

**VERMILION PARISH LIBRARY**

Abbeville, Louisiana

Financial Report

Year Ended December 31, 2023



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## INDEPENDENT AUDITOR'S REPORT

Board of Control  
Vermilion Parish Library  
Abbeville, Louisiana

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities and major fund of the Vermilion Parish Library (the Library), a component unit of the Vermilion Parish Police Jury, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Library, as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Library and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Library's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the RSI as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 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 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 Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 7, 2024 on our consideration of the Library’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Library’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library’s internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
May 7, 2024

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS**



Vermilion Parish Library  
Abbeville, Louisiana

Statement of Net Position  
December 31, 2023

Governmental  
Activities

ASSETS

Current assets:

Cash and interest-bearing deposits	\$ 543,379
Due from other governments	93,396
Ad valorem taxes receivable	1,491,988
Prepaid expenses	<u>39,128</u>
Total current assets	<u>2,167,891</u>

Capital assets:

Nondepreciable	394,872
Depreciable, net	<u>3,070,592</u>
Total capital assets	<u>3,465,464</u>

Total assets	<u>5,633,355</u>
--------------	------------------

DEFERRED OUTFLOWS OF RESOURCES

Pension related	408,345
OPEB related	<u>190,527</u>
Total deferred outflows of resources	<u>598,872</u>

LIABILITIES

Current liabilities:

Accounts and other payables	13,843
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Long-term liabilities:

Compensated absences	12,784
Net pension liability	310,328
OPEB	<u>821,893</u>
Total long-term liabilities	<u>1,145,005</u>

Total liabilities	<u>1,158,848</u>
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DEFERRED INFLOWS OF RESOURCES

Pension related	41,256
OPEB related	94,616
Unearned revenue-ad valorem taxes	<u>1,668,103</u>
Total deferred inflows of resources	<u>1,803,975</u>

NET POSITION

Net investment in capital assets	3,465,464
Unrestricted	<u>(196,060)</u>
Total net position	<u>\$ 3,269,404</u>

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

Vermilion Parish Library  
Abbeville, Louisiana

Statement of Activities  
For the Year Ended December 31, 2023

Activities	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Culture and recreation	<u>\$ 1,808,292</u>	<u>\$ 26,440</u>	<u>\$ 5,397</u>	<u>\$(1,776,455)</u>
General revenues:				
Taxes:				
Property taxes, levied for general purposes				1,453,137
State revenue sharing				139,355
Interest and investment earnings				16,876
Miscellaneous				27,551
Gain on disposal of capital assets				5,969
Nonemployer pension contribution				<u>7,513</u>
Total general revenues				<u>1,650,401</u>
Change in net position				(126,054)
Net position - beginning				<u>3,395,458</u>
Net position - ending				<u>\$ 3,269,404</u>

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

**FUND FINANCIAL STATEMENTS (FFS)**

Vermilion Parish Library  
Abbeville, Louisiana

Balance Sheet - Governmental Fund  
December 31, 2023

	<u>General Fund</u>
<b>ASSETS</b>	
Cash and interest-bearing deposits	\$ 543,379
Due from other governments	93,396
Ad valorem taxes receivable	1,491,988
Prepaid expenses	<u>39,128</u>
Total assets	<u>\$ 2,167,891</u>
<b>LIABILITIES</b>	
Liabilities:	
Accounts payable	\$ 5,883
Accrued liabilities	<u>7,960</u>
Total liabilities	<u>13,843</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unearned revenue	<u>1,668,103</u>
<b>FUND BALANCE</b>	
Fund balance:	
Nonspendable - prepaid expenses	39,128
Unassigned	<u>446,817</u>
Total fund balance	<u>485,945</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 2,167,891</u>

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

Vermilion Parish Library  
Abbeville, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Position  
December 31, 2023

Total fund balance for the governmental fund		\$ 485,945
Capital assets, net		3,465,464
Long-term liabilities:		
Compensated absences		(12,784)
Pension:		
Net pension liability	\$ (310,328)	
Deferred inflows of resources	(41,256)	
Deferred outflows of resources	<u>408,345</u>	56,761
OPEB:		
Net OPEB liability	(821,893)	
Deferred inflows of resources	(94,616)	
Deferred outflows of resources	<u>190,527</u>	<u>(725,982)</u>
Net position of governmental activities		<u>\$3,269,404</u>

