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GENERAL PURPOSE FINANCIAL STATEMENTS

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Prepared Date: NOV 12 2017

RADIAN L. HENNIGAN
Certified Public Accountant
1503 Goodwin Road
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10/11/97
57202 13 000000

September 24, 1997

To the Board of Aldermen
Village of Choudrant
Choudrant, La. 71227

I have compiled the accompanying general purpose financial statements, of the Village of Choudrant, as of June 30, 1997, and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Respectfully,



Radian L. Hennigan
Certified Public Accountant

(w)

Form 100-1000000
10/11/97
Radian L. Hennigan

VILLAGE OF CHENIERE, LOUISIANA

COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS

JUNE 30, 1993

ASSETS	GOVERNMENTAL FUND TYPES		
	GENERAL	SPECIAL REVENUE	SPECIAL PROJECTS
Cash	\$ 26,029	49,734	6,727
Investments, at Cost	31,584	-0-	-0-
Accounts Receivable	-0-	-0-	-0-
Prepaid Expenses	1,593	3,018	-0-
Due from Other Funds	18,970	5,178	-0-
Due from Other Governmental Units	-0-	1,253	-0-
Property, Plant & Equipment - Net	-0-	-0-	-0-
TOTAL ASSETS	138,186	57,173	6,727
LIABILITIES & FUND EQUITY			
LIABILITIES			
Accounts Payable	3,248	174	-0-
Due to Other Funds	878	-0-	13,720
Loan - Bond	-0-	-0-	-0-
TOTAL LIABILITIES	3,226	174	13,720
FUND EQUITY			
Contributed Capital			
Investment in General Fixed Assets			
RETAINED EARNINGS			
Unreserved			
FUND BALANCE			
Unreserved			
Designated			
Undesignated	135,946	56,999	6,727
TOTAL FUND EQUITY	135,946	56,999	6,727
TOTAL LIABILITIES & FUND EQUITY	138,186	57,173	6,727

See accompanying accountants compilation report.

PROPRIETARY FUND TYPE	ACCOUNT GROUP GENERAL, FIXED ASSETS	TOTALS	
		(MEMORANDUM DOLLARS)	
		JUNE 30 1997	JUNE 30 1996
\$ 305,643		388,119	142,876
-0-		51,544	82,535
9,094		8,094	10,887
410		3,017	3,093
15,763		22,848	43,472
-0-		1,253	1,648
1,943,425	390,868	1,350,891	1,260,208
<u>1,384,374</u>	<u>390,868</u>	<u>1,878,924</u>	<u>1,845,336</u>
5,148		7,568	6,268
17,183		31,849	41,473
385,880		308,000	-0-
327,351	-0-	344,415	47,738
1,095,985	390,868	1,095,985	1,095,985
		390,566	378,988
* 28,942>		< 28,962>	< 40,132>
		178,862	163,441
1,667,833	390,568	2,834,491	2,498,288
<u>1,394,374</u>	<u>390,868</u>	<u>2,878,204</u>	<u>2,545,336</u>

VILLAGE OF CHOUDEWANT, LOUISIANA
 STATEMENT OF REVENUES, EXPENDITURES
 & CHANGES IN FUND BALANCE
 ALL GOVERNMENTAL FUND TYPES
 JUNE 30, 1997

	GOVERNMENTAL FUND		
	GENERAL	SPECIAL REVENUE	SPECIAL PROJECTS
REVENUES			
Licenses & Permits	\$ 29,458	-0-	-0-
Intergovernmental	3,638	22,930	-0-
Miscellaneous	<u>3,115</u>	<u>000</u>	<u>5,880</u>
TOTAL REVENUES	<u>36,211</u>	<u>22,930</u>	<u>5,880</u>
EXPENDITURES			
Current:			
General Government	26,238	-0-	-0-
Public Safety	14,499	-0-	-0-
Health & Sanitation	-0-	11,879	-0-
Capital Outlay	<u>000</u>	<u>000</u>	<u>11,243</u>
TOTAL EXPENDITURES	<u>40,737</u>	<u>11,879</u>	<u>11,243</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	7,474	11,051	< 5,163
FUND BALANCES, JULY 1	119,482	43,679	< 1,880
CONTRIBUTIONS TO -FROM- SPECIAL PROJECTS ENTERPRISE FUND	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
FUND BALANCES, JUNE 30	<u>126,956</u>	<u>54,670</u>	<u>< 7,843</u>

See accompanying accountants compilation report.

