Shreve Memorial Library

A Component Unit of the City of Shreveport

FINANCIAL STATEMENTS

December 31, 2018

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Shreve Memorial Library
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Required Supplemental Information

Management's Discussion and Analysis (unaudited)

This section of the Shreve Memorial Library's ("Library") annual financial report presents our discussion and analysis of the Library's financial performance during the fiscal year that ended on December 31, 2018. Please read it in conjunction with the Library's financial statements, which follow this section.

Financial Highlights
The following exhibits some of the more important highlights of the financial results for the government-wide financial statements for the year ended December 31, 2018:

- The assets of the Library exceeded its liabilities at the close of the fiscal year by $5,164,185 position;
- Net position for the end of the prior fiscal year (2017) decreased because of a prior period adjustment in the amount of $(8,652,780) due to the adoption of GASB 75;
- The Library's total net position from governmental activities decreased $(1,342,962) from the beginning of the fiscal year as a result of operations during the year;
- The cost of operating the programs of the Library was $18,003,045;
- The General Fund reported unassigned fund balance of $22,566,464

Overview of the Financial Statements
This Management's Discussion and Analysis ("MD&A") is intended to serve as an introduction to the Library's basic financial statements. The Library's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Library's finances, in a manner similar to a private sector business.

The statement of net position presents all of the Library's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Net position represents the difference between all elements in a statement of financial position and is displayed in three components: net investment in capital assets, restricted, and unrestricted. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Library is improving or deteriorating.

The statement of activities presents information showing how the Library's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The statement of net position and the statement of activities distinguish functions of the Library that are principally supported by taxes, intergovernmental revenues, and charges for services (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The Library's governmental activities include culture and recreation. The Library did not report any business-type activities for the current fiscal year.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Library, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The Library only has governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the Library's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Library's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Library adopts an annual budget for its General Fund. A budgetary comparison schedule has been provided to demonstrate compliance with the budget.

Notes to basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information related to the budget, pension, and other post-employment benefits.

Financial Analysis of Government-Wide Activities

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Library, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $5,164,185 at the close of the fiscal year.

The largest portion of the Library's net position totaling approximately $32.9 million reflects its investment in capital assets. The Library uses these capital assets to provide library services to citizens.

Net Position

The Library's net position at December 31, 2018 and 2017, is shown in the following table.

	Governmental activities			
December 31,		2018		2017 (restated)
Current and other assets	$	23,120,068	$	22,848,937
Capital assets, net		32,859,970		33,544,168
Total assets		55,980,038		56,393,105
Deferred outflows of resources		2,172,515		792,307
Current and other liabilities		720,148		767,918
Long-term liabilities		49,509,650		48,389,901
Total liabilities		50,229,798		49,157,819
Deferred inflows of resources		2,758,571		1,520,447
Net position:				
Net investment in capital assets		32,859,970		33,544,168
Unrestricted		(27,695,786)		(27,037,022)
Total net position	$	5,164,184	$	6,507,146

Changes in Net Position

The following condensed government-wide governmental activity statement illustrates the major changes in operations for the Library in 2018 as compared to 2017:

For the Year Ended December 31,		2018		2017		Increase (Decrease)	Percent Change
Revenue	$	16,660,083	$	16,322,577	$	337,506	2.07%
Expenses		18,003,045		19,891,597		(1,888,552)	-9.49%
Change in net position	$	(1,342,962)	$	(3,569,020)	$	2,226,058	

Governmental Activities

The Library's total governmental revenue increased from 2017 by $292,630 or 1.78% (percent), while expenses increased by $598,042 or 3.79% (percent), as compared to 2017.

For the Year Ended December 31,	2018	2017	Increase (Decrease)	Percent Change
Revenue				
Taxes	$ 15,731,589	$ 15,453,149	$ 278,440	
Intergovernmental revenues	616,133	676,090	(59,957)	
Other	414,426	340,279	74,147	
Total revenues	16,762,148	16,469,518	292,630	1.78%
Expenses				
Personnel services	10,338,742	9,966,189	372,553	
Other operating expenses	4,946,480	4,766,770	179,710	
Primary government reimbursements	657,950	654,900	3,050	
Capital outlay	440,069	397,340	42,729	
Total expenses	16,383,241	15,785,199	598,042	3.79%
Excess of revenues over expenses	$ 378,907	$ 684,319	$ (305,412)	

Ad valorem taxes increased significantly as a result of higher millages and property tax assessments and collection of delinquent taxes. Personnel service expenses increased due to increases in staffing, salaries, retirement and insurance expenses. Other operating expenses increased because of increased repairs and maintenance expenses.

Financial Analysis of the Library's Funds

At the end of 2018, the Library's governmental funds reported a fund balance of $22,680,566, which increased a total of $378,907 from prior year fund balance of $22,301,659. The prior year operations showed an increase in fund balance of $684,319

Budgetary Highlights

The Library has prepared and published budgets that cover its governmental activities. Included in this financial report are comparison schedules that illustrate the actual results compared to the original and revised budgets.

Capital Assets

The Library's investment in capital assets for its governmental activities as of December 31, 2018, totaled $32,859,970 (net of accumulated depreciation). This investment includes land and improvements, building and building improvements, equipment, and library materials.

Other Post-Employment Benefits
During 2018, the Library implemented Government Accounting Standards Board ("GASB") Statement Number 75, *Accounting and Financial Reporting for Post-Employment Benefits Other than Pensions*. The adoption of GASB 75 resulted in an adjustment to net position at the beginning of the year of $8,652,780. For the fiscal year ending December 31, 2018, the Library recorded a liability for Other Post-Employment Benefits ("OPEB") of $22,585,822.

Deferred Outflows and Inflows of Resources
Deferred outflows of resources, although similar to "assets," are set apart because these items do not meet the technical definition of being assets of the Library on the date of these financial statements. In other words, these amounts are not available to pay liabilities in the way assets are available. When all the recognition criteria are met, the deferred outflow of resources will become an expense/expenditure. The majority of the deferred outflows of resources reported are comprised of current year contributions to the retirement system. However, there may be some deferred outflows of resources attributable to the various components that impact pension changes, and can include investment changes amortization, changes due to actuarial assumptions, and differences between expected or actual experience.

Deferred inflows of resources are the counterpart to deferred outflows of resources on the Statement of Net Position. Deferred inflows of resources are not technically liabilities of the Library as of the date of the financial statements. When all the recognition criteria are met, the deferred inflow of resources will become revenue or an increase to net position. Deferred inflows of resources reported represent a net amount attributable to the various components that impact pension and OPEB changes, and can include investment changes amortization, changes due to actuarial assumptions, and differences between expected or actual experience.

