

**ST. MARY PARISH LIBRARY**

Financial Report

Year Ended December 31, 2023

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## INDEPENDENT AUDITOR'S REPORT

The Board of Control  
St. Mary Parish Library  
Franklin, Louisiana

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities and the major fund of the St. Mary Parish Library ("Library"), a component unit of the Parish of St. Mary, 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 the 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 certain information be presented to supplement the basic financial statements as listed in the table of contents. 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 budgetary comparison schedule, schedule of employer's share of net pension liability/asset, schedule of employer pension contributions, or notes to required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Library 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 13, 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

Morgan City, Louisiana  
May 13, 2024

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

ST. MARY PARISH LIBRARY

Statement of Net Position  
December 31, 2023

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash	\$ 1,791,931
Investments	593,890
Receivables:	
Ad valorem taxes, net of allowance	2,591,805
Due from other governmental units	35,562
Prepaid expenses	<u>16,459</u>
Total current assets	<u>5,029,647</u>
Capital assets:	
Land	320,891
Construction in progress	235,766
Other, net of accumulated depreciation	<u>7,855,993</u>
Total capital assets, net	<u>8,412,650</u>
Total assets	<u>13,442,297</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to net pension liability	<u>656,467</u>
LIABILITIES	
Current liabilities:	
Accounts payable	28,370
Accrued expenses	146,511
Noncurrent liabilities:	
Net pension liability	<u>465,673</u>
Total liabilities	<u>640,554</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to net pension liability	<u>66,358</u>
NET POSITION	
Net investment in capital assets	8,412,650
Unrestricted	<u>4,979,202</u>
Total net position	<u>\$ 13,391,852</u>

*The accompanying notes to financial statements are an integral part of this statement.*

ST. MARY PARISH LIBRARY

Statement of Activities  
Year Ended December 31, 2023

Activities	Expenses	Program Revenues		Net (Expense) Revenue And Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Culture and recreation	<u>\$ 2,836,317</u>	<u>\$ 26,752</u>	<u>\$ 12,637</u>	\$ (2,796,928)
	General revenues:			
	Ad valorem taxes			2,831,619
	State revenue sharing			37,213
	Interest and investment income			146,073
	Miscellaneous			<u>10,848</u>
	Total general revenues			<u>3,025,753</u>
	Change in net position			228,825
	Net position, beginning			<u>13,163,027</u>
	Net position, ending			<u>\$ 13,391,852</u>

*The accompanying notes to financial statements are an integral part of this statement.*



**FUND FINANCIAL STATEMENTS**

ST. MARY PARISH LIBRARY

Balance Sheet  
 Governmental Fund  
 December 31, 2023

	<u>General</u>
ASSETS	
Cash	\$ 1,791,931
Investments	593,890
Receivables:	
Ad valorem taxes, net of allowance	2,591,805
Due from other governmental units	35,562
Prepaid expenditures	<u>16,459</u>
Total assets	<u>\$ 5,029,647</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 28,370
Accrued expenses	<u>146,511</u>
Total liabilities	<u>174,881</u>
Deferred inflows of resources:	
Unavailable revenues	<u>78,638</u>
Fund balance:	
Nonspendable	16,459
Unassigned	<u>4,759,669</u>
Total fund balance	<u>4,776,128</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 5,029,647</u>

(continued)

ST. MARY PARISH LIBRARY

Balance Sheet (continued)  
Governmental Fund  
December 31, 2023

Reconciliation of the Governmental Fund's Balance Sheet to the Statement of Net Position

Total fund balance for governmental fund at December 31, 2023	\$ 4,776,128
Cost of capital assets, net of accumulated depreciation	8,412,650
Deferred outflows of resources related to net pension liability	656,467
Unavailable revenues not considered current financial resources	78,638
Net pension liability	(465,673)
Deferred inflows of resources related to net pension liability	<u>(66,358)</u>
Net position at December 31, 2023	<u>\$ 13,391,852</u>

