

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/27/11

TABLE OF CONTENTS

| | |
|--|-----------|
| Independent Accountant's Review Report | 1-2 |
| <u>BASIC FINANCIAL STATEMENTS</u> | |
| <u>Government-wide Financial Statements (GWFS)</u> | |
| Statement of Net Assets | 3 |
| Statement of Activities | 4 |
| <u>Fund Financial Statements</u> | |
| General Fund - | |
| Balance Sheet | 5 |
| Reconciliation of the Governmental Fund's Balance Sheet to the Statement of Net Assets | 6 |
| Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund | 7-8 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in the Fund Balance of the Governmental Fund to the Statement of Activities | 9 |
| Notes to Financial Statements | 10-17 |
| <u>REQUIRED SUPPLEMENTARY INFORMATION</u> | |
| Budgetary Comparison Schedule – General Fund Budget and Actual | 18-19 |
| <u>OTHER SUPPLEMENTARY INFORMATION</u> | |
| Independent Accountant's Report on Applying Agreed-Upon Procedures | 20-22 |
| Louisiana Attestation Questionnaire | 23-24 |
| Schedule of Current Year Findings | 25 |
| Schedule of Prior Year Findings | 26 |

Chizal S. Fontenot, CPA
 James L. Nicholson, Jr., CPA
 G. Kenneth Pavy, II, CPA
 Michael A. Roy, CPA
 Lisa Trouille Manuel, CPA
 Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

John S. Dowling, CPA
 1904-1984
 John Newton Stout, CPA
 1936-2005

Retired

Harold Dupre, CPA
 1996
 Dwight Ledoux, CPA
 1998
 Joel Lanclos, Jr., CPA
 2003
 Russell J. Stelly, CPA
 2005

To the Board of Directors
 South St. Landry Community
 Library District
 Sunset, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, and each major fund of the South St. Landry Community Library District, as of and for the year ended December 31, 2010, which collectively comprise the Library District'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 the management of the Library District. A review is substantially less in scope than an audit, the object of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of the Library District is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

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

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated June 29, 2011, on the results of our agreed-upon procedures.

The budgetary comparison information as noted in the table of contents is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. The other supplementary information as listed in the table of contents on pages 20-26 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but was compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

To the Board of Directors
South St. Landry Community
Library District
Sunset, Louisiana
Page 2

Management has not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

John S. Dawling & Company

Opelousas, Louisiana
June 29, 2011

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
STATEMENT OF NET ASSETS
DECEMBER 31, 2010

GOVERNMENTAL
ACTIVITIES

ASSETS

| | |
|---|------------------|
| Cash | \$ 311,751 |
| Investments | 16,801 |
| Ad valorem taxes receivable, net of allowance for uncollectibles | 163,468 |
| State revenue sharing receivable | 22,328 |
| Accrued interest receivable | 5 |
| Capital assets (net) | <u>606,599</u> |
| <u>Total assets</u> | <u>1,120,952</u> |

LIABILITIES

| | |
|---------------------------------------|--------------|
| Accounts payable and accrued expenses | 1,265 |
| Compensated absences payable | <u>299</u> |
| <u>Total liabilities</u> | <u>1,564</u> |

NET ASSETS

| | |
|---|------------------|
| Invested in capital assets, net of related debt | 606,599 |
| Unrestricted | <u>512,789</u> |
| <u>Total net assets</u> | <u>1,119,388</u> |

See accompanying notes and independent accountant's review report.

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

| <u>Activities</u> | <u>Program Revenues</u> | | <u>Net (Expenses)</u> <u>Revenues and</u> <u>Change in Net</u> |
|--------------------------------------|-------------------------|----------------------|--|
| | <u>Charges for</u> | <u>Operating</u> | <u>Assets</u> |
| | <u>Services</u> | <u>Grants and</u> | <u>Governmental</u> |
| | <u>Expenses</u> | <u>Contributions</u> | <u>Activities</u> |
| <u>Governmental activities</u> | | | |
| <u>General government</u> | \$ 200,387 | \$ 30,817 | \$ (166,766) |
| | 200,387 | 30,817 | (166,766) |
| <u>Total governmental activities</u> | | | |

