

**HOPKINS COUNTY-MADISONVILLE
PUBLIC LIBRARY**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2017**

Contents

Independent Auditor's Report	1-2
Financial Statements:	
Statement of Net Assets	3
Statement of Activities	4
Balance Sheet	5
Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Assets	6
Statement of Revenue and Expenditures and Changes in Fund Balance	7
Reconciliation of the Statement of Revenues , Expenditures, and Changes in Fund Balance of Governmental Fund to the Statement of Activities	8
Notes to Financial Statements	9-13
Supplementary Information	
Statement of Revenue and Expenditures and Changes in Fund Balance, Budget to Actual-General Fund	14
Schedule of General Government Expenditures	15-16
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	17-18
Board of Trustees and Other Administrative Personnel	19



Michael L. Overby, CPA, PLLC
Certified Public Accountant
2201 Westerfield Drive, Suite C
Providence, KY 42450

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Hopkins County-Madisonville Public Library
Madisonville, Kentucky

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Hopkins County-Madisonville Public Library as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Library'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 of material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend upon 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Hopkins County-Madisonville Public Library, as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Management has omitted the Management Discussion and Analysis and Budgetary Comparison information, 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. My opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated June 5, 2018, on my consideration of the Hopkins County-Madisonville Public Library's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hopkins County-Madisonville Public Library's internal control over financial reporting and compliance.



Providence, Kentucky
June 5, 2018

Hopkins County-Madisonville Public Library
Statement of Net Assets
June 30, 2017

	Primary Government Governmental Activities
Assets	
Current Assets	
Cash and Cash Equivalents	\$ 504,183
Total Current Assets	504,183
Noncurrent Assets	
Restricted Cash	191,504
Capital Assets, Net of Accumulated Depreciation	1,762,011
Total Noncurrent Assets	1,953,515
Total Assets	2,457,698
Liabilities	
Current Liabilities	
Accounts Payable	4,730
Payroll Liabilities	1,819
Current Portion of Noncurrent Liabilities	35,000
Total Current Liabilities	41,549
Noncurrent Liabilities	
Notes Payable-City of Madisonville	29,694
Notes Payable-Hopkins County Fiscal Court	400,000
Total Noncurrent Liabilities	429,694
Total Liabilities	471,243
Net Assets	
Invested in Capital Assets, Net of Related Debt	1,297,317
Restricted for Special Purposes	20,542
Unrestricted	668,596
Total Net Assets	\$ 1,986,455

See Notes to Financial Statements.

Hopkins County - Madisonville Public Library
Statement of Activities
For the year ended June 30, 2017

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
Government Activities:					
General Government	\$ (452,677)	\$ 20,595	\$ 565,141	\$ -	\$ 133,059
Depreciation	(97,440)	-	-	-	(97,440)
Interest	(6,022)	-	-	-	(6,022)
Total Governmental Activities	(556,139)	20,595	565,141	-	29,597
Total Primary Government	\$ (556,139)	\$ 20,595	\$ 565,141	\$ -	29,597
General Revenues:					
Interest Income					107
Total General Revenues					107
Change in Net Assets					29,704
Net Assets, Beginning					1,956,751
Net Assets, Ending					\$ 1,986,455

See Notes to Financial Statements.

Hopkins County - Madisonville Public Library
Balance Sheet
Governmental Fund
June 30, 2017

	Total Governmental Fund
Assets	
Cash and Cash Equivalents	\$ 504,183
Restricted Cash	191,504
	191,504
Total Assets	\$ 695,687
	695,687
 Liabilities and Fund Balances	
Liabilities	
Accounts Payable	\$ 4,730
Payroll Liabilities	1,819
	1,819
Total Liabilities	6,549
	6,549
 Fund Balances	
Nonspendable	-
Restricted for Special Purposes	191,504
Committed	-
Assigned	-
Unassigned	497,634
	497,634
Total Fund Balances	689,138
	689,138
Total Liabilities and Fund Balances	\$ 695,687
	695,687

See Notes to Financial Statements.

Hopkins County - Madisonville Public Library
Reconciliation of the Balance Sheet - Governmental Fund
To the Statement of Net Assets
June 30, 2017

Total Fund Balances - Governmental Fund	\$ 689,138
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources, and therefore are not reported in the funds.	1,762,011
Long-term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental fund balance sheet.	<u>(464,694)</u>
Net Assets of Governmental Activities	<u><u>\$ 1,986,455</u></u>

See Notes to Financial Statements.