TOTALS
(DISBURSEMENT CHECKS)

JUNE 30 1992	JUNE 30 1998
\$ 29,480	\$ 32,803
38,860	41,828
14,320	21,179
72,660	105,810
20,276	17,343
56,485	14,817
51,570	12,883
128,331	135,043
58,544	100,322
13,461	10,324
143,441	144,417
-0-	-12,300-
-0-	-0-
\$ 170,502	\$ 182,441

VILLAGE OF CHANDRIANT, LOUISIANA
 CONSOLIDATED STATEMENT OF REVENUES, EXPENDITURES, & CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
 ALL GOVERNMENTAL FUND TYPES
 YEAR ENDED JUNE 30, 1997

	GENERAL FUND		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Licenses & Permits	\$ 28,980	\$ 28,480	\$ 490
Intergovernmental	7,070	8,630	(1,440)
Miscellaneous	8,728	8,338	490
TOTAL REVENUE	44,778	45,448	(670)
EXPENDITURES			
Current:			
General Government	28,838	29,236	(1,500)
Public Safety	20,650	18,495	4,155
Health & Sanitation	-0-	-0-	-0-
Capital Outlay	-0-	-0-	-0-
TOTAL EXPENDITURES	49,488	47,731	2,757
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,290	7,717	2,427
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-0-	-0-	-0-
EXCESS (DEFICIENCY) OF REVENUES & OTHER SOURCES OVER EXPENDITURES & OTHER USES	5,290	7,717	2,427
FUND BALANCE, BEGINNING	184,308	139,480	
CONTRIBUTIONS TO SPECIAL PROJECTS	-0-	-0-	
FUND BALANCE, ENDING	189,598	147,197	

The accompanying notes are an integral part of this statement.

SPECIAL REVENUE FUNDS			TOTALS (NON-FUNDED ONLY)		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
-0-	-0-	-0-	\$ 28,880	\$ 28,458	\$ 422
27,800	52,838	< 4,070>	34,870	28,268	< 6,602>
-0-	-0-	-0-	8,780	9,318	538
27,000	22,930	< 4,070>	71,788	67,225	< 4,563>
-0-	-0-	-0-	18,438	28,228	< 9,790>
-0-	-0-	-0-	20,880	18,422	2,458
17,800	11,578	6,222	17,800	11,578	6,222
2,800	-0-	2,800	2,800	-0-	2,800
19,980	11,870	8,110	58,388	48,201	10,187
7,480	11,980	4,500	12,362	18,824	6,462
-0-	-0-	-0-	-0-	-0-	-0-
7,480	11,360	3,880	12,362	18,824	6,462
27,000	45,628	18,628	171,271	163,122	8,149
-0-	-0-	-0-	-0-	-0-	-0-
14,111	56,882	42,771	181,811	183,242	1,431

VILLAGE OF OSBOURNE, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENSES, & CHANGES IN
 RETAINED EARNINGS - FISCAL YEAR TYPE
 YEAR ENDED JUNE 30, 1997 & 1998

	YEAR ENDED JUNE 30	
	<u>1997</u>	<u>1998</u>
OPERATING REVENUES		
Charges for Services		
Water & Sewer Sales	\$ 76,483	73,013
OPERATING EXPENSES		
Accounting	300	2,485
Advertising	160	83
Audit	-0-	-0-
Bad Debt	-0-	-0-
Depreciation	72,287	79,813
Dues	880	828
Insurance	818	497
Labor	4,838	11,471
Materials	-0-	769
Miscellaneous	10,860	2,818
Repairs	6,339	7,238
Sales Tax	< 3812>	130
Supplies	6,910	6,069
Taxes - Payroll	143	1,302
Utilities - Water & Sewer Pumps	20,407	20,228
TOTAL OPERATING EXPENSES	<u>125,582</u>	<u>222,596</u>
TOTAL OPERATING INCOME (LOSS)	< 49,100>	< 49,583>
NONOPERATING INCOME		
Non-Governmental Contribution	-0-	60,800
Block Grant	56,283	2,484
Interest	4,122	-0-
NET INCOME (LOSS)	11,173	13,180
RETAINED EARNINGS, BEGINNING	< 48,132>	< 48,132>
RETAINED EARNINGS, ENDED	< 38,959>	< 48,132>

See accompanying accountants compilation report.

