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TRAIL BLAZERS LIBRARY SYSTEM  
MONROE, LOUISIANA

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COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED  
DECEMBER 31, 1998

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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 APR 13 1999

TRAIL BLAZERS LIBRARY SYSTEM  
1800 STUBBS AVENUE  
MONROE, LOUISIANA 71201

TRANSMITTAL LETTER

ANNUAL FINANCIAL STATEMENTS

March 24, 1999

Office of Legislative Auditor  
P.O. Box 94397  
Baton Rouge, LA 70804-9397

Dear Dr. Daniel G. Kyle:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Trail Blazers Library System as of and for the fiscal year ended December 31, 1998. The report includes all funds under the control and oversight of the system. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,

*Ben Brady*  
\_\_\_\_\_  
Officer

Enclosure

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 \_\_\_\_\_

TRAIL BLAZERS LIBRARY SYSTEM  
Monroe, Louisiana

ANNUAL SWORN FINANCIAL STATEMENTS AS OF  
AND FOR THE YEAR ENDED DECEMBER 31, 1998  
WITH APPROPRIATE SUPPLEMENTAL INFORMATION

Required by Louisiana Revised Statute 24:514  
to be filed with the Legislative Auditor  
within 90 days after the close of the fiscal year


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AFFIDAVIT

Personally came and appeared before the undersigned authority, Ben Brady, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Trail Blazers Library System as of December 31, 1998, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

  
Signature

Sworn to and subscribed before me, this 29 day of March, 1999

  
NOTARY PUBLIC

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Officer	<u>Mr. Ben Brady</u>
Address	<u>1800 Stubbs Ave.</u>
	<u>Monroe, LA 71201</u>
Telephone No.	<u>318-327-1490</u>

TRAIL BLAZERS LIBRARY SYSTEM  
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MONROE, LOUISIANA

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- Accounting & Auditing
  - H.U.D. Audits
  - Non-Profit Organizations
- Business & Financial Planning
- Tax Preparation & Planning
  - Individual & Partnership
  - Corporate & Fiduciary
- Bookkeeping & Payroll Services

March 24, 1999

## ACCOUNTANTS' REPORT

To the Governing Board  
Trail Blazers Library System  
Monroe, Louisiana

We have compiled the accompanying combined balance sheet - all fund types and account groups of the Trail Blazers Library System as of December 31, 1998 and the related statements of revenue, expenditures and changes in fund balance and the statement of revenue, expenditures and changes in fund balances - budget and actual for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

*Johnston, Perry, Johnson & Associates, L.L.P.*

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS

TRAIL BLAZERS LIBRARY SYSTEM  
 COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS  
 DECEMBER 31, 1998

	GOVERNMENTAL FUND TYPES ACCOUNT GROUPS		TOTALS
	General Fund	General Fixed Assets	(Memorandum Only) 1998
<u>ASSETS</u>			
Cash	6,817	-	6,817
Investments	42,000	-	42,000
Prepaid Expenses	2,548	-	2,548
Equipment	-	16,823	16,823
<u>TOTAL ASSETS</u>	<u>51,365</u>	<u>16,823</u>	<u>68,188</u>
<u>LIABILITIES</u>			
Accounts Payable	462	-0-	462
<u>TOTAL LIABILITIES</u>	<u>462</u>	<u>-0-</u>	<u>462</u>
<u>FUND EQUITY</u>			
Investment in General Fixed Assets	-	16,823	16,823
Fund Balance Unreserved	50,903	-	50,903
<u>TOTAL FUND EQUITY</u>	<u>50,903</u>	<u>16,823</u>	<u>67,726</u>
<u>TOTAL LIABILITIES AND FUND EQUITY</u>	<u>51,365</u>	<u>16,823</u>	<u>68,188</u>

See accompanying notes and accountants' report.

TRAIL BLAZERS LIBRARY SYSTEM  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 1998

REVENUES

Member Support - Parish Libraries	19,624
Interest	2,759
Miscellaneous	<u>254</u>

<u>TOTAL REVENUES</u>	<u>22,637</u>
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EXPENDITURES

Current:

Culture and Recreation (Libraries)	
Salaries	11,307
Payroll Taxes	1,165
Auto - Operations	4,649
Insurance	3,777
Miscellaneous	54
Professional Services	<u>400</u>

<u>TOTAL EXPENDITURES</u>	<u>21,352</u>
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<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	1,285
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<u>FUND BALANCE - JANUARY 1, 1998</u>	<u>49,618</u>
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<u>FUND BALANCE - DECEMBER 31, 1998</u>	<u>50,903</u>
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See accompanying notes and accountants' report.

TRAIL BLAZERS LIBRARY SYSTEM  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES--BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 1998

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Member Support - Parish Libraries	19,624	19,624	-
Interest	2,000	2,759	759
Miscellaneous	425	254	( 171)
<u>TOTAL REVENUES</u>	<u>22,049</u>	<u>22,637</u>	<u>588</u>
<u>EXPENDITURES</u>			
Current:			
Culture and Recreation (Libraries)			
Salaries	11,307	11,307	-
Payroll Taxes	1,166	1,165	1
Auto - Operations	3,000	4,649	( 1,649)
Insurance	3,260	3,777	( 517)
Miscellaneous	500	54	446
Professional Service	400	400	-
Auto Replacement	11,000	-	11,000
<u>TOTAL EXPENDITURES</u>	<u>30,633</u>	<u>21,352</u>	<u>9,281</u>
<u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>( 8,584)</u>	<u>1,285</u>	<u>9,869</u>
<u>FUND BALANCE - JANUARY 1, 1998</u>		<u>49,618</u>	
<u>FUND BALANCE - DECEMBER 31, 1998</u>		<u>50,903</u>	

See accompanying notes and accountants' report.



