

**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2021**

**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

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AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Honorable Members of the Board
Caldwell Parish Library
Columbia, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and the General Fund of Caldwell Parish Library, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

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

We are required to be independent of the Library and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

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 accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison schedule (page 29), schedule of employer's proportionate share of net pension liability (page 31), and the schedule of employer's contributions to retirement system (page 32) be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Management has omitted Management's Discussion and Analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to or on behalf of the agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated June 30, 2022, on the results of our agreed-upon procedures.

BOSCH & STATHAM, LLC

A handwritten signature in blue ink that reads "Bosch & Statham".

Ruston, Louisiana
June 30, 2022



Independent Accountant's Report
on Applying Agreed-Upon Procedures

To Caldwell Parish Library and
The Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Caldwell Parish Library and the Louisiana Legislative Auditor (the specified parties), on the Library's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2021, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide. The Library's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code), R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

We did not identify any expenditures for materials and supplies exceeding \$30,000 or public works exceeding \$250,000.

Conclusion: We noted no errors or exceptions.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

We obtained a list of the immediate family members of each board member as defined by the ethics law.

Conclusion: We noted no errors or exceptions.

3. Obtain from management a listing of all employees paid during the fiscal year.

We obtained a list of employees during the fiscal period and management's representation that the listing is complete.

Conclusion: We noted no errors or exceptions.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

We obtained a list of employees and related parties. No names appeared on both lists.

Conclusion: We noted no errors or exceptions.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

We obtained a list of disbursements and a list of outside business interests of board members. No names nor outside business interests match the disbursements made.

Conclusion: We noted no errors or exceptions.

Budgeting

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

We obtained a copy of the original budget and budget amendments during the year.

Conclusion: We noted no errors or exceptions.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

We traced adoption of the 2021 original budget and the final amended budget to the minutes of the meeting of the Library Board on December 19, 2020 and December 8, 2021, respectively.

Conclusion: We noted no errors or exceptions.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues exceeded budgeted revenues by 28%. Actual expenditures were below budgeted expenditures by 1%.

Conclusion: We noted no errors or exceptions.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

We obtained a list of disbursements made during the fiscal year and randomly selected six disbursements. We obtained supporting documentation from management for these disbursements and compared the selected disbursements to supporting documentation.

- a. Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

We noted no exceptions.

Conclusion: See above.

- b. Report whether the six disbursements were coded to the correct fund and general ledger account

We noted no exceptions.

Conclusion: See above.

- c. Report whether the six disbursements were approved in accordance with management's policies and procedures.

There are no written policies. All checks were signed by board members.

Conclusion: The Library does not have written policies.

Management's Response: Management is in the process of drafting policies.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

We inspected copies of the notices where the secretary notated the posting date and time for each meeting.

Conclusion: We noted no errors or exceptions.

Debt

11. Obtain bank deposit slips for the fiscal year and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We scanned copies of all bank deposit slips for the fiscal year, and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Conclusion: We noted no errors or exceptions.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

We obtained a list of payroll disbursements. We noted no evidence of payments that may consist of bonuses, advances or gifts.

Conclusion: We noted no errors or exceptions.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

Due to delays resulting from the COVID-19 pandemic, we obtained an extension for the 2020 report. The report was submitted by the extended due date of December 31, 2021. The 2021 report will be submitted by June 30, 2022, the due date.

Conclusion: We noted no errors or exceptions.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

This is not applicable since the Library submitted the reports on time.

Conclusion: We noted no errors or exceptions.

Prior Comments

15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

The Library's 2020 report, dated December 30, 2021 included one exception. The Library does not have written policies and procedures. This exception is repeated.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Library's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the Library's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana
June 30, 2022

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

May 11, 2022 (Date Transmitted)

Bosch & Statham
PO Box 2377
Ruston, LA 71273

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2021 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the state procurement code (R.S. 39:1551 – 39:1755); the public bid law (R.S. 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes No N/A

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 N/A

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 N/A

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes No N/A

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 N/A

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

Yes No N/A

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

Yes No N/A

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No N/A

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No N/A

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes No N/A

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes No N/A

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 N/A

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 N/A

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No N/A

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No N/A

We acknowledge that we are responsible for determining that the procedures performed are appropriate for the purposes of this engagement.