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

Vermilion Parish Library  
Abbeville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Governmental Fund

For the Year Ended December 31, 2023

	<u>General Fund</u>
Revenues:	
Taxes - ad valorem	\$ 1,453,137
Intergovernmental	144,752
Miscellaneous	<u>70,867</u>
Total revenues	<u>1,668,756</u>
Expenditures:	
Culture and recreation	1,437,514
Capital outlay	<u>84,893</u>
Total expenditures	<u>1,522,407</u>
Excess of revenues over expenditures	146,349
Other financing sources:	
Proceeds from sale of assets	<u>5,969</u>
Net change in fund balance	152,318
Fund balances, beginning	<u>333,627</u>
Fund balances, ending	<u>\$ 485,945</u>

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

Vermilion Parish Library  
Abbeville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of the Governmental Fund  
to the Statement of Activities  
For the Year Ended December 31, 2023

Net change in fund balance per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ 152,318
The change in net position reported for governmental activities in the statement of activities is different because:		
Capital assets:		
Capital additions	\$ 41,644	
Depreciation expense	<u>(238,148)</u>	(196,504)
Change in compensated absences		(1,380)
The effect of recording net pension and OPEB liability/asset, and the related deferred outflows of resources, and deferred inflows of resources:		
Change in pension expense	(66,509)	
Nonemployer pension contribution revenue recognized	7,513	
Change in OPEB expense	<u>(21,492)</u>	<u>(80,488)</u>
Change in net position per Statement of Activities		<u>\$ (126,054)</u>

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

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Vermilion Parish Library have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of these notes.

A. Financial Reporting Entity

The Vermilion Parish Library is a component unit of the Vermilion Parish Police Jury and was created under Louisiana Revised Statute 25:211. The Library operates under a Board of Control. Although the Parish does not provide financing, it does exercise some control over operations by virtue of the fact that it appoints the Board of Control. The purpose of the Library is to provide library facilities to residents within its boundaries.

This report includes the funds, which are controlled by or dependent on the executive and legislative branches (the Board of Control). Control by or dependence on the Library was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibilities.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Library's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.



VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to Basic Financial Statements

C. Fund Accounting

The accounts of the Library are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. 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 is maintained consistent with legal and managerial requirements.

The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The Library maintains one fund, which is categorized as a governmental fund. The major fund of the Library is described below:

Governmental Fund -

General Fund

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

D. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to Basic Financial Statements

- a. The governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. Their funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statement utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets, deferred outflows, liabilities, and deferred inflows (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows, liabilities and deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Library.

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to Basic Financial Statements

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated acquisition cost at the date of donation. The Library maintains a threshold level of \$1,000 or more for capitalizing capital assets.

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

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 estimated useful lives by type of asset is as follows:

Building and improvements	20-40 years
Furniture, fixtures and equipment	5-10 years
Library collections	5-6 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Compensated Absences

Each full time employee and part-time employee is eligible to earn vacation and sick leave. Employees earn four to twenty vacation days per year depending upon the number of years of service or annual hours worked. All eligible employees are allowed twelve sick days per year. Vacation leave can be accumulated up to the maximum amount earned in one year. Employees hired after January 1, 2007 who resign, retire or are dismissed from employment shall not be paid for any accrued sick leave.

In the government-wide statements, the Library accrues accumulated unpaid vacation leave and compensatory leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion is the amount estimated to be used/paid in the following year. The remainder is reported as non-current. No compensated absences liability is recorded in the governmental fund financial statements. Compensated absences have typically been liquidated by the General Fund.

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to Basic Financial Statements

Deferred Outflows/Inflows of Resources

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

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

Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – 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 and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to Basic Financial Statements

Committed – amounts that can be used only for specific purposes determined by a formal decision of the Board of Control. The Board of Control is the highest level of decision-making authority for the Vermilion Parish Library.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Amounts may be assigned by the Board of Control or Executive Director.