Hopkins County - Madisonville Public Library
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2017

Revenues

Governmental

City of Madisonville	\$ 200,000
City of Dawson Springs	33,000
County of Hopkins	230,000
State of Kentucky - State Aid	<u>24,972</u>

Total Governmental	<u>487,972</u>
---------------------------	----------------

Other Income

Bequests	32,987
Donations	14,701
Interest Income	107
Rent Income	1,105
Computer and Machine Income	666
Programs Income	1,151
Self Generating Income	15,551
Postage Income	3
Other Income	<u>31,600</u>

Total Other Income	<u>97,871</u>
---------------------------	---------------

Total Revenues	<u>585,843</u>
-----------------------	----------------

Expenditures

General Government	452,677
Capital Outlay	107,409
Debt Service-Principal	35,000
Interest	<u>6,022</u>

Total Expenditures	<u>601,108</u>
---------------------------	----------------

Excess (Deficiency) of Revenues over (under) Expenditures	<u>(15,265)</u>
--	-----------------

Net Change in Fund Balance	(15,265)
----------------------------	----------

Fund Balance, July 1, 2016	<u>704,403</u>
-----------------------------------	----------------

Fund Balance, June 30, 2017	<u><u>\$ 689,138</u></u>
------------------------------------	--------------------------

See Notes to Financial Statements.

Hopkins County - Madisonville Public Library
Reconciliation of the Statement of Revenue, Expenditures,
and Changes in Fund Balance of Governmental Fund to the
Statement of Activities
For the year ended June 30, 2017

Net change in Fund Balance - Governmental Fund	\$ (15,265)
--	-------------

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental Funds report capital outlays as expenditures. However in the Statement of Activities and Changes in Net Assets, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital asset additions that exceed depreciation expense for the current period.	9,969
--	-------

Government funds report debt repayment as expenditures. However in the government-wide statement of activities and changes in net assets, the repayment of that debt is a reduction of the total long-term liabilities. This is the amount of long-term repayments exceeded the long-term liability additions during the current year.	<u>35,000</u>
--	---------------

Change in Net Assets of Governmental Activities	<u><u>\$ 29,704</u></u>
---	-------------------------

See Notes to Financial Statements.

Hopkins County-Madisonville Public Library
Notes to Financial Statements
For the Year Ended June 30, 2017

Note 1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

The Hopkins County – Madisonville Public Library (“The Library”) is a city-county library supported with funds derived from an inter-local agreement between the City of Madisonville and the Hopkins County governments and state funding based on a KDLA formula; as does every library in Kentucky. The Library also receives memorial contributions, monetary donations and other miscellaneous forms of income. The library is operated by a District Board comprised of members appointed by the County Judge Executive and the City of Madisonville mayor, both publicly elected officials, and they have the decision making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters of the library is authorized under Kentucky Revised Statutes and constitutes a governmental subdivision of the Commonwealth of Kentucky. The library is located in Madisonville, Kentucky, with a Branch Library located in Dawson Springs, Kentucky and serves the Hopkins County – Madisonville, Kentucky area.

Hopkins County – Madisonville Public Library Corporation was established in 1984 to buy property.

B. Basis of Presentation

The government-wide financial statements (the statement of net assets and the statement of activities) report information on all of the activities of the Library. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expense of a given program is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements:

The Library segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements.

Governmental funds are those funds through which most governmental functions typically are financial. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The Library has presented the following major governmental funds:

The General Fund is the main operating fund of the Library. This fund is used to account for all financial resources. All general receipts that are not restricted by law or contractual agreement to

Hopkins County-Madisonville Public Library
Notes to Financial Statements (Continued)
For the Year Ended June 30, 2017

some other funds are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are paid from the General Fund.

C. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements present increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

D. Cash and Investments

For the purpose of all funds of the Hopkins County-Madisonville Public Library, cash on hand, cash in bank and certificates of deposits are considered to be cash and cash equivalents.

E. Government-Wide Net Assets

Government-wide net assets are divided into three (3) components:

Invested in capital assets, net of related debt – consists of the historical cost of capital assets less accumulated depreciation and reduced by the outstanding balances of any capital leases, notes or any other borrowings that are attributed to the acquisition, construction or improvement of those assets.

Restricted net assets – consists of net assets with constraints placed on the use either by 1) external groups such as creditors, grantors, or laws and regulations, or 2) law through constitution provisions of enabling legislations.

Unrestricted net assets – all other net assets are reported in this category.

