

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF EASTOR, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
As of and for the year ended December 31, 1995

revenues by five per cent or more, or when actual expenditures or expenses plus projected expenditures or expenses to year end exceeded budgeted expenditures or expenses by five per cent or more the budget is amended.

L. LONG-TERM LIABILITIES

Long-Term debt of the General Fund is recognized in the General Long-Term Debt Account Group.

Long-Term debt of the Enterprise Fund is recognized within the Enterprise Fund.

M. PROPERTY TAXES

The Village levies taxes on real and business personal property located within its boundaries. Property taxes are levied by the Village on property values assessed by the Bienville Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

For the year ended December 31, 1995, 3 mills were levied on property for the payment of general obligation bonds.

Village property tax revenues are recognized when levied and are recorded as current receivables.

The property tax calendar is as follows:

| | |
|------------------------------------|-------------------|
| Assessment Date..... | January 1, 1995 |
| Levy Date..... | June 1, 1995 |
| Tax bills mailed..... | November 15, 1995 |
| Total Taxes are Due..... | December 31, 1995 |
| Penalties and interest are added.. | January 1, 1996 |
| Lien date..... | No set policy |
| Tax sale..... | No set policy |

Property taxes levied for the current year are recognized as revenues, even though a portion is collectible in the period subsequent to the levy year.

VILLAGE OF CANTON, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 As of and for the year ended December 31, 1993

Assessed values are established by the Blainville Parish Tax Assessor each year on a uniform basis at the following per cent of fair market value:

| | |
|--------------------------------------|-----|
| Land..... | 10% |
| Residential..... | 10% |
| Industrial..... | 15% |
| Machinery..... | 15% |
| Commercial..... | 15% |
| Public Service (excluding land)..... | 15% |

A revaluation of all property is required to be completed no less than every four years. A revaluation was completed for the tax roll of January 1, 1994.

H. BAD DEBTS

Uncollectible amounts are charged against earnings at the time information becomes available which indicated the particular account is uncollectible. Although this method does not conform to generally accepted accounting principles, the amounts charged do not materially differ from those determined under generally accepted accounting principles.

G. TOTAL COLLAS (MEMORANDUM ONLY)

The total collas on the combined balance sheet - all fund types is captioned memorandum only to indicate that they are presented only to facilitate financial analysis. Interfund eliminations have not been made in the aggregation of this data; and it is, therefore, not comparable to a consolidation.

F. INTERFUND TRANSACTIONS

The Village has several types of transactions that are reported in the financial statements as interfund items. Interfund transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund, are recorded as expenditures or expenses in the reimbursing fund and as a reduction of the expenditures or expenses in the fund that is being reimbursed. Nonrecurring or nonroutine transfers of equity between funds are treated as residual equity transfers and are reported as additions to, or deductions from, fund balances. All other transfers are

VILLAGE OF CARBON, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 As of and for the year ended December 31, 1995

treated as operating transfers and are included in the results of operations of governmental funds. As of the end of the year interfund transactions resulted in the General Fund owing the Enterprise Fund \$1,970.82.

Q. EQUITY AND OTHER CREDITS

Contributed Capital - Grants, entitlement, or shared revenues received that are restricted for the acquisition or construction of capital assets are recorded as contributed capital. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired for such contributions.

2. CASH AND CASH EQUIVALENTS

At December 31, 1995, the Village has cash and cash equivalents (book balances) totaling \$43,392.33 as follows:

| | General Fund | Enterprise Fund |
|------------------------|--------------|-----------------|
| | ----- | ----- |
| General Fund Operating | \$ 28,722.37 | \$ |
| F petty Cash | 26.50 | |
| Property Tax Savings | 4,128.13 | |
| sewer Revenue Account | | 9,890.84 |
| Water Revenue Account | | 634.82 |
| Total | \$ 32,875.68 | \$ 10,524.86 |
| | ----- | ----- |

3. INVESTMENTS

At December 31, 1995, the Village has investments totaling \$43,392.33, and are as follows:

Certificates of deposit at Bank of Biogolda, LA - \$43,392.33

The certificates of deposit have maturities of more than 90 days.