Unassigned – all other spendable amounts.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the Library considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Library considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed unless the Library has provided otherwise in its commitment or assignment actions.

F. Revenues, Expenditures, and Expenses

Revenues

Federal and state entitlements (grants and state revenue sharing) are recorded when available and measurable. Expenditure-driven federal and state grants, which are restricted as to the purpose of the expenditures, are recorded when the reimbursable expenditures have been incurred. Interest income on time deposits is recorded when earned. Substantially all other revenues are recorded when received.

Ad valorem taxes are assessed in November, by the Parish Assessor, based on the assessed value and become due November 15 of each year. The taxes become delinquent on January 1. An enforceable lien attaches to the property as of January 1. Tax revenues are recognized in the period for which levied, thus the property taxes which become due in November are levied to finance the subsequent year's budget and therefore are recognized as revenue in the subsequent year and are recorded as deferred revenue in the current year financial statements.

The taxes are based on assessed values determined by the Tax Assessor of Vermilion Parish and are collected by the Sheriff. The taxes are remitted to the Vermilion Parish Library net of deductions for Pension Fund Contributions.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by character and function. In the fund financial statements, expenditures are classified by character.

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to Basic Financial Statements

G. Use of Estimates

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

H. Bad Debts

Uncollectible amounts due for ad valorem taxes and other revenues are recognized as bad debts at the time information becomes available which would indicate uncollectability of the receivable. Although the specific charge - off method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible receivables was made due to immateriality.

I. Pensions

The net pension liability/asset, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Non-employer contributions are recognized as revenues in the government-wide financial statements. In the governmental fund financial statements contributions are recognized as expenditures when due.

J. Postemployment Benefits Other than Pensions (OPEB)

The net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB, and OPEB expense, has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. In the governmental fund financial statements contributions are recognized as expenditures when due.

(2) Cash and Interest-Bearing Deposits

Under state law, the Library may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Library may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

These deposits are stated at cost, which approximates market. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Library's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. The Library does not have a policy for custodial credit risk; however, 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 pledging financial institution. The market value of the pledged securities plus the federal

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to Basic Financial Statements

deposit insurance must at all times equal the amount on deposit with the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties.

Deposit balances (bank balances) are secured as follows:

Bank balances	<u>\$ 582,380</u>
Insured deposits	250,000
Uninsured and collateral held by the pledging bank, not in the Library's name	<u>332,380</u>
Total	<u>\$ 582,380</u>

(3) Capital Assets

Capital asset balances and activity is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 323,000	\$ -	\$ -	\$ 323,000
Construction in progress	57,574	14,298	-	71,872
Other capital assets:				
Buildings and improvements	6,491,834	-	-	6,491,834
Furniture and equipment	233,921	-	-	233,921
Vehicles	210,328	-	172,580	37,748
Library collection	<u>2,331,929</u>	<u>27,346</u>	<u>195,599</u>	<u>2,163,676</u>
Total	<u>9,648,586</u>	<u>41,644</u>	<u>368,179</u>	<u>9,322,051</u>
Less accumulated depreciation:				
Building	3,395,228	167,960	-	3,563,188
Furniture and equipment	231,186	2,168	-	233,354
Vehicles	210,328	-	172,580	37,748
Library collection	<u>2,149,876</u>	<u>68,020</u>	<u>195,599</u>	<u>2,022,297</u>
Total	<u>5,986,618</u>	<u>238,148</u>	<u>368,179</u>	<u>5,856,587</u>
Net capital assets	<u>\$ 3,661,968</u>	<u>\$ (196,504)</u>	<u>\$ -</u>	<u>\$ 3,465,464</u>

Depreciation expense of \$238,148 was charged to the culture and recreation function.

