

SCHEDULE 2  
TOWN OF FORTCASCHE, LOUISIANA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 1996

	1996		Variance Favorable (Unfavorable)	1995
	Budget	Actual		Actual
<b>General Government</b>				
Office salaries	\$4,234	\$3,900	\$334	\$3,734
Benefits	1,291	2,851	(1,560)	4,196
Assessors fee	3,880	3,000	880	2,750
Assessor fee		4%	(4%)	
Audit fee	1,000	1,000		1,000
Accounting services	400	300	100	325
Collection fee	100	81	19	150
Travel and entertainment	500	514	(14)	450
Electric expense	200		200	150
Utilities	1,879	1,754	144	1,880
Maintenance of building	3,480	800	2,680	687
Maintenance of office equipment	700	718	42	557
Insurance	3,180	1,291	99	3,379
Telephone	2,100	1,969	131	2,150
Printing and recording	1,500	1,383	117	1,429
Expense account - Mayor		100	(100)	
Dues and subscriptions	181	300	(89)	151
Office supplies and stationery	1,380	1,000	290	289
Postage	480	260	220	434
Sanitization program	1,000	3,071	(2,071)	373
Miscellaneous expense	1,300	870	430	1,000
<b>Total General Government</b>	<b>\$27,913</b>	<b>\$26,738</b>	<b>\$1,175</b>	<b>\$26,984</b>
<b>Police Department</b>				
Salaries and wages	\$20,820	\$20,300	\$520	\$17,660
Benefits	1,883	1,508	375	1,940
State supplemental pay		2,434	(2,434)	
Police training	1,000	1,800		20
Drug task force				1,500
School crossing guard	700	493	207	
Radio and radio repairs	300	282	18	210
Insurance	2,400	3,508	(1,108)	1,287
Telephone	780	800	(20)	730
Vehicle - gas and oil	1,750	1,548	202	1,617
Vehicle - repairs and maintenance	700	550	150	2,939
Uniform supplies and expenses	800	760	40	936
Miscellaneous	210	171	39	94
<b>Total Public Safety - Police</b>	<b>\$28,643</b>	<b>\$33,185</b>	<b>(4,542)</b>	<b>\$29,417</b>

TOWN OF FORTDOUCHE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1996

**Unreserved Retained Earnings**

Unreserved retained earnings for proprietary funds represent the net assets available for future operations or distribution.

**Unreserved-Undesignated Fund Balances**

The unreserved-undesignated fund balances for governmental funds represent the amount available for budgeting future operations.

**Interfund Transactions**

All interfund transfers are reported as operating transfers.

**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 Town's financial position and operations. However, complete comparative data (i.e., presentation of prior year totals by fund type in each of the statements) have not been presented since their inclusion would make the statements unduly complex and difficult to read.

**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 these columns do not present financial position or results of operations, 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.

**NOTE 3 - CASH DEPOSITS WITH FINANCIAL INSTITUTIONS**

At December 31, 1996, the status of deposited funds and collateralized balances are as follows:

Balance per bank statements	\$98,736
Secured by Federal Deposit Insurance	<u>98,736</u>
Unsecured and Uncollateralized	<u>0</u>

TOWN OF FORTDOUCHE, LOUISIANA  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 DECEMBER 31, 1996

These deposits are stated at cost, which approximates market. Under state law, these deposits 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. At December 31, 1996, all deposits are covered by federal deposit insurance; therefore, the pledge of securities is not necessary.

**NOTE 4 - CHANGES IN FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Land	\$1,500			\$1,500
Buildings and improvements	41,629	\$2,885		44,514
Tractor and equipment	0	\$2,599		\$2,599
Equipment	3,507			3,507
Vehicles	1,806		\$-1,806	0
Office equipment	7,547			7,547
<b>Totals</b>	<u>\$55,789</u>	<u>\$5,484</u>	<u>\$-1,806</u>	<u>\$60,467</u>

A summary of changes in proprietary fund type property, plant and equipment follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Water systems	\$641,990			\$641,990
Equipment	3,234			3,234
Office equipment	581			581
Vehicles	3,236			3,236
	<u>649,041</u>			<u>649,041</u>
Accumulated depreciation	-176,560	\$-10,426		-186,986
	<u>\$472,481</u>			<u>\$462,055</u>

TOWN OF FORDOCHÉ, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1994

From 1987 through 1990 the Town received federal capital grant funds for the purpose of expanding and enhancing the existing water system. Grant funds received and expended on this project amounted to \$334,063, which were capitalized. This capital grant and capital contributions of \$4,077 is reported under fund equity and is amortized over the estimated useful life of the improvements of 30 years.