Yes No N/A

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes No N/A

We have provided you with all relevant information and access under the terms of our agreement.

Yes No N/A

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

Yes No N/A

We are not aware of any material misstatements in the information we have provided to you.

Yes No N/A

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes No N/A

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes No N/A

The previous responses have been made to the best of our belief and knowledge.

| | | | |
|--------------------------|----------------|------------------|------|
| <u>Jami K Hartsfield</u> | Secretary | <u>5/11/22</u> | Date |
| <u>Sandra B Chappell</u> | Vice-President | <u>5/11/2022</u> | Date |
| <u>Charles Heans</u> | President | <u>5-11-2022</u> | Date |

**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**BALANCE SHEET AND STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2021**

| | GENERAL FUND | ADJUSTMENTS | STATEMENT OF NET POSITION |
|--|---------------------|---------------------|---------------------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 1,390,711 | \$ - | \$ 1,390,711 |
| Receivables | 469,385 | - | 469,385 |
| Capital assets, net of accumulated depreciation | - | 203,682 | 203,682 |
| Net pension asset | - | 28,930 | 28,930 |
| TOTAL ASSETS | <u>\$ 1,860,096</u> | <u>232,612</u> | <u>2,092,708</u> |
| DEFERRED OUTFLOWS | | | |
| Pension related | - | 16,508 | 16,508 |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts, salaries, and other payables | 25,706 | - | 25,706 |
| DEFERRED INFLOWS | | | |
| Pension related | - | 61,203 | 61,203 |
| FUND EQUITY - FUND BALANCE | | | |
| Unassigned | 1,834,390 | (1,834,390) | - |
| TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE | <u>\$ 1,860,096</u> | <u>-</u> | <u>25,706</u> |
| NET POSITION | | | |
| Net investment in capital assets | | 203,682 | 203,682 |
| Unrestricted net position | | 1,818,625 | 1,818,625 |
| TOTAL NET POSITION | | <u>\$ 2,022,307</u> | <u>\$ 2,022,307</u> |

See independent accountant's review report

**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | |
|---|---------------------|
| Fund balance | \$ 1,834,390 |
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Capital assets used in governmental activities are not financial resources | 203,682 |
| Deferred items related to net pension liability: | |
| Deferred outflows | 16,508 |
| Deferred inflows | (61,203) |
| Long-term liabilities, such as certificates of indebtedness, are not due and payable in the current period and are therefore not reported in the governmental fund balance sheet. | |
| Net pension (liability) | <u>28,930</u> |
| Net position of governmental activities | <u>\$ 2,022,307</u> |

See independent accountant's review report

**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES AND STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | GENERAL FUND | ADJUSTMENTS | STATEMENT OF ACTIVITIES |
|---|---------------------|-------------------|-------------------------------|
| Expenditures/expenses: | | | |
| Current: | | | |
| Personal services | \$ 169,773 | \$ 2,898 | \$ 172,671 |
| Operating services | 124,774 | - | 124,774 |
| Materials and supplies | 7,534 | - | 7,534 |
| Travel and other | 83 | - | 83 |
| Capital outlay | 27,962 | (27,962) | - |
| Depreciation | - | 39,262 | 39,262 |
| Intergovernmental | 16,380 | - | 16,380 |
| Total expenditures/expenses: | <u>346,506</u> | <u>14,198</u> | <u>360,704</u> |
| General revenues: | | | |
| Taxes: | | | |
| Ad valorem taxes | 416,855 | - | 416,855 |
| Intergovernmental Funds: | | | |
| Federal grants | 47,065 | - | 47,065 |
| State revenue sharing | 4,422 | - | 4,422 |
| Other state funds | 3,000 | - | 3,000 |
| Fines and forfeitures | 3,952 | - | 3,952 |
| Use of money and property | 11,510 | - | 11,510 |
| Other revenues | - | 14,892 | 14,892 |
| Total general revenues | <u>486,804</u> | <u>14,892</u> | <u>501,696</u> |
| Change in fund balance/net position | 140,298 | 694 | 140,992 |
| Fund balance/net position at beginning of year | <u>1,694,092</u> | <u>187,223</u> | <u>1,881,315</u> |
| Fund balance/net position at end of year | <u>\$ 1,834,390</u> | <u>\$ 187,917</u> | <u>\$ 2,022,307</u> |

