

GREEN GOLD LIBRARY SYSTEM

Shreveport, Louisiana

FINANCIAL STATEMENTS

September 30, 2017

Marsha O. Millican
A Professional Accounting Corporation
Shreveport, Louisiana

GREEN GOLD LIBRARY SYSTEM

Table of Contents

September 30, 2017

	<u>Page</u>
Independent Accountant's Review Report	1-2
Government-Wide Financial Statements	
Basic Financial Statements:	
Statement of Net Position	3
Statement of Activities	4
Fund Financial Statements	
Balance Sheet - Governmental Funds	5
Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to Net Position of Governmental Activities on the Statement of Net Position	6
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	7
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	8
Notes to Financial Statements	9-11
Required Supplementary Information:	
Schedule of Revenue, Expenditures, and Changes in Fund Balance of Governmental Funds - General Fund- Budget (GAAP) Basis and Actual	12
Other Supplementary Information:	
Schedule of Compensation, Reimbursements, and Other Payments to Agency Head	13
Independent Accountant's Report on Applying Agreed Upon Procedures	14-16
Louisiana Attestation Questionnaire	17-18



Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Green Gold Library System
Shreveport, Louisiana

I have reviewed the accompanying financial statements of the governmental activities, and major fund of Green Gold Library System, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me (us) to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

Accountant's Conclusion

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

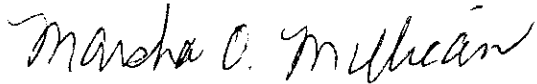
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary information on page 12 be presented to supplement the basic financial statements. Such information, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. I have not audited, reviewed, or compiled the required supplementary information and I do not express an opinion, a conclusion, nor provide any assurance on it.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The results of my review of the basic financial statements are not affected by this missing information.

Supplementary Information

My review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the basic financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information included in the accompanying schedule of compensation, benefits, and other payments to agency head on page 13 is presented for purposes of additional analysis and is not a required part of the basic financial statements. I have reviewed the information and based on my review, I am not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. I have not audited the information and, accordingly, do not express an opinion on such information.



Certified Public Accountant
February 27, 2018

GREEN GOLD LIBRARY SYSTEM

Statement of Net Position

September 30, 2017

ASSETS	
Cash	\$ 154,534
Capital assets, net of depreciation	<u>16,419</u>
Total Assets	<u>170,953</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>
LIABILITIES	
Liabilities	
Accounts payable and accruals	-
Payroll taxes payable	<u>656</u>
Total Liabilities	<u>656</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>
NET POSITION	
Invested in capital assets, net of debt	16,419
Committed	113,551
Unassigned	<u>40,327</u>
Total Net Position	<u>\$ 170,297</u>

See accountant's review report and notes to financial statements.

GREEN GOLD LIBRARY SYSTEM
Statement of Activities
For the Year Ended September 30, 2017

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
GOVERNMENTAL ACTIVITIES							
General Government	\$ 327,751	\$ 360,905	\$ -	\$ -	\$ 33,154	\$ -	\$ 33,154
Depreciation	4,379	-	-	-	(4,379)	-	(4,379)
Total Governmental Activities	<u>\$ 332,130</u>	<u>\$ 360,905</u>	<u>\$ -</u>	<u>\$ -</u>	28,775		28,775
GENERAL REVENUES							
Intergovernmental					-	-	-
Donations					-	-	-
Miscellaneous					2,958	-	2,958
Total General Revenues					<u>2,958</u>	<u>-</u>	<u>2,958</u>
Change in Net Position					31,733	-	31,733
Net Position, Beginning of Year					<u>138,564</u>	<u>-</u>	<u>138,564</u>
Net Position, End of Year					<u>\$ 170,297</u>	<u>\$ -</u>	<u>\$ 170,297</u>

See accountant's review report and notes to financial statements.

GREEN GOLD LIBRARY SYSTEM

Balance Sheet
Governmental Fund
September 30, 2017

ASSETS		
Cash		\$ 154,534
Investments		<u>-</u>
Total Assets		<u>\$ 154,534</u>
 LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable and accruals		\$ -
Payroll taxes payable		<u>656</u>
Total Liabilities		<u>656</u>
Fund Balances		
Committed		113,551
Unassigned		<u>40,327</u>
Total Net Assets		<u>153,878</u>
Total Liabilities and Fund Balances		<u>\$ 154,534</u>

See accountant's review report and notes to financial statements.