**NOTE 3 - AD VALOREM TAXES**

All taxable property located within the State of Louisiana is subject by law to taxation on the basis of its assessed valuation. The assessed value is determined by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property were to be assessed at 30% of fair market value; agricultural, horticultural, marsh lands, timber lands and certain historic buildings are to be assessed at 10% of "use" value; and all other property is to be assessed at 15% of fair market value. Fair market values are determined by the elected assessors of the parish and are subject to review and final certification by the Louisiana Tax Commission. The Assessor is required to reappraise all property every four years.

The Sheriff of Pointe Coupee Parish, as provided by State Law, is the official tax collector of general property taxes levied by the Town. All taxes are due by December 31 of the year and are delinquent on January 1 of the next year, which is also the lien date.

State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. If the 1991 taxes are not paid by the due date of December 31st, the taxes bear interest at 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

Property taxes are recognized as revenue in the year for which they are levied and become due. The majority of the year's taxes are collected from November to February by the Sheriff. Any amounts not collected at December 31st are shown as accounts receivable.

TOWN OF FORTDOCHE, LOUISIANA  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 DECEMBER 31, 1996

The following is a summary of the tax assessment rolls for the last tax year:

Year	Mills Levied	Assessed Value	Homestead Exemption	Tax to be Paid by Owner	Tax to be Paid by State	Total Tax
1987	7.00	\$ 1,117,999		\$ 7,825.66		\$ 7,825.66
1988	7.42	1,081,643		8,025.71		8,025.71
1989	7.42	1,098,793		8,130.43		8,130.43
1990	7.42	1,119,932		8,309.83		8,309.83
1991	7.00	1,159,133		8,114.06		8,114.06
1992	6.68	1,230,330		8,218.62		8,218.62
1993	13.68	1,256,364		17,386.79		17,386.79
1994	14.28	1,294,809		18,258.09		18,258.09
1995	14.28	1,333,302		18,802.34		18,802.34
1996	13.25	1,437,550		18,943.85		18,943.85

**NOTE 4 - SALES TAX and CENTRALIZED COLLECTION AGENCY AGREEMENT**

In accordance with Paragraph (B)(1) of Section 3 of Article VIII of the Constitution of the State of Louisiana, the Town entered into an agreement on May 20, 1992 with all of the sales and use taxing authorities of the Parish of Polk as Cooper designating the Sales Tax Department of the Police Couper Parish Police Jury as the single tax collection entity. The agreement is effective as of July 1, 1992, the agreement authorizes the Town to compensate the collection agency 3.5% of the gross amounts collected.

**NOTE 7 - FRANCHISE AGREEMENTS**

The Town has granted three franchises:

**Cable Television**

A non-exclusive cable television franchise was granted to Spillway Cablevision, Inc. on November 14, 1995 for a period of 15 years. The annual franchise fee for this franchise shall be 7% of the annual gross subscriber revenues.

**TOWN OF BORDOCHE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 1994**

**Telephone**

On December 9, 1993, the Town entered a telephone franchise with Sear Telephone Company, Inc. for a period of three years ending December 9, 1996. The annual franchise fee for this franchise is 2% of the Company's gross receipts.

**Electric**

On February 10, 1994, the Town granted a franchise to Pointe Cooper Electric Membership Corporation (a non-profit corporation) to supply electric energy to the Town and the inhabitants thereof for a period of 20 years. In consideration, the Town shall receive a fee equaling 1.0000 per kilowatt-hour for each kilowatt-hour sold within the corporate limits of the Town. In addition, the Town is provided street lighting in the corporate limits of the Town existing on the date of the franchise at no charge. Any additional street lighting needed after the franchise date will be furnished under the applicable rate.

**NOTE 8 - PENSION PLAN AND RETIREMENT COMMITMENTS**

All Town employees belong to the Social Security System.

**NOTE 9 - CONTINGENT LIABILITIES**

There is no pending litigation against the Town.

