

VILLAGE OF DIXIE INN, LOUISIANA  
CAPITAL PROJECTS FUND

Statement of Revenues, Expenditures and Changes in Fund Balance  
Year Ended June 30, 1996

Revenues:	
LCDBG proceeds	\$160,487
Expenditures:	
Capital outlay	<u>160,487</u>
Excess of revenues over expenditures	-
Fund balance at beginning of year	<u>-</u>
Fund balance at end of year	<u>\$ -</u>

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

VILLAGE OF DIXIE INN, LOUISIANA  
CAPITAL PROJECTS FUND

Balance Sheet  
June 30, 1996

ASSETS

Accounts receivable	<u>\$13,316</u>
Total assets	<u>\$13,316</u>

LIABILITIES AND FUND BALANCE

Liabilities

Accounts payable	<u>\$13,316</u>
Total liabilities	<u>13,316</u>

Fund balance

Unreserved	<u>-</u>
Total fund balance	<u>-</u>
Total liabilities and fund balance	<u>\$13,316</u>

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

CAPITAL PROJECTS FUND

Capital Improvements - Street

Fund used to account for resources and expenditures for street improvements for the Village of Dixie Inn which were provided by a \$175,605 block grant under the Louisiana Community Development Block Grant program.

VILLAGE OF DIXIE INN, LOUISIANA  
GENERAL FUND

Schedule of Expenditures By Departments Compared to Budget (GAAP Basis)  
Year Ended June 30, 1996

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
General Government:			
Mayor's salary	\$ 6,000	6,000	-
Other salary	11,000	13,585	(2,585)
Payroll taxes	2,750	4,461	(1,711)
Office expense	2,200	3,007	(807)
Telephone	800	2,116	(1,316)
Supplies	-	1,152	(1,152)
Legal and accounting	5,000	3,445	1,555
Publication of minutes	1,000	1,045	(45)
Utilities	6,500	5,704	796
Insurance	10,000	15,205	(5,205)
Dues and subscriptions	150	924	(774)
Equipment and maintenance	4,000	11,922	(7,922)
Building maintenance	100	-	100
Gas and oil	2,000	1,872	128
Garbage collection	19,200	-	19,200
Alderman fees	1,800	1,950	(150)
Taxes and licenses	200	207	(7)
Sales tax commission	-	1,038	(1,038)
Miscellaneous	<u>1,000</u>	<u>7,222</u>	<u>(6,222)</u>
Total general government	<u>73,700</u>	<u>80,855</u>	<u>(7,155)</u>
Public safety:			
Police -			
Salary	16,000	26,988	(10,988)
Gas and oil	2,000	2,457	(457)
Equipment maintenance	1,500	2,922	(1,422)
Telephone	1,000	64	936
Insurance	2,000	-	2,000
Miscellaneous	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Total public safety	<u>24,000</u>	<u>32,431</u>	<u>(8,431)</u>
Capital outlay	<u>1,000</u>	<u>58,651</u>	<u>(57,651)</u>
Total expenditures	<u>\$98,700</u>	<u>171,937</u>	<u>(73,237)</u>

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

VILLAGE OF DIXIE INN, LOUISIANA  
GENERAL FUND

Balance Sheet  
June 30, 1996

ASSETS

Cash	\$ 48,309
Certificates of deposit	56,241
Receivables	23,466
Interfund receivables	7,761
Prepaid expenditures	<u>8,552</u>
Total assets	<u>\$144,329</u>

LIABILITIES AND FUND BALANCE

Liabilities	\$ 3,306
Accounts payable	<u>1,545</u>
Accrued liabilities	
Total liabilities	<u>4,851</u>
Fund balance - Unreserved	<u>139,478</u>
Total liabilities and fund balance	<u>\$144,329</u>

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

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

SELECTED FINANCIAL STATEMENTS  
OF INDIVIDUAL FUNDS  
AND ACCOUNT GROUPS

VILLAGE OF DIXIE INN, LOUISIANA

Notes to Financial Statements  
June 30, 1996

10. Interfund assets/liabilities

The following is a summary of due to/from other funds and operating transfers at June 30, 1996:

	<u>Due To</u>	<u>Due From</u>	<u>Operating Transfers To</u>	<u>From</u>
General fund	\$ 7,761	-	-	30,721
Utility fund	-	7,761	30,721	-
Total	\$ <u>7,761</u>	<u>7,761</u>	<u>30,721</u>	<u>30,721</u>

11. Receivables

The following is a summary of receivables for June 30, 1996:

<u>Class of receivable</u>	<u>General</u>	<u>Capital Projects</u>	<u>Enterprise</u>
Taxes:			
Sales & use	\$ 10,611	-	-
Beer	6,672	-	-
Intergovernmental - grants:			
Federal	-	13,316	-
Intergovernmental - fees:			
Video Poker	3,932	-	-
Interest receivable	2,251	-	-
Utility fund charges	-	-	6,172
Total	\$ <u>23,466</u>	<u>13,316</u>	<u>6,172</u>

12. The following individual funds have actual expenditures\expenses over budgeted expenditures\expenses for the year ended June 30, 1996:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund	\$ 98,700	171,937	(73,237)



VILLAGE OF DIXIE INN, LOUISIANA

Notes to Financial Statements  
June 30, 1996

- (e) All of the revenues received in any fiscal year and not required to be paid in such fiscal year into any of the above-noted accounts shall be regarded as surplus and may be used for any lawful corporate purpose.

