

OFFICE OF  
LEGISLATIVE AUDITOR  
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## VILLAGE OF TUCKPAW

Louisiana

### FINANCIAL REPORT

June 30, 1996

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Release Date: FEB 2 6 1997

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LOUISIANA

June 30, 1998

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ACCOUNTANTS OF LOUISIANA STATE

EXPIRES 12/31/1997  
FOR 1996-1997 PERIOD

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Sam J. Pigo, Mayor,  
and Members of the Board of Aldermen  
Village of Tickfaw  
Tickfaw, Louisiana

I have audited the accompanying general purpose financial statements of the Village of Tickfaw, State of Louisiana as of and for the year ended June 30, 1996. These general purpose financial statements are the responsibility of the Mayor and the Board of Aldermen of the Village of Tickfaw, State of Louisiana. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information 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 Tickfaw. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, I have also issued a report dated August 12, 1996, on my consideration of the Village's internal control and a report dated August 12, 1996, on its compliance with laws and regulations.

Respectfully submitted,



Certified Public Accountant

August 12, 1996

**GENERAL PURPOSE FINANCIAL STATEMENTS**

Village of Ticonderoga

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 June 30, 2025

ASSETS AND OTHER DEBITS	Governmental Fund Types		Previously Fund Total	Accounts Receivable		Total (Minimums and Credits)
	Special Revenue	Debt Service		Capital Projects	General Fund	
ASSETS			\$ 55,075	\$ -	\$ -	\$ 55,075
Cash	\$47,616	-	6,459	-	-	54,075
Receivables	8,148	-	5,980	-	-	14,128
Due from other funds	-	3,182	-	-	-	3,182
Revolving loans - cash	-	23,546	50,052	-	-	73,598
Deferred charges	-	-	8,325	-	-	8,325
Land, buildings, and equipment	-	-	1,980,190	254,218	-	2,180,114
Cost, when applicable, of accumulated depreciation	-	-	-	-	-	-
Other Debits	-	-	-	-	78,488	78,488
Amount payable for debt service	-	-	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-	213,261	213,261
Total Assets and Other Debits	\$55,764	\$26,728	\$1,644,317	\$254,218	\$213,261	\$2,148,568

The accompanying notes are an integral part of this statement.

(Continued)

Village of Tishbe

COMBINED BALANCE SHEET - ALL FUNDS TYPES AND ACCOUNT GROUPS

June 30, 2024

	Government Fund Type		Proprietary Fund - Debt (Inventories)	Amount Available			Totals (Governmental Funds)
	Special Accounts	Job Accounts		Capital Projects	General Funds	Long-Term Funds	
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,426
	26,424	9,575	108	12,234	-	38,341	12,444
	-	-	-	-	-	-	7,417
	-	-	-	-	-	-	1,714
	-	-	-	-	-	-	5,307
299	14,964	-	-	-	-	-	26,403
	-	-	-	-	211,800	-	215,000
	-	-	-	-	-	217,267	147,897
	-	-	-	-	-	-	9,481
26,723	24,462	108	12,234	-	211,800	254,464	565,162
	-	-	-	-	1,674,493	-	1,674,493
	-	-	-	-	204,234	-	204,234
	-	-	-	-	-	-	9,271
	-	-	-	-	-	-	(16,266)
	-	-	-	198,144	-	-	198,144
	-	-	18,440	-	-	-	18,440
25,002	31,261	-	-	-	-	-	56,263
25,002	31,261	18,440	198,144	-	1,685,527	-	2,118,254
161,132	161,221	181,460	1,133,469	-	1,844,433	1,844,433	16,811,486

The accompanying notes are an integral part of this statement.

(Continued)

**Village of Tonawanda**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
Year Ended June 30, 1998**

	General	Special Revenues	Debt Service	Capital Projects	Totals (Microseconds Col'd)
<b>Revenues</b>					
Taxes	\$ 40,501	\$ 50,179	\$ -	\$ -	\$ 90,680
Licenses and permits	26,900	-	-	-	26,900
Intergovernmental	10,137	-	-	-	10,137
Political police grant	18,664	-	-	-	18,664
Fees	61,298	-	-	-	61,298
Charges for services	16,445	-	-	-	16,445
Out-of-pocket payments by state	3,240	-	-	-	3,240
Miscellaneous	6,296	1,022	235	3,263	11,316
<b>Total revenues</b>	<b>234,281</b>	<b>54,158</b>	<b>235</b>	<b>3,263</b>	<b>292,937</b>
<b>Expenditures</b>					
<b>Current -</b>					
General government	81,923	3,476	184	545	86,128
Public safety - Police	91,288	-	-	-	91,288
Public safety - Fire	-	4,320	-	-	4,320
Public works - Streets	7,427	30,321	-	-	37,748
Public works - Sanitation	17,593	-	-	-	17,593
Capital outlay	1,124	15,000	-	18,263	24,387
Debt service - Interest	6,089	-	6,332	-	12,421
<b>Total expenditures</b>	<b>205,453</b>	<b>53,147</b>	<b>6,516</b>	<b>18,808</b>	<b>283,924</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>28,828</b>	<b>1,011</b>	<b>16,178</b>	<b>113,840</b>	<b>9,837</b>
<b>Other Financing Sources (Uses)</b>					
Board proceeds	-	-	-	325,000	325,000
Operating transfers in	-	-	25,640	6,219	31,859
Operating transfers out	-	(12,641)	-	(15,212)	(27,853)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(12,641)</b>	<b>25,640</b>	<b>215,007</b>	<b>328,113</b>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<b>28,828</b>	<b>(11,630)</b>	<b>19,463</b>	<b>198,134</b>	<b>234,837</b>
Fund balances, (deficit) beginning	(3,757)	(2,828)	-	-	(6,585)
Fund balances, ending	<b>\$ 25,071</b>	<b>\$ 21,791</b>	<b>\$ 19,463</b>	<b>\$ 198,134</b>	<b>\$ 274,459</b>

The accompanying notes are an integral part of this statement.



Statement of Changes

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET COMPARISON AND ACTUALS - GENERAL AND SPECIAL REVENUES FUNDS

Year Ended June 30, 2025

	General Fund		Special Revenue Funds	
	Budget	Actual	Budget	Actual
<b>REVENUES</b>				
Taxes	88,000	94,841	9,000	89,129
Licenses and permits	27,000	34,800	-	-
Federal police grant	1,000	3,464	-	-
Intergovernmental	4,000	5,171	-	-
Fees	60,000	41,228	-	-
Charges for services	15,000	14,441	-	-
On behalf payments by ratepayers	5,500	3,340	-	-
Miscellaneous	20,000	4,586	2,000	1,421
Total revenues	206,500	211,341	21,000	26,220
<b>EXPENDITURES</b>				
General government	71,200	81,811	1,000	3,478
Police salary - Police	81,000	91,100	-	-
Police salary - Fire	-	-	4,200	4,000
Police work - Services	1,000	1,411	20,000	20,000
Police work - Supplies	1,000	1,104	-	-
Capital outlay	4,000	4,000	-	-
Self service	12,800	20,111	20,000	15,600
Total expenditures	163,000	200,043	45,200	43,078
Excess of revenues over expenditures	43,500	21,298	21,000	1,142
Other Disposition (Gain)	-	-	0,210	0,660
Operating transfer in	-	-	0,210	0,660
Total other financing (uses)	-	-	0,420	1,320
Excess (deficiency) of revenues over expenditures and other financing uses	43,500	21,298	21,420	11,462
Fund balances (deficit), beginning - general fund retained	0,242	0,242	-	-
Fund balances, ending	43,742	21,540	21,420	11,462

The accompanying notes are an integral part of this statement.

Village of Tipton

**COMBINED STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND TYPE**  
For the Year Ended June 30, 2020

<b>Operating Revenues</b>	
Charges for services -	
Water sales	\$ 75,506
Sewer charges	56,571
Connection charges	4,125
Miscellaneous	1,451
Total operating revenues	<u>137,653</u>
<b>Operating Expenses</b>	
Salaries	11,851
Payroll taxes and employee benefits	833
Utilities and telephone	11,889
Repairs	21,776
Supplies	3,839
Vehicle fuel and repairs	861
Insurance	2,185
Office expense	1,856
Accounting and auditing	6,414
Investigative analysis and reports	6,835
Other	1,283
Depreciation	48,477
Amortization	212
Total operating expenses	<u>119,412</u>
Operating (Loss)	(21,867)
<b>Nonoperating Revenues (Expenses)</b>	
Interest income	440
Interest expense	<u>(17,458)</u>
Total nonoperating revenues (expenses)	<u>(17,018)</u>
Net (Loss)	(38,885)
Add depreciation on fixed assets acquired by donation that reduces contributed capital	40,658
Income in Retained Earnings	<u>1,173</u>
Retained earnings (deficit) at beginning of year	(115,450)
Elimination of retained earnings due to change in accounting for depreciation on assets provided by contributed capital	<u>217,113</u>
Retained earnings (deficit) at beginning of year, revised	<u>(18,337)</u>
Retained earnings (deficit) at end of year	<u>\$13,180</u>

The accompanying notes are an integral part of this statement.

