

2028

RECEIVED

2008 JUL -8 AM 10:40

BEAUREGARD PARISH LIBRARY
DERIDDER, LOUISIANA

UNIT FINANCIAL STATEMENTS
December 31, 2007

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

Release Date 7/30/08

BEAUREGARD PARISH LIBRARY
Table of Content
Annual Financial Statements
As of and for the Year Ended December 31, 2007

Statement/ Schedule	Page
Independent Auditor's Report	1
Required Supplemental Information (Part 1)	2
Management's Discussion and Analysis	3 - 5
<u>Basic Financial Statements</u>	
Governmental Fund Balance Sheet/ Statement of Net Assets	7
Statement of Governmental Fund, Revenues, Expenditures and changes in Fund Balance/Statement of Activities	8
Notes to the Financial Statements	9 -18
Other Report Required by <i>Government</i> <i>Auditing Standards</i>	19
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Basic	20 - 21
Supplemental Information	22
Schedule of Prior Year Findings	23
Management Corrective Action Plane	24
Schedule of Compensation Paid Board Members - Sch 3	25

ELLIOTT & ASSOCIATES, INC.
Professional Accounting Corporation
P. O. Box 1287
Leesville, Louisiana 71496-1287

(337) 239-2535
(337) 238-5135
Fax 239-2295

W. Micheal Elliott, CPA

INDEPENDENT AUDITOR'S REPORT

Beauregard Parish Library
DeRidder, Louisiana


I have audited the accompanying financial statements of the governmental activities and major funds of the Beauregard Parish, (the Library) a component unit of the Beauregard Parish Police Jury, as of and for the year ended December 31, 2007, which collectively comprise the Library's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Library's management. My responsibility is to express opinions on their financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards 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 I plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Beauregard Parish Library as of and for the year then ended December 31, 2007, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated June 30, 2008, on my consideration of the Beauregard Parish Library's internal control over financial reporting and my tests of its compliance with laws, regulations, contracts and grants.

The Management's Discussion and Analysis pages 4 through 8 and the budgetary comparison information (Schedule 1) on page are not required parts of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.


Leesville, Louisiana
June 29, 2008

REQUIRED SUPPLEMENTAL INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

BEAUREGARD PARISH LIBRARY
December 31, 2007
Management's Discussion and Analysis

Our discussion and analysis of the Beauregard Parish Library financial performance provides an overview to the Library's financial activities for the year ended December 31, 2007. Please read in conjunction with The Library's basic financial statements which begin on page 9.

Financial Highlights

*The Library's total net assets increased by \$224,487 or 10.07% during the year ended December 31, 2007. The increase in net assets is due to slight increase in non operating revenue and a 3.90% decrease in operating expense.

*There was also an increase of \$224,487 in unrestricted net assets. Unrestricted net assets are those assets available to meet the day to day operating needs of the Library Fund.

Using This Annual Report

This annual reports consists of Management's Discussion and Analysis, the basic financial statements, and notes to the financial statements. Management's Discussion and Analysis provides a narrative of the Library's financial performance and activities for the year ended December 31, 2007. The basic financial statements provide readers with a broad overview of the Library's finances, in a manner similar to a private-sector business. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Reporting the Expense Fund as a Whole

The Statement of Net Assets and the Statement of Activities

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Library's net assets and changes in them. The Library's net assets, the difference between assets and liabilities, measure the Library's financial position. The increases or decreases in the Library's net assets are an indicator of whether its financial position is improving or deteriorating.

Financial Analysis of the Expense Fund as a Whole

Fund Financial Statements

The fund financial statements provide detailed information about the Library's Funds, not the court as a whole. These funds are reported using an accounting method called modified accrual accounting, which measure only cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Library's operations and the services it provides. Governmental fund information helps you determine the amount of financial resources available to be spent in the near future to finance the Library's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and the governmental funds are shown in a reconciliation following the fund financial statements. A summary of net assets is presented on the next page.