Economic Factors
The Library does not anticipate any significant changes in its 2019 operations as compared to 2018's operations.

Contacting the Library's Financial Management
This financial report is designed to provide the citizens, taxpayers, and creditors with a general overview of the Library's finances and to demonstrate the Library's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jim Pelton, Chief Budget Officer, at 318-226-5870.

Basic Financial Statements

December 31,		2018
Assets		
Cash and cash equivalents	$	8,476,549
Ad valorem tax receivable		14,279,685
Due from other governments		249,732
Other assets		114,102
Capital assets, net of accumulated depreciation		32,859,970
Total assets		55,980,038
Deferred outflows of resources		
Deferred outflows related to pensions		2,172,515
Liabilities		
Accounts payable		65,095
Accrued expenses		354,959
Noncurrent liabilities		
Due within one year		
Accrued compensated absences		300,094
Due in more than one year		
Net pension liability		26,924,334
Net other post-employment benefit obligation		22,585,316
Total liabilities		50,229,798
Deferred inflows of resources		
Deferred inflows related to pensions		1,229,749
Deferred inflows related to other post-employment benefit obligation		1,528,822
Total deferred inflows of resources		2,758,571
Net position		
Invested in capital assets		32,859,970
Unrestricted		(27,695,786)
Total net position	$	5,164,184

The accompanying notes are integral part of the financial statements.

For the Year Ended December 31, 2018

	Expenses	Program Revenues: Charges for services	Net (expense) revenue and changes in net position
Functions/programs			
Governmental activities			
Culture and recreation	$ 18,003,045	$ 394,024	$ (17,609,021)
Total governmental activities	$ 18,003,045	$ 394,024	(17,609,021)

General revenues	
Property taxes levied for:	
Culture and recreation	15,629,524
State revenue sharing	370,356
On-behalf payments for retiree premiums	245,777
Interest and investment earnings	20,402
Total general revenues	16,266,059
Change in net position	(1,342,962)
Net position, January 1, 2018	15,159,926
Prior period adjustment, see Note 10	(8,652,780)
Net position, January 1, 2018, as restated	6,507,146
Net position, December 31, 2018	$ 5,164,184

The accompanying notes are integral part of the financial statements.

Fund Financial Statements

December 31,		**2018**
Assets		
Cash and cash equivalents	$	8,476,549
Ad valorem tax receivable		14,279,685
Due from other governments		249,732
Other assets		114,102
Total assets	$	23,120,068
Liabilities, deferred inflows and fund balances		
Liabilities		
Accounts payable	$	65,095
Accrued expenses		354,959
Total liabilities		420,054
Deferred inflows of resources		
Unavailable revenue - property taxes		19,448
Total deferred inflows		19,448
Fund balances		
Nonspendable - prepaid expenses		114,102
Unassigned		22,566,464
Total fund balances		22,680,566
Total liabilities, deferred inflows and fund balances	$	23,120,068

The accompanying notes are integral part of the financial statements.

Shreve Memorial Library
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position

December 31,			**2018**
Fund balances - total governmental funds		$	22,680,566
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, are not reported in the governmental funds.			
Governmental capital assets	63,800,895		
Less accumulated depreciation	(30,940,925)		32,859,970
Some of the Library's property taxes were collected more than sixty days after year-end and, therefore, are not available soon enough to pay for current-period expenditures.			19,448
Deferred outflows of resources reported in the Statement of Net Position			2,172,515
Deferred inflows of resources reported in the Statement of Net Position			(2,758,571)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.			
Compensated absences	(300,094)		
Net other post employment benefit obligation	(22,585,316)		
Net pension liability	(26,924,334)		(49,809,744)
Net position of governmental activities		$	5,164,184

The accompanying notes are integral part of the financial statements.

Shreve Memorial Library
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

For the Year Ended December 31,		**2018**
Revenues		
Taxes	$	15,731,589
Intergovernmental revenues		
City of Shreveport - on-behalf OPEB payments		245,777
State of Louisiana - state revenue sharing		370,356
Interest and investment earnings		20,402
Other revenues		394,024
Total revenues		16,762,148
Expenditures		
Current operating		
Personnel		10,338,742
Other operating expenses		4,946,480
Debt service reimbursements to Caddo Parish Commission		657,950
Capital outlay		440,069
Total expenditures		16,383,241
Net change in fund balance		378,907
Fund balance at beginning of year		22,301,659
Fund balance at end of year	$	22,680,566

The accompanying notes are integral part of the financial statements.

Shreve Memorial Library

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities

For the Year Ended December 31,			**2018**
Net change in fund balances - total governmental funds		$	378,907
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 their estimated useful lives and reported as depreciation expense.			
Capital outlay	1,225,421		
Disposal of capital assets	(2,639)		
Depreciation expense	(1,906,980)		(684,198)
Revenues reported in the statement of activities are not reported in governmental funds, because they do not provide current financial resources. This adjustment is to recognize the net change in unavailable revenues for property taxes and special assessments.			(102,065)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.			
Decrease in compensated absences	42,059		
Decrease in net other post employment benefit obligation	797,094		
Increase in net pension liability	(1,916,843)		(1,077,690)
Change in deferred outflows of resources			1,380,208
Change in deferred inflows of resources			(1,238,124)
Change in net position of governmental activities		$	(1,342,962)

The accompanying notes are integral part of the financial statements.

Introduction
The Shreve Memorial Library (the "Library") was established in compliance with the provisions of Louisiana Revised Statute 25:211 as a joint city-parish public library.

Under the City of Shreveport's City Charter Section 8.05, the Library is under control of a Board of Trustees, which shall have all of the powers and duties conferred on boards of control of joint city-parish public libraries by the laws of the state. The Board of Trustees shall consist of the mayor, ex officio, and five (5) qualified electors of the city appointed one each year by the mayor and confirmed by the City Council for terms of five (5) years from and after the expiration of the terms of their predecessors, and the president of the Caddo Parish Commission, ex officio, and three (3) qualified electors of the parish appointed by the Caddo Parish Commission to sit with the Board of Trustees and to participate in its deliberations and decisions, thereby having a total of eight (8) appointed members. Any vacancy of a city-appointed member shall be filled by appointment by the mayor, confirmed by the City Council, for the unexpired portion of the term. If the joint city-parish public library system shall cease for any reason, then the City Council shall provide for the operation of a city public library, by ordinance, in accordance with the system provided for herein.

Note 1 Summary of Significant Accounting Policies

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999. Component units are required to initially adopt GASB Statement No. 34 for the same reporting period as the primary government. The Library's primary government, the City of Shreveport, has adopted the provisions of GASB 34.

A. Basis of Presentation
The accompanying basic financial statements of the Library have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"), as applied to governmental units.