Fund Financial Statements:

In the governmental fund financial statements, fund balances are classified as follows:

- **Nonspendable** – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Hopkins County-Madisonville Public Library
Notes to Financial Statements (Continued)
For the Year Ended June 30, 2017

- **Restricted** – Amounts that can be spent only for specific purposes because of the state or federal laws, or externally imposed conditions by grantors or creditors.
- **Committed** – Amounts that can be used only for specific purposes determined by a formal action by District Board.
- **Assigned** – Amounts that are designated by the District Board for a particular purpose but are not spendable until a budget ordinance is passed or there is a majority vote approval (for capital projects or debt service) by the District Board.
- **Unassigned** – All amounts not included in other spendable classifications.

F. Income Taxes

The Hopkins County-Madisonville Public Library is exempt from federal income taxes under section 501 (c)(3) of the Internal Revenue Code and, therefore, has not made any provisions for federal income taxes in the accompanying financial statements.

G. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, designated fund balances, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

H. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance is recorded as expenses. Renewals and betterments are capitalized.

Note 2. Deposits and Investments

State statute requires that all deposits and investments in financial institutions be fully collateralized by U. S. Government obligations or its agencies and instrumentalities or direct obligations of Kentucky or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. The Library's deposits were fully insured or collateralized as required by state statutes at June 30, 2017.

**Hopkins County-Madisonville Public Library
Notes to Financial Statements (Continued)
For the Year Ended June 30, 2017**

Note 3. Capital Assets

Capital asset activity for the year ended June 30, 2017, was as follows:

	Balances July 1, 2016	Additions	Retirements	Balances June 30, 2017
Governmental Activities				
Building	1,223,619	50,965	-	1,274,584
Shelving	172,184	-	-	172,184
Vehicles	9,000	-	-	9,000
Furnishings	67,717	-	-	67,717
Electronic, Audio Visual	68,340	10,197	-	78,537
Library Materials	2,623,924	23,173	-	2,647,097
Equipment	318,877	23,074	-	341,951
Total Capital Assets	4,483,661	107,409	-	4,591,070
Less Accumulated Depreciation				
Building	(177,801)	(29,595)	-	(207,396)
Shelving	(160,115)	(1,414)	-	(161,529)
Vehicles	(9,000)	-	-	(9,000)
Furnishings	(52,200)	(2,659)	-	(54,859)
Electronic, Audio Visual	(45,192)	(1,910)	-	(47,102)
Library Materials	(2,052,880)	(42,570)	-	(2,095,450)
Equipment	(234,431)	(19,292)	-	(253,723)
Total Accumulated Depreciation	(2,731,619)	(97,440)	-	(2,829,059)
Governmental Activities Capital Assets, Net	\$ 1,752,042	\$ 9,969	\$ -	\$ 1,762,011

Note 4. Lease Agreement

On September 1, 2013, the Hopkins County-Madisonville Public Library entered into a ten year lease agreement with the Public Library Development Foundation, Inc. for the purchase of real estate at 425 East Center Street, Madisonville, KY, owned by Thomas and Donna Edwards, The rental payments in the amount of \$2,200 will be used by the Library Foundation for the retirement of the original debt on this purchase. This property will be transferred to the Hopkins County-Madisonville Public Library after the indebtedness to Mr. and Mrs. Edwards has been paid in full.

Note 5. Long-term Liabilities

In December, 2013, the Library entered into a loan agreement with the City of Madisonville, KY in the amount of \$70,000. This amount was to be used for the retirement of the Library's remaining debt with the Kentucky Labor Cabinet. This loan is to be repaid over a period of seven (7) years, starting January, 2015, with an annual principal payment of \$10,000 and an interest rate of 1.68%. This rate is adjusted annually in agreement with applicable federal rate.

In January, 2014, the Hopkins County Fiscal Court allocated \$500,000 toward the Library's renovation project of the 425 East Center Street project. This agreement requires the Library to repay this amount over a period of twenty (20) years with an annual principal payment of \$25,000 plus a fixed interest rate of 1.75%.

**Hopkins County-Madisonville Public Library
Notes to Financial Statements (Continued)
For the Year Ended June 30, 2017**

Changes during the fiscal year 2017 and balances as of June 30, 2017, including the current portions, of the library are as follows:

	<u>Balance</u> <u>06/30/16</u>	<u>Additions</u>	<u>Retire-</u> <u>ments</u>	<u>Balance</u> <u>06/30/17</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities					
City of Madisonville, KY	\$ 49,694	\$ -	\$ 10,000	\$ 39,694	\$ 10,000
Hopkins Co. Fiscal Court	<u>450,000</u>	<u>-</u>	<u>25,000</u>	<u>425,000</u>	<u>25,000</u>
Total	<u>\$ 499,694</u>	<u>\$ -</u>	<u>\$ 35,000</u>	<u>\$ 464,694</u>	<u>\$ 35,000</u>

Note 6. Risk Management

The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Library purchased commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

