

RECEIVED
LEGISLATIVE AUDITOR
99 JUN 25 AM 10:38

OFFICIAL
FILE COPY

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

OPELOUSAS-EUNICE PUBLIC LIBRARY

Opelousas, Louisiana

Financial Statements

Year Ended December 31, 1998

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 7-21-99

TABLE OF CONTENTS

	<u>Page</u> <u>No.</u>
Independent Auditor's Report	1-2
GENERAL PURPOSE FINANCIAL STATEMENTS	
Combined Balance Sheet - All Fund Types and Account Groups	3
Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual - General and Special Revenue Funds	5-6
Notes to Financial Statements	7-13
SUPPLEMENTAL INFORMATION	
SCHEDULES OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS	
General Fund	
Balance Sheet	17
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual	18
Detailed Schedule of Current Expenditures - Budget (GAAP Basis) and Actual	19
Special Revenue Fund	
Balance Sheet	21
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual - Fine Fund	22
General Fixed Assets Account Group	
Statement of General Fixed Assets	24
Statement of Changes in General Fixed Assets	25-26
INTERNAL CONTROL AND COMPLIANCE	
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 <i>Government Auditing Standards</i>	27-28

	Page <u>No.</u>
Schedule of Prior Year Findings	29
Schedule of Findings and Questioned Costs	30
Management's Corrective Action Plan for Current Year Findings	31



Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Eugene H. Darnall, CPA, Retired 1990

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

Jennifer S. Ziegler, CPA
Chris A. Miller, CPA
John P. Amato, 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
Tamara L. Landry, CPA
Carla R. Fontenot, CPA
Raegan D. Stelly, CPA
Jason J. Watson, CPA

Other Locations:

125 Rue Beauregard
Lafayette, LA 70508
337.232.3312

1231 E. Laurel Avenue
Lunice, LA 70535
337.457.4146

1201 Brashear Avenue
Suite 301
Morgan City, LA 70380
504.384.6264

401 Pere Meillet
Abbeville, LA 70510
337.893.5470

dsfepas.com

Independent Auditor's Report

To the Board of Commissioners of
Opelousas-Eunice Public Library
Opelousas, Louisiana

We have audited the accompanying general purpose financial statements of the Opelousas-Eunice Public Library as of and for the year ended December 31, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the Opelousas-Eunice Public 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, the standards applicable to financial audits contained in *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.

Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*, requires disclosure of certain matters regarding the year 2000 issue in order for financial statements to be prepared in conformity with generally accepted accounting principles. Such required disclosures include:

- any significant amount of resources committed to make computer systems and other electronic equipment year 2000-compliant;
- a general description of the year 2000 issue, including a description of the stages of work in process or completed as of the end of the reporting period to make computer systems and other electronic equipment critical to conducting operations year 2000-compliant; and
- the additional stages of work necessary for making the computer systems and other electronic equipment year 2000-compliant.

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

The Library has omitted such disclosures. We do not provide assurance that the Library is or will be year 2000 ready, that the Library's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Library does business will be year 2000 ready.

In our opinion, except for the omission of the information discussed in the preceding paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Library, as of December 31, 1998, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 27, 1999, on our consideration of the Opelousas-Eunice Public Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Dannall, Sikes & Frederick
A Corporation of Certified Public Accountants

Eunice, Louisiana
April 27, 1999

OPELOUSAS-EUNICE PUBLIC LIBRARY

Combined Balance Sheet - All Fund Types and Account Groups
December 31, 1998

	Governmental Fund Types		General Fixed Assets	Total (Memorandum Only)
	General	Special Revenue		
Petty cash	\$ 100	\$ -	\$ -	\$ 100
Cash in bank - regular	100,991	1,172	-	102,163
Investment in savings				
Eunice branch savings	19,363	-	-	19,363
Opelousas branch savings	10,723	-	-	10,723
Land	-	-	118,176	118,176
Building	-	-	541,654	541,654
Equipment	-	-	77,269	77,269
Furniture and fixtures	-	-	139,355	139,355
Books	-	-	768,642	768,642
Paintings and stuffed wildlife	-	-	27,037	27,037
Total assets	<u>\$ 131,177</u>	<u>\$ 1,172</u>	<u>\$1,672,133</u>	<u>\$ 1,804,482</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 14,553	\$ -	-	\$ 14,553
Accrued liabilities	<u>1,847</u>	<u>-</u>	<u>-</u>	<u>1,847</u>
Total liabilities	<u>16,400</u>	<u>-</u>	<u>-</u>	<u>16,400</u>
Fund Equity:				
Investment in general fixed assets	-	-	1,672,133	1,672,133
Fund balances - unreserved, undesignated	<u>114,777</u>	<u>1,172</u>	<u>-</u>	<u>115,949</u>
Total fund equity	<u>114,777</u>	<u>1,172</u>	<u>1,672,133</u>	<u>1,788,082</u>
Total liabilities and fund equity	<u>\$ 131,177</u>	<u>\$ 1,172</u>	<u>\$1,672,133</u>	<u>\$ 1,804,482</u>