*The accompanying notes to financial statements are an integral part of this statement.*

ST. MARY PARISH LIBRARY

Statement of Revenues, Expenditures, and Change in Fund Balance  
 Governmental Fund  
 Year Ended December 31, 2023

	<u>General</u>
Revenues	
Ad valorem taxes	\$ 2,842,429
Intergovernmental:	
State grants	1,363
State revenue sharing	35,111
Miscellaneous:	
Interest and investment earnings	146,073
Other sources	37,600
Total revenues	<u>3,062,576</u>
Expenditures	
Culture and recreation -	
Current:	
Ad valorem tax deductions	92,617
Insurance	156,881
Library materials - non capital	40,343
Materials and supplies	69,790
Miscellaneous	10,956
Professional services	91,707
Repairs and maintenance	188,312
Salaries and benefits	1,385,616
Telephone and utilities	156,530
Travel and other charges	14,041
Capital outlay:	
Books	95,818
Buildings and improvements	636,677
Furniture and equipment	13,017
Total expenditures	<u>2,952,305</u>
Net change in fund balance	110,271
Fund balance, beginning	<u>4,665,857</u>
Fund balance, ending	<u>\$ 4,776,128</u>

(continued)

ST. MARY PARISH LIBRARY

Statement of Revenues, Expenditures, and Change in Fund Balance (continued)  
 Governmental Fund  
 Year Ended December 31, 2023

Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balance of  
 Governmental Funds to the Statement of Activities

Total net changes in fund balance for the year ended December 31, 2023 per Statement of Revenues, Expenditures and Change in Fund Balances	\$ 110,271
Capital outlay	745,512
Depreciation expense	(480,414)
Net effects of other transactions involving capital assets, i.e. sales and dispositions	(72,758)
Changes in unavailable revenues as increases or decreases in current ad valorem taxes and state revenue sharing revenues	(8,708)
Effects of recording net pension liability and deferred inflows and outflows of resources related to net pension liability:	
Decrease in pension expense	(76,352)
Nonemployer pension contribution revenue	<u>11,274</u> <u>(65,078)</u>
Change in net position of governmental activities	<u>\$ 228,825</u>

*The accompanying notes to financial statements are an integral part of this statement.*

# ST. MARY PARISH LIBRARY

## Notes to Financial Statements

### (1) Summary of Significant Accounting Policies

The St. Mary Parish Library (“Library”), which is a component unit of the Parish of St. Mary, was created under Louisiana Revised Statute 25:211. The Library operates under a Board of Control. The purpose of the Library is to provide library facilities to residents within its boundaries.

The accounting and reporting policies of the Library conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the industry audit guide, *Audits of State and Local Governmental Units*.

The financial statements of the Library have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The following is a summary of certain significant accounting policies:

#### A. Financial Reporting Entity

This report includes all funds which are controlled by or dependent on the Library’s 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. Government-Wide and Fund Financial Statements

Government-wide financial statements –

The government-wide financial statements include the statement of net position and the statement of activities of the Library. These statements include the financial activities of the overall government. Governmental activities are generally financed through taxes, intergovernmental revenues, and other nonexchange transactions.

In the government-wide statement of net position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Library’s net position is reported in two parts – net investment in capital assets and unrestricted.

The government-wide statement of activities reports both the gross and net cost of each of the Library’s functions. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

## ST. MARY PARISH LIBRARY

### Notes to Financial Statements (continued)

The net cost (by function) is normally covered by general revenues (property taxes, intergovernmental revenues, interest income, etc.).

The government-wide focus is more on the sustainability of the Library as an entity and the change in the Library's net position resulting from the current year's activities.

#### Fund financial statements –

The fund financial statements provide information about the Library's funds. The emphasis of fund financial statements is on major governmental funds.