BEAUREGARD PARISH LIBRARY
December 31, 2007
Management's Discussion and Analysis

Table 1
Net Assets

	<u>2007</u>	<u>2006</u>	<u>%Change</u>
Current Assets	\$ 2,229,662	\$2,017,503	10.52%
Capital Assets, net of depreciation	<u>1,661,945</u>	<u>1,676,834</u>	<u>(0.88%)</u>
Total Assets	<u>3,891,607</u>	<u>3,694,337</u>	<u>5.34%</u>
Current Liabilities	44,757	57,085	(21.60%)
Noncurrent Liabilities	<u>---</u>	<u>-----</u>	<u>-----%</u>
Total Liabilities	<u>44,757</u>	<u>57,085</u>	<u>(21.60%)</u>
Invested in capital assets	1,661,945	1,676,834	(0.88%)
Unrestricted net assets	<u>2,184,905</u>	<u>1,960,418</u>	<u>11.45%</u>
Total Net Assets	<u>\$ 3,846,850</u>	<u>\$ 3,637,252</u>	<u>5.76%</u>

Invested in capital assets represent the Library's long-term investment in capital assets, net of accumulated depreciation and is not available for current operations.

A summary of changes in net assets is presented below for the year ended December 31, 2007 and 2006:

Table 2
Changes in Net Assets

	Year ended December 31		
	<u>2007</u>	<u>2006</u>	<u>% Change</u>
Operating revenues (charges for services, leases and other)	\$119,934	\$147,928	(18.92%)
Non-operating revenues (ad valorem taxes)	<u>1,175,749</u>	<u>1,170,793</u>	<u>.42%</u>
Total Revenues	<u>1,295,683</u>	<u>1,318,721</u>	<u>(1.74)%</u>
Operating expenses:			
Depreciation	\$136,303	\$190,066	(28.29%)
Other operating expenses	<u>934,893</u>	<u>924,709</u>	<u>(1.10) %</u>
Total Expenses	<u>1,071,196</u>	<u>\$1,114,775</u>	<u>3.90 %</u>
Increase (Decrease) in net assets	<u>\$ 224,487</u>	<u>\$ 203,946</u>	<u>10.07 %</u>

BEAUREGARD PARISH LIBRARY
December 31, 2007

Management's Discussion and Analysis

Capital Assets

At December 31, 2007 and 2006, the Library had \$1,661,945 and \$1,676,834 respectively, invested in capital assets, at net value after depreciation. There was \$106,253 in additions and \$94,470 in deletions during the year ended December 31, 2007.

General Fund Budgetary Highlights

The Beauregard Parish Library adopted a budget for the year ended December 31, 2007. There was one amendment made to the budget during the year.

Economic Factors and Next Year's Budget

The Beauregard Parish Library's appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

Fees, fines, and charges for services
Intergovernmental revenues (state and local grants and ad valorem taxes)
Personal services expenses
Operating services expenses

The Beauregard Parish Library does not expect any significant changes in next year's results as compared to the current year.

Contacting the Library's Financial Management

This financial report is designed to provide a general overview of the Library's accountability for the money it receives. If you have questions about this report or need additional information, contact the Beauregard Parish Library at 205 South Washington, DeRidder, La 70634.

BASIC FINANCIAL STATEMENTS

BEAUREGARD PARISH LIBRARY

GOVERNMENTAL FUND BALANCE SHEET/STATEMENT OF NET ASSETS

For the Year ended December 31, 2007

	Special Revenue Fund	Adjustments Reclassification Note 1	Statement of Net Assets
ASSETS			
Cash	\$ 484,015	\$ ---	\$ 484,015
Investments-certificate of deposit	525,319	---	525,319
Ad valorem receivable	1,183,552	---	1,183,552
State revenue sharing receivable	36,776	---	36,776
Capital assets, net of accumulated depreciation	<u>---</u>	<u>1,661,945</u>	<u>1,661,945</u>
TOTAL ASSETS	<u>2,229,662</u>	<u>1,661,945</u>	<u>3,891,607</u>
LIABILITIES			
Accounts payable	\$ 4,103	\$ ---	\$ 4,103
Other accrued expenses	<u>40,654</u>	<u>---</u>	<u>40,654</u>
TOTAL LIABILITIES	<u>\$ 44,757</u>	<u>---</u>	<u>\$ 44,757</u>
FUND BALANCE/NET ASSETS			
Fund Balance-Unreserved-undesignated	<u>\$2,184,905</u>	<u>\$(2,184,905)</u>	<u>\$ ---</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>2,184,905</u>	<u>(2,184,905)</u>	<u>44,757</u>
NET ASSETS			
Invested in capital assets		\$1,661,945	\$1,661,945
Unrestricted		<u>2,184,905</u>	<u>2,184,905</u>
TOTAL NET ASSETS		<u>\$3,846,850</u>	<u>\$3,846,850</u>

