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**ST. MARY PARISH LIBRARY**  
**FINANCIAL REPORT**  
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 09-06-00

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# Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

## INDEPENDENT AUDITOR'S REPORT

Board of Control  
St. Mary Parish Library  
Franklin, Louisiana

We have audited the accompanying general purpose financial statements of the St. Mary Parish Library, a component unit of the St. Mary Parish Council, as of and for the year ended December 31, 1999. These general purpose financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we 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. We believe that our audit provides a reasonable basis for our opinion.

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

In accordance with Government Auditing Standards, we have also issued a report dated May 4, 2000 on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which we expressed a qualified opinion on the general purpose financial statements of the St. Mary Parish Library due to the Library's failure to include required supplementary disclosures relating to the Library's handling of the year 2000 issue.

*Darnall, Sikes & Frederick*  
A Corporation of Certified Public Accountants

Morgan City, Louisiana  
May 4, 2000

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ST. MARY PARISH LIBRARY

Combined Balance Sheet - Governmental Fund Types and Account Group  
December 31, 1999

	Governmental Fund Types		Account Group	Totals	
	General	Capital Projects	General	(Memorandum Only)	
			Fixed Assets	1999	1998
<b>ASSETS</b>					
Cash	\$ 326,377	\$ -	\$ -	\$ 326,377	\$ 257,147
Interest - bearing deposits	125,340	383,181	-	508,521	897,407
Receivables (net of allowance for uncollectibles):					
Taxes	960,210	-	-	960,210	937,367
Accrued interest	-	1,636	-	1,636	5,665
Due from other governmental units	41,020	-	-	41,020	40,362
Due from other fund	101,295	-	-	101,295	101,295
Library materials, equipment and building improvements	-	-	4,236,466	4,236,466	3,953,138
Total assets	<u>\$ 1,554,242</u>	<u>\$ 384,817</u>	<u>\$ 4,236,466</u>	<u>\$ 6,175,525</u>	<u>\$ 6,192,381</u>
<b>LIABILITIES AND FUND EQUITY</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 10,388	\$ 10,393	\$ -	\$ 20,781	\$ 57,220
Accrued payables	20,730	-	-	20,730	20,315
Retainage payable	-	-	-	-	115,540
Salaries payable	15,306	-	-	15,306	14,280
Due to other governmental units	32,907	-	-	32,907	-
Due to other fund	-	101,295	-	101,295	101,295
Total liabilities	<u>79,331</u>	<u>111,688</u>	<u>-</u>	<u>191,019</u>	<u>308,650</u>
<b>Fund equity:</b>					
Investment in general fixed assets	-	-	4,236,466	4,236,466	3,953,138
Fund balances -					
Unreserved:					
Designated for subsequent years' expenditures	-	273,129	-	273,129	441,093
Undesignated	<u>1,474,911</u>	<u>-</u>	<u>-</u>	<u>1,474,911</u>	<u>1,489,500</u>
Total fund equity	<u>1,474,911</u>	<u>273,129</u>	<u>4,236,466</u>	<u>5,984,506</u>	<u>5,883,731</u>
Total liabilities and fund equity	<u>\$ 1,554,242</u>	<u>\$ 384,817</u>	<u>\$ 4,236,466</u>	<u>\$ 6,175,525</u>	<u>\$ 6,192,381</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH LIBRARY

Combined Statement of Revenues, Expenditures, and Changes in Fund Balance  
All Governmental Fund Types  
Year Ended December 31, 1999