VILLAGE OF CHICUREAU, LOUISIANA
 COMBINED STATEMENT OF CASH FLOWS
 PROPRIETARY FUND
 YEAR ENDED JUNE 30, 1997 & 1996

	<u>Year Ended June 30</u>	
	1997	1996
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 11,171	\$ 13,100
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation	72,282	78,013
Changes in Assets & Liabilities		
Accrued Interest Receivable	-0-	-0-
Accounts Receivable	€ 1,298	1,894
Prepaid Expense	27	€ 27
Due To/From Other Funds	9,624	425,196
Accounts Payable	184	213
Deferred Revenue	<u>-0-</u>	<u>-0-</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	91,979	59,887
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES		
Purchase of Equipment	€151,451	€18,710
Bond Issuance	305,000	-0-
Construction in Progress	<u>-0-</u>	<u>-0-</u>
NET CASH FLOWS FROM CAPITAL & FINANCING ACTIVITIES	153,549	€18,710
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase (Decrease) in Investments	-0-	-0-
Receipts from Other Funds	<u>-0-</u>	<u>-0-</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>-0-</u>	<u>-0-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	249,528	48,597
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>60,125</u>	<u>11,528</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>309,653</u>	<u>60,125</u>

See accompanying accountants compilation report.

VILLAGE OF CHEVREMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Chevrement, Louisiana was reorganized in 1988, under the provisions of the Lawrason Act. The Village operates under a Mayor-Board of Aldermen form of government.

The financial statements of the Village have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units, except as noted elsewhere in this report. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Reporting Entity

In evaluating how to define the Village's reporting entity, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic--but not the only--criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public services. Application of this criterion involves considering whether the activity benefits the Village and/or its citizens, or whether the activity is conducted within the geographic boundaries of the Village and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the Chevrement Volunteer Fire Department has been included within the General Fund.

VILLAGE OF CHOUDRANT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1997

This report includes all funds and account groups which meet the above criteria. No other potential component units have been included or excluded in this report.

B. Fund Accounting

The Village 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 related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, 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 net expendable available financial resources.

Funds are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate "fund types," as described below.

(1) General Fund Types

These are the funds through which most governmental functions typically are financed. The funds included in this category are as follows:

a. General Fund

This fund is established to account for resources devoted to financing the general services that the Village performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the Village are included in this fund. The fund is charged with all cost of operating the government for which a separate fund has not been established.

b. Special Revenue Funds

These funds are established to account for the proceeds of specific revenue sources other than expendable trusts or major capital projects that are legally restricted to expenditures for specified purposes.

VILLAGE OF CHODRANT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1987

- d. Capital Projects Funds
Capital Projects Funds are used to account for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Principle sources of revenue are municipal long-term debt proceeds, interest income and various types of grants.
- (3) Proprietary Fund Types
These funds account for operations that are organized to be self-supporting through user charges. Included in this category are the Enterprise Funds.
- a. Enterprise Funds
These funds are established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
- (3) General Fixed Assets Account Group
This is not a fund but rather an account group that is used to account for general fixed assets acquired principally for general purposes and excludes fixed assets in the Enterprise funds.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included in 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.

Proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into

VILLAGE OF CHOUWANT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1997

contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred.

Those revenues susceptible to accrual are franchise taxes, solid waste distribution, interest revenue, grants and charges for services.

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

The Village reports deferred revenues (rather revenue paid in advance) on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

D. Budgetary Data

Formal budgetary accounting is employed as a management control for the General, Special Revenue and Enterprise Funds of the Village. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required, and the same basis of accounting is used to reflect actual revenues and expenditures/expenses recognized on a generally accepted accounting principles basis. A budget for the Capital Projects fund is not adopted and is therefore not presented in the accompanying combined and combining financial

VILLAGE OF CHOUDRANT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1997

statements. Budgetary control is exercised at the departmental level or by projects.