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

BEAUREGARD PARISH LIBRARY

STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES

For the Year ended December 31, 2007

	Special Revenue Fund	Adjustments Note 1	Statement of Activities
EXPENDITURES/EXPENSES			
Personnel services	\$ 680,353	\$ ---	\$ 680,353
Operating services	225,646	---	225,646
Materials/supplies	38,530	---	38,530
Training/travel	5,253	---	5,253
Capital outlay	121,414	121,414	---
Depreciation	<u>---</u>	<u>(136,303)</u>	<u>(136,303)</u>
TOTAL EXPENDITURES/EXPENSES	<u>\$ (1,071,196)</u>	<u>\$ (14,889)</u>	<u>\$(1,056,307)</u>
PROGRAM REVENUES			
Fees and other charges:			
Fines/fees	14,650	---	14,650
Miscellaneous	<u>65,173</u>	<u>---</u>	<u>65,173</u>
TOTAL PROGRAM REVENUES	<u>79,823</u>	<u>---</u>	<u>79,823</u>
Net Program Expenses	<u>(991,373)</u>	(14,889)	<u>(1,166,182)</u>
GENERAL REVENUES			
Intergovernmental:			
Ad valorem taxes	1,120,587	---	1,120,587
State revenue sharing	55,162	---	55,162
Gifts/donations	8,537	---	8,537
Interest income	<u>31,574</u>	<u>---</u>	<u>31,574</u>
TOTAL GENERAL REVENUE	<u>1,215,860</u>	<u>---</u>	<u>1,254,366</u>
Excess Deficiency of Revenues over Expenditures	224,487	(14,889)	209,598
FUND BALANCE/NET ASSETS			
Balance-beginning of the year	<u>3,593,054</u>	<u>44,198</u>	<u>3,637,252</u>
Balance-end of the year	<u>\$3,817,541</u>	<u>\$ 29,309</u>	<u>\$3,846,850</u>

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

BEAUREGARD PARISH LIBRARY

For the year ended December 31, 2007

Note 1 - Organization and Significant Accounting Policies

The accompanying financial statements of **BEAUREGARD PARISH LIBRARY** have been prepared in conformity with generally accepted principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, the Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of these notes.

Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the industry audit guide, Audits of State and Local Governments, issued by the American Institute of Certified Public Accountants and the Louisiana Governmental Audit Guide.

Reporting Entity

GASB Statement No. 14, *The Reporting Entity*, as amended, established criteria for determining the government reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Court is considered a component unit, since it is a subdivision of the Cameron Parish Police Jury "Jury" that reports to the Jury. As used in GASB Statement No. 14, fiscally independent means that the Court may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issued bonded debt. The Court only does certain of the above functions and its board members are also appointed by the Jury, Thus the Court is classified as a component unit.

Basic Financial Statements

Fund Financial Statement.

The amounts reflected in the Special Revenue Fund column of Exhibits A and B are accounted for using a current financial resources measurement focus. 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 balance reports on the sources of current financial. This approach is then reconciled, though adjustment to a government-wide view of the Library's operation

The amounts reflected in the Special Revenue Fund column of Exhibits A and B use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual. 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. The governmental funds use the following practice in recording revenues and expenditures

General Fund - The general fund is the general operating fund and accounts for all activities of the Beauregard Parish Library except those required to be accounted for in another fund.

