

Bienville Parish Library
A Component Unit of the Bienville Parish Police Jury
Arcadia, Louisiana

Annual Financial Statements
with Independent Auditor's Report

As of and For the Year Ended
December 31, 2019
with Supplemental Information Schedules

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Bienville Parish Library
 Annual Financial Statements
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As of and for the year ended December 31, 2019
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Annual Financial Statements
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Independent Auditor's Report

Bienville Parish Library
Arcadia, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Bienville Parish Library, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Bienville Parish Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Bienville Parish Library, as of December 31, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, the schedule of employer's share of net pension liability, the schedule of employer contributions, and the schedule of changes in total OPEB liability and related ratios, as listed in the table of contents, 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bienville Parish Library's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented for the purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Compensation, Benefits, and Other Payments to Agency Head 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, 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 September 25, 2020 on our consideration of the Bienville Parish Library's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bienville Parish Library's internal control over financial reporting and compliance.

Kenneth D. Falden & Co., CPAs

Jonesboro, Louisiana
September 25, 2020

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

Bienville Parish Library
Arcadia, Louisiana

Statement of Net Position
As of December 31, 2019

		Governmental Activities
Assets		
Cash and equivalents	\$	3,392,592
Accounts receivable		1,322,521
Capital assets (net of accumulated depreciation)		2,302,995
Total Assets		7,018,108
 Deferred Outflows of Resources		
Deferred Outflows of Resources - Pension		265,080
Deferred Outflows of Resources - OPEB		78,661
Total Deferred Outflows of Resources		343,741
 Liabilities		
Current Liabilities:		
Accounts payable		90,565
Payroll liabilities		23,722
Non-Current Liabilities:		
Compensated absences		8,268
Net other post employment benefits obligation		422,742
Net pension liability		287,654
Total Liabilities		832,951
 Deferred Inflows of Resources		
Deferred Inflows of Resources - Pension		18,761
Deferred Inflows of Resources - OPEB		37,188
Total Deferred Inflows of Resources		55,949
 Net Position		
Net investment in capital assets		2,302,995
Unrestricted		4,169,954
Total Net Position	\$	6,472,949

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

Bienville Parish Library
Arcadia, Louisiana

Statement of Activities
For the Year Ended December 31, 2019

	Major Funds			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<u>Functions/Programs</u>					
Primary government					
Governmental activities					
General government	\$ 1,591,362	\$ -	\$ -	\$ -	(1,591,362)
Total governmental activities	<u>\$ 1,591,362</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,591,362)</u>
<u>General Revenues</u>					
Taxes:					
Property taxes, levied for general purposes					1,306,962
Intergovernmental					29,036
Investment earnings					56,175
Other revenue					44,388
Total general revenues					<u>1,436,561</u>
Change in net position					(154,801)
Net position - December 31, 2018					<u>6,627,750</u>
Net position - December 31, 2019					<u>\$ 6,472,949</u>

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

FUND FINANCIAL STATEMENTS

Bienville Parish Library
Arcadia, Louisiana

Balance Sheet - Governmental Funds
As of December 31, 2019

		Governmental Funds
Assets		
Cash and equivalents	\$	3,392,592
Accounts receivable		1,322,521
Total Assets	\$	4,715,113
Liabilities & Fund Balances		
Liabilities:		
Accounts payable	\$	90,565
Payroll liabilities		23,722
Total Liabilities		114,287
Fund balances:		
Unassigned		4,600,826
Total Fund Balances		4,600,826
Total Liabilities and Fund Balances	\$	4,715,113

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

Bienville Parish Library
Arcadia, Louisiana

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
As of December 31, 2019

Total Fund Balances at December 31, 2019 - Governmental Funds (Statement C)	\$	4,600,826
Total Net Position reported for governmental activities in the Statement of Net Position (Statement A) are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds, net of depreciation.		2,302,995
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Compensated absences		(8,268)
Net other post employment benefits		(422,742)
Net pension liability		(287,654)
Deferred outflows of resources		343,741
Deferred inflows of resources		(55,949)
		(55,949)
Net Position at December 31, 2019	\$	6,472,949

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

Bienville Parish Library
Arcadia, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds
For the Year Ended December 31, 2019

		Governmental Funds
Revenues		
Taxes:		
Ad valorem tax	\$	1,306,962
Intergovernmental		29,036
Fees and fines		25,185
Miscellaneous		5,831
Total revenues		1,367,014
Expenditures		
Current:		
General government		
Personnel services		720,917
Supplies		21,852
Utilities		42,097
Repairs and maintenance		26,161
Contractual services		98,945
Miscellaneous		54,472
Insurance		73,483
Legal and accounting		17,626
Office		22,634
Statutorily required pension expense		40,566
Training, education, and travel		24,455
Capital outlay		77,660
Total expenditures		1,220,868
Excess (deficiency) of revenues over (under) expenditures		146,146
Other financing sources (uses)		
Interest earnings		56,175
Total other financing sources (uses)		56,175
Net changes in fund balances		202,321
Fund balances - December 31, 2018		4,398,505
Fund balances - December 31, 2019	\$	4,600,826

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

Bienville Parish Library
Arcadia, Louisiana

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
and Changes in Funds Balances to the Statement of Activities
For the Year Ended December 31, 2019

Total net change in Fund Balances - Governmental Funds (Statement E)	\$	202,321
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets capitalized over their estimated useful lives as depreciation expense. This is the amount by which capital outlay differs from depreciation for the period.