9. Cash and Cash Equivalents

The following is a summary of cash and cash equivalents at June 30, 1996:

Petty cash	\$ 50
Demand deposits	37,231
Interest-bearing deposits	48,382
Certificates of deposit	<u>56,241</u>
Total	<u>\$141,904</u>

These deposits are stated at cost, which approximates market. Under state law, these 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.

At June 30, 1996, the Village has \$142,525 in collected bank balances. These deposits are secured from risk by \$137,902 of federal deposit insurance and \$100,000 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3). Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, 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 that the fiscal agent has failed to pay deposited funds upon demand.

VILLAGE OF DIXIE INN, LOUISIANA

Notes to Financial Statements  
June 30, 1996

7. Retirement commitments

All employees of the Village of Dixie Inn are members of the Social Security System.

8. Flow of funds; restrictions on use - water and sewer system revenues

Under the terms of the bond indenture for the outstanding Revenue Bonds of 1975, all income and revenues earned or derived from the operation of the water and sewer system are pledged and dedicated to the retirement of said bonds and are to be maintained and administered in the following order of priority and for the following express purposes:

- (a) The payment of all reasonable expenses of administration, operation and maintenance of the water and sewer system.
- (b) Each month, there will be set aside into an account called the "Bond and Interest Sinking Fund" an amount constituting 1/12 of the next maturing installment of principal and interest on the outstanding bonds. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due, and may be used only for such payments.
- (c) There shall also be set aside into a "Bond Reserve Account" an amount equal to 5% of the payments required to be made to the Bond and Interest Sinking Fund.

The funds available in the Bond Reserve Account may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not on deposit in the Bond and Interest Redemption Account and as to which there would otherwise be default.

- (d) Each fiscal year \$600 shall be set aside into a "Bond Contingency Account" until there shall have been accumulated in the account an amount equal to \$24,000. Money in this account may be used for the making of extraordinary repairs or replacements to the system which are necessary to keep the system in operating condition and for which money is not available as a maintenance and operation expense. Money in this fund may also be used to pay principal or interest on the bonds falling due at any time there is not sufficient money for payment in the other bond accounts.

VILLAGE OF DIXIE INN, LOUISIANA

Notes to Financial Statements  
June 30, 1996

5. Changes in long-term debt

The following is a summary of changes in long-term debt for the year ended June 30, 1996:

	<u>Revenue Bonds</u>
Bonds or note payable, July 1, 1995	\$ 149,748
Bonds retired	<u>(4,522)</u>
Bonds or note payable, June 30, 1996	\$ <u>145,226</u>

Bonds payable at June 30, 1996, are comprised of the following individual issues:

Revenue Bonds:

\$181,000 Water and Sewer Utilities Revenue Bonds, dated October 23, 1975; due in annual installments of \$10,636; interest at 5%.	\$132,122
\$20,000 Water and Sewer Utilities Revenue Completion Bond, Series 1978, of the Village of Dixie Inn; due in annual in- stallments of \$1,186; interest at 5%.	<u>13,104</u> <u>\$145,226</u>

The annual requirements to amortize all debt outstanding as of June 30, 1996, including interest payments of \$ 85,917, are as follows:

<u>Year ending June 30</u>	
1997	\$ 11,822
1998	11,822
1999	11,822
2000	11,822
2001	11,822
Thereafter	<u>172,033</u>
	<u>\$231,143</u>

6. Retained deficit balance

The Enterprise Fund had a retained deficit balance of \$ 39,123 at June 30, 1996.

VILLAGE OF DIXIE INN, LOUISIANA

Notes to Financial Statements  
June 30, 1996

4. Changes in general fixed assets

A summary of changes in general fixed assets is presented below:

	Balance <u>July 1, 1995</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 1996</u>
Land	\$ 4,000	-	-	4,000
Buildings	22,998	-	-	22,998
Improvements other than buildings	8,021	225,540	-	233,561
Equipment	<u>75,433</u>	<u>3,507</u>	-	<u>78,940</u>
Total general fixed assets	<u>\$110,452</u>	<u>229,047</u>	<u>-</u>	<u>339,499</u>

A summary of changes in the Utility Fund property, plant and equipment is presented below:

<u>Description</u>	Balance <u>July 1, 1995</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 1996</u>
Water works plant	\$183,093	-	-	183,093
Water wells	37,225	-	-	37,225
Sampling stations	2,110	-	-	2,110
Sewer plant	442,793	11,720	-	454,513
Road	18,838	-	-	18,838
Building	3,000	-	-	3,000
Fence	2,437	-	-	2,437
Equipment	8,719	14,332	3,588	19,463
Land	1,045	-	-	1,045
Drainage ditches	<u>19,047</u>	<u>-</u>	<u>-</u>	<u>19,047</u>
Total	<u>\$718,307</u>	<u>26,052</u>	<u>3,588</u>	<u>740,771</u>

VILLAGE OF DIXIE INN, LOUISIANA

Notes to Financial Statements  
June 30, 1996

Sales taxes - The Village receives proceeds from a two percent sales and use tax, the revenue from which may be used for any lawful corporate purpose.

Total columns on combined statements - Total columns on combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

Restricted assets were applicable to the following at June 30, 1996:

Enterprise Fund

Bond reserve account	\$ 12,673
Bond contingency account	2,254
Meter deposits	8,226
Bond sinking fund - savings account	<u>10,859</u>
Total restricted assets - enterprise fund	<u>\$34,012</u>

3. Net Working Capital - Enterprise Fund

Net working capital - Enterprise Fund at June 30, 1996, is shown below:

Current assets	\$ 9,514
Current liabilities	<u>(11,615)</u>
Net working capital	<u>\$ (2,101)</u>

VILLAGE OF DIXIE INN, LOUISIANA

Notes to Financial Statements  
June 30, 1996

been recorded as fixed assets in the General Fixed Asset Account Group. No depreciation has been provided on general fixed assets.