Beauregard Parish Library
December 31, 2007

Notes to the Financial Statements

Basis of Presentation

Effective January 1, 2004, the Library adopted the provisions of Statement No. 34 and Statement No. 37. These statements established standards for external financial reporting for all state and governmental entities, which includes a statement of net assets, a statement of revenues, expenses and changes in net assets, and a statement of cash flows. It requires the classification of net assets into three components - invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

- * **Invested in capital assets, net of related debt:** This component of net assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction or improvement of those assets.
- * **Restricted net assets:** This component of net assets consists of constraints imposed by creditors (such as through debt covenants), contributors, laws or regulations of other governments, or through constitutional provisions or enabling legislation.
- * **Unrestricted net assets:** This component of net assets consists of net assets that do not meet the definition of restricted or invested in capital assets, net of related debt.

Beauregard Parish Library

December 31, 2007

Notes to the Financial Statements

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise funds follow GAAP prescribed by the Government Accounting Standards Board and Financial Accounting Standards Boards's Standards issue prior to November 30, 1989. Enterprise funds are accounted for an a flow of economic measurement focus. With this measurement focus, all assets and liabilities associated with the operating of these funds are included on the balance sheet. The operating statement presents increases (revenues) and decreases(expenses) in total net assets.

The accrual basis of accounting is utilized by enterprise funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

There are no principal operating revenues. Operating expense include costs of providing drainage expenses, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash and Cash Equivalents

Cash includes amounts in demand deposits and interest-bearing demand deposits. The Fund includes amounts in time deposits and investments with original maturities of 90 days or less as cash equivalents. Under state law, the Fund may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

Capital Assets

All purchased capital assets are stated at cost. Donated capital assets are valued at their estimated fair market value on the date received. Depreciation of all exhaustible capital assets is charged against operations. Depreciation is computed over the estimated useful lives of 20 years using the straight-line method.

Beauregard Parish Library

December 31, 2007

Notes to the Financial Statements

Compensated Absences

Vested or accumulated vacation and sick leave are recorded on the Beauregard Parish Police Jury records as the benefits accrued to employees. No liability is recorded for compensated absences that relate to future service or that are contingent on a specific event that is outside the control of the employer and employees.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimated 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 and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2007

Note 2 - CASH AND CASH EQUIVALENTS

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 their principal offices in Louisiana. At December 31, 2007, the library has cash and cash equivalents totaling \$1,009,334 as follows:

Interest-bearing demand deposits	\$ 484,015
Time deposits	<u>525,319</u>
Total	<u>\$ 1,009,334</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. 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. Deposits (bank balances) at December 31, 2007, are secured as follows:

Bank balances	<u>\$1,009,517</u>
Federal deposit insurance	\$200,000
Pledged securities (Category 3)	<u>809,517</u>
Total	<u>\$1,009,517</u>

The uncollateralized amount shown above is secured by pledged securities with a market value of \$1,248,363 held in the name of the pledging fiscal agent banks in holding or custodial banks. Even though the pledged securities are considered uncollateralized under GAAP, Louisiana Revised Statutes impose 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 has failed to pay deposited funds upon demand.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2007

NOTE 3 - ANNUAL AND SICK LEAVE

All full-time employees earn from 80 to 240 hours of annual leave each year depending upon the length of employment and staff position with the library. Temporary or seasonal employees and regular part-time employees averaging 20 or more work hours each week earn annual leave on a pro-rata basis. Employees may accrue all unused annual leave. Employees with at least one year of continuous service shall be paid for any annual leave to their credit at the time of separation.

All full-time and regular part-time employees earn sick leave at the same rate as annual leave. Sick leave may be accumulated up to a maximum of 40 hours in addition to sick leave earned for use in the current benefit year. Sick leave is not payable upon separation.

At December 31, 2007, employees of the library have accumulated \$2,148 of employee leave benefits, computed in accordance with GASB Codification Section C60. This amount is included in other accrued expenses.

The cost of leave privileges, computed in accordance with the above codification, is recognized as a current-year expenditure in the General Fund when leave is actually taken.

