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ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
General Purpose Financial Statements
and Independent Auditor's Report
As of and for the Year Ended
December 31, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JUL 19 2000

KEITH J. ROVIRA
Certified Public Accountant

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INDEPENDENT AUDITOR'S REPORT

St. John the Baptist Parish Library
A Component Unit of the
St. John the Baptist Parish Council
LaPlace, Louisiana

I have audited the accompanying general purpose financial statements of the St. John the Baptist Parish Library, a component unit of the St. John the Baptist Parish Council, as of and for the year ended December 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the management of the St. John the Baptist Parish Library. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards contained in the 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. John the Baptist Parish Library as of December 31, 1999, and the results of operations for the year then ended, in conformity with generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements, as listed in

the table of contents, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the St. John the Baptist Parish Library. This information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, I have also issued a report dated June 7, 2000, on my consideration of the St. John the Baptist Parish Library's compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards. This report is presented separately after the notes to the financial statements of this audit report.



Keith J. Rovira
Certified Public Accountant

June 7, 2000

GENERAL PURPOSE FINANCIAL STATEMENTS

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Combined Balance Sheet
 All Fund Types and Account Groups
 December 31, 1999

Statement A

		Account Groups	
	Governmental Fund-Types	General Fixed Assets	Long-Term Obligations
<u>ASSETS AND OTHER DEBITS</u>			
Cash (Note C)	\$525,579	-	-
Investments (Note D)	2,575,801	-	-
Receivables:			
Ad valorem taxes	1,486,108	-	-
State revenue sharing	57,700	-	-
Accrued interest	46,270	-	-
Equipment, books, shelving, etc. (Note E)	-	\$4,033,348	-
Amount to be provided for retirement of certificates of indebtedness and compensated absences (Note H)	-	-	\$2,723,380
TOTAL ASSETS AND OTHER DEBITS	<u>\$4,691,458</u>	<u>\$4,033,348</u>	<u>\$2,723,380</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Accounts payable and payroll tax deductions	\$30,696	-	-
Retainage payable	28,630	-	-
Pension contribution deduction from ad valorem taxes	48,020	-	-
Compensated absences payable (Notes H)	-	-	\$33,380
Certificates of Indebt- edness payable (Note H)	-	-	2,690,000
Total Liabilities	<u>107,346</u>	-	<u>2,723,380</u>
Fund Equity:			
Investment in general fixed assets	-	\$4,033,348	-
Fund balance:			
Reserved for endowment	5,000	-	-
Unreserved - undesignated	4,579,112	-	-
Total Fund Equity	<u>4,584,112</u>	<u>4,033,348</u>	-
TOTAL LIABILITIES AND FUND EQUITY	<u>\$4,691,458</u>	<u>\$4,033,348</u>	<u>\$2,723,380</u>

The accompanying notes are an integral part of this statement.

Total
(Memorandum
Only)

\$525,579
2,575,801

1,486,108
57,700
46,270

4,033,348

2,723,380

\$11,448,186

\$30,696
28,630

48,020

33,380

2,690,000

2,830,726

4,033,348

5,000
4,579,112

8,617,460

\$11,448,186

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Combined Statement of Revenues, Expenditures
 and Changes in Fund Balance - All Governmental Fund Types
 For the Year Ended December 31, 1999
 Statement B

