

**ASCENSION PARISH LIBRARY  
DONALDSONVILLE, LOUISIANA**

**ANNUAL FINANCIAL REPORT**

**DECEMBER 31, 2009**

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 5/5/10

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Board of Directors  
Ascension Parish Library

## **INDEPENDENT AUDITORS' REPORT**

We have audited the accompanying financial statements of the governmental activities of the Ascension Parish Library, a component unit of the Ascension Parish Council, as of and for the year ended December 31, 2009 which collectively comprise the Library's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of Ascension Parish Library's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities of the Ascension Parish Library, as of December 31, 2009 and the respective changes in the financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 6, 2010 on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis and the other required supplementary information on pages 2 through 5 and 19 through 25, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise the Ascension Parish Library's basic financial statements. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Baxley & Associates, LLC*

Plaquemine, Louisiana  
April 6, 2010

**ASCENSION PARISH LIBRARY**  
**708 South Irma Blvd.**  
**Gonzales, LA 70737**  
(An agency of the Ascension Parish Government)

**Management Discussion and Analysis**  
As of and for the Year Ended December 31, 2009

**General Information**

The Ascension Parish Library is a public library established in 1960 for the purpose of making available to all citizens of the parish books and other library materials for education, information, and recreation – the library strives to maintain a program of service to locate information, guide reading, and promote the most effective use of library materials.

Management's discussion and analysis (MD&A) is a required element of the reporting model adopted by the Government Accounting Standard's Board (GASB) in their statement number 34. Its purpose is to provide an overview of the financial activities of the Ascension Parish Library based on currently known facts, decisions, or conditions.

**GENERAL FUND**

**Financial Highlights**

Ad valorem taxes reflect a 6.8 dedicated millage. This 6.8 mill total resulted in \$5,677,016 in ad valorem receipts collected in fiscal year 2009 and \$5,269,045 in ad valorem receipts collected in fiscal year 2008.

Total revenue reflected is \$6,158,318 for 2009 and \$5,789,781 for 2008. This revenue includes parish ad valorem taxes, state revenue sharing, interest, grant funds, charges for photocopies, gifts, and fines.

Library expenditures for 2009 total \$5,406,968 and for 2008 total \$4,449,120. The increase in expenditures from 2008 to 2009 is a result of anticipated increases in administrative and operating services, due to minimum wage adjustments, as well as costs related to a new facility preparing to open for service.

**Revenue**

The library's budget reflects actual revenues on hand as opposed to anticipated revenues. Therefore, each year's budget is based on cash flow instead of modified accrual. This provides for budgeting that reflects expenditures based only on actual funds available.

The library's revenue consists of a parish-wide property tax of 6.8 mills, state revenue sharing, state aid to public libraries, interest earnings, gifts, and miscellaneous fees and forfeitures.

Ascension Parish Library experienced an increase in ad valorem taxes from the previous year. All other revenues experienced expected variance.

### Expenditures

Expenditures include: library administration – personnel salaries and benefits; operating services – utilities, communications, maintenance of grounds, buildings, and equipment, insurance on facilities, grounds, and vehicles; materials and supplies - office, buildings, grounds, vehicle, and library supplies; travel – continuing education travel and expenses; capital outlay – acquisition of land, vehicles, machinery and equipment, major repairs, and library materials; intergovernmental expenditures – contributions to retirement systems and intergovernmental service charges.

*Library Administration* expenditure increases were a result of standard pay increases, an increase in the cost of employee benefits, and an increase in the number of library employees.

*Operating Services, Travel, and Capital Outlay* expenditures reflect an increase in purchases due to the addition of a fourth facility to the system, and an upgrade of the automation system.

*Materials and Supplies* expenditure increases were a result of increased purchases in library building and grounds supplies due to the addition of a fourth facility to the system.

*Intergovernmental Service Charges* for 2009 reflect anticipated expenses.