All encumbered budget appropriations lapse at the end of each fiscal year.

E. Cash & Cash Equivalents

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Certificates of deposit and other securities with original maturities over three months are classified as short-term investments and stated at cost, which approximates market value.

F. Receivables

All receivables are reported at their gross value. The Village uses the direct charge off method for uncollectible accounts rather than an allowance for such losses. This method is not in accordance with generally accepted accounting principles. However, when use of this method has little effect on the financial statements, it is not a departure from GAAP.

G. Due to and Due From Other Funds

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

H. Interest Receivable

Interest on investments is recorded as revenue in the year the interest is earned and is available to pay liabilities of the current period.

I. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All fixed assets are stated at cost except assets acquired by gift or bequest which are recorded at their fair market value on the date of transfer.

VILLAGE OF CINDERWANT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1997

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, ditches and gutters, streets and sidewalks, drainage systems and lighting systems are capitalized.

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings and equipment in the proprietary fund type is computed using the straight-line method.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period.

J. Expenditure Recognition

Inventory items (materials and supplies) are considered expenditures when purchased (purchase method) due to the insignificant amounts.

Expenditures for insurance and similar services extending over more than one accounting period are accounted for as expenditures of the period of acquisition.

K. Compensated Absences

No accrual was made as prescribed in GASB 43 for employee compensation for future absences (vacation pay) since these rights do not vest or accumulate.

L. Fund Equity

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds.

VILLAGE OF CHODRANT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1997

M. Memorandum Only - Total Columns

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

N. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

2. STewardSHIP, COMPLIANCE & ACCOUNTABILITY

GASB requires that general purpose financial statements include a combined statement of revenues, expenditures, and changes in fund balances (budget and actual) for the general and special revenue fund types and for similar governmental fund types for which annual budgets have been legally adopted. Annual budgets were legally adopted for the General Fund, Special Revenue Fund and the Enterprise Funds.

VILLAGE OF CHOCOMAINT, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 1997

3. CASH & INVESTMENTS

CASH

At year end, the Village's deposits of \$388,315 were fully insured by federal depository insurance.

The Village is authorized to make direct investments in United States government bonds, treasury notes, treasury bills or certificates, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the state of Louisiana or any other federally insured investment, or in guaranteed investment contracts issued by a financial institution having one of the two highest rating categories or in mutual or trust fund institutions which are registered with the SEC and which have underlying investments consisting solely of and limited to securities of government or its agencies.

The Village's investments are categorized below to give an indication of the level of risk assumed by the Village at year end. Category 1 provides for investments insured or registered, or securities held by the Village or its agents in the Village's name. Category 2 provides for uninsured and unregistered securities held by the counterparty's trust department or agent in the Village's name. Category 3 includes uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Village's name. (In accordance with GAAP 3, this category includes certificates of deposit or money market accounts that are collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the Village's name although balances so collateralized meet the requirements of state law. Of the amount shown in Category 3, \$81,389.80 is collateralized by securities held by the pledging financial institution's agent but not in the Village's name.)

	CATEGORY			CARRYING AMOUNT	MARKET VALUE
	1	2	3		
Savings and Certificates of deposit	-0-	-0-	\$1,389	\$1,389	\$1,315

VILLAGE OF CROSSKEY, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 1997

4. RECEIVABLES

Receivables at June 30, 1997 consist of the following:

	Receivables		
	Accounts	Inter governmental	Total
General	\$ -0-	\$ -0-	\$ -0-
Special Revenue	-0-	1,253	1,253
Enterprise	2,284	-0-	2,284
Totals	2,284	1,253	3,537

5. FIXED ASSETS

The following is a summary of changes in the General Fixed Assets account group during the fiscal year:

	Balance 6-30-96	Additions deletions	Balance 6-30-97
Buildings	\$ 20,018	\$ 357	\$ 20,375
Improvements Other than Buildings	133,711	11,243	144,954
Equipment	125,239	-0-	125,239
Construction in Progress	-0-	-0-	-0-
Total General Fixed Assets	278,968	11,600	290,568

The following is a summary of proprietary fund-type assets at June 30, 1997:

	Enterprise Fund
Construction in Progress	48,018
Vehicles	1,608
Sewer Plant System	1,010,308
Land	10,381
Water & Sewer Distribution System	190,482
Equipment	42,188
Total	1,402,905
Accumulated Depreciation	-210,730
Total	1,192,175

VILLAGE OF CHICKENWATE, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 1997

In proprietary funds, the following estimated useful lives are used to compute depreciation:

Improvements Other Than Buildings Equipment	10-40 Years 5 Years
--	------------------------

Depreciation on the proprietary fund totaled \$72,263 for the fiscal year.

