an initial individual cost of more than \$5,000. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Costs of normal repair and maintenance that do not add to the value or materially extend asset lives are not capitalized. The Library does not have infrastructure assets. Buildings, furniture and equipment, and leasehold improvements are depreciated using the straight-line method over the following useful lives:

Building and building improvements	20 to 50 years
Furniture and equipment	5 to 10 years
Leasehold improvements	20 to 50 years

Compensated absences – Sick days are earned by employees at the rate of one per month. Unlimited unused sick days may be accumulated by an employee. Retiring employees who meet certain age and years of service requirements are paid for accumulated sick days to a maximum of 90 days at half of their normal rate.

The liability for compensated absences reported in the government-wide financial statements consists of unpaid, accumulated sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments, and other employees who are expected to become eligible in the future to receive such payments upon termination, are included. The amount reported includes fringe benefits.

Fund equity - In the fund financial statements, governmental funds 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.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Note 2 - Budgetary Policies and Data

The State of Michigan adopted a Uniform Budgeting and Accounting Act (Act) applicable to all local governmental entities in the State. The law requires appropriation acts to be adopted for the General Fund.

The Board adopts appropriations utilizing the modified-accrual basis of accounting for all governmental funds. The appropriation level adopted by the Board is the level of control authorized under the Act. The Act requires expenditures to be budgeted on a functional basis. A library is not considered to be in violation of the Act if reasonable procedures are in use by the library to detect violations.

The Public Libraries of Saginaw uses these procedures in establishing the budgetary data reflected in the financial statements:

1. The Library Director submits to the Board a proposed budget by July 1 of each year. The budget includes proposed expenditures and the means of financing them.

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2007

2. A public hearing is conducted to obtain taxpayer comments.
3. The Library Director is authorized to transfer budgeted amounts between functions; however, any revisions that alter the total expenditures of any fund must be approved by the Board.
4. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. Budgeted amounts are as originally adopted, or as amended by the Board throughout the year. The budget was amended at its June meeting.
6. Encumbrance accounting is employed in the General Fund. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

The breakdown between deposits and investments for the Library is as follows:

The Library's cash and cash equivalents are mostly made up of deposits (checking, savings accounts, money markets, and certificates of deposit).

The Component Units' cash and cash equivalents and investments are made up of the following:

Deposits as described above of \$523,654 and \$1,060,547 of mutual funds.

Credit risk - State statutes authorize the Library to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have an office in Michigan; the Library is allowed to invest in U.S. Treasury or Agency obligations, U.S. government repurchase agreements, bankers' acceptances, commercial paper rated prime at the time of purchase that matures not more than 270 days after the date of purchase, mutual funds, and investment pools that are composed of authorized investment vehicles. The Library has no investment policy that would further limit its investment choices. As of June 30, 2007, the Library had no investments.

Concentration of credit risk - The Library has no policy that would limit the amount that may be invested with any one issuer.

Custodial credit risk – deposits – In the case of deposits, this is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library does not have a deposit policy for custodial credit risk. As of June 30, 2007, the Library's and the component units' bank balances were \$10,899,854 and \$1,593,831, respectively. Of that balance, \$10,374,849 and \$1,436,615 were exposed to custodial risk because it was uninsured and uncollateralized.

Note 3 - Deposits and Investments

At year end, the Library and its component units' deposits and investments were reported in the basic financial statements in the following categories:

	<u>Governmental Activities</u>	<u>Component Units</u>
Cash and cash equivalents	\$ 10,760,073	\$ 491,025
Investments	<u>-</u>	<u>1,093,176</u>
Total	<u>\$ 10,760,073</u>	<u>\$ 1,584,201</u>

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2007

Note 4 - Capital Assets

Capital assets activity of the primary government and component unit for the current year was as follows:

	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007
Primary Government				
Governmental activities				
Capital assets not being depreciated				
Land	\$ 35,000	\$ -	\$ -	\$ 35,000
Capital assets being depreciated				
Building and building improvements	1,650,799	117,394	-	1,768,193
Furniture and equipment	533,662	14,775	-	548,437
Leasehold improvements	<u>3,604,313</u>	<u>-</u>	<u>-</u>	<u>3,604,313</u>
Total capital assets being depreciated	5,788,774	132,169	-	5,920,943
Less: Accumulated depreciation	<u>1,644,939</u>	<u>160,273</u>	<u>-</u>	<u>1,805,212</u>
Net capital assets being depreciated	<u>4,143,835</u>	<u>(28,104)</u>	<u>-</u>	<u>4,115,731</u>
Governmental activities capital assets, net	<u>\$ 4,178,835</u>	<u>\$ (28,104)</u>	<u>\$ -</u>	<u>\$ 4,150,731</u>
Component Units				
Capital assets not being depreciated				
Land and buildings	<u>\$ 4,647,061</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,647,061</u>

Depreciation for the fiscal year ended June 30, 2007, amounted to \$ 160,273 for the primary government. The Component Units do not depreciate capital assets.

Depreciation expense was charged to activities of the Library as follows:

Governmental activities	
Main library	\$ 121,807
Zauel	8,014
Butman Fish	24,041
Claytor	3,205
Ruth Brady Wickes	<u>3,206</u>
Total governmental activities	<u>\$ 160,273</u>

Note 5 - Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes	\$ 35,000	\$ -
Accrued interest receivable	117,281	-
Branch materials		17,400
Grants and categorical payments received prior to meeting all eligibility requirements	<u>-</u>	<u>109,791</u>
	<u>\$ 152,281</u>	<u>\$ 127,191</u>

Note 6 - Pension Plan/MPERS

Plan Description

The Library has a defined benefit pension plan covering substantially all employees. The plan is operated by the State of

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2007

Michigan's Public School Employees Retirement System (MPERS), which is a cost-sharing public employee retirement system (PERS).

The pension plan provides retirement, survivor and disability benefits to plan members and their beneficiaries.

MPERS operates within the Michigan Department of Management and Budget, Office of Retirement Systems who has the authority to establish and amend benefit provisions. The Michigan Department of Management and Budget issues a publicly available financial report that includes financial statements and required supplementary information for MPERS. That report may be obtained by writing Office of Retirement Services, P.O. Box 30171, Lansing, Michigan 48909-7671 or calling 800-381-5111.

Funding Policy

The Library is required by State statute to contribute to MPERS an actuarially determined percentage of payroll for all participating employees. Additionally, employees participating in the Member Investment Plan contributed 3% to 4.3% of their covered wages through payroll deduction. In addition to retirement benefits, a portion of the total MPERS contribution is allocated to cover health, dental and vision benefits.