The Library has the following fund type:

#### Governmental Funds –

The focus of the governmental fund's measurement (in the fund statement) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental fund of the Library:

#### 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.

#### C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Library gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlement, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Library considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

## ST. MARY PARISH LIBRARY

### Notes to Financial Statements (continued)

Ad valorem taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual. Other major revenues that are considered susceptible to accrual include earned grant revenues and other intergovernmental revenues, and interest on investments. All other revenues are recognized when received. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

#### D. Capital Assets

All capital assets purchased or acquired with an original cost of \$1,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Books	7 years
Buildings and improvements	20-40 years
Furniture and equipment	5-7 years

#### E. Deferred Outflows of Resources and Deferred 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 assets 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.

#### F. Pensions

For purposes of measuring the net pension liability/asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Parochial Employees Retirement System (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.



## ST. MARY PARISH LIBRARY

### Notes to Financial Statements (continued)

#### G. Equity Classifications

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

1. 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 that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted - consists of net assets with constraints placed on their 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.
3. Unrestricted - all other net assets that do not meet the definition of “restricted” or “net investment in capital assets.”

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Library considers restricted funds to have been spent first.

Fund balance for the Library’s governmental fund (General Fund) are displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

- 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.
  - Committed - amounts that can be used only for specific purposes determined by a formal action of the government’s highest level of decision-making authority. The Board of Control is the highest level of decision-making authority for the Library. Commitments may be established, modified, or rescinded only through formal actions approved by the Board.
4. 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. Under the Library’s adopted policy, only the Board of Control may assign amounts for specific purposes.
  5. Unassigned – all other spendable amounts.

When an expenditure is incurred for 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 Board of Control have provided otherwise in its commitment or assignment actions.

ST. MARY PARISH LIBRARY

Notes to Financial Statements (continued)

H. Interest Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

I. Compensated Absences

Employees earn annual vacation and sick leave at varying rates depending upon length of service. Vacation time must be used within the fiscal year and cannot be carried over to subsequent periods. Upon termination, an employee is compensated for the accumulated time, provided they were employed for one year. Sick leave is earned at one day per month, or 12 sick days per year. Sixty (60) days of accrued sick leave may be accumulated, and employees may be compensated for 36 days of accrued sick leave upon retirement. Employees are not compensated for accrued sick leave upon termination. No liability has been accrued for compensated absences on the Library's financial statements due to immateriality.

J. Use of Estimates

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

(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. At December 31, 2023, the Library has cash (book balances) totaling \$1,791,931, as follows:

Demand deposits	\$ 291,931
Time Deposits	<u>1,500,000</u>
Total	<u>1,791,931</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2023 totaling \$2,047,974 are secured as follows:

ST. MARY PARISH LIBRARY

Notes to Financial Statements (continued)

Bank balances	<u>\$ 2,047,974</u>
Federal deposit insurance	\$ 250,000
Uninsured and collateralized by pledged securities	<u>1,797,974</u>
Total federal insurance and pledged securities	<u>\$ 2,047,974</u>

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 the Library will not be able to recover collateral securities that are in the possession of an outside party. The Library does not have a policy to monitor or attempt to reduce exposure to custodial credit risk. As of December 31, 2023, deposits in the amount of \$1,797,974 were exposed to custodial credit risk since the deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the Library's name.

(3) Investments

State law allows the investment in direct United States Treasury obligations; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. Government instrumentalities, which are federally sponsored; direct security repurchase agreements of any federal book entry only securities guaranteed by the U.S. Government; time certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, savings accounts or shares of savings and loan associations and savings banks; certain account of federally of state chartered credit unions; certain mutual or trust fund institutions; certain guaranteed investment contracts; and investment grade commercial paper of domestic United States corporation.

As of December 31, 2023, the Library had the following investments and maturities (in years):

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>
LAMP	<u>593,890</u>	<u>593,890</u>

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the Library will not be able to recover the value of its investment. The Library does not have an investment policy that conforms to state law, as described above, which has no provision for custodial risk.