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**CONDENSED STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPE**  
 For Year Ended June 30, 1998

Cash flows from operating activities		
Operating loss		\$(21,887)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	\$ 44,487	
Amortization	252	
Increase in accounts receivable	(1,832)	
Increase in amounts due from other funds	(9,241)	
Increase in accounts payable	12,409	
Increase in amounts due to other funds	7,383	
Increase in customer deposits	<u>312</u>	
Total		<u>60,906</u>
Net cash provided by operating activities		40,919
Cash flows from capital and related financing activities		
Payments for capital acquisitions	(15,834)	
Principal repayments	(2,945)	
Interest paid	<u>(17,969)</u>	
Net cash (used) for capital and related financing activities		(36,748)
Cash flows from investing activities:		
Interest income	<u>448</u>	
Net cash provided by investing activities		<u>448</u>
Net increase in cash		4,340
Cash at beginning of year		<u>30,358</u>
Cash at end of year		<u>\$ 34,698</u>
Reconciliation of cash:		
Unrestricted	\$ 20,976	
Restricted	20,952	
Restricted - overdraft	<u>(7,230)</u>	
		<u>\$ 34,698</u>

The accompanying notes are an integral part of this statement.

## Village of Tickfaw

### NOTES TO FINANCIAL STATEMENTS

June 30, 1995

#### INTRODUCTION

The Village of Tickfaw, Louisiana was incorporated on April 15, 1857, under the provisions of the Louisiana Act. The Village operates under a Mayor and Board of Aldermen form of government. The Village provides public safety (police and fire), streets, drainage, sanitation, public improvements, and general and administrative functions. Other services include water and sewer utilities.

The accounting and reporting policies of the Village of Tickfaw conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:513 and to the guidelines set forth in the Louisiana Governmental Audit Guide, and to the industry audit guide, *Audit of State and Local Governmental Units*.

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

#### (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### A. REPORTING ENTITY

As the municipal governing authority, for reporting purposes, the Village of Tickfaw, Louisiana is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (municipality), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining the identification of a primary government unit for financial reporting purposes. The GASB has set forth criteria to be considered in determining which governmental entities are primary governments. An entity is a primary government if it satisfies all of the following criteria:

- The entity has a separate governing body elected by the citizenry in a general, popular election.
- The entity is legally separate from other entities.
- The entity is fiscally independent of other state and local governmental entities.

## Village of Tickler

### **NOTES TO FINANCIAL STATEMENTS**

June 30, 1998

Based on the above criteria the Village has determined that the Village of Tickler, Louisiana, is a primary government and financial reporting entity in accordance with GASB Statement No. 14. The Village has also determined that there are no component units that should be considered part of the Village for financial reporting purposes.

#### **B. FUND ACCOUNTING**

The municipality uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect an expendable available financial resource.

Funds of the municipality are classified into two categories: governmental and proprietary. In turn, each category is divided into separate fund types. The fund categories and a description of each existing fund type follow:

##### **Governmental Funds**

Governmental funds are used to account for all or most of the municipality's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

1. **General Fund** -- the general operating fund of the Village and accounts for all financial resources except those required to be accounted for in other funds.
2. **Special revenue funds** -- account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.
3. **Debt service funds** -- account for transactions relating to revenues received and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.
4. **Capital projects funds** -- account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

## Village of Tickle

### NOTES TO FINANCIAL STATEMENTS

June 30, 1998

#### **Proprietary Funds**

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

1. Enterprise funds -- account for operations (a) 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 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.

#### **C. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

#### **Governmental Funds**

All governmental funds 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. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

##### **Revenues**

Revenues are recognized, under the modified accrual basis of accounting, when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Property taxes and interest are susceptible to accrual. Sales taxes collected and held by the parish Central Collection Commission at year end on behalf of the government are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

## Village of Ticklen

### NOTES TO FINANCIAL STATEMENTS

June 30, 1995

#### **Expenditures**

Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

#### **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).

#### **Proprietary Fund**

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 operations of these funds are included on the balance sheet. The proprietary fund uses the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized at the time liabilities are incurred.

#### **D. BUDGETS**

The Village follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The Village Clerk and Mayor prepare a proposed budget and submit same to the Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year. The proposed budget was submitted to the Board of Aldermen on June 5, 1995.
2. After completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a motion. The budget was adopted on June 19, 1995.
3. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
4. All budgetary appropriations lapse at the end of each fiscal year.
5. Budgets for the General and Special Revenue Funds 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. The Board of Aldermen amended the General and Special Revenue Funds on June 19, 1995. All budget amounts included in this report are shown as amended.

## Village of Tickles

### NOTES TO FINANCIAL STATEMENTS

June 30, 1998

#### E. ENCUMBRANCES

The Village does not use encumbrance accounting.

#### F. CASH

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Under state law, the municipality 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.

Under state law, the municipality may invest in United States bonds, treasury notes, or certificates. These are classified, if owned, as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

#### G. RECEIVABLES

Receivables are shown net of an allowance for uncollectibles. Uncollectible amounts due for water and sewer charges are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivables.

#### III. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

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. Short-term interfund loans are classified as interfund receivables/payables.

#### I. RESTRICTED ASSETS

Restricted assets applicable to the Debt Service Fund consisted of cash reserved for bond requirements of \$15,648.

Restricted assets applicable to the Sewer Fund at June 30, 1998, consisted of cash reserved for bond requirements of \$19,504. Restricted assets applicable to the Water Fund at June 30, 1998, consisted of cash reserved for customer deposits of \$7,437 and cash received under a Rural Development Grant of \$1.



## Village of Tiskilwa

### NOTES TO FINANCIAL STATEMENTS

June 30, 1986

#### A. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

Fixed assets used in the proprietary fund operations are included on the balance sheet of the funds net of the accumulated depreciation. Interest costs incurred during construction, if any, are capitalized. Depreciation of all exhaustible fixed assets used by proprietary fund operations is charged as an expense against operations. Depreciation is computed using the straight-line method over the following useful lives:

Water Utility System -	
Water wells	30/50 years
Water storage tanks	30/50 years
Water distribution lines	30/50 years
Equipment	5 years
Sewer Utility System -	
Sewerage lines and oxidation pond	50 years
Equipment	5 years

#### K. COMPENSATED ABSENCES

The Village has the following policy relating to annual and sick leave:

Employees earn annual leave based on years of service as follows:

0 - 2 years	5 days
3 - 4 years	10 days
5 years and over	15 days

Annual leave may not be accumulated beyond the Village's fiscal year end.

Employees earn sick leave at a rate of one day per month beginning with date of employment. Sick leave can be accumulated up to 34 days over a three year period. At the end of three years, any time not taken will be forfeited.

The cost of current annual leave privileges, computed in accordance with GASB Codification Section 610, is recognized as a current year expenditure when annual leave is actually taken. Accrued sick leave has not been recorded as it is considered to be an immaterial amount.

## Village of Tickler

### NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

#### L. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from governmental funds are reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due. Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

#### M. FUND EQUITY

##### Contributed Capital

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 amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such resources. This depreciation is closed to the contributed capital account and is reflected as an adjustment to net income.

##### Reserves

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

#### N. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

#### O. AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Village in October and billed 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.

The Village bills and collects its own property taxes using the assessed values determined by the tax assessor of Tangipahoa Parish.

## Village of Tickler

### NOTES TO FINANCIAL STATEMENTS

June 30, 1998

#### F. SALES TAXES

The Village assesses a 2% sales and use tax. Proceeds are dedicated to the following purposes:

1. The 1984 1% sales tax is to be used for the purpose of providing funds for the General Fund of the Village and for the additional purpose of providing funds for any other lawful purposes of the Village. This tax is accounted for in the General Fund.
2. The 1993 1% sales tax is to be levied through December 31, 2007, for the purpose of constructing, improving, and maintaining streets and drainage facilities, including the overlaying of streets and to fund bonds used for street overlay construction. The proceeds from this 1% sales tax have been irrevocably pledged and dedicated to secure the payment of \$215,000 of sales tax bonds, Series 1993, dated December 1, 1993.

#### G. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in those columns do not present financial position, results of operations, or cash flows 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) FUND DEFICITS

The following individual fund has a deficit in unreserved retained earnings at June 30, 1998:

	Deficit Amount
Street Fund	\$25,362

#### (3) EXPENDITURES - ACTUAL AND BUDGET

The following individual funds have actual expenditures and other uses over budgeted expenditures and other uses for the year ended June 30, 1998:

Fund	Budget	Actual	Unfavorable Variance	Percent
General Fund	\$197,991	\$208,413	\$7,822	3.95%
Special Revenue Funds -				
1983 Sales Tax	44,000	45,732	1,732	3.93%
Fire Protection	4,700	20,036	15,336	426.72%

## Village of Thibodaux

### NOTES TO FINANCIAL STATEMENTS

June 30, 1996

The Louisiana Municipal Budget Law requires a local government to amend its operating budget whenever variances between budgeted and actual revenues and other sources or expenditures exceed 5%. The Fire Protection budget was amended but did not include an amount for the capital outlay for a new fire hydrant water line.