A Member Investment Plan (MIP) member may retire at any age with 30 years of credited service; at age 60 with 10 or more years of credited service; or, at age 60 with 5 years of credited service provided the member has worked through his or her 60th birthday and has credited service in each of the five fiscal years immediately preceding the pension effective date.

Benefits vest after 10 years of service. Vested employees may retire at or after age 55 and receive reduced retirement benefits. Pension provisions include death and disability benefits.

Employees who retire after reaching the above mentioned

requirements are entitled to 1 ½ percent of their final average compensation multiplied by the number of years of credited service.

The Library is required by State statute to contribute to MPERS an actuarially determined percentage of payroll for all participating employees. Additionally, employees participating in the Member Investment Plan contributed 3% to 4.3% of their covered wages through payroll deduction. In addition to retirement benefits, a portion of the total MPERS contribution is allocated to cover health, dental and vision benefits. The following table discloses pertinent information relative to MPERS funding for the three-year period beginning July 1, 2004 through June 30, 2007.

	Year Ended June 30,		
	2007	2006	2005
Funding percentage range	16.34 - 17.74%	14.87 - 16.34%	12.99 - 14.87%
Total library, payroll	\$ 2,514,677	\$ 2,516,428	\$ 2,334,632
Total covered payroll	1,124,633	1,250,241	1,239,114
Library contributions	202,617	260,191	178,304
Employee MIP contributions	23,397	26,637	27,549
Portion of Library contributions covering health, dental and vision benefits	37%	40%	44%

Note 7 - Defined Benefit Pension Plan

Plan description – The government participates in the Michigan Municipal Employees' Retirement System (MERS), an agent multiple-employer defined benefit pension plan that covers all employees of the government. The system provides retirement, disability and death benefits to plan members and their beneficiaries. MERS issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to MERS at 447 N. Canal Rd., Lansing, Michigan 48917.

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2007

Funding policy – The obligation to contribute to and maintain the system for these employees was established by negotiation with the government’s competitive bargaining units and requires a contribution from the employees of 6 percent of gross wages.

Annual pension costs – For fiscal year ended 2007, the Library’s annual pension cost of \$65,793 for the plan was equal to the required and actual contribution. The annual required contribution was determined as part of an actuarial valuation at December 31, 2006, using the entry actual age cost method. Significant actuarial assumptions used include: 1) a 8% investment rate of return; 2) projected salary increases of 4.5% percent per year; and 3) 4.5% percent per year cost of living adjustments. Both determined using techniques that smooth the effects of short-term volatility over a four-year period. The unfunded actuarial liability is being amortized as a level percent of payroll on a closed basis. The remaining amortization period is 29 years.

Three year trend information as of December 31 follows:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Annual pension cost	\$ 44,030	\$ 52,547	\$ 64,434
Percentage of APC contributed	100%	100%	100%
Net pension obligation	480,054	382,796	351,984
Actuarial value of assets	731,304	588,561	484,634
Actuarial accrued liability (AAL)	480,054	382,796	351,984
Unfunded (overfunded) AAL	(251,250)	(205,765)	(132,650)
Funded ratio	152%	154%	138%
Covered payroll	736,988	736,988	613,838
UAAL as a percentage of covered payroll	-34%	-28%	-22%

Note 8 - Long-Term Debt

Other long-term obligations include compensated absences, claims and judgments, termination benefits, and certain risk liabilities.

Long-term obligation activity is summarized as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Compensated absences	\$ 100,577	\$ 10,031	\$ -	\$ 110,608

Note 9 - Post Employment Benefits Other Than Pension Benefits

In addition to the pension benefits described in Note 6, the Library provides post-retirement health care, dental, and vision benefits for retirees and beneficiaries through Michigan Public School Employees Retirement System (MPSERS). All health care benefits are on a self-insured basis. A significant portion of the premium is paid by MPSERS with the balance deducted from the monthly pension.

The only requirements for insurance benefits are that the retiree or beneficiary make application and be in receipt of a monthly pension.

Expenditures for these benefits are recognized on a cash disbursement basis. During the year ended September 30, 2006, statewide expenditures of \$ 694 million were recognized for post-retirement health care, dental and vision. This represented approximately 20% of the total expenditures of the Michigan Public School Employees Retirement System.

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2007

Note 10 - Operating Lease

The Library extended a prior lease agreement with First Ward Community Service, Inc., to lease the ground floor of the First Ward Community Service office building, at 1410 North Twelfth Street, Saginaw, Michigan. The expense for the year ended June 30, 2007 was \$31,918. The Library has a month to month lease with First Ward for \$ 2,660 per month.

Note 11 - Risk Management

The Library participated in a self-insurance program through the Middle Cities Association. This program provides substantially all the insurance needs of the Library including property, general liability, automobile, umbrella and library commission legal liability. Payments made for the year ended June 30, 2007 were \$ 23,223. The contributions made by the Library fund the program at two times the expected claims. The possibility of additional claims does exist, but any liability to the Library would be immaterial due to the aggregate stop-loss coverage. There is also a possibility of a refund due the Library. Therefore, no contingent liabilities or assets have been recognized on the Library's financial statements for the year ended June 30, 2007. The Library uses a commercial carrier for its workers' compensation insurance. There have been no claims for commercial insurance for the last three years.

REQUIRED SUPPLEMENTAL INFORMATION

Public Libraries of Saginaw, Michigan
Required Supplemental Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Actual Over (Under)
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
Revenues				
Current local taxes	\$ 3,480,000	\$ 3,480,000	\$ 3,501,047	\$ 21,047
Interest on delinquent taxes	1,200	1,200	17,167	15,967
Payments in lieu of taxes	150,000	150,000	193,426	43,426
Delinquent taxes	12,000	12,000	14,304	2,304
Single business tax	273,198	273,198	273,198	-
Contract income	800,429	800,429	794,871	(5,558)
State aid	93,000	93,000	104,897	11,897
Contributions and gifts	25,000	25,000	56,339	31,339
Book fines and fees	55,500	55,500	60,193	4,693
Penal fines	539,000	539,000	564,053	25,053
Telefacsimile fees	3,850	3,850	6,577	2,727
Copy machines	11,800	11,800	14,231	2,431
Investment interest	161,200	161,200	505,073	343,873
Microcomputer support and maintenance	5,775	5,775	5,775	-
Universal service fund	1,700	1,700	2,533	833
Concessions	21,500	21,500	19,967	(1,533)
Processing data entry	43,500	43,500	48,500	5,000
Miscellaneous	2,500	2,500	9,034	6,534
Total revenues	<u>5,681,152</u>	<u>5,681,152</u>	<u>6,191,185</u>	<u>510,033</u>