Depreciation		(356,025)
Capital outlay		77,660

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 the governmental funds. These timing differences are summarized below:

Compensated absence expense decrease (increase)		(784)
Net other post employment benefits decrease (increase)		(24,734)
Net pension liability decrease (increase)		(53,240)
Change in net position of governmental activities (Statement B)	\$	(154,802)

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

**NOTES TO THE
FINANCIAL STATEMENTS**

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

INTRODUCTION

The Bienville Parish Library was established by the Bienville Parish Police Jury, under the provisions of Louisiana Revised Statute 25:211. The Library provides citizens of the parish access to library materials, books, magazines, records, and films. The Library is governed by a board of control which is appointed by the parish police jury in accordance with the provisions of Louisiana Revised Statute 25:214. The members of the board of control serve without compensation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying 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. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Library applies all relevant GASB pronouncements, and GAAP, as applicable to governmental entities. Also, the Library's financial statements are prepared in accordance with the requirements of Louisiana R.S. 24:513 and Audits of State and Local Government Units, published by the American Institute of Certified Public Accountants.

B. Reporting Entity

GASB Statement No. 14, The Financial Reporting Entity, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. As the governing authority of the parish, for reporting purposes, the Bienville Parish Police Jury is the financial reporting entity for Bienville Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, establishes criteria for determining which, if any, component units should be considered part of the Bienville Parish Police Jury for financial reporting purposes. GASB Statement No. 61 provides additional criteria for classifying entities as component units. The basic criterion for including a potential component unit within the reporting entity is financial accountability, which includes:

1. Appointing a voting majority of an organization's governing body, and:
 - i. The ability of the government to impose its will on that organization and/or
 - ii. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
2. Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government and there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Bienville Parish Police Jury appoints the library board of control and the library provides services to all residents of Bienville Parish, the Bienville Parish Library was determined to be a component unit of the Bienville Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Library and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Government-Wide Financial Statements

The Library's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements present summaries of the governmental activities for the Library. Fiduciary activities of the Library are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Library's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Bienville Parish Library's governmental activities.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the Library's taxpayers or citizenry, including (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program; program revenues reduce the cost of the function to be financed from the Library's general revenues.

Direct Expenses - The Library reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

Indirect Expenses - The Library reports all indirect expenses separately on the Statement of Activities (Statement B). Indirect expenses are those expenses that are not clearly identifiable with a function. Interest on long-term debt is considered an indirect expense.

General revenues are taxes and other items that are not properly included among program revenues.

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

D. Fund Financial Statements

The accounts of the Bienville Parish 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, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, expenditures or expenses, as appropriate, additions, and deductions. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements. Funds of the Library are classified into one category: governmental.

Governmental Funds

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The Library has presented all major funds.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the Balance Sheets. Amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. Long-term debts are reported as an other financing source, and repayment of long-term debt is reported as an expenditure. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

"Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon thereafter to pay liabilities of the current period. Accordingly, revenues are recorded when received in cash and when collected within 60 days after year-end. Expenditures are recorded in the accounting period in which the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized when due.

The Bienville Parish Library reports the following major governmental funds:

General Fund - The primary operating fund of the Library, the General Fund accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Library policy.

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

Revenues

The governmental funds use the following practices in recording revenues:

Those revenues susceptible to accrual are property taxes and charges for services.

Entitlements and shared revenues are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible-to-accrual criteria are met. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred, all other grant requirements have been met, and the susceptible-to-accrual criteria have been met.

Interest earnings are recorded when the investments have matured and the interest is available.

Expenditures

The governmental funds use the following practices in recording expenditures:

Purchases of various operating supplies, etc. are recorded as expenditures when the related fund liability is incurred.

Principal and interest on long-term debt are recognized when due.

Other Financing Sources (Uses)

The governmental funds use the following practices in recording other financing sources (uses):

Sales of fixed assets and long-term debt proceeds and payments are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

E. Equity Classifications

The Bienville Parish Library has implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.

In the Government-Wide Financial Statements, the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources is classified as net position and reported in three components:

Net investment in capital assets: This classification consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.

Restricted net position: This classification consists of net position with constraints placed on its use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provision or enabling legislation.

Unrestricted net position: Any other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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Notes to the Financial Statements
As of and for the year ended December 31, 2019

When an expense is incurred for the purposes for which both restricted and unrestricted net position are available, management applies unrestricted net position first, unless a determination is made to use restricted net position. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

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. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The Library did not have any nonspendable funds for the year ended December 31, 2019.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Library did not have any restricted funds for the year ended December 31, 2019.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Library. These amounts cannot be used for any other purpose unless the Library removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Library typically establishes commitments through the adoption and amendment of the budget. The Library did not have any committed funds for the year ended December 31, 2019.

Assigned: This classification includes amounts that are constrained by the Library's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The Library has no assigned funds for year ended December 31, 2019.

Unassigned: This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts. All funds of the Library are designated as unassigned.

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.

Bienville Parish Library
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Notes to the Financial Statements
As of and for the year ended December 31, 2019

F. Budgets

Prior to the beginning of each fiscal year, the Bienville Parish Library adopts a budget for the next fiscal year. The budget can be amended before the end of the fiscal year under the same process used to adopt a budget. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

The 2019 General Fund budget was published in the official journal and made available for public inspection. The budget was adopted by the Library on December 12, 2018. The budget had no amendments.

G. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Bienville Parish Library may deposit funds in demand deposits in stock-owned federally insured depository institutions organized under the laws of the state of Louisiana or of any other state of the United States, or under the laws of the United States. The Library may invest in certificates and time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For the purposes of the statement of cash flows, cash equivalents include all highly liquid investments with a maturity date of 90 days or less when purchased.

Under state law, the Library may invest in United States bonds, treasury notes, or certificates. Those with maturities of 90 days or less would be classified as cash equivalents and all other reported as investments.

H. Investments

The Bienville Parish Library's investments comply with Louisiana Revised Statute 33:2955. Under state law, the Library may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Library may invest in United States bonds, treasury notes and bills, or government-backed agency securities or certificates, and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. These deposits are classified as investments if their original maturities exceed 90 days. Investments are stated at fair value except for those which are permitted under GASB Statement No. 31 to use a different valuation measurement.

In accordance with paragraph 69 of GASB Statement No. 72, the Library reports at amortized cost money market investments and participating interest-bearing investment contracts that have a remaining maturity at the time of purchase of one year or less. Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

I. Capital Assets

Capital assets, which include property, plant, and equipment, are recorded in the governmental column of the government-wide financial statements, but are not reported in the governmental fund financial statements. Acquisitions of property and equipment are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Library maintains a threshold level of \$1000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Buildings and building improvements	20-40 years
Furniture and fixtures	5-10 years
Vehicles	5-15 years
Equipment	5-20 years

J. Deferred Outflows of Resources

The Library reports decreases in net position that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The Library will not recognize the related expenses until a future event occurs. The Library reported deferred outflows of resources of \$343,741, but no deferred outflows of resources affect the governmental funds financial statements. Deferred outflows of resources of \$265,080 are related to the net pension liability, and deferred outflows of resources of \$78,661 are related to the net other post employment benefits obligation.

K. Deferred Inflows of Resources

The Library reports increases in net position that relate to future periods as deferred inflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The Library will not recognize the related revenues until a future event occurs. The Library reported deferred inflows of resources of \$55,949, but no deferred inflows of resources affect the governmental funds financial statements. Deferred inflows of resources of \$18,761 are related to the net pension liability, and deferred inflows of resources of \$37,188 are related to the net other post employment benefits obligation.

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

L. Compensated Absences

Employees receive from ten to twenty days of vacation leave each year, depending on length of service and professional status. Sick leave is earned at the rate of twelve days each year and employees may accumulate sick leave. There is no maximum number of sick days that can be accumulated. Upon separation of service, employees are compensated for accumulated vacation leave earned, but employees are not compensated for sick leave earned. In the case of retirement by a member of the staff who is qualified to draw retirement funds based on the library service within the Library Service System, the unused accumulation of sick time may be counted as service time.

At December 31, 2019, employees of the Library have accumulated and vested \$8,268 of employee leave benefits, computed in accordance with GASB Codification Section C60.

M. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. Ad Valorem Tax

Ad valorem taxes are levied on a calendar year basis and become delinquent on December 31. The Library recognizes property tax revenues when levied. The Bienville Parish Sheriff's office bills and collects property taxes. For the 2019 ad valorem taxes, one rate of tax was levied on taxable property, as follows:

3.96 mills for the general maintenance of the Library

This millage was approved by the Board of Control, and the authorized millage for the year ended was 3.52 mills. The current tax expires in 2023. The difference between the authorized and levied millages is the result of reassessments of taxable property within the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974. The following are the principal taxpayers for the parish and their 2019 assessed valuation.

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

The following entities are the principal taxpayers and related ad valorem tax revenue for the Library:

Principal Taxpayers	2019 Assessed Valuation	Percent of Total Assessed Valuation
ETC Tiger Pipeline, LLC	\$ 47,068,007	13.34 %
Gulf South Pipeline Company	35,099,290	9.95 %
Regency Intrastate	26,895,177	7.62 %
Aethon III BR, LLC	28,330,802	8.03 %
Bear Creek Storage Company	17,553,980	4.97 %
Enable Gas Transmission	12,647,020	3.58 %
Arcadia Gas Storage, LLC	9,568,451	2.71 %
Tanos Exploration II	9,386,709	2.66 %
Tanos Exploration II (WH)	8,228,927	2.33 %
Haynesville Oil & Gas	6,287,330	1.78 %
Total	<u>\$ 201,065,693</u>	<u>56.97 %</u>

3. Cash, Cash Equivalents, and Investments

At December 31, 2019, the Library had cash and cash equivalents (book balances) totaling \$3,392,592. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

At December 31, 2019, the Library had \$3,417,947 in deposits (collected bank balances). These deposits are secured from risk by \$750,000 federal deposit insurance and \$2,350,000 of pledged securities. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 40, Louisiana Revised Statute 30:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand. Louisiana R.S. 39:1224 requires bonds, or other such instruments furnished as security, to be deposited with the depositing authority or with an unaffiliated bank or trust company, Federal Reserve Bank, or any Federal Home Loan Bank or its successor. This security is deemed to be under the control and in the possession of the public entity and deemed to be held in its name. The Bienville Parish Library has complied with these requirements of state law.