See independent accountant's review report

**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | |
|--|--------------------------|
| Net change in fund balance | \$ 140,298 |
| <p>Payments of long-term debt are reported as expenditures in government funds. However, those amounts are a reduction of long-term liabilities in the State of Net Position and are not reflected in the Statement of Activities.</p> | |
| Pension Expense | (2,898) |
| <p>Governmental funds report capital outlays 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.</p> | |
| Capital outlay | 27,962 |
| Depreciation expense | (39,262) |
| <p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. They are reported as unavailable revenues, a deferred inflow.</p> | |
| Nonemployer contributions to pension plans | <u>14,892</u> |
| Change in net position of governmental activities | <u><u>\$ 140,992</u></u> |

See independent accountant's review report

**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

Introduction

The Caldwell Parish Library was established by the Caldwell Parish Police Jury, 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 police jury in accordance with the provisions of Louisiana Revised Statute 25:214. The members of the board of control serve without compensation. The accompanying financial statements of the Caldwell Parish Library have been prepared in conformity with U.S. 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 accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued June 1999.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The accompanying financial statements of the Caldwell Parish Library have been prepared in conformity with U.S. 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 accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, as amended.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Caldwell Parish Police Jury is the financial reporting entity for Caldwell Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the 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 (GASB) Statement No. 14, as amended, established criteria for determining which component units should be considered part of the Caldwell Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and;
 - a. The ability of the police jury 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 police jury.

See independent accountant's review report

**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. REPORTING ENTITY (CONTINUED)

2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints the library board of control and the library provides services to all residents of Caldwell Parish, the Caldwell Parish Library was determined to be a component unit of the Caldwell Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the library and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The library's basic financial statements include both government-wide (reporting the library as a whole) and fund financial statements (reporting the library's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the library are classified as governmental.

The Statement of Net Position and the Statement of Activities display information about the reporting government. These statements include all the financial activities of the library.

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net assets are reported in three parts; invested in capital assets, net of any related debt; restricted net assets; and unrestricted net assets. The library first uses restricted resources to finance qualifying activities.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities are derived directly from parties outside the library's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the library's general revenues

Allocation of Indirect Expenses - The library reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

See independent accountant's review report

**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the library are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the library. The focus of governmental fund financial statements is on major funds rather than reporting funds by type.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. The library's current operations require the use of only governmental funds. The governmental fund type used by the library is described as follows:

Governmental Fund Type

General Fund - The General Fund is the principal fund of the library and is used to account for the operations of the library. The various fees and charges due to the library are accounted for in this fund. General operating expenditures are paid from this fund.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

1. Accrual:

The governmental type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

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NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. BASIS OF ACCOUNTING (CONTINUED)

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The library considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing (which is based on population and homesteads in the parish) are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Fees, fines, and forfeitures are recorded when the library is entitled to the funds.

Interest income on time deposits is recorded when the time deposits have matured, and the interest is available.

Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

Based on the above criteria, ad valorem taxes, state revenue sharing, and fees, fines, and forfeitures have been treated as susceptible to accrual.

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CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. BASIS OF ACCOUNTING (CONTINUED)

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. CASH AND CASH EQUIVALENTS

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, the deposits (or the resulting bank balances) must be secured by federal deposit insurance, or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Library that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Library's name.

Under state law, the Library may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2021, the Library has book balances totaling \$1,390,711, as follows:

| | |
|-----------------|---------------------|
| Demand deposits | \$ 726,801 |
| Time deposits | 663,860 |
| Petty cash | 50 |
| Total | <u>\$ 1,390,711</u> |

These deposits are stated at cost, which approximates market. Cash and cash equivalents (bank balances) at December 31, 2021, are \$1,396,342. As of December 31, 2021, the Library's deposits are secured as follows:

| | |
|---|----------------------------|
| Insured by FDIC | <u>\$ 750,722</u> |
| Uninsured and uncollateralized | - |
| Collateralized by pledged securities not in the District's name | 645,620 |
| Total balances exposed to custodial credit risk | <u>645,620</u> |
| Total bank balances | <u>\$ 1,396,342</u> |

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**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the library, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives.

| <u>Description</u> | <u>Estimated Lives</u> |
|------------------------|----------------------------|
| Building improvements | 20-40 years |
| Vehicles | 5-15 years |
| Furniture and fixtures | 5-10 years |
| Equipment | 5-20 years |

G. ANNUAL AND SICK LEAVE

Employees receive from ten to twenty-two days of vacation leave each year, depending on length of service and professional status. Sick leave is earned at the rate of ten days each year and employees may accumulate sick leave. There is no maximum number of sick days that can be accumulated.

