



# **RAPIDES PARISH LIBRARY**

**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2020**



**Rozier McKay  
& Willis** | CERTIFIED PUBLIC  
ACCOUNTANTS

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May 21, 2021

Independent Auditors' Report

To the Board of Control  
Rapides Parish Library

**REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Rapides Parish Library, a component unit of the Rapides Parish Police Jury, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**OPINIONS**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Rapides Parish Library, as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.



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**OTHER MATTERS**

**Required Supplemental Information**

Accounting principles generally accepted in the United States of America require the information listed below to supplement the basic financial statements.

- Management's Discussion and Analysis
- Statements of Revenue, Expenditures and Changes in Fund Balances (Budget vs Actual)
- Schedule of Changes in Net OPEB Liability
- Schedule of Net Pension Liability Data – Cost Sharing Retirement Systems
- Schedule of Employer Contributions – Cost Sharing Retirement Systems

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Supplemental Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Library's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is other supplemental information presented for purposes of additional analysis and is not a required part of the basic financial statements. This supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

**OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARD**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 2021, on our consideration of the Library's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control over financial reporting and compliance.



Rozier, McKay & Willis  
Certified Public Accountants

# **RAPIDES PARISH LIBRARY**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2020**

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This section of the annual financial report presents our discussion and analysis of the Rapides Parish Library's financial performance during the fiscal year ended December 31, 2020.

### **OVERVIEW OF FINANCIAL STATEMENTS**

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Rapides Parish Library's financial position and results of operations from differing perspectives which are described as follows:

#### **Government –Wide Financial Statements**

The government-wide financial statements report information about the Rapides Parish Library as a whole using accounting methods similar to those used by private-sector companies. The government-wide financial statements report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Rapides Parish Library's assets and all of its liabilities. All of the Library's activities are classified as governmental activities in the government-wide financial statements. The governmental activities are financed primarily by property taxes, grants, and investment income.

#### **Fund Financial Statements**

Fund financial statements provide detailed information regarding the Rapides Parish Library's most significant activities and are not intended to provide information for the Library as a whole. Funds are accounting devices that are used to account for specific sources of funds. All of the Rapides Parish Library's funds are Governmental Funds. These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental funds use a modified accrual basis of accounting that provides a short-term view of the Rapides Parish Library's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.

### **FINANCIAL ANALYSIS OF THE RAPIDES PARISH LIBRARY AS A WHOLE**

An analysis of the government-wide Statement of Net Position is presented as follows:

# **RAPIDES PARISH LIBRARY**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2020**

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	<b>December 31,</b>	
	<b>2020</b>	<b>2019</b>
<b><u>Assets:</u></b>		
Cash and Cash Equivalents	\$ 4,972,782	\$ 4,982,952
Receivables	6,052,270	5,646,266
Other Assets	2,500	2,500
Capital Assets	8,358,423	8,328,948
Total Assets	<u>19,385,975</u>	<u>18,960,666</u>
Deferred Outflow of Resources	<u>551,287</u>	<u>1,470,104</u>
<b><u>Liabilities:</u></b>		
Accounts Payable	188,248	128,960
Accrued Interest	11,937	13,878
Delayed Revenue	---	10,400
Accrued Leave	181,061	108,206
Net Other Post Employment Benefits	1,615,200	918,033
Net Pension Liability	17,296	1,636,441
Long Term Debt		
Due Within One Year	355,000	350,000
Due In More Than One Year	1,000,000	1,355,000
Total Liabilities	<u>3,368,742</u>	<u>4,520,918</u>
Deferred Inflow of Resources	<u>804,612</u>	<u>99,934</u>
<b><u>Net Position:</u></b>		
Invested in Capital Assets	7,003,423	6,623,948
Restricted For:		
Permanent Endowment Fund	69,876	69,876
Library Collection Acquisition	19,638	19,219
Unrestricted	8,670,971	9,096,875
Total Net Position	<u>\$ 15,763,908</u>	<u>\$ 15,809,918</u>

As the presentation appearing above demonstrates, a substantial portion of the Rapides Parish Library's net position (55.0%) is unrestricted and may be used to meet the Rapides Parish Library's ongoing obligations. In addition, a large portion of the net position (44.4%) is invested in capital assets. The remaining net position is restricted as described below:

### **Permanent Endowment Fund:**

A portion of the Library's net position (0.4%), is subject to permanent restrictions imposed by the donors that provided the resources. The permanently restricted net position is held in an endowment fund. The original contributions to the endowment fund must be maintained perpetually and only the investment income from the endowment fund is available for expenditures. Investment income from the endowment is used to finance the acquisition of library collection items.

### **Library Collection Acquisition:**

A portion of the net position (0.2%) is attributable to investment income earned by the endowment fund. These resources are available for the future acquisition of library collection items.

