

CULLEN & DANOWSKI, LLP
CERTIFIED PUBLIC ACCOUNTANTS

VINCENT D. CULLEN, CPA
(1950 - 2013)

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September 24, 2015

To the Board of Commissioners
Carle Place Public Library Funding District
Carle Place, New York

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Carle Place Public Library Funding District (District) for the year ended December 31, 2014, and have issued our report thereon dated September 24, 2015. Professional standards require that we communicate to you the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated February 20, 2015, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously discussed with management.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Carle Place Public Library Funding District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended December 31, 2014. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Carle Place Public Library Funding District

For the Year Ended December 31, 2014

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant estimates in relation to the financial statements as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement uses. The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no significant misstatements identified during the course of our audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 24, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Carle Place Public Library Funding District
For the Year Ended December 31, 2014

Other Matters

We applied certain limited procedures to the Schedule of Revenues, Expenditures and Changes to Fund Balance, Budget and Actual General Fund, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

This information is intended solely for the use of the Board of Commissioners and management of the Carle Place Public Library Funding District and is not intended to be and should not be, used by anyone other than these specified parties.

Very truly yours,

Cullen & Danowski, LLP

Cullen & Danowski, LLP

Client: 77850 - Carle Place Public Library Funding District
 Engagement: AUD - 77850 - 12/31/2014
 Period Ending: 12/31/2014
 Trial Balance: TB 00 - Trial Balance
 Workpaper: Adjusting JE Report

Account	Description	W/P Ref	Debit	Credit
Adjusting JE # 1				
To adjust appropriated fund balance.				
A.3310.0917.0	Unassigned: Fund Balance		20,104.00	
A.3300.0914.0	Assigned: Appropriated			20,104.00
Total			<u>20,104.00</u>	<u>20,104.00</u>

**CARLE PLACE PUBLIC LIBRARY
FUNDING DISTRICT
State of New York**

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION WITH
INDEPENDENT AUDITOR'S REPORT

December 31, 2014

CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Carle Place Public Library Funding District
Carle Place, New York

We have audited the accompanying financial statements of the governmental activities and each major fund of the Carle Place Public Library Funding District (District) as of and for the year ended December 31, 2014 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Carle Place Public Library Funding District as of December 31, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters – Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budgetary comparison information on pages 3 through 7 and 15, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Cullen & Danowski, LLP

September 24, 2015

**CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The Carle Place Public Library Funding District's (District) discussion and analysis of the financial performance provides an overall review of the District's financial activities for the calendar year ended December 31, 2014. The intent of this discussion and analysis is to look at the District's financial performance as a whole. This should be read in conjunction with the financial statements, which immediately follow this section.

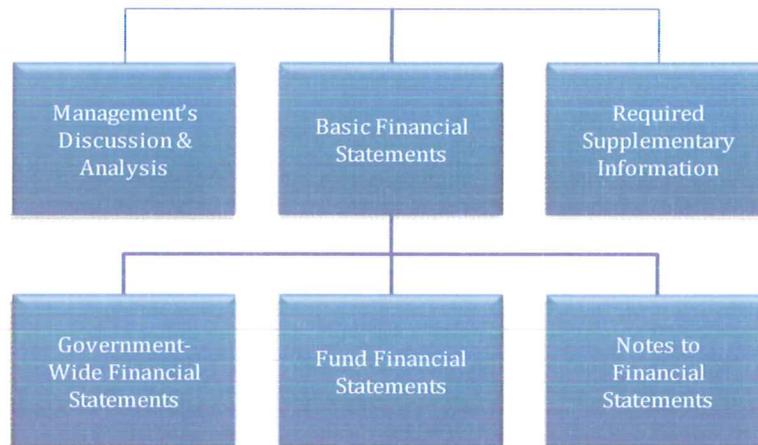
1. FINANCIAL HIGHLIGHTS

Key financial highlights for calendar year 2014 are as follows:

- The District had an increase in net position and change in fund balance of \$28,289 for the year ended December 31, 2014.
- The District has unassigned fund balance of \$36,528 at December 31, 2014.

2. OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – Management's Discussion and Analysis (MD&A) (this section), the basic financial statements, and required supplementary information. The basic financial statements consist of government-wide financial statements, fund financial statements, and notes to the financial statements. A graphic display of the relationship of these statements follows:



A. Government-Wide Financial Statements

The government-wide financial statements are organized to provide an understanding of the fiscal performance of the District as a whole in a manner similar to a private sector business. There are two government-wide financial statements - the Statement of Net Position and the Statement of Activities. These statements provide both an aggregate and long-term view of the District's finances.

These statements utilize the accrual basis of accounting. This basis of accounting recognizes the financial effects of events when they occur, without regard to the timing of cash flows related to the events.

CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The Statement of Net Position

The Statement of Net Position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities

The Statement of Activities presents information showing the change in net position during the fiscal year. All changes in net position are recorded at the time the underlying financial event occurs. Therefore, revenues and expenses are reported in the statement for some items that will result in cash flow in future fiscal periods.

B. Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District also uses fund accounting to ensure compliance with finance-related legal requirements. The funds of the District are reported in the governmental funds.

Government Funds

These statements utilize the modified accrual basis of accounting. This basis of accounting recognizes revenues in the period that they become measurable and available. It recognizes expenditures in the period that they become measurable, funded through available resources and payable within a current period.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental fund financial statements focus on shorter term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year for spending in future years. Consequently, the governmental fund statements provide a detailed short-term view of the District's operations and the services it provides.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, you may better understand the long-term impact of the District's near-term financing decisions. During the current year, there are no differences in the government-wide financial statements and the governmental fund financial statements; therefore no reconciliation of these statements is necessary.

The District maintains one individual governmental fund, the general fund.

CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

3. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A. Net Position

The District's total net position increased by \$28,289 between calendar year 2014 and 2013. A summary of the District's Statement of Net Position is as follows:

	2014	2013	Increase (Decrease)	Percentage Change
Current and Other Assets	\$ 71,453	\$ 43,264	\$ 28,189	65.16 %
Current and Other Liabilities	8,825	8,925	(100)	(1.12)%
Net Position, Unrestricted	<u>\$</u>	<u>\$ 34,339</u>	<u>\$ (34,339)</u>	(100.00)%

Current and other assets increased by \$28,189, predominantly as a result of an increase in cash.

Current and other liabilities decreased by \$100 as a result of a decrease in accrued liabilities.

B. Changes in Net Position

The results of this year's operations as reported in the Statement of Activities are as follows:

	2014	2013	Increase (Decrease)	Percentage Change
Revenues				
Real Property Taxes	\$ 834,986	\$ 794,989	\$ 39,997	5.03 %
Other	3,920	3,658	262	7.16 %
Total Revenues	<u>838,906</u>	<u>798,647</u>	<u>40,259</u>	5.04 %
Expenses				
Library Contract	790,000	804,320	(14,320)	(1.78)%
General and Administrative	20,617	20,592	25	0.12 %
Total Expenses	<u>810,617</u>	<u>824,912</u>	<u>(14,295)</u>	(1.73)%
Increase / (Decrease) in Net Position	<u>\$ 28,289</u>	<u>\$ (26,265)</u>	<u>\$ 54,554</u>	(207.71)%

Real property taxes increased by \$39,997 over the prior year; this was the additional amount of property tax revenue needed to support the District's operating budget. District expenses decreased by \$14,295, mainly due to the decrease in the cost of the library contract.

Real property taxes is the largest component of revenues recognized (i.e., 99% of the total for the years ended December 31, 2014 and 2013). The library contract is the largest category of expenses incurred (i.e., 97% of the total for the two years ended December 31, 2014 and 2013, respectively).

The library contract is an agreement with the Westbury Memorial Public Library which provides for library services to the residents of Carle Place. This is a five year contract ending June 30, 2015 with an option for renewal for up to five additional years.

CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At December 31, 2014, the District's general fund, the only governmental fund, reported a fund balance of \$62,628, which is a net increase of \$28,289 from the prior year. This increase is due to revenues in excess of expenditures for the calendar year.

	2014	2013	Increase (Decrease)
Assigned: Appropriated fund balance	\$ 26,100	\$ 5,996	\$ 20,104
Unassigned fund balance	36,528	28,343	8,185
	\$ 62,628	\$ 34,339	\$ 28,289

5. GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2014 Budget

The District's general fund original budget for the year ended December 31, 2014 was \$845,000.

The budget was funded through a combination of real property taxes and appropriated fund balance. The majority of this funding source was \$835,004 in property taxes.

B. Change in General Fund's Unassigned Fund Balance (Budget to Actual)

The general fund's unassigned fund balance is the component of total fund balance that is the residual of prior years' excess revenues over expenditures, net of transfers to restricted fund balances and assignments, such as amounts to fund the subsequent year's budget. It is this balance that is commonly referred to as the "Fund Balance." The change in this balance demonstrated through a comparison of the actual revenues and expenditures for the year compared to budget follows:

Opening, Unassigned Fund Balance	\$ 28,343
Revenues Under Budget	(98)
Expenditures Under Budget	34,383
Appropriated to Fund the December 31, 2015 Budget	(26,100)
Closing, Unassigned Fund Balance	\$ 36,528

Opening, Unassigned Fund Balance

The \$28,343 shown in the table is the portion of the District's December 31, 2013 fund balance that was unassigned.