H. RISK MANAGEMENT

The library is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; and injuries to employees. To handle such risk of loss, the library maintains a commercial insurance policy covering property, general liability, employee fidelity, and workmen's compensation. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2021.

I. PENSION PLANS

The Caldwell Parish Library is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 5. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

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NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. EQUITY CLASSIFICATIONS

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position 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.
- c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense. In the fund financial statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable - represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted - represents balances where constraints have been established by parties outside the Library's office or imposed by law through constitutional provisions or enabling legislation.

Committed - represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Library's highest level of decision-making authority.

Assigned - represents balances that are constrained by the government's intent to be used for specific purposes but are not restricted nor committed.

Unassigned - represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

The General Fund has an unassigned fund balance of \$1,834,390. If applicable, the Library would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

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**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. 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 – LEVIED TAXES

The ad valorem tax millage levied by the library was 7.00 mills for the year ended December 31, 2021. The authorized millage for the is 7.13 mills. The current tax expires in 2022. The difference between authorized and levied millages is the result of reassessments of taxable property within the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974. The following are the principal taxpayers for the parish and their 2021 assessed valuation:

| | 2021 Assessed Valuation | Percent of Total Assessed Valuation |
|--|-------------------------------|---|
| Regency Intrastate Gas, LLC | \$ 18,224,920 | 27.66% |
| Texas Gas Transmission Corp. | 6,680,850 | 10.14% |
| Union Pacific Railroad Company | 3,896,520 | 5.91% |
| Energy Transfer Crude Oil Company, LLC | 3,441,120 | 5.22% |
| Entergy Louisiana, LLC | 3,091,760 | 4.69% |
| Homeland Federal Savings Bank | 1,923,378 | 2.92% |
| Atmos Energy Corporation | 1,594,530 | 2.42% |
| Caldwell Bank & Trust Company | 1,364,235 | 2.07% |
| Weyerhaeuser Company | 1,307,582 | 1.98% |
| Citizens Progressive Bank | 711,029 | 1.08% |
| Total | <u>\$42,235,924</u> | <u>64.10%</u> |

NOTE 3 - RECEIVABLES

The General Fund receivables of \$469,385 at December 31, 2021, are as follows:

| | |
|-----------------------|-------------------|
| Ad Valorem | \$ 461,215 |
| State Revenue Sharing | <u>8,170</u> |
| Total | <u>\$ 469,385</u> |

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**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 4 – CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets for the year ended December 31, 2021, follows:

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending Balance</u> |
|--|------------------------------|--------------------|------------------|---------------------------|
| Capital assets not being depreciated: | | | | |
| Land | \$ 115,000 | \$ - | \$ - | \$ 115,000 |
| Total capital assets not being depreciated | <u>115,000</u> | <u>-</u> | <u>-</u> | <u>115,000</u> |
| Capital assets being depreciated: | | | | |
| Buildings | 260,765 | - | - | 260,765 |
| Furniture | 27,178 | 405 | - | 27,583 |
| Equipment | 139,941 | 2,665 | - | 142,606 |
| Books | 589,515 | 24,892 | (12,000) | 602,407 |
| Total capital assets being depreciated | <u>1,017,399</u> | <u>27,962</u> | <u>(12,000)</u> | <u>1,033,361</u> |
| Less accumulated depreciation | <u>(917,417)</u> | <u>(39,262)</u> | <u>12,000</u> | <u>(944,679)</u> |
| Total capital assets being depreciated, net | <u>99,982</u> | <u>(11,300)</u> | <u>-</u> | <u>88,682</u> |
| Net capital assets | <u>\$ 214,982</u> | <u>\$ (11,300)</u> | <u>\$ -</u> | <u>\$ 203,682</u> |

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**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE 5 – NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION FOR
A COST-SHARING EMPLOYER**

The Parochial Employees' Retirement System of Louisiana (System) is a cost-sharing multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the state of Louisiana or any governing body or a parish which employs and pays persons serving the parish. Substantially all employees of the Caldwell Parish Library are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. This system is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Library are members of Plan A.