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to Basic Financial Statements

(4) Accounts and Other Payables

The accounts and other payables consisted of the following:

Accounts	\$ 5,883
Accrued salaries and benefits	<u>7,960</u>
 Total	 <u>\$ 13,843</u>

(5) Compensated Absences

Changes in compensated absences were as follows:

Beginning balance	\$ 11,404
Additions	45,203
Retirements	<u>(43,823)</u>
 Ending balance	 <u>\$ 12,784</u>

(6) Pension Plan

The employer pension schedules for the Parochial Employees' Retirement System of Louisiana are prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. For purposes of measuring the net pension liability/asset, deferred outflows or resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan, and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Substantially all of the Library's employees are covered under the Parochial Employees' Retirement System of Louisiana. Details concerning the plan are:

Plan Description: The Parochial Employees' Retirement System of Louisiana (the System) is a cost-sharing multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the state of Louisiana or any governing body or a parish which employs and pays persons serving the parish.

Act 765 of the year 1979, established by the Legislature of the State of Louisiana, revised the System to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan". Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date. Employees of the Library are members of Plan A.



VERMILION PARISH LIBRARY  
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Notes to Basic Financial Statements

The Parochial Employees' Retirement System of Louisiana issues a stand-alone report on their financial statements. Access to the report can be found on the Louisiana Legislative Auditor's website, [www.lla.la.gov](http://www.lla.la.gov).

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to these appropriate statutes for more complete information.

**Eligibility Requirements:** All permanent parish government employees (except those employed by Orleans, Lafourche, and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

**Retirement Benefits:** Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. Age 67 with 7 years of 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 member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

**Survivor Benefits:** Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

VERMILION PARISH LIBRARY  
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Notes to Basic Financial Statements

Deferred Retirement Option Plan: Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the System. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement, any member of Plan A or B who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan (DROP) on or after January 1, 2004, all amounts that remain credited to the individual's subaccount after termination in DROP will be placed in liquid asset money market investments at the discretion of the Board of Trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of DROP must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of DROP are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits: For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to 3% of the member's final average compensation multiplied by his years of service, not to be less than 15, or three percent multiplied by years of service assuming continued service to age 60 for those members who are enrolled prior to January 1, 2007 and to age 62 for those members who are enrolled January 1, 2007 and later.

Cost of Living Increases: The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements.

In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age 65 equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

VERMILION PARISH LIBRARY  
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Notes to Basic Financial Statements

Employer Contributions: According to state statute, contributions for all employers are actuarially determined each year. During the measurement period, the actuarially determined contribution rate was 7.10% of member's compensation for Plan A; however, the actual rate was 11.50% for Plan A.

According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

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

The Library reported a liability of \$310,328 for its proportionate share of the net pension liability, which was reported in the governmental activities. The net pension liability was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability and was based on a projection of the Library's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Library's proportion was 0.08%, which was a 0.01% increase from its proportion measured for the prior year. Pension expense was \$125,869.

Deferred outflows of resources and deferred inflows of resources related to pensions are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between expected and actual experiences	\$ 11,474	\$ 34,191
Changes of assumptions	9,904	-
Net difference between projected and actual earnings on pension plan investments	327,607	-
Change in proportion and differences between Employer contributions and proportionate share of contributions	-	7,065
Employer contributions subsequent to the measurement date	59,360	-
Total	\$ 408,345	\$ 41,256

Deferred outflows of resources of \$59,360 related to pensions resulting from the Library's contributions subsequent to the measurement date will be recognized as an adjustment to the Net Pension Liability in the following fiscal year.

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to Basic Financial Statements

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

Year <u>Ended</u>	
12/31/2024	6,214
12/31/2025	51,330
12/31/2026	103,320
12/31/2027	146,865
12/31/2028	-
Total	<u>\$ 307,729</u>

**Actuarial Methods and Assumptions:** The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

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

Valuation Date	December 31, 2022
Actuarial Cost Method Plan A	Entry Age Normal
Investment Rate of Return	6.40% (Net of investment expense)
Expected Remaining Service Lives	4 years
Projected Salary Increases	4.75%
Inflation Rate	2.30%

Cost of Living Adjustment	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.
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Mortality	"Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants."
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VERMILION PARISH LIBRARY  
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Notes to Basic Financial Statements

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality.