**NOTE 10 - COMPENSATION PAID TO BOARD MEMBERS**

In compliance with House Concurrent Resolution No. 34 of the 1979 Session of the Louisiana Legislature, compensation paid to the outgoing mayor and board members is as follows:

Charles Dardenas, Mayor	\$0
John Barry Bergeron	0
Rubén Cadejo	0
Willie Roebique, Jr.	0
Irene Smith	0
Pat Smith	0
	<hr style="width: 100px; margin-left: auto; margin-right: 0;"/>
	<u>\$0</u>

TOWN OF FORDOCHE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1996

**NOTE 11 - FEDERAL FINANCIAL ASSISTANCE**

There are no active awards for the year ended December 31, 1996.

SCHEDULE I  
TOWN OF FORTOUCHE, LOUISIANA  
GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (GRAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 1996

	1996		Variance Favorable (Unfavorable)	1995
	Budget	Actual		Actual
<b>Taxes:</b>				
General property	118,800	119,513	713	118,800
Sales	28,000	29,823	1,823	29,000
Electric franchise	13,000	12,739	(261)	13,044
Cable TV franchise	1,400	1,369	(31)	1,350
Telephone franchise	500	504	4	500
<b>Total Taxes</b>	<b>162,700</b>	<b>163,948</b>	<b>2,442</b>	<b>162,694</b>
<b>Licenses and Permits:</b>				
Occupational licenses	10,000	10,098	98	10,004
Liquor and beer licenses		300	300	300
Building permits	15	40	25	81
<b>Total Licenses and Permits</b>	<b>10,015</b>	<b>10,438</b>	<b>423</b>	<b>10,385</b>
<b>Intergovernmental Revenues:</b>				
La - State				107,000
La - Police supplemental pay		61,004	2,414	
La - Tobacco taxes	24,700	4,689	(1)	4,688
La - Beer taxes	3,800	3,679	(121)	3,800
La - Video poker	3,000	3,996	996	2,961
La - Law Enforcement				1,251
<b>Total Intergovernmental Revenues</b>	<b>31,500</b>	<b>73,668</b>	<b>42,168</b>	<b>119,700</b>
<b>Fees and Contributions:</b>				
Traffic violations and fines	18,000	19,899	1,899	18,640
DWP fees	100	300	200	1,040
<b>Total Fees and Contributions</b>	<b>18,100</b>	<b>20,199</b>	<b>2,099</b>	<b>19,680</b>
<b>Miscellaneous Revenues:</b>				
Grant writing assistance	10,100	11,100	999	10,740
Interest earned		101	101	21
Sale of fixed assets		300	300	400
Other	10		(29)	1,280
<b>Total Miscellaneous Revenues</b>	<b>10,110</b>	<b>11,501</b>	<b>1,371</b>	<b>12,281</b>



TOWN OF FOSDOUCHE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1996

Other Organizations

The municipality may appoint some, or all, governing board members of organizations that are not included as component units in the primary government's reporting entity. These organizations are classified as (a) related organizations, (b) joint ventures and jointly governed organizations, and (c) component units of another government with characteristics of a joint venture or jointly governed organization.

Considered in the determination of component units of the reporting entity were the Pointe Coupee Parish Police Jury, Sheriff, Clerk of Court, Assessor, and School Board and the District Attorney and Judges for the fifth Judicial District. It was determined that these governmental entities are not component units of the Town of Fosdoche reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Town of Fosdoche.

Also, included from the reporting entity:

Five Protection District No. 4 of the Parish of Pointe Coupee, Louisiana

This potential component unit has a separate board appointed jointly by the area government's governing bodies. It provides services to residents, within the geographic boundaries of the government and other areas adjacent to it. This unit is excluded from the reporting entity because the government does not have the ability to exercise influence or control over its daily operations, approve budgets or provide funding.

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 net expendable available financial resources.

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

	1996		Variance Favorable (Unfavorable)	1995
	Budget	Actual		Actual
<b>Revenues and Drawings</b>				
Street Sweeper salary	\$4,500	\$4,750	(\$250)	\$5,250
Employee benefits	139	160	(21)	309
Utilities and drawings	1,900	2,111	(\$211)	
Maintenance of equipment	1,500	1,948	(\$448)	60
Insurance	2,000	1,880	120	2,225
Vehicle - gas and oil	200	174	26	148
Vehicle - repairs and maintenance	100	39	61	65
Supplies and small tools	1,863	1,859	4	1,800
<b>Total Revenues and Drawings</b>	<b>\$11,102</b>	<b>\$11,101</b>	<b>(\$101)</b>	<b>10,648</b>
<b>Capital Outlays</b>				
General government	\$2,000	\$2,000	(\$0)	
Public department				\$20,100
Utilities and drawings	17,000	17,000		
<b>Total Capital Outlays</b>	<b>\$19,000</b>	<b>\$19,000</b>	<b>(\$0)</b>	<b>\$20,100</b>

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REPORTING ASSOCIATION

## **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE RELATED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Charles Dardaine  
and the Board of Aldermen  
Town of Portoché, Louisiana

I have audited the general purpose financial statements of the TOWN OF PORTOCHE, LOUISIANA (the "Town"), as of and for the year ended December 31, 1996, and have issued my report thereon dated May 2, 1997.