### Overview of the Financial Statements

<b>Ascension Parish Library -- operations &amp; maintenance (general fund)</b>		
<b>Operating Revenues by Source</b>	<b>2009</b>	<b>2008</b>
Ad valorem	5,677,016	5,269,045
State Revenue Sharing	358,300	360,901
State Aid to Public Libraries	21,620	60,638
Fees and charges for library services	18,557	17,391
Fines, forfeitures, and lost books	38,193	37,352
Use of money and property	43,497	52,819
Refunds	0	0
Contributions	556	4
Other revenues	579	631
<b>TOTAL REVENUE</b>	<b>6,158,318</b>	<b>5,798,781</b>
	<b>2009</b>	<b>2008</b>
<b>Operating Expenditures by Purpose</b>		
Library Administration	2,882,522	2,500,805
Operating Services	582,555	499,005
Travel	11,551	10,254
Capital Outlay	996,792	536,400
Materials and Supplies	93,608	72,523
Intergovernmental Service Charges	839,940	830,133
<b>TOTAL OPERATING EXPENDITURES</b>	<b>5,406,968</b>	<b>4,449,120</b>

## **Variations Between Original and Final Budgets**

Variations between the original and final budgeted annual revenue in the Operating Revenues by Source reflect adjustments as follows:

- *State Aid to Public Libraries* reflects a decrease due to changes made by the state government in budget cuts.
- *Use of money and property* reflects a decrease in interest earnings due to a decrease in rates.

Variations between the original and final budgeted Operating Expenditures by Purpose reflect adjustments as follows:

- Changes in *Library Administration* reflect a decrease in Student Salaries due to changes in the number of students on staff.
- Changes in *Operating Services* reflect an increase in utilities due to higher water costs and new facility expenses.
- Changes to *Capital Outlay* reflect a decrease in Cars/Trucks, etc. due to a lower cost on the vehicle purchased, an increase in Office furniture, fixtures and equipment and books due to the purchases for the new facility being added to the system.
- Changes to *Library Materials and Supplies* reflect an increase in automation supply costs.

## **Economic Factors and Next Year's Budget**

The library's 2010 cash flow budget will have an increase in revenues due to anticipated changes in tax funds. All other aspects of the budget should remain relatively the same.

## **CAPITAL PROJECTS FUND**

Interest funds on the Capital Projects Account for 2009 were \$10,597 and for 2008 were \$195,006. These revenues are a result of interest earnings on the fund principal. Construction began on the Dutchtown site in July of 2008 and the Gonzales site in August of 2009.

Expenditures incurred in 2009 totaled \$3,434,339 in various fees, surveys and construction, and in 2008 totaled \$1,376,683 in various fees and surveys. These expenditures reflect costs associated with both the Dutchtown and Gonzales sites.

Variations in the original and final revenue budget reflect a decrease in interest earnings.

Variations in the original and final expenditures budget reflect increases in architect and surveyors fees, and a decrease in building construction costs due to weather delays.

## **Conclusion**

The library has continued its programming and services to the public, as well as maintaining staff levels to accommodate the increase in services and library users, and expanded facilities. The library system now has 101 computers available for library users, as well as expanded book, periodical, audio, video, and multi-media collections. Library programming for the public

continues to increase - including computer classes, storytimes, summer reading program activities, arts presentations and workshops, business activities, author visits, lecture series, and many other special events.

The annual operations and maintenance budget enables the library to provide building and grounds maintenance, insurance requirements, *staffing, services, resources, and materials* to continue serving the needs of Ascension Parish's citizens.

The current capital projects fund has enabled the library to complete construction of the new facility in the Dutchtown area of the parish, as well as begin the expansion and renovation of the existing Gonzales facility. Long range plans include future evaluations and/or expansions of the Galvez and Donaldsonville facilities.

### **Contacting the Ascension Parish Library's Administration**

This financial report is designed to provide a general overview of the Ascension Parish Library's finances for those with an interest in the library's financial position and operations. Questions about this report or requests for additional information may be sent to: Angelle Deshautelles, Library Director, Ascension Parish Library, 708 South Irma Blvd., Gonzales, LA 70737.

**BASIC FINANCIAL STATEMENTS**

**ASCENSION PARISH LIBRARY  
STATEMENT OF NET ASSETS  
DECEMBER 31, 2009**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments, at cost	\$ 9,738,366
Taxes receivable	5,970,293
Prepays	20,407
Other assets, net of accumulated amortization	102,925
Capital assets, net of accumulated depreciation	8,622,905
	<b>Total Assets</b>
	<b>\$ 24,454,896</b>
 <b>LIABILITIES AND NET ASSETS</b>	
<b>Liabilities</b>	
Accounts payable	\$ 284,538
Retainage payable	18,358
Contribution to retirement system	187,616
Long-term liabilities:	
Due within one year	170,803
Contract payable	9,055,000
	<b>Total Liabilities</b>
	<b>9,716,315</b>
 <b>Net Assets</b>	
Investment in capital assets, net of related debt	8,622,905
Unrestricted	6,115,676
	<b>Net Assets</b>
	<b>\$ 14,738,581</b>

The accompanying notes are an integral part of this statement.