Public Libraries of Saginaw, Michigan
Required Supplemental Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2007

	<u>Budgeted Amounts</u>			Actual
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Over (Under) Final Budget</u>
Expenditures				
Main library	\$ 3,494,095	\$ 3,523,166	\$ 3,293,648	\$ (229,518)
Zael	1,004,645	1,011,911	979,236	(32,675)
Butman Fish	972,565	985,217	945,321	(39,896)
Claytor	163,557	165,583	142,181	(23,402)
Ruth Brady Wickes	<u>182,338</u>	<u>184,364</u>	<u>161,071</u>	<u>(23,293)</u>
 Total expenditures	 <u>5,817,200</u>	 <u>5,870,241</u>	 <u>5,521,457</u>	 <u>(348,784)</u>
 Excess (deficiency) of revenues over expenditures	 <u>(136,048)</u>	 <u>(189,089)</u>	 <u>669,728</u>	 <u>858,817</u>
 Other financing sources				
Operating transfer in - SPL Foundation	-	16,208	16,208	-
Operating transfer in - Hoyt Trust (Pribil Trust)	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
 Total other financing sources	 <u>25,000</u>	 <u>41,208</u>	 <u>41,208</u>	 <u>-</u>
 Excess (deficiency) of revenues and other financing sources over expenditures	 <u>(111,048)</u>	 <u>(147,881)</u>	 <u>710,936</u>	 <u>858,817</u>
 Fund balance - beginning of year	 <u>10,628,435</u>	 <u>10,628,435</u>	 <u>10,628,435</u>	 <u>-</u>
 Fund balance - end of year	 <u>\$ 10,517,387</u>	 <u>\$ 10,480,554</u>	 <u>\$ 11,339,371</u>	 <u>\$ 858,817</u>

OTHER SUPPLEMENTAL INFORMATION

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Statement of Revenues, Expenditures and Changes in Fund Balance
Year Ended June 30, 2007 With Comparative Totals for the Year Ended 2006

	Primary Government	Component Units	Totals Reporting Entity	
	Public Libraries of Saginaw General Fund	Hoyt Trust and SPL Foundation	2007	2006
Revenues				
Current local taxes	\$ 3,501,047	\$ -	\$ 3,501,047	\$ 3,440,850
Interest on delinquent taxes	17,167	-	17,167	18,064
Payments in lieu of taxes	193,426	-	193,426	208,128
Delinquent taxes	14,304	-	14,304	38,037
Single business tax	273,198	-	273,198	273,198
Contract income	794,871	194,972	989,843	1,001,456
State aid	104,897	-	104,897	95,858
Contributions and gifts	56,339	32,229	88,568	60,317
Book fines and fees	60,193	-	60,193	60,844
Penal fines	564,053	-	564,053	566,044
Telefacsimile fees	6,577	-	6,577	4,434
Copy machines	14,231	-	14,231	12,615
Investment income	505,073	39,631	544,704	382,437
Unrealized gains on investments	-	105,741	105,741	22,048
Realized gains on investments	-	80,259	80,259	42,561
Microcomputer support and maintenance	5,775	-	5,775	5,500
Universal service fund	2,533	-	2,533	5,329
Concessions	19,967	-	19,967	23,216
Processing data entry	48,500	-	48,500	47,616
Miscellaneous	9,034	1,310	10,344	2,769
Total revenues	6,191,185	454,142	6,645,327	6,311,321

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Statement of Revenues, Expenditures and Changes in Fund Balance
Year Ended June 30, 2007 With Comparative Totals for the Year Ended 2006

	Primary Government	Component Units	Totals Reporting Entity	
	Public Libraries of Saginaw General Fund	Hoyt Trust and SPL Foundation	2007	2006
Expenditures				
Main library	\$ 3,293,648	\$ -	\$ 3,293,648	\$ 3,160,625
ZaueI	979,236	-	979,236	941,092
Butman Fish	945,321	-	945,321	782,133
Claytor	142,181	-	142,181	137,204
Ruth Brady Wickes	161,071	-	161,071	138,728
Hoyt Trust	-	170,781	170,781	189,108
Unrealized loss on investments	-	-	-	13,335
Saginaw Public Libraries Foundation	-	8,343	8,343	13,065
	<u>5,521,457</u>	<u>179,124</u>	<u>5,700,581</u>	<u>5,375,290</u>
Total expenditures				
Excess of revenues over expenditures	<u>669,728</u>	<u>275,018</u>	<u>944,746</u>	<u>936,031</u>
Other financing sources (uses)				
Operating transfers in	41,208	28,591	69,799	53,398
Operating transfers out	-	(41,208)	(41,208)	(23,300)
	<u>41,208</u>	<u>(12,617)</u>	<u>28,591</u>	<u>30,098</u>
Total other financing sources (uses)				
Excess of revenues and other financing sources over expenditures and other financing uses	710,936	262,401	973,337	966,129
Fund balance - beginning of year	<u>10,628,435</u>	<u>6,749,569</u>	<u>17,378,004</u>	<u>16,411,875</u>
Fund balance - end of year	<u>\$ 11,339,371</u>	<u>\$ 7,011,970</u>	<u>\$ 18,351,341</u>	<u>\$ 17,378,004</u>

Public Libraries of Saginaw, Michigan
Other Supplemental Information
General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

	Year Ended June 30, 2007			Year Ended June 30, 2006 Actual
	Budget	Actual	Over (Under) Budget	
Revenues				
Current local taxes	\$ 3,480,000	\$ 3,501,047	\$ 21,047	\$ 3,440,850
Interest on delinquent taxes	1,200	17,167	15,967	18,064
Payments in lieu of taxes	150,000	193,426	43,426	208,128
Delinquent taxes	12,000	14,304	2,304	38,037
Single business tax	273,198	273,198	-	273,198
Contract income	800,429	794,871	(5,558)	815,983
State aid	93,000	104,897	11,897	95,858
Contributions and gifts	25,000	56,339	31,339	27,688
Book fines and fees	55,500	60,193	4,693	60,844
Penal fines	539,000	564,053	25,053	566,044
Telefacsimile fees	3,850	6,577	2,727	4,434
Copy machines	11,800	14,231	2,431	12,615
Investment interest	161,200	505,073	343,873	345,024
Microcomputer support and maintenance	5,775	5,775	-	5,500
Universal service fund	1,700	2,533	833	5,329
Concessions	21,500	19,967	(1,533)	23,216
Processing data entry	43,500	48,500	5,000	47,616
Miscellaneous	2,500	9,034	6,534	903
Total revenues	5,681,152	6,191,185	510,033	5,989,331