	Governmental Fund Types		Totals (Memorandum Only)	
	General	Capital Projects	1999	1998
<b>Revenues:</b>				
Taxes	\$ 1,086,927	\$ -	\$ 1,086,927	\$ 1,064,103
Intergovernmental -				
State revenue sharing	61,530	-	61,530	60,544
Federal literacy grant	-	-	-	5,000
Miscellaneous -				
Interest	22,020	22,027	44,047	95,890
Other sources	34,582	-	34,582	226,232
Total revenues	<u>1,205,059</u>	<u>22,027</u>	<u>1,227,086</u>	<u>1,451,769</u>
<b>Expenditures:</b>				
<b>Current -</b>				
<b>General government:</b>				
Administrative				
Sheriff's fee	32,907	-	32,907	32,029
<b>Culture and recreation:</b>				
Salaries and wages	565,010	-	565,010	489,587
Retirement contributions	44,645	-	44,645	38,959
Group insurance	26,354	-	26,354	22,170
Utilities and telephone	97,632	-	97,632	97,909
Professional fees	10,316	2,562	12,878	11,961
Advertising, dues and subscriptions	1,648	-	1,648	4,206
Building rentals	250	-	250	6,000
Equipment rentals	20,840	-	20,840	15,993
General insurance	49,193	-	49,193	40,854
Unemployment	976	-	976	1,117
Travel	16,174	-	16,174	8,277
Supplies	53,204	14,565	67,769	60,212
Repairs and maintenance	100,523	-	100,523	85,429
Miscellaneous	33,782	-	33,782	29,976
Rental books and paperbacks	48,107	-	48,107	47,404
Uniforms	6,323	-	6,323	5,353
<b>Capital outlay -</b>				
Books	-	101,321	101,321	151,682
Buildings	-	18,379	18,379	541,741
Furniture and equipment	111,764	53,164	164,928	371,333
Construction in progress	-	-	-	465,724
<b>Total expenditures</b>	<u>1,219,648</u>	<u>189,991</u>	<u>1,409,639</u>	<u>2,527,916</u>

(Continued)

ST. MARY PARISH LIBRARY

Combined Statement of Revenues, Expenditures, and  
Changes in Fund Balance (Continued)  
All Governmental Fund Types  
Year Ended December 31, 1999

	Governmental Fund Types		Totals (Memorandum Only)	
	General	Capital Projects	1999	1998
Deficiency of revenues over expenditures	(14,589)	(167,964)	(182,553)	(1,076,147)
Other financing uses:				
Loss on sale of securities	-	-	-	7,463
Deficiency of revenues over over expenditures and other financing uses	(14,589)	(167,964)	(182,553)	(1,083,610)
Fund balance, beginning	<u>1,489,500</u>	<u>441,093</u>	<u>1,930,593</u>	<u>3,014,203</u>
Fund balance, ending	<u>\$ 1,474,911</u>	<u>\$ 273,129</u>	<u>\$ 1,748,040</u>	<u>\$ 1,930,593</u>

The accompanying notes are an integral part of this statement.



ST. MARY PARISH LIBRARY

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget  
(GAAP Basis) and Actual - General Fund  
Year Ended December 31, 1999  
With Comparative Actual Amounts for Year Ended December 31, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Taxes - ad valorem	\$ 1,064,103	\$ 1,086,927	\$ 22,824	\$ 1,064,103
Intergovernmental -				
State revenue sharing	60,544	61,530	986	60,544
Federal literacy grant	-	-	-	5,000
Miscellaneous -				
Interest	25,348	22,020	(3,328)	25,348
Other sources	47,891	34,582	(13,309)	128,359
Total revenues	<u>1,197,886</u>	<u>1,205,059</u>	<u>7,173</u>	<u>1,283,354</u>
Expenditures:				
Current -				
General government:				
Administrative Sheriff's fee	32,029	32,907	(878)	32,029
Culture and recreation:				
Salaries and wages	540,827	565,010	(24,183)	489,587
Retirement contribution	43,850	44,645	(795)	38,959
Group insurance	23,750	26,354	(2,604)	22,170
Utilities and telephone	89,000	97,632	(8,632)	97,909
Professional fees	9,200	10,316	(1,116)	11,961
Advertising, dues and subscriptions	4,080	1,648	2,432	4,206
Building rentals	250	250	-	6,000
Equipment rentals	13,700	20,840	(7,140)	15,993
General insurance	46,333	49,193	(2,860)	40,854
Unemployment	900	976	(76)	1,117
Travel	12,000	16,174	(4,174)	8,277
Supplies	49,050	53,204	(4,154)	58,954
Repairs and maintenance	94,936	100,523	(5,587)	85,429
Miscellaneous	34,366	33,782	584	29,976
Rental books and paperbacks	59,820	48,107	11,713	47,404
Uniforms	7,000	6,323	677	5,353
Capital outlay -				
Furniture and equipment	<u>109,844</u>	<u>111,764</u>	<u>(1,920)</u>	<u>24,755</u>
Total expenditures	<u>1,170,935</u>	<u>1,219,648</u>	<u>(48,713)</u>	<u>1,020,933</u>

(Continued)

ST. MARY PARISH LIBRARY

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget  
(GAAP Basis) and Actual - General Fund (Continued)

