

## Dixon Public Library - Fund 426, Net Position on September 30, 2017

Assets	Actuals - Fiscal years 2017-2018			
Cash in Treasury	\$	811,690		
Imprest Cash	\$	700		
Other assets	\$	14,172		
Future Loan Redemption Requirement	\$	12,297		
Land	\$	427,021		
Structures and Improvements	\$	1,096,876		
Equipment	\$	226,114		
Intangibles	\$	15,670		
Construction-in-progress	\$	581,339		
Allowance for Depreciation	\$	(1,168,967)		
<b>Total Assets</b>	<b>\$</b>	<b>2,016,912</b>		
<b>Liabilities and Equities</b>				
Outstanding Warrants	\$	4,830		
Other Liabilities	\$	1,172		
Due to Other Agencies	\$	8,099		
Accrued Compensated Absences	\$	12,297		
Reserve - Other (Imprest Cash is \$700)	\$	279,700		
Fund Balance Available	\$	315,326		
Investments in General Fixed Assets	\$	1,178,053		
Appropriations	\$	229,759		
Revenues less Expenditures	\$	(12,325)		
	<b>\$</b>	<b>2,016,912</b>		
<b>Revenues</b>				
		Actuals - Fiscal		
		years 2017-2018	Annual Budget	Actuals % of Annual Budget
Revenue From Library Operations	\$	2,936	\$ 14,000	21%
Revenue From State & County Govt.	\$	255,516	\$ 999,000	26%
Revenue From Grants	\$	-	\$ -	0%
Other Revenues	\$	463	\$ 4,400	11%
<b>Total Revenues</b>	<b>\$</b>	<b>258,916</b>	<b>\$ 1,017,400</b>	<b>25%</b>
<b>Expenditures</b>				
Salaries & Employee Benefits	\$	202,837	\$ 820,153	25%
Services & Supplies	\$	68,368	\$ 408,006	17%
Other Charges & Fixed Assets & Deprec	\$	36	\$ 19,000	0%
<b>Total Expenditures</b>	<b>\$</b>	<b>271,241</b>	<b>\$ 1,247,159</b>	<b>22%</b>
<b>Revenues less Expenditures</b>	<b>\$</b>	<b>(12,325)</b>	<b>\$ (229,759)</b>	

## Fund 428, Net Position as of September 30, 2017

Assets	Actuals - Fiscal years 2017-2018			
Cash in Treasury	\$	696,119		
Due from Other Agency	\$	-		
Land	\$	1,175,043		
Construction-in-progress	\$	79,453		
Allowance for Depreciation	\$	-		
<b>Total Assets</b>	<b>\$</b>	<b>1,950,615</b>		
<b>Liabilities and Equities</b>				
Fund Balance Available	\$	613,994		
Investments in General Fixed Assets	\$	1,254,495		
Appropriations	\$	-		
Revenues less Expenditures	\$	82,126		
	<b>\$</b>	<b>1,950,615</b>		
<b>Revenues</b>				
		Actuals - Fiscal		
		years 2017-2018	Annual Budget	Actuals % of Annual Budget
Intergovernmental & Other Revenues	\$	82,126	\$ 55,800	147%
<b>Total Revenues</b>	<b>\$</b>	<b>82,126</b>	<b>\$ 55,800</b>	<b>147%</b>
<b>Expenditures</b>				
Salaries & Employee Benefits	\$	-	\$ -	0%
Services & Supplies	\$	-	\$ 55,800	0%
Other Charges & Fixed Assets	\$	-	\$ -	0%
<b>Total Expenditures</b>	<b>\$</b>	<b>-</b>	<b>\$ 55,800</b>	<b>0%</b>
<b>Revenues less Expenditures</b>	<b>\$</b>	<b>82,126</b>	<b>\$ -</b>	

Sort Order: SUBOBJ within ACCTTYPE within within within FUND

SELECT FUND: 426,428

Fund	Fund Description	Account Code	***** Sub-Account *****	***** Account *****
			Debits	Credits
426	DIXON PUBLIC LIBRARY DISTRICT			
Assets:				
	CASH IN TREASURY	0000010	811,689.70	
	CASH IN TREASURY	010		811,689.70
	IMPRES CASH	0000030	700.00	
	IMPRES CASH	030		700.00
	ACCOUNTS RECEIVABLE	0000110	312.66	
	ACCOUNTS RECEIVABLE	110		312.66
	FUTURE LOAN REQUIREMENT	0000250	12,296.89	
	FUTURE LOAN REDEMP REQ	250		12,296.89
	LAND	0000310	427,020.70	
	LAND	310		427,020.70
	BUILDINGS AND IMPROVEMENTS	0000320	1,096,876.42	
	BUILDINGS AND IMPROVEMENTS	320		1,096,876.42
	INTANGIBLES: NON-DEPRECIABLE	0000336	15,670.00	
	INTANGIBLES	335		15,670.00
	EQUIPMENT	0000340	226,114.00	
	EQUIPMENT	340		226,114.00
	CONSTRUCTION IN PROGRESS	0000360	581,339.25	
	CONSTRUCTION IN PROGRESS	360		581,339.25
	ACCUMULATED DEPRECIATION	0000370		1,168,967.22
	ALLOWANCE FOR DEPRECIATION	370		1,168,967.22
	PREPAID EXPENSE	0000420	13,859.19	
	PREPAID EXPENSE	420		13,859.19
	Total Assets			3,185,878.81
				1,168,967.22
				1,168,967.22

SELECT FUND: 426,428

Fund	Fund Description	Account Code	***** Sub-Account *****	***** Account *****
426	DIXON PUBLIC LIBRARY DISTRICT	*****	Debits	Credits
		0000699	4,829.87	
		505		4,829.87
		0000510	1,172.25	
		510		1,172.25
		0000540	6,190.36	
		4260530	459.55	
		4260560	667.88	
		4260590	781.44	
		540		8,099.23
		0000620	12,296.89	
		620		12,296.89
		4260731	700.00	
		4260732	250,000.00	
		4260734	29,000.00	
		4260735	0.12	
		730		279,700.12
		0000740	315,326.01	
		740		315,326.01
		0000770	1,178,053.15	
		770		1,178,053.15
		810		258,915.59
		820		271,240.65

Liabilities and Equities:

OUTSTANDING WARRANTS				
OUTSTANDING WARRANTS / BBT				
ACCOUNTS PAYABLE				
ACCOUNTS PAYABLE				
DUE TO OTHER AGENCIES				
DIXON LIBRARY MEDICAL				
DIXON LIBRARY DENTAL				
DIXON LIBRARY VISION				
DUE TO OTHER AGENCIES				
ACCRUED COMPENSATED ABSENCES				
ACCRUED COMPENSATED ABSENCES				
RESERVE - IMPREST CASH				
EMERGENCY OPERATIONS				
MAJOR ASSET				
BUILDING FUND				
RESERVE - OTHER				
FUND BALANCE AVAILABLE				
FUND BALANCE AVAILABLE				
INVESTED IN CAPITAL ASSETS,NET				
INVESTMENTS IN GEN FIXED ASSETS				
REVENUES				
EXPENDITURES				

Sort Order: SUBOBJ within ACCTTYPE within within within FUND

SELECT FUND: 426,428

Fund	Fund Description	Account Code	Sub-Account	Debits	Credits	Account	Debits	Credits	
426	DIXON PUBLIC LIBRARY DISTRICT	0000910	1,017,400.00			1,017,400.00			
	BUDGETED REVENUE	910				1,017,400.00			
	BUDGETED REVENUE	0000930			1,247,159.13				
	APPROPRIATIONS	930					1,247,159.13		
Total Liabilities and Equities							1,288,640.65	3,305,552.24	
** Fund Totals **							4,474,519.46	4,474,519.46	

SELECT FUND: 426,428

Sort Order: SUBOBJ within ACCTTYPE within within within within FUND

Fund	Fund Description	Account Code	Sub-Account	Debits	Credits	Account	Debits	Credits
428	DIXON PUBLIC LIB DISTRICT-PFF	000010		696,119.36			696,119.36	
		010						
		0000310		1,175,042.82				
		310					1,175,042.82	
		0000360		79,452.62				
		360					79,452.62	
							1,950,614.80	0.00

Assets:

CASH IN TREASURY	000010	696,119.36	
CASH IN TREASURY	010		696,119.36
LAND	0000310	1,175,042.82	
LAND	310		1,175,042.82
CONSTRUCTION IN PROGRESS	0000360	79,452.62	
CONSTRUCTION IN PROGRESS	360		79,452.62
Total Assets			1,950,614.80

Liabilities and Equities:

FUND BALANCE AVAILABLE	0000740		613,993.59
FUND BALANCE AVAILABLE	740		613,993.59
INVESTED IN CAPITAL ASSETS,NET	0000770		1,254,495.44
INVESTMENTS IN GEN FIXED ASSETS	770		1,254,495.44
REVENUES	810		82,125.77
BUDGETED REVENUE	0000910	55,800.00	
BUDGETED REVENUE	910	55,800.00	
APPROPRIATIONS	0000930		55,800.00
APPROPRIATIONS	930		55,800.00
Total Liabilities and Equities			2,006,414.80

\*\* Fund Totals \*\* 2,006,414.80

SORT ORDER: SUBOBJ within ACCTTYPE within within FUND

SELECT FUND: 426,428

Account Code	Sub-Account	Debits	Credits	Account
*****	*****	*****	*****	*****
=====	=====	=====	=====	=====
		6,480,934.26		6,480,934.26

\*\* Grand Totals \*\*

SELECT FUND: 426,428 ; BUDG CATEGORY: 1000-9999

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 Fund Description  
 =====  
 426 DIXON PUBLIC LIBRARY DISTRICT

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 Object Description Budget Adjustments Mo Actual YTD Actual Encumbrance Balance Pct.  
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1000 SALARIES AND EMPLOYEE BENEFITS

0001110	SALARY/WAGES REGULAR	435,334.00	0.00	43,956.56	89,773.81	0.00	345,560.19	21%
0001121	SALARY/WAGES-EXTRA HELP	104,415.00	0.00	9,674.54	21,745.83	0.00	82,669.17	21%
0001131	SALARY/WAGES OT/CALL-BACK	0.00	0.00	112.82	187.16	0.00	-187.16	9999%
0001210	RETIREMENT-EMPLOYER	113,126.00	0.00	5,688.12	55,950.63	0.00	57,175.37	49%
0001220	FICA-EMPLOYER	41,290.00	0.00	4,111.43	8,545.60	0.00	32,744.40	21%
0001230	HEALTH INS-EMPLOYER	116,038.00	0.00	9,434.00	24,548.75	0.00	91,489.25	21%
0001231	VISION CARE INSURANCE	0.00	0.00	24.38	60.95	0.00	-60.95	9999%
0001240	COMPENSATION INSURANCE	1,573.00	0.00	259.28	259.28	0.00	1,313.72	16%
0001250	UNEMPLOYMENT INSURANCE	500.00	0.00	0.00	0.00	0.00	500.00	
0001260	DENTAL INS-EMPLOYER	7,877.00	0.00	652.00	1,765.00	0.00	6,112.00	22%
1000	SALARIES AND EMPLOYEE BEN	820,153.00	0.00	73,913.13	202,837.01	0.00	617,315.99	25%