Public Libraries of Saginaw, Michigan
Other Supplemental Information
General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

	Year Ended June 30, 2007			Year Ended June 30, 2006 Actual
	Budget	Actual	Over (Under) Budget	
Expenditures				
Main library	\$ 3,523,166	\$ 3,293,648	\$ (229,518)	\$ 3,160,625
Zauel	1,011,911	979,236	(32,675)	941,092
Butman Fish	985,217	945,321	(39,896)	782,133
Claytor	165,583	142,181	(23,402)	137,204
Ruth Brady Wickes	184,364	161,071	(23,293)	138,728
	<u>5,870,241</u>	<u>5,521,457</u>	<u>(348,784)</u>	<u>5,159,782</u>
Total expenditures				
Excess of revenues over expenditures	<u>(189,089)</u>	<u>669,728</u>	<u>858,817</u>	<u>829,549</u>
Other financing sources				
Operating transfer in - SPL Foundation	16,208	16,208	-	15,300
Operating transfer in - Hoyt Trust (Pribil Trust)	25,000	25,000	-	8,000
	<u>41,208</u>	<u>41,208</u>	<u>-</u>	<u>23,300</u>
Total other financing sources				
Excess of revenues and other financing sources over expenditures	<u>(147,881)</u>	<u>710,936</u>	<u>858,817</u>	<u>852,849</u>
Fund balance - beginning of year	<u>10,628,435</u>	<u>10,628,435</u>	<u>-</u>	<u>9,775,586</u>
Fund balance - end of year	<u>\$ 10,480,554</u>	<u>\$ 11,339,371</u>	<u>\$ 858,817</u>	<u>\$ 10,628,435</u>

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Expenditures

	Year Ended June 30, 2007							Over (Under) Budget	Year Ended June 30, 2006 Actual
	Main	Zauel	Butman Fish	Claytor	Ruth Brady Wickes	Total Actual	Budget		
Salaries - professional and semi-professional	\$ 1,236,632	\$ 241,310	\$ 243,542	\$ 43,077	\$ 49,694	\$ 1,814,255	\$ 1,824,250	\$ (9,995)	\$ 1,769,386
Salaries - secretaries	212,010	112,048	113,308	9,039	12,546	458,951	492,550	(33,599)	487,023
Salaries - page	62,253	47,069	48,318	6,750	8,681	173,071	182,800	(9,729)	146,548
Salaries - substitute	35,442	17,040	10,944	3,770	2,536	69,732	69,600	132	59,713
Retirement	182,202	38,555	44,013	2,734	904	268,408	283,025	(14,617)	250,476
OASDI	95,097	25,807	25,699	3,879	4,551	155,033	159,450	(4,417)	153,484
Medicare	22,239	6,013	5,996	913	1,069	36,230	37,450	(1,220)	35,562
Dental insurance	23,297	6,141	6,830	-	-	36,268	39,000	(2,732)	37,508
Health insurance	196,139	68,115	69,492	-	-	333,746	344,650	(10,904)	309,354
Life insurance	2,103	428	439	20	22	3,012	3,170	(158)	2,978
Vision care insurance	5,182	1,366	1,520	-	-	8,068	9,300	(1,232)	9,047
Employee assistance program	1,688	381	381	-	-	2,450	2,475	(25)	2,450
Flexible benefit account	1,270	230	-	-	-	1,500	1,850	(350)	1,579
Unemployment	1,046	-	-	-	-	1,046	4,850	(3,804)	8,315
Workers` compensation	10,052	1,915	-	-	-	11,967	12,700	(733)	11,670
Books - adult	75,551	67,554	65,921	6,160	8,735	223,921	231,142	(7,221)	203,879
Books - juvenile	19,645	26,828	22,246	5,436	5,568	79,723	85,338	(5,615)	79,008
Books - genealogy	18,886	-	-	-	-	18,886	22,737	(3,851)	20,806
Books - reference	40,452	-	-	-	-	40,452	42,436	(1,984)	38,958
SPL foundation expenditures	1,780	2,950	3,616	1,663	1,463	11,472	16,208	(4,736)	14,121
Periodicals - adult	16,083	8,914	5,472	1,361	2,602	34,432	41,757	(7,325)	31,798
Periodicals - juvenile	965	841	580	355	298	3,039	3,501	(462)	2,869
Periodicals - genealogy	894	-	-	-	-	894	1,100	(206)	924
Microforms	11,884	-	-	-	-	11,884	16,700	(4,816)	15,541
On-line databases	34,074	12,419	-	-	-	46,493	46,800	(307)	44,152
Audio visual - adult	13,654	8,641	9,924	3,121	3,939	39,279	43,930	(4,651)	38,738
Audio visual - juvenile	2,728	2,016	3,164	1,351	1,236	10,495	11,491	(996)	10,817
Pamphlets	1,321	-	-	-	-	1,321	2,075	(754)	2,193
Processing	-	48,500	-	-	-	48,500	48,500	-	47,616
Total carried forward	2,324,569	745,081	681,405	89,629	103,844	3,944,528	4,080,835	(136,307)	3,836,513