B. Reporting Entity
The Shreve Memorial Library, a parish-wide system, was created by an agreement between the City of Shreveport (the "City") and Caddo Parish Commission (the "Commission" or "Parish") and established as a joint city-parish public library. Prior to 2015, Shreve Memorial Library was included in the Caddo Parish Commission's audited financial statements as a special revenue fund. Both the City of Shreveport and Caddo Parish Commission provide support to the library; however, the City appoints the majority of the Board members and indirectly controls the financial operations of the Library. The City provides the accounting, payroll, purchasing, cash management, and some legal services (contract review) to support the Library's infrastructure and operations. The City of Shreveport, as a primary government, evaluated the Library as a potential component unit and determined that the Library's financial statements should be included with the City's financial statements as a discretely presented component unit.

The accompanying basic financial statements present information only on the funds maintained by the Library and do not present information on the City of Shreveport, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Government-Wide and Fund Financial Statements

The government-wide financial statements ("GWFS") include the Statement of Net Position and the Statement of Activities. These statements report information on all of the governmental activities of the Library.

The Statement of Net Position presents information on all of the Library's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Library is improving or deteriorating.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Depreciation expense is identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The Library organizes its accounts on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures. The Library uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

D. Measurement Focus and Basis of Accounting

The GWFS are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements ("FFS") are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Library considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences, are recorded only when payment is due.

Ad valorem taxes are considered "measurable" at the time of levy. Substantially all other non-intergovernmental revenues are susceptible to accrual and are recognized when earned or the underlying transaction occurs.

The accounts of the Library are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures.

Funds of the Library are classified as governmental funds. Governmental funds account for all of the Library's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between the governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources, which may be used to finance future period programs or operations.

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

E. Budgetary Practices

Budgets are adopted on a modified accrual basis, which is consistent with U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for the general fund. All annual appropriates lapse at fiscal year end.

The proposed budgets for the calendar year 2018 were adopted on November 13, 2017.

The Louisiana Local Government Budget Act provides that "the total of proposed expenditures shall not exceed the total of estimated funds available for the ensuing year." The "total estimated funds available" is the sum of the estimated fund balance at the beginning of the year and the anticipated revenues for the current year.

Through the budget, the Library allocates its resources and establishes its priorities. The annual budget assures the efficient and effective use of the Library's economic resources. It establishes the foundation of effective financial planning by providing resource planning, performance measures and controls that permit the evaluation and adjustment of the Library's performance.

The budget is structured such that revenues are budgeted by source and appropriations are budgeted by principal type of expenditure. Expenditures may not legally exceed appropriations at the fund level. Appropriations that are not expended lapse at year end. The Library may revise or amend the budget at their discretion.

F. <u>Cash, Cash Equivalents, and Investments</u>

Cash and cash equivalents include amounts in demand deposits, interest bearing demand deposits, and savings deposits. Cash equivalents include short term, highly liquid investments with original maturities of 90 days or less when purchased. Under state law, the Library may deposit funds in demand deposits or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments are limited by R.S. 33:2955 and the City of Shreveport's investment policy. If the original maturities of investments exceed ninety (90) days, they are classified as investments; however, if the original maturities are ninety (90) days or less, they are classified as cash equivalents.

G. <u>Receivables</u>

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Uncollectible amounts are recognized as bad debts through the establishment of an allowance account at the time information becomes available, which would indicate the uncollectibility of the receivable.

H. <u>Capital Assets</u>

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the GWFS. Capital assets are recorded at historical cost or estimated historical cost for assets where actual historical cost is not available and depreciated over their estimated useful lives. Donated capital assets are recorded at their estimated fair value at the date of donation. The Library maintains a threshold level for capitalization of capital assets except land. All land is capitalized, regardless of the amount. All other capital assets are capitalized utilizing a threshold of $2,500 for land improvements, buildings and building improvements, furniture, equipment, vehicles, and construction in progress. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial. Straight-line depreciation is calculated based on the following estimated useful lives:

Books and Periodicals	5-7 years
Equipment	3-20 years
Buildings	10-50 years
Improvements	10-50 years

I. Vacation and Sick Leave
Full-time Shreve Memorial Library employees may earn 12 up to 22 days of vacation leave annually depending on length of service, and 15 days of sick leave annually. Employees may carry over a maximum of 44 days of vacation leave at the start of each year; any balance over this maximum is forfeited. Sick leave can be accrued without limit. Employees resigning or retiring from the library are paid for their accrued vacation leave. For employees resigning, accumulated sick leave is canceled upon termination. For employees retiring, sick leave of 175 hours or more is converted to years of service with 2080 hours equal to one year of service.

In the FFS, the matured liability for compensated absences, which includes salary and salary-related payments, is reported in the fund. The total liability is reported in the GWFS. Accrued sick leave benefits are not accrued due to the Library's policy of not paying benefits upon termination. No accrual is made in the governmental funds because the liability is not matured.

J. Pension Plan
The Library participates in a pension plan that is administered by the City of Shreveport. This plan covers all full-time employees. Approximately 33% of the Library's employees are full-time and approximately 67% of the Library's employees are part-time. Some part-time employees are eligible and have elected to participate in the pension plan. Most part-time Library employees participate in the Social Security System.

K. Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period Actual results could differ from those estimates.

L. Net Position Classifications
In the government-wide statements, net position is classified and displayed in two components:

- Invested in capital assets – Consists of capital assets, net of accumulated depreciation.
- Unrestricted net position – Consists of all other components of net position that do not meet the definition of "restricted" or "invested in capital assets".

The Library applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

M. Fund Balance Classification
The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Library is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

In the fund financial statements, governmental fund balance is presented in five possible categories:

Nonspendable - resources, which cannot be spent because they are either (a) not in spendable form (such as prepaid items) or; (b) legally or contractually, required to be maintained intact.

Restricted - resources with constraints placed on their use that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - resources which are subject to limitations or constraints to specific purposes the government imposes upon itself at its highest level of decision making (the Library Board). These amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned - resources neither restricted nor committed for which the Library Board has a stated intended use.

Unassigned - resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount.

The Library would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

O. Adoption of New Financial Accounting Standards

The Library adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* The objective of this statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OBEB that is provided by other entities. This Statement replaces the requirements of Statement No. 45, *Accounting and Financial Report by*

Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agency Multiple-Employer Plans*, *for OPEB.* The adoption of Statement No. 75 has resulted in the restatement of the Library's 2018 government-wide statements to reflect the reporting of the net OEPB liability in accordance with the provisions of the statement (See Note 10).