VILLAGE OF CASTON, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 As of and for the year ended December 31, 1995

4. RESTRICTED ASSETS

The Enterprise Fund has restricted assets as follows:

Reveres Bond Covenant-

| | |
|--|------------|
| Sewer Revenue Bond & Int. Sinking Fund Account | \$2,151.00 |
| Sewer Reserve Fund Account | 3,466.00 |
| Sewer Depreciation & Contingency Fund Account | 3,962.35 |
| Total | \$9,579.35 |

Water and Sewer Customer Deposits-

| | |
|------------------------|------------|
| Sewer Revenue Account | \$2,537.01 |
| Certificate of deposit | 4,988.00 |
| Total | \$7,525.01 |

5. INSURANCE OF BANK BALANCES

At December 31, 1995, the Village had total cash and cash equivalents, investments, and restricted cash of \$98,397.59. All funds were covered by federal depository insurance (FDIC).

6. PROPERTY, PLANT AND EQUIPMENT

A summary of changes in general fixed assets is as follows:

| Item | Balance December 31, 1994 | Additions | Deletions | Balance December 31, 1995 |
|-----------------------------|------------------------------|--------------|-----------|------------------------------|
| Buildings | \$ 5,489.00 | \$ 4,851.00 | | \$ 10,340.00 |
| Vehicles & Equipment | 3,448.00 | 23,903.81 | | 27,351.81 |
| Office Furn. & Equipment | 994.00 | 1,824.89 | | 2,818.89 |
| Total | \$ 9,931.00 | \$ 29,579.70 | \$ | \$ 39,510.70 |

VILLAGE OF EASTON, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 As of and for the year ended December 31, 1995

Property, Plant and Equipment recorded in the Village's Enterprise Fund at December 31, 1995 are:

| | Water System | Sewer System | Totals |
|--------------------------------|---------------|---------------|---------------|
| Carrying value | \$ 499,378.33 | \$ 434,220.00 | \$ 933,598.33 |
| Less Accumulated Depreciation | 57,293.73 | 188,800.00 | 246,093.73 |
| Net investment in Fixed Assets | \$ 442,084.60 | \$ 245,420.00 | \$ 687,504.60 |

The Water system and sewer system are depreciated on a straight-line basis over their estimated useful life of 30-40 years.

7. LONG-TERM LIABILITIES

General Long-Term Debt

General Obligation Bonds of the Village, \$22,000, 5% serial bonds on July 15, 1985. Annual principal and interest payments are due through July 15, 2023. The principal balance at December 31, 1995 is \$17,800.

General Obligation Bonds of the Sewer District No. 1, 22,000, 5% serial bonds on July 15, 1985. Annual principal and interest payments are due through July 15, 2023. The principal balance at December 31, 1995 is \$17,000.

During 1995, interest of \$1,700.00 was charged on the above General Obligation Bonds. The annual principal requirements for the next five years are as follows:

| | |
|--------------------|-------------|
| July 15, 1996 | \$1,000.00 |
| July 15, 1997 | 1,000.00 |
| July 15, 1998 | 1,000.00 |
| July 15, 1999 | 1,000.00 |
| July 15, 2000 | 1,000.00 |
| | ----- |
| Total | 5,000.00 |
| July 15, 2001-2023 | 29,000.00 |
| | ----- |
| Total | \$34,000.00 |
| | ----- |

VILLAGE OF CANTON, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 As of and for the year ended December 31, 1995

Revenue Bonds

The revenue bonds are accounted for in the Enterprise Fund and consists of the revenue bonds of the Village of Canton, LA - \$70,000.00, 14 serial bonds on July 15, 1985. Annual principal and interest payments are due through July 15, 2023. The principal balance at December 31, 1995 is \$60,000.00. During 1995, interest of \$3,810.00 was charged on the revenue bonds. The annual principal requirements for the next five years are as follows:

| | |
|--------------------|-------------|
| July 15, 1996 | \$ 1,800.00 |
| July 15, 1997 | 1,800.00 |
| July 15, 1998 | 1,800.00 |
| July 15, 1999 | 1,800.00 |
| July 15, 2000 | 1,800.00 |
| | ----- |
| Total | 9,000.00 |
| July 15, 2001-2023 | 50,000.00 |
| | ----- |
| Total | \$60,000.00 |
| | ----- |

8. FUND DEFICIT

At December 31, 1995, the unreserved retained earnings deficit of the Enterprise Fund totals \$ 41,593.80. Management plans to make necessary operating transfers over the next four years to reduce or eliminate the deficit balance in retained earnings.