# **RAPIDES PARISH LIBRARY**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2020**

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An analysis of the government-wide Statement of Activities is presented as follows:

	<b>For the Year Ended December 31,</b>	
	<b>2020</b>	<b>2019</b>
<b><u>Revenues:</u></b>		
Program Revenue:		
Charges for Services	\$ 34,506	\$ 109,900
Operating Grants and Contributions	96,632	99,565
Capital Grants and Contributions	40,000	----
General Revenue:		
Property Taxes	5,978,485	5,780,057
Revenue Sharing	173,157	191,729
Investment Income	58,958	160,105
Total Revenue	<u>6,381,738</u>	<u>6,341,356</u>
<b><u>Program Expenses:</u></b>		
Library Services	6,391,137	5,846,979
Interest on Long Term Debt	36,611	42,478
Total Expenses	<u>6,427,748</u>	<u>5,889,457</u>
Change in Net Position	(46,010)	451,899
Net Position Beginning	<u>15,809,918</u>	<u>15,358,019</u>
Net Position Ending	<u>\$ 15,763,908</u>	<u>\$ 15,809,918</u>

As the accompanying presentation demonstrates, the Library has experienced favorable financial trends. Net Position has changed by \$46,010 representing consumption of a small portion of reserves to provide for post-retirement benefits. The favorable experience was accomplished by carefully managing the Library's resources with the intention of providing reserves and establishing financial security.

### **FINANCIAL ANALYSIS OF THE RAPIDES PARISH LIBRARY'S FUNDS**

For the year ended December 31, 2020, governmental fund balances increased by \$346,946. The increase is attributable to the same process resulting in the favorable experience described above.

### **BUDGET HIGHLIGHTS**

For the year ended December 31, 2020, budget variances were favorable and no amendments were needed.

### **CAPITAL ASSET ADMINISTRATION**

Capital asset acquisitions were limited to maintaining the library collection and initiating construction on a new branch location for the Boyce community.

# ***RAPIDES PARISH LIBRARY***

## ***MANAGEMENT'S DISCUSSION AND ANALYSIS***

***December 31, 2020***

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### **DEBT ADMINISTRATION**

Long term debt activity was limited to payment of installments due on existing obligations.

### **FACTORS EXPECTED TO AFFECT FUTURE OPERATIONS**

At the present time, no factors have been identified that are expected to have a significant effect on future operations.

# **Rapides Parish Library**

## **Statement of Net Position**

**December 31, 2020**

	<u>Governmental Activities</u>
<b><u>ASSETS</u></b>	
Cash and Cash Equivalents	\$ 4,972,782
Receivables (net)	6,052,270
Other	2,500
Capital Assets	
Land	879,762
Depreciable Capital Assets	7,478,661
<b>Total Assets</b>	<u>19,385,975</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Pension Funding Deferrals	<u>551,287</u>
<b><u>LIABILITIES</u></b>	
Accounts Payable	188,248
Accrued Interest	11,937
Long-Term Liabilities	
Accrued Leave	181,061
Net Other Post Employment Benefits	1,615,200
Net Pension Liability	17,296
Long-Term Debt	
Due Within One Year	355,000
Due In More Than One Year	1,000,000
<b>Total Liabilities</b>	<u>3,368,742</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Pension Funding Deferrals	<u>804,612</u>
<b><u>NET POSITION</u></b>	
Investment in Capital Assets, Net of Related Debt	7,003,423
Restricted for:	
Permanent Endowment Fund (Nonexpendable)	69,876
Library Collection Acquisitions (Expendable)	19,638
Unrestricted (deficit)	<u>8,670,971</u>
<b>Total Net Position</b>	<u>\$ 15,763,908</u>

**The accompanying notes are an integral part of the financial statements.**

# **Rapides Parish Library**

## **Statement of Activities**

**December 31, 2020**

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	<u>Governmental Activities</u>
Expenses:	
Library Services	
Payroll and Benefits	\$ 4,637,485
Insurance	74,976
Materials and Supplies	293,886
Rent and Lease Expense	28,246
Repairs and Maintenance	290,660
Utilities and Telephone	285,945
Depreciation	651,930
Other Expenses	128,009
Interest on Long Term Debt	<u>36,611</u>
Total Expenses	6,427,748
 Program Revenues:	
Charges for Services	34,506
Operating Grants and Contributions	96,632
Capital Grants and Contributions	<u>40,000</u>
Net Expenses	<u>6,256,610</u>
 General Revenues:	
Property Taxes (net)	5,978,485
Revenue Sharing	173,157
Other Income	<u>58,958</u>
Total General Revenues	<u>6,210,600</u>
 Change in Net Position	(46,010)
Net Position - Beginning	<u>15,809,918</u>
 Net Position - Ending	<u>\$ 15,763,908</u>

**The accompanying notes are an integral part of the financial statements.**

# **Rapides Parish Library**

## **Balance Sheet - Governmental Funds**

**December 31, 2020**

	General Fund	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b><u>Assets</u></b>				
Cash and Cash Equivalents	\$ 4,884,968	\$ -	\$ 87,814	\$ 4,972,782
Receivables (net)	6,050,570	-	1,700	6,052,270
Other Assets	2,500	-	-	2,500
<b>Total assets</b>	<b>\$ 10,938,038</b>	<b>\$ -</b>	<b>\$ 89,514</b>	<b>\$ 11,027,552</b>
<b><u>Liabilities and Fund Balance</u></b>				
<b><u>Liabilities</u></b>				
Accounts Payable	\$ 188,248	\$ -	\$ -	\$ 188,248
Delayed Revenue	-	-	-	-
<b>Total liabilities</b>	<b>188,248</b>	<b>-</b>	<b>-</b>	<b>188,248</b>
<b><u>Fund Balance</u></b>				
Non Spendable	-	-	69,876	69,876
Restricted For Acquisition of Library Collection	-	-	19,638	19,638
Committed To:				
HVAC Replacement	62,621	-	-	62,621
Vehicle Replacement	149,337	-	-	149,337
Automation	677,505	-	-	677,505
Unassigned	9,860,327	-	-	9,860,327
<b>Total Fund Balances</b>	<b>10,749,790</b>	<b>-</b>	<b>89,514</b>	<b>10,839,304</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 10,938,038</b>	<b>\$ -</b>	<b>\$ 89,514</b>	<b>\$ 11,027,552</b>

The accompanying notes are an integral part of the financial statements.