P. Future Pronouncements

The Governmental Accounting Standards Board has issued several pronouncements that have effective dates that may impact future presentations. The Library is currently evaluating the potential impacts of the following GASB statement on its accounting practices and financial statements:

- Statement No. 87 – Leases

Note 2 Cash and Cash Equivalents

The Library's cash is held in the City of Shreveport's consolidated cash management pool. The Library's portion of the consolidated cash pool is displayed on the Statement of Net Position as "Cash and cash equivalents". At December 31, 2018, the Library had cash and cash equivalents (book balances) totaling $8,475,349 in the City of Shreveport's cash pool.

Cash and cash equivalents are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or pledge of qualifying securities owned by the bank. The market value of the qualifying pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. At December 31, 2018, deposit balances (bank balances) are fully secured by federal deposit insurance and qualified pledged securities. Information on the aggregate deposits of the City of Shreveport and how they are secured is available in the financial statements of the City of Shreveport.

Note 3 Ad Valorem Taxes

Ad valorem taxes represent a major source of funding for the Library. Louisiana statutes provide that parish governments may, with voter authorization, levy special property tax millages up to ten mils for any purpose legally within their scope of jurisdiction. This means that, by law, Caddo Parish can only use the revenue derived from the millages for specified purposes as decided by the voters of Caddo Parish. Two of these special millages are legally dedicated to the Shreve Memorial Library.

The distribution of the levy (tax rate per $1,000 assessed value) to the Shreve Memorial Library was as follows for 2018:

Fund	Property within Shreveport and Vivian	Property outside Shreveport and Vivian
Shreve Memorial Library	8.79%	8.79%

Ad valorem taxes are levied on property values assessed by the Caddo Parish Tax Assessor and approved by the State of Louisiana Tax Commission. The Caddo Parish Sheriff's Office bills and collects property taxes on behalf of the Library. The following is the property tax calendar:

Property tax calendar

Assessment date	January 1
Levy date	Not later than June 1
Tax bills mailed	On or about November 25
Total taxes are due	December 31
Penalties and interest are added	January 1
Lien date	January 1
Tax sale - 2018 delinquent property	On or about May 15, 2019

Property taxes are recorded as receivables and revenues in the year assessed, net of an estimated allowance for uncollectible accounts of $379,619. Property taxes totaling $19,448 not collected within 60 days have been deferred in the fund financial statements.

Note 4 Capital Assets

A summary of changes in capital assets is as follows:

Governmental activities:	Balance December 31, 2017	Additions	Reductions	Balance December 31, 2018
Capital assets not being depreciated:				
Land and land improvements	$ 5,261,444	$ -	$ -	$ 5,261,444
Total capital assets not being depreciated	5,261,444	-	-	5,261,444
Capital assets being depreciated:				
Buildings and structures	33,875,750	-	-	33,875,750
Improvements	284,995	-	-	284,995
Equipment and books	23,316,825	1,225,421	163,540	24,378,706
Total capital assets being depreciated	57,477,570	1,225,421	163,540	58,539,451
Less accumulated depreciation for:				
Buildings and structures	(10,006,838)	(673,780)	-	(10,680,618)
Improvements	(227,368)	(5,319)	-	(232,687)
Equipment and books	(18,960,640)	(1,227,881)	(160,901)	(20,027,620)
Total accumulated depreciation	(29,194,846)	(1,906,980)	(160,901)	(30,940,925)
Total capital assets being depreciated, net	28,282,724	(681,559)	2,639	27,598,526
Capital assets, net	$ 33,544,168	$ (681,559)	$ 2,639	$ 32,859,970

Note 5 Related Party Transactions and On-behalf Payments

All of the Library's expenses are paid out of the City of Shreveport's operating account and then money is transferred periodically from the Library's bank account to reimburse the account. The City provides accounting software and services for the Library. The services include processing payroll, issuing bids, legal services, and cash and investment management. The estimated value of the services cannot be determined and are not reflected in the Library's financial statements.

The City of Shreveport pays the retiree premiums for other post-employment benefits. For the year ended December 31, 2018, on-behalf payments of $245,777 have been recorded in the accompanying financial statements, in accordance with Governmental Accounting Standards Board Statement 24, as intergovernmental revenues and expenditures.

In 2012, the Caddo Parish Commission (the "Commission") issued $6,000,000 of certificates of indebtedness to fund various capital improvements to the Shreve Memorial Library. The Library reimbursed the Caddo Parish Commission for the principal and interest associated with this Certificate of Indebtedness. Total payments made in 2018 to reimburse the Commission for principal and interest equaled $657,950.

The Library is a member of the Green Gold Library System ("Green Gold"). Green Gold is a borrowing and lending network between libraries. The Library's Executive Director serves as President of the Board of Directors for Green Gold. For the year ended December 31, 2018, the Library made payments of $145,694 to Green Gold.

Note 6 Accrued Compensated Absences

The following accrued compensated absences of the Library are recorded as a current liability:

Balance, January 1, 2018	$	342,153
Additions for earned compensated absences		352,311
Less use of accrued amounts		(394,370)
Balance, December 31, 2018		300,094
Less portion due within one year		(300,094)
Long-term portion	$	-

Note 7 Pension Plan

Employees' Retirement System (ERS)

All full-time employees and some part-time employees of the Shreve Memorial Library are members of a cost-sharing multiple-employer defined benefit plan, which is administered by the City of Shreveport (the "City"). Enrollment is mandatory for full-time, permanent employees. The City issues a publicly available financial report that includes financial statements and required supplementary information of the City Plan. That report may be obtained by writing the City of Shreveport, P.O. Box 31109, Shreveport, LA, 71130.

Disclosures relating to this plan are as follows:

Plan Description - The ERS is a cost-sharing multiple-employer defined benefit pension plan that covers all full-time classified employees of the City, other than policemen and firemen, and is administered by the City.

Non-City employees employed by the following organizations may become members in the system: Shreve Memorial Library, Caddo-Shreveport Sales and Use Tax Commission and other non-City employees recommended by the Board of Trustees and approved by the City Council. Appointed officials of the City and the Mayor have the option to join by filing an application within 90 days after taking office. However, by joining the retirement system, they may not participate in the deferred compensation program for appointed employees.

Eligibility Requirements - Prior to October 1, 1999, to be eligible for regular retirement benefits, members must have 30 years of service regardless of age or be age 65 with 10 years of service, and if hired before January 1, 1979 be 55 years of age with 20 years of service. If hired on or after January 1, 1979, members must be 55 years of age with 25 years of service or age 60 with 20 years of service. As of October 1, 1999, eligibility for regular retirement extends to any member who has 20 years of service at age 55. The difference, before and after a hire of January 1, 1979, was eliminated. Members vest in the system after 15 years of creditable service. Benefit provisions are established and may be amended by City ordinance #2 of 1954, #163 of 1990 and #112 of 1991.