OPELOUSAS-EUNICE PUBLIC LIBRARY

Combined Statement of Revenues, Expenditures and
Changes in Fund Balance
All Governmental Fund Types
Year Ended December 31, 1998

	Governmental Fund Types		
	General	Special Revenue	Total (Memorandum Only)
Revenues:			
Intergovernmental	\$ 303,313	\$ -	\$ 303,313
Machine charges	7,779	-	7,779
Fines	-	6,050	6,050
Grant	36,104	-	36,104
Interest	4,021	22	4,043
Miscellaneous	7,521	234	7,755
Total revenues	<u>358,738</u>	<u>6,306</u>	<u>365,044</u>
Expenditures:			
Current -			
Executive and administrative	270,538	912	271,450
Capital outlay	73,614	838	74,452
Total expenditures	<u>344,152</u>	<u>1,750</u>	<u>345,902</u>
Excess of revenues over expenditures	<u>14,586</u>	<u>4,556</u>	<u>19,142</u>
Other financing sources (uses):			
Operating transfers in	4,000	-	4,000
Operating transfers out	-	(4,000)	(4,000)
Total other financing sources (uses)	<u>4,000</u>	<u>(4,000)</u>	<u>-</u>
Excess of revenues and other sources over expenditures and other uses	18,586	556	19,142
Fund balances, beginning of year	<u>96,191</u>	<u>616</u>	<u>96,807</u>
Fund balances, end of year	<u>\$ 114,777</u>	<u>\$ 1,172</u>	<u>\$ 115,949</u>

The accompanying notes are an integral part of this statement.

OPELOUSAS-EUNICE PUBLIC LIBRARY

Combined Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual -
General and Special Revenue Funds
Year Ended December 31, 1998

	General Fund		Variance - Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Intergovernmental	\$ 303,313	\$ 303,313	\$ -
Machine charges	8,000	7,779	(221)
Fines	-	-	-
Grant	36,104	36,104	-
Interest	900	4,021	3,121
Miscellaneous	<u>7,201</u>	<u>7,521</u>	<u>320</u>
Total revenues	<u>355,518</u>	<u>358,738</u>	<u>3,220</u>
Expenditures:			
Current -			
Executive and administrative	271,908	270,538	1,370
Capital outlay	<u>89,343</u>	<u>73,614</u>	<u>15,729</u>
Total expenditures	<u>361,251</u>	<u>344,152</u>	<u>17,099</u>
Excess (deficiency) of revenues over expenditures	<u>(5,733)</u>	<u>14,586</u>	<u>20,319</u>
Other financing sources (uses):			
Operating transfers in	4,000	4,000	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>4,000</u>	<u>4,000</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other (uses)	(1,733)	18,586	20,319
Fund balances, beginning of year	<u>96,191</u>	<u>96,191</u>	<u>-</u>
Fund balances, end of year	<u>\$ 94,458</u>	<u>\$ 114,777</u>	<u>\$ 20,319</u>