Cash and investments are categorized to give an indication of the level of risk assumed by the Library at December 31, 2019. Deposits are considered to be exposed to custodial credit risk if they are not covered by depository insurance and the deposits are (a) uncollateralized, (b) collateralized with securities held by the pledging financial institution, or (c) collateralized with securities held by the the pledging financial institution's trust department or agent but not in the depositor-government's name. The Bienville Parish Library has cash and cash equivalents that are covered by \$750,000 of federal depository insurance. The remaining balance is exposed to custodial credit risk because it is uninsured and collateralized with securities held by the pledging financial institution.

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

At December 31, 2019, the Library had no investments.

	Amount
Petty cash	\$ 250
Demand deposits	392,342
Time deposits	3,000,000
Total	\$ 3,392,592

4. Receivables

The receivables of \$1,322,521 at December 31, 2019, are as follows:

	Amount
Taxes	\$ 1,322,521
Total	\$ 1,322,521

5. Capital Assets

A summary of changes in capital assets for the year ended December 31, 2019, is as follows:

	Balance, January 01, 2019	Additions	Deletions	Balance, December 31, 2019
Capital assets not being depreciated				
Land	\$ 14,350	\$ 21,500	\$ -	\$ 35,850
Total capital assets not being depreciated	14,350	21,500	-	35,850
Capital assets being depreciated				
Books	1,626,549	42,160	42,630	1,626,078
Furniture, fixtures, and equipment	683,825	11,991	-	695,816
Vehicles	55,240	-	-	55,240
Building and improvements	4,060,272	2,010	-	4,062,282
Total capital assets depreciated	6,425,886	56,160	42,630	6,439,416
Less accumulated depreciation				
Books	1,499,999	134,982	42,630	1,592,351
Furniture, fixtures, and equipment	610,508	31,414	-	641,922
Vehicles	55,240	-	-	55,240
Building and improvements	1,693,130	189,629	-	1,882,759
Total capital assets depreciated	3,858,877	356,025	42,630	4,172,272
Net capital assets	2,567,009	(299,865)	-	2,267,144
Governmental Capital Assets, Net	\$ 2,581,359	\$ (278,365)	\$ -	\$ 2,302,994

Depreciation expense of \$356,025 was charged to the general government function.

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

6. Payables

The payables of \$114,287 at December 31, 2019, are as follows:

	Amount
Accounts	\$ 90,565
Payroll liabilities	23,722
Total	<u>\$ 114,287</u>

7. Retirement Systems - Parochial Employees' Retirement System of Louisiana (System)

Plan Description

The Bienville Parish Library contributes to the Parochial Employees' Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. All permanent employees working at least 28 hours per week are eligible to participate in the System. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERS. Section 1901 through 2025 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:1901-2025) and other general laws of the State of Louisiana govern PERS.

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All eligible employees of the Library are members of Plan A.

Any member of Plan A who was hired prior to January 1, 2007, can retire providing he/she meets one of the following criteria:

1. Any age with 30 years of creditable service.
2. Age 55 with a minimum of 25 years of creditable service.
3. Age 60 with a minimum of 10 years of creditable service.
4. Age 65 with a minimum of seven years of creditable service.

Eligibility for retirement for members hired on or after January 1, 2007, is as follows:

1. Age 55 after 30 years of creditable service.
2. Age 62 after 10 years of creditable service.
3. Age 67 after seven years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the employee's final compensation multiplied by his or her years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

The System also provides death and disability benefits. Benefits are established or amended by state statute.

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

For the year ended December 31, 2019, the Bienville Parish Library's total payroll for all employees was \$556,344. Total covered payroll was \$461,499. Covered payroll refers to all compensation paid by the Bienville Parish Library to active employees covered by the System.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Parochial Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 925-4810, or by visiting the System's website www.persla.org.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2019, the actual employer contribution rate was 11.50% for Plan A, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. The Bienville Parish Library's contributions to the System under Plan A for the year ending December 31, 2019 were \$53,072.

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Bienville Parish Library to the System monthly.

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

At December 31, 2019, the Library reported a liability of \$287,654 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 Bienville Parish Library's proportion of the Net Pension Liability was based on a projection of the Bienville Parish 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 0.064811%, which was an increase of .006157% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Bienville Parish Library recognized pension expense of \$111,781 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$53,588). Total pension expense for the Bienville Parish Library for the year ended December 31, 2019 was \$58,193.

Bienville Parish Library
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Notes to the Financial Statements
As of and for the year ended December 31, 2019

At December 31, 2019, the Bienville Parish 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
Differences between expected and actual experience	\$ -	\$ 17,525
Changes in assumptions	71,923	-
Net difference between projected and actual earnings on pension plan	137,701	-
Changes in employer's proportion of beginning net pension liability	2,383	272
Differences between employer and proportionate share of contributions	-	963
Contributions after the measurement period	53,072	-
Total	<u>\$ 265,079</u>	<u>\$ 18,760</u>

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

<u>Year Ended December 31:</u>	
2020	\$ 66,299
2021	36,313
2022	29,809
2023	60,827

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

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	December 31, 2018
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.50%, net of investment expense, including inflation
Expected remaining service lives	4 years
Inflation Rate	2.40%
Projected salary increases	4.75%
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 rates	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.73% for the year ended December 31, 2018. Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	35.00%	1.22%
Equity	52.00%	3.45%
Alternatives	11.00%	0.65%
Real Assets	2.00%	0.11%
Totals	100.00%	5.43%
Inflation		2.00%
Expected arithmetic nominal return		7.43%

Discount Rate

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

Sensitivity of the Bienville Parish Library's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Bienville Parish Library's proportionate share of the net pension liability calculated using the discount rate of 6.50%, as well as what the Assessor's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.50%) or one percentage-point higher (7.50%) than the current rate.