Fixed assets used in the proprietary fund operations are included on the balance sheet of the fund net of accumulated depreciation. Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against its operations.

Depreciation has been provided over the estimated useful lives of the assets, using the straight-line method. The estimated useful lives are as follows:

Water Utility -	
Wells	40 years
Water works plant	40 years
Lines and meters	40 years
Sewer Utility -	
Sewer plant	40 years
Equipment	3-5 years

All fixed assets are stated at historical cost.

Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

Bad Debts - The Village considers substantially all customers' utility receivables to be fully collectible; accordingly, an allowance for doubtful accounts is not required. If amounts become uncollectible, they are charged to operations when that determination is made.

Fund Equity

Contributed Capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds when such resources are restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such resources.

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

VILLAGE OF DIXIE INN, LOUISIANA

Notes to Financial Statements  
June 30, 1996

- e) Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases or decreases in expenditures resulting from revenues exceeding or failing to meet amounts estimated require the approval of the Board of Aldermen.
- f) All budgetary appropriations lapse at the end of each fiscal year.
- g) Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts, as originally adopted, are amended from time to time by the Board of Aldermen. Such amendments are not material in relation to the original appropriations.

For the capital projects fund, a budget was prepared for the total cost of the LCDBG project - street improvements. However, due to the fact that this budget was prepared for all years necessary for project completion, a budget is not presented for the capital projects fund for the year ended June 30, 1996.

Encumbrance accounting - The Village of Dixie Inn does not employ encumbrance accounting.

Cash and cash equivalents - For reporting purposes, cash and cash equivalents include cash, demand deposits and certificates of deposit. Cash and cash equivalents are stated at cost. Under state law, the municipality may deposit funds in demand deposits, interest-bearing 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.

Interfund receivable/payable and transfers - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Interfund transfers which are not expected to be repaid are shown as operating transfers.

Prepaid expenditure - For the year ended June 30, 1996, the Village of Dixie Inn's prepaid expenditure was \$8,552 for insurance coverage.

Fixed assets and long-term liabilities - Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. Certain public domain infrastructure assets, such as street improvements, have

VILLAGE OF DIXIE INN, LOUISIANA

Notes to Financial Statements  
June 30, 1996

by all governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues - generally recognized when they become measurable and available as net current assets. Sales tax revenues are recognized in the month which they are collected by the Webster Parish School Board. Revenues such as traffic fines and occupational licenses are recognized when received, due to the difficulty in measuring amounts to be received.

Expenditures - generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that accumulated unpaid vacation and sick pay are not accrued due to the amount being immaterial. Purchase of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources (Uses) - Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses).

All proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The proprietary fund uses the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when incurred.

Budgets and budgetary accounting - The Village follows these procedures in establishing the budgetary data reflected in these financial statements:

- a) The Village Clerk prepares a proposed budget and submits same to the Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
- b) The public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- c) A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- d) After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.



VILLAGE OF DIXIE INN, LOUISIANA

Notes to Financial Statements  
June 30, 1996

required to include any component units for financial reporting purposes.

Fund accounting - The accounts of the Village are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into categories as follows:

Governmental Funds -

General Fund - The General Fund is the general operating fund of the Village. It is used to account for all financial resources, except those required to be accounted for in another fund.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in other governmental funds.

Proprietary Fund -

Enterprise Fund - Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Basis of accounting - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used

VILLAGE OF DIXIE INN, LOUISIANA

Notes to Financial Statements  
June 30, 1996

1. Summary of significant accounting policies

The Village of Dixie Inn, Louisiana (the Village), was incorporated August 8, 1962, under the provisions of the Lawrason Act. The Village operates under a Mayor-Board of Aldermen form of government.

The accounting and reporting policies of the Village conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidelines set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

Reporting entity - As the municipal governing authority, for reporting purposes, the Village of Dixie Inn is considered a separate financial reporting entity. Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Village of Dixie Inn for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the municipality 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 municipality.
2. Organizations for which the municipality does not appoint a voting majority but are fiscally dependent on the municipality.
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.

Based on the foregoing criteria, the Village of Dixie Inn is not

VILLAGE OF DIXIE INN, LOUISIANA

Statement of Cash Flow  
 Proprietary Fund Type  
 Year ended June 30, 1996

Cash flows from operating activities:	
Cash received from customers	\$41,367
Cash payments for supplies and services	(28,396)
Cash payments for salaries	(18,620)
Net cash used by operating activities	<u>( 5,649)</u>
Cash flows from noncapital financing activities:	
Net increase in meter deposits	830
Cash operating transfers in from other funds	18,777
Cash received from garbage collection fees	18,740
Cash paid for garbage collection	(12,470)
Net cash provided by noncapital financing activities	<u>25,877</u>
Cash flows from capital and related financing activities:	
Principal paid on revenue bonds	(4,522)
Interest paid on revenue bonds	(7,300)
Acquisition of property, plant and equipment	(11,720)
Net cash used for capital and related financing activities	<u>(23,542)</u>
Cash flows from investing activities:	
Interest on interest-bearing deposits	597
Net decrease in cash and cash equivalents	(2,717)
Cash and cash equivalents at beginning of year	<u>40,071</u>
Cash and cash equivalents at end of year	<u>\$37,354</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating loss	\$(25,987)
Adjustments to reconcile operating income to net cash used by operating activities:	
Depreciation	18,170
Changes in assets and liabilities -	
Increase in accounts payable	311
Increase in accrued liabilities	46
Decrease in accounts receivable	<u>1,811</u>
Net cash used by operating activities	<u>\$(5,649)</u>
Noncash capital and financing activities:	

During the year ended June 30, 1996, the utility fund acquired a Ford F150 Truck. The general fund paid \$14,332 for the truck, and transferred the asset to the utility fund.