2000 SERVICES AND SUPPLIES

0002028	TELEPHONE SERVICES	7,592.00	0.00	483.84	1,451.52	0.00	6,140.48	19%
0002035	HOUSEHOLD EXPENSE	4,000.00	0.00	321.29	941.97	0.00	3,058.03	24%
0002050	INSURANCE-RISK MANAGEMENT	6,318.44	0.00	0.00	6,320.29	0.00	-1.85	100%
0002051	LIABILITY INSURANCE	8,567.09	0.00	0.00	8,569.60	0.00	-2.51	100%
0002055	INSURANCE-OTHER	50.00	0.00	0.00	45.64	0.00	4.36	91%
0002120	MAINTENANCE EQUIPMENT	9,000.00	0.00	219.40	1,683.62	0.00	7,316.38	19%
0002140	MAINTENANCE-BLDGS & IMPRO	47,112.00	0.00	1,091.18	2,159.18	0.00	44,952.82	5%
0002170	MEMBERSHIPS	6,500.00	0.00	300.00	2,884.00	0.00	3,616.00	44%
0002175	MISCELLANEOUS EXPENSE	150.00	0.00	0.00	7.67	0.00	142.33	5%
0002176	FEES AND PERMITS	0.00	0.00	28.74	117.42	0.00	-117.42	9999%
0002180	BOOKS & SUBSCRIPTIONS	6,500.00	0.00	0.00	4,806.58	0.00	1,693.42	74%
0002200	OFFICE EXPENSE	3,500.00	0.00	456.87	691.68	0.00	2,808.32	20%
0002201	EQUIPMENT UNDER \$1,500	3,000.00	0.00	2,006.49	4,207.97	0.00	-1,207.97	140%
0002203	COMPUTER COMPONENTS <\$1.5	1,500.00	0.00	0.00	0.00	0.00	1,500.00	
0002204	COMPUTER RELATED ITEMS:<\$	300.00	0.00	45.99	946.03	0.00	-646.03	315%
0002205	POSTAGE	900.00	0.00	258.63	393.05	0.00	506.95	44%
0002235	ACCOUNTING & FINANCIAL SE	15,000.00	0.00	700.00	700.00	0.00	14,300.00	5%
0002239	LEGAL SERVICE	15,000.00	0.00	0.00	0.00	0.00	15,000.00	
0002245	CONTRACTED SERVICES	79,600.00	0.00	1,099.00	1,255.86	0.00	78,344.14	2%

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 426 DIXON PUBLIC LIBRARY DISTRICT  
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 Fund Fund Description  
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Object	Description	Budget	Adjustments	Mo Actual	YTD Actual	Encumbrance	Balance	Pct.
0002250	OTHER PROFESSIONAL SERVIC	7,000.00	0.00	47.25	103.95	0.00	6,896.05	1%
0002261	SOFTWARE MAINTENANCE & SU	33,100.00	0.00	1,598.79	5,453.59	0.00	27,646.41	16%
0002281	ADVERTISING/MARKETING	1,000.00	0.00	0.00	1,100.69	0.00	-100.69	110%
0002285	RENTS & LEASES - EQUIPMEN	6,000.00	0.00	510.53	1,531.59	0.00	4,468.41	26%
0002310	EDUCATION & TRAINING	1,200.00	0.00	569.00	569.00	0.00	631.00	47%
0002322	LIBRARY ADULT BOOKS	23,000.00	0.00	2,533.75	3,441.79	0.00	19,558.21	15%
0002323	LIBRARY JUVENILE BOOKS	20,000.00	0.00	113.70	1,401.74	0.00	18,598.26	7%
0002324	LIBRARY PERIODICALS/MICRO	8,000.00	0.00	181.26	725.65	0.00	7,274.35	9%
0002325	LIBRARY AUDIO-VISUAL	26,700.00	0.00	1,350.88	2,355.78	0.00	24,344.22	9%
0002326	LIBRARY BOOK RENTAL	8,112.00	0.00	7,949.76	7,949.76	0.00	162.24	98%
0002327	LIBRARY MATERIALS PROCESS	5,700.00	0.00	134.21	149.96	0.00	5,550.04	3%
0002328	LIBRARY MATERIALS	15,000.00	0.00	22.13	360.34	0.00	14,639.66	2%
0002335	TRAVEL EXPENSE	1,200.00	0.00	162.75	174.75	0.00	1,025.25	15%
0002336	TRAVEL OUT-OF-STATE	2,649.00	0.00	0.00	0.00	0.00	2,649.00	
0002337	MEALS/REFRESHMENTS	540.00	0.00	0.00	0.00	0.00	540.00	
0002355	PERSONAL MILEAGE	1,450.00	0.00	49.76	181.26	0.00	1,268.74	13%
0002360	UTILITIES	26,000.00	0.00	2,378.90	4,649.25	0.00	21,350.75	18%
0002361	WATER	6,765.60	0.00	309.28	1,036.37	0.00	5,729.23	15%
2000	SERVICES AND SUPPLIES	408,006.13	0.00	24,923.38	68,367.55	0.00	339,638.58	17%
3000	OTHER CHARGES							
0003020	REFUND OF PRIOR YEAR CHAR	0.00	0.00	0.00	36.09	0.00	-36.09	9999%
3000	OTHER CHARGES	0.00	0.00	0.00	36.09	0.00	-36.09	9999%
4000	FIXED ASSETS							
0004303	EQUIPMENT	18,500.00	0.00	0.00	0.00	0.00	18,500.00	
0004521	INTANGIBLES: NON-DEPRECIA	500.00	0.00	0.00	0.00	0.00	500.00	
4000	FIXED ASSETS	19,000.00	0.00	0.00	0.00	0.00	19,000.00	
9000	TAXES							
0009001	CURRENT SECURED	330,000.00	0.00	0.00	0.00	0.00	330,000.00	



SORT ORDER: SECTION within BUREAU within DIVISION within DEPTMNT within SUBOBJ within CATEGORY within FUND