	General Fund	<u>Capital Project Funds</u> Central Library Constr.	West Bank Constr.
<u>REVENUES</u>			
Ad valorem taxes	\$1,450,730	-	-
Intergovernmental revenues - state revenue sharing	86,550	-	-
Grants	17,847	-	-
Fees & charges for library services	13,891	-	-
Fines and forfeitures	18,754	-	-
Interest earnings	21,449	\$121,410	-
Other revenues	<u>19,698</u>	<u>1,075</u>	<u>-</u>
Total Revenues	<u>1,628,919</u>	<u>122,485</u>	<u>-</u>
<u>EXPENDITURES</u>			
Salaries, related benefits and payroll taxes	757,280	-	-
Operating services	184,737	39,486	\$37,504
Materials and supplies	21,034	-	-
Travel and other charges	5,337	-	-
Capital outlay	202,551	-	576,221
Bond principal payment	-	-	-
Bond interest and fiscal charges	-	-	-
Intergovernmental	<u>48,566</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>1,219,505</u>	<u>39,486</u>	<u>613,725</u>
Excess (Deficiency) of Revenues over Expenditures	<u>409,414</u>	<u>82,999</u>	<u>(613,725)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfer to Sinking Fund	(381,508)	-	-
Transfer in from General Fund	-	-	584,147
Transfer to West Bank Constr.	<u>(584,147)</u>	<u>-</u>	<u>-</u>
Total Other Sources (Uses)	<u>(965,655)</u>	<u>-</u>	<u>584,147</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(556,241)	82,999	(29,578)
Fund Balance at Beginning of Year	<u>2,185,146</u>	<u>2,874,368</u>	<u>-</u>
Fund Balance at End of Year	<u>\$1,628,905</u>	<u>\$2,957,367</u>	<u>\$(29,578)</u>

The accompanying notes are an integral part of this statement.

<u>Debt Service (Sinking)</u>	<u>Total (Memorandum Only)</u>
-	\$1,450,730
-	86,550
-	17,847
-	13,891
-	18,754
\$780	143,639
<u>-</u>	<u>20,773</u>
<u>780</u>	<u>1,752,184</u>
-	757,280
-	261,727
-	21,034
-	5,337
-	778,772
235,000	235,000
139,457	139,457
<u>-</u>	<u>48,566</u>
<u>374,457</u>	<u>2,247,173</u>
<u>(373,677)</u>	<u>(494,989)</u>
-	(381,508)
381,508	965,655
<u>-</u>	<u>(584,147)</u>
<u>381,508</u>	<u>-</u>
7,831	(494,989)
<u>19,589</u>	<u>5,079,103</u>
<u>\$27,420</u>	<u>\$4,584,114</u>

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Statement of Receipts, Disbursements and Changes
 in Cash Balance - Budget (Non-GAAP Basis) and Actual
 General Fund
 For the Year Ended December 31, 1999

Statement C

	<u>General Fund</u>		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
<u>RECEIPTS</u>			
Ad valorem taxes	\$1,430,834	\$1,431,157	\$ 323
Intergovernmental revenues - state revenue sharing	89,035	98,312	9,277
Grants	17,847	17,847	-
Fees & charges for library services	10,000	13,891	3,891
Fines and forfeitures	16,225	18,794	2,569
Interest earnings	12,600	24,473	11,873
Other revenues	<u>16,399</u>	<u>19,698</u>	<u>3,299</u>
Total Receipts	<u>1,592,940</u>	<u>1,624,172</u>	<u>31,232</u>
<u>DISBURSEMENTS</u>			
Salaries, related benefits and payroll taxes	789,622	757,280	32,342
Operating services	206,715	184,322	22,393
Materials and supplies	24,725	21,672	3,053
Travel and other charges	5,700	5,337	363
Capital outlay	190,889	197,772	(6,883)
Intergovernmental	<u>48,000</u>	<u>47,606</u>	<u>394</u>
Total Expenditures	<u>1,265,651</u>	<u>1,213,989</u>	<u>51,662</u>
Excess (Deficiency) of Receipts over Disbursements	<u>327,289</u>	<u>410,183</u>	<u>82,894</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfer to Sinking Fund	(381,508)	(381,508)	-
Transfer in from (to) Central Library Construction Fund	(2,888,592)	-	2,888,592
Transfer to West Bank Constr.	<u>(651,478)</u>	<u>(584,147)</u>	<u>67,331</u>
Total Other Sources (Uses)	<u>(3,921,578)</u>	<u>(965,655)</u>	<u>2,955,923</u>