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The Library does not have an investment policy that conforms to state law, which does not include a policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk is defined as the risk that an insurer or other counterparty to an investment will not fulfill its obligations. The types of investments allowed by state law ensure that the Library is not exposed to credit risk.

## ST. MARY PARISH LIBRARY

### Notes to Financial Statements (continued)

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with R.S. 33:2955. Separately issued financial statements for LAMP is available at [www.lamppool.com](http://www.lamppool.com).

GASB Statement No. 40, Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor's. Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments is 60 days as of December 31, 2023.
- Foreign currency risk: Not applicable to 2a7-like pools.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

#### Fair Value Measurements

To the extent available, the Library's investments are recorded at fair value as of December 31, 2023. GASB Statement No. 72, Fair Value Measurements and Application, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Library measures its investments using fair value guidelines established by GASB 72, which recognizes a three-tiered fair value hierarchy as follows:

- Level 1-quoted prices for identical investments in active markets
- Level 2-observable inputs other than quoted market prices
- Level 3-unobservable inputs

ST. MARY PARISH LIBRARY

Notes to Financial Statements (continued)

The Library's investments in LAMP are measured using observable inputs other than quoted market prices (Level 2 inputs). The investments in LAMP are valued using quoted market prices of the underlying investment of LAMP on a weekly basis and the value of the position in the external pool is the same as the net asset value of the pool shares.

(4) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September and are billed to the taxpayers by the Sheriff in October or November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. Property tax revenues are budgeted in the year billed.

The taxes are based on assessed values determined by the Tax Assessor of St. Mary Parish and are collected by the St. Mary Parish Sheriff. The taxes are remitted to the Library net of deductions for pension fund contributions.

For the year ended December 31, 2023, taxes of 5.72 mills were levied on property with net assessed valuations totaling \$497,738,665 and were dedicated to paying the administrative, operative and maintenance expenditures for the Library.

Total taxes levied during 2023 were \$3,179,301.

(5) Due from Other Governmental Units

The following is a summary of amounts due from other governmental units at December 31, 2023:

	<u>Governmental Activities</u>
Due from -	
St. Mary Parish Tax Collector	<u>\$        35,562</u>

ST. MARY PARISH LIBRARY

Notes to Financial Statements (continued)

(6) Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balances, Beginning of Year	Additions	Deletions	Balances, End of Year
Assets not being depreciated:				
Land	\$ 320,891	\$ -	\$ -	\$ 320,891
Construction in progress	<u>3,055,650</u>	<u>636,677</u>	<u>(3,456,561)</u>	<u>235,766</u>
Total capital assets not being depreciated	<u>3,376,541</u>	<u>636,677</u>	<u>(3,456,561)</u>	<u>556,657</u>
Capital assets being depreciated				
Books	1,244,138	95,818	(231,642)	1,108,314
Buildings and improvements	6,498,192	3,456,561	(294,970)	9,659,783
Furniture and equipment	<u>856,746</u>	<u>13,017</u>	<u>(442,490)</u>	<u>427,273</u>
Total capital assets being depreciated	<u>8,599,076</u>	<u>3,565,396</u>	<u>(969,102)</u>	<u>11,195,370</u>
Less accumulated depreciation				
Books	(468,186)	(155,164)	231,642	(391,708)
Buildings and improvements	(2,524,541)	(297,571)	222,212	(2,599,900)
Furniture and equipment	<u>(762,580)</u>	<u>(27,679)</u>	<u>442,490</u>	<u>(347,769)</u>
Total accumulated depreciation	<u>(3,755,307)</u>	<u>(480,414)</u>	<u>896,344</u>	<u>(3,339,377)</u>
Capital assets being depreciated, net	<u>4,843,769</u>	<u>3,084,982</u>	<u>(72,758)</u>	<u>7,855,993</u>
Capital assets, net	<u>\$ 8,220,310</u>	<u>\$ 3,721,659</u>	<u>\$ (3,529,319)</u>	<u>\$ 8,412,650</u>

Depreciation expense in the amount of \$480,414 was charged to culture and recreation.