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

VILLAGE OF DIXIE INN, LOUISIANA

Statement of Revenues, Expenses and Changes  
in Retained Earnings - Proprietary Fund Type  
Year ended June 30, 1996

Operating revenues:	
Water	\$ 22,157
Sewerage	<u>17,398</u>
Total operating revenues	<u>39,555</u>
Operating expenses:	
Water department	21,553
Sewer department	18,954
General and administrative	<u>25,035</u>
Total operating expenses	<u>65,542</u>
Operating loss	(25,987)
Nonoperating revenue (expense):	
<i>Garbage collection income</i>	18,740
Garbage collection fees	(18,740)
Interest income	597
Interest expense	(7,108)
Sale of assets	<u>678</u>
Total nonoperating (expenses)	<u>(5,833)</u>
Loss before operating transfers	(31,820)
Operating transfers from -	
General fund	<u>30,721</u>
Total operating transfers	<u>30,721</u>
Net loss	(1,099)
Retained deficit - beginning of year	(38,024)
Retained deficit - end of year	<u>\$(39,123)</u>

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

VILLAGE OF DIXIE INN, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual -  
General Fund Type  
Year Ended June 30, 1996

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Occupational licenses	\$ 8,000	22,203	14,203
Utility and franchise taxes	7,000	7,512	512
Intergovernmental -			
Tobacco taxes	500	1,876	1,376
Beer taxes	20,000	21,155	1,155
Video poker fees	-	16,196	16,196
Rural Development Grant	-	9,000	9,000
Fines and forfeits	14,000	17,089	3,089
Sales tax	60,000	102,035	42,035
Miscellaneous	<u>6,600</u>	<u>5,323</u>	<u>(1,277)</u>
Total revenues	<u>116,100</u>	<u>202,389</u>	<u>86,289</u>
Expenditures:			
General government	73,700	80,855	(7,155)
Public safety	24,000	32,431	(8,431)
Capital outlay	<u>1,000</u>	<u>58,651</u>	<u>(57,651)</u>
Total expenditures	<u>98,700</u>	<u>171,937</u>	<u>(73,237)</u>
Excess of revenues over expenditures	<u>17,400</u>	<u>30,452</u>	<u>13,052</u>
Other financing (uses):			
Operating transfers to - Enterprise Fund	<u>(17,100)</u>	<u>(30,721)</u>	<u>(13,621)</u>
Excess (deficiency) of revenues over expenditures and other uses	300	(269)	(569)
Fund balance, beginning of year	<u>139,747</u>	<u>139,747</u>	-
Fund balance, end of year	<u>\$140,047</u>	<u>139,478</u>	<u>(569)</u>

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

VILLAGE OF DIXIE INN, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes  
in Fund Balances - All Governmental Fund Types  
Year Ended June 30, 1996

	<u>General</u>	<u>Capital Projects</u>	<u>Total (Memorandum Only)</u>
Revenues:			
Occupational licenses	\$ 22,203	-	22,203
Utility and franchise taxes	7,512	-	7,512
Intergovernmental -			
Tobacco taxes	1,876	-	1,876
Beer taxes	21,155	-	21,155
Video poker fees	16,196	-	16,196
Rural Development Grant	9,000	-	9,000
LCDBG proceeds	-	160,487	160,487
Fines and forfeits	17,089	-	17,089
Sales tax	102,035	-	102,035
Miscellaneous	<u>5,323</u>	<u>-</u>	<u>5,323</u>
Total revenues	<u>202,389</u>	<u>160,487</u>	<u>362,876</u>
Expenditures:			
General government	80,855	-	80,855
Public safety	32,431	-	32,431
Capital outlay	<u>58,651</u>	<u>160,487</u>	<u>219,138</u>
Total expenditures	<u>171,937</u>	<u>160,487</u>	<u>332,424</u>
Excess of revenues over expenditures	<u>30,452</u>	<u>-</u>	<u>30,452</u>
Other financing (uses):			
Operating transfers to - Enterprise Fund	<u>(30,721)</u>	<u>-</u>	<u>(30,721)</u>
Total other financing (uses)	<u>(30,721)</u>	<u>-</u>	<u>(30,721)</u>
(Deficiency) of revenues over expenditures and other uses	(269)	-	(269)
Fund balance, beginning of year	<u>139,747</u>	<u>-</u>	<u>139,747</u>
Fund balance, end of year	<u>\$139,478</u>	<u>-</u>	<u>139,478</u>

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

VILLAGE OF DIXIE INN, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups  
June 30, 1996  
(continued)