Retirement Benefits - Prior Benefits available to members hired before January 1, 1996, consist of an annuity, which is the actuarial equivalent of the employee's accumulated contributions; plus an annual pension, which together with the annuity, provides a total retirement allowance equal to 3% of average compensation times years of creditable service. Beginning January 1, 1996, the retirement allowance increased to 3 1/3% of average compensation times years of creditable service for 1996 and future years of service. Effective January 1, 2015, the retirement allowance was reduced to 2.75% of average compensation times years of creditable service for 2015 and future years. An early retirement provision has been implemented for any member who has at least 10 years, prior to January 1, 2015, of service and is within 10 years of a member's normal retirement age. The benefit is reduced by 3% per year for each year within five years of the normal retirement date, by 5% for the next earlier year, and by 8% for each additional earlier year. The plan allows members who have met eligibility requirements to defer receipt of benefits for a period of two years with one percent interest.

Funding Policy - Prior to January 1, 2007, plan members were required by City ordinance to contribute 7% of compensation to the Plan. The City or other employers were required by the same ordinance to contribute 11.15% of compensation. Contribution amounts from plan members, the City and other employers may be amended by City ordinance. Effective January 1, 2007, the employees' contributions to the plan were increased to 9% from 7% and the employers' contributions were increased to 13.15% from 11.15%. Effective January 1, 2018, the employees' contribution to the plan was increased from 11.5% to 12% and the employer contribution increased from 22% to 24%. Contributions are made from the fund that the employee is paid from or from the organizations noted above. The contribution rate is currently 20.95% of annual covered payroll.

In February 2004, an ordinance was passed which changed the method of computation for cost-of-living increases. The new computation states that effective January 1 of each year, there will be a cost-of-living increase based on the Consumer Price Index (CPI) if certain conditions exist: 1) the CPI has increased a minimum of one percent 2) the funded percentage for the retirement system for the prior year is not under 90 percent 3) the retirement systems overall rate of return on investments for the prior year was equal to or exceeded the actuarial interest rate for funding. The maximum increase is limited to five percent.

Management of the ERS is vested in the board, which consists of seven members – two elected employees who are members of the plan, one elected retiree and one retiree alternate, the Mayor, the City's Chief Administrative Officer, the City's Finance Director and one City Council Member.

For the year ended December 31, 2018, the annual money-weighted rate of returns on pension plan investments, net of pensions plan investment expense, was -3.76%. The money weighted rate of return expenses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

At December 31, 2018, the Library reported a liability of $26,924,334 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2018, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Library's proportion of the Net Pension Liability was based on a projection of the Library's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2018, the Library's proportion was 11.12%.

For the year ended December 31, 2018, the Library recognized pension expense of $1,435,123 less the Library's contributions of $1,189,185 in 2018.

At December 31, 2018, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Investment earnings	$ 2,093,369	$ (994,691)
Differences between expected and actual experience	-	(235,058)
Change in proportion and difference in contributions	79,146	-
Total	$ 2,172,515	$ (1,229,749)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:		
2019	$	346,427
2020	$	23,264
2021	$	121,640
2022	$	451,435

Actuarial Assumptions:

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2018, are as follows:

Valuation Date — January 1, 2019

Measurement Date — December 31, 2018

Actuarial Cost Method — Entry Age Normal

Funding Policy (% of Payroll)

Effective Date	Employer	Employee
January 1, 2015	16.50%	10.00%
January 1, 2016	20.00%	11.00%
January 1, 2017	22.00%	12.00%
January 1, 2018	24.00%	12.00%
January 1, 2019	26.00%	12.00%
January 1, 2020	28.00%	12.00%
January 1, 2021	30.00%	12.00%

Investment Rate of Return — 7.0%

Inflation — 2.5%

Projected salary increases

Age	Rate
25	5.77%
30	4.17%
35	3.23%
40	2.83%
45	2.19%
50	1.62%
55	1.40%

Cost of Living adjustments — None

Mortality rates — Non-annuitants: RP-2000 "Employees" table projected to 2034 using Scale AA; Annuitants: RP-2000 "Healthy Annuitants" projected to 2026 using Scale AA

Payables to the ERS Pension Plan - At December 31, 2018, the Library recorded no payable to the pension plan for employee and employer legally required contributions.

Discount rate - The discount rate used to measure the total pension liability was 7% for 2018. The projection of cash flows used to determine the discount rate assumed that contributions from employees and employers will be made at contractually required rates. Based on those assumptions, the pension plan'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 target allocation is a mix of 60% equities and 40% fixed as reflected in the following table:

Asset Class	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
Cash	BAML 3-Mon Tbill	0.00%	0.29%	0.29%
Core Fixed Income	Barclays Aggregate	40.00%	1.92%	1.82%
Core Bonds	Barclays Gvt/Credit	0.00%	1.80%	1.68%
Short-Term Bonds	Barclays 1-3 Yr Gvt/Credit	0.00%	1.40%	1.36%
Intermediate-Term Bonds	Barclays IT Gvt/Credit	0.00%	1.65%	1.57%
Long-Term Bonds	Barclays LT Gvt/Credit	0.00%	2.30%	1.92%
Mortgages	Barclays MBS	0.00%	2.10%	2.02%
High Yield Bonds	BAML High Yield	0.00%	3.87%	3.41%
Non-US Fixed Income	JPM GBI Global xUS	0.00%	-0.16%	-0.57%
Inflation-Indexed Bonds	Barclays US TIPs	0.00%	1.16%	1.06%
Broad US Equities	Russell 3000	60.00%	4.96%	3.81%
Large Cap US Equities	S&P 500	0.00%	4.69%	3.62%
Mid Cap US Equities	Russell Mid Caps	0.00%	5.15%	3.76%
Small Cap US Equities	Russell 2000	0.00%	5.86%	4.11%
Developed Foreign Equities	MSCI EAFE	0.00%	6.08%	4.59%
Emerging Market Equities	MSCI Emerging Markets	0.00%	8.10%	5.33%
Private Equity	Cambridge Associates	0.00%	9.32%	5.57%
Hedge Funds Diversified	HFRI FOF Diversified	0.00%	1.90%	1.66%
Real Estate (Property)	NCREIF Property	0.00%	3.83%	3.13%
Real Estate (REITS)	FTSE NAREIT Equity REIT	0.00%	5.37%	3.76%
Commodities	DJ UBS	0.00%	2.98%	1.42%
Long Credit Bonds	Barclays Long Credit	0.00%	3.11%	2.78%
Assumed Inflation - Mean			2.30%	2.30%
Assumed Inflation - Standard Deviation			1.65%	1.65%
Portfolio Real Mean Return			3.74%	3.29%
Portfolio Nominal Mean Return			6.06%	5.67%
Portfolio Standard Deviation				9.33%
Long-Term Expected Rate of Return (per City of Shreveport)				**7.00%**

Proportionate share of the sensitivity of the net pension liability to changes in the discount rate - The following presents the net pension liability calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability	$ 31,698,643	$ 26,924,334	$ 22,894,491

Note 8 Other Post-Employment Benefits (OPEB)

Plan Description – In addition to providing pension benefits, the City of Shreveport provides medical, dental, and life insurance coverage through a defined benefit plan that can include non-City employees as described under the Employees' Retirement System for any retiree who receives a monthly retirement check from one of the City's retirement plans and their legal dependents. The benefits, employee contributions, and employer contributions are governed by the Health Care Board and can be amended annually. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The plan does not issue a separate report. The activity of the plan is reported in the City's Employees Health Care Fund, an internal service fund.