(7) Retirement Commitments

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.

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.

## ST. MARY PARISH LIBRARY

### Notes to Financial Statements (continued)

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.

The System is governed by Louisiana Revised Statutes, Title 11, Sections 1901 through 2025, specifically, and other general laws of the State of Louisiana.

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 system’s website, [www.persla.org](http://www.persla.org), or 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.

## ST. MARY PARISH LIBRARY

### Notes to Financial Statements (continued)

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.

Deferred Retirement Option Plan: Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement 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.



## ST. MARY PARISH LIBRARY

### Notes to Financial Statements (continued)

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.

Employer Contributions: According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2022, the actuarially determined contribution rate was 7.10% of member's compensation for Plan A. However, the actual rate for the fiscal year ended December 31, 2022 was 11.50% for Plan A.

According to state statute, the System also receives  $\frac{1}{4}$  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/Assets, Pension Expense/Benefit, and Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2023, the Library reported liabilities in its governmental activities of \$465,673 for its proportionate share of the net pension assets of PERS. The net pension liabilities were measured as of December 31, 2022 and the total pension liability used to calculate the net pension obligation was determined by separate actuarial valuations performed as of that date. The Library's proportion of the net pension liability was based on a projection of the Library's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2022, the Library's proportional share of PERS was 0.120992%, which was a decrease of 0.017468% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Library recognized pension expense of \$192,000.

ST. MARY PARISH LIBRARY

Notes to Financial Statements (continued)

At December 31, 2023, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Governmental Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 23,497	\$ 51,306
Changes in Assumption	14,861	-
Net difference between projected and actual earnings on pension plan investments	491,601	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	10,806	15,052
Employer contributions subsequent to the measurement date	<u>115,702</u>	<u>-</u>
	<u>\$ 656,467</u>	<u>\$ 66,358</u>

Deferred outflows of resources of \$115,702 resulting from the Library's contributions subsequent to the measurement date will be recognized as an adjustment to the net pension asset in the following fiscal year. 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:

<u>Fiscal Year Ending December 31</u>	
2024	\$ 8,560
2025	81,757
2026	162,138
2027	<u>221,952</u>
Total	<u>\$ 474,407</u>

Actuarial Methods and Assumptions: The net pension asset was measured as the portion of the present value of projected benefits 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.

ST. MARY PARISH LIBRARY

Notes to Financial Statements (continued)

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2023 are as follows:

	Parochial Employees' Retirement System of Louisiana Plan A
Valuation Date	December 31, 2022
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.40%, net of investment expense, including inflation
Projected Salary Increases	4.75%
Expected Remaining Service Lives	4 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.
Mortality Rates	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.
Inflation Rate	2.30%

The discount rate used to measure the total pension asset was 6.40% for Plan A, which was unchanged from the rate used as of December 31, 2021. 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, PERS'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.

ST. MARY PARISH LIBRARY

Notes to Financial Statements (continued)

The investment rate of return was 6.40% for Plan A, which was unchanged from the rate used as of December 31, 2021. 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 PERS's target asset allocation as of December 31, 2022 are summarized in the following table:

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

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

Sensitivity to Change in Discount Rate: The following presents the net pension liability/(asset) of the participating employers calculated using the discount rate of 6.40%, as well as what the employers' net pension liability 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.

	1% Decrease 5.40%	Current Discount Rate 6.40%	1% Increase 7.40%
Net Pension Liability (Asset)	<u>\$ 1,151,625</u>	<u>\$ 465,673</u>	<u>\$ (109,410)</u>

ST. MARY PARISH LIBRARY

Notes to Financial Statements (continued)

Payables to the Pension Plan: The Library recorded accrued liabilities to PERS for the year ended December 31, 2023 primarily due to the accrual for payroll at the end of the fiscal year. The amounts due are included in the liabilities under the amounts reported as accrued expenses. The balance due to PERS as of December 31, 2023 is \$15,353.