**ASCENSION PARISH LIBRARY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<b>Governmental Activities</b>
<b>EXPENDITURES/EXPENSES</b>	
Library Services:	
Administration	\$ 2,891,451
Operating services	719,526
Travel	11,551
Library materials and supplies	93,608
Intergovernmental	639,940
Amortization	3,958
Depreciation	666,541
	<b>5,026,575</b>
<b>PROGRAM REVENUES</b>	
Fees, fines and other charges for services	56,750
	<b>56,750</b>
<b>NET PROGRAM REVENUE</b>	
	<b>(4,969,825)</b>
<b>GENERAL REVENUE AND TRANSFERS</b>	
Property taxes	5,677,016
State revenue sharing	358,300
State grants	21,620
Investment earnings	54,094
Miscellaneous	1,135
Retirement of asset	(52,114)
	<b>6,060,051</b>
<b>CHANGE IN NET ASSETS</b>	
	<b>1,090,226</b>
<b>NET ASSETS</b>	
Beginning of the year	13,648,355
	<b>\$ 14,738,581</b>

The accompanying notes are an integral part of this statement.

**ASCENSION PARISH LIBRARY  
GOVERNMENTAL FUNDS  
COMBINED BALANCE SHEET  
DECEMBER 31, 2009**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and investments, at cost	\$ 4,302,329	\$ 5,436,037	\$ 9,738,366
Receivables (net of allowances for uncollectibles):			
Ad valorem taxes	5,611,993	-	5,611,993
State revenue sharing (net)	358,300	-	358,300
Prepays	20,407	-	20,407
Other assets	118,757	-	118,757
	<u>10,411,786</u>	<u>5,436,037</u>	<u>15,847,823</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 10,411,786</u></b>	<b><u>\$ 5,436,037</u></b>	<b><u>\$ 15,847,823</u></b>
 <b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities</b>			
Accounts payable	\$ 80,322	\$ 204,216	\$ 284,538
Retainage payable	-	18,358	18,358
Contribution to retirement system	187,616	-	187,616
	<u>267,938</u>	<u>222,574</u>	<u>490,512</u>
<b>Total Liabilities</b>	<b><u>267,938</u></b>	<b><u>222,574</u></b>	<b><u>490,512</u></b>
 <b>Fund Equity</b>			
Unreserved - undesignated	10,143,848	-	10,143,848
Unreserved - designated for capital improvements	-	5,213,463	5,213,463
	<u>10,143,848</u>	<u>5,213,463</u>	<u>15,357,311</u>
<b>Total Fund Equity</b>	<b><u>10,143,848</u></b>	<b><u>5,213,463</u></b>	<b><u>15,357,311</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$ 10,411,786</u></b>	<b><u>\$ 5,436,037</u></b>	<b><u>\$ 15,847,823</u></b>

The accompanying notes are an integral part of this statement.

**ASCENSION PARISH LIBRARY  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE -  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	General Fund	Capital Projects Fund	Total Governmental Funds
<b>REVENUES</b>			
Taxes--ad valorem	\$ 5,677,016	\$ -	\$ 5,677,016
<i>Intergovernmental revenues:</i>			
State revenue sharing	358,300	-	358,300
State-aid libraries	21,620	-	21,620
Fees and charges for library services	18,557	-	18,557
Fines and forfeitures (library)	38,193	-	38,193
Use of money and property	43,497	10,597	54,094
Contributions	556	-	556
Other revenues	579	-	579
<b>TOTAL REVENUES</b>	<b>6,158,318</b>	<b>10,597</b>	<b>6,168,915</b>
<b>EXPENDITURES</b>			
<i>Culture and recreation--Libraries:</i>			
Library administration	2,882,522	-	2,882,522
Operating services	582,555	-	582,555
Travel	11,551	-	11,551
Capital outlay	996,792	3,434,339	4,431,131
Library materials and supplies	93,608	-	93,608
Intergovernmental	839,940	-	839,940
<b>TOTAL EXPENDITURES</b>	<b>5,406,968</b>	<b>3,434,339</b>	<b>8,841,307</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>751,350</b>	<b>(3,423,742)</b>	<b>(2,672,392)</b>
<b>FUND BALANCE, Beginning</b>	<b>9,392,498</b>	<b>8,637,205</b>	<b>18,029,703</b>
<b>FUND BALANCE, Ending</b>	<b>\$ 10,143,848</b>	<b>\$ 5,213,463</b>	<b>\$ 15,357,311</b>