Year Ended December 31, 1999

With Comparative Actual Amounts for Year Ended December 31, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Excess (deficiency) of revenues over expenditures	26,951	(14,589)	(41,540)	262,421
Other financing uses:				
Loss on sale of securities	-	-	-	7,463
Excess (deficiency) of revenues over expenditures and other financing uses	26,951	(14,589)	(41,540)	254,958
Fund balance, beginning	<u>1,489,500</u>	<u>1,489,500</u>	-	<u>1,234,542</u>
Fund balance, ending	<u>\$ 1,516,451</u>	<u>\$ 1,474,911</u>	<u>\$ (41,540)</u>	<u>\$ 1,489,500</u>

The accompanying notes are an integral part of this statement.



## ST. MARY PARISH LIBRARY

### Notes to Financial Statements

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The St. Mary Parish Library, which is a component unit of the St. Mary Parish Council, was created under Louisiana Revised Statute 25:211. The Library operates under a Board of Control. The purpose of the Library is to provide library facilities to residents within its boundaries.

The accounting and reporting policies of the St. Mary Parish Library conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

#### Financial Reporting Entity

This report includes the funds and account group which are controlled by or dependent on the Library's executive and legislative branches (the Board of Control). Control by or dependence on the Library was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibilities.

The Library is a component unit of the St. Mary Parish Council.

#### Fund Accounting

The accounts of the Library are organized into two funds and an account group, each of which is considered a separate accounting entity. The operation of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into two generic fund types as follows:

#### Governmental Funds -

##### General Fund

The General Fund is the general operating fund of the Library. It is used to account for all financial resources except those required to be accounted for in another fund.

##### Capital Projects Fund

The Capital Projects Fund is used to account for financial resources to be used for acquiring, constructing and improving public library buildings in the parish, and acquiring necessary equipment, library books and furnishings. Revenues are dedicated first to paying the cost of constructing two (2) new branch libraries in the Town of Baldwin and the Bayou Vista Community and constructing additions to the existing library buildings in the Town of Berwick, the City of Patterson and the Amelia Community.

## ST. MARY PARISH LIBRARY

### Notes to Financial Statements

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### Fixed Assets and Long-Term Liabilities

The fixed assets used in the governmental fund type operations are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in governmental funds when purchased. No depreciation has been provided on general fixed assets. All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. Differences between estimated and actual amounts are immaterial in relation to total fixed assets.

The account group is not a "fund". It is concerned only with the measurement of financial position and is *not involved with measurement of results of operations.*

There are no long-term liabilities at December 31, 1999.

##### Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year end. Ad valorem taxes and the related revenue sharing (which are based on population and homesteads in the parish) are recognized as revenue in the year in which they are billed and collected. Fees and nontax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that accumulated unpaid vacation and sick pay are not accrued.

##### Budgetary Practices

The Library follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Library's Director prepares a proposed budget and presents it to the Board of Control prior to ninety days before the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

## ST. MARY PARISH LIBRARY

### Notes to Financial Statements

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. Any changes in the proposed annual operating budget require a majority vote of the Board of Control.
5. No later than the last regular meeting of the fiscal year, the Board of Control enacts an ordinance to adopt the annual operating budget for the ensuing fiscal year.
6. The Library Director, under the direction of the Board of Control, has the authority to alter budget amounts.
7. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
8. Budget appropriations lapse at year end.

#### Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

#### Compensated Absences

Employees earn annual vacation and sick leave at varying rates depending upon length of service. No liability has been accrued for compensated absences on the Library's financial statements due to immateriality.

#### Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Library as an extension of formal budgetary integration in the funds.

#### Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Library's financial position and operations.

#### Memorandum Only - Total Columns

Total columns on the Combined 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. MARY PARISH LIBRARY

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS

Under state law, the Library may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Library may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 1999, the Library has cash and interest-bearing deposits (book balances) totaling \$834,898, as follows:

Demand deposits	\$ 326,377
Money market accounts	208,521
Certificates of deposits	<u>300,000</u>
	<u>\$ 834,898</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 bank. Deposit balances (bank balances) at December 31, 1999, are secured as follows:

Bank balances	<u>\$ 869,776</u>
Federal deposit insurance	\$ 200,000
Pledged securities (Category 3)	<u>669,776</u>
	<u>\$ 869,776</u>

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Library's name. Even though the pledged securities are considered uncollateralized (Category 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. MARY PARISH LIBRARY

Notes to Financial Statements

NOTE 3 AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September and are billed to the taxpayers by the Assessor in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. Taxes are budgeted and the revenue recognized in the year they are billed.