	1.0% Decrease	Current Discount Rate	1.0% Increase
Employer's proportionate share of net pension liability	\$ 610,901	\$ 287,654	\$ 17,448

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

Payables to the Pension Fund

There were no payables to the pension fund due at December 31, 2019.

Fund Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Audit Report at www.persla.org.

8. Other Post-Employment Benefits

On January 1, 2018, the Bienville Parish Library implemented Governmental Accounting Standards Board Statement No. 75 entitled "Accounting and Financial Reporting for Postemployment Benefit Other Than Pensions (GASB 75). The most notable change under GASB 75 is that the Annual Required Contribution (ARC) has been eliminated and the Net OPEB Liability will be an item on the employer's financial statement rather than a footnote entry. GASB 75 governs the specifics of accounting for public OPEB plan obligations for participating employers and is required to be implemented for employer fiscal years beginning after June 15, 2017. GASB 75 requires a liability for OPEB obligations, known as the Net OPEB Liability (Total OPEB Liability for unfunded plans), to be recognized on the balance sheets of participating employers. Changes in the Net OPEB Liability (Total OPEB Liability for unfunded plans) will be immediately recognized as OPEB Expense on the income statement or reported as deferred inflows/outflows of resources depending on the nature of the change.

Plan Description

The Bienville Parish Library (the Library) provides certain continuing health care and life insurance benefits for its retired employees. The Bienville Parish Library's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Library. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Library. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 Postemployment Benefits Other Than Pensions-Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit.

Benefits Provided

Medical benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees retirement eligibility (D.R.O.P. entry) provisions are as follows: Employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2007 retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service.

Life insurance coverage is not considered in this valuation.

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

Employees Covered by Benefit Terms

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	3
Inactive employees entitled but not yet receiving benefit payments	-
Active employees	7
Total	10

Total OPEB Liability

The Library's total OPEB liability of \$422,742 was measured as of December 31, 2019 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases including inflation	3.00%
Discount rate	4.10% annually (Beginning of Year to Determine ADC)
	2.74% annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Flat 5.5% annually

Discount Rate

The discount rate was based on the Bond Buyer General Obligation 20-Year Bond Municipal Index as of December 31, 2019, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009 to December 31, 2019.

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

Changes in Total OPEB Liability

	Increase (Decrease) Total OPEB Liability
Balance as of December 31, 2018	\$ 313,149
Changes for the year:	
Service cost	13,132
Interest	13,108
Differences between expected and actual experience	9,900
Changes in assumptions	81,872
Benefit payments and net transfers	(8,419)
Net changes	<u>109,593</u>
Balance as of December 31, 2019	<u>\$ 422,742</u>

Sensitivity Analysis

The following presents the total OPEB liability of the Library, calculated using the discount rate of 2.74%, as well as what the Library's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.74%) or 1 percentage point higher (3.74%) than the current rate.

	1.0% Decrease	Current Discount Rate	1.0% Increase
Total OPEB liability	\$ 505,533	\$ 422,742	\$ 357,044

The following presents the total OPEB liability of the Library, calculated using the current healthcare cost trend rates as well as what the Library's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower (4.5%) or 1 percentage point higher (6.5%) than the current trend rates.

	1.0% Decrease	Current Discount Rate	1.0% Increase
Total OPEB liability	\$ 355,638	\$ 422,742	\$ 507,067

OPEB Expense

For the year ended December 31, 2019, the Library recognized OPEB expense of \$33,153. As of December 31, 2019, the deferred inflows and outflows of resources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,485	\$ (10,080)
Changes in assumptions	70,176	(27,108)
Amounts paid subsequent to the measurement date	-	-
Total	<u>\$ 78,661</u>	<u>\$ (37,188)</u>

Bienville Parish Library
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

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

Year Ended December 31:	
2020	\$ 6,912
2021	6,912
2022	6,912
2023	6,912
2024	6,912
Thereafter	6,912

9. Changes in General Long-Term Obligations

	Compenstated Absences
Balance as of December 31, 2018	\$ 7,484
Changes for the year:	
Additions	29,419
Deletions	(29,319)
Adjustments	683
Net changes	784
Balance as of December 31, 2019	\$ 8,268

10. Grants

During the year ended December 31, 2019, the Bienville Parish Library received no grant income.

11. Risk Management

The Library is exposed to various risk of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, and injuries to employees. To handle such risk of loss, the Library maintains commercial insurance policies covering each of these risks of loss. The Library believes such coverage is sufficient to preclude any significant uninsured losses to the Library. During the past three year, no claims were paid on any of the policies which exceeded the policies' coverage amount.

12. Litigation and Claims

At December 31, 2019, the Library was not involved in any lawsuits nor is aware of any outstanding claims, which are not covered by insurance.

13. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, September 25, 2020, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Kenneth D. Folden & Co.

