COFFEY COUNTY LIBRARY BOARD

Burlington, Kansas

Independent Auditors' Report and
Financial Statement with
Supplementary Information

For the Year Ended December 31, 2017

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas

TABLE OF CONTENTS

	PAGE NUMBER
Independent Auditors' Report	1-3
Statement 1	
Summary Statement of Receipts, Expenditures, and Unencumbered Cash-Regulatory Basis	4
Notes to the Financial Statement	5-9
SUPPLEMENTARY INFORMATION	
Schedule 1	
Schedule of Receipts and Expenditures – Actual and Budget – Regulatory Basis – (with Comparative Actual Totals for the Prior Year)	
General Fund	10
Grants Fund	11
Capital Improvement Fund	12
Employee Benefits Fund	13
Burlington Trust Fund	14
Gridley Trust Fund	15
Lebo Trust Fund	16
LeRoy Trust Fund	17
New Strawn Trust Fund	18
Waverly Trust Fund	19
Central Office Trust Fund	20
Denslow Memorial Fund	21

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Coffey County Library Board
Burlington, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Coffey County Library Board, Burlington, Kansas, a related municipal entity of the Coffey County, Kansas, as of and for the year ended December 31, 2017, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement
Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Library's preparation and fair presentation of the financial statement 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 Library'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 statement.

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles
As described in Note 1 of the financial statement, the financial statement is prepared by the Coffey County Library Board on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Coffey County Library Board as of December 31, 2017, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Coffey County Library Board as of December 31, 2017, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Other Matters
Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedule 1 as listed in the table of contents) is presented for analysis and is not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Coffey County Library Board as of and for the year ended December 31, 2016 (not presented herein), and have issued our report theron dated November 6, 2017, which contained an unmodified opinion on the basic financial statement. The 2016 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link http://admin.ks.gov/offices/chief-financial-officer/municipal-services. The 2016 actual column (2016 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2017 (Schedule 1 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2016 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2016 basic financial statement. The 2016 comparative information was subjected to the auditing procedures applied in the audit of the 2016 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2016 basic financial statement or to the 2016 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the 2016 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2016, on the basis of accounting described in Note 1.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

March 29, 2018
Chanute, Kansas

COFFEY COUNTY LIBRARY BOARD

Burlington, Kansas
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2017

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Cash Balances December 31, 2017
General	$ -	$ 1,044,538.13	$ 1,044,538.13	$ -	$ 18,276.39	$ 18,276.39
Special Purpose Funds:						
Grants	1,283.66	-	-	1,283.66	-	1,283.66
Capital Improvement	342,359.75	60,380.33	53,113.81	349,626.27	-	349,626.27
Employee Benefits	41,797.53	187,324.56	185,024.51	44,097.58	3,266.65	47,364.23
Trust Funds:						
Burlington Trust	12,176.79	2,509.41	2,792.00	11,894.20	-	11,894.20
Gridley Trust	14,685.35	1,523.01	1,702.20	14,506.16	-	14,506.16
Lebo Trust	3,274.76	5,916.62	5,162.34	4,029.04	-	4,029.04
LeRoy Trust	2,335.36	3,773.44	2,278.09	3,830.71	-	3,830.71
New Strawn Trust	2,616.27	1,538.62	597.28	3,557.61	-	3,557.61
Waverly Trust	2,074.73	289.61	196.80	2,167.54	-	2,167.54
Central Office Trust	314.00	-	17.90	296.10	-	296.10
Denslow Memorial	3,362.09	-	-	3,362.09	-	3,362.09
Total Reporting Entity	$ 426,280.29	$ 1,307,793.73	$ 1,295,423.06	$ 438,650.96	$ 21,543.04	$ 460,194.00

Composition of Cash	
Cash on Hand	$ 350.00
General Fund Account	9,391.64
Special Fund Account	33,552.20
Money Market	335,264.49
Certificates of Deposit	81,635.67
Total Cash	$ 460,194.00

The notes to the financial statement are
an integral part of this statement.