Special Revenue Fund			Totals (Memorandum Only)		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 303,313	\$ 303,313	\$ -
-	-	-	8,000	7,779	(221)
6,000	6,050	50	6,000	6,050	50
-	-	-	36,104	36,104	-
60	22	(38)	960	4,043	3,083
<u>330</u>	<u>234</u>	<u>(96)</u>	<u>7,531</u>	<u>7,755</u>	<u>224</u>
<u>6,390</u>	<u>6,306</u>	<u>(84)</u>	<u>361,908</u>	<u>365,044</u>	<u>3,136</u>
1,500	912	588	273,408	271,450	1,958
<u>1,050</u>	<u>838</u>	<u>212</u>	<u>90,393</u>	<u>74,452</u>	<u>15,941</u>
<u>2,550</u>	<u>1,750</u>	<u>800</u>	<u>363,801</u>	<u>345,902</u>	<u>17,899</u>
<u>3,840</u>	<u>4,556</u>	<u>716</u>	<u>(1,893)</u>	<u>19,142</u>	<u>21,035</u>
-	-	-	4,000	4,000	-
<u>(4,000)</u>	<u>(4,000)</u>	<u>-</u>	<u>(4,000)</u>	<u>(4,000)</u>	<u>-</u>
<u>(4,000)</u>	<u>(4,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(160)	556	716	(1,893)	19,142	21,035
<u>616</u>	<u>616</u>	<u>-</u>	<u>96,807</u>	<u>96,807</u>	<u>-</u>
<u>\$ 456</u>	<u>\$ 1,172</u>	<u>\$ 716</u>	<u>\$ 94,914</u>	<u>\$ 115,949</u>	<u>\$ 21,035</u>

The accompanying notes are an integral part of this statement.

OPELOUSAS-EUNICE PUBLIC LIBRARY

Notes to Financial Statements
December 31, 1998

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting practices of the Opelousas-Eunice Public Library conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517, and to the industry audit guide, Audits of State and Local Governments, published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies and practices of the Library.

A. Financial Reporting Entity

The financial statements of the Library consist only of the funds and account groups of the Library. The Library has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the Library.

The Library, as categorized by GASB 14, is considered a joint venture of the cities of Opelousas and Eunice. The cities do not exercise significant influence over management or fiscal matters of the Library but do provide substantial operating revenues to the Library.

B. Fund Accounting

The Library uses funds and account groups to report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, 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.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds). Funds are classified into two generic fund types as follows:

OPELOUSAS-EUNICE PUBLIC LIBRARY

Notes to Financial Statements
December 31, 1998

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

General Fund

The General Fund is used to account for all activities of the general government not accounted for in another fund.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are restricted to expenditures for specified purposes.

C. Basis of Accounting

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 measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when susceptible to accrual, i.e., when they become measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Interest income is susceptible to accrual. Expenditures are generally recognized under the modified accrual basis of accounting, when the related fund liability is incurred, if measurable.

D. Cash

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 City 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, 1998, the Library has cash and interest-bearing deposits totaling \$131,177.

These deposits are stated at cost, which approximates market. Under state law, these deposits, 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

OPELOUSAS-EUNICE PUBLIC LIBRARY

Notes to Financial Statements
December 31, 1998

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

on deposit with the fiscal agent bank. 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. Deposit balances at December 31, 1998, are secured as follows:

Bank balances	<u>\$ 131,177</u>
Federal deposit insurance	\$ 100,000
Pledged securities (Category 3)	<u>50,000</u>
Total	<u>150,000</u>
Excess	<u>\$ 18,823</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.

E. Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Asset Account Group, rather than in governmental funds. The Account Group is not a fund. It is concerned only with the measurement of financial position. It is not involved with the measurement of results of operations.

Due to the nature of its operations, the Library does not have any public domain (infrastructure) fixed assets. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. The estimated amounts of fixed assets are immaterial to these financial statements. Donated fixed assets are valued at their estimated fair value on the date donated.

OPELOUSAS-EUNICE PUBLIC LIBRARY

Notes to Financial Statements
December 31, 1998

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Encumbrances

The Library does not use encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers.

G. Budgets and Budgetary Accounting

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

1. At least thirty (30) days prior to the beginning of the fiscal year, the Librarian submits to the Board of Commissioners an operating and capital budget for the succeeding year.
2. A public meeting is scheduled by the Board of Commissioners after allowing for at least ten (10) days notice to the public at the time the budget is initially submitted to the Board of Commissioners.
3. The budget must be finally adopted by the Board no later than the last day of the preceding fiscal year.
4. The Librarian and the Board may authorize transfers of the budgetary amounts within departments and revisions requiring alteration of levels of expenditures or transfers between departments.
5. Operating appropriations, to the extent not expended, lapse at year end. Capital appropriations continue in force until the project is completed or deemed abandoned.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) and were amended as required by Louisiana Revised Statutes 39:1303.