The accompanying notes are an integral part of this statement.

**ASCENSION PARISH LIBRARY  
RECONCILIATION OF THE STATEMENT OF REVENUES  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**Amounts reported for governmental activities are  
different because:**

Net Change in fund balances - total governmental funds (page 10)	\$	(2,672,392)
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Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		3,627,619
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The liability and expense for compensated absences are not reported in governmental funds. Payments for compensated absences are reported as salaries when they occur. Only the payment consumes current financial resources, and it would take a catastrophic event for this liability to become a current liability.		(8,929)
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Retirement of assets		(52,114)
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Governmental funds report payments on a contract as expenditures. However, in the statement of activities, the principal portion is allocated to the statement of net assets and shown as a reduction in the contract payable.		200,000
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Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of these related items.		(3,958)
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<b>Change in net assets of governmental activities (page 8)</b>	<b>\$</b>	<b><u>1,090,226</u></b>
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The accompanying notes are an integral part of this statement.

**ASCENSION PARISH LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2009**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification is recognized as generally accepted accounting principles for state and local governments.

In conformance with GASB Codification Section 2100, the parish library is a component unit of the Ascension Parish Council, the governing body of the parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the parish library and do not present information on the Parish Council, and the general government services provided by that governmental unit, and other governmental units that comprise the governmental reporting entity.

**A. Governmental-Wide Accounting**

In accordance with the Government Accounting Standards Board Statement No. 34, the Library has presented a Statement of Net Assets and Statement of Activities for the Library as a whole. These statements include only the component units. Government-wide accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity.

Government-wide statements distinguish between governmental-type and business-type activities. Governmental activities are those financed through taxes, intergovernmental revenues and other non-exchange revenues and are usually reported in governmental and internal service funds. Business activities are financed in whole or in part through fees charged for goods or services to the general public and are usually reported in proprietary funds.

Policies specific to the government-wide statements are as follows.

*Eliminating Internal Activity*

Interfund receivables and payables are eliminated in the Statement of Net Assets except for the net residual amounts due between governmental and business-type activities. These are presented as internal balances. The allocation of overhead expenses from one function to another or within the same function is eliminated in the Statement of Activities. Allocated expenses are reported by the function to which they were allocated.

## ASCENSION PARISH LIBRARY NOTES TO FINANCIAL STATEMENTS

### *Application of FASB Statements and Interpretations*

Reporting on governmental-type and business-type activities is based on FASB Statements and Interpretations issued after November 30, 1989, except where they conflict or contradict GASB pronouncements.

### *Capitalizing Assets*

Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Infrastructure assets such as roads and bridges are also capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the Statement of Net Assets.

### *Program Revenues*

The Statement of Activities presents two categories of program revenues – 1) charges for services; and 2) operating grants and contributions. Charges for services are those revenues arising from charges to customers who purchase, use or directly benefit from goods and services provided by the District. Grants and contributions, whether operating or capital in nature, are revenues arising from receipts that are restricted for a specific use.

### *Indirect Expenses*

Expenses are reported according to function except for those that meet the definition of special or extraordinary items. Direct expenses are specifically associated with a service or program. Indirect expenses include general government or administration that cannot be specifically traced to a service or program. Governments are not required to allocate indirect expenses to other functions, and the District has chosen not to do so.

### *Operating Revenues*

Proprietary funds separately report operating and non-operating revenues. The Library does not have any proprietary funds.

### *Restricted Net Assets*

Restricted net assets are those for which a constraint has been imposed either externally or by law. The Library does not have any restricted net assets.