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Statement of Receipts, Disbursements and Changes
 in Cash Balance - Budget (Non-GAAP Basis) and Actual
 General Fund
 For the Year Ended December 31, 1999

Statement C - Continued

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Excess (Deficiency) of Receipts over Disbursements and Other Financing Uses	\$(3,594,289)	\$(555,472)	\$3,038,817
Cash, Cash Equivalents and Investments Balance at Beginning of Year	<u>\$3,594,289</u>	<u>717,707</u>	<u>(2,876,582)</u>
Cash, Cash Equivalents and Investments Balance at End of Year	<u><u>-</u></u>	<u>\$162,235</u>	<u>\$162,235</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Statement of Receipts, Disbursements and Changes
 in Cash Balance - Budget (Non-GAAP Basis) and Actual
 West Bank Construction - Capital Project Fund
 For the Year Ended December 31, 1999

Statement D

	<u>West Bank Construction</u> <u>Capital Project Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>RECEIPTS</u>			
Total Receipts	-	-	-
<u>DISBURSEMENTS</u>			
Operating services	\$36,280	\$36,556	\$(276)
Capital outlay	<u>615,198</u>	<u>547,591</u>	<u>67,607</u>
Total Expenditures	<u>651,478</u>	<u>584,147</u>	<u>67,331</u>
Excess (Deficiency) of Receipts over Disbursements	<u>(651,478)</u>	<u>(584,147)</u>	<u>(67,331)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfer in from General Fund	<u>651,478</u>	<u>584,147</u>	<u>67,331</u>
Total Other Sources (Uses)	<u>\$651,478</u>	<u>\$584,147</u>	<u>\$67,331</u>
Excess (Deficiency) of Receipts over Disbursements and Other Financing Uses	-	-	-
Cash, Cash Equivalents and Investments Balance at Beginning of Year	-	-	-
Cash, Cash Equivalents and Investments Balance at End of Year	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Statement of Receipts, Disbursements and Changes
 in Cash Balance - Budget (Non-GAAP Basis) and Actual
 Central Library Construction - Capital Project Fund
 For the Year Ended December 31, 1999

Statement E

	<u>Central Library Construction</u> <u>Capital Project Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>RECEIPTS</u>			
Interest earnings	-	\$119,988	\$119,988
Other	<u>-</u>	<u>1,075</u>	<u>1,075</u>
Total Receipts	<u>-</u>	<u>121,063</u>	<u>121,063</u>
<u>DISBURSEMENTS</u>			
Operating services	\$243,500	\$39,486	\$204,014
Capital outlay	<u>2,720,092</u>	<u>-</u>	<u>2,720,092</u>
Total Expenditures	<u>2,963,592</u>	<u>39,486</u>	<u>2,924,106</u>
Excess (Deficiency) of Receipts over Disbursements	<u>(2,963,592)</u>	<u>81,577</u>	<u>3,045,169</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfer in from General Fund	<u>2,963,592</u>	<u>-</u>	<u>(2,963,592)</u>
Total Other Sources (Uses)	<u>\$2,963,592</u>	<u>-</u>	<u>(2,963,592)</u>
Excess (Deficiency) of Receipts over Disbursements and Other Financing Uses	-	81,577	81,577
Cash, Cash Equivalents and Investments Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Cash, Cash Equivalents and Investments Balance at End of Year	<u>-</u>	<u>\$81,577</u>	<u>\$81,577</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Statement of Receipts, Disbursements and Changes
 in Cash Balance - Budget (Non-GAAP Basis) and Actual
 Sinking Fund - Debt Service Fund
 For the Year Ended December 31, 1999