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Bienville Parish Library
Arcadia, Louisiana

We have audited the financial statements of the governmental activities and each major fund of the Bienville Parish Library, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Bienville Parish Library's basic financial statements and have issued our report thereon dated September 25, 2020. 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.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or 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 over financial reporting 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 Bienville Parish Library's financial statements are free of 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 report is solely to describe the scope of our testing of internal control and compliance and the result 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 Bienville Parish Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kenneth D. Follen & Co., CPAs

Jonesboro, Louisiana

September 25, 2020

**REQUIRED SUPPLEMENTARY
INFORMATION**

Bienville Parish Library
Arcadia, Louisiana

Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2019

	Budget - Original	Budget - Final	Actual	Variance Favorable (Unfavorable)
Revenues				
Taxes:				
Ad valorem tax	\$ 1,350,000	\$ 1,350,000	\$ 1,306,962	\$ (43,038)
Intergovernmental	24,745	24,745	29,036	4,291
Fees and fines	20,000	20,000	25,185	5,185
Miscellaneous	8,000	5,831	5,831	-
Total revenues	<u>1,402,745</u>	<u>1,400,576</u>	<u>1,367,014</u>	<u>(33,562)</u>
Expenditures				
Current:				
General government				
Personnel services	801,393	801,393	720,917	80,476
Supplies	71,352	61,352	21,852	39,500
Utilities	55,000	55,000	42,097	12,903
Repairs and maintenance	50,000	51,100	26,161	24,939
Contractual services	120,000	105,000	98,945	6,055
Miscellaneous	24,000	24,000	54,472	(30,472)
Insurance	41,000	41,000	73,483	(32,483)
Legal and accounting	20,000	20,000	17,626	2,374
Office	40,000	33,900	22,634	11,266
Statutorily required pension expense	50,000	50,000	40,566	9,434
Training, education, and travel	37,000	37,000	24,455	12,545
Capital outlay	623,000	653,000	77,660	575,340
Total expenditures	<u>1,932,745</u>	<u>1,932,745</u>	<u>1,220,868</u>	<u>711,877</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(530,000)</u>	<u>(532,169)</u>	<u>146,146</u>	<u>678,315</u>
Other financing sources (uses)				
Interest earnings	30,000	30,000	56,175	26,175
Total other financing sources (uses)	<u>30,000</u>	<u>30,000</u>	<u>56,175</u>	<u>26,175</u>
Net changes in fund balances	<u>(500,000)</u>	<u>(502,169)</u>	<u>202,321</u>	<u>704,490</u>
Fund balances - December 31, 2018	<u>4,398,505</u>	<u>4,398,505</u>	<u>4,398,505</u>	<u>-</u>
Fund balances - December 31, 2019	<u>\$ 3,898,505</u>	<u>\$ 3,896,336</u>	<u>\$ 4,600,826</u>	<u>\$ 704,490</u>

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

Bienville Parish Library
Arcadia, Louisiana

Schedule of Employer's Share of Net Pension Liability
Louisiana Assessors' Retirement Fund
For the year ended December 31, 2019

	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.064811%	0.058654%	0.059732%	0.062659%	0.053020%
Employer's proportionate share of the net pension liability (asset)	\$ 287,654	\$ (43,536)	\$ 123,019	\$ 164,937	\$ 14,496
Employer's covered employee payroll	\$ 461,499	\$ 378,679	\$ 361,031	\$ 354,249	\$ 351,378
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	62.33 %	(11.50)%	34.07 %	46.56 %	4.13 %
Employer's proportion of the net pension liability (asset)	88.86 %	101.98 %	94.15 %	92.23 %	99.15 %

The amounts presented have a measurement date of the previous fiscal year.

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

Bienville Parish Library
Arcadia, Louisiana

Schedule of Employer Contributions
Louisiana Assessors' Retirement Fund
For the year ended December 31, 2019

	2019	2018	2017	2016	2015
Contractually required contribution	\$ 53,072	\$ 43,548	\$ 45,127	\$ 46,052	\$ 50,950
Contributions in relation to contractually required contribution	53,072	43,548	45,127	46,052	50,950
Contribution deficiency (excess)	-	-	-	-	-
Employer's covered payroll	\$ 461,499	\$ 378,679	\$ 361,031	\$ 354,249	\$ 351,378
Contributions as a percentage of covered employee payroll	11.50 %	11.50 %	12.50 %	13.00 %	14.50 %

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

Bienville Parish Library
Arcadia, Louisiana

Schedule of Changes in Net OPEB Liability and Related Ratios
For the year ended December 31, 2019

	2019	2018
Total OPEB Liability		
Service cost	\$ 13,132	\$ 17,234
Interest	13,108	12,042
Changes of benefit terms	-	-
Differences between expected and actual experience	9,900	(13,440)
Changes of assumptions	81,872	(36,144)
Benefit payments	(8,419)	(7,980)
Net change in total OPEB liability	109,593	(28,288)
Total OPEB liability, beginning	313,149	341,437
Total OPEB liability, ending	<u>422,742</u>	<u>313,149</u>
Covered payroll	369,298	358,542
Total OPEB liability as a % of covered payroll	114.47%	87.34%
Notes to Schedule:		
Benefit Changes	-	-
Changes of Assumptions - Discount Rate	2.74%	4.10%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

Bienville Parish Library
Arcadia, Louisiana

Schedule of Findings and Questioned Costs
For the year ended December 31, 2019

We have audited the basic financial statements of the Bienville Parish Library as of and for the year ended December 31, 2019 and have issued our report thereon dated September 25, 2020. 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 Governmental Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2019 resulted in an unqualified opinion.

A. Summary of Auditor's Report

Report on Internal Control and Compliance Material to Financial Statements

Internal Control

Material Weakness Yes No Significant Deficiencies Yes No

Compliance

Compliance Material to Financial Statements Yes No

B. Findings - Financial Statements Audit

Current Year

No current year findings.