## **B. Fund Accounting**

The accounts of the library are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

**ASCENSION PARISH LIBRARY  
NOTES TO FINANCIAL STATEMENTS**

**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 other funds.

**Capital Projects Fund**

Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by Proprietary and Trust Funds.

**C. Basis of Accounting/ Measurement Focus**

The accounting and financial reporting treatment applied to a fund is determined by the type of financial statement presentation

The government-wide statements are reported using an economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of governmental-type and business-type activities are included in the Statement of Net Assets. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred in the Statement of Activities. In these statements, capital assets are reported and depreciated in each fund.

This same measurement focus and basis of accounting is used by proprietary funds in the fund statements. However, all governmental funds are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements present increases and decreases in net current assets. Expenditures for capital assets are reported as current expenses, and such assets are not depreciated. The Library does not have any business-type activities.

**D. Budgetary Practices**

Annually the Ascension Parish Library adopts a budget on the modified accrual basis of accounting for the General Fund. The budgetary practices include public notice of the proposed budgets, public inspection of the proposed budgets, and public hearings on the budgets. All budgetary appropriations lapse at the end of the fiscal year. The level at which expenditures may not legally exceed appropriations is 5% of budgeted expenditures.

**E. Investments**

Investments are stated at cost or amortized cost which approximates market. These investments are time deposits and treasury bills which are fully secured through the pledge of bank-owned securities, federal deposit insurance, or by the federal government.

**ASCENSION PARISH LIBRARY  
NOTES TO FINANCIAL STATEMENTS**

**F. Compensated Absences**

Full-time employees of the library earn vacation leave after one year of service at varying rates depending on type of position. Vacation leave can be accumulated up to one and one-half of the amount earned in one year. Employees who resign are paid for unused vacation leave, provided adequate notice of resignation is given. Sick leave is granted full-time employees at the rate of twelve days each year. Sick leave can be accumulated up to thirty-six days. Upon termination of employment, unused sick leave lapses.

The following reflects changes in accumulated sick and annual leave:

Balance at 12-31-08	\$	161,874
Increase in leave		8,929
Balance at 12-31-09		170,803

**G. Use of Estimates**

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

**H. Capital Assets**

The Library's assets are recorded at historical cost. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

Buildings	40 years
Equipment	4-10 years
Office furniture	5-7 years
Vehicles	5 years
Infrastructure	40-50 years

In June of 1999, the Governmental Accounting Standards Board issued Statement No. 34 that requires the inclusion of infrastructure assets used in governmental activities in the general purpose financial statements retroactively reported back to 1982. All assets of the Library are reported in the accompanying financial statements.

**I. Net Assets/Fund Balances**

In the Statement of Net Assets, the difference between a government's assets and liabilities is recorded as net assets. The three components of net assets are as follows:

*Invested in Capital Assets, Net of Related Debt*

This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowing attributable to the acquisition, construction or improvement of capital assets.

**ASCENSION PARISH LIBRARY  
NOTES TO FINANCIAL STATEMENTS**

*Restricted Net Assets*

Net assets that are restricted by external sources, such as banks or by law, are reported separately as restricted net assets. When assets are required to be retained in perpetuity, these non-expendable net assets are recorded separately from expendable net assets. These are components of restricted net assets.

*Unrestricted Net Assets*

This category represents net assets not appropriable for expenditures or legally segregated for a specific future use.

In the Balance Sheet of governmental funds, fund balances are segregated as follows:

*Reserved*

These resources are segregated because their use is earmarked for a specific use.

*Unreserved*

This category represents that portion of equity not appropriable for expenditures or legally segregated for a specific future use.