9. COMPENSATION PAID MAYOR AND BOARD OF ALDERMEN

During 1995 the following amounts were paid or reimbursed to the Mayor and Board of Aldermen:

| | |
|---|------------|
| Leve N. Freeman - Mayor's salary | \$2,220.00 |
| Leve N. Freeman - Travel reimbursements | 690.00 |
| Total to Mayor | \$2,910.00 |
| | ----- |
| Aldermen- | |
| C. F. Hogan | 300.00 |
| Charles Harper | 300.00 |
| Jimmy Jeter | 300.00 |
| | ----- |
| Total to Aldermen | 900.00 |
| | ----- |
| Total | \$3,810.00 |
| | ----- |

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1991-1992

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

To the Mayor and Board of Aldermen
Village of Castor
Castor, Louisiana

I have audited the general purpose financial statements of the Village of Castor, Louisiana, as of and for the year ended December 31, 1991, and have issued my report thereon dated September 24, 1992.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; the provisions of Office of Management and Budget Circular A-129, Audits of State and Local Governments; and the Louisiana Governmental Audit Guide. Those standards, OMB Circular A-129, and audit guide 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 management of the Village of Castor, Castor, 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 my audit of the general purpose financial statements of the Village of Castor, Castor, Louisiana, for the year ended December 31, 1993, I obtained an understanding of the internal control structure. With respect to the internal control structure, 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 control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure 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 structure elements does not reduce to a relatively low level of risk that errors and 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. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of management, and the Legislative Auditor. However, this report in a matter of public record and its distribution is not limited.



Ringsold, Louisiana
September 25, 1994

| Proprietary Fund Type | Account Groups | | Totals (Memorandum Only) |
|--------------------------|-------------------------|----------------------------|-----------------------------|
| | General Fixed Assets | General Long- Term Debt | |
| Enterprise | | | |
| \$ 1,000.11 | \$ | \$ | \$ 2,509.88 |
| | | | 339.16 |
| 6,537.01 | | | 6,537.01 |
| 1,500.00 | | | 1,500.00 |
| 1,000.00 | | | 1,000.00 |
| | | | 1,972.92 |
| 59,000.00 | | | 59,000.00 |
| | | 34,000.00 | 34,000.00 |
| 63,043.12 | - | 34,000.00 | 108,043.12 |
| 65,324.00 | | | 65,324.00 |
| 696,221.68 | | | 696,221.68 |
| | 42,106.80 | | 42,106.80 |
| 4,977.43 | | | 4,977.43 |
| (61,593.80) | | | (61,593.80) |
| | | | 63,149.31 |
| 784,029.51 | 42,106.80 | - | 813,285.32 |
| \$ 713,974.63 | \$ 42,106.80 | \$ 34,000.00 | \$ 718,138.49 |

Criteria - State law (Louisiana Revised Statute 24:913) requires that the audit be completed and issued within six months of the close of the entity's year.

Cause - Current procedures do not include controls to ensure that information will be accumulated within the six months period.

Effect - Audit report was due on June 30, 1996, but was not filed until October 31, 1996.

Recommendation - Procedures should be developed and implemented that ensure the audit report will be filed within six months of the Village's year end.

Management's Response - We plan to implement procedures to ensure the timely filing of the Village's audit report.

I considered the above material instance of noncompliance in forming my opinion on whether the Village of Castor'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 September 25, 1996, on those general purpose financial statements.

This report is intended for the information of management and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.



Shingold, Louisiana
September 28, 1996

VILLAGE OF CAYTON, LOUISIANA
 CONSOLIDATED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 1995

| | General Fund |
|---|--------------|
| Revenues: | |
| Sales taxes | \$ 25,283.03 |
| Property taxes | 7,437.52 |
| Occupational licenses | 12,614.78 |
| Utility franchise taxes | 3,106.28 |
| Fees | 8,542.88 |
| Intergovernmental - | |
| Tobacco taxes | 1,060.17 |
| Interest | 1,484.59 |
| Grant funds | 18,700.88 |
| Other revenues | 4,444.81 |
| Total revenues | 81,253.41 |
| Expenditures: | |
| Mayor and board | 3,818.00 |
| General government | 31,381.34 |
| Public safety | 7,913.21 |
| Police service - | |
| Principal retirement | 1,888.00 |
| Interest | 1,750.00 |
| Capital outlays | 32,179.88 |
| Total expenditures | 77,953.33 |
| Excess of revenues over (under) expenditures | 3,300.08 |
| Other financing sources (uses) | - |
| Excess of revenues and other sources over expenditures and other uses | 3,300.08 |
| Fund balance, January 1 | 61,847.15 |
| Fund balance, December 31 | \$ 65,147.23 |

The accompanying notes are an integral part of these statements.