The taxes are based on assessed values determined by the Tax Assessor of St. Mary Parish and are collected by the Sheriff. The taxes are remitted to the St. Mary Parish Library net of deductions for Pension Fund Contributions.

For the year ended December 31, 1999, taxes of 5.42 mills were levied on property with net assessed valuations totaling \$203,401,127 and were dedicated to paying the administrative, operative and maintenance expenditures for the Library.

Total taxes levied during 1999 were \$1,102,436. Taxes receivable at December 31, 1999 of \$952,606 (1998 \$937,367) consists of \$976,308 of which 2.15 percent of taxes levied or \$23,702 is considered uncollectible.

NOTE 4 DUE FROM OTHER GOVERNMENTAL UNITS

The amount due from other governmental units at December 31, 1999 consisted of \$41,020 of State Revenue Sharing due from the State of Louisiana.

NOTE 5 GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 01/01/1999	Additions	Deletions	Balance 12/31/1999
Books	\$ 1,404,214	\$ 100,021	\$ -	\$ 1,504,235
Building improvements	874,646	598,749	-	1,473,395
Furniture and equipment	1,093,908	164,928	-	1,258,836
Construction in progress	<u>580,370</u>	<u>-</u>	<u>580,370</u>	<u>-</u>
Total	<u>\$ 3,953,138</u>	<u>\$ 863,698</u>	<u>\$ 580,370</u>	<u>\$ 4,236,466</u>

NOTE 6 RETIREMENT COMMITMENTS

Substantially all full-time employees of the St. Mary Parish Library participate in the Parochial Employees' Retirement System of Louisiana (Plan A). This system is a multiple-employer public retirement system (PERS) and is controlled and administered by a separate board of trustees. Pertinent information relative to this plan follows:

ST. MARY PARISH LIBRARY

Notes to Financial Statements

NOTE 6 RETIREMENT COMMITMENTS (CONTINUED)

Parochial Employees' Retirement System

Plan members are required to contribute 9.25 percent of their annual covered salary to the system while the Library is required to contribute the statutory rate of 7.25 percent of the total annual covered salary. The Library's contributions to the system for the years ended December 31, 1999, 1998 and 1997 were \$32,384, \$28,751 and \$27,049, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Parochial Employees' Retirement System of Louisiana, P. O. Box 14619, Baton Rouge, Louisiana 70898-4619.

NOTE 7 BOARD OF CONTROL

Non-commissioned members of the St. Mary Parish Library Board of Control at December 31, 1999 are as follows:

Russell Cremaldi  
Peter Lipari  
Glenna Kramer  
Don T. Caffery, Jr.  
Karla Vappie  
H. A. "Neg" Louviere  
Renee Vanover  
Roger Busbice

NOTE 8 LITIGATION AND CLAIMS

There were no litigation or claims pending against the St. Mary Parish Library at December 31, 1999.

NOTE 9 OPERATING LEASES

The library leases office equipment under noncancelable operating leases. Total costs for such leases were \$12,951 for the year ended December 31, 1999. The future minimum lease payments for these leases are as follows:

Year Ending December 31,

2000	\$	12,758
2001		5,098
2002		2,438
2003		<u>2,438</u>
	\$	<u>22,732</u>



## ST. MARY PARISH LIBRARY

### Notes to Financial Statements

#### NOTE 10 RISK MANAGEMENT

The Library is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Library has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss. The Library is insured up to policy limits for each of the above risks. There were no significant changes in coverages, retentions, or limits during the year ended December 31, 1999. Settled claims have not exceeded the commercial coverages in any of the previous three fiscal years.