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 management of the Town 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 Town for the year ended December 31, 1996, 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 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. I noted no matters involving the internal control structure and its operations that I consider to be material weaknesses as defined above, except that the Town's operations are too small to have an adequate internal control structure.

This condition was considered in determining the nature, timing, and extent of the audit tests to be applied in my audit of the 1996 financial statements, and this report does not affect my report on the financial statements dated May 2, 1997.

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

*George F. Shelburne, CPA*

May 2, 1997

# George F. Deloane

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COUNCIL OF EDUCATION

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Charles Dardence  
and the Board of Aldermen  
Town of Fordoche, Louisiana

I have audited the general purpose financial statements of the TOWN OF FORDOCHE, LOUISIANA (the "Town"), as of and for the year ended December 31, 1986, and have issued my report thereon dated May 2, 1987.

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.

Compliance with laws, regulations, contracts, and grants applicable to the Town is the responsibility of the Town's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, I performed tests of the Town'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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

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

*George F. Deloane, CPA*

May 2, 1987

## **SUPPLEMENTAL INFORMATION**

EXHIBIT B  
TOWN OF BOBOCHE, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUND TYPE - GENERAL FUND -  
FOR YEAR ENDED DECEMBER 31, 1994

	<u>1994</u>	<u>1993</u>
Revenues		
Taxes	963,642	961,691
Licenses and permits	31,458	3,989
Intra-governmental revenues	10,808	26,112
Fines and forfeitures	10,499	9,725
Miscellaneous revenues	<u>9,313</u>	<u>2,355</u>
Total Revenues	<u>1,025,710</u>	<u>1,023,962</u>
Expenditures		
Current -		
General government	26,738	26,984
Public safety	33,285	29,637
Streets and drainage	13,856	16,488
Capital outlays -		
General government	1,885	
Public safety		30,298
Streets and drainage	<u>27,699</u>	
Total Expenditures	<u>104,363</u>	<u>93,397</u>
Excess of Revenues (Expenditures)	(9,653)	93,565
Fund Balance - January 1	<u>89,734</u>	<u>55,949</u>
FUND BALANCE - December 31	<u>80,081</u>	<u>149,514</u>

The accompanying notes are an integral part of this statement.

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TOWN OF FRENCH, LOUISIANA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 1966

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

Release Date: 7-9-92



**TOWN OF FORDOCHÉ**  
**PRINCE COUPEE PARISH, LOUISIANA**  
**P. O. BOX 10**  
**FORDOCHÉ, LA 70732**  
**(504) 837-3112**

**MAIR**

Charles "Stoney" Bartheleme

**COUNCIL**

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Robin Smith

Willie Santiago, Jr.

Irene Smith

Pat Smith

**LEGAL COUNSEL**

William Dupont

**TOWN CLERK**

Kim Shover

**CHIEF OF POLICE**

Fred Smith

**MEETING DATE**

2nd Tuesday of Every Month  
6:30 pm - Town Hall

**TOWN OF FERRISBURG, LOUISIANA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 1998**

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**TOWN OF FORTDOCHE, LOUISIANA**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 1998**

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## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

The Honorable Charles Dardanos, Mayor  
and Board of Aldermen  
Town of Fordoche, Louisiana

I have audited the accompanying general purpose financial statements of the TOWN OF FORDOCHE, LOUISIANA, as of and for the year ended December 31, 1996, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the Town of Fordoche, 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, and with provisions of Louisiana Revised Statute 24:513 and the provisions of the *Louisiana Governmental Audit Guide*, published jointly by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. These 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 in the first paragraph present fairly, in all material aspects, the financial position of the Town of Fordoche, Louisiana, as of December 31, 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.