Funding Policy – The City contributes 59% and retirees contribute 41% of the required contribution rate as determined annually by the Health Care Board of the self-insured pay-as-you-go plan.

Benefits Provided – Medical, vision, dental, prescription drug and life insurance are provided to employees and others working at least 20 hour per week and covered under the City of Shreveport employees after (a) 30 years of service; (b) the later of age 55 and 20 years of service; or (c) the later of age 65 and 10 years of service. Eligible dependents of active health plan participants who become deceased are eligible to continue coverage. The health plan also covers the eligible dependents, spouses and surviving spouses of retired participants. Participants who become disabled are eligible for health plan coverage, but must pay 100% of the COBRA rate.

Eligible retirees can elect post-retirement life insurance. Life insurance is provided at the retirees' basic annual earnings up to $75,000, $5,000 for spouses, $2,000 for children over 6 months old and $1,000 for children under 6 months old. Coverage is reduced to 50% of the original amount at age 70. Participants who become disabled continue coverage at no expense to them.

Dental insurance coverage is available for eligible retirees and survivors and cover approximately 50% of expected covered dental claims.

Number of participants coded as eligible for post-retirement medical, dental, and life insurance at December 31, 2018 consisted of:

Active participants	181
Terminated participants with deferred benefits	-
Participants receiving benefits	1
Total	182

Net OPEB Liability – At December 31, 2018, the Library reported a liability of $22,585,316 for its proportionate share of the net other post-employment benefit (“OPEB”) liability. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017. The Library’s proportion of the net OPEB liability was based on the number of participating retirees from the Library relative to the number of participating retirees from all participating entities. At December 31, 2018, the Library’s proportion was 4.19%.

The amount recognized by the Library as its proportionate share of the OPEB liability, the related City of Shreveport’s support and the total portion of the net OPEB liability that was associated with the City of Shreveport were as follows:

Library's proportionate share of the net OPEB liability associated with the City of Shreveport	$	22,585,316
City of Shreveport's proportionate share of the net OPEB liability		516,856,274
Total	$	539,441,590

Actuarial Assumption and other inputs – The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	December 31, 2017
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	2018 - 4 years 2017 - 4 years 2016 - 4 years 2015 - 4 years
Investment Rate of Return	7.2%, net of investment expense
Inflation Rate	2.60%
Salary Increases	Vary from 9.75% in the first two years of service to 4.25% after 23 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	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2029 by Scale AA (set back 1 year for females) for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Table set back 5 years for males and set back 3 years for females for disabled annuitants. RP-2000 Employee Table set back 4 years for males and 3 years for females for active members.

The following changes in actuarial assumptions have been made since the prior measurement date: The discount rate as of December 31, 2017 was 3.16% and it changed to 3.64% as of December 31, 2018.

Changes in the Net OPEB Liability - The table below shows the Library's net OPEB obligation for fiscal year ended December 31, 2018:

Balance at January 1, 2018	$	23,382,412
Changes for the year:		
Service cost		880,699
Interest on total OPEB obligation		757,430
Change in assumptions or other inputs		(1,892,827)
Benefit payments and net transfers		(542,398)
Net changes		(797,096)
Balance at December 31, 2018	$	22,585,316

Sensitivity of the Library's proportionate share of the net OPEB liability to changes in the discount rate – The following presents the Library's proportionate share of the net OPEB liability of the City of Shreveport, as well as what the Library's proportionate share of the net OPEB liability would be if it were calculated using a current discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1.0% Decrease (2.64%)	Current Discount Rate (3.64%)	1.0% Increase (4.64%)
Net OPEB liability	$ 26,104,865	$ 22,585,316	$ 18,411,535

Sensitivity of the Library's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates – The following presents the Library's proportionate share of the net OPEB liability of the City of Shreveport, as well as what the Library's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1.0% Decrease	Current Rates	1.0% Increase
Initial rate:	(6.50%)	(7.50%)	(8.50%)
Ultimate rate:	(3.00%)	(4.00%)	(5.00%)
Net OPEB liability	$ 19,773,835	$ 22,585,316	$ 22,782,626

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended December 31, 2018, the Library recognized OPEB expense of $1,274,124. At December 31, 2018, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	$ -	$ (1,528,822)
Total	$ -	$ (1,528,822)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending December 31:		Net Amount to be Recognized
2019	$	(364,005)
2020	$	(364,005)
2021	$	(364,005)
2022	$	(364,005)
2023	$	(72,802)

Note 9 Risk Management

The Library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To handle such risk of loss, the Library maintains a commercial insurance policy covering property, general liability, automobiles, directors and officers/employment practices, security guard general liability, and workers' compensation.

No claims were paid on any of the policies that exceeded the policies' coverage amounts during the year ended December 31, 2018. In addition, there were no significant reductions in insurance coverage during the year ended December 31, 2018.