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas

Notes to Financial Statement
December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement and schedules of the Coffey County Library Board, Burlington, Kansas, have been prepared in order to show compliance with the cash basis laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Library's accounting policies follow. Note 1 describes how the Library's accounting policies differ from generally accepted accounting policies.

Financial Reporting Entity
The Coffey County Library Board (Library) is a municipality of the State of Kansas organized under K.S.A. 12-1219, with a five-member Board of Trustees appointed by Coffey County, Kansas. The Library is a related municipal entity of Coffey County, Kansas.

Related Municipal Entities: A related municipal entity is determined by the following criteria. Whether the Library exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the Library. Related municipal entities are not required to be included in the Library's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). Based upon the application of this criterion, there were not such related municipal entities.

Regulatory Basis Fund Types
A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the Coffey County Library Board, for the year of 2017:

General fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose funds – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation – Regulatory Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The municipality has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

Reimbursed Expenses

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than revenues. In the financial statement and budget schedule comparisons presented in this report, reimbursements and refunds are recorded as revenues. The reimbursements are recorded as receipts when received by the library treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

Pension Plan

Substantially all full-time Library employees are members of the State of Kansas Public Employees Retirement System, which is a multi-employer state-wide pension plan. The Library's policy is to fund all pension costs accrued. Such costs to be funded are actuarially determined annually by the State of Kansas.

Budgetary Information

The Library Board is not subject to the Kansas budget laws as they are not the primary taxing authority for the Library Board. Coffey County Kansas holds the taxing authority for the Library Board. The Library Board adopts an annual budget for the General Fund for managerial purposes. The budget comparison on Schedule 1 reflects this internal managerial budget.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

Statement 1 has been prepared in order to show compliance with the cash basis laws of Kansas. As shown in Statement 1, the Library was in compliance with the cash basis laws of Kansas.

3. DEPOSITS AND INVESTMENTS

K.S.A 9-1401 establishes the depositories which may be used by the Library. The statute requires banks eligible to hold the Library's funds have a main branch or branch bank in the county in which the Library is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The Library has no other policies that would further limit interest rate risk.

K.S.A 12-1675 limits the Library's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The Library has no investment policy that would further limit its investment choices.

Concentration of credit risk: State statutes place no limit on the amount the Library may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. State statutes require the Library's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2017.

At year-end, the Library's carrying amount of deposits was $459,844.00 and the bank balance was $498,364.00. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $325,635.67 was covered by FDIC insurance, and $172,728.33 was collateralized with pledged securities held by the pledging financial institutions' agents in the Library's name.

4. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The Library participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publically available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

4. DEFINED BENEFIT PENSION PLAN (Continued)

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 0.85% contribution rate for Death and Disability Program, which increased to 1.00% as of July 1, 2015) and the statutory contribution rate was 9.48% for the fiscal year ended December 31, 2017. Contributions to the pension plan from the Library were $47,507.92 for the year ended December 31, 2017.

Net Pension Liability

At December 31, 2017, The Library's proportionate share of the collective net pension liability reported by KPERS was $451,237.00. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The Library's proportion of the net pension liability was based on the ratio of the Library's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

5. RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The Library manages these risks of loss through the purchase of various insurance policies.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Under the consolidated Omnibus Budget Reconciliation Act (COBRA), the Library makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the Federal government for this coverage. The Premium is paid in full by the insured. There is no cost to the Library under this program.

Compensated Absences:
Regular employees earn and accumulate vacation based on position and years of service. Earned vacation ranges from 2-3 weeks, increasing after five and ten years of service, for each eligible employee.

Employees may carry over vacation time from one calendar year to the next but shall not carry over more than 40 hours to any subsequent calendar year.