| | |
|----------------------------------|----------------|
| <u>General Revenues</u> | |
| <u>Taxes</u> | 185,659 |
| Ad valorem taxes | 22,329 |
| Intergovernmental | 4,530 |
| State revenue sharing | 1,985 |
| Interest and investment earnings | (450) |
| Donations | 13,417 |
| Loss on disposal of fixed assets | (450) |
| Miscellaneous | 13,417 |
| <u>Total general revenues</u> | <u>227,470</u> |
| Change in net assets | 60,704 |
| Net assets - January 1, 2010 | 1,058,684 |
| Net assets - December 31, 2010 | 1,119,388 |

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUND
DECEMBER 31, 2010

| | <u>GENERAL FUND</u> |
|---|---------------------------|
| <u>ASSETS</u> | |
| Cash | \$ 311,751 |
| Investments | 16,801 |
| Ad valorem taxes receivable, net of allowance for uncollectibles | 163,468 |
| State revenue shareing receivable | 22,328 |
| Accrued interest receivable | <u>5</u> |
| <u>Total assets</u> | <u><u>514,353</u></u> |
| <u>LIABILITIES AND FUND BALANCE</u> | |
| <u>LIABILITIES</u> | |
| Accounts payable and accrued expenses | \$ 1,265 |
| Compensated absences payable | 299 |
| <u>Total liabilities</u> | <u>1,564</u> |
| <u>FUND BALANCE</u> | |
| Unreserved - undesignated | <u>512,789</u> |
| <u>Total fund balance</u> | <u>512,789</u> |
| <u>Total liabilities and fund balance</u> | <u><u>514,353</u></u> |

See accompanying notes and independent accountant's review report.

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND'S BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2010

| | | |
|--|----------------|-------------------------|
| Total fund balance for the governmental fund at December 31, 2010 | | \$ 512,789 |
| Cost of capital assets at December 31, 2010 | \$ 855,510 | |
| Less: Accumulated depreciation as of December 31, 2010 | <u>248,911</u> | <u>606,599</u> |
| Net assets at December 31, 2010 | | <u><u>1,119,388</u></u> |

See accompanying notes and independent accountant's review report.

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

| | <u>GENERAL FUND</u> |
|--|-------------------------|
| <u>REVENUES</u> | |
| Ad valorem taxes | \$ 185,659 |
| Intergovernmental | |
| State revenue sharing | 22,329 |
| Grant income | |
| State Aid to Libraries | 8,414 |
| Decentralized Arts | 3,915 |
| LA Dept of Cult, Rec, & Tour | 18,488 |
| Interest earned | 4,530 |
| Miscellaneous | |
| Donations - other | 1,985 |
| Library fines, fees | 2,804 |
| E-Rate reimbursement | 13,285 |
| Miscellaneous income | 132 |
| <u>Total revenues</u> | <u>261,541</u> |
| <u>EXPENDITURES</u> | |
| Current operating | |
| Wages | 57,705 |
| Payroll taxes | 5,701 |
| Legal and accounting | 17,301 |
| Insurance | 6,785 |
| Utilities | 22,924 |
| Repairs and maintenance | 16,753 |
| Membership dues | 2,949 |
| Summer program | 1,580 |
| Library operations | 25,495 |
| Training and travel | 1,058 |
| State aid | 1,240 |
| Grant expenditures | |
| Decentralized Arts | 4,547 |
| State Aid to Libraries (includes capital outlay of \$10,339) | 10,339 |
| Capital outlay | 23,488 |
| <u>Total expenditures</u> | <u>197,865</u> |

Continued on next page.

See accompanying notes and independent accountant's review report.

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2010

| | <u>GENERAL FUND</u> |
|---|-------------------------|
| <u>NET CHANGE IN FUND BALANCE</u> | \$ 63,676 |
| <u>FUND BALANCE</u> , beginning of year | <u>449,113</u> |
| <u>FUND BALANCE</u> , end of year | <u>512,789</u> |

See accompanying notes and independent accountant's review report.