SELECT FUND: 426,428 ; BUDG CATEGORY: 1000-9999

Fund	Fund Description	Object Description	Budget	Adjustments	Mo Actual	YTD Actual	Encumbrance	Balance	Pct.
426	DIXON PUBLIC LIBRARY DISTRICT								
		0009002 CURRENT UNSECURED	20,000.00	0.00	0.00	0.00	0.00	20,000.00	
		0009004 SUPPLEMENTAL SECURED	6,000.00	0.00	0.00	0.00	0.00	6,000.00	
		0009015 LIBRARY SALES TAX - MEASU	600,000.00	0.00	89,233.29	253,467.33	0.00	346,532.67	42%
		0009018 UNITARY	18,000.00	0.00	0.00	0.00	0.00	18,000.00	
		0009020 ABX1 26 PASS THROUGH	25,000.00	0.00	0.00	0.00	0.00	25,000.00	
9000	TAXES		999,000.00	0.00	89,233.29	253,467.33	0.00	745,532.67	25%
9400	REVENUE FROM USE OF MONEY/PROP								
0009401	INTEREST INCOME		3,400.00	0.00	0.00	0.00	0.00	3,400.00	
9400	REVENUE FROM USE OF MONEY		3,400.00	0.00	0.00	0.00	0.00	3,400.00	
9500	INTERGOVERNMENTAL REVENUES								
0009519	STATE VLF 1991 REALIGNMNT		0.00	0.00	1,049.07	1,049.07	0.00	-1,049.07	9999%
0009591	GRANT REVENUE		0.00	0.00	1,000.00	1,000.00	0.00	-1,000.00	9999%
9500	INTERGOVERNMENTAL REVENUE		0.00	0.00	2,049.07	2,049.07	0.00	-2,049.07	9999%
9600	CHARGES FOR SERVICES								
0009603	PHOTO/MICROFICHE COPIES		4,000.00	0.00	371.60	1,165.60	0.00	2,834.40	25%
0009605	LIBRARY FINES		10,000.00	0.00	826.85	1,770.74	0.00	8,229.26	18%
9600	CHARGES FOR SERVICES		14,000.00	0.00	1,198.45	2,936.34	0.00	11,063.66	21%
9700	MISC REVENUES								
0009702	CASH OVERAGE		0.00	0.00	11.45	12.05	0.00	-12.05	9999%
0009704	DONATIONS AND CONTRIBUTIO		0.00	0.00	105.00	105.00	0.00	-105.00	9999%
0009708	MISCELLANEOUS SALES-OTHER		1,000.00	0.00	146.20	345.80	0.00	654.20	35%
9700	MISC REVENUES		1,000.00	0.00	262.65	462.85	0.00	537.15	46%

SORT ORDER: SECTION within BUREAU within DIVISION within DEPTWNT within SUBOBJ within CATEGORY within FUND  
 SELECT FUND: 426,428 ; BUDG CATEGORY: 1000-9999

Fund	Fund Description	Object	Description	Budget	Adjustments	Mo Actual	YTD Actual	Encumbrance	Balance	Pct.
426	DIXON PUBLIC LIBRARY DISTRICT									
				1,017,400.00	0.00	92,743.46	258,915.59	0.00	758,484.41	25%
				1,247,159.13	0.00	98,836.51	271,240.65	0.00	975,918.48	22%
						-6,093.05	-12,325.06			

Sort Order: SECTION within BUREAU within DIVISION within DEPTMNT within SUBOBJ within CATEGORY within FUND

SELECT FUND: 426,428 ; BUDG CATEGORY: 1000-9999

Fund	Fund Description	Object	Description	Budget	Adjustments	Mo Actual	YTD Actual	Encumbrance	Balance	Pct.
428	DIXON PUBLIC LIB DISTRICT-PFF									
2000	SERVICES AND SUPPLIES									
0002235	ACCOUNTING & FINANCIAL SE			3,000.00	0.00	0.00	0.00	0.00	3,000.00	
0002245	CONTRACTED SERVICES			52,800.00	0.00	0.00	0.00	0.00	52,800.00	
2000	SERVICES AND SUPPLIES			55,800.00	0.00	0.00	0.00	0.00	55,800.00	
9400	REVENUE FROM USE OF MONEY/PROP									
0009401	INTEREST INCOME			2,000.00	0.00	0.00	0.00	0.00	2,000.00	
9400	REVENUE FROM USE OF MONEY			2,000.00	0.00	0.00	0.00	0.00	2,000.00	
9600	CHARGES FOR SERVICES									
0009601	CAPITAL FACILITIES FEES			53,800.00	0.00	82,125.77	82,125.77	0.00	-28,325.77	153%
9600	CHARGES FOR SERVICES			53,800.00	0.00	82,125.77	82,125.77	0.00	-28,325.77	153%
	Total Revenue			55,800.00	0.00	82,125.77	82,125.77	0.00	-26,325.77	147%
	Total Expense			55,800.00	0.00	0.00	0.00	0.00	55,800.00	
						82,125.77	82,125.77			

**DIXON PUBLIC LIBRARY DISTRICT**  
**FINANCIAL REPORT**  
**With Independent Auditor's Report Thereon**  
**JUNE 30, 2012 and 2013**

**DIXON PUBLIC LIBRARY DISTRICT**

Financial Report  
June 30, 2012 and 2013

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**DIXON PUBLIC LIBRARY DISTRICT**

Financial Report  
June 30, 2012 and 2013

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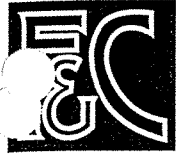
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**FECHTER  
& COMPANY**  
Certified Public Accountants

Craig R. Fechter, CPA, MST  
Scott A. German, CPA

## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Dixon Public Library District  
Dixon, California

We have audited the accompanying financial statements of the governmental activities and each major fund of the Dixon Public Library District (The District) as of and for the years ended June 30, 2012 and 2013, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Dixon Public Library District's management. Our responsibility is to express an opinion 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. 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 the 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 opinion.

As discussed in Note 3 to the financial statements, management has not maintained an accurate accounting of the District's assets. Accounting principles generally accepted in the United States of America require that those assets be capitalized and depreciated, which would change the amount of reported assets, net position, and expenses of the governmental activities. The amount by which this departure would affect the assets, net position, and expenses of the governmental activities has not been determined.

In our opinion, because of the significance of the matter discussed above, the financial statements referred to above do not present fairly the financial position the respective financial position of the governmental activities and each major fund of the Dixon Public Library District, as of June 30, 2012 and 2013, and the respective changes in financial position thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 18, 2016 on our consideration of the Dixon Public Library District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Board of Trustees  
Dixon Public Library District

The budgetary comparison information, as listed in the table of contents, is not a required part of the basic financial statements but is 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.