#### (4) CASH AND CASH EQUIVALENTS

The following is a summary of cash and cash equivalents (book balances) at June 30, 1996:

Petty cash	\$ 300
Interest-bearing demand deposits	284,348
Demand deposits	37,328
Cash over/short	(3,428)
Total	<u>\$328,628</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.

At June 30, 1996, the Village has \$346,856 in deposits (collected bank balances). These deposits are secured from risk by \$139,948 of federal deposit insurance and \$188,908 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 3, Louisiana Revised Statute 38:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 90 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

Village of Ticklen

NOTES TO FINANCIAL STATEMENTS

June 30, 1996

(5) RECEIVABLES

Receivables at June 30, 1996, consist of the following:

Class of Receivables	General Fund	Special Revenue Funds	Enterprise Funds	Total
Taxes -				
Franchise	\$2,104	\$ -	\$ -	\$ 2,104
Sales	-	7,886	-	7,886
Ad valorem	175	299	-	474
Accounts -				
Garbage	1,777	-	-	1,777
Water and sewer -	-	16,634	16,634	-
Less: Allowance for uncollectibles	-	-	(2,000)	(2,000)
Intergovernmental -				
Tobacco taxes	764	-	-	764
Video poker	1,000	-	-	1,000
Federal police grant	2,946	-	-	2,946
Totals	\$8,792	\$8,145	\$8,634	\$25,571

An allowance account for taxes and garbage receivables is not considered necessary.

(6) AD VALOREM TAXES

For the year ended June 30, 1996, taxes of 17.29 mills were levied on property with assumed valuations totaling \$738,134 and were dedicated as follows:

General corporate purposes	6.91 mills
Fire protection	10.38 mills
Total	17.29 mills

Total taxes levied were \$12,766. Taxes receivable at June 30, 1996, were \$492.

Village of Tickfaw

NOTES TO FINANCIAL STATEMENTS

June 30, 1996

(7) **RESTRICTED ASSETS**

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

Special Revenue -	
1997 sales tax bond requirements - cash	\$13,646
Enterprise -	
Water customers' deposits - cash	7,437
Waterworks rural development grant - cash	1
Sewer revenue bond requirements - cash	13,514
	<u>\$35,098</u>

(8) **FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Balance July 1, 1995	Additions	Deletions	Balance June 30, 1996
Land	\$ 30,000	\$ -	\$ -	\$ 30,000
Buildings	117,400	-	-	117,400
Equipment	83,838	1,124	33,838	51,124
Total	<u>\$231,238</u>	<u>\$1,124</u>	<u>\$33,838</u>	<u>\$208,524</u>

At June 30, 1996, the investment in general fixed assets is from:

General fund revenues	\$104,090
Sales tax revenues	2,000
State grants	58,234
Total	<u>\$164,324</u>

The Village adopted on August 12, 1996, a policy of capitalizing only assets exceeding \$300 in cost. Policy was retroactive to prior years. As a result general fixed assets below \$300 totaling \$1,605 have been deleted as of June 30, 1996.

## Village of Tickfaw

### NOTES TO FINANCIAL STATEMENTS

June 30, 1996

A summary of proprietary property, plant, and equipment follows:

	Water Fund	Sewer Fund	Total
Land	\$ 9,815	\$ 20,259	\$ 30,074
Water tanks and wells	309,507	-	309,507
Water distribution lines	309,521	-	309,521
Sewerage system	-	1,381,865	1,381,865
Equipment	1,000	3,660	4,660
Construction in progress	26,809	-	26,809
Sub-total	857,762	1,414,384	2,272,146
Less: accumulated depreciation	(136,802)	(135,356)	(272,158)
Net	\$720,960	\$1,279,028	\$1,999,988

### (3) PENSION PLAN

The police chief of the Village of Tickfaw is a member of the Municipal Police Employees Retirement System. This system is a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. Previous information relative to the plan follows:

#### Municipal Police Employees Retirement System of Louisiana (System)

**Plan description:** All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joint 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 previously 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 Municipal Police Employees Retirement System of Louisiana, 8403 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2150, or by calling (504) 929-7411.

## Village of Tickfaw

### NOTES TO FINANCIAL STATEMENTS

June 30, 1996

**Funding policy:** Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Village of Tickfaw is required to contribute at an actuarially determined rate. The current rate is 9.6 percent of annual covered payroll. The contribution requirements of plan members and the Village of Tickfaw are established and may be amended by state statute. As provided by Louisiana Revised Statute 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 Village of Tickfaw's contributions to the System for the years ending June 30, 1996, were \$1,879, equal to the required contributions for the year.

#### (14) RETIREMENT SYSTEM

Employees of the Village are members of the social security system. In addition to employer payroll deductions, Village funds are required to match the employee contributions. Aggregate contributions to the social security system for the year ended June 30, 1996, were \$8,834 of which \$4,417 was contributed by the Village.

#### (15) CHANGES IN LONG-TERM DEBT

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

	Balance July 1, 1995	Increases	Decreases	Balance June 30, 1996
<b>General Long-Term Debt:</b>				
1995 Certificate of Obligation	\$ 1,000	\$ -	\$1,000	\$ -
Accrued Retirement Contributions	130	-	130	-
Sales Tax Bonds, Series 1995	-	215,000	-	215,000
Capital Lease	<u>13,732</u>	<u>-</u>	<u>4,288</u>	<u>9,444</u>
Subtotal	14,862	215,000	5,448	234,414
<b>Enterprise Fund Long-Term Debt:</b>				
Sewer Revenue Bonds	<u>343,038</u>	<u>-</u>	<u>3,944</u>	<u>339,094</u>
	<u>\$357,900</u>	<u>\$215,000</u>	<u>\$9,392</u>	<u>\$574,578</u>



Village of Tickler

**NOTES TO FINANCIAL STATEMENTS**

June 30, 1996

Long-term debt payable at June 30, 1996, is comprised of the following:

Sales tax bonds, Series 1985, to construct and improve public streets within the Village, due in annual installments of \$6,000 to \$19,000 through Dec. 1, 2015, with interest at 5.70 to 10.00 percent \$275,000

Payments of sales tax bonds, Series 1985 are payable solely from and secured by an irrevocable pledge and dedication of a special 1% sales and use tax.

Capital lease (police car) - See Note 20 \$ 5,464

**Sewer Revenue Bonds:**

\$266,000 Sewer Revenue Bonds due in monthly installments of \$1,740; interest rate is 5.25%. \$260,114

Payments of Sewer Revenue Bonds' principal and interest are secured solely by a lien on and pledge of the net revenues of the Sewer System. The Sewer Revenue Bonds are collateralized by the revenues of the Sewer System and the various special funds established by the bond authorizing resolution.

The annual requirements to service all debt outstanding at June 30, 1996, including interest payments of \$292,942 are as follows:

Year Ended <u>June 30,</u>	1995 Sales Tax Bonds	Capital Lease	Sewer Revenue Bonds	Total
1997	\$ 20,500	\$ 6,076	\$ 20,885	\$ 47,461
1998	19,500	4,001	20,885	44,386
1999	20,250	-	20,885	41,135
2000	19,500	-	20,885	40,385
2001	18,870	-	20,885	39,755
2002-2003	<u>280,114</u>	-	<u>564,211</u>	<u>844,325</u>
	<u>\$266,150</u>	<u>\$10,123</u>	<u>\$768,156</u>	<u>\$1,044,429</u>

Village of Ticklen

NOTES TO FINANCIAL STATEMENTS

June 30, 1995

(12) INTERFUND RECEIVABLES, PAYABLES

Amounts due to or from other funds at June 30, 1995, consisted of the following:

	Interfund Receivable	Interfund Payable
General Fund	\$18,828	\$ 296
Special Revenue Fund - 1993 Sales Tax Fund	-	14,504
Debt Service Fund	1,917	-
Enterprise Funds -		
Water Fund	500	9,213
Sewer Fund	<u>2,360</u>	<u>2,382</u>
Total	\$23,605	\$26,495

(13) SEWER REVENUES - RESTRICTIONS ON USE - FLOW OF FUNDS:

The Village, through its governing authority, adopted a resolution on September 14, 1993, authorizing the issuance of Sewer Revenue Bonds, in an amount not to exceed \$146,000 for acquiring and construction of extensions to its sewer system. The resolution also authorized the sale and delivery of said bonds to the United States Department of Agriculture, Farmers Home Administration; prescribing the form, fixing the details and providing for the payment of principal and interest on such bonds and entering into certain covenants and agreements in connection with the security and payment of said bonds. In that resolution the revenues of the Sewer System are irrevocably and inseparably pledged and dedicated in an amount sufficient for payment of the bonds authorized and interest as they become due and for other purposes. In that resolution, certain funds were required to be established to account for the receipt and disbursement of Sewer System revenues. An analysis of these accounts is provided as follows:

**Sewer Revenue Fund** - The bond resolution requires that all revenues of the Sewer System shall be deposited daily in a separately identifiable account to be established with the Village's fiscal agent bank and designated as the "Sewer Revenue Fund". The revenues deposited into the Sewer Revenue Fund shall be expended in the following priority:

From the Sewer Revenue Fund, the Village shall first pay all reasonable and necessary costs and expenses of operating and maintaining the Sewer System.