Summary of Significant Accounting Policies

The Parochial Employees' Retirement System of Louisiana prepares its employer pension schedules in accordance with Governmental Accounting Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

The System's employer pension schedules were prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of December 31, 2020. The System complies with the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans*, which included specifying the approach of contributing entities to measure pension liabilities for benefits provided through the pension plan.

Plan Fiduciary Net Position

Plan fiduciary net position is a significant component of the System's collective net pension liability. The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts.

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NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 5 – NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION
FOR A COST-SHARING EMPLOYER (CONTINUED)**

Plan Description

The Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S. Title 11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the state which does not have their own retirement system, and which elects to become members of the System.

All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and social Security criteria have up to 90 days from the date of hire to elect to participate. Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

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

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. Age 67 with 7 years of service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

The Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2020. Access to the report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's website: www.lia.state.la.us.

The process of preparing the schedule of employer allocations and schedule of pension amounts in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Accordingly, actual result may differ from estimated amounts.

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**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE 5 – NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION
FOR A COST-SHARING EMPLOYER (CONTINUED)**

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

At December 31, 2021, the Library reported an asset of \$28,930 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability was based on a projection of the Library's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers', actuarially determined. At December, 31, 2020, the Library's proportion was .0165 percent, which was a decrease of .000881 from its proportion measured as of December 31, 2020.

For the year ended December 31, 2021, the Library recognized pension expense of \$2,898. At December 31, 2021, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | 7,043 | 3,453 |
| Changes in assumption | 9,465 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 56,462 |
| Changes in employer's portion of beginning net pension liability | - | 1,288 |
| Differences between employer contributions and proportionate share of employer contributions | - | - |
| Subsequent measurement contributions | - | - |
| Total | 16,508 | 61,203 |

\$16,508 reported as deferred outflows of resources related to pensions resulting from the Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended December 31, | |
|-------------------------|----------|
| 2021 | (12,710) |
| 2022 | (4,458) |
| 2023 | (18,304) |
| 2024 | (9,223) |

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**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE 5 – NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION FOR
A COST-SHARING EMPLOYER (CONTINUED)**

Actuarial assumptions. The total pension asset in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|----------------------------------|
| Inflation | 2.40% |
| Salary increases | 4.75% |
| Investment rate of return | 6.50%, net of investment expense |

Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2019 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2019 scale for disabled annuitants.

The discounted rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up).

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2020, are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|------------------------------------|-------------------|--|
| Fixed income | 35% | 1.05% |
| Equity | 52% | 3.41% |
| Alternatives | 11% | 0.61% |
| Real Assets | 2% | 0.11% |
| Totals | 100% | 5.18% |
| Inflation | | 2.00% |
| Expected arithmetic nominal return | | 7.18% |

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**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE 5 – NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION FOR
A COST-SHARING EMPLOYER (CONTINUED)**

Sensitivity of the Library's proportionate share of the net pension liability to changes in the discount rate.
The following presents the net pension asset of the participating employers calculated using the discount rate of 6.50%, as well as what the employers' net pension liability as of December 31, 2020, would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

| | 1.0% Decrease | Current Discount Rate | 1.0% Increase |
|--|---------------|--------------------------|---------------|
| Library's proportionate share of net pension liability | 60,657 | \$28,930 | (103,956) |

NOTE 6 – LITIGATION AND CLAIMS

The Library was not involved in any litigation as of December 31, 2021, nor is it aware of any unasserted claims.

NOTE 7 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 30, 2022, the date on which the financial statements were available to be issued.

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Required Supplementary Information