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Expenditures

	Year Ended June 30, 2007							Over (Under) Budget	Year Ended June 30, 2006 Actual
	Main	Zauel	Butman Fish	Claytor	Ruth Brady Wickes	Total Actual	Budget		
Total brought forward	\$ 2,324,569	\$ 745,081	\$ 681,405	\$ 89,629	\$ 103,844	\$ 3,944,528	\$ 4,080,835	\$ (136,307)	\$ 3,836,513
Binding - adult	3,297	-	-	-	-	3,297	3,350	(53)	1,709
Heat and utilities	-	-	38,330	-	7,984	46,314	49,240	(2,926)	42,600
Telecommunications	44,601	5,429	-	-	-	50,030	51,150	(1,120)	43,711
Furniture and equipment - new and replacement	14,862	1,507	4,623	6,752	5,426	33,170	42,430	(9,260)	25,799
Furniture and equipment - repairs and maintenance	352	240	89	-	300	981	9,190	(8,209)	6,963
Building - maintenance, repairs and remodeling	-	-	28,744	2,270	8,073	39,087	50,445	(11,358)	10,604
Janitorial service	47,415	-	17,722	-	6,504	71,641	73,100	(1,459)	71,466
Trash removal	1,802	-	1,215	-	-	3,017	3,315	(298)	2,846
Snow removal	8,650	-	5,793	-	2,310	16,753	20,000	(3,247)	16,762
Grounds maintenance	-	-	10,387	-	5,120	15,507	21,860	(6,353)	6,254
Security guard service	32,815	-	18,872	-	9,239	60,926	63,810	(2,884)	48,266
Security system - building	-	-	2,431	1,007	896	4,334	5,483	(1,149)	3,808
Copy machine	24,238	2,155	862	198	-	27,453	31,010	(3,557)	23,221
Rent	-	-	-	31,918	-	31,918	32,900	(982)	31,918
Insurance	24,290	4,488	-	-	-	28,778	30,725	(1,947)	29,003
Stationery and supplies	17,481	4,608	3,819	1,403	1,470	28,781	37,425	(8,644)	23,270
Circulation system supplies	2,521	1,369	1,331	208	260	5,689	10,190	(4,501)	6,195
OCLC expenses	10,760	-	-	-	-	10,760	12,000	(1,240)	13,203
Micro computer supplies	13,430	3,833	3,957	343	749	22,312	30,000	(7,688)	13,188
Micro computer support	5,611	5,775	-	-	-	11,386	12,033	(647)	9,811
Web service	4,266	-	-	-	-	4,266	5,030	(764)	8,563
Software	22,774	1,468	-	-	-	24,242	33,698	(9,456)	21,966
Computer equipment and technology upgrade	34,645	13,467	15,780	5,141	6,382	75,415	85,540	(10,125)	82,426
Printing	37,195	4,658	-	-	-	41,853	42,800	(947)	35,438
Legal notices	1,294	-	-	-	-	1,294	3,400	(2,106)	1,338
Total carried forward	2,676,868	794,078	835,360	138,869	158,557	4,603,732	4,840,959	(237,227)	4,416,841

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Expenditures

	Year Ended June 30, 2007							Over (Under) Budget	Year Ended June 30, 2006 Actual
	Main	Zauel	Butman Fish	Claytor	Ruth Brady Wickes	Total Actual	Budget		
Total brought forward	\$ 2,676,868	\$ 794,078	\$ 835,360	\$ 138,869	\$ 158,557	\$ 4,603,732	\$ 4,840,959	\$ (237,227)	\$ 4,416,841
Public relations	51,164	-	-	-	-	51,164	57,745	(6,581)	46,831
Postage	30,246	6,053	-	-	-	36,299	39,750	(3,451)	34,469
Professional library expenses	-	2,162	-	-	-	2,162	3,000	(838)	1,830
Employee mileage	6,811	440	199	278	255	7,983	10,225	(2,242)	8,765
Summer reading program	34,948	1,425	-	-	-	36,373	38,041	(1,668)	31,674
Programs	1,812	599	1,405	835	607	5,258	10,000	(4,742)	5,082
Staff training	35,039	-	-	-	-	35,039	47,025	(11,986)	21,808
Juvenile staff training materials	67	-	-	-	-	67	500	(433)	156
Children's coordinator program	711	-	-	-	-	711	1,100	(389)	1,827
System wide programming	18,305	-	-	-	-	18,305	27,000	(8,695)	3,913
Educational materials	831	-	-	-	-	831	2,500	(1,669)	1,188
Miscellaneous	1,584	368	168	11	-	2,131	3,300	(1,169)	2,256
Butman Fish special projects	-	-	102,319	-	-	102,319	102,554	(235)	-
Pribil Trust	23,480	-	-	-	-	23,480	25,000	(1,520)	7,246
Contractual expense - Hoyt	195,592	-	-	-	-	195,592	202,780	(7,188)	197,819
Contractual expense - WPLC	35,327	15,056	-	-	-	50,383	52,100	(1,717)	53,285
Contractual expense - PLOS	-	127,679	-	-	-	127,679	127,679	-	124,483
Delivery service	5,438	-	-	-	-	5,438	10,000	(4,562)	6,112
Auditing and accounting	14,323	2,633	-	-	-	16,956	23,500	(6,544)	14,542
Family place project	-	777	-	-	-	777	1,000	(223)	565
Professional and legal expense	19,980	-	-	-	-	19,980	25,000	(5,020)	6,776
Security project	29,850	-	-	-	-	29,850	45,000	(15,150)	-
Data processing - database	2,549	589	-	-	-	3,138	3,750	(612)	3,395
Data processing - maintenance CPU	68,110	20,140	-	-	-	88,250	92,000	(3,750)	85,471
Data processing - supplies - cataloging	5,854	4,532	4,811	2,025	1,447	18,669	22,650	(3,981)	15,631
Data processing - supplies - circulation	1,532	1,167	1,059	163	205	4,126	8,350	(4,224)	2,850
Delinquent tax adjustment	9,439	-	-	-	-	9,439	18,000	(8,561)	12,776
Tax collection expense	2,167	-	-	-	-	2,167	3,000	(833)	2,131
Prior year encumbrance	21,621	1,538	-	-	-	23,159	26,733	(3,574)	50,060
Total expenditures	\$ 3,293,648	\$ 979,236	\$ 945,321	\$ 142,181	\$ 161,071	\$ 5,521,457	\$ 5,870,241	\$ (348,784)	\$ 5,159,782

Public Libraries of Saginaw, Michigan
Other Supplemental Information
General Fund (Excluding Zauel)

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

	Year Ended June 30, 2007			Year Ended June 30, 2006 Actual
	Budget	Actual	Over (Under) Budget	
Revenues				
Current local taxes	\$ 3,480,000	\$ 3,501,047	\$ 21,047	\$ 3,440,850
Payments in lieu of taxes	150,000	193,426	43,426	208,128
Delinquent taxes	12,000	14,304	2,304	38,037
Interest on delinquent taxes	1,200	17,167	15,967	18,064
Single business tax	273,198	273,198	-	273,198
Contract income	144,429	145,343	914	161,983
State aid	65,000	73,550	8,550	67,212
Contributions and gifts	25,000	56,339	31,339	27,688
Book fines and fees	29,000	30,330	1,330	31,275
Penal fines	380,000	395,494	15,494	396,768
Telefacsimile fees	3,300	5,345	2,045	3,906
Copy machines	8,000	10,545	2,545	9,110
Investment interest	155,000	481,836	326,836	345,024
Microcomputer support and maintenance	5,775	5,775	-	5,500
Processing data entry	43,500	48,500	5,000	47,616
Universal service fund	-	2,468	2,468	4,423
Concessions	14,000	12,566	(1,434)	14,643
Total revenues	<u>4,789,402</u>	<u>5,267,233</u>	<u>477,831</u>	<u>5,093,425</u>