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN THE FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

| | | |
|---|-----------------|---------------|
| Total net change in the fund balance for the year ended December 31, 2010 per Statement of Revenues, Expenditures and Changes in Fund Balance | | \$ 63,676 |
| Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance | \$ 33,827 | |
| Depreciation expense for year ended December 31, 2010 | <u>(36,349)</u> | (2,522) |
| Book value of capital assets retired | | <u>(450)</u> |
| <u>Total change in net assets for the year</u> <u>ended December 31, 2010 per Statement</u> <u>of Activities</u> | | <u>60,704</u> |

See accompanying notes and independent accountant's review report.

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The South St. Landry Community Library District was established in compliance with Louisiana Revised Statutes 25:295-299 to provide and operate a library for the area including Sunset, Grand Coteau, and Cankton, Louisiana.

The Library District is governed by a board of Directors, composed of seven members, one each appointed by the mayors of Sunset, Grand Coteau, and Cankton and four appointed by the St. Landry Parish Government. The members of the Board serve without pay.

The accompanying financial statements of the South St. Landry Community Library District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of certain significant accounting policies and practices of the South St. Landry Community Library District:

A. FINANCIAL REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the St. Landry Parish Government is the financial reporting entity for St. Landry Parish.

The financial reporting entity consists of (a) the primary government (parish government) (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. Landry Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the parish government to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish government.
2. Organizations for which the parish government does not appoint a voting majority but are fiscally dependent on the parish government.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. FINANCIAL REPORTING ENTITY (Continued)

The South St. Landry Community Library District is considered to be a component unit of the parish government because the parish government appoints four members of the Library's seven member Board and has the ability to impose its will on the Library. The accompanying financial statements present information only on the funds maintained by the Library and do not present information on the parish government.

B. BASIS OF PRESENTATION

Government-wide Financial Statements (GWFS). The Statement of Net Assets and the Statement of Activities display information on all of the nonfiduciary activities of the South St. Landry Community Library District. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements. The South St. Landry Community Library District uses funds to report on its financial position and the results of its operations. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The fund presented in the financial statements is described as follows:

Governmental Fund

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

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

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

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (Continued)

Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities, the governmental activities are presented using the economic resources measurement focus.

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

- a. The fund financial statements utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statements utilize an "economic resources" measurement focus. The accounting objective of this measurement focus is the determination of operating income, changes in net assets and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

Basis of Accounting

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

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

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State of Louisiana are recognized when susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (Continued)

Purchases of various operating supplies are regarded as expenditures at the time purchased. The costs of governmental fund-type inventories are recorded as expenditures when purchased and items on hand at year-end, if any, are not recorded as assets, unless material. Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

D. BUDGETS

The Library adopted a budget for its General Fund on the modified accrual basis of accounting.

E. ENCUMBRANCES

The Library District does not employ the encumbrance system of accounting.

F. CASH AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Under state law, the Library District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the Library District's investment policy. If the original maturities of investments exceed 60 days, they are classified as investments; however, if the original maturities are 60 days or less, they are classified as cash.

Investments are stated at cost or amortized cost, which approximates fair value.

G. CAPITAL ASSETS

The accounting treatment over property, plant and equipment (capital assets) depends on whether they are reported in the government-wide or fund financial statements.

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their estimated fair value at the date of donation.

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

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. CAPITAL ASSETS (Continued)

| | |
|----------------------------|---------------|
| Buildings | 15 - 30 years |
| Furniture and equipment | 10 - 20 years |
| Books and subscriptions | 10 years |
| Video and CD Rom materials | 10 years |

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

It is the policy of the Library District not to capitalize amounts of interest resulting from borrowings in the course of the construction of fixed assets.

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

The Library District has no public domain or infrastructure outlays.

H. COMPENSATED ABSENCES

The Library pays full-time employees for vacation and sick leave. There is a written policy on the number of days earned per year which is based on years of employment. Employees are compensated for vacation days upon termination; however, sick days are forfeited upon termination.

I. RETIREMENT

Employees of the Library contribute to the Social Security Retirement System.