**SUPPLEMENTAL INFORMATION**

**SCHEDULES OF INDIVIDUAL FUNDS**

## GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

ST. MARY PARISH LIBRARY  
General Fund

Comparative Balance Sheet  
December 31, 1999 and 1998

	1999	1998
<b>ASSETS</b>		
Cash	\$ 326,377	\$ 257,147
Interest - bearing deposits	125,340	206,126
Receivables (net of allowance for uncollectibles):		
Taxes	960,210	937,367
Due from capital projects fund	101,295	101,295
Due from other governmental units	41,020	40,362
 Total assets	 \$ 1,554,242	 \$ 1,542,297
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 10,388	\$ 18,202
Accrued payables	20,730	20,315
Salaries payable	15,306	14,280
Due to other governmental units	32,907	-
Total liabilities	79,331	52,797
 <b>Fund balance:</b>		
Unreserved, undesignated	1,474,911	1,489,500
 Total liabilities and fund balance	 \$ 1,554,242	 \$ 1,542,297

ST. MARY PARISH LIBRARY  
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget  
(GAAP Basis) and Actual  
Year Ended December 31, 1999  
With Comparative Actual Amounts for Year Ended December 31, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
<b>Revenues:</b>				
Taxes - ad valorem	\$ 1,064,103	\$ 1,086,927	\$ 22,824	\$ 1,064,103
Intergovernmental -				
State revenue sharing	60,544	61,530	986	60,544
Federal literacy grant	-	-	-	5,000
Miscellaneous -				
Interest	25,348	22,020	(3,328)	25,348
Other sources	47,891	34,582	(13,309)	128,359
Total revenues	<u>1,197,886</u>	<u>1,205,059</u>	<u>7,173</u>	<u>1,283,354</u>
<b>Expenditures:</b>				
Current -				
General government:				
Administrative Sheriff's fee	32,029	32,907	(878)	32,029
Culture and recreation:				
Salaries and wages	540,827	565,010	(24,183)	489,587
Retirement contribution	43,850	44,645	(795)	38,959
Group insurance	23,750	26,354	(2,604)	22,170
Utilities and telephone	89,000	97,632	(8,632)	97,909
Professional fees	9,200	10,316	(1,116)	11,961
Advertising, dues and subscriptions	4,080	1,648	2,432	4,206
Building rentals	250	250	-	6,000
Equipment rentals	13,700	20,840	(7,140)	15,993
General insurance	46,333	49,193	(2,860)	40,854
Unemployment	900	976	(76)	1,117
Travel	12,000	16,174	(4,174)	8,277
Supplies	49,050	53,204	(4,154)	58,954
Repairs and maintenance	94,936	100,523	(5,587)	85,429
Miscellaneous	34,366	33,782	584	29,976
Rental books and paperbacks	59,820	48,107	11,713	47,404
Uniforms	7,000	6,323	677	5,353
Capital outlay -				
Furniture and equipment	<u>109,844</u>	<u>111,764</u>	<u>(1,920)</u>	<u>24,755</u>
Total expenditures	<u>1,170,935</u>	<u>1,219,648</u>	<u>(48,713)</u>	<u>1,020,933</u>

(Continued)



ST. MARY PARISH LIBRARY  
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget  
(GAAP Basis) and Actual (Continued)  
Year Ended December 31, 1999  
With Comparative Actual Amounts for Year Ended December 31, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Excess (deficiency) of revenues over expenditures	26,951	(14,589)	(41,540)	262,421
Other financing uses:				
Loss on sale of securities	-	-	-	7,463
Excess (deficiency) of revenues over expenditures and other financing uses	26,951	(14,589)	(41,540)	254,958
Fund balance, beginning	<u>1,489,500</u>	<u>1,489,500</u>	-	<u>1,234,542</u>
Fund balance, ending	<u>\$ 1,516,451</u>	<u>\$ 1,474,911</u>	<u>\$ (41,540)</u>	<u>\$ 1,489,500</u>

## CAPITAL PROJECTS FUND

To account for financial resources to be used for acquiring, constructing and improving public library buildings in the parish, and acquiring necessary equipment, library books and furnishings, with the proceeds to be dedicated first to paying the cost of constructing two (2) new branch libraries in the Town of Baldwin and the Bayou Vista community and constructing additions to the existing library buildings in the Town of Berwick, the City of Patterson and the Amelia Community.