Statement F

	<u>Sinking Fund</u> <u>Debt Service Fund</u>		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	<u>(Unfavorable)</u>
<u>RECEIPTS</u>			
Interest earnings	<u>-</u>	\$ <u>780</u>	\$ <u>780</u>
Total Receipts	<u>-</u>	<u>780</u>	<u>780</u>
 <u>DISBURSEMENTS</u>			
Bond principal payment	\$ <u>381,508</u>	\$ <u>235,000</u>	\$ <u>146,508</u>
Bond interest and fiscal charges	<u>-</u>	<u>139,457</u>	<u>(139,457)</u>
Total Expenditures	<u>381,508</u>	<u>374,457</u>	<u>7,051</u>
Excess (Deficiency) of Receipts over Disbursements	<u>(381,508)</u>	<u>(373,677)</u>	<u>7,831</u>
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfer in from General Fund	<u>381,508</u>	<u>381,508</u>	<u>-</u>
Total Other Sources (Uses)	\$ <u>381,508</u>	<u>381,508</u>	<u>-</u>
Excess (Deficiency) of Receipts over Disbursements and Other Financing Uses	<u>-</u>	<u>7,831</u>	<u>7,831</u>
Cash, Cash Equivalents and Investments Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Cash, Cash Equivalents and Investments Balance at End of Year	<u>-</u>	\$ <u>7,831</u>	\$ <u>7,831</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 1999

INTRODUCTION

The St. John the Baptist Parish Library was established by the parish governing authority under provisions of Louisiana Revised Statute (LSA-R.S.) 25:211. The Library provides citizens of the parish and the adjoining parishes, through reciprocal agreements, access to library materials, books, magazines, records and films. The library is governed by a board of control that is appointed by the parish council in accordance with provisions of LSA-R.S. 25:214.

The Library serves the community with a population of approximately 42,000 people. One main library and three branch libraries served approximately 134,000 persons during the year, excluding those persons assisted over the telephone.

Board members serve without compensation.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

The accompanying general purpose financial statements of the St. John the Baptist Parish Library have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

2. Reporting Entity

As the governing authority of the parish, for reporting purposes, the St. John the Baptist Parish Council is the financial reporting entity for St. John the Baptist Parish. The financial reporting entity consists of (a) the primary government (St. John the Baptist Parish Council), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

should be considered part of the St. John the Baptist Parish Council for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability.

The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. the ability of the parish council to impose its will on that organization, and/or
 - b. the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the parish council.
2. Organizations for which the parish council does not appoint a voting majority, but are fiscally dependent on the parish council.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the parish council appoints the governing board and because of the scope of public service, the library was determined to be a component unit of St. John the Baptist Parish Council, the governing body of the parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on those funds maintained by the library and do not present information on the council, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Fund Accounting

The library uses governmental fund types and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions and activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The library's governmental fund types are described as follows:

a. General Fund

The General Fund is the principal fund of the library and accounts for general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of general fixed assets. The various taxes, fees and charges due to the library are accounted for in this fund, as well as, general operating expenditures.

b. Capital Projects Funds

These funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

c. Debt Service Fund

This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

4. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

measurement focus, only current assets and liabilities generally are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues --

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Interest earnings on time deposits are recorded when the time deposits have matured and the revenue is available.

All other revenues are recorded when they become available to the library.

Expenditures --

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for accumulated vacation leave, which is recognized when leave is taken or employees are paid for accrued leave upon termination.

5. Budget

All proposed budgets for the General Fund, the Capital Project Funds and the Debt Service Fund were prepared on the cash basis of accounting. These budgets were completed and made available for public inspection at the library on November 7, 1998. A public hearing was held on November 23, 1998, for suggestions and comments from the public, and the proposed budgets were formally adopted on that date. The budgets, which included proposed cash

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Notes to the Financial Statements
 December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

expenditures and the means of financing them, were published in the official journal prior to the public hearing. All appropriations lapse at year end, and any accounts payable outstanding at year end are included in the next year's budget with funds appropriated in that year to finance them. Formal budget integration is not employed as a management control device during the year; however, the administrative librarian monitors the budget during the year.