## Village of Tickler

### NOTES TO FINANCIAL STATEMENTS

June 30, 1998

**Sewer Revenue Bond and Interest Sinking Fund** - After the payment of all reasonable and necessary costs and expenses of maintaining the Sewer System, monies from the Sewer Revenue Fund shall be transferred to a separately identifiable account to be established with the Village's fiscal agent bank and designated as the "Sewer Revenue Bond and Interest Sinking Fund" in amounts sufficient to pay promptly and fully the principal of and interest on the bonds as they severally become due and payable.

Monies from the Sewer Revenue Fund shall be transferred into the Sewer Revenue Bond and Interest Sinking Fund monthly in advance on or before the twentieth (20th) day of each month of each year a sum equal to \$1,740.38.

The payments will continue monthly until April 2003, unless the bonds are called in advance of their maturity dates, in which event it is possible to reduce the required payments into the sinking fund.

**Sewer Revenue Bond Reserve Fund** - From the Sewer Revenue Fund, there shall be transferred monthly in advance on or before the twentieth (20th) day of each month of each year commencing with the month following completion of and acceptance of the improvements and extensions financed with the proceeds of the bonds, to a separately identifiable account to be established with the Village's fiscal agent bank and designated as the "Sewer Revenue Bond Reserve Fund" a sum at least equal to 5% of the amount required to be paid into the Sewer Revenue Bond and Interest Sinking Fund for each month until such fund accumulates an amount equal to the scheduled maximum principal and interest requirements in any succeeding bond year.

Money in the Reserve Fund is to be retained solely for the purpose of payment of the principal of and interest on all obligations payable from the Sinking Fund for which sufficient funds are not on deposit in the Sinking Fund and in to which there would otherwise be default.

**Sewer Depreciation and Contingency** - From the Sewer Revenue Fund, there shall be transferred monthly on or before the twentieth (20) day of each month of each year commencing with the month following completion of and acceptance of the improvements and extensions financed with the proceeds of the bonds to a separately identifiable account to be established with the Village's fiscal agent bank and designated as the "Sewer Depreciation and Contingency Fund" the sum of \$93. All monies in the Sewer Depreciation and Contingency Fund may be used for the purpose of paying the costs of any unusual and extraordinary maintenance and any repairs, replacements, extensions, and improvements to the Sewer System. Money accumulated in this fund may also be used to pay principal and interest on the bonds falling due at any time there is not sufficient money for payment in the Sewer Revenue Bond and Interest Sinking Fund or the Sewer Revenue Bond Reserve Fund.

All monies remaining in the Revenue Fund after all required deposits into the fund funds described herein shall be considered surplus and may be used for the purpose of retiring bonds in advance of their maturity or for any other lawful purpose.

As of June 30, 1998, balances in the various funds created pursuant to the bond resolutions were in accordance with the bond covenants.

## Village of Dickree

### NOTES TO FINANCIAL STATEMENTS

June 30, 1996

#### (14) SEWER REVENUE BOND RESOLUTION COVENANTS

The Village through its governing authority, adopted a resolution on September 14, 1993, authorizing the issuance of Sewer Revenue Bonds, in an amount not to exceed \$345,000 for construction of extensions to its sewage systems. That bond resolution contained certain covenants and agreements in connection with the security and payment of the bonds. The major covenants contained in the bond resolution and agreement and the manner in which the Village has complied with these covenants is described as follows:

**Rate Covenant** - In the bond resolution, the Village covenants to fix, establish, maintain and collect such rates, fees, rents and other charges for the services and facilities of the Sewer System and to revise the rate whenever necessary as will always provide revenues in each fiscal year sufficient to pay (i) the reasonable and necessary expenses of operating the System, (ii) one hundred five percent (105%) of the required deposits to the Sinking Fund for each fiscal year, (iii) all other payments required for such fiscal year by the bond resolution and loan agreement, and (iv) all other obligations or indebtedness payable out of the revenues for such fiscal year. In connection therewith, the Village adopted Ordinance No. 97 on September 14, 1993, which established sewer user classifications, set specific sewer rates and provided a detailed procedure for annual review and adjustment of sewer rates.

In connection with the rate covenant, the bond resolution also contained specific procedures with regards to delinquent sewer customers. The Village agreed that the failure of any person to pay the charges for any service rendered by the Sewer System within thirty (30) days of the date on which it is due shall cause such charge to become delinquent and a delinquent charge of ten percent (10%) of the delinquent amount shall be assessed. If a delinquent account is not paid within thirty (30) days of the date of delinquency, the Village will shut off water and sewer services to the affected premises. All delinquent accounts shall bear interest at the rate of six percent (6%) per annum.

**Records and Accounts and Audit Requirements** - In the bond resolution, the Village is required to maintain and keep accurate records and accounts for the Sewer System separate and distinct from its other records and accounts. These Sewer System records shall be maintained in accordance with generally accepted government accounting standards and shall be audited annually no later than three (3) months after the close of each fiscal year by an independent certified public accountant.

**Insurance and Fidelity Bonds** - In the bond resolution, the Village is required to maintain full coverage of insurance on the System. The Village is also required to obtain fidelity bonds on all employees in a position of authority or in possession of money derived from the operation of the System.

**Other Requirements** - The bond resolution contains additional covenants regarding utilization of funds, maintenance of the system, and other miscellaneous provisions.

As of and for the year ended June 30, 1996, the Village was in compliance with the Sewer Revenue Bond Resolution Covenants regarding insurance and fidelity bonds and other requirements. However, the Village has not complied with rate covenant in that delinquent penalties are being charged at a flat

Village of Tickler

NOTES TO FINANCIAL STATEMENTS

June 30, 1995

rate of \$2 per sewer customer and interest is not being charged. The loan covenant requires a delinquent charge of ten percent (10%) of the delinquent balance and interest be charged at a rate of six percent (6%) per annum. The Village has not maintained rates and other charges to provide revenues sufficient to pay certain expenditures and obligations as required by bond resolution. Also the financial statements were not audited within three months after the close of the fiscal year (June 30).

**(13) SALES TAX BONDS, SERIES 1995, FLOW OF FUNDS**

The Village through its governing authority, adopted a resolution on November 15, 1995, authorizing the issuance of Sales Tax Bonds, Series 1995 for the purpose of constructing and improving streets within the Village (including overlapping curb streets). Pursuant to a special election held on July 15, 1995, the proceeds of a special 1% sales and use tax have been irrevocably pledged and dedicated to secure the payment of Sales Tax Bonds, Series 1995. In that resolution, certain funds were required to be established for the receipt and disbursement of the proceeds of the 1% sales and use tax.

**Sales Tax Account** - The bond resolution requires that proceeds of this 1% sales and use tax be deposited daily in a separate and special bank account designated as the "1% Street and Drainage Sales Tax Account" (Sales Tax Account). The Village accounts for this bank account in the 1995 Sales Tax Fund which is a special revenue fund. However, the bank account is incorrectly titled "1995 Sales Tax Reserve Fund". The proceeds of the tax deposited into the Sales Tax Account shall be expended in the following priority.

From the Sales Tax Account, the Village shall first pay all reasonable and necessary expenses of collection and administration of tax.

**Sales Tax Bond Sinking Fund (Sinking Fund)** - After payment of all reasonable and necessary expenses of collection and administration of tax, monies from the Sales Tax Account shall be transferred to a special account held by the designated fiscal agent of the Village sufficient in amount to pay promptly and fully the principal of and interest on the bonds as they severally become due and payable.

Monies from the Sales Tax Account shall be transferred into the Sinking Fund monthly in advance on or before the twentieth (20th) day of each month of each year a sum equal to one-sixth (1/6) of the interest due on the next interest payment date and one-twelfth (1/12) of the principal falling due on the next principal payment date.

**Sales Tax Bond Reserve Fund (Reserve Fund)** - From the Sales Tax Account, there shall be transferred to the Sales Tax Bond Reserve Fund upon delivery of bonds from the proceeds thereof, a sum of \$12,000, and monthly in advance on or before the twentieth (20th) day of each month of each year, beginning December 1995, a sum of \$225 per month until a sum equal to the Reserve Fund requirement for all outstanding bonds payable from the Sinking Fund is on deposit in the Reserve Fund.

