



CERTIFIED PUBLIC ACCOUNTANTS, P.C.

Navigating Your Success

Mid-Hudson Library System

Report to the Board of Trustees
Audited Financial Statements
December 31, 2015

Financial Statement Highlights:

- The purpose of our audit is to express an opinion on the financial statements, to obtain reasonable assurance about whether the financial statements are free from material misstatement. We issued an unmodified (clean) opinion on the financial statements for the year ended December 31, 2015 (Page 1-2).
- The audit is conducted under *Government Auditing Standards* and the required report does not include any findings (Page 3-4).
- Management Discussion & Analysis (MD&A) is prepared by Management and is Un-audited. This section contains condensed financial statements for the last 2 years and management's summary of financial activity during the year (Page 5-13).
- Audited financial statements (pages 14-20):
 - Government-wide net assets (total assets including fixed assets less total liabilities, including benefit liabilities to present and future retirees) overall \$1,753,709. This reflects a decrease from the prior year of \$51,084. This is due in large part to the implementation of GASB #68, which involved recording the Library System's share of the NYS Retirement System's Net Unfunded Pension Liability. As a result, a deferred outflow of resources was recorded of \$136,319, a deferred inflow of resources was recorded of \$46,882, and a net pension liability of \$105,367. There is no retroactive change of the 2014 financial statement as a result of this implementation (Page 14-15).
 - Governmental Fund Balances (total assets less total liabilities, not including long term liabilities such as benefit liabilities to present and future retirees): Overall \$2,432,267 (page 16).
 - General Fund fund balance - \$1,992,481; revenues of \$3,490,871 (increase of \$381,133), net expenditures of \$3,415,780; (increase of \$373,446) (page 18).
 - Capital Fund fund balance - \$441,527; increase of \$61,809 from prior year, mainly related to excess of transfers in over transfers out of the fund (page 18).
 - Special Aid fund balance – deficit balance of \$1,741, revenues and expenditures during year both amounted to \$54,497 (page 18).

- In GASB Statement No. 45, disclosure and accrual of Other Post-Employment Benefits is required. The Library System's accrued liability for 2015 and 2014 amounted to \$769,447 and \$575,986, respectively. The total liability is \$4,233,942 as of December 31, 2015 (page 32).
- Footnotes (Pages 21-40) include details on the Library System's accounting policies, key assets, liabilities, and commitments and contingencies.
- Supplemental Information (Page 41-44) includes the budgetary comparison schedule for the General Fund for the fiscal year 2015. Total revenues were over budget by \$19,375, total expenditures were under budget by \$24,424. Page 42 highlights key amounts pertaining to the Other Post-employment Benefits Plan for the last two years. Pages 43-44 highlight the Library System's share of the Net Pension Liability.

Presented July 13, 2016
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