# **Rapides Parish Library**

## **Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to Net Position of Governmental Activities on the Statement of Net Position**

**Year Ended December 31, 2020**

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Total Fund Balances - Governmental Funds	\$ 10,839,304
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore the following amounts are not reported in the funds.	
Land	879,762
Depreciable Capital Assets	7,478,661
Deferred inflows of resources that do not meet criteria for inclusion in the Governmental Fund Balance Sheet	551,287
Long term debt and related accruals are not due and payable in the current period and are not reported in the funds.	(3,180,494)
Deferred outflows of resources that do not meet criteria for inclusion in the Governmental Fund Balance Sheet	<u>(804,612)</u>
Net Position of Governmental Activities	<u>\$ 15,763,908</u>

**The accompanying notes are an integral part of the financial statements.**

# **Rapides Parish Library**

## **Statement of Revenue, Expenditures and Changes in Fund Balance - Governmental Funds For the Year Ended December 31, 2020**

	General Fund	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b><u>Revenues:</u></b>				
Property Taxes (net)	\$ 5,978,485	\$ -	\$ -	\$ 5,978,485
Revenue Sharing	173,157	-	-	173,157
Investment Income	58,539	-	419	58,958
Other	171,138	-	-	171,138
	<u>6,381,319</u>	<u>-</u>	<u>419</u>	<u>6,381,738</u>
<b><u>Expenditures:</u></b>				
Library Services (Current)				
Payroll	2,804,027	-	-	2,804,027
Benefits	1,059,086	-	-	1,059,086
Insurance	74,976	-	-	74,976
Materials and Supplies	293,886	-	-	293,886
Rent and Lease Expense	28,246	-	-	28,246
Repairs and Maintenance	290,660	-	-	290,660
Utilities and Telephone	285,945	-	-	285,945
Other Expenses	128,009	-	-	128,009
Capital Expenditures				
Land, Buildings and Equipment	287,401	-	-	287,401
Library Collection	394,004	-	-	394,004
Debt Service	388,552	-	-	388,552
	<u>6,034,792</u>	<u>-</u>	<u>-</u>	<u>6,034,792</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>				
	346,527	-	419	346,946
<b><u>Other Sources (Uses):</u></b>				
Operating Transfers	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	346,527	-	419	346,946
<b>Fund balance - Beginning of Year</b>	10,403,263	-	89,095	10,492,358
	<u>10,403,263</u>	<u>-</u>	<u>89,095</u>	<u>10,492,358</u>
<b>Fund balance - End of Year</b>	\$ 10,749,790	\$ -	\$ 89,514	\$ 10,839,304
	<u>\$ 10,749,790</u>	<u>\$ -</u>	<u>\$ 89,514</u>	<u>\$ 10,839,304</u>

The accompanying notes are an integral part of the financial statements.

# **Rapides Parish Library**

## **Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities**

**Year Ended December 31, 2020**

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Net change in fund balances of Governmental Funds	\$ 346,946
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over estimated useful lives and reported as depreciation expense.	
Capital Expenditures	681,405
Depreciation	(651,930)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	350,000
Governmental funds report pension expense based on contributions required for the current year; however, pension expense reported on the government wide basis is influenced by actuarial considerations	(4,350)
Governmental fund report the cost on post retirement benefits based on amounts paid in the current year; however, expenses reported on the government wide basis is influenced by actuarial considerations	(697,167)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures by governmental funds.	<u>(70,914)</u>
Change in net position of governmental activities	<u>\$ (46,010)</u>

**The accompanying notes are an integral part of the financial statements.**

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Rapides Parish Library has been established under Louisiana Law in order to maintain a collection of books, periodicals, audio recordings, video recordings, and other media for the benefit of the Parish's citizens. The collection is made available to the public at branches located throughout Rapides Parish. In addition, bookmobile and red carpet services are provided for patrons that do not have convenient access to the branch network. The Rapides Parish Library is governed by the Board of Control, which is appointed by the Rapides Parish Police Jury.

The accompanying policies conform to generally accepted accounting principles for governmental units.

#### **Financial Reporting Entity**

The Governmental Accounting Standards Board (GASB) established criteria for determining which component units should be considered part of a financial reporting entity. The basic criterion for including a potential component unit within a reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. The criteria include:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the reporting entity 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 reporting entity.
2. Organizations for which the reporting entity does not appoint a voting majority but are fiscally dependent on the reporting entity.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Rapides Parish Library is a component unit of the Rapides Parish Police Jury. The accompanying component unit financial statements present information only on the funds maintained by the Rapides Parish Library and do not present information on the police jury, the general government service provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

#### **Basic Financial Statements**

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize all of the Rapides Parish Library's operations as governmental activities. Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues.

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

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The government-wide and fund financial statements present the Rapides Parish Library's financial position and results of operations from differing perspectives which are described as follows:

### **Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities display information about the Rapides Parish Library as a whole. The effect of most interfund activity is eliminated from these financial statements. Furthermore, government-wide financial statements exclude any fiduciary activities which are reported in the fund financial statements.

Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service. Program revenues include charges for services, contributions to specific programs, and most grants.

### **Fund Financial Statements**

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Major individual funds are reported as separate columns in the fund financial statements. The Rapides Parish Library's major funds include the general fund and a fund established to account for capital projects. The general fund is the primary operating fund and it is used to account for all resources, except those required to be accounted for in other funds.

### **Basis of Accounting and Measurement Focus**

Basis of accounting refers to when revenues and expenditures or expenses 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. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

<b><u>Financial Statement Presentation</u></b>	<b><u>Basis of Accounting</u></b>	<b><u>Measurement Focus</u></b>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements	Modified Accrual Basis	Current Financial Resources

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of accounting and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is generally considered available if it is collected within 60 days of year end or may otherwise be available to finance current expenditures. In addition, expenses are generally recorded when a liability has been incurred. Furthermore, when the current financial resources measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt are reported as other financing sources and repayment of long-term debt is reported as an expenditure.

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

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### **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. Accordingly, actual results could differ from those estimates.

### **Budget Practices**

The Board of Control adopts annual budgets for the general fund and each special revenue fund in the manner prescribed by State Law. These budgets present revenue and expenditures on a basis consistent with generally accepted accounting principles.

### **Capital Assets**

Capital assets include buildings, equipment, vehicles and portions of the Library's collection that are expected to remain in service for a period of years. Capital assets are reported in the government-wide financial statements but are excluded from the fund financial statements. Instead, the funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are reported at historical cost less accumulated depreciation. Depreciation is computed using the straight-line method and estimated useful lives that are based on the expected durability of the particular asset. Useful lives range from 5 to 40 years depending on the nature of the capital asset.

### **Cash**

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts, certificates of deposit and highly liquid investments.

### **Delayed Revenues**

Amounts received from grants and other sources that do not currently meet criteria for recognition as revenue are reported as delayed revenues. These amounts remain in delayed revenues until revenue recognition criteria are met or the funds are returned to the source.

### **Accrued Leave**

The Library's employees earn from 80 to 160 hours of vacation pay annually depending upon job classification and length of employment. Unused vacation time that an employee may carry forward to the next year is limited to the amount that the employee is eligible to earn in a single year.

### **Internal Balances**

Internal balances arise from transactions between funds. When resources are provided without expectation of repayment, the transaction is reported as a transfer. Transfers are treated as a source of income by the recipient and as an expense or expenditure by the provider. If repayment is eventually expected to occur, interfund receivables and payables are recorded. Internal balances are eliminated in preparing government-wide financial statements.

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

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### **Fund Balance Classifications**

Commitment or assignment of fund balances requires approval of a majority of the Library's Governing Board based on a vote conducted in an open meeting. When expenditures comply with the necessary provisions restricted, committed or assigned amounts are generally consumed rather than utilizing unassigned funds.

### **NOTE 2 – PROPERTY TAXES**

Property taxes are assessed based on values determined by the Rapides Parish Tax Assessor. These taxes are billed and collected on behalf of the Library by the Rapides Parish Sheriff's Office. For the year ended December 31, 2020, the Library has levied property taxes as follows:

	<u>Millage</u>	<u>Expiration</u>
Parish-wide Tax for improving, constructing, maintaining and operating public libraries in the Parish	7.08	2023

Ad valorem taxes are assessed on a calendar year basis and are due on or before December 31 in the year the tax is levied. Revenues from ad valorem taxes are recognized as revenue in the year billed.

### **NOTE 3 - CASH AND CASH EQUIVALENTS**

The Rapides Parish Library's cash balances at December 31, 2020 are summarized as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Petty Cash	\$ 1,040	\$ ----	\$ 1,040
Demand Deposits	3,974,693	17,938	3,992,631
Certificates of Deposit	909,235	69,876	979,111
Total	<u>\$ 4,884,968</u>	<u>\$ 87,814</u>	<u>\$ 4,972,782</u>

Deposits in financial institutions totaled \$5,123,624 (collected bank balance). These deposits are secured from risk by \$584,102 in Federal Deposit Insurance, pledged securities with a market value of \$3,488,501, and an irrevocable standby letter of credit from the Federal Home Loan Bank of Dallas in the amount of \$2,160,000. The pledged securities are held by a custodial bank in the name of the pledging institution (fiscal agent). However, State Law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

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The Rapides Parish Library limits credit risk by requiring pledged securities in the manner described above. In addition, interest rate risk is minimized by acquiring only those certificates of deposit that have an original maturity of two years or less.

### **NOTE 4 - RECEIVABLES**

Receivables are reported net of fees and other statutory amounts withheld by agencies responsible for collecting taxes. In addition, property taxes receivable has been reported net of a reserve for uncollectible taxes. The reserve balance of \$100,000 was determined by management based on collection experience. Receivables at year end are summarized as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Property Taxes (Net)	\$ 5,935,132	\$ ----	\$ 5,935,132
Revenue Sharing	115,438	----	115,438
Total Due from Other Governmental Units	6,050,570	----	6,050,570
Other	----	1,700	1,700
Total	<u>\$ 6,050,570</u>	<u>\$ 1,700</u>	<u>\$ 6,052,270</u>