**NOTE 2: CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2009 is as follows:

	<b>Balance December 31, 2008</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance December 31, 2009</b>
<b>Governmental Activities</b>				
Construction in progress	\$ 1,260,584	\$ 3,434,339	\$ -	\$ 4,694,923
Land	884,006	-	-	884,006
Buildings and improvements	3,846,779	-	-	3,846,779
Equipment & furniture	169,089	73,295	73,135	169,249
Vehicles	33,575	20,120	-	53,695
Library collection	2,430,830	766,406	469,826	2,727,410
<b>Total at Historical Cost</b>	<b>8,624,863</b>	<b>4,294,160</b>	<b>542,961</b>	<b>12,376,062</b>
<b>Less Accumulated Depreciation for:</b>				
Buildings and improvements	2,034,776	94,665	-	2,129,441
Equipment & furniture	59,396	24,382	21,022	62,756
Vehicles	33,575	2,012	-	35,587
Library collection	1,449,716	545,482	469,825	1,525,373
<b>Total Accumulated Depreciation</b>	<b>3,577,463</b>	<b>666,541</b>	<b>490,847</b>	<b>3,753,157</b>
<b>Governmental Activities Capital Assets, December 31, 2009</b>	<b>\$ 5,047,400</b>	<b>\$ 3,627,619</b>	<b>\$ 52,114</b>	<b>\$ 8,622,905</b>

**ASCENSION PARISH LIBRARY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 3: LEVIED TAXES**

The following is a summary of levied ad valorem taxes:

	<b>December 31, 2009</b>
Levied Millage (Parishwide Maintenance Tax)	6.8

**NOTE 4: CASH AND INVESTMENTS**

The Ascension Parish Library deposits at year end were covered by federal depository insurance, collateral held by the library's custodial bank in the library's name, or by the backing of the U.S. federal government. The library's balance per bank (unreconciled) at December 31, 2009 was \$10,100,354. The total market value of securities pledged at the bank at December 31, 2009 was \$5,078,062. Included in the library's bank balances at December 31, 2009 is a Bank of New York account with a balance of \$5,436,037. This account is a general investment fund contract and does not have securities pledged as collateral nor is collateral required on this account. The library does not own these funds, and the account is considered a trust estate account.

	Bank Balance 12/31/2009	FDIC Insurance	Balances Uninsured
Cash (less Bank of New York balance \$5,436,037)	\$ 4,664,317	\$ 360,715	\$ 4,303,602
Securities pledged and held by bank in Library's name			5,078,062
Excess FDIC insurance and pledged securities over cash balances			\$ 774,460

**NOTE 5: CONTRACT PAYABLE**

On March 1, 2005, the Parish of Ascension, State of Louisiana, Ascension Parish Library board, and the Louisiana Local Government Environmental Facilities and Community Development Authority entered into a Trust Indenture and Loan Agreement for library bonds Series 2005 in the amount of \$9,595,000. The source and use of the funds are as follows:

Sources of Funds	
Par Amount of Bonds	\$ 9,595,000
Reoffering Premium	384,717
Total Sources	9,979,717
Uses of Funds	
Deposit to Project Construction Fund	9,000,000
Deposit to Capitalized Interest (CIF) Fund	476,242
Costs of Issuance	179,015
Total Underwriter's Discount (1.65%)	158,317
Gross Bond Insurance Premium (38.5 bp)	73,232
Underwriter's Counsel	48,000
Rating	10,000
Rounding Amount	19,911
Surety Bond	15,000
Total Uses	\$ 9,979,717

**ASCENSION PARISH LIBRARY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5: CONTRACT PAYABLE, Continued**

Of the \$9,595,000 library bonds, \$9,000,000 was deposited in a Project Construction fund at the Ascension Parish Library. These funds are restricted for the construction of a new library and the expansion of an existing library facility. They also recognize interest earnings from the investment. The Library is responsible for recording interest income and expenditures in relation to the construction project. These transactions are recorded in the capital projects fund. The local services agreement establishes a contractual agreement in which the Ascension Parish Library obligates to make principal and interest payments to the trustee, on behalf of the Ascension Parish Council, from operations and maintenance revenue funds. The contract payable is reflected on the Statement of Net Assets in the amount of \$9,055,000.

**NOTE 6: RECENT ACCOUNTING PRONOUNCEMENTS**

The GASB had issued Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefit Plans Other Than Pensions*. The Ascension Parish Library does not pay life insurance, health benefits, or other benefits after an employee retires. Therefore, the other post employment benefit disclosure and actuary's report are not necessary.