Prior Year

No prior year findings.

Bienville Parish Library
Arcadia, LouisianaSchedule of Compensation, Benefits and Other Payments to Agency Head
For the year ended December 31, 2019

Peggy Walls Director		
Salary	\$	77,141
Benefits - Medicare		1,119
Benefits - Retirement		8,871
Benefits - Insurance		717
Travel - mileage		631
Lodging		1,071
Registration fees		-
Meals		237
Membership fees		400
Travel		-
Other		-
	\$	<u>90,186</u>

Kenneth D. Folden & Co.

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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Bienville Parish Library
Arcadia, Louisiana
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Bienville Parish Library and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 01, 2019 through December 31, 2019. 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 the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a. Budgeting, including preparing, adopting, monitoring, and amending the budget,
 - 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.
 - c. Disbursements, including processing, reviewing, and approving,
 - d. Receipts, 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. Payroll/Personnel, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked,
 - 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,
 - 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, and (5) monitoring card usage,
 - h. Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers,

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, and

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

k. Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Exception: There are no exceptions in relation to written policies and procedures.

Management's Response: None.

Board

2. Obtain and review the board/committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

a. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Response: The Board of Control met quarterly in accordance with the by-laws.

b. For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.

Response: The minutes reference a review of the quarterly financial/investment report and general ledger; however, the minutes do not specify budget-to-actual comparisons. These statements do include budget-to-actual comparisons.

c. For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Response: The Library did not have a negative ending unrestricted fund balance.

Exception: See above responses.

Management's Response: None.

Bank Reconciliations

3. 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:

Response: Management provided us with a list of bank accounts and representation that the list is complete.

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);

Response: All bank reconciliations were completed within two months of the statement closing date.

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

Response: There was no indication that the bank reconciliation reviewed was reviewed by a member of management/board member.

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.

Response: There were six reconciling items that have been outstanding for more than 12 months, and there was no documentation reflecting that management has researched these items.

Exception: See above responses.

Management's Response: A member of the Board of Control cash will initial the bank reconciliation when completed by the Director. The Library will research reconciling items that have been outstanding for more than 12 months.

Collections

4. 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).

Response: Management provided us with a list of deposit sites and representation that the list is complete.

5. 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:

Response: Collection locations are the branches in Arcadia, Ringgold, Saline, and Castor.

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

Response: No cash is collected by the Director.

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.

Response: No cash is collected by the Director, and the Director prepares the bank deposit.

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.

Response: The Director prepares and makes deposits; the deposits are recorded in the general ledger by the Director.

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.

Response: The Director is responsible for reconciling collections to the general ledger. The Director does not collect cash.

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

Response: No employees are covered by bond or insurance policy for theft.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 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). Obtain supporting documentation for each of the 10 deposits and:

- a. Observe that receipts are sequentially pre-numbered.
- b. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c. Trace the deposit slip total to the actual deposit per the bank statement.
- 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).
- e. Trace the actual deposit per the bank statement to the general ledger.

Response: The Library only uses receipts on amounts over ten dollars and on lost items. One of the collections reviewed had documentation that could not be traced to the deposit slip. Deposit slips were traced to the bank statement and to the general ledger. The deposits reviewed were not made within one business day.

Exception: See above responses.

Management's Response: Due to the small number of employees and the infrastructure of each branch library, it is not feasible for each employee to have a cash drawer. The main branch and each of the three branch libraries have branch managers who work out of the cash drawers daily supervising the collection and recording of monies. Each library has part-time staff who work out of the drawers when work schedules permit. A report is maintained daily that breaks down each drawer by user and account. The report is reconciled daily by the branch manager or appointed staff if the branch manager is unavailable. Due to the location and size of the branches, it is not feasible to make weekly deposits. Also, the branches collect small amounts. Collections are brought to the main branch every two weeks. The Director will research bonding or insurance coverage for employees who collect cash.

Disbursements - General

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Response: Management provided a listing of locations that process payments and representation that the listing is complete.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Response: The Director, Assistant Director, and Information Technology Manager can initiate purchases. The purchases are then approved by the Director.

b. At least two employees are involved in processing and approving payments to vendors.

Response: The Director approves payments to vendors. The Director and Assistant Director processes payments to the vendors.

c. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Response: The Director and Assistant Director can modify vendors, add vendors, and process payments.

d. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Response: The Director and Assistant Director processes checks, signs checks, and mails the checks.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

Response: Management provided the disbursement transaction population and representation that the population is complete.

a. Observe that the disbursement matched the related original invoice/billing statement.

Response: All invoices reviewed matched the disbursement. One disbursement did not have a matching invoice. This disbursement was for a liability from payroll.

b. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Response: Of the 51 disbursements selected, four invoices did not indicate that they were approved by the Director.

Exception: See above responses.

Management's Response: None.

Credit Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Response: Management provided a listing of credit cards, bank debit cards, fuel cards, and P-cards and representation that the listing is completed.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

a. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.

Response: Four cards were tested, and all monthly statements were reviewed and approved in writing by the Director who is the cardholder on three of the cards.

b. Observe that finance charges and late fees were not assessed on the selected statements.