### **NOTE 5 – CAPITAL ASSETS**

A summary of the Rapides Parish Library's capital assets is provided as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Land	\$ 839,762	\$ 40,000	\$ ----	\$ 879,762
<u>Capital Assets Subject to Depreciation:</u>				
Construction In Process	----	247,346	----	247,346
Buildings and Improvements	7,678,066	----	----	7,678,066
Equipment	1,366,768	----	----	1,366,768
Vehicles	383,593	----	----	383,593
Library Collection	4,375,554	394,004	(396,822)	4,372,736
Less Accumulated Depreciation	(6,314,795)	(651,875)	(396,822)	(6,569,848)
Total Subject to Depreciation	<u>7,489,186</u>	<u>(10,525)</u>	<u>----</u>	<u>7,478,661</u>
Total Net of Depreciation	<u>\$ 8,328,948</u>	<u>\$ 29,475</u>	<u>\$ ----</u>	<u>\$ 8,358,423</u>

### **NOTE 6 – PAYABLES**

Accounts payable at year end are summarized as follows:

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

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Accounts Payable to Venders	\$ 13,594
Accounts Payable Construction Contractors	78,677
Accrued Wages	91,050
Other	4,927
	<hr/>
Total Payables	\$ 188,248

### **NOTE 7 – ACCRUED LEAVE**

Resources provided by the general fund are used to liquidate the accrued leave balances. Accrued leave balances and activity are presented as follows:

Beginning Balance	\$ 108,206
Net Increase (Decrease)	72,855
	<hr/>
Ending Balance	\$ 181,061

### **NOTE 8 – DONOR RESTRICTED ENDOWMENTS**

The Rapides Parish Library has been awarded funds that are subject to permanent restrictions imposed by donors. Under these arrangements, the original contributions must be maintained perpetually and income earned from the investment of the endowment may be used to acquire library collection items. Accordingly, a permanent fund has been established to account for the original endowment and a special revenue fund has been established to account for investment income attributable to the endowment. Details related to each fund are provided as follows:

	<u>Endowment Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 69,876	\$ 17,938	\$ 87,814
Receivables (Accrued Interest)	----	1,700	1,700
Fund Balance	<hr/> <u>\$ 69,876</u>	<hr/> <u>\$ 19,638</u>	<hr/> <u>\$ 89,514</u>

The endowment fund is invested in certificates of deposit and interest earned by the certificates is recorded as income by the special revenue fund.

### **NOTE 9 - RISK MANAGEMENT**

The Rapides Parish Library is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Rapides Parish Library insures against these risks by purchasing commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

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### **NOTE 10 – RETIREMENT PLAN**

**Plan Description** - Substantially all employees of the Rapides Parish Library are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension 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 participating 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 Library funds are eligible to participate in the System. 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 creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. 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 or amended by state statute.

**Funding Policy** - Members are required by state statute to contribute 9.5% of their annual covered salary and the library is required to contribute at an actuarially determined rate. The current rate is 11.50% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. 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 R.S. 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 contributions to the System for the years ending 2020, 2019 and 2018 were consistent with the required contributions for each of those years.

**Financial Summary** - The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details the System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained at persla.org.

Plan A's net pension liability was determined at December 31, 2019 (measurement date and actuarial valuation date) and details are provided as follows:

Net Pension Liability (Asset)	\$ 4,707,461
Library's Proportionate Share (Percentage)	0.367425%
Library's Proportionate Share (Amount)	<u>\$ 17,296</u>

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

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The net pension liability presented above was not affected by any special funding situations. Changes in the Library's proportionate share of Plan A's net pension liability during the measurement period ending December 31, 2019 are provided as follows:

Beginning Net Pension Liability (Asset)	\$ 1,636,441
Employer Contributions	(268,164)
Pension Expense	307,930
Change in Deferred Outflows of Resources	(954,233)
Change in Deferred Inflows of Resources	<u>(704,678)</u>
Ending Net Pension Liability (Asset)	<u>\$ 17,296</u>

There were no changes between December 31, 2020 and the Plan A's measurement date that are expected to have a significant effect on the Library's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Total (Net)</b>
Differences Between Expected and Actual Experience	\$ ---	\$ 154,840	\$ (154,840)
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	---	648,358	(648,358)
Changes of Assumptions	241,565	---	241,565
Changes in Proportion	6,384	1,414	4,970
Employer Contributions Made After the Measurement Date	<u>303,338</u>	<u>----</u>	<u>303,338</u>
Total Deferrals	551,287	804,612	(253,325)
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	<u>(303,338)</u>	<u>----</u>	<u>(303,338)</u>
Deferrals Subject to Amortization	<u>\$ 247,949</u>	<u>\$ 804,612</u>	<u>\$ (556,663)</u>

Deferrals that will be amortized as a component of pension expense in future periods are summarized as follows:

<u>For the Year Ending:</u>	
December 31, 2020	\$ (121,609)
December 31, 2021	(159,361)
December 31, 2022	16,213
December 31, 2023	<u>(291,906)</u>
Total	<u>\$ (556,663)</u>

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the measurement date are as follows:

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

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Valuation Date	December 31, 2019
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.50% (Net of Investment Expense)
Projected Salary Increases	4.75%
Expected Remaining Service Lives	4 Years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.
Inflation Rate	2.40%

The discount rate used to measure the total pension liability was 6.50% for Plan A and 6.50% for Plan B. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

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rebalancing/diversification. The resulting expected long-term rate of return is 7.43% for the year ended December 31, 2019.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Fixed Income	35%	1.05%
Equity	52%	3.41%
Alternatives	11%	0.61%
Real Assets	2%	0.11%
Total	100%	5.18%
Inflation		2.00%
Expected Arithmetic Nominal Return		7.18%