SUPPLEMENTARY INFORMATION

Hopkins County - Madisonville Public Library
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual - General Fund
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues				
City of Madisonville	\$ 200,000	\$ 200,000	\$ 200,000	\$ -
City of Dawson Springs	33,000	33,000	33,000	-
County of Hopkins	230,000	230,000	230,000	-
State of Kentucky	24,500	24,500	24,972	472
Other Income/Donations/Bequests	43,000	33,000	32,987	(13)
Donations	6,000	10,500	14,701	4,201
Interest Income	100	100	107	7
Rent Income	1,000	1,000	1,105	105
Book Income	1,000	690	-	(690)
Computer and Machine Income	-	70	666	596
Programs Income	3,000	900	1,151	251
Self Generating Income	8,500	12,060	15,551	3,491
Postage Income	100	-	3	3
Other Income	26,010	19,255	31,600	12,345
Total Revenues	<u>576,210</u>	<u>565,075</u>	<u>585,843</u>	<u>20,768</u>
Expenditures				
Current:				
General Government	539,060	540,010	452,677	87,333
Capital Outlay	84,400	86,010	107,409	(21,399)
Debt Service	41,300	41,300	41,022	278
Total Expenditures	<u>664,760</u>	<u>667,320</u>	<u>601,108</u>	<u>66,212</u>
Net Change in Fund Balance	(88,550)	(102,245)	(15,265)	86,980
Fund Balance, Beginning	<u>88,550</u>	<u>102,245</u>	<u>704,403</u>	<u>602,158</u>
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 689,138</u>	<u>\$ 689,138</u>

Hopkins County - Madisonville Public Library
Statement of Expenditures
For the year ended June 30, 2017

Personnel

Library Staff	\$ 215,530
Payroll Taxes	15,807
Medical Insurance	19,357
KACO Unemployment	208
Workers Compensation	<u>4,332</u>

Total Personnel 255,234

Materials

Book Processing Supplies	987
Periodicals	1,842
Electronic Database	14,387
Electronic Materials	<u>10,156</u>

Total Materials 27,372

Bookmobile

Bookmobile Fuel and Oil	<u>418</u>
-------------------------	------------

Total Bookmobile 418

Computer Circulation

Internet Communications	<u>2,105</u>
-------------------------	--------------

Total Computer Circulation 2,105

Hopkins County - Madisonville Public Library
Statement of Expenditures(Continued)
For the year ended June 30, 2017

Library Operations

Building Maintenance and Repairs	12,555
Cleaning Service - Special	2,222
Utilities	50,476
Insurance - Library	16,882
Public Relations - Advertising	2,394
Legal and Accounting	13,075
Education and Travel	2,002
Professional Fees and Dues	731
Board Expenses	858
Adult Programming	6,892
Office Supplies	11,017
Building Rent	26,560
Child Programming	6,752
Miscellaneous	962
Service Agreements	<u>14,170</u>
Total Library Operations	<u>167,548</u>
Total General Government Expenditures	<u><u>\$ 452,677</u></u>



Michael L. Overby, CPA, PLLC

Certified Public Accountant

2201 Westerfield Drive, Suite C

Providence, KY 42450

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To the Board of Trustees
Hopkins County-Madisonville Public Library

I have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Hopkins County-Madisonville Public Library, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Hopkins County-Madisonville Public Library's basic financial statements, and have issued my report thereon dated June 5, 2018.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Hopkins County-Madisonville Public Library's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Hopkins County-Madisonville Public Library's internal control. Accordingly, I do not express an opinion on the effectiveness of Hopkins County-Madisonville Public Library's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Hopkins County-Madisonville Public Library's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Providence, Kentucky
June 5, 2018

**Hopkins County - Madisonville Public Library
Board of Trustees and Other Administrative Personnel
June 30, 2017**

Board of Trustees	Term Expires	
Carolyn Ferrell	President	June 30, 2017
Patricia Wiles	Vice President	June 30, 2017
Eric Nance Woehler	Secretary	June 30, 2017
Gigi Kesterson Smith	Member	June 30, 2019
Tara Edwards	Member	March 2, 2020
Allen Davis	Member	June 30, 2019

Other Administrative Personnel	
Joel Meador	Director
Angel Killough	Asst. Director/Branch Librarian
Sharon Gibbs	Technical Processing/Adm. Asst.
Shanna Turner	Children Librarian/Outreach Librarian
Laura Holt	IT Coordinator/Clerk
Ashley Buchanan	Marketing/Adult Programming/Clerk
Violet Dexter	Clerk
Joy Baxter	Clerk
Judi Humphrey	Clerk
Robert Mance	Clerk