**REQUIRED SUPPLEMENTARY INFORMATION**

GENERAL FUND

ASCENSION PARISH LIBRARY  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2009

December 31, 2009				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Ad valorem taxes	\$ 5,268,772	\$ 5,268,772	\$ 5,677,016	\$ 408,244
State revenue sharing	375,000	375,000	358,300	(16,700)
State-aid libraries	60,000	21,620	21,620	-
Fees and charges for library services	15,000	15,000	18,557	3,557
Fines, forfeitures, and lost books	34,000	34,000	38,193	4,193
Use of money and property	60,000	45,000	43,497	(1,503)
Contributions	-	-	556	556
Other revenues	-	-	579	579
<b>TOTAL REVENUES</b>	<b>5,812,772</b>	<b>5,759,392</b>	<b>6,158,318</b>	<b>398,926</b>
<b>EXPENDITURES</b>				
<b>Library Administration</b>				
Director's salary	89,500	89,500	89,031	469
Professional salaries	674,235	674,235	583,313	90,922
Regular salaries and wages	1,805,000	1,805,000	1,548,570	256,430
Student salaries	49,500	39,000	20,718	18,282
Temporary salaries	25,000	25,000	29,882	(4,882)
Pages salaries	-	-	-	-
FICA or supplemental retirement	150,000	150,000	163,954	(13,954)
Retirement contributions	135,000	135,000	122,276	12,724
Life/Health insurance	375,000	375,000	322,396	52,604
Workman's Compensation and Unemployment	7,500	7,500	2,382	5,118
	<b>3,310,735</b>	<b>3,300,235</b>	<b>2,882,522</b>	<b>417,713</b>
<b>Operating Services</b>				
Membership dues	2,900	2,900	2,380	520
Printing stationery and forms	1,800	1,800	946	854
Book printing and binding	2,500	2,500	325	2,175
Utilities	184,000	187,000	91,755	95,245
Postage and box rent	16,000	16,000	10,399	5,601
Telephone	9,000	9,000	6,764	2,236
Other--(it)/lending charges)	500	500	560	(60)
Other--grounds	38,000	38,000	42,730	(4,730)
Equipment rental	800	800	-	800
Book rental	27,000	27,000	26,832	168
Telecommunications cost	55,000	55,000	14,968	40,032
Grounds maintenance	9,000	9,000	5,663	3,337
Advertising	900	900	1,575	(676)
Buildings maintenance	20,000	20,000	21,758	(1,758)

(continued)

**ASCENSION PARISH LIBRARY  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	December 31, 2009			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Operating Services (continued)</b>				
Autos and trucks maintenance	4,000	4,000	3,803	197
Plumbing and heating maintenance	25,000	25,000	18,632	6,368
Pest control	3,500	3,500	4,386	(886)
Laundry and sanitation	4,000	4,000	2,824	1,176
Janitorial	40,000	40,000	44,846	(4,846)
Maintenance furniture and equipment	74,500	74,500	95,717	(21,217)
Miscellaneous	10,000	10,000	-	10,000
Accounting and auditing fees	17,000	17,000	10,675	6,325
Subscription charge	80,000	80,000	84,676	(4,676)
Miscellaneous professional service	35,000	35,000	36,956	(1,956)
Fire and casualty insurance	35,000	35,000	38,165	(3,165)
Fidelity bonds	800	800	522	278
Auto insurance	5,000	5,000	4,953	47
Employee liability insurance	7,900	7,900	7,557	343
Miscellaneous insurance	3,400	3,400	2,169	1,231
	<u>712,500</u>	<u>715,500</u>	<u>582,555</u>	<u>132,945</u>
Travel	19,000	19,000	11,551	7,449
<b>Capital Outlay</b>				
Cars/Trucks, etc.	35,000	25,000	20,121	4,879
Education/Cultural/Recreation equipment	10,000	10,000	3,111	6,889
Buildings/Grounds/General equipment	4,000	4,000	140	3,860
Office furniture, fixtures and equipment	4,000	304,000	34,798	269,202
Automated and online	50,000	50,000	35,247	14,753
Books	400,000	800,000	655,998	144,002
Periodicals	28,000	28,000	31,748	(3,748)
Audio and video recordings and film	60,750	60,750	75,620	(14,870)
Audio visuals and communications	4,500	4,500	1,900	2,600
Major repairs	50,000	50,000	26,660	23,340
Miscellaneous	2,000	2,000	1,140	860
Architect's fees	-	350,000	-	350,000
Surveyor's fees	-	32,000	-	32,000
Building cost	-	280,000	85,127	194,873
Landscaping	-	157,000	25,182	131,818
	<u>648,250</u>	<u>2,157,250</u>	<u>996,792</u>	<u>1,160,458</u>
(continued)				