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. For Disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

Sensitivity to changes in the discount has been determined by measuring net pension liability at a discount rate that is one percentage point lower and one percentage point higher than the current rate. The results are presented as follows:

	<u>1% Decrease 5.50% Discount Rate</u>	<u>Current Discount Rate 6.50%</u>	<u>1% Increase 7.50% Discount</u>
Net Pension Liability	\$ 1,869,419	\$ 17,296	\$ (1,534,746)

### **NOTE 11 – POST EMPLOYMENT BENEFITS**

Details regarding other post employment benefits that the Library provides for its workforce are provided as follows:

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

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### **Plan Description**

The Library's established policies and procedures include providing certain healthcare benefits for retirees. This policy amounts to a single-employer defined benefit healthcare plan (the Plan) administered by the Library. The Plan provides medical benefits through the Library's group health insurance plan which covers both active and retired members. Benefits under the plan are made available to employees upon actual retirement. The Plan does not issue a publicly available financial report. Plan participants are typically eligible for healthcare benefits when they become eligible for benefits from the Parochial Employees' Retirement System of Louisiana.

### **Funding Policy**

Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The Library has not established a trust fund to finance the cost of benefits and the Plan has no assets.

### **Net Other Post Employment Liability**

The liability has been determined using the Alternative Measurement Method permitted by Generally Accepted Accounting Standards in place of an actuarial valuation. The measurement date for the alternative measurement method calculation is June 30, 2020. Changes in the liability are presented as follows:

	<u>Total OPEB Liability</u>	<u>Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Service Cost	\$ 35,691	\$ ----	\$ 35,691
Interest	28,259		28,259
Effect of Economic / Demographic Gains or Losses	<u>656,907</u>	<u>----</u>	<u>656,907</u>
OPEB Expense	720,857	----	720,857
Employer Contributions	----	23,690	(23,690)
Benefit Payments	<u>(23,690)</u>	<u>(23,690)</u>	<u>----</u>
Net Change	697,167	----	697,167
Beginning Balance	<u>918,033</u>	<u>----</u>	<u>918,033</u>
Ending Balance	<u>\$ 1,615,200</u>	<u>\$ ----</u>	<u>\$ 1,615,200</u>

Covered employees consist of 67 active subscribers and 10 inactive subscribers. All eligible inactive subscribers are currently receiving benefits.

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

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### **Valuation Methods and Assumptions**

Significant assumptions and other inputs used to measure the total OPEB liability are summarized as follows:

<b>Title</b>	<b>Description</b>
Age Adjustment Factor	2.069898
Average Retirement Age	65
Employer Future Premium Contribution	Remain a level % of the total cost over time.
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Plan Asset Return	N/A
Bond Yield	3.000%
Discount Rate	3.000%
Measurement Date	12/31/2020
Prior Measurement Date	12/31/2019
Prior Discount Rate	3.000%
Projected Salary Increases	3.00%
Amortization Period	20
Percentage Participation	50%
Net OPEB Liability and Actuarially Determined Contribution	Calculated using the Alternative Measurement Method in accordance with GASB methodology.
Mortality Table	Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvement projected for 10 years. Derived from data maintained by the U.S. Office of Personnel Management regarding the most recent experience of the employee group covered by the Federal Employees Retirement system.
Turnover Assumption	
Medical Cost Trend Rates	Ranging from 4.9% in the initial year down to 4.3% beginning in year 8.
Pharmacy Trend Cost Rates	Ranging from 5.9% in the initial year down to 4.3% beginning in year 8.
Dental Cost Trend Rates	Ranging from 3.5% in the initial year down to 3.0% beginning in year 3.
Vision Cost Trend Rates	3.0%

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

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### **Sensitivity to Rates**

Net OPEB liability calculations are impacted by various rate assumptions. An analysis of how the liability would be effected by changes in various rate assumptions is presented as follows:

	<b>Healthcare Cost Trend Rate</b>		
	<b>Baseline Trend Less 1%</b>	<b>Baseline Trend</b>	<b>Baseline Trend Plus 1%</b>
Net OPEB Liability	\$ 1,432,397	\$ 1,615,200	\$1,841,778

  

	<b>Discount Rate</b>		
	<b>Baseline Less 1% 3.000%</b>	<b>Baseline 4.000%</b>	<b>Baseline Plus 1% 5.000%</b>
Net OPEB Liability	\$ 1,821,506	\$ 1,615,200	\$ 1,430,343

### **NOTE 12 – LONG-TERM DEBT**

The following is a summary of transactions involving long-term debt for the year ended December 31, 2020:

Bonds payable, January 1, 2020	\$ 1,705,000
New issues	----
Retirements	350,000
Bonds payable, December 31, 2020	1,355,000
Due within one year	355,000
Due in more than one year	<u>\$ 1,000,000</u>

Details regarding long-term debt issues outstanding at year end are provided as follows:

Limited Tax Certificates, Series 2013 issued in the original amount of \$1,000,000. The certificates feature interest computed at a rates ranging from 0.6% to 3.5%. The bonds mature serially with the initial principal payment due March 1, 2015 and the final payment due March 1, 2023. The certificates are secured by and payable from an irrevocable pledge and dedication of the Libraries property tax revenue. \$ 355,000