In accordance with *Government Auditing Standards*, I have also issued a report dated May 2, 1997, on my consideration of the Town of Fordoche, Louisiana's internal control structure and a report dated May 2, 1997, on its compliance with laws and regulations.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as Supplemental Information in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Town of Fardoch, Louisiana. 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 stated in all material respects in relation to the general purpose financial statements taken as a whole.

*George F. Johnson, CPA*

May 2, 1997

TOWN OF FORTDOUCHE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1996

("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, sewers, and drainage systems, are not capitalized with other fixed assets. Interest cost incurred during construction are 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. Repairs and maintenance are recorded as expenditures; renewals and betterments are capitalized.

**Property, Plant and Equipment - Proprietary Fund**

Fixed assets used in the proprietary fund operations are included on the balance sheet of the funds net of accumulated depreciation. Additions to the utility plant in service are recorded at cost or, if contributed property, at their estimated fair value at time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

Depreciation is charged as an expense against operations. Depreciation is computed using the straight-line method with estimated useful lives as follows:

Water System	15 Years
Equipment	15 Years
Vehicles	5 Years
Office Equipment	5 Years

**Compensated Absence**

The Town has not established any vacation or sick leave policies.

**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 charged to the contributed capital account and is reflected as a adjustment to net income.

	Common stock	Proprietary	Autism Group	Total	
	Food Type	Food Type	Group General	(Memberships/%)	
	General	Enterprise	Food Assets	75%	25%
<b>LIABILITIES AND FUND EQUITY</b>					
<b>Liabilities</b>					
Accounts payable	\$1,711	\$1,057		\$1,670	\$1,074
Refined revenue		1,071		1,071	1,714
Deferred order books:					
Face value		1,428		1,428	1,645
<b>Total Liabilities</b>	<b>\$1,711</b>	<b>\$3,556</b>		<b>\$3,169</b>	<b>\$4,433</b>
<b>Fund Equity:</b>					
<b>Contributed capital:</b>					
Common:					
Municipality		1,000		1,000	1,000
Partners		17,942		17,942	17,942
Refined grain		1,077		1,077	1,077
Refined grain		104,358		104,358	104,358
Accumulated contributions		101,406		101,406	101,406
Investments in general fund assets					
Refined earnings:					
Unreserved			19,467	19,467	19,467
Fund balances:					
Unreserved:		49,471		49,471	49,471
Unreserved:					
Unreserved:					
	<b>\$1,000</b>			<b>\$1,000</b>	<b>\$1,000</b>
<b>Total Fund Equity</b>	<b>\$1,000</b>	<b>492,247</b>	<b>19,467</b>	<b>412,617</b>	<b>612,211</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$4,711</b>	<b>495,817</b>	<b>19,467</b>	<b>\$4,581</b>	<b>\$5,044</b>

The accompanying notes are an integral part of this statement.

TOWN OF FORTDOCHIEF, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1996

December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Sales and use tax revenues are recorded in the month they are received by the parish tax collector.

Federal and state grants and reimbursements are recorded when the Town is entitled to the funds.

Fines, forfeitures, and court costs are recorded in the year they are received by the Town or parish tax collector.

Fees, charges and commissions are recognized as revenue in the month in which they are earned and billed.

Substantially all other revenues are recorded when received by the Town.

#### Expenditures

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred.

#### Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recorded when the actual transfers occur.

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

#### Budgets

A proposed operating budget for the fiscal year, prepared on GAAP Basis, is approved by the Board of Aldermen and adopted in accordance with the Local Government Budget Law. The operating budget includes proposed expenditures and the means of financing them.



**EXHIBIT C**  
**TOWN OF FORTDOSSIER, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL (GAAP BASIS) - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 1996**

	1996		Variance Favorable Unfavorable	1995
	Budget	Actual		Actual
<b>Revenues:</b>				
Taxes	\$42,000	\$40,641	\$1,359	\$42,680
Licenses and permits	11,200	11,438	238	8,948
Intergovernmental revenue	9,200	10,808	1,608	26,112
Fees and forfeitures	9,000	10,499	1,499	9,725
Miscellaneous revenue	3,648	4,221	573	5,116
<b>Total Revenues</b>	<b>84,048</b>	<b>80,607</b>	<b>(3,441)</b>	<b>104,681</b>
<b>Expenditures:</b>				
Current -				
General government	27,900	26,708	1,192	29,994
Public safety	30,648	31,285	(637)	29,617
Storm and drainage	11,589	13,856	(2,267)	8,448
Capital outlays -				
General government	2,500	2,880	(380)	
Public safety				10,208
Storm and drainage	27,899	27,899		
<b>Total Expenditures</b>	<b>100,536</b>	<b>104,536</b>	<b>(4,000)</b>	<b>81,267</b>
<b>Excess of Revenues (Expenditures)</b>	<b>(16,488)</b>	<b>(2,929)</b>	<b>1,489</b>	<b>23,414</b>
<b>Fund Balance - January 1</b>	<b>84,704</b>	<b>84,704</b>		<b>73,189</b>
<b>FUND BALANCE - December 31</b>	<b>68,216</b>	<b>81,775</b>	<b>13,559</b>	<b>96,603</b>