**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | <u>BUDGETED AMOUNTS</u> | | <u>ACTUAL</u> | <u>VARIANCE WITH FINAL BUDGET</u> |
|--|-------------------------|---------------------|---------------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | | |
| Revenues: | | | | |
| Taxes: | | | | |
| Ad valorem taxes | \$ 390,000 | \$ 360,000 | \$ 416,855 | \$ (56,855) |
| Intergovernmental funds: | | | | |
| Federal grants | - | - | 47,065 | (47,065) |
| State revenue sharing | 7,500 | 10,750 | 4,422 | 6,328 |
| Other state funds | - | - | 3,000 | (3,000) |
| Fines and forfeitures | 3,300 | 3,778 | 3,952 | (174) |
| Use of money and property | 10,000 | 5,500 | 11,510 | (6,010) |
| Total revenues | <u>410,800</u> | <u>380,028</u> | <u>486,804</u> | <u>(106,776)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Culture and recreation: | | | | |
| Personal services | 190,048 | 166,338 | 169,773 | (3,435) |
| Operating services | 182,650 | 149,165 | 124,774 | 24,391 |
| Materials and supplies | 10,000 | 7,700 | 7,534 | 166 |
| Travel and other | 2,000 | 85 | 83 | 2 |
| Capital outlay | 287,700 | 25,310 | 27,962 | (2,652) |
| Intergovernmental | - | - | 16,380 | (16,380) |
| Total expenditures | <u>672,398</u> | <u>348,598</u> | <u>346,506</u> | <u>2,092</u> |
| Change in net assets | \$ (261,598) | \$ 31,430 | \$ 140,298 | \$ (108,868) |
| Fund balance, beginning of the year | <u>19,694,093</u> | <u>1,694,093</u> | <u>1,694,092</u> | <u>1</u> |
| Fund balance, end of the year | <u>\$ 19,432,495</u> | <u>\$ 1,725,523</u> | <u>\$ 1,834,390</u> | <u>\$ (108,867)</u> |

**CALDWELL PARISH LIBRARY
COLUMBIA, LOUISIANA**

**NOTES TO BUDGETARY COMPARISON SCHEDULE
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

A proposed budget prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Caldwell Parish Library during the month of December for comments from taxpayers. The budget is then legally adopted by the board and amended during the year, as necessary. The budget is established and controlled by the board at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts. There was one budget amendment for the year.

**CALDWELL PARISH LIBRARY
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**SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2021**

| Description | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|-------------|------------|------------|-------------|------------|------------|-----------|
| Employer's proportion of the net pension liability (asset) | 0.016499% | 0.017380% | 0.174050% | 0.019166% | 0.018163% | 0.054363% | 0.013912% |
| Employer's proportionate share of the net pension liability (asset) | \$ (28,930) | \$ 818 | \$ 77,250 | \$ (93,425) | \$ 37,407 | \$ 143,099 | \$ 3,804 |
| Employer's covered employee payroll | \$ 113,437 | \$ 110,196 | \$ 106,998 | \$ 117,964 | \$ 107,715 | \$ 92,269 | \$ 92,269 |
| Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll | (25.50)% | 0.74% | 72.20% | (79.20)% | (13.30)% | 155.09% | 4.12% |
| Plan fiduciary net pension as a percentage of the total pension liability | 104.00% | 99.89% | 88.86% | 101.98% | 94.15% | 92.23% | 99.15% |

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

**CALDWELL PARISH LIBRARY
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**SCHEDULE OF EMPLOYER CONTRIBUTIONS TO RETIREMENT SYSTEM
FOR THE YEAR ENDED DECEMBER 31, 2021**

| Description | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Contractually required contribution | \$ 13,499 | \$ 12,673 | \$ 12,305 | \$ 14,746 | \$ 14,003 | \$ 45,196 | \$ 8,383 |
| Contributions in relation to contractually required contribution | \$ 13,499 | \$ 12,673 | \$ 12,305 | \$ 14,746 | \$ 14,003 | \$ 45,196 | \$ 8,383 |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Employer's covered employee payroll | \$ 113,437 | \$ 110,196 | \$ 106,998 | \$ 117,964 | \$ 107,715 | \$ 92,269 | \$ 92,269 |
| Contributions as a percentage of covered employee payroll | 11.90% | 11.50% | 11.50% | 12.50% | 13.00% | 48.98% | 9.09% |

Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

Other Supplementary Information

**CALDWELL PARSIH LIBRARY
COLUMBIA, LOUISIANA**

**SCHEDULE OF COMPENSATION, BENEFITS, REIMBURSEMENTS,
AND OTHER PAYMENTS TO OR ON BEHALF OF AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | |
|---------------------------------------|------------------|
| Tammi K. Hartsfield, Librarian | |
| Salary | \$ 67,703 |
| Benefits: | |
| Retirement - PERS | 8,294 |
| Medicare | <u>982</u> |
| Total | <u>\$ 76,979</u> |