	Governmental Funds		Proprietary	Account		Totals (Memorandum Only)
	General	Capital Projects	Fund	Group General	Fixed Assets	
Liabilities and Fund Equity						
Liabilities:						
Accounts payable	\$ 3,306	13,316	3,307	-	-	19,929
Accrued liabilities	1,545	-	547	-	-	2,092
Due to other funds	-	-	7,761	-	-	7,761
Payable from restricted assets - Meter deposits	-	-	8,226	-	-	8,226
Revenue bonds	-	-	4,560	-	-	4,560
Accrued interest	-	-	5,411	-	-	5,411
Revenue bonds payable	-	-	140,666	-	-	140,666
Total liabilities	<u>4,851</u>	<u>13,316</u>	<u>170,478</u>	-	-	<u>188,645</u>
Fund equity:						
Contributed equity	-	-	338,130	-	-	338,130
Investment in general fixed assets	-	-	-	339,499	-	339,499
Retained earnings (deficit) - Reserved	-	-	15,814	-	-	15,814
Unreserved	-	-	(54,937)	-	-	(54,937)
Fund balances - unreserved - undesignated	<u>139,478</u>	-	-	-	-	<u>139,478</u>
Total fund equity	<u>139,478</u>	-	<u>299,007</u>	<u>339,499</u>	-	<u>777,984</u>
Total liabilities and fund equity	<u>\$144,329</u>	<u>13,316</u>	<u>469,485</u>	<u>339,499</u>	-	<u>966,629</u>

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

VILLAGE OF DIXIE INN, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups  
June 30, 1996

	Governmental Funds		Proprietary Fund	Account Group	Totals
	General	Capital Projects			
Assets					
Cash	\$ 48,309	-	3,342	-	51,651
Certificates of deposits	56,241	-	-	-	56,241
Receivables	23,466	13,316	6,172	-	42,954
Due from other funds	7,761	-	-	-	7,761
Prepaid expenditures	8,552	-	-	-	8,552
Restricted assets - cash	-	-	34,012	-	34,012
Land	-	-	-	4,000	4,000
Buildings	-	-	-	22,998	22,998
Improvements other than buildings	-	-	-	233,561	233,561
Equipment	-	-	-	78,940	78,940
Enterprise fund property, plant and equipment	-	-	740,771	-	740,771
Accumulated depreciation	-	-	(314,812)	-	(314,812)
Total assets	\$144,329	13,316	469,485	339,499	966,629

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



GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)

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## MANAGEMENT LETTER

To the Honorable Peggy M. King, Mayor  
and the Members of the Board of Aldermen  
Dixie Inn, Louisiana

We have audited the general purpose financial statements of the Village of Dixie Inn, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 17, 1996.

In connection with our audit, we made certain observations relative to the records maintained, the accounting procedures in effect, and the overall administration of the financial affairs of the Village. As a supplement to the reports, we submit for your consideration our comments pertaining to the following observations which did not meet the criteria of being material to the general purpose financial statements.

### DOCUMENTATION

During our audit, some invoices could not be found while performing our testwork. We recommend that the Village improve their filing system in a manner which would allow quick retrieval of invoices and increase the efficiency of their recordkeeping.

Prior audit findings have been appropriately addressed by the Village management unless included in the above comments or accompanying reports. Should you have any questions concerning the contents of this letter or if we can be of any additional service, please contact us at your convenience.

Very truly yours,

*Jamieson, Wise & Martin*  
Jamieson, Wise & Martin

December 17, 1996

This report is intended for the information of the board of alderman, management, Louisiana Office of Community Development, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

*Jamieson, Wise & Martin*

Minden, Louisiana  
December 17, 1996

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

To the Honorable Peggy M. King, Mayor,  
and the Members of the Board of Aldermen  
Dixie Inn, Louisiana

We have audited the general purpose financial statements of the Village of Dixie Inn, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 17, 1996.

In connection with our audit of the general purpose financial statements of the Village of Dixie Inn, Louisiana, and with our consideration of the Village's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or not allowed, approval for request for release of funds and certification, and environmental review that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Village's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Village of Dixie Inn, Louisiana, had not complied, in all material respects, with those requirements.

This report is intended for the information of the board of alderman, management, Louisiana Office of Community Development, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Jamison, Wise & Martin

Minden, Louisiana  
December 17, 1996

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Honorable Peggy M. King, Mayor  
and the Members of the Board of Aldermen  
Dixie Inn, Louisiana

We have audited the general purpose financial statements of the Village of Dixie Inn, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 17, 1996.

We have applied procedures to test the Village of Dixie Inn, Louisiana's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996:

Political activity	Civil rights
Cash management	Allowable costs/cost principles
Drug-Free Workplace Act	Federal financial reports
Davis-Bacon Act	Administrative requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Village of Dixie Inn, Louisiana's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the Village of Dixie Inn, Louisiana had not complied, in all material respects, with those requirements.

more between actual and remaining projections as compared to budget amounts for revenues, expenditures or beginning fund balance. During our audit, we noticed in the general fund where the 5% (five percent) variance was not amended. To be in compliance with the state budget laws, we recommend the Village periodically, no less than quarterly, review the actual revenues, expenditures and beginning fund balances with the original approved budget amounts and make necessary formal budget amendments.

#### ANNUAL STATEMENTS

During our audit, we could not find any satisfactory evidence that annual financial statements for the year ended June 30, 1995 had been filed with the Legislative Auditor as required by the Revised Louisiana Statutes.

#### VIOLATION OF LOAN COVENANTS

Under the terms of the bond indentures for the outstanding Revenue Bonds of 1975, the Village agrees to maintain rates for services furnished by the Water and Sewer system that are sufficient to provide for operating expenses, debt service payments and reserve requirements. For the year ended June 30, 1996, the enterprise fund showed a loss before operating transfers of \$31,820.