Note 10 Change in Accounting Principle and Prior Period Adjustment

During the preparation of the financial statements for the year ended December 31, 2018, the Library adopted GASB 75 related to post-employment benefits other than pension which resulted in the restatement of the beginning net position of the Library's government-wide statements reflecting the cumulative retrospective effect of the adoption as follows:

		Governmental Activities
Net position, December 31, 2017	$	15,159,926
Prior period adjustment:		
Cumulative effect of changes in accounting principle:		
GASB 75 - *Accounting and Financial Report for Postemployment Benefits Other Than Pensions*		(8,652,780)
Net position, December 31, 2017, as restated	$	6,507,146

Required Supplementary Information

Shreve Memorial Library
General Fund Budgetary Comparison Schedule
For the Year Ended December 31, 2018

For the Year Ended December 31, 2018	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Ad valorem taxes	$ 15,384,600	$ 15,384,600	$ 15,731,589	$ 346,989
Intergovernmental revenues:				
City of Shreveport on-behalf payments	-	-	245,777	245,777
State revenue sharing	383,200	383,200	370,356	(12,844)
Total intergovernmental revenues	383,200	383,200	616,133	232,933
Fines and fees	78,000	78,000	65,497	(12,503)
Use of money and property:				
Interest earned	24,500	24,500	20,402	(4,098)
Other revenues	327,000	327,000	328,527	1,527
Total revenues	16,197,300	16,197,300	16,762,148	564,848
Expenditures				
Culture and recreation:				
Salaries, fringe benefits, and payroll taxe:	10,665,200	10,566,200	10,338,742	227,458
Supplies	289,000	289,000	259,003	29,997
Utilities	813,900	813,900	723,074	90,826
Repairs and maintenance	1,284,000	1,284,000	1,440,211	(156,211)
Insurance	244,400	244,400	238,561	5,839
Books and library materials	1,520,000	1,520,000	1,432,774	87,226
Contract, general and miscellaneous	985,200	1,084,200	852,857	231,343
Total culture and recreation	15,801,700	15,801,700	15,285,222	516,478
Capital debt service	658,000	658,000	657,950	50
Capital outlay	390,000	560,000	440,069	119,931
Total expenditures	16,849,700	17,019,700	16,383,241	636,459
Excess (deficiency) of revenues over (under) expenditures	(652,400)	(822,400)	378,907	1,201,307
Net change in fund balance	(652,400)	(822,400)	378,907	1,201,307
Fund balance - beginning	21,543,908	21,543,908	22,301,659	757,751
Fund balance - ending	$ 20,891,508	$ 20,721,508	$ 22,680,566	$ 1,959,058

See Independent Auditors' Report.

Shreve Memorial Library
Schedule of the Library's Proportionate Share of the Net Pension Liability
For the Year Ended December 31, 2018

Fiscal Year Ended	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered-employee payroll	Agency's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2018	11.12000%	$ 26,924,334	$ 4,954,938	543.38%	41.82%
2017	11.52000%	$ 25,007,492	$ 5,070,591	493.19%	47.49%
2016	10.79000%	$ 23,640,441	$ 4,859,965	486.43%	45.99%
2015	10.14000%	$ 21,988,704	$ 4,525,648	485.87%	45.84%

Notes to Schedule:
Proportionate Share of Net Pension Liability. Amounts presented were determined as of the measurement date (fiscal year ended December 31).

Benefit Changes. There were no changes of benefit terms for the year ended December 31, 2018.

Changes of Assumptions. There we no changes of assumptions for the year ended December 31, 2018.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Shreve Memorial Library
Schedule of the Library's Contributions to the Pension Plan
For the Year Ended December 31, 2018

Fiscal Year Ended	Contractually Required Contribution	Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll	Contributions as a % of Required Contributions
2018	$1,189,185	$1,189,185	$0	$4,954,938	24.00%	100.00%
2017	$1,115,530	$1,115,530	$0	$5,070,591	22.00%	100.00%
2016	$971,993	$971,993	$0	$4,859,965	20.00%	100.00%
2015	$746,732	$746,732	$0	$4,525,648	16.50%	100.00%

Notes to Schedule:
Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Shreve Memorial Library
Schedule of Changes in the Library's Proportionate Share of the Net OPEB Liability and Related Ratios
For the Year Ended December 31, 2018

Shreve Memorial Library's proportionate share of the total OPEB liability		
Service cost	$	880,699
Interest		757,430
Changes of benefit terms		-
Differences between expected and actual experience		-
Changes of assumptions		(1,892,827)
Benefit payments		(542,398)
Net change in Shreve Memorial Library's proportionate share of total OPEB liability		(797,096)
Shreve Memorial Library's proportionate share of total OPEB liability - beginning		23,382,412
Shreve Memorial Library's proportionate share of net OPEB liability (a)	$	22,585,316
Shreve Memorial Library's proportionate share of plan fiduciary net position		
Contributions - employer	$	542,398
Benefit payments, including refunds of member contributions		(542,398)
Net change in Shreve Memorial Library's proportionate share of plan fiduciary net position		-
Shreve Memorial Library's proportionate share of plan fiduciary net position - beginning		-
Shreve Memorial Library's proportionate share of plan fiduciary net position - ending (b)	$	-
Shreve Memorial Library's proportionate share of net OPEB liability - ending (a) - (b)	$	22,585,316
Plan fiduciary net position as a percentage of the total OPEB liability		0%
Covered-employee payroll	$	4,312,515
Shreve Memorial Library's proportionate share of the net OPEB liability as a percentage of covered-employee payroll		523.72%

Notes to Schedule:

Proportionate Share of Net OPEB Liability. Amounts presented were determined as of the measurement date (fiscal year *ended December 31).*

Benefit Changes. There were no changes of benefit terms for the year ended December 31, 2018.

Changes of Assumptions. The discount rate as of December 31, 2017 was 3.16% and it changed to 3.64% as of December 31, 2018.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Other Supplemental Information

Shreve Memorial Library
Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2018

Agency Head Name: John Tuggle, Executive Director

Purpose		Amount
Salary	$	131,331
Benefits-insurance (life insurance premiums)	$	118
Benefits-retirement	$	31,458
Benefits - health insurance	$	5,746
Benefits - dental insurance	$	233
Benefits - AD&D insurance	$	72
Benefits - Medicare	$	1,885
Conference travel (hotel, registration, per diem, etc.)	$	3,483
Dues and memberships	$	1,413
Other - insurance bond	$	100
Other - cell phone	$	645
Other - subscriptions	$	406

See Independent Auditors' Report.

We have audited the basic financial statements of the Shreve Memorial Library as of and for the year ended December 31, 2018, and have issued our report thereon dated July 1, 2019. 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. Our audit of the financial statements as of December 31, 2018, resulted in an unmodified opinion.

Section 1 – Summary of Auditors' Report

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control	
Material Weakness	No
Other Conditions	No
Compliance	
Compliance Material to Financial Statements	No

Federal Awards

N/A

Section II – Financial Statement Findings

Current Year Findings and Responses

None

Prior Year Findings and Responses

None

INDEPENDENT AUDITORS' REPORTS

Carr, Riggs & Ingram, LLC
1000 East Preston Avenue
Suite 200
Shreveport, LA 71105

Mailing Address:
P.O. Box 4278
Shreveport, LA 71134-0278

(318) 222-2222
(318) 226-7150 (fax)
CRIcpa.com

INDEPENDENT AUDITORS' REPORT

Board of Control
Shreve Memorial Library
Shreveport, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of the Shreve Memorial Library (the "Library"), a component unit of the City of Shreveport, as of and for the year ended December 31, 2018, 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.