The discount rate used to measure the total pension liability was 6.40% for Plan A, which was no change from the discount rate used as of the previous measurement date. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The investment rate of return was 6.40% for Plan A, which was no change from the rate used as of the previous measurement date. The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.10% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.70% for the year ended December 31, 2022.

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

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed income	33%	1.17%
Equity	51%	3.58%
Alternatives	14%	0.73%
Real assets	2%	0.12%
Totals	<u>100%</u>	<u>5.60%</u>
Inflation		<u>2.10%</u>
Expected Arithmetic Nominal Return		<u>7.70%</u>

Sensitivity to Changes in Discount Rate: The following presents the net pension liability/(asset) of the participating employers as of December 31, 2022, calculated using the discount rate of 6.40%, as well as what the employers' net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower 5.40% or one percentage point higher 7.40% than the current rate.

VERMILION PARISH LIBRARY  
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Notes to Basic Financial Statements

	1.0% Decrease	Current Discount Rate	1.0% Increase
	<u>5.40%</u>	<u>6.40%</u>	<u>7.40%</u>
Net Pension Liability/(Asset)	\$ 767,452	\$ 310,328	\$ (72,912)

(7) Post-Retirement Health Care Insurance Benefits

Plan description – The Vermilion Parish Library (the Library) provides certain continuing health care and life insurance benefits for its retired employees. The Vermilion 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).

Benefits Provided – Benefits are provided through comprehensive plans and are made available to employees upon actual retirement. 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.

Employees covered by benefit terms - The following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	9
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>15</u>
	<u>24</u>

Total OPEB Liability

The Library’s total OPEB liability of \$821,893 was measured as of December 31, 2023 and was determined by an actuarial valuation as of January 1, 2023.

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

Inflation	3.0%
Salary increases	3.0%, including inflation
Discount rate	3.72% annually (Beginning of Year to Determine ADC)
	3.26%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Getzen model, with initial trend of 5.5%
Mortality	Pub-2010/2021

The discount rate was based on the Bond Buyers' 20 Year General Obligation Index on the Measurement Date. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years.

VERMILION PARISH LIBRARY  
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Notes to Basic Financial Statements

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2023, the end of the applicable measurement period.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009 to December 31, 2023.

Changes in the Total OPEB Liability:

Balance at December 31, 2022	\$ 727,079
Changes for the year:	
Service cost	5,942
Interest	27,158
Difference between expected and actual experience	42,349
Changes in assumptions	34,428
Benefit payments and net transfers	<u>(15,063)</u>
Net changes	<u>94,814</u>
Balance at December 31, 2023	<u>\$ 821,893</u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Library, 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 (2.26%) or 1-percentage-point higher (4.26%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	\$ 910,628	\$ 821,893	\$ 745,563

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

	1% Decrease	Current Trend	1% Increase
Total OPEB liability	\$ 765,633	\$ 821,893	\$ 885,546

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the Library recognized OPEB expense of \$36,555. At December 31, 2023, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to Basic Financial Statements

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between expected and actual experience	\$ 73,818	\$ 19,606
Changes of assumptions	116,709	75,010
Total	\$ 190,527	\$ 94,616

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

Year Ended			
2024			\$ 3,455
2025			3,455
2026			31,625
2027			29,362
2028			14,006
Thereafter			14,008
Total			\$ 95,911

(8) Board of Control

The Vermilion Parish Library is governed by a non-commissioned, non-compensated board of control.

Compensation, Benefits and Other Payments to Executive Director

Compensation, benefits, and other payments paid to Charlotte Bourg, Executive Director are as follows:

Purpose			
Salary			\$ 70,967
Benefits - insurance			9,652
Benefits - retirement			8,161
Benefits - other			1,029
Total			\$ 89,809



VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to Basic Financial Statements

(9) Risk Management

The Library is exposed to risks of loss in areas of general liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. The Library has had no settled claims resulting from these risks that exceeded its commercial coverage in any of the past three fiscal years.