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INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL
FINANCIAL ASSISTANCE

To the Mayor and Board of Aldermen
Village of Castor
Castor, Louisiana

I have audited the general purpose financial statements of the Village of Castor, Louisiana, as of and for the year ended December 31, 1979, and have issued my report thereon dated September 23, 1979. These general purpose financial statements are the responsibility of the Village of Castor, Louisiana's management. My responsibility is to express an opinion on those general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards: Government Auditing Standards, issued by the Comptroller General of the United States; the provisions of Office of Management and Budget Circular A-133, Auditing of State and Local Governments, and the Louisiana Governmental Audit Guide. These standards, OMB Circular A-133 and audit guide, 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 financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Village of Castor, 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 my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.


Birmingham, Louisiana
September 23, 1979

VILLAGE OF CASTOR, LOUISIANA
 SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED DECEMBER 31, 1990

| <u>Federal Division/Pass-Through Division Program Title</u> | <u>Federal CFA Number</u> | <u>Pass-Through Grantor's Number</u> | <u>Program or Award Amount</u> | <u>Expenditures</u> |
|--|-----------------------------------|--|--|----------------------|
| Pass-Through State Department of Community Development: | | | | |
| WATER PROGRAM Community Development Block grant-urban program | 14-219 | 100-4887 | \$ 380,000 | \$ <u>381,837.18</u> |
| TOTAL FEDERAL ASSISTANCE | | | | \$ <u>381,837.18</u> |

Pre-Order of Federal Financial Assistance.

Management of the Village of Castor, 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 objective 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, 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, 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, I 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
- Davis-Bacon Act
- Civil rights
- Cash management
- Real property acquisition
- Federal financial reports
- Allowable costs
- Administrative requirements

Specific Requirements

- National objectives
- Program performance
- Environmental review
- Record keeping
- Procurement
- Citizen participation
- Public facility improvements
- Anti-displacement

Claims for Advances and Reimbursements

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

During the year ended December 31, 1996, the Village of Castor, Louisiana expended 100 percent of its total federal financial assistance under major federal financial assistance programs.

I 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 considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements that are applicable to the Village of Castor, Louisiana's major federal financial assistance program, which is identified in the accompanying Schedule of Federal Financial Assistance. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

My 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. I noted no matters involving the internal control structure and its operations that I consider to be material weaknesses as defined above.

This report is intended for the information of management and the Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.



Biaggioli, Louisiana
September 25, 1996

VILLAGE OF CASTON, LOUISIANA
MOVES TO THE FINANCIAL STATEMENTS (Continued)
As of and for the year ended December 31, 1999

The Enterprise Fund revenue bond is secured and payable in principal and interest exclusively by a pledge of the income and revenues of the Enterprise Fund Sewer System (System), subject only to the prior payment of the reasonable and necessary expenses of operating and maintaining the system.

All of the income and revenues to be earned by the operation of the System shall be deposited in a separate and special bank account designated as the "Sewer Revenue Fund". This bank account shall be maintained for the following express purposes:

(a) The payment of all reasonable and necessary expenses of operating and maintaining the System.

(b) Monthly transfer of (1/12th) of the total principal and interest requirement (including due in the coming year to an account designated as the "Sewer Revenue Bond and Interest Sinking Fund". Interest earned on the Sewer Revenue Bond and Interest Sinking Fund shall be deposited in the Sewer Revenue Fund.

(c) Monthly transfer of (2%) of the amount to be paid into the aforesaid Sinking Fund provided for in paragraph (b) above, to an account designated as the "Sewer Reserve Fund". Such transfers to continue until the Sewer Reserve Fund has accumulated a balance equal to the highest combined principal and interest on the Bonds falling due in any year. Interest earned on the Sewer Reserve Fund shall be deposited in the Sewer Revenue Fund.

(d) Monthly transfer of twenty-nine dollars (\$29.00) to an account designated as the " Depreciation and Contingency Fund" to be used for extensions, additions, improvements, replacements and system depreciation necessary to properly operate the System. Interest earned on the Depreciation and Contingency account shall be added to the Depreciation and Contingency account.

1. FIXED ASSETS AND DEPRECIATION

Property, plant and equipment of all funds are stated at historical cost. Donated fixed assets are stated at their fair market value on the date donated. Governmental fund fixed assets are recorded in the General Fixed Asset Account Group and are not depreciated. Proprietary fund fixed

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2025-2026

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH THE GENERAL REQUIREMENTS APPLICABLE TO
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Mayor and Board of Aldermen
Village of Castor
Castor, Louisiana

I have audited the general purpose financial statements of the Village of Castor, Louisiana, as of and for the year ended December 31, 1995, and have issued my report thereon dated September 25, 1996.