GREEN GOLD LIBRARY SYSTEM

Reconciliation of the Fund Balance on the Balance Sheets for Governmental Funds to Net Position
of Governmental Activities on the Statement of Net Position

For the Year Ended September 30, 2017

Total Fund Balance for Governmental Funds	\$ 153,878
Total Net Position for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>16,419</u>
Total Net Position of Governmental Activities	<u>\$ 170,297</u>

See accountant's review report and notes to financial statements.

GREEN GOLD LIBRARY SYSTEM

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds

For the Year Ended September 30, 2017

REVENUES

Intergovernmental	\$ 38,000
Fees & Charges for Library Services	322,905
Donations	-
Miscellaneous	<u>2,958</u>
Total Revenues	<u>363,863</u>

EXPENDITURES

General Operating Expenditures	<u>327,751</u>
Total Expenditures	<u>327,751</u>
Net Change in Fund Balances	36,112
Fund Balances, Beginning of year	<u>117,766</u>
Fund Balances, End of year	<u><u>\$ 153,878</u></u>

See accountant's review report and notes to financial statements.

GREEN GOLD LIBRARY SYSTEM

Reconciliation of the Fund Balance on the Balance Sheets for Governmental Funds to Net Position
of Governmental Activities on the Statement of Net Position

For the Year Ended September 30, 2017

Total Fund Balance for Governmental Funds	\$ 153,878
Total Net Position for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>16,419</u>
Total Net Position of Governmental Activities	<u>\$ 170,297</u>

See accountant's review report and notes to financial statements.

GREEN GOLD LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

Green Gold Library System was originally funded by a Grant from the State Library of Louisiana with LSCA funds. The Green Gold Library System's main purpose is to deliver books and other materials between participating libraries.

NOTE I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accompanying financial statements of the Green Gold Library System have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June, 1999.

B. Reporting Entity

GASB Statement 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Green Gold Library System has no component units and is fiscally independent of other state or local governments.

C. Government-Wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities display information about Green Gold Library System as a whole. Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service. Program revenues include charges for services.

D. Basis of Accounting and Measurement Focus

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used are as follows: Government-Wide Financial Statements - Accrual Basis; Fund Financial Statements - Modified Accrual Basis. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when the liability is incurred. Under the modified accrual basis of accounting revenue is recognized when it is considered measurable and available. Revenue is generally considered available if it is collected within 60 days of year end or may otherwise be available to finance current expenditures.

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Basic Financial Statements

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize all of Green Gold Library System's operations as governmental activities. Governmental activities involve government services that are normally supported by fees and charges for library services.

In the government-wide financial statements, the Statement of Net Position and Statement of Activities display information about the System as a whole. Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service.

In the fund financial statements, funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Major individual funds are reported as separate columns in the fund financial statements. The General Fund is the primary operating fund and is used to account for all resources.

G. Budget Practices

The Executive Council adopts the annual budget for the General Fund in the manner prescribed by State Law. The budget presents revenue and expenditures on a basis consistent with generally accepted accounting principles.

H. Capital Assets

Capital Assets include one vehicle expected to remain in service for a period of years. Capital assets are reported in the government-wide financial statements but are excluded from the fund financial statements. Instead, the funds report the acquisition of capital assets as expenditures rather than asset acquisitions. All capital assets are reported at historical cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful life of the asset.

I. Cash

Amounts reported as cash include all cash in one bank account and one certificate of deposit. All cash is fully collateralized by FDIC insurance.

J. Compensated Absences

Green Gold Library System does not compensate its employee for absence from work.

K. Fund Balance

GASB has issued Statement No. 54, *Fund Balance Reporting and Governmental Type Definitions, Definitions*, which defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 34 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

K. Fund Balance (Continued)

Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form, such as inventory or prepaid expenses, or (b) legally or contractually required to be maintained intact.

Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balances include amounts that can be used only for the specific purposes as a result of constraints imposed by the System's management. Committed amounts cannot be used for any other purpose unless the System's management removes those constraints by taking the same type of action. At September 30, 2017, the System's management has committed fund balances of \$103,204 for the Over-Drive-Online Database and \$10,347 for the Friends of the Shreve Memorial Library.

Assigned fund balances are amounts that are constrained by the System's intent to be used for specific purposes, but they are neither restricted nor committed. Intent is expressed by the System's management.

Unassigned fund balances are the residual classification for the System's General Fund and include all spendable amounts not contained in the other classifications.

The System's policy is to apply expenditures against nonspendable fund balances, restricted fund balances, committed fund balances, assigned fund balances, and unassigned fund balances, in that order.