ST. MARY PARISH LIBRARY  
Capital Projects Fund

Comparative Balance Sheet  
December 31, 1999 and 1998

	1999	1998
<b>ASSETS</b>		
Interest - bearing deposits	\$ 383,181	\$ 691,281
Receivables - accrued interest	<u>1,636</u>	<u>5,665</u>
Total assets	<u><u>\$ 384,817</u></u>	<u><u>\$ 696,946</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	\$ 10,393	\$ 39,018
Retainage payable	-	115,540
Due to general fund	<u>101,295</u>	<u>101,295</u>
Total liabilities	111,688	255,853
Fund balance:		
Designated for subsequent years' expenditures	<u>273,129</u>	<u>441,093</u>
Total liabilities and fund balance	<u><u>\$ 384,817</u></u>	<u><u>\$ 696,946</u></u>

ST. MARY PARISH LIBRARY  
Capital Projects Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended December 31, 1999  
With Comparative Totals for Year Ended December 31, 1998

	1999	1998
Revenues:		
Miscellaneous -		
Interest	\$ 22,027	\$ 70,542
Other sources	-	97,873
Total revenues	22,027	168,415
Expenditures:		
Current -		
Professional fees	2,562	-
Supplies	14,565	1,258
Capital outlay -		
Books	101,321	151,682
Buildings	18,379	541,741
Furniture and equipment	53,164	346,578
Construction in progress	-	465,724
Total expenditures	189,991	1,506,983
Deficiency of revenues over expenditures	(167,964)	(1,338,568)
Fund balance, beginning	441,093	1,779,661
Fund balance, ending	\$ 273,129	\$ 441,093

**INTERNAL CONTROL AND  
COMPLIANCE**



# Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

## Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards

Board of Control  
St. Mary Parish Library  
Franklin, Louisiana

We have audited the general purpose financial statements of the St. Mary Parish Library, as of and for the year ended December 31, 1999, and have issued our report thereon dated May 4, 2000. We have conducted our 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 part of obtaining reasonable assurance about whether the St. Mary Parish Library's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of general purpose financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our 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 our audit, we considered the St. Mary Parish Library's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over reporting and its operations that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the St. Mary Parish Library's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 99-1.

Eugene H. Darnall, CPA, Retired 1990

E. Larry Sikes, CPA, CVA  
Danny P. Frederick, CPA  
Clayton E. Darnall, CPA  
Eugene H. Darnall, III, CPA  
Paula D. Bihm, CPA  
Stephanie M. Higginbotham, CPA

Jennifer S. Ziegler, CPA  
Chris A. Miller, CPA  
John P. Armato, CPA

Kathleen T. Darnall, CPA  
Stephen R. Dischler, MBA, CPA  
Alan M. Taylor, CPA  
Christine A. Raspberry, CPA  
Steven G. Moosa, CPA  
Erich G. Loewer, Jr., CPA  
Erich G. Loewer, III, CPA  
Danny P. Pontiff, CPA  
Tamera T. Landry, CPA  
Carla R. Fontenot, CPA  
Raegan D. Stelly, CPA  
Jason H. Watson, CPA

#### Other Locations:

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Member of  
American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants



A material weakness is a 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. Our consideration of the internal control structure over financial reporting would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described as 99-1 is a material weakness.

This report is intended solely for the information and use of the St. Mary Parish Library Board of Control, management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

*Dannall, Sikes & Frederick*  
A Corporation of Certified Public Accountants

Morgan City, Louisiana  
May 4, 2000

**OTHER SUPPLEMENTARY INFORMATION**

ST. MARY PARISH LIBRARY

Summary Schedule of Prior Year Findings  
Year Ended December 31, 1999

98-1 Finding: Inadequate Segregation of Accounting Functions  
Status: This finding is unresolved. See current year finding 99-1.

ST. MARY PARISH LIBRARY

Schedule of Findings and Questioned Costs  
Year Ended December 31, 1999

Part 1: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report – Financial Statements

An unqualified opinion has been issued on the St. Mary Parish Library's financial statements as of and for the year ended December 31, 1999.

Reportable Condition – Financial Reporting

One reportable condition in internal control over financial reporting was disclosed during the audit of the financial statements and is shown as item 99-1 in Part 2 and is considered a material weakness.

Material Noncompliance – Financial Reporting

There were no material instances of noncompliance noted during the audit.

FEDERAL AWARDS

This section is not applicable for the fiscal year ended December 31, 1999.

Part 2: Findings Relating to an Audit in Accordance with Governmental Auditing Standards

99-1 Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Library did not have segregation of functions within the accounting system.

Recommendation:

Based upon the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Part 3: Findings and Questioned Costs Relating to Federal Programs

At December 31, 1999, the St. Mary Parish Library, did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore this section is not applicable.

ST. MARY PARISH LIBRARY

Management's Corrective Action Plan For Current Year Findings  
Year Ended December 31, 1999

Response to Finding 99-1:

No response is considered necessary.