The District has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Fechter & Company,  
Certified Public Accountants



Sacramento, California  
February 18, 2016



**Government-Wide Financial Statements**

**DIXON PUBLIC LIBRARY DISTRICT  
STATEMENT OF NET ASSETS**

June 30, 2013

	<b>Governmental Activities</b>
<b><u>ASSETS</u></b>	
Deposits and investments	\$ 823,530
Receivables	
Miscellaneous	172
Capital assets, net of accumulated depreciation	1,779,633
	1,779,633
Total Assets	\$ 2,603,335
<b><u>Liabilities</u></b>	
Accounts payable and other current liabilities	\$ 55,731
Compensated absences	7,112
	62,843
Total Liabilities	62,843
<b><u>Net Assets</u></b>	
Invested in capital assets	1,779,633
Restricted:	
Unrestricted	760,859
	760,859
Total Net Assets	\$ 2,540,492

The accompanying notes are an integral part of these financial statements

**DIXON PUBLIC LIBRARY DISTRICT  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2013**

**Expenses**

Salary and benefits	\$	517,473
Library related materials and supplies		52,793
Utilities		31,831
Insurance		12,740
Maintenance and supplies		16,693
Memberships		4,320
Office related		3,561
Professional and specialized services		165,032
Depreciation		18,068
Rents and leases		5,318
Other outgo		20,235
		848,064
Total Expenses		848,064

**Program Revenues**

Charges for services		8,250
State operating grants		-
Operating grants and contributions		524,910
		533,160
Total Program Revenues		533,160
Net Expense		314,904

**General Revenues**

Property taxes		357,071
Interest		3,913
Miscellaneous		151,626
		512,610
Total General Revenues		512,610

Changes in Net Position		197,706
Net Position - July 1, 2012		2,342,786
		2,540,492
Net Position - June 30, 2013		\$ 2,540,492

The accompanying notes are an integral part of these financial statements

**DIXON PUBLIC LIBRARY DISTRICT  
STATEMENT OF NET ASSETS**

**June 30, 2012**

	<u><b>Governmental Activities</b></u>
<b><u>ASSETS</u></b>	
Deposits and investments	\$ 565,264
Receivables	
Measure B sales tax	57,787
Miscellaneous	171
Prepaid expenses	-
Capital assets, net of accumulated depreciation	1,797,700
	1,797,700
Total Assets	\$ 2,420,922
<b><u>Liabilities</u></b>	
Accounts payable and other current liabilities	\$ 65,115
Long-term liabilities:	
Portion due or payable within one year:	
Compensated absences	13,021
Pension obligation	-
	-
Total Liabilities	78,136
<b><u>Net Assets</u></b>	
Invested in capital assets	1,797,700
Restricted:	
For capital projects	
For other purposes	
Unrestricted	545,086
	545,086
Total Net Assets	\$ 2,342,786

The accompanying notes are an integral part of these financial statements

**DIXON PUBLIC LIBRARY DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2012**

**Expenses**

Salary and benefits	\$ 586,996
Library related materials and supplies	66,922
Utilities	29,336
Insurance	12,604
Maintenance and supplies	15,248
Memberships	4,386
Office related	7,688
Professional and specialized services	199,151
Depreciation	20,625
Rents and leases	5,942
Other outgo	663,997
	1,612,895
Total Expenses	1,612,895

**Program Revenues**

Charges for services	35,944
State operating grants	18,148
Operating grants and contributions	594,181
	648,273
Total Program Revenues	648,273
Net Expense	964,622

**General Revenues**

Property taxes	326,735
Interest	2,899
Miscellaneous	31,530
	361,164
Total General Revenues	361,164
Changes in Net Assets	(603,458)
Total Net Assets - July 1, 2011	2,917,128
Prior period adjustments	29,116
Restated net assets - July 1, 2011	2,946,244
Total Net Assets - June 30, 2012	\$ 2,342,786

The accompanying notes are an integral part of these financial statements

**Fund Financial Statements**

**DIXON PUBLIC LIBRARY DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS**

June 30, 2013

	<u>General</u>	<u>Special Revenue</u>	<u>Total Governmental Funds</u>
<b><u>ASSETS</u></b>			
Deposits and investments	\$ 689,885	\$ 133,645	\$ 823,530
Receivables			
Measure B sales tax	173	-	173
Miscellaneous	-	-	-
Prepaid expenses	-	-	-
	<u>690,058</u>	<u>133,645</u>	<u>823,703</u>
Total Assets	<u>\$ 690,058</u>	<u>\$ 133,645</u>	<u>\$ 823,703</u>
<b><u>Liabilities</u></b>			
Accounts payable	\$ 55,731	\$ -	\$ 55,731
<b><u>Fund Balances</u></b>			
Nonspendable	-	-	-
Restricted	-	-	-
Assigned	-	-	-
Unassigned	634,327	133,645	767,972
	<u>634,327</u>	<u>133,645</u>	<u>767,972</u>
Total Fund Balances	<u>634,327</u>	<u>133,645</u>	<u>767,972</u>
Total Liabilities and Fund Balances	<u>\$ 690,058</u>	<u>\$ 133,645</u>	<u>\$ 823,703</u>

The accompanying notes are an integral part of these financial statements

**DIXON PUBLIC LIBRARY DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2013**

	<u>General</u>	<u>Special Revenue</u>	<u>Total Governmental Funds</u>
<b><u>Revenues</u></b>			
Property taxes	\$ 357,071	\$ -	\$ 357,071
Sales and use taxes	506,860		506,860
State revenue	-	-	-
Other local revenue	57,742	124,097	181,839
<b>Total Revenues</b>	<b>921,673</b>	<b>124,097</b>	<b>1,045,770</b>
<b><u>Expenditures</u></b>			
Salary and benefits	510,361	-	510,361
Library related materials and supplies	52,793	-	52,793
Utilities	31,831	-	31,831
Insurance	12,740	-	12,740
Maintenance and supplies	16,693	-	16,693
Memberships	4,320	-	4,320
Office related	3,561	-	3,561
Professional and specialized services	178,053	-	178,053
Facilities acquisition and construction	-	-	-
Rents and leases	5,318	-	5,318
Other outgo	20,235	-	20,235
<b>Total Expenditures</b>	<b>835,905</b>	<b>-</b>	<b>835,905</b>
<b>Net Change in Fund Balances</b>	<b>85,768</b>	<b>124,097</b>	<b>209,865</b>
<b>Fund Balances - July 1, 2012</b>	<b>548,559</b>	<b>9,548</b>	<b>558,107</b>
<b>Fund Balances - June 30, 2013</b>	<b>\$ 634,327</b>	<b>\$ 133,645</b>	<b>\$ 767,972</b>