OPELOUSAS-EUNICE PUBLIC LIBRARY

Notes to Financial Statements
December 31, 1998

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Compensated Absences

The Library has the following policy regarding vacation and sick leave. Annual vacation leave is earned on a monthly basis and no leave is granted until the employee has been working one year. Annual leave may only be taken after it has been earned (accumulated). An employee may be allowed to carry over an amount equal to up to half of their annual allotment earned as of their anniversary date into the next vacation year, with the understanding that it will be forfeited with no future payment for hours lost if not used in that vacation year. No annual leave is earned while an employee is on leave of absence without pay. Actual paid hours determine actual entitlements. All annual leave earned, including all carried over, will be applied to absences due to illness when any available paid sick leave has been depleted. Annual leave of three days or more shall be approved by the administrative librarian at least five days in advance. Employees may accumulate up to 224 hours of sick leave. No compensation is allowed for unused sick leave when employees terminate their employment. Accrued compensated absences is immaterial at December 31, 1998 and not recorded in the financial statements.

I. Total Columns on Combined Statements - Overview

Total columns on the Combined Statements - Overview are captioned (Memorandum Only) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 INVESTMENT IN SAVINGS

At December 31, 1998, investment in savings consisted of the following:

	<u>Rate</u>	<u>Amount</u>
<u>Eunice Branch Contingencies</u>		
Insured Money Market:		
St. Landry Bank & Trust Company	Variable	<u>\$19,363</u>
<u>Opelousas Branch Contingencies</u>		
Insured Money Market:		
St. Landry Bank & Trust Company	Variable	<u>\$10,723</u>

OPELOUSAS-EUNICE PUBLIC LIBRARY

Notes to Financial Statements
December 31, 1998

NOTE 3 EMPLOYEE BENEFIT

All employees who are hired on a permanent basis working at least thirty-five (35) hours per week, not participating in another public funded retirement system and under age sixty (60) at date of employment are members of the Municipal Employees' Retirement System (MERS).

All employees who are not members of MERS contribute a percentage of each employee's salary to the Social Security Retirement System (7.65% contributed by the Library, 7.65% by the employee).

Municipal Employees' Retirement System

Plan Description:

The Municipal Employees' Retirement System of Louisiana (the System) is a cost-sharing multiple-employer employee retirement system (PERS) as established and provided for by R.S. 11:1731 of the Louisiana Revised Statutes (LRS). The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the Library are members of Plan A.

The Municipal Employees' Retirement System of Louisiana issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Municipal Employees' Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, LA 70809.

Funding policy:

Plan members contribute 9.25% of their annual covered salary to the system while the Library is required to contribute at the statutory rate of 5.75% of the total annual covered salary. The Library's contributions to the system for the year ended December 31, 1998, was \$8,461.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Employee's Retirement System of Louisiana, 7937 Office Park Building, Baton Rouge, LA 70809.

NOTE 4 BOARD OF COMMISSIONER'S COMPENSATION

The Board of Commissioners is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-pocket town travel expenses incurred in accordance with the regular personnel policy.

OPELOUSAS-EUNICE PUBLIC LIBRARY

Notes to Financial Statements
December 31, 1998

NOTE 5 Changes in Fixed Assets

The following is a summary of changes in the general fixed assets account group during the fiscal year:

	Balance, December 31, 1997		Additions		Deletions		Balance, December 31, 1998
Land	\$ 118,176	-	\$ -		\$ -		\$ 118,176
Buildings	541,654		-		-		541,654
Equipment	42,273		34,996		-		77,269
Furniture and fixtures	132,372		6,983		-		139,355
Books	742,862		32,473		(6,693)		768,642
Paintings and stuffed wildlife	27,037		-		-		-
	<u>\$ 1,604,374</u>		<u>\$ 74,452</u>		<u>\$ (6,693)</u>		<u>\$ 1,672,133</u>

SUPPLEMENTAL INFORMATION

SCHEDULES OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS

GENERAL FUND

OPELOUSAS-EUNICE PUBLIC LIBRARY
General Fund

Balance Sheet
December 31, 1998

ASSETS

Petty cash	\$ 100
Cash in bank - regular	100,991
Investment in savings:	
Eunice branch contingencies	19,363
Opelousas branch contingencies	<u>10,723</u>
Total assets	<u>\$131,177</u>

LIABILITIES AND FUND EQUITY

Liabilities:	
Accounts payable	\$ 14,553
Accrued liabilities	<u>1,847</u>
Total liabilities	<u>16,400</u>
Fund balance:	
Unreserved, undesignated	<u>114,777</u>
Total liabilities and fund equity	<u>\$131,177</u>