**ASCENSION PARISH LIBRARY**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

	December 31, 2009			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Library Materials and Supplies</b>				
Library	21,000	21,000	25,813	(4,813)
Office supplies	16,000	16,000	15,845	155
Other	5,100	12,100	9,935	2,165
Building and grounds supplies	16,000	16,000	14,417	1,583
Vehicle supplies	4,000	4,000	2,260	1,740
Library promotions	26,000	26,000	25,338	662
	<u>88,100</u>	<u>95,100</u>	<u>93,608</u>	<u>1,492</u>
<b>Intergovernmental</b>				
Contributions to retirement system	195,000	195,000	187,616	7,384
Intergovernmental service charge	3,000	3,000	-	3,000
Miscellaneous - local svc agreement	725,000	725,000	652,324	72,676
	<u>923,000</u>	<u>923,000</u>	<u>839,940</u>	<u>83,060</u>
<b>TOTAL EXPENDITURES</b>	<u><b>5,701,585</b></u>	<u><b>7,210,085</b></u>	<u><b>5,406,968</b></u>	<u><b>1,803,117</b></u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>111,187</b>	<b>(1,450,693)</b>	<b>751,350</b>	<b>2,202,043</b>
<b>FUND BALANCE, Beginning</b>	<u><b>6,412,105</b></u>	<u><b>5,964,993</b></u>	<u><b>9,392,498</b></u>	<u><b>3,427,505</b></u>
<b>FUND BALANCE, Ending</b>	<u><u><b>\$ 6,523,292</b></u></u>	<u><u><b>\$ 4,514,300</b></u></u>	<u><u><b>\$ 10,143,848</b></u></u>	<u><u><b>\$ 5,629,548</b></u></u>

**CAPITAL PROJECTS FUND**

**ASCENSION PARISH LIBRARY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET TO ACTUAL**  
**CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Use of money and property	\$ 300,000	\$ 12,000	\$ 10,597	\$ (1,403)
<b>TOTAL REVENUES</b>	<b>300,000</b>	<b>12,000</b>	<b>10,597</b>	<b>(1,403)</b>
<b>EXPENDITURES</b>				
Architect fees	510,376	610,376	582,203	28,173
Surveyors fees	32,000	36,000	22,661	13,339
Building Construction	8,659,000	3,571,000	2,829,475	741,525
<b>TOTAL EXPENDITURES</b>	<b>9,201,376</b>	<b>4,217,376</b>	<b>3,434,339</b>	<b>783,037</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(8,901,376)</b>	<b>(4,205,376)</b>	<b>(3,423,742)</b>	<b>781,634</b>
<b>FUND BALANCES - BEGINNING</b>	<b>(18,068,059)</b>	<b>8,377,207</b>	<b>8,637,205</b>	<b>259,998</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ (26,969,435)</b>	<b>\$ 4,171,831</b>	<b>\$ 5,213,463</b>	<b>\$ 1,041,632</b>

**SUPPLEMENTARY FINANCIAL INFORMATION**

# **BAXLEY AND ASSOCIATES, LLC**

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Board of Directors  
Ascension Parish Library

## **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**

We have audited the accompanying financial statements of the governmental activities of Ascension Parish Library, as of and for the year ended December 31, 2009, which collectively comprise the Ascension Parish Library's basic financial statements and have issued our report thereon dated April 6, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ascension Parish Library's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Ascension Parish Library's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Library's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Ascension Parish Library's financial statements that is more than inconsequential will not be prevented or detected by the Ascension Parish Library's internal control.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Ascension Parish Library's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Ascension Parish Library's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of management, the Legislative Auditors, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Baxley & Associates, LLC*

Plaquemine, Louisiana  
April 6, 2010

**ASCENSION PARISH LIBRARY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**SUMMARY OF AUDITOR'S RESULTS**

1. The auditor's report expresses an unqualified opinion on the financial statements of the Ascension Parish Library.
2. There are no significant deficiencies relating to the audit of the financial statements reported in the 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.
3. No instances of noncompliance material to the financial statements of the Ascension Parish Library were disclosed during the audit.

**ASCENSION PARISH LIBRARY  
SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

There were no prior year audit findings or questioned costs.