The administrative librarian is authorized to transfer amounts between line items within any fund. When actual cash revenues fail to meet budgeted cash revenues by five percent or more and/or actual cash expenditures exceed budgeted expenditures by five percent or more, a budget amendment to reflect such change is adopted by the library board in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

The following is a reconciliation of the excess of receipts over disbursements on Statement C (budget comparison) with the excess of revenues over expenditures on Statement B for the General Fund:

	<u>General Fund</u>
Excess (Deficiency) of receipts over disbursements and other financing uses - Statement C	\$(555,472)
Add:	
+ Receivables at December 31, 1999	1,544,437
+ Liabilities at December 31, 1998	51,025
Less:	
- Receivables at December 31, 1998	(1,539,690)
- Liabilities at December 31, 1999	<u>(56,541)</u>
Excess (Deficiency) of revenues over expenditures - Statement B	<u>\$(556,241)</u>

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

6. Cash
Cash includes amounts in interest bearing demand deposits and a savings account. Under state law, the library may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, U.S. Treasury Bills or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.
7. Investments
Investments include amounts in U.S. Treasury Bills.
8. Receivables
There was a 3% allowance for doubtful accounts set up based on past experience of the differences in the amount of ad valorem taxes received and accrued as recorded on the financial statements.
9. Fixed Assets
Fixed assets are accounted for in the general fixed assets account group, rather than in the governmental funds. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. Approximately 65% of the fixed assets represent library books, which are recorded at average prices obtained from the Bowker Annual. The remaining 35% of all other fixed assets are valued at historical cost. Louisiana law does not allow the library to own real property; therefore, the library buildings being used by the library are recorded in the general fixed assets account group of St. John the Baptist Parish Council.
10. Compensated Absences and Long-Term Obligations
Vacation (annual) leave is accumulated by employees at a variable rate, which is predetermined by the library board and depends on the employee's years of service. The leave is accumulated on a per month basis and is credited at the end of each month. Upon separation from employment, the employee is paid for all vacation leave that is accumulated and credited to the employee. Employees may accumulate a maximum of two and one half times their rate of annual leave.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Sick leave is granted to full-time, permanent employees at the rate of 12 working days per calendar year. Sick leave is allowed to accumulate up to 60 days. Employees are not compensated for accumulated sick leave if employment is terminated.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the General Fund when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

11. Fund Equity
Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.
12. Encumbrances
The library does not use encumbrance accounting.
13. Total Columns on Combined Statements
The total columns on the statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Notes to the Financial Statements
 December 31, 1999

NOTE B - LEVIED TAXES

Through the parish council, the library is authorized to levy a 10-mill ad valorem tax for library operations, maintenance, and construction. The library levied and received 10 mills for the year ended December 31, 1999.

NOTE C - CASH

At December 31, 1999, the carrying amounts (book balances) of all cash of the library was as follows:

Cash on hand	\$200
Interest bearing demand deposits	518,279
Savings accounts	<u>7,100</u>
Total	<u>\$525,579</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1999, the library had \$578,671 in deposits (collected bank balances). These deposits were secured from risk by \$100,000 of federal deposit insurance and \$478,671 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the library that the fiscal agent has failed to pay deposited funds upon demand.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Notes to the Financial Statements
 December 31, 1999

NOTE D - INVESTMENTS

Investments held at December 31, 1999, were comprised of U.S. Treasury Bills with a carrying amount of \$2,575,801 and a market value of \$2,612,173. These investments are in the name of the library, but are held in safekeeping by the investment division of the fiscal agent bank. Because the investments are in the name of the library, the investments are considered insured and registered (GASB Category 1) in applying the credit risk of GASB Codification Section 150.164.

NOTE E - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance January 1, <u>1999</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>1999</u>
Equipment and furniture	\$1,101,185	\$29,995	\$18,632	\$1,112,548
Library books	2,484,074	179,694	33,740	2,630,028
Other asset classes	<u>211,569</u>	<u>83,972</u>	<u>4,769</u>	<u>290,772</u>
Total	<u>\$3,796,828</u>	<u>\$293,661</u>	<u>\$57,141</u>	<u>\$4,033,348</u>

Prior to January 1, 1999, library books are added to fixed assets at the Bowker Annual average book prices for adult and juvenile books. After that date, all fixed assets were added and deducted at actual prices obtained by creating lists from the INNOPAC (online catalog) system.