Public Libraries of Saginaw, Michigan
Other Supplemental Information
General Fund (Excluding Zauel)

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

	Year Ended June 30, 2007			Year Ended June 30, 2006 Actual
	Budget	Actual	Over (Under) Budget	
Expenditures				
Main library	\$ 3,523,166	\$ 3,293,648	\$ (229,518)	\$ 3,160,625
Butman Fish	985,217	945,321	(39,896)	782,133
Claytor	165,583	142,181	(23,402)	137,204
Ruth Brady Wickes	184,364	161,071	(23,293)	138,728
	<u>4,858,330</u>	<u>4,542,221</u>	<u>(316,109)</u>	<u>4,218,690</u>
Total expenditures				
Excess of revenues over expenditures	(68,928)	725,012	793,940	874,735
Other financing sources				
Operating transfer in - SPL Foundation	12,156	12,156	-	11,464
Operating transfer in - Hoyt Trust (Maxwell Pribil)	25,000	25,000	-	8,000
	<u>37,156</u>	<u>37,156</u>	<u>-</u>	<u>19,464</u>
Total other financing sources				
Excess of revenues and other financing sources over expenditures	(31,772)	762,168	793,940	894,199
Fund balance - beginning of year	<u>10,148,986</u>	<u>10,148,986</u>	<u>-</u>	<u>9,254,787</u>
Fund balance - end of year	<u>\$ 10,117,214</u>	<u>\$ 10,911,154</u>	<u>\$ 793,940</u>	<u>\$ 10,148,986</u>

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Expenditures (Excluding Zauel)

	Year Ended June 30, 2007						Over (Under) Budget	Year Ended June 30, 2006 Actual
	Main	Butman Fish	Claytor	Ruth Brady Wickes	Total Actual	Budget		
Salaries - professional and semi-professional	\$ 1,236,632	\$ 243,542	\$ 43,077	\$ 49,694	\$ 1,572,945	\$ 1,581,250	\$ (8,305)	\$ 1,538,322
Salaries - secretaries	212,010	113,308	9,039	12,546	346,903	380,550	(33,647)	378,166
Salaries - page	62,253	48,318	6,750	8,681	126,002	135,300	(9,298)	108,903
Salaries - substitute	35,442	10,944	3,770	2,536	52,692	52,600	92	45,573
Retirement	182,202	44,013	2,734	904	229,853	244,025	(14,172)	215,166
OASDI	95,097	25,699	3,879	4,551	129,226	133,450	(4,224)	128,916
Medicare	22,239	5,996	913	1,069	30,217	31,350	(1,133)	29,886
Dental insurance	23,297	6,830	-	-	30,127	32,500	(2,373)	31,372
Health insurance	196,139	69,492	-	-	265,631	276,500	(10,869)	247,495
Life insurance	2,103	439	20	22	2,584	2,720	(136)	2,564
Vision care insurance	5,182	1,520	-	-	6,702	7,700	(998)	7,567
Employee assistance program	1,688	381	-	-	2,069	2,090	(21)	2,069
Flexible benefit account	1,270	-	-	-	1,270	1,600	(330)	1,348
Unemployment	1,046	-	-	-	1,046	4,500	(3,454)	8,315
Workers` compensation	10,052	-	-	-	10,052	10,500	(448)	9,803
Books - adult	75,551	65,921	6,160	8,735	156,367	163,226	(6,859)	142,077
Books - juvenile	19,645	22,246	5,436	5,568	52,895	55,456	(2,561)	50,772
Books - genealogy	18,886	-	-	-	18,886	22,737	(3,851)	20,806
Books - reference	40,452	-	-	-	40,452	42,436	(1,984)	38,958
SPL foundation expenditures	1,780	3,616	1,663	1,463	8,522	12,156	(3,634)	10,481
Periodicals - adult	16,083	5,472	1,361	2,602	25,518	30,097	(4,579)	24,222
Periodicals - juvenile	965	580	355	298	2,198	2,626	(428)	2,135
Periodicals - genealogy	894	-	-	-	894	1,100	(206)	924
Microforms	11,884	-	-	-	11,884	16,700	(4,816)	15,541
On-line databases	34,074	-	-	-	34,074	34,100	(26)	32,231
Audio visual - adult	13,654	9,924	3,121	3,939	30,638	33,851	(3,213)	30,102
Audio visual - juvenile	2,728	3,164	1,351	1,236	8,479	9,122	(643)	8,540
Pamphlets	1,321	-	-	-	1,321	2,075	(754)	2,193
Binding - adult	3,297	-	-	-	3,297	3,350	(53)	1,709
Heat and utilities	-	38,330	-	7,984	46,314	49,240	(2,926)	42,600
Total carried forward	2,327,866	719,735	89,629	111,828	3,249,058	3,374,907	(125,849)	3,178,756

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Expenditures (Excluding Zauel)