(8) Contingencies

As of December 31, 2023, the employees of the Library accumulated approximately \$3,706 in non-vested sick pay, which is not reflected in the fund financial statements. This contingent liability will be recognized if and when the employees meet the normal vesting requirements.

(9) Net Position

Net position is presented as net investments in capital assets and unrestricted on the Library's government-wide statement of net position. A component of the Library's net position is significantly affected by transactions that resulted in the recognition of deferred outflow of resources and deferred inflow of resources, and the difference between the deferred outflow of resources and deferred inflow of resources and the balance of the related asset or liability is significant. As discussed in Note 7, the Library's recognition of a net pension liability in accordance with GASBS No. 68 significantly affected the Library's unrestricted portion of net position as of December 31, 2023.

(10) Board of Control

Members of the Board of Control during the year ended December 31, 2023 are as follows:

Cherie Laiche	Karla Vappie	Mary Bailey
Don T. Caffery, Jr.	Carla Davis	Jaston Watson
Lucy Watson		

No compensation or per diem is paid to members of the Board of Control.

(11) Compensation and Other Payments to Executive Director

Act 706 of the 2014 Legislative Session amended R.S. 24:513A requiring additional disclosure of total compensation, reimbursements, benefits, or other payments made to an agency head or chief officer. Expenses paid to Julie Champagne and Ashton Myers for the year ended December 31, 2023 are as follows:

	<u>Julie</u>	<u>Ashton</u>
Salary	\$ 42,652	\$ 31,926
Benefits - Insurance	116	4,568
Benefits - Retirement	4,905	3,671
Expense reimbursement	<u>1,666</u>	<u>825</u>
Total	<u>\$ 49,339</u>	<u>\$ 40,990</u>

## ST. MARY PARISH LIBRARY

### Notes to Financial Statements (continued)

#### (12) Risk Management

The Library is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Library has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss. The Library is insured up to policy limits for each of the above risks. There were no significant changes in coverage's, retentions, or limits during the year ended December 31, 2023. Settled claims have not exceeded the commercial coverage's in any of the previous three fiscal years.

#### (13) Tax Abatements

The Library is subject to certain property tax abatements granted by the Louisiana Board of Commerce and Industry ("LBCI"), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the Library may be subject include those issued for property taxes under the Industrial Tax Exemption Program ("ITEP") and the Restoration Tax Abatement Program ("RTAP"). In addition, local governments have the authority to grant sales tax rebates to taxpayers pursuant to the Enterprise Zone Tax Rebate Program. For the year ended December 31, 2023, the St. Mary Parish Library incurred abatements of ad valorem taxes through ITEP.

ITEP is authorized by Article 7, Section 21(F) of the Louisiana Constitution. Companies qualifying as manufacturers can apply to the LBCI for a property tax exemption on all new property, as defined, used in the manufacturing process. Under ITEP, companies are required to promise to expand or build manufacturing facilities in Louisiana, with a minimum investment of \$5 million. The exemptions are granted for a 5-year term and are renewable for an additional 5 year term upon approval by LBCI. These state-granted abatements have resulted in reductions of property taxes, which the tax entity administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. The local government may recapture abated taxes if a company fails to expand facilities or otherwise fail to fulfill its commitments under the agreement. For the year ended December 31, 2023, \$380,807 of the Library's ad valorem tax revenues were abated by the state of Louisiana through ITEP.

#### (14) New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following pronouncements:

GASB Statement 100, *Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The standard is effective for annual reporting periods beginning after June 15, 2023. The effect of implementation on the Library's financial statements has not yet been determined.

ST. MARY PARISH LIBRARY

Notes to Financial Statements (continued)

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This standard is effective for annual reporting periods beginning after December 15, 2023. The effect of implementation on the Library's financial statements has not yet been determined.