NOTE F - DEFERRED COMPENSATION PLAN

Several employees of the St. John the Baptist Parish Library participate in a deferred compensation plan. The plan was adopted under the provisions of Internal Revenue Code Section 457. Complete disclosures relating to this plan are available in the financial statements of St. John the Baptist Parish Council. Since the library has no fiduciary or administrative responsibility for maintaining this plan, it is not required to implement any reporting standards for this audit report.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 1999

NOTE G - PENSION PLAN

Plan Description

Substantially all employees of St. John the Baptist Parish Library are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined pension benefit plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the library are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of the member's final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only, prior to January 1, 1980, the benefit is equal to one percent of the final-average salary plus \$24 for each year of supplemental plan only service earned prior to January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504)928-1361.

Funding Policy

Under Plan A, members of the System are required to contribute 9.5% of their annual covered salary and the library is required to make employer contributions at an actuarially

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Notes to the Financial Statements
 December 31, 1999

NOTE G - PENSION PLAN (CONTINUED)

determined rate. The employer's contribution rate for the year ended December 31, 1999 is 7.75% of annual covered payroll. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the library are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The library's (employer) contributions to the System under Plan A for the years ended December 31, 1999, 1998 and 1997, were \$39,872, \$37,831 and \$38,007, respectively, and these amounts equaled the required contributions for each year.

NOTE H - COMPENSATED ABSENCES AND CERTIFICATES OF INDEBTEDNESS
 (GENERAL LONG-TERM DEBT)

Compensated Absences

At December 31, 1999, employees of the library have accumulated and vested amounts of employee leave benefits, which are computed in accordance with GASB Codification Section C60. This amount is recorded within the general long-term obligations account group.

The following is a summary of long-term obligation transactions of compensated absences during the year:

	<u>Compensated Absences</u>
Long-term obligations payable at January 1, 1999	\$27,765
Additions	37,232
Deductions	<u>(31,617)</u>
Long-term obligations payable at December 31, 1999	<u>\$33,380</u>

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Notes to the Financial Statements
 December 31, 1999

NOTE H - GENERAL LONG-TERM DEBT (CONTINUED)

On March 10, 1998, the St. John the Baptist Parish Council, the parish's governing authority, issued Certificates of Indebtedness, Series 1998 with a principal amount totaling \$2,925,000. The proceeds from this issue are for maintaining, constructing and operating public libraries in St. John the Baptist Parish. The certificates mature serially through March 1, 2008, and are backed by the full faith and credit of St. John the Baptist Parish. However, the library is committed to paying all the principal, interest and cost associated with this bond issue.

The following is a schedule of the principal maturities and interest payment requirements for this certificate:

Year Ending December 31,	Principal Due	Interest Due	Total Due
1999	\$ 235,000	\$139,457	\$ 374,457
2000	245,000	125,058	370,058
2001	255,000	110,058	365,058
2002	270,000	94,308	364,308
2003	285,000	79,083	364,083
2004	295,000	65,837	360,837
2005	310,000	53,051	363,051
2006	325,000	39,236	364,236
2007	345,000	24,323	369,323
2008	<u>360,000</u>	<u>8,280</u>	<u>368,280</u>
	<u>\$2,925,000</u>	<u>\$738,692</u>	<u>\$3,663,692</u>

The following is a summary of the changes in general long-term debt of certificates of indebtedness for the year ended December 31, 1999:

Balance due at December 31, 1998	\$2,925,000
Issued	-
Retired	<u>(235,000)</u>
Balance due at December 31, 1999	<u>\$2,690,000</u>

The library paid all required interest payments during the year which totaled \$139,457.