OPELOUSAS-EUNICE PUBLIC LIBRARY
General Fund

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental -			
City of Opelousas	\$174,000	\$ 174,000	\$ -
City of Eunice	103,731	103,731	-
State Aid	25,582	25,582	-
Grants	36,104	36,104	-
Machine charges	8,000	7,779	(221)
Gifts and lost books	1,300	1,024	(276)
Memorial Fund	250	2,280	2,030
Interest income	900	4,021	3,121
Refunds	472	744	272
Miscellaneous	<u>5,179</u>	<u>3,473</u>	<u>(1,706)</u>
	<u>355,518</u>	<u>358,738</u>	<u>3,220</u>
Expenditures:			
Current expenditures -			
Executive and administrative	271,908	266,463	5,445
Capital outlay -			
Books	37,974	36,320	1,654
Furniture and equipment	<u>51,369</u>	<u>41,369</u>	<u>10,000</u>
	<u>361,251</u>	<u>344,152</u>	<u>17,099</u>
Excess of revenues over expenditures	(5,733)	14,586	20,319
Other financing sources:			
Operating transfers in	<u>4,000</u>	<u>4,000</u>	<u>-</u>
Excess of revenues and other sources over expenditures	(1,733)	18,586	20,319
Fund balance, beginning of year	<u>96,191</u>	<u>96,191</u>	<u>-</u>
Fund balance, end of year	<u>\$ 94,458</u>	<u>\$ 114,777</u>	<u>\$ 20,319</u>

OPELOUSAS-EUNICE PUBLIC LIBRARY
General Fund

Detailed Schedule of Current Expenditures -
Budget (GAAP Basis) and Actual
Year Ended December 31, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Executive and Administrative:			
Audit and legal fees	\$ 3,800	\$ 3,161	\$ 639
Salaries	177,997	177,890	107
Substitutes and part-time employees	3,400	2,570	830
Payroll taxes and pension contributions	11,907	11,849	58
Employer's hospitalization contributions	6,000	5,751	249
Maintenance and repairs - equipment	18,588	14,756	3,832
Dues	235	135	100
Insurance	9,350	9,152	198
Rentals	6,335	7,361	(1,026)
Administrative supplies	7,000	6,560	440
Communications	4,102	4,579	(477)
Subscriptions	-	4,075	(4,075)
Travel	1,510	1,285	225
Bayou Land Library System	6,684	6,331	353
Utilities	<u>15,000</u>	<u>15,083</u>	<u>(83)</u>
	<u>\$ 271,908</u>	<u>\$ 270,538</u>	<u>\$ 1,370</u>

SPECIAL REVENUE FUND

Fine Fund

To account for the receipt and subsequent expenditures of fines received from over-due books.

OPELOUSAS-EUNICE PUBLIC LIBRARY
Fine Fund

Balance Sheet
December 31, 1998

ASSETS

Cash in bank - regular	<u>\$ 1,172</u>
------------------------	-----------------

FUND EQUITY

Fund Equity: Unreserved, undesignated	<u>\$ 1,172</u>
------------------------------------------	-----------------

OPELOUSAS-EUNICE PUBLIC LIBRARY
Fine Fund

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

	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Fines collected	\$ 6,000	\$ 6,050	\$ 50
Interest income	60	22	(38)
Other income	<u>330</u>	<u>234</u>	<u>(96)</u>
	<u>6,390</u>	<u>6,306</u>	<u>(84)</u>
Expenditures:			
Current -			
Executive and administrative:			
Supplies	700	472	228
Miscellaneous	400	355	45
Travel	400	85	315
Capital outlay	<u>1,050</u>	<u>838</u>	<u>212</u>
	<u>2,550</u>	<u>1,750</u>	<u>800</u>
Excess of revenues over expenditures	3,840	4,556	716
Other financing uses:			
Operating transfers out	<u>(4,000)</u>	<u>(4,000)</u>	<u>-</u>
Excess of expenditures over revenues and other uses	(160)	556	716
Fund balance, beginning of year	<u>616</u>	<u>616</u>	<u>-</u>
Fund balance, end of year	<u>\$ 456</u>	<u>\$ 1,172</u>	<u>\$ 716</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for general fixed assets.