All monies remaining in the Sales Tax Account on the twentieth (20th) day of each month in excess of all reasonable and necessary expenses of collection and administration of the tax and after making

## Village of Tickfaw

### NOTES TO FINANCIAL STATEMENTS

June 30, 1996

required payments to the Sinking Fund and to the Reserve Fund, shall be considered surplus. Such surplus may be used for any purpose authorized by the tax or for the purpose of raising bonds in advance of their maturity.

#### **(16) SALES TAX BOND, SERIES 1985 RESOLUTION COVENANTS**

The Village through its governing authority, adopted a resolution on November 13, 1985, authorizing the issuance of \$325,000 Sales Tax Bonds, Series 1985, for street improvements and construction. The following describe the covenants made in the bond resolution and how the Village complied with them.

**Legal Right to Levy and Collect Tax** - In providing for the issuance of bonds, the Village does hereby covenant that it has a legal right to levy and collect the 1% sales and use tax and to pledge the tax revenues for payment of bonds.

**Records and Accounts** - As long as bonds are outstanding and unpaid, the Village shall maintain and keep proper books of records and accounts, separate from all other records and accounts in which shall be made full and correct entries of all transactions relating to the collection and expenditure of the tax. These records shall be audited annually no later than three months after the close of each fiscal year by an independent certified public accountant.

**Fidelity Bonds** - The Village is required to obtain a blanket fidelity and faithful performance bond, or independent fidelity bonds written by a responsible indemnity company in amounts adequate to protect the Village from loss.

**Flow of Funds** - The Village is required to monthly transfer amounts to certain funds set up by the bond resolution.

During the year ended June 30, 1996, the Village has complied with the covenants regarding legal right to levy and collect tax and fidelity bonds. The Village has not complied with flow of funds in that the Bond Sinking Fund is underfunded by an amount of \$3,790 and the Bond Reserve Fund is underfunded by an amount of \$1,105. Also, the financial statements were not audited within three months after the close of the fiscal year (June 30th).

#### **(17) RELATED PARTY TRANSACTIONS**

The Village was not involved in any material related party transactions.

#### **(18) LITIGATION AND CLAIMS**

In the opinion of the Village's legal counsel there are no suits (legal actions) pending against the Village of Tickfaw which are not covered by Risk Management (the Village's insurer) and none of the suits are expected to have adverse effects on the financial statements of the Village of Tickfaw.

Village of Tarrytown

NOTES TO FINANCIAL STATEMENTS

June 30, 1996

(19) COMPENSATION PAID MAYOR, CHIEF OF POLICE, AND BOARD OF ALDERMEN

Compensation paid to the Mayor, Chief of Police, and members of the Board of Aldermen for the year ended June 30, 1996:

Sam Pigna, Mayor	\$ 7,800
Janey Sparacello, Chief of Police	15,956

Board of Aldermen

Margaret Muscarello	1,200
Anthony Lanza	1,200
Peter Bonavoglia	<u>1,200</u>
	<u>\$37,356</u>

(20) LEASES

The Village records items under capital leases as assets and obligations in the accompanying financial statements. At June 30, 1996, the Village has one capital lease in effect for equipment (police car). The lease has an original recorded asset amount of \$17,300. Lease obligations are retired from the General Fund. The following is a summary of future minimum lease payments, and the present value of the net minimum lease payments as of June 30, 1996:

Fiscal Year - June 30:	
1997	\$ 7,800
1998	<u>3,838</u>
Total minimum lease payments	<u>11,638</u>
Less - amount representing interest	<u>—(663)</u>
Present value of net minimum lease payments	<u>\$ 10,975</u>

The Council has no material long-term, noncancelable operating lease commitments at June 30, 1996.

## Village of Tickle

### NOTES TO FINANCIAL STATEMENTS

June 30, 1996

#### (21) SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The Village maintains two enterprise funds which provide water and sewer services. Segment information for the year ended June 30, 1996, was as follows:

	Water Fund	Sewer Fund	Total Enterprise Funds
	\$	\$	\$
Operating Revenues	38,733	58,733	97,466
Depreciation and Amortization	20,828	28,291	49,119
Operating (Loss)	(10,962)	(11,829)	(21,891)
Net (Loss)	(10,962)	(28,515)	(39,477)
Current Capital Contributions	-	-	-
Property, Plant, and Equipment Additions	15,836	-	15,836
Net Working Capital	6,364	(10,035)	(3,671)
Total Assets	734,344	1,310,469	2,044,813
Debt Payable from Operating Revenues	-	337,000	337,000
Total Equity	707,325	949,602	1,656,927

#### (22) SUBSEQUENT EVENTS

Subsequent to June 30, 1996, the following events occurred:

##### Street Overlay and Improvement Project

In July 1996 the Village began a street construction project funded by the proceeds of \$225,000 of Series 1995 Sales Tax Bonds.



Village of Tickfaw

NOTES TO FINANCIAL STATEMENTS

June 30, 1996

COFS Universal Hiring Grant

The Tickfaw Police Department was awarded a COFS Universal Hiring Grant on April 1, 1995. The grant is to be used to partially fund the salary of one (1) new police officer. The grant will begin once the Police Department hires the new police officer. As of the date of this report, the new police officer has not been hired and no funds have been received.

(24) ON-BEHALF PAYMENTS MADE BY STATE OF LOUISIANA

For the year ended June 30, 1996, the State of Louisiana made on-behalf payments in the form of supplemental pay to the Village's police chief. In accordance with GASB 24, the Village has recorded \$5,240 of on-behalf payments as revenue and an expense in the General Fund.

(24) CHANGE IN REPORTING OF 1994 SALES TAX FUND

For the year ended June 30, 1996, the Village has changed the reporting of the 1994 Sales Tax Fund from a special revenue fund to be included as part of the general fund. The beginning fund balances on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - All Governmental Fund Types reflect this change as already being made. The beginning fund balance of the 1994 Sales Tax Fund was \$3,095.

(25) RESTATEMENT OF RETAINED EARNINGS

The Village has changed its accounting for depreciation of fixed assets acquired by donation or grant. Previously, all depreciation decreased retained earnings. However, depreciation on assets acquired by donation or grant is now recorded as a reduction of contributed capital. This has resulted in a restatement of retained earnings of \$138,434 in the Water Fund and \$80,698 in the Sewer Fund.

**SUPPLEMENTAL INFORMATION SCHEDULES**

## GENERAL FUND

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The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

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**Village of Tonawanda**  
**General Fund**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET BASIS AND ACTUAL  
Year Ended June 30, 1998**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes -			
Ad valorem	\$ 5,000	\$ 5,371	\$ (291)
Public utilities franchise	8,200	8,980	(250)
Sales tax	44,000	46,240	1,240
Licenses and permits -			
Occupational licenses	37,500	38,032	17,532
Building permits	-	1,808	1,808
Intergovernmental -			
Tobacco taxes	3,100	3,056	444
Beer taxes	1,500	937	(963)
State grant - police	-	393	393
Federal police grant	15,491	18,864	3,373
Village police	3,800	3,752	1,852
Fines	60,000	61,295	1,295
Charges for services -			
Garbage fees	18,000	16,445	(1,555)
On behalf payments by state	-	3,240	3,240
Miscellaneous	6,280	6,585	485
Total revenues	<u>204,491</u>	<u>234,341</u>	<u>28,750</u>
<b>Expenditures</b>			
Current -			
General government	77,250	81,923	(4,673)
Public safety - police	83,991	91,288	(3,297)
Public works - streets	7,000	7,423	173
Public works - sanitation	17,634	17,552	82
Capital outlay	3,000	1,124	1,876
Debt service	6,108	6,072	1
Total expenditures	<u>207,983</u>	<u>205,412</u>	<u>(7,823)</u>
Excess of revenues over expenditures	6,960	28,928	10,908
Fund balance (deficit), beginning	<u>(13,745)</u>	<u>(13,745)</u>	<u>-</u>
Fund balance, ending	<u>\$ 3,135</u>	<u>\$15,083</u>	<u>\$11,948</u>

**Village of Tickler**  
**General Fund**

**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)**  
**Year Ended June 30, 1988**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>General Government</b>			
Salaries - Mayor and Aldermen	\$11,400	\$11,400	\$ -
Salaries - Clerical	20,400	19,653	747
Payroll taxes and employee benefits	3,600	3,044	556
Agency	3,600	2,850	750
Accounting and audit	8,000	14,308	(6,308)
Insurance	9,000	10,400	(1,400)
Office expense	3,000	3,428	(428)
Official journal	1,200	1,405	205
Telephone and utilities	6,000	9,220	(3,220)
Repairs and maintenance	1,000	540	460
Data	300	687	387
Contract	300	300	0
Assessor	350	343	7
Convention expense	500	500	-
Outside services	1,800	2,342	(542)
Miscellaneous	6,300	1,804	4,496
<b>Total General Government</b>	<b>\$72,250</b>	<b>\$81,923</b>	<b>\$9,673</b>
<b>Public Safety - Police</b>			
Salaries	\$29,620	\$46,620	(\$17,000)
Payroll taxes/benefits	5,850	6,413	(563)
Auto fuel	4,300	4,982	(682)
Law enforcement fees	3,600	3,989	(389)
Insurance	10,000	13,345	(3,345)
Repairs and maintenance	3,500	2,207	1,293
Printer expense	800	84	716
Office expense	1,500	3,121	(1,621)
Convention	500	692	(192)
COPE Fund Expenditures	13,490	8,052	5,438
Miscellaneous	600	1,823	(1,223)
<b>Total Public Safety - Police</b>	<b>\$83,260</b>	<b>\$91,268</b>	<b>\$8,008</b>