The accompanying notes are an integral part of these financial statements



**DIXON PUBLIC LIBRARY DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS**

**June 30, 2012**

	<u>General</u>	<u>Special Revenue</u>	<u>Total Governmental Funds</u>
<b><u>ASSETS</u></b>			
Deposits and investments	\$ 555,716	\$ 9,548	\$ 565,264
Receivables			
Miscellaneous	<u>57,959</u>	<u>-</u>	<u>57,959</u>
Total Assets	<u><u>613,675</u></u>	<u><u>9,548</u></u>	<u><u>623,223</u></u>
<b><u>Liabilities</u></b>			
Accounts payable	<u>65,116</u>	<u>-</u>	<u>65,116</u>
<b><u>Net Assets</u></b>			
Unassigned	<u>548,559</u>	<u>9,548</u>	<u>558,107</u>
Total Fund Balances	<u><u>548,559</u></u>	<u><u>9,548</u></u>	<u><u>558,107</u></u>
Total Liabilities and Fund Balances	<u><u>\$ 613,675</u></u>	<u><u>\$ 9,548</u></u>	<u><u>\$ 623,223</u></u>

The accompanying notes are an integral part of these financial statements

**DIXON PUBLIC LIBRARY DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2012**

	<u>General</u>	<u>Special Revenue</u>	<u>Total Governmental Funds</u>
<b><u>Revenues</u></b>			
Property taxes	\$ 326,735	\$ -	\$ 326,735
Sales and use taxes	573,481		573,481
State revenue	18,148	-	18,148
Other local revenue	81,568	9,505	91,073
	<hr/>	<hr/>	<hr/>
Total Revenues	999,932	9,505	1,009,437
<b><u>Expenditures</u></b>			
Salary and benefits	586,996	-	586,996
Library related materials and supplies	66,922	-	66,922
Utilities	29,336	-	29,336
Insurance	12,604	-	12,604
Maintenance and supplies	15,248	-	15,248
Memberships	4,386	-	4,386
Office related	7,688	-	7,688
Professional and specialized services	199,151	-	199,151
Facilities acquisition and construction	-	-	-
Rents and leases	5,942	-	5,942
Other outgo	17,426	-	17,426
	<hr/>	<hr/>	<hr/>
Total Expenditures	945,699	-	945,699
Net Change in Fund Balances	54,233	9,505	63,738
Fund Balances - July 1, 2011	494,326	43	494,369
Prior period adjustment	-	-	-
	<hr/>	<hr/>	<hr/>
Adjusted Fund Balances - July 1, 2011	494,326	43	494,369
Fund Balances - June 30, 2012	<u>\$ 548,559</u>	<u>\$ 9,548</u>	<u>\$ 558,107</u>

The accompanying notes are an integral part of these financial statements

**DIXON PUBLIC LIBRARY DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEETS TO THE STATEMENTS OF NET ASSETS  
June 30, 2013 and 2012**

	June 30, 2013	June 30, 2012
Total fund balances - governmental funds	\$ 767,972	\$ 558,107
<p>In governmental funds, only current assets are reported. In the statement of net assets, all assets are reported, including capital assets and accumulated depreciation.</p>		
Capital assets at historical cost, net	1,779,633	1,797,700
<p>Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net assets, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of compensated absences</p>		
	(7,113)	(13,021)
Net assets of governmental activities	\$ 2,540,492	\$ 2,342,786

The accompanying notes are an integral part of these financial statements

**DIXON PUBLIC LIBRARY DISTRICT  
RECONCILIATION OF THE STATEMENTS OF  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENTS OF ACTIVITIES**

**For the Years Ended  
June 30, 2013 and 2012**

	June 30, 2013.	June 30, 2012
<p>The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures, and Change in Fund Balances, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Assets of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.</p>		
Net Change in in Fund Balance	\$ 209,865	\$ 63,738
<p>Amounts reported for governmental activities in the Statement of Activities are different because of the following:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.</p>		
Depreciation expense not reported in governmental funds	(18,068)	(20,625)
Fixed asset purchases	-	(646,571)
Remove prior period liability incorrectly recorded	5,909	(29,116)
Change in net assets	\$ 197,706	\$ (632,574)

## DIXON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2013

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

#### A. Financial Reporting Entity

The Dixon Public Library District in Solano County was established in 1911 to serve as the community's library. The District operates under California Education Code Sections 18300 et seq., and Sections 18440-18452, and the general provisions of Library Code governing the Unified School Districts and Union High School Districts Public Libraries. The District is governed by a five-members Board of Trustees who, as provided for in section 18300 and Section 18310 of the Education Code, the Governing Board of Library Trustees consists of those individuals who have been elected or appointed as trustees of the Dixon Unified School District. The Board members generally serve a four-year term, but in 2014 the existing Board extended its term by one year each at the suggestion/request of the Solano Registrar of Voters to create an even-year election in the future as a cost-saving measure.

The District has reviewed criteria to determine whether other organizations with activities that benefit the District should be included within its financial reporting entity under GASB Statement No. 14 (GASB 14), *The Financial Reporting Entity*. The criteria include, but are not limited to, whether the organization exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters), the scope of public service, and a special financing relationship. The District has determined that the Dixon Public Library District and the Dixon Unified School District have a financial and operational relationship that meets the criteria of GASB 14. The Dixon Public Library District, a component unit of the Dixon Unified School District, elected to have a separate audit of its financial statements performed.

The District prepares its financial statements in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the uniform accounting system for districts prescribed by the State Controller in compliance with the Government Code of the State of California.

The District is also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989, when applicable, that do not conflict with or contradict GASB pronouncements.

#### B. Implementation of New Accounting Pronouncements

In March of 2009, the GASB issued GASB Statement No. 54 (GASB 54) *Fund Balance Reporting and Governmental Fund Type Definition*, with required implementation for the District during the year ended June 30, 2011. The objective of GASB 54 is to enhance the usefulness of fund balance information by providing

## DIXON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2013

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

#### B. Implementation of New Accounting Pronouncements - continued

clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. GASB 54 provides for fund balance classifications such as restricted, committed, assigned, and unassigned based on the relative strength of the constraints that control how specific amounts can be spent.

#### C. Basis of Presentation

##### Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the activities of the District. The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund and fiduciary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain exceptions.

##### Fund Financial Statements

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column.

The accounting and financial treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

## DIXON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2013

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

#### D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

##### Revenues – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place.

Under the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Available” means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, “available” means collectible within the current period or within 90 days after year-end, depending on the revenue source.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

##### Expenses/Expenditures

On an accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds. When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

# DIXON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2013

## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

### **E. Fund Accounting**

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditure, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The District maintains the following major governmental fund types:

The General Fund is the general operating fund of the District. It accounts for all financial resources of the general government, except those that are required to be accounted for in another fund.