**REQUIRED SUPPLEMENTARY INFORMATION**



ST. MARY PARISH LIBRARY  
General Fund  
Budgetary Comparison Schedule  
Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	(Non-GAAP Basis)	Final Budget Positive (Negative)
Revenues:				
Taxes-ad valorem	\$ 2,300,000	\$ 2,549,938	\$ 2,563,785	\$ 13,847
Intergovernmental:				
State grants	-	1,000	1,363	363
State revenue sharing	55,000	54,654	35,111	(19,543)
Miscellaneous:				
Interest and investment earnings	3,500	144,236	146,073	1,837
Other sources	33,500	37,925	37,600	(325)
Total revenues	<u>2,392,000</u>	<u>2,787,753</u>	<u>2,783,932</u>	<u>(3,821)</u>
Expenditures:				
Culture and recreation -				
Current :				
Ad valorem tax deductions	85,000	84,696	92,617	(7,921)
Insurance	113,703	166,056	156,881	9,175
Library materials - non capital	42,500	39,161	40,343	(1,182)
Materials and supplies	119,500	119,555	69,790	49,765
Miscellaneous	13,388	12,489	10,956	1,533
Operating services	90,000	138,159	91,707	46,452
Repairs and maintenance	183,500	528,976	188,312	340,664
Salaries and benefits	1,416,062	1,410,488	1,385,616	24,872
Telephone and utilities	195,000	168,995	156,530	12,465
Travel and other charges	11,500	13,477	14,041	(564)
Capital outlay:				
Books	85,000	84,547	95,818	(11,271)
Buildings and improvements	-	350,411	636,677	(286,266)
Furniture and equipment	36,500	77,285	13,017	64,268
Total expenditures	<u>2,391,653</u>	<u>3,194,295</u>	<u>2,952,305</u>	<u>241,990</u>
Net change in fund balance	347	(406,542)	(168,373)	238,169
Fund balance, beginning	<u>4,214,240</u>	<u>4,214,240</u>	<u>4,214,240</u>	<u>-</u>
Fund balance, ending	<u>\$ 4,214,587</u>	<u>\$ 3,807,698</u>	<u>\$ 4,045,867</u>	<u>\$ 238,169</u>

*See independent auditor's report and notes to required supplementary information.*

ST. MARY PARISH LIBRARY

Schedule of Employer's Share of Net Pension Liability/Asset  
Year Ended December 31, 2023

Plan Year Ended December 31,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	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
2014	0.180284%	\$ 49,291	\$ 1,027,210	4.80%	99.15%
2015	0.190394%	\$ 501,172	\$ 1,001,567	50.04%	92.23%
2016	0.174292%	\$ 358,957	\$ 1,033,649	34.73%	94.15%
2017	-0.170961%	\$ (126,895)	\$ 1,050,608	-12.08%	101.98%
2018	0.172357%	\$ 764,982	\$ 1,059,209	72.22%	88.86%
2019	0.175143%	\$ 8,245	\$ 1,110,543	0.74%	99.89%
2020	-0.151905%	\$ (266,352)	\$ 1,022,831	-26.04%	104.00%
2021	-0.138460%	\$ (652,207)	\$ 920,689	-70.84%	110.46%
2022	-0.120992%	\$ 465,673	\$ 883,913	52.68%	91.74%

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.  
See independent auditor's report and notes to required supplementary information.*

ST. MARY PARISH LIBRARY

Schedule of Employer Pension Contributions  
Year Ended December 31, 2023

Fiscal Year Ended December 31,	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2015	\$ 144,892	\$ 144,892	\$ -	\$ 1,001,567	14.47%
2016	\$ 134,374	\$ 134,374	\$ -	\$ 1,033,649	13.00%
2017	\$ 131,326	\$ 131,326	\$ -	\$ 1,050,608	12.50%
2018	\$ 121,808	\$ 121,808	\$ -	\$ 1,059,209	11.50%
2019	\$ 127,762	\$ 127,762	\$ -	\$ 1,110,543	11.50%
2020	\$ 125,297	\$ 125,297	\$ -	\$ 1,022,831	12.25%
2021	\$ 112,784	\$ 112,784	\$ -	\$ 920,689	12.25%
2022	\$ 101,687	\$ 101,687	\$ -	\$ 883,913	11.50%
2023	\$ 115,648	\$ 115,648	\$ -	\$ 1,005,637	11.50%