We considered these instances of noncompliance in forming our opinion on whether the Village of Dixie Inn, Louisiana's 1996 general purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated December 17, 1996, on those general purpose financial statements.

This report is intended for the information of the board of alderman, management, Louisiana Office of Community Development, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

*Jamison, Wise & Martin*

Minden, Louisiana  
December 17, 1996

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Peggy M. King, Mayor,  
and the Members of the Board of Aldermen  
Dixie Inn, Louisiana

We have audited the general purpose financial statements of the Village of Dixie Inn, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 17, 1996.

We conducted our audit in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Village of Dixie Inn, Louisiana, is the responsibility of management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Village of Dixie Inn, Louisiana's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

Material instances of noncompliance consist of failures to follow requirements, or violations of prohibitions, contained in statutes, regulations, contracts, or grants, that cause us to conclude that the aggregation of the misstatements resulting from those failures or violations is material to the general purpose financial statements. The results of our tests of compliance disclosed the following material instances of noncompliance.

### LOCAL GOVERNMENT BUDGET LAWS

During our audit we reviewed the budget process of the Village. LSA-R.S. 39:1310 concerns budgetary control. The Village is to amend the budget in accordance with R.S. 39 whenever there is a variance of 5% (five percent) or



reimbursements and amounts claimed or used for matching that are applicable to the aforementioned nonmajor programs. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

This report is intended for the information of the board of alderman, management, Louisiana Office of Community Development, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Jamison, Wise & Martin

Minden, Louisiana  
December 17, 1996

statements in accordance with generally accepted accounting principles and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

General Requirements

Political activity	Civil rights
Cash management	Allowable costs/cost principles
Drug-Free Workplace Act	Federal financial reports
Davis-Bacon Act	Administrative requirements

Accounting Applications

General ledger	Receivables
Cash receipts	Cash disbursements
Accounts payable	

Specific requirements

Types of services allowed or not allowed  
HUD approval of request for release of funds and certification  
Environmental review

For all of the internal control categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1996, the Village of Dixie Inn, Louisiana, had no major federal financial assistance programs and expended 100.00% of its total federal financial assistance received under the following nonmajor federal financial assistance programs:

Department of Housing and Urban Development

Passed through the State of Louisiana - Louisiana Community Development Block Grant - Contract No. 101-5039.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we have considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and

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## INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Honorable Peggy M. King, Mayor  
and the Members of the Board of Aldermen  
Dixie Inn, Louisiana

We have audited the general purpose financial statements of the Village of Dixie Inn, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 17, 1996.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audit for the year ended June 30, 1996, we considered the internal control structure of the Village of Dixie Inn, Louisiana, in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements of the Village of Dixie Inn, Louisiana, and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated December 17, 1996.

The management of the Village of Dixie Inn, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial

recorded appropriately. Additionally, it should be noted that these errors were corrected in the financial statements included in the accompanying report.

#### SEGREGATION OF DUTIES

There is an inadequate segregation of duties among personnel of the Village of Dixie Inn. Because of the limited number of employees, the office personnel perform incompatible functions; i.e., those that allow an error or irregularity that is material to the financial statements to occur and remain undetected. It is noted that it is probably not cost-beneficial to the Village of Jamestown to correct the deficiency.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above is a material weakness.

We also noted other matters involving the internal control structure and its operation that we have reported to the management of the Village of Dixie Inn, Louisiana, in a separate letter dated December 17, 1996.

This report is intended for the information of the board of alderman, management, Louisiana Office of Community Development, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

*Tamara, Wise & Martin*

Minden, Louisiana  
December 17, 1996

structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

#### INVENTORY AND LISTING OF FIXED ASSETS

We noted the absence of a reconciliation of a list of fixed assets to the amounts reported in both the general fixed asset account group and enterprise fund. For proper controls the Village should annually reconcile the fixed assets per the financial statements and the actual assets on hand in each fund. Lack of control over fixed assets could lead to misstatements in the financial statements and unknown loss of assets.

#### RECORDING TRANSACTIONS

For the year ended June 30, 1996, we made large adjustments due to transactions being incorrectly posted. An adjustment of \$41,059 was made to adjust the Revenue Bonds payable account for the portion of bond payments allocated to interest expense. It was noted that all of the bond payments made were being posted to the Bonds Payable account during the current and previous years. No interest expense was recognized in the prior year. In addition, an adjustment of \$15,948 was made in the general fund because allocations between checking accounts were incorrectly posted. For proper controls the Village should provide more detail on check stubs and other information submitted to bookkeeping to ensure that transactions are properly classified and recorded to their appropriate accounts when being entered into the general ledger. Additionally, it should be noted that these errors were corrected in the financial statements included in the accompanying report.