TRAIL BLAZER LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 1998

A. REPORTING ENTITY

The Trail Blazer Library System (of Northeast Louisiana) was established in 1970 by each police jury in the thirteen parishes in which it operates. The library system consists of thirteen public libraries and three academic libraries. Its purpose is to make library resources of all member libraries available to the people of Northeast Louisiana. The thirteen parishes are Lincoln, Caldwell, Concordia, East Carroll, West Carroll, Franklin, Jackson, Madison, Morehouse, Richland, Tensas, Ouachita and Union. The Trail Blazer Library System is not a component unit of any of the above police juries.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. FUND ACCOUNTING

The accounts of the library system are organized on the basis of a fund and an account group, each of which is considered a separate accounting entity. The General Fund is used to account for all revenues - principally support from member libraries, donations, and interest earned on investments. Salaries, capital acquisitions, and all operating expenditures are paid from this fund. This is a budgeted fund, and any fund balances are considered as resources.

2. ACCOUNT GROUPS

Fixed assets and long-term liabilities of the Governmental Fund Types are accounted for through the account groups. The fixed assets of the library system are accounted for in the General Fixed Assets Account Group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

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

There are no long-term liabilities at December 31, 1998.

3. ACCOUNTING BASIS

The modified accrual basis of accounting is used for the Governmental Fund Types. This basis of accounting recognizes revenues in the accounting period in which they become available and measurable, and expenditures in the accounting period in which the fund liability is incurred.

TRAIL BLAZER LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. ACCOUNTING BASIS (Continued)

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

The records of the library system are maintained on a cash basis of accounting. However, the General Fund as reported in the accompanying financial statements, has been converted to a modified accrual basis of accounting utilizing the following practices:

Revenues

Support from member libraries is recorded when the library system is entitled to the funds.

Interest earned on time deposits is recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for accumulated sick leave which is not accrued.

4. BUDGETARY ACCOUNTING

Annually the board of commissioners adopts a budget for the General Fund based on cash estimates. Actual revenues and expenditures are periodically compared to budget line-items to determine whether budget amendments are needed. The budget was amended once during 1998.

5. VACATION AND SICK LEAVE

Employees holding a masters degree in Library Science earn 12 days of vacation leave per year and all other employees earn 10 days of vacation leave per year. In addition, after one year of employment all employees earn one additional day of vacation leave for each year of employment with the library system. Vacation leaves must be used in the year earned. All annual leave had been taken at December 31, 1998.

TRAIL BLAZER LIBRARY SYSTEM  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 DECEMBER 31, 1998

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. VACATION AND SICK LEAVE (Continued)

Employees earn 12 days of sick leave per year, which can be accumulated up to 40 days. All unused sick leave lapses at termination of employment.

6. TOTAL COLUMN ON COMBINED BALANCE SHEET - OVERVIEW

Total column on the Combined Balance Sheet - Overview is captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles.

7. CASH ACCOUNTS

All cash accounts are held by a financial institution which is insured by an agency of the Federal Government (Federal Depository Insurance). Cash accounts are stated at cost, which approximates market.

C. INVESTMENTS

The library system's investments consists of certificate of deposits, which are covered by Federal Depository Insurance. Details of investments are as follows:

<u>Category</u>	<u>Carrying Amount</u>	<u>Market Value</u>
Certificate of Deposits (All at Local Financial Institutions)	42,000	42,000

D. FIXED ASSETS

The following is a summary of changes in the General Fixed Assets Account Group during 1998.

<u>Item</u>	<u>1998</u>			<u>Balance December 31, 1998</u>
	<u>Balance January 1, 1998</u>	<u>Additions</u>	<u>Retirements</u>	
Equipment (Vehicle)	16,823	-0-	-0-	16,823

TRAIL BLAZER LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

E. RETIREMENT COMMITMENTS

All employees of the library system are members of the Social Security System.

F. LITIGATION

There is no litigation pending against the library system at December 31, 1998.

G. BOARD OF COMMISSIONERS COMPENSATION

Members of the Board of Commissioners served in an advisory capacity and received no per diem or any other compensation for their services.

H. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures.

I. PREPAID ITEMS

Prepaid expenses consist of advanced payments on insurance policies.

J. CASH AND EQUIVALENTS

Cash includes amounts in demand deposits, interest bearing demand deposits and money market accounts.

K. RELATED PARTY TRANSACTIONS

None during the year ended December 31, 1998.

IBERIA PARISH LAW LIBRARY COMMISSION  
New Iberia, Louisiana

Notes to the Financial Statements (Continued)  
December 31, 1998

4. LITIGATION

There is no litigation pending against the commission at December 31, 1998.

5. EXPENDITURES OF THE COMMISSION NOT INCLUDED IN THE FINANCIAL STATEMENTS

The accompanying financial statements do not include certain expenditures of the commission paid out of the funds of the parish governing bodies or directly by the state.