I have applied procedures to test the Village of Castor, Louisiana's compliance with the following requirements applicable to its Federal financial assistance program, which is identified in the Schedule of Federal Financial Assistance, for the year ended December 31, 1995: Political activity, Davis-Bacon Act, Civil rights, Cash management, Real property acquisition, Federal financial reports, Allowable costs, and Administrative requirements.

My 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. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Village of Castor, Louisiana's compliance with the requirements listed in the preceding paragraph. Accordingly, I 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 my attention that caused me to believe that the Village of Castor, Louisiana has not complied, in all material respects, with those requirements. Also, the results of my procedures did not disclose any immaterial instances of noncompliance with those requirements.

This report is intended for the information of management, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.



Bayou La Terre, Louisiana
September 25, 1996

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Mayor and Board of Aldermen
Village of Castor
Castor, Louisiana

I have audited the general purpose financial statements of the Village of Castor, Louisiana, as of and for the year ended December 31, 1985, and have issued my report thereon dated September 25, 1986.

I have also audited the Village of Castor, Louisiana's compliance with the requirements governing national objectives, program performance, environmental review, record keeping, procurement, citizens participation, public facility improvements, anti-displacement, and claims for advances and reimbursements that are applicable to its major federal financial assistance program, which is identified in the accompanying Schedule of Federal Financial Assistance, for the year ended December 31, 1985. The management of the Village of Castor, Louisiana, is responsible for the Village of Castor, Louisiana's compliance with these requirements. My responsibility is to express an opinion on compliance with these requirements based on my audit.

I conducted my audit of compliance with these requirements in accordance with generally accepted auditing standards: Government Auditing Standards, issued by the Comptroller General of the United States; the provisions of Office of Management and Budget Circular A-130, Audits of State and Local Governments; and the Louisiana Governmental Audit Guide. Those standards, OMB circular A-130, and audit guide, require that I plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Village of Castor, Louisiana's compliance with those requirements. I believe that my audit provides a reasonable basis for my opinion.

The results of my audit procedures did not disclose any immaterial instances of noncompliance with the requirements referred to above.

In my opinion, the Village of Custer, Louisiana, complied, in all material respects, with the requirements governing national objectives, program performance, environmental review, record keeping, procurement, citizen participation, public facility improvements, anti-displacement, claims for advances and reimbursements that are applicable to its major federal financial assistance program for the year ended December 31, 1993.

This report is intended for the information of management and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.



Ringgold, Louisiana
September 25, 1994

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

To the Mayor and Board of Aldermen
Village of Castor
Castor, Louisiana

I have audited the general purpose financial statements of the Village of Castor, Louisiana, as of and for the year ended December 31, 1995, and have issued my report thereon dated September 25, 1996.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; the provisions of Office of Management and Budget Circular A-136, Audits of State and Local Governments; and the Louisiana Governmental Audit Guide. Those standards, OMB Circular A-136, and audit guide, require that I 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 Castor, Louisiana, is the responsibility of the Village of Castor, Louisiana's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Village of Castor, Louisiana'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 of compliance disclose the following material instances of noncompliance that is required to be reported herein under Government Auditing Standards:

Condition - Audit engagement was not completed and report issued on a timely basis.

| Enterprise Fund Actual | Variance Favorable (Unfavorable) |
|---------------------------|--|
| \$ 32,000.30 | \$ 800.30 |
| <u>32,000.30</u> | <u>800.30</u> |
| 9,634.00 | (34.00) |
| 550.00 | 48.20 |
| 2,051.01 | 449.19 |
| 1,988.92 | 31.00 |
| 1,278.00 | (79.00) |
| 600.00 | (200.00) |
| 4,061.84 | 130.56 |
| 28,481.73 | 510.27 |
| 853.82 | 146.48 |
| 1,800.00 | (1,000.00) |
| <u>47,472.02</u> | <u>423.90</u> |
| (10,473.64) | 1,228.36 |
| 334.86 | (15.94) |
| (3,352.84) | (2.08) |
| <u>(3,018.00)</u> | <u>(18.00)</u> |
| (10,489.64) | 1,210.36 |
| ----- | ----- |
| ----- | ----- |
| (10,489.64) | 1,210.36 |
| (30,024.83) | (30,024.83) |
| <u>\$ (37,518.17)</u> | <u>\$ (37,518.14)</u> |

VILLAGE OF CANTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
As of and for the year ended December 31, 1989

associated with the operation of this fund is included on the balance sheet. The Enterprise Fund uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized at the time liabilities are incurred.