#### EXPENDITURE TRANSFERS BETWEEN FUNDS

During our audit, we also noted that the transfer-in and transfer-out accounts within the general ledger did not equal. Some of the receipts by the enterprise fund were recorded as transfers in, while the checks from the general fund were not recorded as the corresponding transfer out. Considerable time was involved in reconciling recorded transfers in one fund to transfers in the other fund. Again, we recommend the Village provide better description and detail of transactions on check stubs and deposit slips to facilitate data entry and ensure that transfers between funds are

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Peggy M. King, Mayor,  
and the Members of the Board of Aldermen  
Dixie Inn, Louisiana

We have audited the general purpose financial statements of the Village of Dixie Inn, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 17, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Village of Dixie Inn, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Village of Dixie Inn, Louisiana, as of and for the year ended June 30, 1996, we obtained an understanding of the internal control

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Village of Dixie Inn, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

*Jamieson, Wise & Martin*

Minden, Louisiana  
December 17, 1996

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## INDEPENDENT AUDITORS' REPORT

To the Honorable Peggy M. King, Mayor  
and the Members of the Board of Aldermen  
Dixie Inn, Louisiana

We have audited the accompanying general purpose financial statements of the Village of Dixie Inn, Louisiana, as of and for the year ended June 30, 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of the Village of Dixie Inn, Louisiana's, management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards require that we 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Village of Dixie Inn, Louisiana, as of June 30, 1996, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated December 17, 1996, on our consideration of the Village of Dixie Inn, Louisiana's internal control structure and a report dated December 17, 1996, on its compliance with laws and regulations.



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VILLAGE OF DIXIE INN, LOUISIANA  
 Financial Report  
 Year Ended June 30, 1996

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VILLAGE OF DIXIE INN, LOUISIANA

ANNUAL FINANCIAL STATEMENTS

JUNE 30, 1996

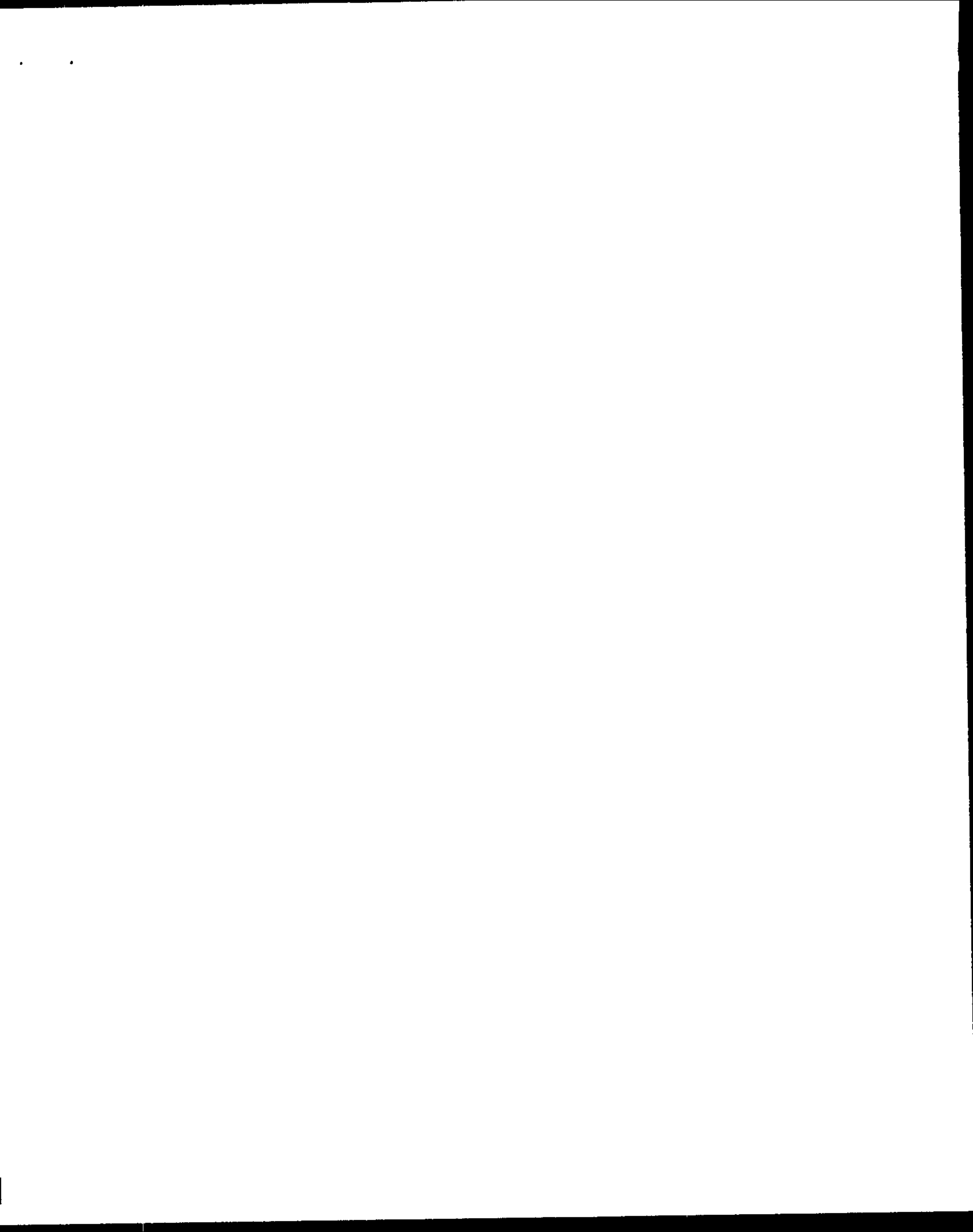
Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate,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

Release Date FEB 26 1997

97 JAN 2  
ALL: 16

ENTERPRISE FUND

Utility Fund - To account for the provision of water and sewer services to residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.