Revenues Over Budget

The 2014 budget for revenues was \$839,004. Actual revenues received for the year were \$838,906. Actual revenues were less than estimated or budgeted revenues by \$98. This change decreased the unassigned portion of the general fund - fund balance from December 31, 2013 to December 31, 2014.

CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Expenditures Under Budget

The 2014 budget for expenditures was \$845,000. Actual expenditures as of December 31, 2014 were \$810,617. The final budget was under expended by \$34,383. This under expenditure was primarily the result of lower than anticipated library contract expenses and publicity and printing expenses. This under expenditure increases the unassigned portion of the general fund - fund balance from December 31, 2013 to December 31, 2014.

Appropriated Fund Balance

The District has chosen to use \$26,100 of its available December 31, 2014 fund balance to partially fund the 2014 approved operating budget. As such, the December 31, 2014 unassigned fund balance must be reduced by this amount.

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the above table, the District will begin the 2014 calendar year with an unassigned fund balance of \$36,528. This is an \$8,185 increase over the prior year unassigned balance.

6. CAPITAL ASSETS AND LONG-TERM DEBT

At December 31, 2014, the District had no capital assets or long-term debt activity.

7. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The general fund budget for the year ending December 31, 2015, is \$845,000. There is no increase over the previous year's budget. The amount to be raised by taxes decreased by \$19,986 as a result of an increase in the amount appropriated from fund balance.

Chapter 97 of the 2011 Laws of New York limits the increase in the property tax levy of local governments to the lesser of 2% or the rate of inflation for fiscal years beginning in 2012. There are additional statutory adjustments to the tax cap amount in the law. Municipalities are authorized to exceed the tax levy limit only if the governing body enacts, by a 60% vote, to override the tax levy limit. The District's levy is below the tax cap limitation.

8. CONTACTING THE DISTRICT

This financial report is designed to provide the reader with a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Requests for additional information can be directed to:

Peter F. McDonnell, Past President
Carle Place Public Library Funding District
P.O. Box 155
Carle Place, NY 11514

CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
STATEMENT OF NET POSITION
December 31, 2014

ASSETS

Cash	
Prepaid Insurance	\$ 69,755
	<u>1,698</u>
Total Assets	<u>71,453</u>

LIABILITIES

Accrued liabilities	
	<u>8,825</u>
Total Liabilities	<u>8,825</u>

NET POSITION - UNRESTRICTED	<u><u>\$ 62,628</u></u>
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CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

	Expenses	Charges for Services	Net (Expense) Revenue and Changes in Net Position
PROGRAMS/FUNCTIONS			
Library Contract	\$ 790,000	\$	\$ (790,000)
General and Administrative	20,617		(20,617)
	<u>\$ 810,617</u>	<u>\$ -</u>	<u>(810,617)</u>
GENERAL REVENUES			
Real Property Taxes			834,986
Payments in Lieu of Taxes			3,820
Interest Income			100
			<u>838,906</u>
Total General Revenues			838,906
Change in Net Position			28,289
Total Net Position - Beginning of Year			<u>34,339</u>
Total Net Position - End of Year			<u>\$ 62,628</u>

CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
December 31, 2014

	General	Total Governmental Funds
ASSETS		
Cash	\$ 69,755	\$ 69,755
Prepaid Insurance	1,698	1,698
Total Assets	\$ 71,453	\$ 71,453
LIABILITIES		
Accrued Liabilities	\$ 8,825	\$ 8,825
FUND BALANCES		
Assigned: Appropriated Fund Balance	26,100	26,100
Unassigned Fund Balance	36,528	36,528
Total Fund Balance	62,628	62,628
Total Liabilities and Fund Balance	\$ 71,453	\$ 71,453

CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE – GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	General	Total Governmental Funds
REVENUES		
Real Property Taxes	\$ 834,986	\$ 834,986
Payments in Lieu of Taxes	3,820	3,820
Interest Income	100	100
Total Revenues	838,906	838,906
EXPENDITURES		
Library Contract	790,000	790,000
Professional Fees	16,317	16,317
Insurance	2,150	2,150
Election Expense	725	725
Postage	192	192
Publicity and Printing	1,224	1,224
Office Supplies	9	9
Total Expenditures	810,617	810,617
Excess of Revenues	28,289	28,289
Fund Balance - Beginning of Year	34,339	34,339
Fund Balance - End of Year	\$ 62,628	\$ 62,628

CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Carle Place Public Library Funding District (District) is governed by Town Law and other general laws of the State of New York. The Board of Trustees is the legislative body responsible for overall operations. The Board of Trustees consists of five members, all of whom are elected by the residents of the District for terms of three years. The primary function of the District is to provide library services to district residents.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of these accounting policies are as follows:

A. Reporting Entity

The reporting entity of the District is based upon criteria set forth by GASB Statement 14, *The Financial Reporting Entity*, as amended. The financial reporting entity consists of the primary government. The District does not have any related activities that could be component units.