NOTE 2 Capital Assets

A summary of Green Gold Library System's capital assets at September 30, 2017 follows:

	Balance 10/1/2016	Additions	Retirements	Balance 9/30/2017
Government Activities				
Capital Assets, being depreciated				
Vehicle	\$ 21,893	\$ -	\$ -	\$ 21,893
Total Capital Assets, being depreciated	21,893	-	-	21,893
Less accumulated depreciation	(1,095)	(4,379)	-	(5,474)
Total Accumulated Depreciation	(1,095)	(4,379)	-	(5,474)
 Total Capital Assets, being depreciated	 \$ 20,798	 \$ (4,379)	 \$ -	 \$ 16,419

GREEN GOLD LIBRARY SYSTEM

Budgetary Comparison Schedule - Governmental Fund - General Fund

For the Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
			<u>GAAP</u>	<u>Favorable</u>
			<u>Basis</u>	<u>(Unfavorable)</u>
REVENUES				
Intergovernmental	\$ 50,800	\$ 38,000	\$ 38,000	\$ -
Fees & Charges for Library Services	303,661	303,661	322,905	19,244
Donations	-	-	-	-
Miscellaneous	670	3,320	2,958	(362)
Total Revenues	<u>355,131</u>	<u>344,981</u>	<u>363,863</u>	<u>18,882</u>
EXPENDITURES				
Current:				
Personnel	22,842	22,842	16,280	6,562
Operating Services	13,400	13,400	8,712	4,688
Materials & Supplies	-	100	128	(28)
Online Data Base	306,250	306,250	298,692	7,558
Continuing Education	-	2,650	2,643	7
Miscellaneous	1,900	1,800	1,296	504
Capital Outlay	-	# -	-	-
Total Expenditures	<u>344,392</u>	<u>347,042</u>	<u>327,751</u>	<u>19,291</u>
Excess (deficiency) of revenues over expenditures	<u>10,739</u>	<u>(2,061)</u>	<u>36,112</u>	<u>38,173</u>
FUND BALANCES				
Beginning of year	<u>117,766</u>	<u>117,766</u>	<u>117,766</u>	<u>-</u>
End of year	<u>\$ 128,505</u>	<u>\$ 115,705</u>	<u>\$ 153,878</u>	<u>\$ 38,173</u>

GREEN GOLD LIBRARY SYSTEM

Schedule of Compensation, Reimbursements, Benefits, and Other Payments
to Agency Head
For the Year Ended September 30, 2017

Agency Head: James A Pelton, Chief Administrative Officer

Salary	\$	<u>1,052</u>
Payroll Taxes	\$	<u>80</u>
Reimbursements	\$	<u>79</u>



Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Executive Council
Green Gold Library System
Shreveport, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Green Gold Library System (the System) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the System's compliance with certain laws and regulations during the year ended September 30, 2017 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$150,000 and determine whether such purchases were made in accordance with LSA-RS 38:221-2251.

The System did not make expenditures in excess of \$30,000 for material and supplies or for public works exceeding \$150,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124, and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided me with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedures (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided a copy of the original budget.

6. Trace the budget adoption and amendments to the minute book.

I traced the adoption of the original budget to the minutes of a meeting held on July 8, 2016. I traced the adoption of the amended budget to the minutes of a meeting held on July 14, 2017.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

I compared the revenues and expenditures of the amended budget to actual revenues and expenditures. Actual revenues exceeded budgeted amounts. Actual expenditures did not exceed budgeted amounts.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

I examined supporting documentation for six selected disbursements and found that payments were for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

The six selected disbursements were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

The Board of Directors approves the System's budget. The Chief Financial Officer approved cash disbursements in accordance with the budget.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12.

The System is only required to post a notice of each meeting and the accompanying agenda on the door of the building where the meeting is held. Management has informed me that these documents were properly posted.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds or like indebtedness.

I inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the System for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances which would indicate payment to employees which would constitute bonuses, advances, or gifts.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of Green Gold Library System and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Certified Public Accountant
February 27, 2018

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

November 13, 2017

Marsha O. Millican , APAC
810 Wilkinson
Shreveport, Louisiana 71104
_____ (Auditors)

In connection with your review of our financial statements as of September 30, 2017, and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of November 13, 2017.

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes [X] No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [X] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [X] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [X] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [X] No []

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [X] No []

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [X] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [X] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [X] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [X] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.



Executive Director