The Special Revenue Fund is used to account for the public facilities fees that are legally restricted to expenditure for specified purposes.

### **F. Budgets and Budgetary Accounting**

Pursuant to Education Code Section 18451, on or before June 1 of each year, the Library Commission shall submit or cause to be submitted to the Board of Trustees its proposed budget for operating and maintaining the library for the upcoming fiscal year. Pursuant to Education Code Section 18480, on or before September 1 of each year, the Board of Trustees shall furnish to the County Board of Supervisors an estimate of costs involved in conducting and maintaining the library for the ensuing fiscal year, procuring plans and specifications for erecting a building, and furnishing and equipping the building.

An operating budget prepared on a modified accrual basis is adopted each fiscal year for the General Fund. The original and final revised budget is presented for the General Fund, as required supplementary information on page 27. The final budget shall conform to the accounting and budgeting procedures for Special Districts contained in the California Code of Regulations. The final budget shall establish its appropriations limit pursuant to Division 9 of the Government Code. All annual appropriations lapse at fiscal year-end.

### **G. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.



# DIXON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2013

## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

### H. Assets, Liabilities and Equity

#### Deposits and Investments

The District is authorized to maintain cash in banks and revolving funds that are insured to \$250,000 by the Federal Depository Insurance Corporation (FDIC). The District has adopted an investment policy to deposit all District funds with the Solano County Treasurer, pursuant to Education Code Section 18493, except for funds identified in Education Code Section 18494. The funds maintained by the County are either secured by the FDIC or are collateralized. Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost.

#### Prepaid Expenses/Expenditures

Payments made to vendors for goods or services that will benefit periods beyond the fiscal year ended, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which goods or services are consumed. Prepaid expenses are equally offset by a net assets reserve, which indicates that this amount is not "available for appropriation and expenditure" even though it is a component of net assets.

#### Capital Assets

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized, if they meet the District's definition of a capital asset and meet the various threshold amounts for capitalization. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset's lives are not capitalized, but are expensed as incurred. Depreciation on all capital assets is computed using a straight-line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Years</u>
Buildings and improvements	10-40
Computer equipment	3-7
Office equipment	3-7

## DIXON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2013

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

#### H. Assets, Liabilities and Equity - continued

##### Compensated Absences

All vacation pay is accrued when incurred in the government-wide financial statements. Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken, since such benefits do not vest, nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

##### Pension Obligation

The cumulative difference between the District's annual pension cost, as determined by the annual CalPERS Actuarial Valuation, and the annual pension cost contributed is the net pension obligation.

##### Fund Balances

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The allowable classifications used in the governmental fund financial statements are as follows:

Nonspendable Fund Balance consists of funds that cannot be spent due to their form (e.g. prepaid expenses) or funds that legally or contractually must be maintained intact.

Restricted Fund Balance consists of funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance consists of funds that are set aside for a specific purpose by the District's highest level of decision making authority (Board of Trustees). Formal action must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.

Assigned Fund Balance consists of funds that are set aside with the intent to be used for a specific purpose by the District's highest level of decision making authority or a body or official that has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance.

## DIXON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2013

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

#### H. Assets, Liabilities and Equity

Unassigned Fund Balance includes amounts that are available for any purpose. They are residual positive net resources of the general fund in excess of what can properly be classified in one of the other four categories. There are some reserves that do not meet the requirements of the aforementioned components of fund balance. For financial statement reporting purposes these reserves are included in unassigned fund balance.

The District considers restricted fund balances to have been spent first when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the District considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

#### Revenue Limit/Property Tax

The County of Solano is responsible for assessing, collecting and apportioning property taxes. Taxes are levied for each fiscal year on taxable real and personal property in the county. The levy is based on the assessed values as of the preceding January 1, which is also the lien date. Property taxes on the secured roll are due on November 1 and February 1, and taxes become delinquent after December 10 and April 10, respectively. Property taxes on the unsecured roll are due on the lien date (January 1), and become delinquent if unpaid by August 31.

Secured property taxes are recorded as revenue when apportioned, in the fiscal year of the levy. The county apportions secured property tax revenue in accordance with the alternative method of distribution prescribed by Section 4705 of the California *Revenue and Taxation Code*. This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll, approximately October 1 of each year.

#### Gann Appropriations Limit

Article XIII B of the California Constitution provides exceptions for some special districts for establishing an appropriations limit. As per Article XIII B, The District is not subject to the appropriations limit because the District's tax levy for fiscal year 1977-78 was below 12 ½ cents per \$100 of assessed valuation.

**DIXON PUBLIC LIBRARY DISTRICT**

Notes to the Basic Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2013

**NOTE 2: DEPOSITS AND INVESTMENTS**

Deposits and investments as of June 30, 2012 and 2013, consist of the following:

	<u>2012</u>	<u>2013</u>
Cash in revolving fund	\$ 700	\$ 700
County pool investments	564,564	822,830
 Total Deposits and Investments	 <u>\$ 565,264</u>	 <u>\$ 823,530</u>

Cash in Revolving Fund

Cash in revolving fund consists of all cash maintained on hand and in commercial bank accounts that are used as revolving funds.

County Pool Investments

County pool investments consist of District cash held by the Solano County Treasury that is invested in the county investment pool. The fair value of the District's investment in the pool is reported in the financial statements at amounts that are based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio).

General Authorization

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the following schedule:

<u>Authorized Investment Type</u>	<u>Maximum Remaining Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%

**DIXON PUBLIC LIBRARY DISTRICT**

Notes to the Basic Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2013

**NOTE 2: DEPOSITS AND INVESTMENTS - CONTINUED**

<u>Authorized Investment Type</u>	<u>Maximum Remaining Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, as the length of the maturity of an investment increases, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury that purchases a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Segmented Time Distribution

Information about the sensitivity of the fair value of the District's investment to market interest rate fluctuations is provided by the following schedules that show the distribution of the District's investment by maturity:

June 30, 2012

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>More Than 1 Year</u>
County pool investments	\$ 564,564	\$	\$	\$

June 30, 2013

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>More Than 1 Year</u>
County pool investments	\$ 564,564	\$	\$	\$

**DIXON PUBLIC LIBRARY DISTRICT**

Notes to the Basic Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2013

**NOTE 2: DEPOSITS AND INVESTMENTS - CONTINUED**

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Investment Type	June 30, 2012		June 30, 2013	
	Carrying Value	Fair Value	Carrying Value	Fair Value
County pool investments	\$ 564,564	\$ 564,564	\$ 822,830	\$ 822,830

Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2013 and 2012, the District had no bank balance that is exposed to custodial credit risk.