Limited Tax Certificates, Series 2015 issued in the original amount of \$1,000,000. The certificates feature interest computed at a rates ranging from 0.25% to 3.40%. The bonds mature serially with the initial principal payment due March 1, 2016 and the final payment due March 1, 2024. The certificates are secured by and payable from an irrevocable pledge and dedication of the Libraries property tax revenue. 475,000

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

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Limited Tax Certificates, Series 2016 issued in the original amount of \$1,000,000. The certificates feature interest computed at a rates ranging from 0.1% to 2.75%. The bonds mature serially with the initial principal payment due March 1, 2017 and the final payment due March 1, 2024. The certificates are secured by and payable from an irrevocable pledge and dedication of the Libraries property tax revenue.	525,000
Total	<u>\$ 1,355,000</u>

A schedule of maturities for these bonds is presented as follows:

<u>Year Ended December 31<sup>st</sup></u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 355,000	\$ 32,116
2022	365,000	23,780
2022	375,000	13,550
2023	260,000	3,982
Total	<u>\$ 1,355,000</u>	<u>\$ 73,428</u>

All interest incurred during the year was reported as an expense and no capitalizations were necessary.

### **NOTE 13 – FUND BALANCES**

Portions of the Governmental Fund Balances are subject to requirements that limit how the resources may be utilized. A detailed description of these limitations is presented as follows:

	<b>Non Spendable</b>	<b>Restricted</b>	<b>Committed</b>
As discussed in Note 8, the Library’s endowment fund is subject to permanent restrictions imposed by donors.	\$ 69,876	\$ ----	\$ ----
Income from the Library’s endowment fund is available only for additions to the Library collection.	----	19,638	----
The Governing Board has designated a portion of the general fund balance for improving heating, ventilation and air conditioning components.	----	----	62,621

# **RAPIDES PARISH LIBRARY**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

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	Non Spendable	Restricted	Committed
The Governing Board has designated a portion of the general fund balance for the eventual replacement of vehicles in the Library's fleet.	----	----	149,337
The Governing Board has designated a portion of the general fund balance for automation of Library activities.	----	----	677,505
	<hr/>	<hr/>	<hr/>
Total	\$ 69,876	\$ 19,638	\$ 889,463
	<hr/>	<hr/>	<hr/>

# **Rapides Parish Library**

## **Statement of Revenue, Expenditures and Changes in Fund Balance - General Fund Budget and Actual For the Year Ended December 31, 2020**

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	
<b><u>Revenues:</u></b>				
Property Taxes	\$ 5,651,000	\$ 5,651,000	\$ 5,978,485	\$ 327,485
Revenue Sharing	188,400	188,400	173,157	(15,243)
Investment Income	75,000	75,000	58,539	(16,461)
Other	196,981	194,349	131,138	(63,211)
<b>Total revenues</b>	<b>6,111,381</b>	<b>6,108,749</b>	<b>6,341,319</b>	<b>232,570</b>
<b><u>Expenditures:</u></b>				
Library Services				
Payroll	2,935,000	2,935,000	2,804,027	130,973
Benefits	1,191,000	1,191,000	1,059,086	131,914
Insurance	40,000	40,000	74,976	(34,976)
Materials and Supplies	371,086	371,086	293,886	77,200
Rent and Lease Expense	37,000	37,000	28,246	8,754
Repairs and Maintenance	344,994	344,994	290,660	54,334
Utilities and Telephone	335,000	335,000	285,945	49,055
Other Expenses	257,999	257,999	128,009	129,990
Capital Expenditures				
Building and Equipment	-	-	247,401	(247,401)
Library Collection	411,750	411,750	394,004	17,746
Debt Service	388,552	388,552	388,522	30
<b>Total expenditures</b>	<b>6,312,381</b>	<b>6,312,381</b>	<b>5,994,762</b>	<b>317,619</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(201,000)</b>	<b>(203,632)</b>	<b>346,557</b>	<b>550,189</b>
<b><u>Other Sources (Uses):</u></b>				
Operating Transfers	-	-	-	-
<b>Net Change in Fund Balance</b>	<b>(201,000)</b>	<b>(203,632)</b>	<b>346,557</b>	<b>550,189</b>
<b>Fund Balance - Beginning of Year</b>	<b>10,403,263</b>	<b>10,403,263</b>	<b>10,403,263</b>	<b>-</b>
<b>Fund Balance - End of Year</b>	<b>\$ 10,202,263</b>	<b>\$ 10,199,631</b>	<b>\$ 10,749,820</b>	<b>\$ 550,189</b>

# **Rapides Parish Library**

## **Schedule of Changes in Net OPEB Liability Retiree Healthcare Plan**

	For the Year Ended December 31st		
	2020	2019	2018
<b><u>Total OPEB Liability</u></b>			
Beginning Balance	\$ 918,033	\$ 867,584	\$ 1,172,953
Service Cost	35,691	34,520	85,163
Interest	28,259	26,759	37,307
Effect of Economic / Demographic Gains or Losses	656,907	9,610	(398,531)
Benefit Payments	<u>(23,690)</u>	<u>(20,440)</u>	<u>(29,308)</u>
Ending Balance	<u>1,615,200</u>	<u>918,033</u>	<u>867,584</u>
<b><u>Fiduciary Net Positon</u></b>			
Beginning Balance	-	-	-
Employer Contributions	23,690	20,440	29,308
Benefit Payments	<u>(23,690)</u>	<u>(20,440)</u>	<u>(29,308)</u>
Ending Balance	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net OPEB Liability</b>	<b>\$ 1,615,200</b>	<b>\$ 918,033</b>	<b>\$ 867,584</b>
Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%
Covered Payroll	2,476,230	2,329,758	2,313,178
Net OPEB Liability as a Percentage of Covered Payroll	65.2%	39.4%	37.5%

This schedule is intended to fulfill requirements to present information for a period of 10 years. However, until a full 10 year trend has been compiled, information is presented only for the years for which the required information is available.