OPELOUSAS-EUNICE PUBLIC LIBRARY
General Fixed Assets Account Group

Statement of General Fixed Assets
December 31, 1998

General fixed assets:	
Land	\$ 118,176
Buildings	541,654
Equipment	77,269
Furniture and fixtures	139,355
Books	768,642
Paintings and stuffed wildlife	<u>27,037</u>
	<u>\$1,672,133</u>
Investment in general fixed assets:	
Acquired from General Fund Revenues	\$ 484,480
Acquired from State Aid	265,499
Acquired from donations and gifts	145,430
Acquired from Louisiana State Library	40,041
Acquired from federal grants	337,476
Acquired from City of Opelousas	175,000
Acquired from Fine Fund	23,694
Acquired from City of Eunice	66,468
Acquired from Eunice Contingency Funds	<u>134,045</u>
	<u>\$1,672,133</u>

OPELOUSAS-EUNICE PUBLIC LIBRARY

Statement of Changes in General Fixed Assets
Year Ended December 31, 1998

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>
General fixed assets, beginning of year	\$1,604,374	\$ 118,176	\$ 541,654
Additions:			
General Fund revenues	9,752	-	-
Fine Fund revenues	734	-	-
Donations	2,280	-	-
State aid	25,582	-	-
Gates Foundation Grant	36,104	-	-
Deductions:			
Books withdrawn	<u>(6,693)</u>	<u>-</u>	<u>-</u>
General fixed assets, end of year	<u>\$1,672,133</u>	<u>\$ 118,176</u>	<u>\$ 541,654</u>

<u>Equipment</u>	<u>Furniture and Fixtures</u>	<u>Books</u>	<u>Paintings and stuffed Wildlife</u>
\$ 42,273	\$ 132,372	\$ 742,862	\$ 27,037
-	5,875	3,877	-
-	-	734	-
-	-	2,280	-
-	-	25,582	-
34,996	1,108	-	-
<u>-</u>	<u>-</u>	<u>(6,693)</u>	<u>-</u>
<u>\$ 77,269</u>	<u>\$ 139,355</u>	<u>\$ 768,642</u>	<u>\$ 27,037</u>



Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Eugene H. Darnall, CPA, Retired 1990

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

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

Kathleen E. 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

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*

Other Locations:

125 Rue Beauregard
Lafayette, LA 70508
337.232.3312

1231 E. Laurel Avenue
Funice, LA 70535
337.457.1146

1201 Brashear Avenue
Suite 301
Morgan City, LA 70380
504.384.6264

401 Pere Megret
Abbeville, LA 70510
337.893.5470

dstepas.com

To the Board of Commissioners of
Opelousas-Funice Public Library
Opelousas, Louisiana

We have audited the general purpose financial statements of the Opelousas-Funice Public Library, as of and for the year ended December 31, 1998, and have issued our report thereon dated April 27, 1999.

We have conducted our audit in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management.

Compliance

As part of obtaining reasonable assurance about whether the Opelousas-Funice Public 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 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 did not disclose any instances of noncompliance that are required to be reported under *Government Auditing Standards*.

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Opelousas-Eunice Public 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 financial reporting and its operation 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 Opelousas-Eunice Public 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 98-1.

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 in the schedule of findings and questioned costs as item 98-1 is a material weakness.

This report is intended for the information of the Library's management. However, this report is a matter of public record and its distribution is not limited.

Dannall, Sikes & Frederick

A Corporation of Certified Public Accountants

Eunice, Louisiana

April 27, 1999

OPELOUSAS-EUNICE PUBLIC LIBRARY

Schedule of Prior Year Findings
Year Ended December 31, 1998

- 97-1 Finding: Inadequate Segregation of Accounting Functions
Status: This finding is unresolved. See current year finding 98-1.

OPELOUSAS-EUNICE PUBLIC LIBRARY

Schedule of Findings and Questioned Costs
Year Ended December 31, 1998

Part 1 Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report

An unqualified opinion has been issued on the Library's financial statements as of and for the year ended December 31, 1998.

Reportable Conditions – Financial Reporting

There were no reportable conditions in internal control noted during the audit of the financial statements.

Material Noncompliance -- Financial Reporting

There are no material instances of noncompliance noted during the audit of the financial statements.

FEDERAL AWARDS

This section is not applicable for the year ended December 31, 1998.

Management Letter

This section is not applicable for the year ended December 31, 1998.

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

98-1 Individual Segregation of Accounting Functions

Finding:

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

Recommendation:

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

OPELOUSAS-EUNICE PUBLIC LIBRARY

Management's Corrective Action Plan for Current Year Findings
Year Ended December 31, 1998

Response to finding 98-1:

A complete segregation of duties is not feasible due to the cost-benefit of hiring additional personnel and the size of the Library.