LIABILITIES AND FUND EQUITY

Liabilities:

Current liabilities (payable from current assets):

Accounts payable	\$ 3,307
Accrued liabilities	547
Interfund payables	<u>7,761</u>
Total	<u>11,615</u>

Current liabilities (payable from restricted assets):

Meter deposits	8,226
Current portion of revenue bonds payable	4,560
Accrued interest	<u>5,411</u>
Total	<u>18,197</u>

Total current liabilities

29,812

Long-term liabilities:

Revenue bond payable	<u>140,666</u>
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Total liabilities

170,478

Fund equity:

Contributed equity -	
Municipality	116,229
Federal grant	<u>221,901</u>
Total contributed equity	<u>338,130</u>

Retained earnings (deficit) -

Reserved	15,814
Unreserved	<u>(54,937)</u>
Total retained deficit	<u>(39,123)</u>

Total fund equity

299,007

Total liabilities and fund equity

\$469,485

VILLAGE OF DIXIE INN, LOUISIANA  
ENTERPRISE FUND  
UTILITY FUND

Schedule of Expenses by Departments  
Year Ended June 30, 1996

Water department expenses:	\$ 7,444
Utilities	3,707
Plant and line maintenance	3,542
Chemicals	4,932
Depreciation	862
Gas and oil	840
Monitoring service	121
Supplies	105
Repairs	<u>21,553</u>
Total water department expenses	
Sewer department expenses:	2,477
Utilities	2,553
Plant and line maintenance	583
Chemicals	13,238
Depreciation	103
Supplies	<u>18,954</u>
Total sewer department expenses	
General and administrative expenses:	18,620
Salaries	1,122
Insurance	1,650
Legal and accounting	1,391
Payroll taxes	1,186
Office expense	1,066
Other	<u>25,035</u>
Total general and administrative expenses	
Total operating expenses	<u>\$65,542</u>

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

VILLAGE OF DIXIE INN, LOUISIANA  
 ENTERPRISE FUND  
 UTILITY FUND

Schedule of Changes in Assets Restricted for Revenue Bond Debt Service  
 Year Ended June 30, 1996

	<u>Bond Sinking Fund - Savings</u>	<u>Reserve</u>	<u>Contingency</u>	<u>Total</u>
Cash, July 1, 1995	\$10,648	11,805	1,601	24,054
Cash receipts:				
Transfers from operating account	-	534	600	1,134
Transfers from general fund	11,822	-	-	11,822
Interest	<u>211</u>	<u>334</u>	<u>53</u>	<u>598</u>
Total cash receipts	<u>12,033</u>	<u>868</u>	<u>653</u>	<u>13,554</u>
Total cash available	<u>22,681</u>	<u>12,673</u>	<u>2,254</u>	<u>37,608</u>
Cash disbursements:				
Principal payments	4,522	-	-	4,522
Interest payments	<u>7,300</u>	<u>-</u>	<u>-</u>	<u>7,300</u>
Total disbursements	<u>11,822</u>	<u>-</u>	<u>-</u>	<u>11,822</u>
Cash, June 30, 1996	<u>\$10,859</u>	<u>12,673</u>	<u>2,254</u>	<u>25,786</u>

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



GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operations.

VILLAGE OF DIXIE INN, LOUISIANA

Statement of General Fixed Assets  
June 30, 1996

General fixed assets, at cost:	\$ 4,000
Land	22,998
Buildings	233,561
Improvements other than building	<u>78,940</u>
Equipment	
Total general fixed assets	<u>\$339,499</u>
Investment in general fixed assets:	
Property acquired prior to 7/1/72*	\$ 6,706
Property acquired after 7/1/72 from -	
General fund revenues	99,591
Federal revenue sharing fund	2,787
Sales tax fund revenues	56,794
LCDBG revenues	<u>173,621</u>
Total investment in general fixed assets	<u>\$339,499</u>

\*Records reflecting source from which assets were acquired were not maintained prior to 7/1/72.

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

VILLAGE OF DIXIE INN, LOUISIANA

Statement of Changes in General Fixed Assets  
Year Ended June 30, 1996

	<u>Land</u>	<u>Buildings</u>	<u>Improvements other than Buildings</u>	<u>Equipment</u>	<u>Total</u>
General fixed assets, beginning of year	\$4,000	22,998	8,021	75,433	110,452
Additions:					
General fund revenue	-	-	51,919	3,507	55,426
LCDBG revenues	-	-	173,621	-	173,621
Total additions	-	-	225,540	3,507	229,047
General fixed assets, end of year	\$4,000	22,998	233,561	78,940	339,499

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

VILLAGE OF DIXIE INN, LOUISIANA  
SCHEDULE OF BOARD OF ALDERMEN COMPENSATION  
Year ended June 30, 1996

Ava Nell McWhorter	\$ 650
James Hortman	675
Barbara Brown	<u>625</u>
Total	<u>\$1,950</u>

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

# JAMIESON, WISE & MARTIN

A PROFESSIONAL ACCOUNTING CORPORATION

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WM. PEARCE JAMIESON, CPA (1991)

MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

To the Honorable Peggy M. King, Mayor,  
and the Members of the Board of Aldermen  
Dixie Inn, Louisiana

We have audited the general purpose financial statements of the Village of Dixie Inn, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 17, 1996. These general purpose financial statements are the responsibility of the management of the Village of Dixie Inn, Louisiana. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Village of Dixie Inn, Louisiana, taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

*Jamieson, Wise & Martin*

Minden, Louisiana  
December 17, 1996

VILLAGE OF DIXIE INN, LOUISIANA

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
 Year Ended June 30, 1996

<u>Federal Grantor/Pass Through Grantors/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<u>Department of Housing and Urban Development</u> Passed through the Louisiana Division of Administration: Louisiana Community Development Block Grant	14.219	\$ 175,605	160,487	160,487

The accompanying notes are an integral part of this statement.