(Continued)

Village of Tisklow  
General Fund

**SCHEDULE OF EXPENDITURES COMPARED  
TO BUDGET (GAAP BASIS)**  
Year Ended June 30, 1996

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Public Works - Streets</b>			
Street and traffic lights	\$ 2,600	\$ 2,482	\$ 118
Total Public Works - Streets	\$ 2,600	\$ 2,482	\$ 118
<b>Public Works - Sanitation</b>			
Contract garbage collection	\$12,629	\$12,582	\$ 48
Total Public Works - Sanitation	\$12,629	\$12,582	\$ 48
<b>Capital Outlay</b>			
Public safety - Police	\$ 2,000	\$ 1,124	\$ 876
General government	1,000	—	1,000
Total Capital Outlay	\$ 3,000	\$ 1,124	\$ 1,876
<b>Debt Service</b>			
Public safety - Police	\$ 6,100	\$ 6,089	\$ 11
Total Debt Service	\$ 6,100	\$ 6,089	\$ 11

(Continued)

### SPECIAL REVENUE FUNDS

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*1993 Sales Tax Fund* - To account for the receipt and use of a one percent (1%) sales and use tax levied by the Village of Tickfree upon the sale at retail, for use, the lease or rental, the consumption and storage for use or consumption of tangible personal property, and on sales and services as defined by law. The tax is levied through December 31, 2017 for the purpose of constructing, improving, and maintaining streets and drainage facilities, and to fund bonds for constructing and improving Village streets.

*Fire Protection Millage Fund* - To account for the receipt and use of proceeds of the Village's non mill property tax passed by the citizens on November 3, 1988. Revenues derived from this special tax mill and valuer's tax is dedicated to providing fire protection services for the residents of the Village. The tax is for a period of ten years beginning in 1989.

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Village of Ticklen  
Special Revenue Funds

COMBINING BALANCE SHEET  
June 30, 1996

	1995 Sales Tax	Fire Protection	Total
<b>ASSETS</b>			
Cash	\$44,680	\$5,026	\$49,706
Sales tax receivable	7,886	-	7,886
Ad valorem tax receivable	-	259	259
Total Assets	\$52,566	\$5,285	\$57,851
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 8,045	\$1,531	\$ 9,576
Due to other funds	14,904	-	14,904
Total Liabilities	22,949	1,531	24,480
<b>Fund Balances</b>			
<b>Unreserved</b>			
- undesignated	29,537	3,754	33,291
Total Liabilities and Fund Balances	\$52,486	\$5,285	\$57,771



Village of Tickton  
Special Revenue Fund

**COMBINED SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES**  
Year Ended June 30, 1996

	1995 Sales Tax	Fire Protection	Totals
<b>Revenues</b>			
Taxes	\$46,340	\$ 6,885	\$53,225
Interest	600	285	1,005
Miscellaneous	—	20	20
Total Revenues	<u>\$46,940</u>	<u>7,200</u>	<u>\$54,140</u>
<b>Expenditures</b>			
General government	2,369	701	3,070
Public safety - fire protection	-	4,323	4,323
Public works - streets	30,322	-	30,322
Capital outlay	-	13,030	13,030
Total Expenditures	<u>\$32,691</u>	<u>\$17,054</u>	<u>\$49,745</u>
Excess (deficiency) of revenues over expenditures	14,249	(12,754)	1,495
<b>Other Financing (Uses)</b>			
Operating transfers out	(12,640)	-	(12,640)
Excess (deficiency) of revenues over expenditures and other financing uses	1,118	(12,754)	(11,636)
Fund balances, beginning	28,429	34,530	62,959
Fund balances, ending	<u>\$29,547</u>	<u>\$21,776</u>	<u>\$51,323</u>

Village of Ticklen  
 Special Revenue Fund  
 1999 Sales Tax Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
 Year Ended June 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	44,000	46,240	\$ 2,240
Miscellaneous	-	610	610
Total revenues	<u>44,000</u>	<u>46,850</u>	<u>2,850</u>
<b>Expenditures</b>			
General Government	1,300	2,769	(1,469)
Public works:			
Street repairs	<u>28,990</u>	<u>30,321</u>	<u>(1,331)</u>
Total expenditures	<u>30,290</u>	<u>33,090</u>	<u>(2,801)</u>
Excess of revenues over expenditures	<u>13,710</u>	<u>13,760</u>	<u>50</u>
<b>Other Financing (Uses)</b>			
Operating transfers to:			
General Fund	<u>(13,710)</u>	<u>(13,640)</u>	<u>70</u>
Total other uses	<u>(13,710)</u>	<u>(13,640)</u>	<u>70</u>
Excess of revenues over expenditures and other financing uses	-	1,118	1,118
Fund balance, beginning	<u>28,418</u>	<u>28,418</u>	-
Fund balance, ending	<u>\$28,418</u>	<u>\$29,536</u>	<u>\$1,118</u>

Village of Ticklen  
Special Revenue Fund  
Fire Protection Fund

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
Year Ended June 30, 2009**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$ 6,400	\$ 6,385	\$ 485
Interest	300	385	95
Miscellaneous revenues	-	20	20
<b>Total Revenues</b>	<u>6,700</u>	<u>7,380</u>	<u>600</u>
<b>Expenditures</b>			
General Governmental -			
Accounting and auditing	500	301	(300)
Public safety -			
Fire protection	4,280	4,325	(125)
Capital outlay	-	15,036	(15,036)
<b>Total expenditures</b>	<u>4,780</u>	<u>20,016</u>	<u>(15,356)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>2,000</b>	<b>(12,736)</b>	<b>(14,736)</b>
<b>Fund balance, beginning</b>	<u>14,510</u>	<u>14,510</u>	<u>-</u>
<b>Fund balance, ending</b>	<u>\$16,510</u>	<u>\$1,774</u>	<u>\$14,736</u>

## ENTERPRISE FUNDS

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**Water and Sewer Enterprise Funds** - 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.

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Waters of Telford  
Electric Fund

COMBINED BALANCE SHEET  
June 30, 1998

	Water Fund	Sewer Fund	Totals
<b>ASSETS</b>			
Current assets:			
Cash	\$ 20,976	\$ 300	\$ 20,976
Receivables, net of allowance for uncollectibles	4,779	3,884	8,664
Due from other funds	<u>569</u>	<u>5,380</u>	<u>5,949</u>
Total current assets	<u>26,324</u>	<u>9,524</u>	<u>35,848</u>
Restricted assets:			
Cash - Bond requirements	-	13,514	13,514
Cash - Customer deposits	7,437	-	7,437
Cash - Bond development grant	<u>1</u>	<u>-</u>	<u>1</u>
Total restricted assets	<u>7,438</u>	<u>13,514</u>	<u>20,952</u>
Property, plant, and equipment, net of accumulated depreciation	<u>200,860</u>	<u>1,279,250</u>	<u>1,480,110</u>
Other assets:			
Deferred charges, net of accumulated amortization	<u>-</u>	<u>8,201</u>	<u>8,201</u>
<b>TOTAL ASSETS</b>	<b><u>\$74,344</u></b>	<b><u>\$1,510,499</u></b>	<b><u>\$7,044,811</u></b>

(Continued)

Village of Ticklen  
Enterprise Funds

**COMBINING BALANCE SHEET**  
June 30, 1996

	Water Fund	Sewer Fund	Total
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities:</b>			
<b>Current liabilities (payable from current assets):</b>			
Cash overdraft	\$ -	\$ 3,438	\$ 3,438
Accounts payable	10,669	13,961	24,630
Due to other funds	9,213	2,182	11,405
<b>Total current liabilities (payable from current assets)</b>	<b>19,882</b>	<b>18,581</b>	<b>38,463</b>
<b>Current liabilities (payable from restricted assets):</b>			
Customer deposits payable	7,403	-	7,403
Accrued bond interest payable	-	1,174	1,174
Revenue bonds payable	-	3,107	3,107
<b>Total current liabilities (payable from restricted assets)</b>	<b>7,403</b>	<b>4,281</b>	<b>11,684</b>
<b>Long-term liabilities:</b>			
Revenue bonds payable	-	333,003	333,003
<b>Total liabilities</b>	<b>27,285</b>	<b>369,862</b>	<b>397,147</b>
<b>Fund Equity:</b>			
Contributed capital	689,129	984,964	1,674,093
<b>Retained earnings (deficit):</b>			
Reserved for bond retirement	-	9,233	9,233
Unreserved	18,126	(44,385)	(26,259)
<b>Total Fund Equity</b>	<b>707,255</b>	<b>949,602</b>	<b>1,656,857</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$754,540</b>	<b>\$1,319,464</b>	<b>\$2,074,003</b>