J. INVENTORY

The Library practices the policy of recording materials and supplies as expenditures when acquired. The Library does not record any of these items as inventory because the amount of the items in stock is insignificant.

K. EQUITY CLASSIFICATIONS

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

1. Invested in capital assets, net of related debt - Consist of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. EQUITY CLASSIFICATIONS (Continued)

2. Restricted net assets - Consist of net assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

Estimates

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

NOTE (2) - PROPERTY TAXES RECEIVABLE

Property taxes receivable at December 31, 2010 consists of taxes levied for the calendar year. The tax is collected by an intermediary government and remitted on a monthly basis. The tax is due to the intermediary government on or before December 31 and becomes delinquent on January 1. The taxes are generally collected in December of the current year and January and February of the ensuing year. The millage rate was 5.75 in 2010.

The Library District was required to remit .03232 of the total ad valorem taxes per the tax roll to the pension fund. This amount is determined by the legislative auditor each year. Since the sheriff collects all taxes for the parish, the tax collected in the first month is reduced by the sheriff for the pension fund amount owed and the remainder is remitted to the taxing district. Therefore, the ad valorem taxes receivable and revenue are shown net of pension fund distributions. A schedule of tax receivable is as follows:

| | <u>Total Per Tax Roll</u> | <u>Pension Fund Requirements</u> | <u>Allowance for Uncollectible Taxes</u> | <u>Collected in Current Year</u> | <u>Taxes Receivable</u> |
|------|-------------------------------|--------------------------------------|--|--|-----------------------------|
| 2010 | \$ 193,471 | \$ 6,252 | \$ 1,881 | \$ 21,870 | \$ 163,468 |

An estimated allowance for uncollectible property tax has been set up based on prior years' experience.

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE (3) - CASH AND INVESTMENTS

At December 31, 2010, the bank and book balances of cash in interest-bearing and noninterest-bearing checking accounts and certificates of deposit were \$308,959 and \$328,552, respectively.

Under state law, the bank balances of cash and investments (certificates of deposit) must be secured by federal deposit insurance or the pledge of securities owned by the bank(s). The market value of the pledged securities plus the federal deposit insurance must at all time equal the amount on deposit with the bank(s). These securities are held in the name of the pledging bank(s) in a holding or custodial bank(s).

At year-end, \$259,766 of the bank balance was covered by FDIC insurance and \$49,193 was covered by pledged securities held by the custodial bank(s) in the name of the bank(s).

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, RS 39:1229 imposes a statutory requirement on the custodial bank(s) to advertise and sell the pledged securities within 10 days of being notified by the court that the bank(s) has failed to pay deposited funds upon demand.

NOTE (4) - GRANT EXPENDITURES

| | <u>Expenditures</u> | <u>Appropriation to Capital Assets</u> |
|-------------------------|---------------------|--|
| Decentralized Arts | \$ 4,547 | \$ - |
| State Aid to Libraries | | |
| Books | - | 9,639 |
| Furniture and equipment | - | 700 |
| | <hr/> | <hr/> |
| <u>Total</u> | <u>4,547</u> | <u>10,339</u> |

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE (5) - CAPITAL ASSETS

Capital assets and depreciation activity, as of and for the year ended December 31, 2010, for the South St. Landry Community Library District are as follows:

| | Balance | Additions | | Retirements | Balance |
|---|--------------------|----------------|------------|-----------------------|----------------------|
| | January 1, 2010 | Purchases | Donations | Sales and Discards | December 31, 2010 |
| Governmental Activities | | | | | |
| Land | \$ 1,000 | \$ - | \$ - | \$ - | \$ 1,000 |
| Buildings | 543,610 | - | - | - | 543,610 |
| Furniture and equipment | 87,680 | 12,138 | 300 | - | 100,118 |
| Books and subscriptions | 186,494 | 21,389 | - | 2,250 | 205,633 |
| Video and CD Rom material | 5,149 | - | - | - | 5,149 |
| <u>Totals at historical cost</u> | <u>823,933</u> | <u>33,527</u> | <u>300</u> | <u>2,250</u> | <u>855,510</u> |
| Less accumulated depreciation | | | | | |
| Land | - | - | - | - | - |
| Buildings | 85,286 | 6,625 | - | - | 91,911 |
| Furniture and equipment | 24,484 | 8,421 | - | 1,800 | 31,105 |
| Books and subscriptions | 102,589 | 20,788 | - | - | 123,377 |
| Video and CD Rom material | 2,003 | 515 | - | - | 2,518 |
| <u>Total accumulated depreciation</u> | <u>214,362</u> | <u>36,349</u> | <u>-</u> | <u>1,800</u> | <u>248,911</u> |
| Governmental Activities, Capital assets, net | <u>609,571</u> | <u>(2,822)</u> | <u>300</u> | <u>450</u> | <u>606,599</u> |