Response: There was one card with finance charges or late fees on the selected statements.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing).

a. For each transaction, observe that it is supported by:

i. An original itemized receipt that identifies precisely what was purchased,

Response: On three out of four statements, all invoices were available and identified precisely what was purchased.

ii. Written documentation of the business/public purpose, and

Response: The statements reviewed had a documented business/public purpose.

iii. Documentation of the individuals participating in meals (for meal charges only).

Response: One out of four statements reviewed had meal charges. All meal charges had documentation of the individuals participating in meals.

Exception: See above responses.

Management's Response: Statements will be reviewed by a member of management/board who is not a cardholder, and statements will be paid in a timely manner as not to accumulate finance charges or late fees.

Travel and Expense Reimbursement

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Response: Management provided a listing of travel and related expense reimbursements and representation that the listing is complete.

a. If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Response: The travel and expense reimbursements calculated by a per diem, rates were established using the U.S General Services Administration.

b. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Response: Reimbursements for actual cost were supported by an itemized invoice, but they did not use the IRS rate specified in their policy.

c. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Response: All reimbursements listed the business/public purpose. No other documentation is required.

d. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Response: Two out of five reimbursements were reviewed and approved, in writing, by someone other than the person receiving the reimbursement. Two of the reimbursements not approved in writing were to the Director.

Exception: See above responses.

Management's Response: Management will use the IRS rate for mileage as specified in their policy, and reimbursements will be approved by a member of management/board who is not receiving the reimbursement.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period.

Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

Response: Management provided representation that no new contracts products or services paid were initiated or renewed during the fiscal period.

- a. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
- c. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
- d. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Exception: None.

Management's Response: None.

Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Response: Management provided a listing of employees/elected officials and representation that the listing is complete.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

Response: All employees documented their daily attendance and leave.

- b. Observe that supervisors approved the attendance and leave of the selected employees/officials.

Response: The timesheets reviewed showed the supervisor's approval.

- c. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Response: The timesheets reviewed showed that leave accrued and taken during the pay period was reflected by the entity's cumulative leave records.

18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Response: There were two employees who were terminated during the year. Neither of the two employees had accumulated leave to receive a termination payment.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Response: Management provided representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed by required deadlines.

Exception: See above responses.

Management's Response: None.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Response: Ethics training was completed by all employees.

b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Response: There is no documentation that the employee has read the entity's ethics policy during the fiscal period.

Exception: See above responses.

Management's Response: The Library will document annually that all employees have read the ethics policy and verify by signature. These documents will be kept in the personnel files for all employees.

Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Response: The Library does not have and did not enter into any debt service.

Exception: None.

Management's Response: None.

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Response: Management has provided representation that there were no misappropriations of public funds and assets during the fiscal period.

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Response: We observed the notice posted in the Library.

We were not engaged to and did not perform 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 testing performed on those C/C areas identified in the SAUPs, and the result of that testing, 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.

Kenneth D. Falden & Co., CPAs

Jonesboro, Louisiana
September 25, 2020

BIENVILLE PARISH LIBRARY

2768 Maple Street • Arcadia, LA 71001

September 25, 2020

Kenneth D. Folden & Co., CPAs
302 Eighth Street
Jonesboro, Louisiana

In connection with your engagement to apply agreed-upon procedures to certain control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs), for the fiscal period January 1, 2019 through December 31, 2019, we confirm to the best of our knowledge and belief, the following representations made to you during your engagement.

1. We are responsible for the C/C areas identified in the SAUPs, including written policies and procedures; board or finance committee; bank reconciliations; collections; disbursements; credit/debit/fuel/purchasing cards; travel and expense reimbursement; contracts; payroll and personnel; ethics; debt service; and other areas as applicable.

Yes No
2. For the fiscal period January 1, 2019 through December 31, 2019, the C/C areas were administered in accordance with the best practice criteria presented in the SAUPs.

Yes No
3. We are responsible for selecting the criteria and procedures and for determining that such criteria and procedures are appropriate for our purposes.


Yes No
4. We have disclosed to you all known matters contradicting the results of the procedures performed in C/C areas.

Yes No

5. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between December 31, 2019, and September 25, 2020.
- Yes No
6. We have provided you with access to all records that we believe are relevant to the C/C areas and the agreed-upon procedures.
- Yes No
7. We represent that the listing of bank accounts provided to you is complete.
- Yes No
8. We represent that the listing of cash/check/money order (cash) collection locations provided to you is complete.
- Yes No
9. We represent that the listing of entity disbursements or the general ledger population of entity disbursements provided to you is complete.
- Yes No
10. We represent that the listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards, provided to you is complete.
- Yes No
11. We represent that the listing of all travel and related expense reimbursements, by person, during the fiscal period or the general ledger population of travel and related expense reimbursements provided to you is complete.
- Yes No
12. We represent that the listing of all contracts in effect during the fiscal period or the general ledger population of contract payments provided to you is complete.
- Yes No
13. We represent that the listing of employees (and elected officials, if applicable) with their related salaries provided to you is complete.
- Yes No

14. We represent that the listing of employees (and elected officials, if applicable) that terminated during the fiscal period provided to you is complete.
Yes No
15. We have disclosed to you other data you deemed necessary to complete SAUPs.
Yes No
16. We have responded fully to all inquiries made by you during the engagement.
Yes No
17. We are not aware of any events that have occurred subsequent to December 31, 2019, that would require adjustment to or modification of the results of the agreed-upon procedures.
Yes No

The previous responses have been made to the best of our belief and knowledge.

Signature  Date September 25, 2020

Title Director