(10) Litigation

There was no litigation pending against the Vermilion Parish Library at December 31, 2023.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

Vermilion Parish Library  
Abbeville, Louisiana  
General Fund

Budgetary Comparison Schedule  
Year Ended December 31, 2023

	Budget		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Taxes - ad valorem	\$ 1,433,396	\$ 1,288,986	\$ 1,453,137	\$ 164,151
<b>Intergovernmental -</b>				
State revenue sharing	140,211	140,227	139,355	(872)
State aid	3,197	3,197	3,197	-
Federal aid	2,150	2,200	2,200	-
<b>Miscellaneous -</b>				
Interest	15,000	16,876	16,876	-
Fines and fees	27,800	26,440	26,440	-
Other sources	<u>26,000</u>	<u>27,633</u>	<u>27,551</u>	<u>(82)</u>
Total revenues	<u>1,647,754</u>	<u>1,505,559</u>	<u>1,668,756</u>	<u>163,197</u>
<b>Expenditures:</b>				
<b>Current -</b>				
<b>    Culture and recreation:</b>				
Salaries and wages	716,717	716,717	576,214	140,503
Payroll taxes	24,000	24,000	13,904	10,096
Retirement contributions	85,000	66,876	59,360	7,516
Ad valorem deduction	48,062	48,062	48,062	-
Group insurance	300,250	221,808	170,769	51,039
Utilities and telephone	138,750	129,481	127,257	2,224
Professional fees and services	60,184	60,184	57,180	3,004
General insurance	152,970	152,970	152,819	151
Periodicals and subscriptions	27,000	20,500	16,892	3,608
Travel	5,050	4,050	3,606	444
Supplies	69,500	62,600	51,732	10,868
Rent	25,178	25,178	23,461	1,717
Repairs and maintenance	126,600	141,500	125,273	16,227
Miscellaneous	<u>46,550</u>	<u>26,350</u>	<u>10,985</u>	<u>15,365</u>
Total culture and recreation	1,825,811	1,700,276	1,437,514	262,762
Capital outlay -	<u>92,943</u>	<u>76,250</u>	<u>84,893</u>	<u>(8,643)</u>
Total expenditures	<u>1,918,754</u>	<u>1,776,526</u>	<u>1,522,407</u>	<u>254,119</u>
Excess (deficiency) of revenues over expenditures	(271,000)	(270,967)	146,349	124,618
<b>Other financing sources:</b>				
Proceeds from sale of assets	<u>6,000</u>	<u>5,969</u>	<u>5,969</u>	<u>-</u>
Net change in fund balance	(265,000)	(264,998)	152,318	124,618
Fund balance, beginning	<u>333,627</u>	<u>333,627</u>	<u>333,627</u>	<u>-</u>
Fund balance, ending	<u>\$ 68,627</u>	<u>\$ 68,629</u>	<u>\$ 485,945</u>	<u>\$ 124,618</u>

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Schedule of Changes in Net OPEB Liability and Related Ratios  
For the Year Ended December 31, 2023

Total OPEB Liability *	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Service cost	\$ 11,236	\$ 8,431	\$ 13,755	\$ 10,758	\$ 11,252	\$ 5,942
Interest	19,962	23,808	21,248	17,288	17,124	27,158
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	25,136	73,220	(59,531)	(6,828)	(6,492)	42,349
Changes of assumptions	(43,834)	97,991	76,743	5,654	(106,186)	34,428
Benefit payments	<u>(10,717)</u>	<u>(11,306)</u>	<u>(10,722)</u>	<u>(11,312)</u>	<u>(14,278)</u>	<u>(15,063)</u>
Net change in total OPEB liability	1,783	192,144	41,493	15,560	(98,580)	94,814
Total OPEB liability - beginning	<u>574,679</u>	<u>576,462</u>	<u>768,606</u>	<u>810,099</u>	<u>825,659</u>	<u>727,079</u>
Total OPEB liability - ending	<u>\$ 576,462</u>	<u>\$ 768,606</u>	<u>\$ 810,099</u>	<u>\$ 825,659</u>	<u>\$ 727,079</u>	<u>\$ 821,893</u>
Covered-employee payroll	<u>\$ 507,498</u>	<u>\$ 522,723</u>	<u>\$ 495,750</u>	<u>\$ 510,623</u>	<u>\$ 503,564</u>	<u>\$ 518,671</u>
Net OPEB liability as a percentage of covered-employee payroll	113.59%	147.04%	163.41%	161.70%	144.39%	158.46%