(Continued)

Village of Dickler  
 Empire Park

COMBINED SCHEDULE OF REVENUES, EXPENSES, AND  
 CHANGES IN RETAINED EARNINGS  
 For the Year Ended June 30, 2020

	Water Fund	Sewer Fund	Total
<b>Operating Revenues</b>			
Charges for services	\$ 25,558	\$ 56,371	\$ 81,929
Other charges	3,839	1,130	4,969
Miscellaneous	280	1,252	1,532
Total operating revenues	<u>29,737</u>	<u>58,753</u>	<u>88,490</u>
<b>Operating Expenses</b>			
Salaries	6,891	4,889	11,780
Payroll contributions	568	587	1,155
Repairs	3,336	16,263	19,599
Supplies	3,847	673	4,520
Utilities and telephone	3,787	8,683	12,470
Vehicle fuel and repairs	862	-	862
Office supplies	1,729	127	1,856
Insurance	1,876	539	2,415
Depreciation	28,088	28,368	56,456
Amortization	-	232	232
Litigation and sewer analysis	190	3,863	4,053
Accounting and auditing	3,184	3,788	6,972
Miscellaneous	932	364	1,296
Total operating expenses	<u>69,883</u>	<u>69,738</u>	<u>139,621</u>
Operating Income (Loss)	(40,146)	(11,985)	(52,131)
<b>Nonoperating Revenues (Expenses)</b>			
Interest income	-	440	440
Interest expense	-	(17,490)	(17,490)
Total nonoperating revenues (expenses)	<u>-</u>	<u>(17,050)</u>	<u>(17,050)</u>
Net (Loss)	(40,146)	(29,215)	(69,361)
Add depreciation on fixed assets acquired by donations that reduce contributed capital	29,858	20,362	50,220
Increase (decrease) in retained earnings	11,336	(7,853)	3,483
Retained earnings (deficit) at beginning of year	(155,944)	(688,807)	(844,751)
Restatement of retained earnings due to change in accounting for depreciation on assets provided by contributed capital	155,414	80,698	236,112
Retained earnings (deficit) at beginning of year, restated	11,336	(117,809)	(106,473)
Retained earnings (deficit) at end of year	<u>\$ 11,336</u>	<u>\$ (125,662)</u>	<u>\$ (114,326)</u>

Village of Tickle  
 Enterprise Funds

**COMBINING SCHEDULE OF CASH FLOWS**  
 For Year Ended June 30, 1996

	Water Fund	Sewer Fund	Total
<b>Cash flows from operating activities:</b>			
Operating income (loss)	\$20,962	\$11,815	\$32,777
Adjustments to reconcile operating loss to net cash provided by operating activities:			
Depreciation	20,088	28,709	48,797
Amortization	-	222	222
(Increase) decrease in accounts receivable	(1,762)	730	(1,032)
(Increase) decrease in amounts due from other funds	(100)	44,141	43,041
Increase in accounts payable	5,091	7,341	12,432
Increase in amounts due to other funds	4,579	880	5,459
Increase in customer deposits	315	-	315
Total adjustments	<u>38,113</u>	<u>72,381</u>	<u>110,494</u>
<b>Net cash provided by operating activities</b>	<u>59,075</u>	<u>84,196</u>	<u>143,271</u>
<b>Cash flows from capital and related financing activities:</b>			
Construction of capital assets	(15,831)	-	(15,831)
Principal repayments	-	(2,945)	(2,945)
Interest paid	-	(17,948)	(17,948)
<b>Net cash used for capital and related financing activities</b>	<u>(15,831)</u>	<u>(20,893)</u>	<u>(36,724)</u>
<b>Cash flows from investing activities:</b>			
Interest income	-	440	440
<b>Net cash provided by investing activities</b>	<u>-</u>	<u>440</u>	<u>440</u>
<b>Net increase cash</b>	43,244	63,743	106,987
<b>Cash at beginning of year</b>	<u>24,185</u>	<u>8,477</u>	<u>32,662</u>
<b>Cash at end of year</b>	<u>\$ 67,429</u>	<u>\$ 72,220</u>	<u>\$ 139,649</u>



**OTHER INDEPENDENT AUDITOR'S REPORTS  
AND  
FINDINGS AND RECOMMENDATIONS**

**L E E GRAY**  
COSTA FIELD PUBLIC ACCOUNTANT  
ONE UNIVERSITY BLVD.  
SUITE 200, SUITE 200  
MORNING, LOUISIANA 70458

MEMBER  
OFFICIAL REGISTERED BY STATE  
BOARD OF PROFESSIONAL ACCOUNTANTS

STATE OF LOUISIANA  
REGISTERED ACCOUNTANT

**INDEPENDENT AUDITOR'S REPORT ON  
INTERNAL CONTROL BASED ON AN AUDIT OF THE  
GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH COMMERCE AUDITING STANDARDS**

The Honorable Sam J. Pique, Mayor,  
and Members of the Board of Aldermen  
Village of Tickfaw  
Tickfaw, Louisiana

I have audited the general purpose financial statements of the Village of Tickfaw, Tickfaw, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated August 12, 1996.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The Mayor and Board of Aldermen of the Village of Tickfaw, Tickfaw, Louisiana, are responsible for establishing and maintaining internal controls. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal controls 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 controls, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the controls 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 my audit of the general purpose financial statements of the Village of Tickfaw for the year ended June 30, 1996, I obtained an understanding of the internal controls. With respect to the internal controls, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal controls. Accordingly, I do not express such an opinion.

I noted certain matters contained in Exhibit A involving the internal controls and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant

Village of Tickfaw - Page 2  
Internal Control Report

deficiencies in the design or operation of the internal controls that, in my judgement, 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.

My consideration of the internal controls would not necessarily disclose all matters that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control 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. However, the matter described in Exhibit A (3.) involving the internal controls and its operation is considered to be a material weakness as defined above.

I noted certain other matters involving the internal controls and its operation that I have reported to the Mayor and Board of Aldermen of the Village of Tickfaw, Tickfaw, Louisiana, in a separate letter dated August 12, 1996.

In the auditor's report for the year ended June 30, 1995, I reported, as material weaknesses:

- 1) General fund deficit
- 2) Enterprise fund deficits
- 3) Failure to comply with Local Government Budget Act
- 4) Lack of control over receipts
- 5) Control over utility billings and collections
- 6) Occupational and insurance taxes
- 7) Lack of control over disbursements

All of the above material weaknesses have been resolved by management except for (3) which has been included as a compliance finding. (See Exhibit B).

This report is intended for the information of the mayor, board of aldermen, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

  
Certified Public Accountant

August 12, 1996

Village of Tickfaw

Reportable Condition in  
the Internal Controls  
For the Year Ended June 30, 1996

FINDINGS AND RECOMMENDATIONS

1. INADEQUATE SEGREGATION OF DUTIES

The limited size of the Village precludes an adequate segregation of duties and other features of an adequate system of internal control.

RECOMMENDATION

It would not be cost beneficial for the Village to employ such controls.

2. CONTROL OVER DISBURSEMENTS

During the year ended June 30, 1996, the Village paid numerous obligations from the monthly statement and not from the original invoice. This problem arose, in part, due to the fact that many obligations are being paid past the due date.

RECOMMENDATION

The Village should pay all obligations from the original invoice to ensure that expenditures are correct and authorized.

MANAGEMENT'S RESPONSE

We will pay all obligations from the original invoice to ensure that expenditures are correct and authorized in the future.

L. E. DUBAY  
Certified Public Accountant  
505 Louisiana Street  
P. O. Box 688  
Metairie, Louisiana 70005

MEMORANDUM  
AMERICAN INSTITUTE OF CPAS  
BOARD OF CERTIFICATION

FORM NO. 100 (REVISED)  
FEBRUARY 1982

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
BASED ON AN AUDIT OF THE GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS**

The Honorable Sam J. Figue, Mayor,  
and Members of the Board of Aldermen  
Village of Tickfaw  
Tickfaw, Louisiana

I have audited the general purpose financial statements of the Village of Tickfaw, Tickfaw, Louisiana, in and for the year ended June 30, 1986, and have issued my report thereon dated August 12, 1986.

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

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

The results of my tests disclosed instances of noncompliance as shown in Exhibit B that are required to be reported herein under Government Auditing Standards for which the ultimate resolution cannot presently be determined. Accordingly, no provision for any liability that may result has been recognized in the Village of Tickfaw, Tickfaw, Louisiana's general purpose financial statements. Management's responses to the findings and recommendations presented in this report are also included in Exhibit B.