Note 4 - AD VALOREM TAXES

The entire amount included in the "Receivables" section on the combined balance sheet for the General Fund is for ad valorem taxes and state revenue sharing which attach as an enforceable lien on property as of January 1 of each year. Taxes are levied to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

BEAUREGARD PARISH LIBRARY
 BEAUREGARD PARISH POLICE JURY
 DERIDDER, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 December 31, 2007

Note 4 - AD VALOREM TAXES (Continued)

The Library utilizes the Beauregard Parish Tax Collector/Sheriff to bill and collect its property taxes using the assessed values determined by the tax assessor of Beauregard Parish. For the year ended December 31, 2007, taxes of 7.22 mills were levied on property with assessed valuation totaling and were dedicated to the Library operations. Taxes were levied upon a total assessed valuation of \$161,079,735. The total amount levied was \$1,162,996. Furthermore, collections of delinquent taxes and other adjustments resulted in total collections of \$1,159,093. Taxes receivable at December 31, 2007, consisted of the following:

	<u>General</u>
Taxes receivable - current roll	\$1,183,552
Less: Allowance for uncollectible taxes	---
 Net taxes receivable	 <u>\$1,183,552</u>

Note 5 - CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance Jan. 1, <u>2006</u>	<u>Additions</u>	<u>Deletions</u>	Balance Dec. 31, <u>2007</u>
Land and improvements	\$ 128,500	\$ ---	\$ ---	\$ 128,500
Buildings and improvements	1,676,263	---	---	1,676,263
Vehicle/Furniture and equipment	386,768	94,470	---	481,238
Library books and periodicals	<u>686,160</u>	<u>26,944</u>	<u>---</u>	<u>713,104</u>
 Total	 <u>\$2,877,691</u>	 <u>\$121,414</u>	 <u>\$ ---</u>	 <u>\$ 2,999,105</u>

Depreciation expense of \$136,303 was charged for the year ended December 31, 2007.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2007

Note 6 - PENSION PLAN

Plan Description. Substantially all employees of the Beauregard 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. The 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.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to three per cent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one per cent of final-average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225504) 928-1361610.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the library is required to contribute at an actuarially determined rate. The current rate is 12.75% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2007

Note 6 - PENSION PLAN (Continued)

These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the library are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The library's contributions to the System under Plan A for the years ending December 31, 2007, 2006, and 2005 were \$74,902, \$65,692, and \$25,615, respectively, equal to the required contributions for each year.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2007

Note 7 - RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts, theft or damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Library carries commercial insurance as outlined in the following table. Settled claims did not exceed commercial coverage for any of the past three fiscal years.

	<u>LIMITS OF COVERAGE</u>
Workmen's compensation	\$1,000,000
Auto liability	1,000,000
Commercial general liability	2,000,000
Library-owned buildings and equipment	2,812,456

The Library covers all other losses, claim settlements, and judgments from operating resources. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The Library was not involved in any litigation nor did it have asserted claims lodged against it.

OTHER REPORT REQUIRED BY GOVERNMENT AUDITING STANDARDS

ELLIOTT & ASSOCIATES, INC.

A Professional Accounting Corporation

P.O. Box 1287

Leesville, Louisiana 71496-1287

(337) 239-2535
(337) 238-5135
Fax: 239-2295

W. Michael Elliott, CPA

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

Beauregard Parish Library
Leesville, Louisiana

I have audited the financial statements of the Beauregard Parish Library as of and for the year ended December 31, 2007, and have issued my report thereon dated June 23, 2008. I conducted my 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 my audit, I considered Beauregard Parish Library's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my 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, I do not express an opinion on the effectiveness of the 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 entity's ability to initiate, authorize, process, record, 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 entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

My 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 or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

My 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 or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Beauregard Parish Library's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Elliott & Assoc. "APAC"
Leesville, Louisiana
June 29, 2008

SUPPLEMENTAL INFORMATION

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
SCHEDULE OF PRIOR YEAR FINDINGS

FOR THE FISCAL YEAR ENDED December 31, 2007

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

There were no prior year findings relating to internal control and compliance material to the financial statements.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL
AWARDS**

There were no prior year findings relating to internal control and compliance material to federal awards.

SECTION III MANAGEMENT LETTER

There was no management letter with prior year audit report.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
MANAGEMENT'S CORRECTIVE ACTION PLAN

FOR THE FISCAL YEAR ENDED December 31, 2007

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENT**

N/A

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL
AWARDS**

N/A

SECTION III MANAGEMENT LETTER

N/A

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

COMPENSATION OF BOARD MEMBERS
December 31, 2007

During the period covered by this examination, there was no compensation paid to board members.