There are no assets accumulated in a trust the meets criteria established by Governmental Accounting Standards to pay related benefits. In addition, there are no known factors that can be expected to significantly effect the amounts reported.

# **Rapides Parish Library**

## **Schedule of Net Pension Liability Data Cost Sharing Retirement Systems**

Retirement System / Measurement Date	Share of Collective		Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll	Pension Plans Fiduciary Net Position as a Percentage of Total Pension Liability
	Net Pension Liability				
	Percent	Amount			
Parochial Employees' Retirement System					
December 31, 2014	0.3633%	99,316	2,214,703	4.5%	99.1%
December 31, 2015	0.3604%	948,659	2,066,345	45.9%	92.2%
December 31, 2016	0.3432%	706,819	2,035,346	34.7%	94.1%
December 31, 2017	0.3445%	(255,720)	2,120,585	-12.1%	102.0%
December 31, 2018	0.3680%	1,636,441	2,329,758	70.2%	88.9%
December 31, 2019	0.3674%	17,296	2,476,230	0.7%	99.9%

Notes to Schedule:

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

# **Rapides Parish Library**

## ***Schedule of Employer Contributions Cost Sharing Retirement Systems***

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Retirement System / Fiscal Year Ending	Statutorily	Contributions	Difference	Covered Payroll	Contributions Recognized as a Percentage of Covered Payroll
	Required Employer Contributions	Recognized By the Pension Plan	Between Required and Recognized Contributions		
Parochial Employees' Retirement System					
December 31, 2014	321,132	327,076	(5,944)	2,214,703	14.77%
December 31, 2015	299,620	301,759	(2,139)	2,066,345	14.60%
December 31, 2016	264,595	265,742	(1,147)	2,035,346	13.06%
December 31, 2017	265,073	265,383	(310)	2,120,585	12.51%
December 31, 2018	254,909	254,463	446	2,216,603	11.48%
December 31, 2019	303,338	268,164	35,174	2,476,230	10.83%

Notes to Schedule:

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

# **Rapides Parish Library**

## ***Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer For the Year Ended December 31, 2020***

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	<u>Celise Reech-Harper</u>
<b><u>Purpose</u></b>	
Salary	\$ 78,835
Benefits-Insurance	\$ 7,864
Benefits-Retirement	\$ 9,257
Reimbursements	\$ -

**Louisiana Law requires reporting compensation, benefits and reimbursements provided for the Agency Head or Chief Executive Officer. The Director of the Rapides Parish Library serves as the Chief Executive Officer.**



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

May 21, 2021

To the Board of Control  
Rapides Parish Library

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Rapides Parish Library, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Rapides Parish Library's basic financial statements, and have issued our report thereon dated May 21, 2021.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit of the financial statements, we considered the Rapides Parish Library's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Library's internal control. Accordingly, we do not express an opinion on the effectiveness of the Rapides Parish Library's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**COMPLIANCE AND OTHER MATTERS**

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



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**PURPOSE OF THIS REPORT**

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



Rozier, McKay & Willis  
Certified Public Accountants

# **RAPIDES PARISH LIBRARY**

## **SCHEDULE OF FINDINGS AND RESPONSES**

**For the Year Ended December 31, 2020**

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### **PART I - SUMMARY OF AUDITOR'S RESULTS:**

- The Independent Auditors' Report on the basic financial statements of the Rapides Parish Library as of December 31, 2020 and for the year then ended expressed an unmodified opinion.
- The audit did not disclose any audit findings which are considered to be significant control deficiencies or material weaknesses.
- The results of the audit disclosed no instances of noncompliance required to be reported in the Schedule of Findings.

### **PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:**

There were no findings of this nature.

# **RAPIDES PARISH LIBRARY**

## **MANAGEMENT'S CORRECTIVE ACTION PLAN**

***For the Year Ended December 31, 2020***

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<b>SECTION I</b> <b>Internal Control And Compliance Material To The Financial Statements.</b>	
No findings were reported in the schedule of findings.	Response – N/A
<b>SECTION II</b> <b>Internal Control and Compliance Material to Federal Awards</b>	
No findings were reported in the schedule of findings.	Response – N/A
<b>SECTION III</b> <b>Management Letter</b>	
No management letter was issued with this report.	Response – N/A

# **RAPIDES PARISH LIBRARY**

## **SCHEDULE OF PRIOR YEAR FINDINGS**

***For the Year Ended December 31, 2020***

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<b>SECTION I</b> <b>Internal Control And Compliance Material To The Financial Statements.</b>	
No findings were reported in the schedule of findings.	Response – N/A
<b>SECTION II</b> <b>Internal Control and Compliance Material to Federal Awards</b>	
No findings of this nature were reported as a result of the previous audit.	Response – N/A
<b>SECTION III</b> <b>Management Letter</b>	
No management letter was issued with the previous audit.	Response – N/A