I considered these instances of noncompliance in forming my opinion on whether the Village of Tickfaw, Tickfaw, Louisiana's general purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect my report dated August 12, 1986, on these general purpose financial statements.

I also noted certain immaterial instances of noncompliance that I have reported to the management of the Village of Tickfaw, Tickfaw, Louisiana, in a separate letter dated August 12, 1986.

Village of Thibodaux  
Compliance Report - Page 3

In the auditor's report for the year ended June 30, 1995, I reported, as material instances of noncompliance:

- 1) Failure to adopt the Louisiana Compliance Questionnaire
- 2) Failure to retain public records
- 3) Ad valorem taxes
- 4) Audit completion
- 5) Other noncompliance findings

All of the above findings have been corrected by management.

This report is intended for the information of the Mayor, Board of Aldermen, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report which is a matter of public record.

  
Certified Public Accountant

August 12, 1996

## Village of Tickler

### Noncompliance with Laws and Regulations For the Year Ended June 30, 1996

#### ISSUES AND RECOMMENDATIONS

##### 1. PUBLIC BID LAW

The Village contracted for construction of improvements to the Village's water lines. The Village did not solicit five written quotes as required by Louisiana Revised Statute 38:2212 for construction projects costing between \$10,000 and \$50,000. The Village had only solicited three quotes.

##### RECOMMENDATION

The Village should comply fully with all provisions of the Public Bid Law in all future construction contracts.

##### MANAGEMENT'S RESPONSE

In the future we will solicit five written quotes for construction projects costing between \$10,000 and \$50,000.

##### 2. FAILURE TO COMPLY WITH LOCAL GOVERNMENT BUDGET ACT

The Village did not comply with certain budget requirements set forth in LSA R.S. 39:1301-1314 (Louisiana Local Government Budget Act). The Act contains various budget requirements for the general fund and special revenue funds for political subdivisions of the state. During my audit, I found that the Village had not properly complied with the requirements of the act as follows:

- a. **Budget Preparation** - The budget for the current fiscal year was adopted by motion and did not include a budget message or proposed budget adoption instrument that specified the Mayor's authority to make budgetary amendments without approval of the Board of Aldermen.
- b. **Budget Inspection** - The budget notice did not include information regarding availability of budget for public inspection as required by the act.
- c. **Publication** - The act requires that notice be published in the official journal fifteen days prior to the budget hearing. The Village published the notice only four days prior to budget hearing.
- d. **Budget Variance** - The act requires that, during the year, the Mayor notify the Board of Aldermen in writing, when (a) actual revenue and other sources plus projected revenues and other sources for the year fail to meet budgeted revenues and other sources by five percent or more; (b) actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year exceed budgeted expenditures and other uses by five percent or more; or (c) the actual beginning fund balance fails to meet estimated beginning fund balance by five percent or more. For the year ended June 30, 1996, the Mayor did not notify the Board of Aldermen, in writing, of the following

## Village of Oakton

### FINDINGS AND RECOMMENDATIONS

#### Noncompliance with Laws and Regulations

Item No. 1088

##### Budget variance:

- The actual expenditures and other uses of the Fire Protection Special Revenue Fund (\$30,058) exceed the budgeted expenditures and other uses (\$4,700) by 426%.

These deficiencies, in addition to placing the Village in noncompliance with the Local Government Budget Act, reduce the effectiveness of the Village's budgetary controls over revenues and expenditures, restrict public participation in the budgetary process, and resulted in an incomplete budget document.

### RECOMMENDATION

I recommend that the Village maintain public records as follows:

- a. The Mayor should prepare a proposed budget that includes a budget message and submit to the Board of Aldermen at least 15 days before the beginning of the budget year.
- b. The budget should be made available for public inspection by publishing in the official journal at least 15 days before the beginning of the budget year.
- c. The Village should publish a notice certifying that all actions required by the Local Government Budget Act have been completed.
- d. During the year, the Mayor should notify the Board of Aldermen, in writing, when any of the following occurs:
  - Actual revenues and other sources plus projected revenues and other sources for the year fail to meet budgeted revenues and other sources by five percent or more.
  - Actual expenditures and other uses plus (projected) expenditures and other uses for the remainder of the year exceed budgeted expenditures and other uses by five percent or more.
  - Actual beginning fund balance falls to meet estimated beginning fund balance by five percent or more.

### MANAGEMENT'S RESPONSE

We fully intend to comply with local government budget act.



## Village of Tickfaw

### FINDINGS AND RECOMMENDATIONS

#### Noncompliance with Laws and Regulations

June 30, 1996

### **3. MINUTES AND ORDINANCES OF THE BOARD OF ALDERMEN**

L.S.A.-R.S. 33:405-6 and 40:143 and 144 require the Village publish minutes of the Board of Aldermen within ten days after the meeting and that the Village publish ordinances within twenty days after adoption. During the year ended June 30, 1996, the Village did not publish minutes and ordinances with the prescribed time as noted above. Also several of the ordinances and most of the minutes are not being signed and dated by Village officials as required.

#### RECOMMENDATION

The Village should comply with L.S.A.-R.S. 33:405-6 and 40:63 and 144 by publishing minutes within ten days after meeting and by publishing ordinances within twenty days after adoption. The Village should also have required Village officials sign and date ordinances upon adoption and minutes upon acceptance.

#### MANAGEMENT'S RESPONSE

We will adhere to the auditor's recommendations.

### **4. TIMELINESS OF LAW ENFORCEMENT FEES**

State statute requires payment of law enforcement fees to various funds operated by state and local governments. During the year ended June 30, 1996, I found that the Village had not remitted \$5 per offense, when collected, to the Juvenile Detention Center Operations Fund. The Village also did not remit \$5 per each speeding and reckless operation offense to the Louisiana Traumatic Head Spinal Cord Injury Trust Fund.

#### RECOMMENDATION

The Village should remit all fees relating to fines and forfeitures as required by state statute.

#### MANAGEMENT'S RESPONSE

We will remit all fees relating to fines and forfeitures as required by state statute.

### **5. FLEDGED COLLATERAL SECURITY AGREEMENT**

Both state and federal law require that bank deposits of a governmental entity in excess of FDIC insurance shall be secured by collateral in the form of securities pledged by the bank. Under federal law, for this pledge of securities by the bank to be binding, the bank and the governmental entity must execute a written security agreement. During the year ended June 30, 1996, the Village and its bank had not executed such an agreement.

## Village of Tickler

### FINANCE AND RECOMMENDATIONS

#### Noncompliance with Laws and Regulations

June 30, 1996

### RECOMMENDATIONS

The Village should execute a written security agreement with its bank as soon as possible.

### MANAGEMENT'S RESPONSE

The Village has complied with this requirement by executing a written security agreement with its bank on August 14, 1996.

### 6. SEWER BOND COVENANT VIOLATIONS

During the year ended June 30, 1996, the Village did not comply with certain covenants of the bond resolution as follows:

- Rate Covenant** - The Village has not maintained rates and other charges to provide revenues sufficient to pay certain expenses and obligations as required by bond resolutions.
- Penalties and Interest** - The bond resolution requires penalties to be assessed at 10% of delinquent balance due for sewer services and interest to be charged at 6% per annum. The Village charges a flat rate of \$2 and does not charge interest.
- Audit Requirements** - The financial statements of the Village were not audited within three months after the close of the fiscal year (June 30th).

### RECOMMENDATION

I recommend that the Village take the necessary steps to adhere to the various covenants agreed to in the bond resolution.

### MANAGEMENT'S RESPONSE

The Village will take the necessary steps to adhere to the various covenants as agreed upon in the bond resolution.

### 7. SALES TAX, SERIES 1996 RESOLUTION COVENANTS

The Village did not comply with certain requirements of the bond resolution as follows:

- Flow of Funds** - The Village is required to maintain and make monthly payments to a Bond Sinking Fund and a Bond Reserve Fund. As June 30, 1996, the Village had underfunded the Bond Sinking Fund by an amount of \$2,782 and had underfunded the Bond Reserve Fund by an amount of \$1,127. The underfunding of these funds is due to the Village being behind on payments and several

Village of Taffee

FININGS AND RECOMMENDATIONS

Noncompliance with Laws and Regulations

June 30, 1998

payments being deposited in an incorrect bank account.

- b. Audit Requirement - The financial statements of the Village were not audited within three months after the close of the fiscal year (June 30th).

RECOMMENDATION

I recommend that the Village take the necessary steps to adhere to the various covenants agreed to in the bond resolution. Also, the Village should, as soon as possible, fund the Bond Sinking and Bond Reserve Funds.

MANAGEMENT'S RESPONSE

The Village will take the necessary steps to adhere to the various covenants as agreed upon in the bond resolution and to further prevent the underfunding of the Bond Sinking Fund.