Auditors' 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 auditors' 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 auditors consider 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 and the general fund of the Library as of December 31, 2018, 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.

Emphasis of Matter

Change in Accounting Principle

As described in Note 10 to the financial statements, the Library adopted Government Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, which resulted in a cumulative effect of change in accounting principle of ($13,747,829) to the December 31, 2017, net position for governmental activities. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 1 through 5, General Fund Budgetary Comparison Schedule on page 29, Schedule of the Library's Proportionate Share of the Net Pension Liability on page 30, Schedule of the Library's Contributions to the Pension Plan on page 31, and Schedule of Changes in the Library's Proportionate Share of the Net OPEB Liability and Related Ratios on page 32 be presented to supplement the basic financial statements. 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 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, Reimbursements, Benefits and Other Payments to Agency Head is presented in accordance with Act 706 of the 2014 Legislative Session, and is not a required part of the basic financial statements. This schedule is the responsibility of management and was derived from, and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated July 1, 2019, 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 solely 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 the Library's 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.

Carr, Riggs & Ingram, L.L.C

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
July 1, 2019

Carr, Riggs & Ingram, LLC
1000 East Preston Avenue
Suite 200
Shreveport, LA 71105

Mailing Address:
P.O. Box 4278
Shreveport, LA 71134-0278

(318) 222-2222
(318) 226-7150 (fax)
CRIcpa.com

INDEPENDENT AUDITORS' 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*

Board of Control
Shreve Memorial Library
Shreveport, Louisiana

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 and the general fund of the Shreve Memorial Library (the "Library"), a component unit of the City of Shreveport, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Shreve Memorial Library's basic financial statements, and have issued our report thereon dated July 1, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 the Library's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 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*.

Purpose of this Report

The purpose of this 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
July 1, 2019

Shreve Memorial Library
Shreveport, Louisiana

AGREED-UPON PROCEDURES REPORT

December 31, 2018

CPAs and Advisors

CRIcpa.com

Carr, Riggs & Ingram, LLC
1000 East Preston Avenue
Suite 200
Shreveport, LA 71105

Mailing Address:
P.O. Box 4278
Shreveport, LA 71134-0278

(318) 222-2222
(318) 226-7150 (fax)
CRIcpa.com

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Control
Shreve Memorial Library
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Shreve Memorial Library (the "Library") and the Louisiana Legislative Auditor ("LLA") on the control and compliance ("C/C") areas identified in the LLA's Statewide Agreed-Upon Procedures Year 2 ("SAUPs") for the fiscal period January 1, 2018 through December 31, 2018 ("fiscal period"). The Library's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

   a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

      Results: No exceptions were found as a result of applying the procedure.

   b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

      Results: No exceptions were found as a result of applying the procedure.

   c) ***Disbursements***, including processing, reviewing, and approving.

Results: No exceptions were found as a result of applying the procedure.

d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Results: No exceptions were found as a result of applying the procedure.

e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

Results: No exceptions were found as a result of applying the procedure.

f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Results: No exceptions were found as a result of applying the procedure.

g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Results: No exceptions were found as a result of applying the procedure.

h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Results: No exceptions were found as a result of applying the procedure.

i) ***Ethics,*** including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

Results: The Library's policies do not require that all employees annually attest through signature verification that they have read the Library's ethics policy. No other exceptions were found as a result of applying the procedure.

j) ***Debt Service,*** including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: No exceptions were found as a result of applying the procedure.

Bank Reconciliations

2. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Results: A listing of the Library's bank accounts for the fiscal period and management's representation the listing was complete were obtained. The Library had one bank account during the fiscal period. We asked management of the Library to identify the Library's main operating account. The Library's main operating account is equity in pooled cash under the control of the City of Shreveport, and as such, we were unable to perform further procedures on it. A random month was selected from the fiscal period, and the bank statement for that month was provided by management for the one bank account subject to the procedures. No bank reconciliation had been prepared for the month selected.

a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

   Results: For the one account and month subject to the procedure, there was no evidence that a bank reconciliation was prepared.

b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

   Results: For the one account and month subject to the procedure, there was no evidence that a bank reconciliation was prepared.

c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

   Results: For the one account and month subject to the procedure, there was no evidence that a bank reconciliation was prepared.

Collections

3. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

   Results: A listing of deposit sites for the fiscal period and management's representation that the listing was complete were obtained. The listing contained one deposit site which was selected.

4. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

   Results: A listing of collection locations related to the deposit site and management's representation that the listing was complete were obtained. One collection location for the deposit site was randomly selected. Obtained and inspected written policies and procedures related to employee job duties and made inquiries as necessary for the collection location.

a) Employees that are responsible for cash collections do not share cash drawers/registers

   Results: Employees responsible for cash collections share cash drawers/registers.

b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

   Results: No exceptions were found as a result of applying the procedure.

c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

   Results: No exceptions were found as a result of applying the procedure.

d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

   Results: No exceptions were found as a result of applying the procedure.

5. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

   Results: Per inquiry of management, all employees who have access to cash are covered by an insurance policy for theft.

6. Randomly select two deposit dates for each of the bank accounts selected for procedure #2 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

   Results: Ten deposits during the fiscal period were randomly selected and supporting documentation for each of the deposits was obtained.

   a) Observe that receipts are sequentially pre-numbered.

      Results: No exceptions were found as a result of applying the procedure.

   b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

      Results: No exceptions were found as a result of applying the procedure.

   c) Trace the deposit slip total to the actual deposit per the bank statement.

      Results: No exceptions were found as a result of applying the procedure.

   d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than $100).

Results: For two of the ten items, evidence to support the date of collection was not provided and the timeliness of the deposit could not be observed. Eight of the ten items were not deposited within one business day of the receipt.

e) Trace the actual deposit per the bank statement to the general ledger.

Results: No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of procedures performed on those C/C areas identified in the SAUPs, and the result of the procedures performed, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS, & INGRAM, LLC
Shreveport, Louisiana
July 1, 2019

Dream. Discover. Do.

SHREVE MEMORIAL LIBRARY

July 1, 2019

Louisiana Legislative Auditor
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and

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1000 East Preston Avenue
Suite 200
Shreveport, LA 71105

RE: Management's Response to Agreed Upon Procedures

Management of the Shreve Memorial Library has reviewed the Independent Accountants' Report on Applying Agreed-Upon Procedures. We are in agreement with the report of Carr, Riggs & Ingram, LLC. The Shreve Memorial Library will add policies and procedures and implement changes as considered necessary to meet the expectations identified in the report and future agreed-upon procedures engagements.

Shreve Memorial Library

John Tuggle
Executive Director