	Year Ended June 30, 2007						Over (Under) Budget	Year Ended June 30, 2006 Actual
	Main	Butman Fish	Claytor	Ruth Brady Wickes	Total Actual	Budget		
Total brought forward	\$ 2,327,866	\$ 719,735	\$ 89,629	\$ 111,828	\$ 3,249,058	\$ 3,374,907	\$ (125,849)	\$ 3,178,756
Telecommunications	44,601	-	-	-	44,601	44,650	(49)	38,363
Furniture and equipment - new and replacement	14,862	4,623	6,752	5,426	31,663	40,920	(9,257)	22,706
Furniture and equipment - repairs and maintenance	-	-	-	-	-	-	-	-
	352	89	-	300	741	8,200	(7,459)	6,574
Building - maintenance, repairs and remodeling	-	28,744	2,270	8,073	39,087	50,445	(11,358)	10,604
	-	-	-	-	-	-	-	-
Janitorial service	47,415	17,722	-	6,504	71,641	73,100	(1,459)	71,466
Trash removal	1,802	1,215	-	-	3,017	3,315	(298)	2,846
Snow removal	8,650	5,793	-	2,310	16,753	20,000	(3,247)	16,762
Grounds maintenance	-	10,387	-	5,120	15,507	21,860	(6,353)	6,254
Security guard service	32,815	18,872	-	9,239	60,926	63,810	(2,884)	48,266
	-	-	-	-	-	-	-	-
Security system - building	-	2,431	1,007	896	4,334	5,483	(1,149)	3,808
Copy machine	24,238	862	198	-	25,298	28,310	(3,012)	21,242
Rent	-	-	31,918	-	31,918	32,900	(982)	31,918
Insurance	24,290	-	-	-	24,290	26,000	(1,710)	24,507
Stationery and supplies	17,481	3,819	1,403	1,470	24,173	32,425	(8,252)	17,280
	-	-	-	-	-	-	-	-
Circulation system supplies	2,521	1,331	208	260	4,320	7,690	(3,370)	5,026
OCLC expenses	10,760	-	-	-	10,760	12,000	(1,240)	13,203
Micro computer supplies	13,430	3,957	343	749	18,479	24,500	(6,021)	9,573
Micro computer support	5,611	-	-	-	5,611	6,258	(647)	4,311
Web service	4,266	-	-	-	4,266	4,730	(464)	7,427
	-	-	-	-	-	-	-	-
Software	22,774	-	-	-	22,774	31,198	(8,424)	19,514
Computer equipment and technology upgrade	34,645	15,780	5,141	6,382	61,948	72,040	(10,092)	62,947
Printing	37,195	-	-	-	37,195	37,900	(705)	31,797
Legal notices	1,294	-	-	-	1,294	3,000	(1,706)	1,117
Total carried forward	2,676,868	835,360	138,869	158,557	3,809,654	4,025,641	(215,987)	3,656,267

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Expenditures (Excluding Zauel)

	Year Ended June 30, 2007						Over (Under) Budget	Year Ended June 30, 2006 Actual
	Main	Butman Fish	Claytor	Ruth Brady Wickes	Total Actual	Budget		
Total brought forward	\$ 2,676,868	\$ 835,360	\$ 138,869	\$ 158,557	\$ 3,809,654	\$ 4,025,641	\$ (215,987)	\$ 3,656,267
Public relations	51,164	-	-	-	51,164	56,845	(5,681)	46,760
Postage	30,246	-	-	-	30,246	32,250	(2,004)	28,274
Employee mileage	6,811	199	278	255	7,543	9,125	(1,582)	8,081
Summer reading program	34,948	-	-	-	34,948	35,041	(93)	28,029
Programs	1,812	1,405	835	607	4,659	8,000	(3,341)	4,171
Staff training	35,039	-	-	-	35,039	47,025	(11,986)	21,808
Juvenile staff training materials	67	-	-	-	67	500	(433)	156
Children's coordinator program	711	-	-	-	711	1,100	(389)	1,827
System wide programming	18,305	-	-	-	18,305	27,000	(8,695)	3,913
Educational materials	831	-	-	-	831	2,500	(1,669)	1,188
Miscellaneous	1,584	168	11	-	1,763	2,900	(1,137)	1,896
Butman Fish special projects	-	102,319	-	-	102,319	102,554	(235)	-
Pribil Trust	23,480	-	-	-	23,480	25,000	(1,520)	7,246
Contractual expense - Hoyt	195,592	-	-	-	195,592	202,780	(7,188)	197,819
Contractual expense - WPLC	35,327	-	-	-	35,327	37,000	(1,673)	37,524
Delivery service	5,438	-	-	-	5,438	10,000	(4,562)	6,112
Auditing and accounting	14,323	-	-	-	14,323	20,000	(5,677)	12,840
Professional and legal expense	19,980	-	-	-	19,980	25,000	(5,020)	6,776
Security project	29,850	-	-	-	29,850	45,000	(15,150)	-
Data processing - database	2,549	-	-	-	2,549	3,000	(451)	2,720
Data processing - maintenance CPU	68,110	-	-	-	68,110	70,500	(2,390)	66,744
Data processing - supplies - cataloging	5,854	4,811	2,025	1,447	14,137	17,700	(3,563)	11,962
Data processing - supplies - circulation	1,532	1,059	163	205	2,959	5,850	(2,891)	2,754
Delinquent tax adjustment	9,439	-	-	-	9,439	18,000	(8,561)	12,776
Tax collection expense	2,167	-	-	-	2,167	3,000	(833)	2,131
Prior year encumbrance	21,621	-	-	-	21,621	25,019	(3,398)	48,916
Total expenditures	\$ 3,293,648	\$ 945,321	\$ 142,181	\$ 161,071	\$ 4,542,221	\$ 4,858,330	\$ (316,109)	\$ 4,218,690

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Zauel Branch Revenues
and Expenditures - Budget and Actual

	Year Ended June 30, 2007			Year Ended
	Budget	Actual	Over (Under) Budget	June 30, 2006 Actual
Revenues				
Saginaw Township	\$ 656,000	\$ 649,528	\$ (6,472)	\$ 654,000
State aid	28,000	31,347	3,347	28,646
Book fines and fees	26,500	29,863	3,363	29,569
Penal fines	159,000	168,559	9,559	169,276
Copy machines	3,800	3,686	(114)	3,505
Concessions	7,500	7,401	(99)	8,573
Telefacsimile fees	550	1,232	682	528
Universal service fund	1,700	65	(1,635)	906
Interest	6,200	23,237	17,037	-
Miscellaneous	2,500	9,034	6,534	903
Total revenue	<u>891,750</u>	<u>923,952</u>	<u>32,202</u>	<u>895,906</u>
Expenditures				
Salaries - professional and semi-professional	243,000	241,310	(1,690)	231,064
Salaries - secretaries	112,000	112,048	48	108,857
Salaries - page	47,500	47,069	(431)	37,645
Salaries - substitute	17,000	17,040	40	14,140
Retirement	39,000	38,555	(445)	35,310
OASDI	26,000	25,807	(193)	24,568
Medicare	6,100	6,013	(87)	5,676
Dental insurance	6,500	6,141	(359)	6,136
Health insurance	68,150	68,115	(35)	61,859
Life insurance	450	428	(22)	414
Total carried forward	<u>565,700</u>	<u>562,526</u>	<u>(3,174)</u>	<u>525,669</u>

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Zauel Branch Revenues
and Expenditures - Budget and Actual