**E. CASH AND CASH EQUIVALENTS
AND INVESTMENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposit and those investments with original maturities of 90 days or less. Under state law, the Village 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 Village may invest in United States Bonds, Treasury notes, or certificates. These are classified 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.

F. INVENTORIES

Supplies are purchased in immaterial quantities and are recorded as expenditures in the General Fund and expenses in the Enterprise Fund as they become measurable.

G. PREPAID ITEMS

Prepaid items are reported as a current asset in the fund benefiting from the prepaid item and recognized as an expenditure or expense over the useful life of the asset. Immaterial prepaid items are charged to the expenditure or expense as the item is paid or is measurable.

H. RESTRICTED ASSETS

Certain proceeds of the 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. The specific restrictions are as follows:

VILLAGE OF CASTOR, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
As of and for the year ended December 31, 1995

General Long-Term Debt Account Group - This group is established to account for all long-term debt of the Village Governmental Fund(s) - General Fund, and for those long-term liabilities to be liquidated with resources to be provided in future periods.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types (General Fund) are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is followed by the governmental fund types (General Fund). Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than long-term debt, are recorded when the related fund liability is incurred, if measurable.

Revenues from local sources consist primarily of sales taxes, property taxes, occupational licenses, utility franchise taxes and tobacco taxes. Property tax revenues are recorded when susceptible to accrual. Other revenues, other than grants, are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received they are recorded as deferred revenues until earned.

The proprietary fund type (Enterprise Fund) is 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

VILLAGE OF CANTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
As of and for the year ended December 31, 1990

C. FUND ACCOUNTING

The accounts of the Village are organized on the basis of funds or 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, reserves, fund balance, revenues and expenditures or expenses as appropriate. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the Village:

Governmental Fund Type

General Fund - The General Fund is the general operating fund of the Village and accounts for all revenues and expenditures of the Village not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. Fixed assets and long-term debt of the general fund is accounted for in the Account Groups as described below under Account Groups.

Proprietary Fund Type

The Proprietary Fund (Enterprise Fund) is operated on a fund basis whereby a self-balancing set of accounts is maintained that comprise its assets, liabilities, fund equity, revenues and expenses. The operations are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the cost (expenses, including depreciations) of providing services on a continuing basis be financed or recovered primarily through user charges. Fixed assets and long-term debt are recorded in the Proprietary Fund (Enterprise Fund).

Account Groups

General Fixed Assets Account Group - This group is established to account for all fixed assets of the Village Governmental Fund(s) - General Fund.

VILLAGE OF CASTOR, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
As of and for the year ended December 31, 1995

INTRODUCTION

Pursuant to the provisions of Section 11, of the Act No. 136, of the Session Acts of the General Assembly of the State of Louisiana, approved July 13, 1898, and Acts amendatory thereof, the Village of Castor, Louisiana, (Village) was declared a corporation by Proclamation executed by Governor John M. Parker on June 26, 1928. The Village is located in Ward 3 of Bienville Parish, State of Louisiana, and is managed by an elected Mayor and three Aldermen. The Village provides a basic range of municipal services. These include police protection, public works (streets and lights), public improvements, water and sewer services, planning and zoning, social, cultural and general administration services. Management is compensated for services rendered to the Village. The population of the Village is 218 with 158 water and sewer customers. The Village has four employees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Village of Castor, Louisiana (Village) have been prepared in conformity with generally accepted accounting (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

The Village of Castor (Village) is the basic level of government which has financial accountability and control over all activities related to the Village operations and services provided. The Village is not included in any other governmental "reporting entity" as defined by GASB pronouncements, since the Village Mayor and Board of Aldermen are elected by the public and have decision making authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. In addition, there are no component units as defined in Governmental Accounting Standards Board Statement 14 which are included in the Village's reporting entity.

VILLAGE OF CAYTON, LOUISIANA
 STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE - ENTERPRISE FUND
 FOR THE YEAR ENDED DECEMBER 31, 1995
 INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
 (Continued)

| | Proprietary Fund Type ----- Enterprise ----- |
|--|---|
| Reconciliation of operating income to net cash provided by operating activities: | |
| Operating income (loss) | \$(15,471.84) ----- |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | |
| Depreciation | 34,481.73 |
| Changes in assets and liabilities - | |
| (Increase) in accounts receivable | (864.00) |
| (Increase) in due from general fund | (1,832.32) |
| Decrease in due to general fund | (1,438.32) |
| Increase in accounts payable | 142.43 |
| Increase in deposits payable | 1,478.65 |
| | ----- |
| Total adjustments | 22,000.02 ----- |
| Net cash provided by operating activities | \$ 6,533.20 ----- |

VILLAGE OF CAYTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (Continued)
As of and for the year ended December 31, 1990

assets are recorded in the Enterprise Fund and depreciated using the straight-line method. Estimated useful lives, in years, for depreciable assets are as follows:

| | |
|--------------|-------|
| Water System | 18-25 |
| sewer System | 28-40 |

Land is recorded at cost and not depreciated.