Custodial Credit Risk – Investments

This is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The District does not have a policy limiting the amount of securities that can be held by counterparties. As of June 30, 2014, the District does not have any investments that are held by counterparties.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government Code. However, the District does not hold any investments in any one issuer, at year-end, that represents five percent or more of the total investments held by the District.

## DIXON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2013

### NOTE 2: DEPOSITS AND INVESTMENTS - CONTINUED

#### Derivative Investments

The District does not directly invest in any derivative investments. Information relating to the use of derivative investments by the Solano County Treasury was not available.

### NOTE 3: CAPITAL ASSETS AND DEPRECIATION

Governmental Activities capital asset activity for the year ended June 30, 2012, was as follows:

	Balances July 1, 2011	Additions	Deletions	Balances June 30, 2012
Non-depreciable assets:				
Land	\$ 1,602,064	-	-	\$ 1,602,064
Work-in-progress	646,571	-	(646,571)	-
Total non-depreciable assets	2,248,635	-	(646,571)	1,602,064
Depreciable assets:				
Buildings and improvements	1,065,201	-	-	1,065,201
Furniture and equipment	251,468	-	-	251,468
Total depreciable assets	1,316,669	-	-	1,316,669
Less: Accumulated depreciation:	(1,100,408)	(20,625)	-	(1,121,033)
Net depreciable assets	216,261	(20,625)	-	195,636
Capital Assets, Net	\$ 2,464,896	(20,625)	(646,571)	\$ 1,797,700

Governmental Activities capital asset activity for the year ended June 30, 2013, was as follows:

	Balances July 1, 2012	Additions	Deletions	Balances June 30, 2013
Non-depreciable assets:				
Land	\$ 1,602,064	\$ -	-	\$ 1,602,064
Work-in-progress	-	-	-	-
Total non-depreciable assets	1,602,064	-	-	1,602,064
Depreciable assets:				
Buildings and improvements	1,065,201	-	-	1,065,201
Furniture and equipment	251,468	-	-	251,468
Total depreciable assets	1,316,669	-	-	1,316,669
Less: Accumulated depreciation:	(1,121,033)	(18,068)	-	(1,139,101)
Net depreciable assets	195,636	(18,068)	-	177,568
Capital Assets, Net	\$ 1,797,700	\$ (18,068)	-	\$ 1,779,632

Depreciation expense of \$20,625 and \$18,068 was charged to the library services programs during the years ended June 30, 2012 and 2013.

## DIXON PUBLIC LIBRARY DISTRICT

Notes to the Basic Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2013

### NOTE 3: CAPITAL ASSETS AND DEPRECIATION - CONTINUED

In 2014, the District was able to hire a new management team. Based on the new management team's analysis, the costs captured in the construction in progress at June 30, 2011 of \$646,571 no longer provided future economic benefit. As a result, the District has removed the amount from the government wide financial statements and recorded this as a prior period adjustment.

In addition, based on Management's review of detail asset records that were received from their predecessors, it was determined that the District does not have an accurate accounting of the assets owned and in possession of the District for the periods noted above. As a result, the above information was estimated based on the available information but may not provide an accurate representation of the available assets. The District anticipates performing a detailed inventory for future year's financial reporting purposes.

### NOTE 4: DEFINED BENEFIT PENSION PLAN

#### Plan Description

The District contributes to the California Public Employees Retirement System (CalPERS), a cost-sharing multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public agencies within the State of California. Benefit provisions and all other requirements are established by state statutes. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

#### Funding Policy

Active plan members are required to contribute 7.0% of their annual covered salary. The District makes these contributions required of District employees on their behalf and for their account. In addition, the District is required to contribute an actuarially determined rate necessary to fund the benefits for its members. The required employer contribution rate for fiscal year 2011/12 was 14.65% and for 2012/13 was 15.83%. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The contribution requirements of the plan members are established by state statute and the employer contribution rate is established and may be amended by CalPERS.



**DIXON PUBLIC LIBRARY DISTRICT**

Notes to the Basic Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2013

**NOTE 4: DEFINED BENEFIT PENSION PLAN - CONTINUED**

Pension Obligation

On an annual basis, CalPERS prepares and issues to the District an actuarial valuation report of their pension plan. Since the District's pension plan had less than 100 active members and at least one valuation since June 30, 2003, it is required to participate in a risk pool. The District's pension plan is part of the Miscellaneous 2% at 55 Risk Pool, a cost-sharing multiple-employer defined benefit plan. The District's pension cost for fiscal year 2011/12 was \$ 73,656 and 2012/13 was \$ 57,690. The required contribution was determined as part of the June 30, 2010 valuation report using the entry age actuarial cost method with the contribution determined as a level percent of payroll.

The actuarial assumptions utilized a 7.75% discount rate (net of administrative expenses), projected salary increases ranging from 3.25% to 14.45% depending on age, service, and type of employment, payroll growth of 3.25%, and inflation of 3%.

The District's annual pension cost, percentage of annual pension cost contributed to the plan, and net pension obligation for the last three fiscal years are presented in the following table:

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2011	\$ 81,470	86.6%	\$ 29,116
June 30, 2010	96,907	91.8%	18,177
June 30, 2009	108,384	90.5%	10,237

**NOTE 5: LONG-TERM LIABILITIES**

A schedule of changes in long-term liabilities for the year ended June 30, 2012, is shown below:

	<u>Balances July 1, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances June 30, 2012</u>	<u>Due Within One Year</u>
Compensated absences	\$13,022	-	\$13,021	\$13,021	\$13,021
Pension obligation	29,116	-	29,116	-	-
<b>Totals</b>	<u>\$42,138</u>	<u>-</u>	<u>\$13,021</u>	<u>\$13,021</u>	<u>\$52,851</u>