Recap: Compensated absences	\$33,380
Bond payments due	<u>2,690,000</u>
Total	<u>\$2,723,380</u>

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Notes to the Financial Statements
 December 31, 1999

NOTE I - LEASES AND COMMITMENTS

The library has two separate operating lease agreements for buildings. The first is for the Garyville Branch Library for a lease term of three years beginning July 1, 1998 and ending June 30, 2001, with \$750 per month lease payments. The second is for additional office space in LaPlace (Annex) for the library staff for a lease term of two years beginning July 1, 1999 and ending on June 30, 2001, with \$700 per month lease payments.

In addition, the library entered into agreements to lease four copier machines for each library office location. These agreements run from three to five years with different rental payments ranging from \$250 to \$102 per month.

The total minimum annual commitments under all operating leases are as follows:

Year ending December 31, :	
2000	\$23,508
2001	14,604
2002	4,552
2003	1,680
2004	<u>980</u>
Total minimum lease payments	<u>\$45,324</u>

The library has no other capital or operating leases open at December 31, 1999.

NOTE J - ENDOWMENT

On August 19, 1976, the library received an endowment of \$5,000 in memory of Dr. John Smyth. In accordance with the endowment agreement, this money is invested in an interest bearing account. The interest earnings from this investment are used to purchase books for the library.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 1999

NOTE K - LITIGATION

According to the library's attorney, the library was not involved in any litigation at December 31, 1999, which would require presentation in financial statements or notes thereto. Therefore, no provision for liability has been set up in the accompanying general purpose financial statements.

NOTE L - HEALTH CARE AND LIFE INSURANCE BENEFITS

The library provides certain continuing health insurance benefits for active and retired employees. The library pays all of the active employees and one-half of retired employees portions of their health insurance premiums. Premiums are paid monthly to the St. John the Baptist Parish Government Employee Benefit Trust, for the library's portion of health insurance costs associated with the library's employees. Coverage is provided through the parish government's insurance company. The library's portion of the cost is recognized as an expenditure when paid.

There was one retired library employee participating in the plan as of December 31, 1999. The costs of providing benefits for the retired employees for the year was \$1,298. The costs of providing benefits for the active employees for the year was \$100,696.

NOTE M - DEFICIT FUND BALANCE

The deficit fund balance in the West Bank Construction Fund (Capital Project Fund) of \$29,578 will be funded by transfers from the General Fund.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Balance Sheet
 General Fund
 December 31, 1999

ASSETS

Cash	\$100,727
Investments	61,508
Receivables:	
Ad valorem taxes	1,486,108
State revenue sharing	57,700
Accrued interest	<u>629</u>
 TOTAL ASSETS	 <u>\$1,706,672</u>

LIABILITIES AND FUND EQUITY

Liabilities:	
Accounts payable and payroll tax deductions	\$29,748
Pension contribution	
deduction from ad valorem taxes	<u>48,020</u>
 Total Liabilities	 <u>77,768</u>
 Fund Equity:	
Fund balance:	
Reserved for endowment	5,000
Unreserved - undesignated	<u>1,623,904</u>
 Total Fund Equity	 <u>1,628,904</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$1,706,672</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Combining Balance Sheet
 Capital Projects Funds
 For the Year Ended December 31, 1999

	<u>West Bank Construction</u>	<u>Central Library Construction</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash	-	\$397,434	\$397,434
Investments	-	2,514,292	2,514,292
Accrued interest receivable	-	45,641	45,641
	<u>-</u>	<u>45,641</u>	<u>45,641</u>
TOTAL ASSETS	<u>-</u>	<u>\$2,957,367</u>	<u>\$2,957,367</u>
<u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Accounts payable	\$948	-	\$948
Retainage payable	28,630	-	28,630
	<u>29,578</u>	<u>-</u>	<u>29,578</u>
Total Liabilities	<u>29,578</u>	<u>-</u>	<u>29,578</u>
Fund balance:			
Unreserved - undesignated	\$(29,578)	\$2,957,367	2,927,789
	<u>-(29,578)</u>	<u>2,957,367</u>	<u>2,927,789</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>-</u>	<u>\$2,957,367</u>	<u>\$2,957,367</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balance
 Capital Projects Funds
 For the Year Ended December 31, 1999