The Library accrues a liability for compensated absences which meet the following criteria:

1. The Library's obligation relating to employees rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

In accordance with the above criteria, the Library has estimated a liability for vacation pay, which has been earned, but not taken by Library employees of $8,575.28. The Library has not estimated a liability for sick leave earned, but not taken, by Library employees, as the

7. INTERFUND TRANSFERS

Operating transfers were as follows:

From Fund:	To Fund:	Statutory Authority	Amount
General	Capital Improvement	K.S.A. 12-1258	$ 59,819.43

8. SUBSEQUENT EVENTS

The Library evaluated events and transactions occurring subsequent to year end, and there were no subsequent events requiring recognition in the financial statements. Additionally, there were no unrecognized subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Year Ended December 31, 2016)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Coffey County Appropriation	$ 1,026,140.73	$ 1,023,315.12	$ 1,026,141.00	$ (2,825.88)
State Aid	2,646.46	2,834.61	-	2,834.61
Use of Money and Property				
Interest Income	641.17	2,897.61	-	2,897.61
Other Receipts				
Fines and Fees	349.05	453.62	-	453.62
Miscellaneous	16,716.30	15,037.17	-	15,037.17
Total Receipts	1,046,493.71	1,044,538.13	$ 1,026,141.00	$ 18,397.13
Expenditures				
Culture and Recreation				
Personal Services	644,805.05	663,545.71	$ 657,278.00	$ 6,267.71
Contractual Services	151,336.83	211,708.05	255,161.00	(43,452.95)
Commodities	129,939.91	109,464.94	113,702.00	(4,237.06)
Capital Outlay	45,628.81	-	-	-
Operating Transfers to				
Capital Improvement	74,783.10	59,819.43	-	59,819.43
Total Expenditures	1,046,493.70	1,044,538.13	$ 1,026,141.00	$ 18,397.13
Receipts Over(Under) Expenditures	0.01	-		
Unencumbered Cash, Beginning	(0.01)	-		
Unencumbered Cash, Ending	$ 0.00	$ -		

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas
GRANTS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest Income	$ -	$ -
Total Receipts	-	-
Expenditures		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	1,283.66	1,283.66
Unencumbered Cash, Ending	$ 1,283.66	$ 1,283.66

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas
CAPITAL IMPROVEMENT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Year Ended December 31, 2016)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Use of Money and Property				
Interest Income	$ 450.21	$ 560.90	$ -	$ 560.90
Operating Transfers from				
General Fund	74,783.10	59,819.43	-	59,819.43
Total Receipts	75,233.31	60,380.33	$ -	$ 60,380.33
Expenditures				
Capital Outlay	89,347.44	53,113.81	$ 60,000.00	$ (6,886.19)
Total Expenditures	89,347.44	53,113.81	$ 60,000.00	$ (6,886.19)
	-			
Receipts Over(Under) Expenditures	(14,114.13)	7,266.52		
Unencumbered Cash, Beginning	356,473.88	342,359.75		
Unencumbered Cash, Ending	$ 342,359.75	$ 349,626.27		

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas
EMPLOYEE BENEFITS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Receipts		
Taxes and Shared Receipts		
Coffey County Appropriation	$ 187,800.00	$ 187,324.56
Total Receipts	187,800.00	187,324.56
Expenditures		
Culture and Recreation		
Personal Services	167,412.32	185,024.51
Total Expenditures	167,412.32	185,024.51
Receipts Over(Under) Expenditures	20,387.68	2,300.05
Unencumbered Cash, Beginning	21,409.85	41,797.53
Unencumbered Cash, Ending	$ 41,797.53	$ 44,097.58

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas
BURLINGTON TRUST FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest Income	$ 18.22	$ 17.61
Other Receipts		
Gifts and Donations	4,732.27	2,491.80
Total Receipts	4,750.49	2,509.41
Expenditures		
Culture and Recreation		
Commodities	12,530.83	2,792.00
Total Expenditures	12,530.83	2,792.00
Receipts Over(Under) Expenditures	(7,780.34)	(282.59)
Unencumbered Cash, Beginning	19,957.13	12,176.79
Unencumbered Cash, Ending	$ 12,176.79	$ 11,894.20

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas
GRIDLEY TRUST FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest Income	$ 61.51	$ 63.38
Other Receipts		
Gifts and Donations	1,359.49	1,459.63
Total Receipts	1,421.00	1,523.01
Expenditures		
Culture and Recreation		
Commodities	1,382.35	1,702.20
Total Expenditures	1,382.35	1,702.20
Receipts Over(Under) Expenditures	38.65	(179.19)
Unencumbered Cash, Beginning	14,646.70	14,685.35
Unencumbered Cash, Ending	$ 14,685.35	$ 14,506.16