\* Equal to net OPEB liability

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

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Schedule of Employer's Share of Net Pension Liability/Asset -  
Parochial Employees' Retirement System  
For the Year Ended December 31, 2023

* Year ended December 31,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
2015	0.09%	24,497	495,908	4.94%	99.15%
2016	0.09%	244,263	532,831	45.84%	92.23%
2017	0.09%	187,024	538,511	34.73%	94.15%
2018	0.09%	(63,159)	523,619	12.06%	101.98%
2019	0.09%	390,327	540,480	72.22%	112.53%
2020	0.08%	3,877	521,776	0.74%	100.12%
2021	0.08%	(133,577)	508,815	26.25%	96.16%
2022	0.07%	(350,489)	499,226	70.21%	110.46%
2023	0.08%	310,328	543,288	57.12%	91.74%

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

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

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Schedule of Employer Contributions -  
Parochial Employees' Retirement System  
For the Year Ended December 31, 2023

Year ended December 31,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
2015	77,147	77,147	-	532,831	14.5%
2016	70,012	70,012	-	538,511	13.0%
2017	65,469	65,469	-	523,619	12.5%
2018	62,174	62,174	-	540,480	11.5%
2019	60,058	60,058	-	521,776	11.5%
2020	62,330	62,330	-	508,815	12.25%
2021	61,155	61,155	-	499,226	12.25%
2022	62,478	62,478	-	543,288	11.50%
2023	59,360	59,360	-	516,168	11.50%

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

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to the Required Supplementary Information  
For the Year Ended December 31, 2023

(1) Budgetary Practices

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

1. The Library's Director prepares a proposed budget and presents it to the Board of Control prior to ninety days before the beginning of each fiscal year.
2. After the proposed budget is presented to the Board of Control, the Board publishes the proposed budget and notifies the public that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held by the Board on the proposed budget at least ten days after publication of the call for the hearing.
4. Any changes in the proposed annual operating budget require a majority vote of the Board of Control.
5. No later than the last regular meeting of the fiscal year, the Board of Control adopts the annual operating budget for the ensuing fiscal year.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Budget appropriations lapse at year-end.

(2) OPEB

Benefit changes –

There were no changes of benefit terms

Changes of assumptions –

Year ended December 31,	Inflation Rate	Discount Rate	Healthcare Cost Trend Rates	Projected Salary Increase
2018	2.50%	4.10%	5.50%	4.00%
2019	2.50%	2.74%	5.50%	3.00%
2020	2.00%	2.21%	5.50%	3.00%
2021	2.00%	2.06%	5.50%	3.00%
2022	3.00%	3.72%	5.50%	3.00%
2023	3.00%	3.26%	5.50%	3.00%

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Notes to the Required Supplementary Information  
For the Year Ended December 31, 2023

(3) Pension Plan

Changes of Benefit Terms –

There were no changes of benefit terms

Changes of assumptions –

* Year ended December 31,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase
2015	7.25%	7.25%	3.00%	4	5.75%
2016	7.00%	7.00%	2.50%	4	5.25%
2017	7.00%	7.00%	2.50%	4	5.25%
2018	6.75%	6.75%	2.50%	4	5.25%
2019	6.50%	6.50%	2.50%	4	4.75%
2020	6.50%	6.50%	2.50%	4	4.75%
2021	6.40%	6.40%	2.30%	4	4.75%
2022	6.40%	6.40%	2.30%	4	4.75%
2023	6.40%	6.40%	2.30%	4	4.75%

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



**INTERNAL CONTROL, COMPLIANCE,  
AND OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

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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*

Board of Control  
Vermilion Parish Library  
Abbeville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Vermilion Parish Library (the Library), a component unit of the Vermilion Parish Police Jury, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements, and have issued our report thereon dated May 7, 2024.