	<u>West Bank Construction</u>	<u>Central Library Construction</u>	<u>Totals</u>
REVENUES			
Interest earnings	<u>-</u>	\$121,410	\$121,410
Other	<u>-</u>	<u>1,075</u>	<u>1,075</u>
Total Revenues	<u>-</u>	<u>122,485</u>	<u>122,485</u>
EXPENDITURES			
Operating services	\$37,504	39,486	76,990
Capital outlay	<u>576,221</u>	<u>-</u>	<u>576,221</u>
Total Expenditures	<u>613,725</u>	<u>39,486</u>	<u>653,211</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(613,725)</u>	<u>82,999</u>	<u>(530,726)</u>
OTHER FINANCING SOURCES (USES)			
Transfer in from General Fund	<u>584,147</u>	<u>-</u>	<u>584,147</u>
Total Other Sources (Uses)	<u>584,147</u>	<u>-</u>	<u>584,147</u>
Excess (Deficiency) of Revenues over Expend- itures and Other Financing Uses	(29,578)	82,999	53,421
Fund Balance at Beginning of Year	<u>-</u>	<u>2,874,368</u>	<u>2,874,368</u>
Fund Balance at End of Year	<u>\$(29,578)</u>	<u>\$2,957,367</u>	<u>\$2,927,789</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Combining Balance Sheet
 Debt Service Fund
 For the Year Ended December 31, 1999

	<u>Sinking Fund</u>	<u>Totals</u>
<u>ASSETS</u>		
Cash	\$ <u>27,419</u>	\$ <u>27,419</u>
TOTAL ASSETS	\$ <u>27,419</u>	\$ <u>27,419</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Total Liabilities	-	-
Fund balance:		
Unreserved - undesignated	\$ <u>27,419</u>	\$ <u>27,419</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>27,419</u>	\$ <u>27,419</u>

The accompanying notes are an integral part of this statement.

SUPPLEMENTAL INFORMATION SCHEDULES

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Supplemental Information Schedules
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 1999

Reference No.: 1

Fiscal Year Finding Initially Occurred: Has existed from inception.

Finding Described: The size of the board's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal accounting control.

Corrective Action and Additional Explanation: Management is aware of this inadequacy in the internal control structure, however, it feels that to employ such controls would not be cost beneficial. No action will need to be taken.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Supplemental Information Schedules
Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 1999

Reference No.: 1

Fiscal Year Finding Initially Occurred: Has existed from inception.

Finding Described: The size of the board's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal accounting control.

Corrective Action and Additional Explanation: Management is aware of this inadequacy in the internal control structure, however, it feels that to employ such controls would not be cost beneficial. No action will need to be taken.

Contact Person:
Leroy D. Williams,
Chairman of the Board
LaPlace, Louisiana

Anticipated Completion Date: Not applicable.

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

St. John the Baptist Parish Library
A Component Unit of the
St. John the Baptist Parish Council
LaPlace, Louisiana

I have audited the general purpose financial statements of the St. John the Baptist Parish Library, a component unit of the St. John the Baptist Parish Council, as of and for the year ended December 31, 1999, and have issued my report thereon dated June 7, 2000. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As a part of obtaining reasonable assurance about whether the St. John the Baptist Parish Library's general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of the 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 such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the St. John the Baptist Parish Library's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose

financial statements and not to provide assurance on the internal control over financial reporting. However, I noted a matter involving the internal control over financial reporting and its operations that I consider to be reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect the board's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. I noted that, as a material weakness, the size of the board's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal accounting control. Management is aware of this inadequacy in the internal control structure, however, it feels that to employ such controls would not be cost beneficial.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I considered the reportable condition described above to be a material weakness.

This report is intended solely for the use of management and the State of Louisiana Legislative Auditor and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the State of Louisiana Legislative Auditor, is a matter of public record.



Keith J. Rovira
Certified Public Accountant

June 7, 2000