J. COMPENSATED ABSENCES

The Village has no formal leave policy. Therefore, no liability for compensated absences exists.

K. BUDGETS

The Village is required by state law to adopt annual budget for the General Fund. The Village also prepares a budget for the Proprietary Fund. The General Fund budget is presented on the modified accrual basis of accounting and the Proprietary Fund is presented on the accrual basis of accounting. Each basis is consistent with generally accepted accounting principles (GAAP).

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

(a) Prior to December 15 of the preceding calendar year, the Village prepares a budget for the next succeeding year beginning January 1, for the General Fund and The Proprietary Fund.

(b) The proposed budget is made available for public inspection at the Village office.

(c) Action necessary to adopt and finalize the budget is completed prior to year end. And the adopted budget contains the same information as that required by the proposed budget.

(d) After adoption, a certified copy of the budget is retained by the Mayor at the Village office.

(e) The budget amounts are compared to actual amounts on a monthly basis and when actual receipts plus projected revenue collections for the year fail to meet budgeted

VILLAGE OF CASTON, LOUISIANA
 STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE - ENTERPRISE FUND
 FOR THE YEAR ENDED DECEMBER 31, 1995
 INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS-

| | Proprietary Fund Type |
|---|-----------------------|
| | Enterprise |
| | ----- |
| Cash flows from operating activities: | |
| Cash received from customers | \$ 31,535.00 |
| Cash payments for good, services and employees | (29,892.22) |
| | ----- |
| Net cash provided by operating activities | 1,642.78 |
| Cash flows from noncapital financing activities: | |
| Operating transfers - out to other funds | - |
| Operating transfers - in from other funds | - |
| | ----- |
| Net cash provided by (uses for) noncapital financing activities | - |
| Cash flows from capital and related financing activities: | |
| Community development block grant funds | 353,682.00 |
| Construction of capital assets | (388,419.71) |
| Principal paid on revenue bonds | (3,000.00) |
| Interest paid on revenue bonds | (3,050.00) |
| | ----- |
| Net cash used for capital and related financing activities | (12,800.62) |
| Net cash provided by investing activities: | |
| Interest on investments | 134.00 |
| | ----- |
| Net cash provided by investing activities | 134.00 |
| | ----- |
| Net increase (decrease) in cash and cash equivalents | (8,141.71) |
| Cash and cash equivalents, January 1 | 25,770.00 |
| Cash and cash equivalents, December 31 | \$ 19,629.59 |
| | ----- |

* For purposes of the statement of cash flows, the Enterprise Fund considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

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VILLAGE OF CANTON, LOUISIANA
GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 1996

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the Auditor, 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: NOV 13 1996

VILLAGE OF CANTON, LOUISIANA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - GOVERNMENTAL FUND TYPES - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 1995

| Revenues: | Budget | Actual | Variance- Favorable (Unfavorable) |
|---|---------------------|---------------------|---|
| Sales taxes | \$ 22,600.00 | \$ 22,203.03 | \$ 2,603.03 |
| Property Taxes | 7,000.00 | 7,417.52 | 417.52 |
| Occupational licenses | 10,200.00 | 12,414.79 | 2,414.79 |
| Utility franchise taxes | 4,800.00 | 3,706.29 | (293.71) |
| Fees | 9,400.00 | 8,542.00 | (858.00) |
| Intergovernmental - | | | |
| Tobacco taxes | 1,100.00 | 1,060.37 | (39.63) |
| Interest | 1,000.00 | 1,084.88 | 84.88 |
| Grant funds | 15,000.00 | 16,798.00 | 1,798.00 |
| Other revenues | - | 4,444.91 | 4,444.91 |
| Total revenues | 50,000.00 | 61,253.41 | 10,953.41 |
| Expenditures: | | | |
| Mayor and board | 1,120.00 | 1,010.00 | (690.00) |
| General government | 32,000.00 | 32,301.34 | 690.00 |
| Public safety | 8,000.00 | 7,912.31 | 67.79 |
| Self service - | | | |
| Principal retirement | 1,000.00 | 1,000.00 | - |
| Interest | 1,750.00 | 1,750.00 | - |
| Capital outlays | 23,000.00 | 32,179.00 | (9,179.00) |
| Total expenditures | 68,870.00 | 77,953.35 | (9,083.35) |
| Excess of revenues over (under) expenditures | 1,430.00 | 3,300.06 | 1,870.06 |
| Other financing sources (uses) | - | - | - |
| Excess of revenues and other sources over expenditures and other uses | 1,430.00 | 3,300.06 | 1,870.06 |
| Fund balance, January 1 | 61,849.35 | 61,849.35 | - |
| Fund Balance, December 31 | \$ 63,279.35 | \$ 65,149.41 | \$ 1,870.06 |