Depreciation expense for the year ended December 31, 2010 amounted to \$35,069.

NOTE (6) - SUBSEQUENT EVENTS

Subsequent events were evaluated through June 29, 2011, which is the date the financial statements were available to be issued. As of June 29, 2011, there were no subsequent events noted.

NOTE (7) - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The South St. Landry Community Library District does not provide any post-employment benefits to retirees and therefore is not required to report under GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

| | <u>BUDGET</u> | | <u>ACTUAL</u> | <u>VARIANCE FAVORABLE (UNFAVORABLE)</u> |
|------------------------------|-----------------|----------------|----------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | | |
| <u>REVENUES</u> | | | | |
| Ad valorem taxes | \$ 183,148 | \$ 183,600 | \$ 185,659 | \$ 2,059 |
| Intergovernmental | | | | |
| State revenue sharing | 21,678 | 22,329 | 22,329 | - |
| Grant income | | | | |
| State Aid to Libraries | - | 8,414 | 8,414 | - |
| Decentralized Arts | 3,924 | 3,915 | 3,915 | - |
| LA Dept of Cult, Rec, & Tour | - | 18,488 | 18,488 | |
| Interest earned | 3,960 | 4,140 | 4,530 | 390 |
| Miscellaneous | | | | |
| Donations - other | 5,200 | 2,365 | 1,985 | (380) |
| Library fines, fees | 2,100 | 2,300 | 2,804 | 504 |
| E-Rate reimbursement | 10,000 | 10,500 | 13,285 | 2,785 |
| Miscellaneous income | - | - | 132 | 132 |
| <u>Total revenues</u> | <u>230,010</u> | <u>256,051</u> | <u>261,541</u> | <u>5,490</u> |
| <u>EXPENDITURES</u> | | | | |
| Current operating | | | | |
| Wages | 59,960 | 59,960 | 57,705 | 2,255 |
| Payroll taxes | 8,600 | 8,600 | 5,701 | 2,899 |
| Legal and accounting | 29,800 | 30,000 | 17,301 | 12,699 |
| Insurance | 7,000 | 7,000 | 6,785 | 215 |
| Utilities | 27,000 | 27,000 | 22,924 | 4,076 |
| Repairs and maintenance | 26,750 | 26,750 | 16,753 | 9,997 |
| Miscellaneous | 4,700 | 4,700 | - | 4,700 |
| Bank charges | 50 | 50 | - | 50 |
| Memberships/dues | 4,500 | 4,500 | 2,949 | 1,551 |
| Summer program | 2,000 | 2,000 | 1,580 | 420 |
| Library operations | 10,000 | 25,313 | 25,495 | (182) |
| Training and travel | 1,500 | 1,500 | 1,058 | 442 |
| State aid | - | - | 1,240 | (1,240) |
| Grant expenditures | | | | |
| State Aid to Libraries | - | 10,339 | 10,339 | - |
| Decentralized Arts Grant | 5,672 | 5,672 | 4,547 | 1,125 |
| Capital outlay | 22,000 | 30,737 | 23,488 | 7,249 |
| <u>Total expenditures</u> | <u>209,532</u> | <u>244,121</u> | <u>197,865</u> | <u>46,256</u> |

Continued on next page.

See independent accountant's review report.