	Year Ended June 30, 2007			Year Ended
	Budget	Actual	Over (Under) Budget	June 30, 2006 Actual
Total brought forward	\$ 565,700	\$ 562,526	\$ (3,174)	\$ 525,669
Vision care insurance	1,600	1,366	(234)	1,480
Employee assistance program	385	381	(4)	381
Flexible benefit account	250	230	(20)	231
Workers` compensation	2,200	1,915	(285)	1,867
Unemployment	350	-	(350)	-
Books - adult	67,916	67,554	(362)	61,802
Books - juvenile	29,882	26,828	(3,054)	28,236
SPL foundation expenditures	4,052	2,950	(1,102)	3,640
Periodicals - adult	11,660	8,914	(2,746)	7,576
Periodicals - juvenile	875	841	(34)	734
On-line journal databases	12,700	12,419	(281)	11,921
Audio visual - adult	10,079	8,641	(1,438)	8,636
Audio visual - juvenile	2,369	2,016	(353)	2,277
Processing	48,500	48,500	-	47,616
Telecommunications	6,500	5,429	(1,071)	5,348
Furniture and equipment - new and replacement	1,510	1,507	(3)	3,093
Furniture and equipment - repairs	990	240	(750)	389
Copy machine	2,700	2,155	(545)	1,979
Insurance	4,725	4,488	(237)	4,496
Stationery and supplies	5,000	4,608	(392)	5,990
Circulation system supplies	2,500	1,369	(1,131)	1,169
Micro computer maintenance support	5,775	5,775	-	5,500
Micro computer supplies	5,500	3,833	(1,667)	3,615
Web service	300	-	(300)	1,136
Software	2,500	1,468	(1,032)	2,452
Total carried forward	796,518	775,953	(20,565)	737,233

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Zauel Branch Revenues
and Expenditures - Budget and Actual

	Year Ended June 30, 2007			Year Ended
	Budget	Actual	Over (Under) Budget	June 30, 2006 Actual
Total brought forward	\$ 796,518	\$ 775,953	\$ (20,565)	\$ 737,233
Computer equipment and technical upgrade	13,500	13,467	(33)	19,479
Printing	4,900	4,658	(242)	3,641
Legal notices	400	-	(400)	221
Public relations	900	-	(900)	71
Postage	7,500	6,053	(1,447)	6,195
Professional library expenses	3,000	2,162	(838)	1,830
Employee mileage	1,100	440	(660)	684
Summer Reading	3,000	1,425	(1,575)	3,645
Programs	2,000	599	(1,401)	911
Miscellaneous	400	368	(32)	360
Contractual expense - WPLC	15,100	15,056	(44)	15,761
Contractual expense - PLOS	127,679	127,679	-	124,483
Auditing and accounting	3,500	2,633	(867)	1,702
Family place project	1,000	777	(223)	565
Data processing - database	750	589	(161)	675
Data processing - maintenance VLC	21,500	20,140	(1,360)	18,727
Data processing - supplies - catalog	4,950	4,532	(418)	3,669
Data processing - supplies - circulation	2,500	1,167	(1,333)	96
Prior year encumbrance	1,714	1,538	(176)	1,144
Total expenditures	<u>1,011,911</u>	<u>979,236</u>	<u>(32,675)</u>	<u>941,092</u>
Excess (deficiency) of revenues over (under) expenditures	(120,161)	(55,284)	64,877	(45,186)
Other financing sources				
Operating transfer in - SPL foundation	<u>4,052</u>	<u>4,052</u>	<u>-</u>	<u>3,836</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ (116,109)</u>	<u>\$ (51,232)</u>	<u>\$ 64,877</u>	<u>\$ (41,350)</u>

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Combining Statement of Net Assets
Component Units
June 30, 2007

	<u>Hoyt Trust</u>	<u>Saginaw Public Libraries Foundation</u>	<u>Total Component Units</u>
Assets			
Current assets			
Cash and cash equivalents	\$ 453,778	\$ 37,247	\$ 491,025
Investments	760,351	332,825	1,093,176
Accounts receivable	15,788	-	15,788
Total current assets	<u>1,229,917</u>	<u>370,072</u>	<u>1,599,989</u>
Noncurrent assets			
Assets held by others	797,668	-	797,668
Capital assets	4,647,061	-	4,647,061
Total noncurrent assets	<u>5,444,729</u>	<u>-</u>	<u>5,444,729</u>
Total assets	<u>\$ 6,674,646</u>	<u>\$ 370,072</u>	<u>\$ 7,044,718</u>
Liabilities			
Current liabilities			
Accounts payable	\$ 32,748	\$ -	\$ 32,748
Net assets			
Invested in capital assets	4,647,061	-	4,647,061
Restricted for:			
Hoyt Trust	1,121,219	-	1,121,219
Saginaw Public Library Foundation	-	370,072	370,072
Unrestricted	873,618	-	873,618
Total net assets	<u>6,641,898</u>	<u>370,072</u>	<u>7,011,970</u>
Total liabilities and net assets	<u>\$ 6,674,646</u>	<u>\$ 370,072</u>	<u>\$ 7,044,718</u>

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Component Units
Year Ended June 30, 2007

	Hoyt Trust	Saginaw Public Libraries Foundation	Total Component Units
Revenues			
Contract income	\$ 194,972	\$ -	\$ 194,972
Contributions and gifts	1,000	31,229	32,229
Investment income	32,465	7,166	39,631
Unrealized gains on investments	97,269	8,472	105,741
Realized gains on investments	56,454	23,805	80,259
Miscellaneous	1,310	-	1,310
Total revenues	<u>383,470</u>	<u>70,672</u>	<u>454,142</u>
Expenditures			
Utilities	93,999	-	93,999
Building maintenance	46,331	-	46,331
Grounds maintenance	10,039	-	10,039
Security system	3,052	-	3,052
Insurance	9,499	-	9,499
Professional services	2,611	2,853	5,464
Miscellaneous	5,250	-	5,250
Printing and supplies	-	802	802
Public relations	-	4,653	4,653
Fiduciary fees	-	35	35
Total expenditures	<u>170,781</u>	<u>8,343</u>	<u>179,124</u>
Excess of revenues over expenditures	<u>212,689</u>	<u>62,329</u>	<u>275,018</u>
Other financing sources (uses)			
Operating transfers from primary government	28,591	-	28,591
Operating transfers to primary government	(25,000)	(16,208)	(41,208)
Total other financing sources (uses)	<u>3,591</u>	<u>(16,208)</u>	<u>(12,617)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	216,280	46,121	262,401
Fund balance - beginning of year	<u>6,425,618</u>	<u>323,951</u>	<u>6,749,569</u>
Fund balance - end of year	<u>\$ 6,641,898</u>	<u>\$ 370,072</u>	<u>\$ 7,011,970</u>