### Report on Internal Control over Financial Reporting

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

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

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

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Library's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 results of that testing, and not to provide an opinion on the effectiveness of the Library'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 Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
May 7, 2024

VERMILION PARISH LIBRARY  
Abbeville, Louisiana

Schedule of Current and Prior Year Findings  
And Management's Corrective Action Plan  
Year Ended December 31, 2023

Part I: Current Year Findings and Management's Corrective Action Plan

A. Internal Control Over Financial Reporting

No items reported under this section.

B. Compliance

No items reported under this section.

Part II: Prior Year Findings

A. Internal Control Over Financial Reporting

No items reported under this section.

B. Compliance

No items reported under this section.

**VERMILION PARISH LIBRARY**

Abbeville, Louisiana

Statewide Agreed-Upon Procedures

Fiscal period January 1, 2023 through December 31, 2023

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Control  
Vermilion Parish Library  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2023 through December 31, 2023. Vermilion Parish Library's (the Library) management is responsible for those C/C areas identified in the SAUPs.

The Library has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2023 through December 31, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### *Written Policies and Procedures*

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
  - 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/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- 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) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) **Credit Cards (and debit cards, fuel cards, purchase cards)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology 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.
- l) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

### **Board or Finance Committee**

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- 2. Obtain and inspect the board/finance 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.
  - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
  - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned 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 unassigned fund balance in the general fund.
  - d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

### ***Bank Reconciliations***

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3. Obtain a listing of entity 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:
  - 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);
  - b) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month that the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
  - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

### ***Collections (excluding electronic funds transfers)***

---

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).
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 (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then 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
  - a) Employees responsible for cash collections do not share cash drawers/registers;
  - b) Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the 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; and
  - 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, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedures #3 (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). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
  - 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 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

***Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)***

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- 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).
  - 9. For each location selected under procedure #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, then 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 or making the purchase;
    - b) At least two employees are involved in processing and approving payments to 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;
    - 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; and
    - e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- [Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported.]
- 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
    - a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity, and
    - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
  - 11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements

***Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)***

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- 12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase 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.

13. 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 whether 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) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
  - b) Observe that finance charges and late fees were not assessed on the selected statements.
14. Using the monthly statements or combined statements selected under #13 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 (e.g. each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

#### ***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

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15. 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 and 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:
  - a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov));
  - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
  - 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 Policies and Procedures (procedure #1g); and
  - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

#### ***Contracts***

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16. 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
  - a) Observe whether 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 whether 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 and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment, the documented approval); and

- 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.

### ***Payroll and Personnel***

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17. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #17 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.);
  - b) Observe whether supervisors approved the attendance and leave of the selected employees/officials;
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
  - d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
19. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
20. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

### ***Ethics***

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21. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17 obtain ethics documentation from management, and:
  - a) Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - b) Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
22. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

### ***Debt Service***

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23. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

24. 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 (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

### ***Fraud Notice***

---

25. 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 ss required by R.S. 24:523.
26. 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.

### ***Information Technology Disaster Recovery/Business Continuity***

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27. Perform the following procedures, verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”
  - a) Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.
  - b) Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
  - c) Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.
29. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42: 1267. The requirements are as follows:
  - a) Hired before June 9, 2020 – completed and training
  - b) Hired on or after June 9, 2020 – completed and training within 30 days of initial service or employment.

### ***Prevention of Sexual Harassment***

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30. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S 42:343.
31. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

32. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- a) Number and percentage of public servants in the agency who have completed the training requirements;
  - b) Number of sexual harassment complaints received by the agency;
  - c) Number of complaints which resulted in a finding that sexual harassment occurred;
  - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action;  
and
  - e) Amount of time it took to resolve each complaint.

***Findings:***

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No exceptions were found as a result of procedures list above with the exception of:

**Information Technology Disaster Recovery/Business Continuity:**

*We performed the procedure and discussed the results with management.*

***Management’s Response:***

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The Library concurs with the exceptions and is working to address the deficiencies identified.

We were engaged by the Library to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, 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.

We are required to be independent of the Library and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended 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.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
May 7, 2024