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.  
See independent auditor's report and notes to required supplementary information.*

ST. MARY PARISH LIBRARY

Notes to Required Supplementary Information

(1) Budgetary Basis of Accounting

The budget is adopted on the modified accrual basis consistent with generally accepted accounting principles (GAAP), with the exception of ad valorem tax revenue which is adopted on the accrual basis. Budgeted amounts are as originally adopted or as finally amended by the Library.

(2) 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. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held 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. The Library’s Director, under the direction of the Board of Control, has the authority to alter budget amounts.
7. Budget appropriations lapse at year end.
8. Budgetary control is exercised at the fund level.

(3) Non-GAAP Budgetary Reporting Reconciliation

Budgetary amounts adopted by the Library for ad valorem tax revenues are on the accrual basis of accounting rather than the modified accrual basis on which the General Fund reports. Actual amounts for the General Fund are reconciled on a non-GAAP basis for comparison to budget as follows:

	<u>As Reported</u>	<u>Adjustment to Budgetary Basis</u>	<u>Non-GAAP Basis</u>
Revenues:			
Taxes-ad valorem	<u>\$2,842,429</u>	<u>\$ (278,644)</u>	<u>\$ 2,563,785</u>

ST. MARY PARISH LIBRARY

Notes to Required Supplementary Information (Continued)

(4) Pension Plan

1. Changes of Benefit Terms

There were no changes of benefit terms.

2. Changes of Assumptions

<u>Fiscal Year ended December 31,</u>	<u>Discount Rate</u>	<u>Investment Rate of Return</u>	<u>Inflation Rate</u>	<u>Expected Remaining Service Lives</u>	<u>Projected Salary Increase</u>
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%	2.40%	4	4.75%
2020	6.50%	6.50%	2.40%	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%

**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*

The Board of Control  
St. Mary Parish Library  
Franklin, 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 St. Mary Parish Library ("Library"), a component unit of the Parish of St. Mary, 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 13, 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 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 Library'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 were not identified.

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

As part of obtaining reasonable assurance about whether the Library's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions 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. In accordance with Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

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

Morgan City, Louisiana  
May 13, 2024



ST. MARY PARISH LIBRARY

Summary Schedule of Prior Audit Findings  
Year Ended December 31, 2023

A. Internal Control

No conditions were reported.

B. Compliance

No instances of noncompliance were reported.

C. Management Letter

No management letter was issued.

ST. MARY PARISH LIBRARY

Schedule of Audit Results and Findings  
Year Ended December 31, 2023

Part I. Summary of Auditor's Results

Financial Statements

1. Type of auditor's report issued on financial statements:

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental activities	Unmodified
Major funds:	
General	Unmodified

2. Internal control over financial reporting:

Material weakness(es) identified?	_____ yes	_____ <input checked="" type="checkbox"/> no
Significant deficiency(ies) identified?	_____ yes	_____ <input checked="" type="checkbox"/> none reported

3. Noncompliance material to the financial statements?

_____ yes	_____ <input checked="" type="checkbox"/> no
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Other

4. Management letter issued?

_____ <input checked="" type="checkbox"/> yes	_____ no
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Part II. Findings required to be reported in accordance with *Government Auditing Standards*

A. Internal Control

No findings reported under this section.

B. Compliance

No findings reported under this section.

Part III. Findings and questioned costs for federal awards reported in accordance with the Uniform Guidance

The requirements of the Uniform Guidance do not apply to the Library.