The Town of North Hempstead, New York, has determined that the District is not a component of the Town.

B. Basis of Presentation

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities present information about the overall financial activities of the District. Eliminations have been made to minimize the double counting of interfund transactions.

The Statement of Net Position presents the financial position of the District at fiscal year end. The Statement of Activities presents a comparison between general revenues and expenses for District services.

Fund Financial Statements

The accounts of the District are organized on the basis of funds, each of which is considered a separate entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Based on the limited operations of the District, the District maintains only the following governmental fund type:

Governmental Fund:

General Fund - is the general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund.

CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Basis of Accounting and Measurement Focus

The government-wide financial statements are reported on the accrual basis of accounting using the economic resources measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include real property taxes and grants. On an accrual basis, revenue from real property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied and the related expenditures are incurred.

The governmental fund statements are reported on the modified accrual basis of accounting using the current financial resources measurement focus. Revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 90 days after the end of the fiscal year, except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, and claims and judgments, which are recognized as expenditures to the extent they have matured.

In the current year, there are no differences in the government-wide financial statements and the governmental fund financial statements and therefore, there is no reconciliation of the statements.

D. Real Property Taxes

Property taxes are collected by the Town of North Hempstead Receiver of Taxes on behalf of the District. The Town of North Hempstead Receiver of Taxes collects all property taxes for the Town, Nassau County, Town Special Districts and School Districts. Town and County taxes are levied on January 1, and are due in two installments payable by February 10 and August 10. The Town remits 100% of the amount of real property tax levied to the District. Responsibility for collection of unpaid taxes is assumed by Nassau County.

E. Budgetary Data

Budget Policies

The District prepares an annual budget for the general fund, on a basis consistent with generally accepted accounting principles, which is approved by the Board of Trustees. The budget is then submitted to the Town of North Hempstead for inclusion in the Town budget and a public hearing is held thereon.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in the general fund. Encumbrances are reported as reservations of fund balance, since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred. Encumbrances are shown in the fund financial statements only. There were no encumbrances at December 31, 2014.

CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

F. Equity Classifications

Government-Wide Statements

In the government-wide statements there are three potential components of net position – net investment in capital assets, restricted and unrestricted. The District’s net position consists of only unrestricted resources.

Fund Statements

The fund statements report fund balance classifications according to the relative strength of spending constraints placed on the purpose for which resources can be used. All of the fund balance of the District’s general fund is classified as unassigned, as there are no spending constraints on the resources.

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 the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including potential contingent liabilities.

2. CASH AND INVESTMENTS

The District’s investment policies are governed by state statutes. The Treasurer is authorized to use demand accounts, money market accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand and time deposits at 105% of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities.

All bank balances were covered by FDIC insurance at December 31, 2014.

3. CONTINGENCIES

The District is currently recognized as a tax exempt entity under Internal Revenue code Section 501(c)3. The Board believes this designation to be incorrect as they believe themselves to be a unit of local government. They have petitioned the Internal Revenue Service for a redetermination. Consequently, the District has not filed the required tax returns with the Internal Revenue Service from its inception. Failure to file penalties could be assessed by the Internal Revenue Service. If penalties are assessed the Board would ask for relief based on reasonable cause. The dollar amounts of these penalties are undetermined at this time.

CARLE PLACE PUBLIC LIBRARY FUNDING DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended December 31, 2014

	Budget	Actual	Final Budget Variance with Actual
REVENUES			
Real Property Taxes	\$ 835,004	\$ 834,986	\$ (18)
Payments in Lieu of Taxes	3,900	3,820	(80)
Interest Income	100	100	
Total Revenues	839,004	838,906	\$ (98)
 Appropriated Fund Balance	 5,996		
 Total Revenues and Appropriated Fund Balance	 <u>\$ 845,000</u>		
EXPENDITURES			
Library Contract	\$ 800,000	\$ 790,000	\$ 10,000
Professional Fees	15,000	16,317	(1,317)
Insurance	5,000	2,150	2,850
Election Expense	1,500	725	775
Postage	5,000	192	4,808
Publicity and Printing	16,000	1,224	14,776
Conference Expenses	1,000		1,000
Membership Dues	1,000		1,000
Office Supplies	500	9	491
Total Expenditures	\$ 845,000	810,617	\$ 34,383
 Net Change in Fund Balance		 28,289	
 Fund Balance - Beginning of Year		 34,339	
 Fund Balance - End of Year		 <u>\$ 62,628</u>	