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

| | BUDGET | | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|---|------------------|------------------|----------------|--|
| | ORIGINAL | FINAL | | |
| <u>NET CHANGE IN FUND BALANCE</u> | <u>\$ 20,478</u> | <u>\$ 11,930</u> | \$ 63,676 | <u>\$ 51,746</u> |
| <u>FUND BALANCE</u> , beginning of year | | | <u>449,113</u> | |
| <u>FUND BALANCE</u> , end of year | | | <u>512,789</u> | |

See independent accountant's review report.

OTHER SUPPLEMENTARY INFORMATION

Chizal S. Fontenot, CPA
 James L. Nicholson, Jr., CPA
 G. Kenneth Pavy, II, CPA
 Michael A. Roy, CPA
 Lisa Trouille Manuel, CPA
 Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
 1904-1984
 John Newton Stout, CPA
 1936-2005

Retired

Harold Dupre, CPA
 1996
 Dwight Ledoux, CPA
 1998
 Joel Lanclos, Jr., CPA
 2003
 Russell J. Stelly, CPA
 2005

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
 South St. Landry Community
 Library District
 Sunset, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of South St. Landry Community Library District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about South St. Landry Community Library District's compliance with certain laws and regulations during the year ended December 31, 2010 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 and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

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 38:2211-2251 (the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$30,000 or 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 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

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

Management provided us with the required list.

To the Board of Directors
 South St. Landry Community
 Library District
 Page 2

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (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 [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

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

Management provided us with a copy of the original budget.

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

We traced the adoption of the original budget to the minutes of a meeting held on November 11, 2009 which indicated that the budget had been adopted by the Directors of South St. Landry Community Library District by a unanimous vote. The budget was amended November 11, 2010.

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.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Budgeted revenues for the year did not exceed actual revenues by more than 5%. Actual expenditures did not exceed budgeted expenditures by more than 5%.

Accounting and Reporting

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

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

We examined supporting documentation for each of the six selected disbursements and found that payment was 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 payments were properly coded to the correct fund and general ledger account.

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

Inspection of documentation supporting each of the six selected disbursements indicated proper approval according to the Board's current policy. The current policy is that two of the three authorized signatures are required on each check.

To the Board of Directors
South St. Landry Community
Library District
Page 3

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 open meetings law).

Agendas for all meetings were posted. We examined copies of agendas kept with minutes.

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.

We 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.

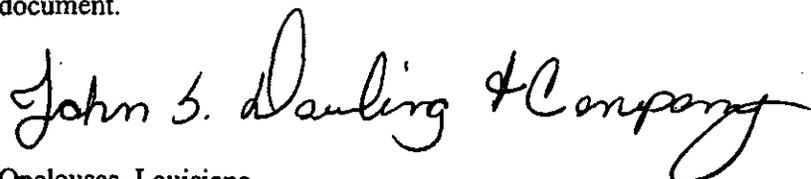
Advances and Bonuses

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 District for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were 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, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of South St. Landry Community Library District and the Legislative Auditor, State of Louisiana, 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 Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Opelousas, Louisiana
June 29, 2011

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

6-29-2011 (Date Transmitted)

John S. Dowling & Company

PO Box 1549

Opelousas, LA 70571-1549

(Auditors)

In connection with your review of our financial statements as of [date] 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 (date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [] 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 R.S. 42:1101-1124.

Yes [] 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 R.S. 42:1119.

Yes [] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-16), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [] 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 R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [] No []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [] No []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R. S. 42:1 through 42:13.

Yes [] 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 R.S. 39:1410.60-1410.65.

Yes [] 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, R.S. 14:138, and AG opinion 79-729.

Yes [] 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 that may occur subsequent to the issuance of your report.

2/15/11 _____ Secretary [Signature]

2/15/11 _____ Treasurer [Signature]

12/21/2010 [Signature] _____ President [Signature]

Date

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
SCHEDULE OF CURRENT YEAR FINDINGS
DECEMBER 31, 2010

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

No findings

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

No findings

SOUTH ST. LANDRY COMMUNITY LIBRARY DISTRICT
SUNSET, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2010

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

No findings

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

No findings