The accompanying notes are an integral part of these statements.

VILLAGE OF CAYTON, LOUISIANA
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
 PROPRIETARY FUND TYPE - ENTERPRISE FUND
 FOR THE YEAR ENDED DECEMBER 31, 1995

| | Proprietary Fund Type |
|---|-----------------------|
| | Enterprise |
| Operating revenues: | |
| Water sales and sewer service charges | \$ 12,000.00 |
| Total operating revenues | 12,000.00 |
| Operating expenses: | |
| Salaries and truck allowance | 8,638.80 |
| Payroll taxes | 592.80 |
| Repairs and labor | 2,090.81 |
| Supplies | 1,968.92 |
| Service testing | 1,379.80 |
| Purchase of water | 800.00 |
| Utilities | 4,861.44 |
| Depreciation | 24,481.73 |
| Other expenses | 852.63 |
| Permits | 1,000.00 |
| Total operating expenses | 47,472.82 |
| Operating income (loss) | (15,471.84) |
| Nonoperating revenues (expenses): | |
| Interest revenue | 134.88 |
| Interest expense | (3,152.86) |
| Total nonoperating revenues (expenses) | (2,818.00) |
| Income (loss) before other financing uses | (18,289.84) |
| Other financing uses: | |
| Operating transfer out | - |
| Total other financing uses | - |
| Net income (loss) | (18,289.84) |
| Retained earnings (deficit) - January 1 | (39,026.53) |
| Retained earnings (deficit) - December 31 | \$(57,516.17) |

The accompanying notes are an integral part of these statements.

| Proprietary Fund Type | Account Groups | | Totals (Memorandum Only) |
|--------------------------|-------------------------|----------------------------|-----------------------------|
| | General Fixed Assets | General Long- Term Debt | |
| Enterprise | | | |
| \$ 18,514.95 | \$ | \$ | \$ 43,388.35 |
| | | | 32,282.50 |
| | | | 3,288.13 |
| 3,948.52 | | | 3,948.52 |
| | | | 508.00 |
| 3,972.92 | | | 3,972.92 |
| | | | |
| 9,114.84 | | | 9,114.84 |
| 4,000.00 | | | 4,000.00 |
| | | | |
| 11,250.00 | | | 11,250.00 |
| | 32,136.00 | | 32,136.00 |
| | 38,978.00 | | 38,978.00 |
| 445,378.33 | | | 445,378.33 |
| 478,120.88 | | | 478,120.88 |
| (188,324.73) | | | (188,324.73) |
| | | 34,000.00 | 34,000.00 |
| | | | |
| \$ 773,874.63 | \$ 42,106.00 | \$ 34,000.00 | \$ 918,335.49 |

VILLAGE OF CANTON, LOUISIANA
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LARRY G. TAYLOR
CERTIFIED PUBLIC ACCOUNTANT
A PROFESSIONAL SERVICE CORPORATION
FOUNTAIN SQUARE BUILDING
MONROE, LOUISIANA 70001
—
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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Board of Aldermen
Village of Castor
Castor, Louisiana

I have audited the accompanying general purpose financial statements of the Village of Castor, Louisiana, as of and for the year ended December 31, 1998, as listed in the table of contents.

These general purpose financial statements are the responsibility of the Village of Castor, Louisiana's, management. 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; Government Auditing Standards, issued by the Comptroller General of the United States; the provisions of Office of Management and Budget Circular A-133, Facilities of State and Local Governments; and the Louisiana Governmental Audit Guide. These standards, OMB Circular A-133, and audit guide 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 statements 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 Castor, Louisiana, as of December 31, 1998, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Governmental Auditing Standards, I have also issued a report dated September 28, 1998, on my consideration of the Village of Castor, Louisiana's internal control structure and a report dated September 29, 1998, on its compliance with laws and regulations.



Monroe, Louisiana
September 25, 1998