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas
LEBO TRUST FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest Income	$ 5.83	$ 5.81
Other Receipts		
Gifts and Donations	9,364.66	5,910.81
Total Receipts	9,370.49	5,916.62
Expenditures		
Culture and Recreation		
Commodities	8,501.06	5,162.34
Total Expenditures	8,501.06	5,162.34
Receipts Over(Under) Expenditures	869.43	754.28
Unencumbered Cash, Beginning	2,405.33	3,274.76
Unencumbered Cash, Ending	$ 3,274.76	$ 4,029.04

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas
LEROY TRUST FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest Income	$ 7.97	$ 13.80
Other Receipts		
Gifts and Donations	1,106.54	3,759.64
Total Receipts	1,114.51	3,773.44
Expenditures		
Culture and Recreation		
Commodities	1,252.42	2,278.09
Total Expenditures	1,252.42	2,278.09
Receipts Over(Under) Expenditures	(137.91)	1,495.35
Unencumbered Cash, Beginning	2,473.27	2,335.36
Unencumbered Cash, Ending	$ 2,335.36	$ 3,830.71

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas
NEW STRAWN TRUST FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest Income	$ 5.90	$ 5.77
Other Receipts		
Gifts and Donations	819.80	1,532.85
Total Receipts	825.70	1,538.62
Expenditures		
Culture and Recreation		
Commodities	397.38	597.28
Total Expenditures	397.38	597.28
Receipts Over(Under) Expenditures	428.32	941.34
Unencumbered Cash, Beginning	2,187.95	2,616.27
Unencumbered Cash, Ending	$ 2,616.27	$ 3,557.61

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas
WAVERLY TRUST FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest Income	$ 5.89	$ 5.78
Other Receipts		
Gifts and Donations	3,154.54	283.83
Total Receipts	3,160.43	289.61
Expenditures		
Culture and Recreation		
Commodities	2,494.83	196.80
Total Expenditures	2,494.83	196.80
Receipts Over(Under) Expenditures	665.60	92.81
Unencumbered Cash, Beginning	1,409.13	2,074.73
Unencumbered Cash, Ending	$ 2,074.73	$ 2,167.54

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas
CENTRAL OFFICE TRUST FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest Income	$ -	$ -
Total Receipts	-	-
Expenditures		
Culture and Recreation		
Commodities	-	17.90
Total Expenditures	-	17.90
Receipts Over(Under) Expenditures	-	(17.90)
Unencumbered Cash, Beginning	314.00	314.00
Unencumbered Cash, Ending	$ 314.00	$ 296.10

COFFEY COUNTY LIBRARY BOARD
Burlington, Kansas
DENSLOW MEMORIAL FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Year Ended December 31, 2016)

	Current Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest Income	$ -	$ -
Total Receipts	-	-
Expenditures		
Operating Transfers to		
General Fund	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	3,362.09	3,362.09
Unencumbered Cash, Ending	$ 3,362.09	$ 3,362.09

Jarred
Gilmore
Phillips

Board of Trustees
Coffey County Library Board
Burlington, Kansas

In planning and performing our audit of the financial statement of Coffey County Library Board as of and for the year ended December 31, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered Coffey County Library Board's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Coffey County Library Board's internal control. Accordingly, we do not express an opinion on the effectiveness of Coffey County Library Board's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Library's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in internal control to be material weaknesses:

Segregation of Duties

An internal control structure is, quite simply, the procedures and policies in effect which ensure that the Library's financial activity is properly recorded, processed, summarized, and reported in the financial statements. A weakness in the control structure occurs when one person is responsible for all of the accounting activities such as performing billings, receipting cash, making deposits, reconciling the bank accounts, and having access to all books and records of the Library. Due to small staff size, it is not possible for reviews of daily work to take place, potentially resulting in errors in financial records and reports.

This communication is intended solely for the information and use of management, Board of Trustees, and others within Coffey County Library Board, and is not intended to be, and should not be, used by anyone other than these specified parties.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
March 29, 2018