4. INTERFUND ASSETS/LIABILITIES

	INTERFUND RECEIVABLES	INTERFUND PAYABLES
SOLID WASTE FUND	\$ 5,176	\$ 000
WATER	15,762	17,103
GENERAL FUND	10,870	875
SPECIAL PROJECTS		12,178
TOTALS	\$ 31,808	\$ 31,846

5. CONTRIBUTED CAPITAL

Contributed Capital consists of the following:

Federal Grant - HUD	\$665,000
Federal Grant - EPA	5,000
Contributed by Sewer Fund	125,656
Total	\$895,656

6. WATER & SEWER REVENUE

The Village has approximately 378 customers on the Village Waterworks system. These metered customers are charged according to the following rate table:

Up to 4,000 gallons	7.00 Minimum
Next 96,000 gallons	.50 per 1,000 gallons
All over 100,000 gallons	.75 per 1,000 gallons

The Village offers sewer service within the Village limits to its citizens. The sewer service is paid for with a flat fee of \$12 per month. There are approximately 118 customers currently on the sewer system.

VILLAGE OF CHODRANT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1997

9. COMPENSATION PAID TO COUNCIL MEMBERS

Fer fees paid to the Council Members for the current year is as follows:

Joe E. Ansell	\$120
Phillip Johnson	120
E. M. Hogan	120
Total	<u>\$360</u>

10. COMMITMENTS AND CONTINGENCIES

Grant Audit

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

Litigation

The management of the Village is unaware of any pending or threatened litigation involving the Village of Chodrant.

11. RESTRICTED ASSETS, ENTERPRISE FUND

The Village maintains a customer deposit fund. These monies are collected from new water and sewer customers, as follows:

\$10 - Water Customer
\$15 - Sewer Customer

These deposits are maintained on account until customer leaves Village water and sewer system or is disconnected for non-payment. The current balance of Water deposits at June 30, 1997 is \$2,922.00.

RADIAN L. HENNIGAN
Certified Public Accountant
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TOWN OF CHOCOLAUM
MAY 11 1997

**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

To the Town of Choctaw Town Council

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Town of Choctaw and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Town of Choctaw's compliance with certain laws and regulations during the year ended June 30, 1997 included in the accompanying *Louisiana Treatment Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

We examined documentation which indicated that all of these expenditures had been properly advertised and accepted in accordance with the provisions of LSA-RS 38:2211-2251.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1104 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2) except for Clarice Sanderson, employed as a bookkeeper, who is listed as the mother of Bill Sanderson, Mayor.

Budgeting

5. Obtain a copy of the legally adopted budget or all amendments.

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held in June 1998 which indicated that the budget had been adopted by the town council of the Town of Chouatham by a vote of 3 in favor. No amendments were made to the budget during the year.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%, except that expenditures of the General Fund were 7% less than amounts budgeted for the year, revenues in the solid waste fund were 15% less than budgeted and expenses in the same fund were 42% less than budgeted, and revenues in the water & sewer fund were 17% more than budgeted.

8. Randomly select 6 disbursements made during the period under examination and:
(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account, and

All six of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the mayor and the town treasurer. In addition, each of the disbursements were traced to the district's minute book where they were approved by the full commission.

Meetings

9. Examining evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by RSA-85:42.1 through 42.12 (the open meetings law).

The Town of Chatham is only required to post a notice of each meeting and the accompanying agenda on the door of the town's office building. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.

Bank

10. Examining bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or the like indebtedness.

Advances and Bonuses

11. Examining payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the district for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the town council of the the Town of Chauvin and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Respectfully,



Radian L. Hornigay
Certified Public Accountant

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