The accompanying notes are an integral part of this statement.

**EXHIBIT D**  
**TOWN OF BOECHE, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS -**  
**PROPRIETARY FUND TYPE (ENTERPRISE FUND)**  
**FOR THE YEAR ENDED DECEMBER 31, 1994**

	<u>1994</u>	<u>1993</u>
<b>Operating Revenues:</b>		
Charges for services -		
Water sales	\$11,793	\$10,410
Miscellaneous revenues	<u>1,048</u>	<u>6,937</u>
<b>Total Operating Revenues</b>	<u>\$12,841</u>	<u>\$17,347</u>
<b>Operating Expenses:</b>		
<b>Water Expenses -</b>		
Supervisors' salary	4,634	3,046
Maintenance salaries	705	158
Employee benefits	826	214
Current cost of pumping	6,776	3,009
Maintenance of vehicles and equipment	649	1,607
Maintenance of pumps	69	36
Maintenance of lines	2,115	828
Maintenance of structures	308	294
Collection	820	899
Vehicle - diesel and gas	683	433
Supplies and small tools	1,107	1,756
Insurance	1,541	937
Depreciation	<u>19,026</u>	<u>15,342</u>
<b>Total Water Expenses</b>	<u>\$50,611</u>	<u>\$50,648</u>
<b>General and Administrative -</b>		
Office salaries	3,900	3,160
Employee benefits	298	223
Audit fees	1,000	1,000
Accounting services	100	100
Dues	150	150
Office supplies	11	249
Postage and post cards	311	629
Printing and publishing	46	46
Maintenance of computer equipment	100	100
Miscellaneous	<u>118</u>	<u>273</u>
<b>Total General and Administrative</b>	<u>\$6,484</u>	<u>\$7,082</u>
<b>Total Operating Expenses</b>	<u>\$57,095</u>	<u>\$57,730</u>
<b>Operating Loss</b>	<u>(\$44,254)</u>	<u>(\$40,383)</u>

The accompanying notes are an integral part of this statement.

	<u>1994</u>	<u>1993</u>
Add depreciation on fixed assets acquired by grants for capital acquisition and construction that reduces contributed capital	<u>25,175</u>	<u>25,175</u>
Increase in Retained Earnings	6,048	7,530
Retained Earnings - January 1	<u>69,841</u>	<u>62,311</u>
<b>RETAINED EARNINGS - December 31</b>	<b><u>100,891</u></b>	<b><u>109,841</u></b>

The accompanying notes are an integral part of this statement.

SCHEDULE E  
 TOWN OF BOEDOCHE, LOUISIANA  
 STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND-TYPE (ENTERPRISE FUND)  
 FOR THE YEAR ENDED DECEMBER 31, 1996

	1996	1995
Cash Flows from Operating Activities		
Operating (loss)	(29,007)	(27,798)
Adjustments to reconcile operating (loss) to net cash provided by operating activities:		
Depreciation	39,628	39,282
Changes in assets and liabilities:		
Decrease (increase) in receivables	1,318	(2,355)
Decrease (increase) in prepaid expenses	82	(412)
Increase (decrease) in accounts payable	(118)	(412)
Increase (decrease) in accrued expenses	(84)	(81)
Increase (decrease) in deferred income	(2,737)	2,022
Increase (decrease) in due to/other funds	1,821	1,248
	10,341	10,344
Net Cash Provided by Operating Activities	10,341	10,344
Cash Flows from Capital and Related Financing Activities		
Purchase of capital assets		(6,745)
Capital contributions		4,857
	-	(1,888)
Net Cash (Used) for Capital and Related Financing Activities	-	(1,888)
Net Increase in Cash and Cash Equivalents	10,341	8,456
Cash and Cash Equivalents - January 1	25,795	25,909
CASH AND CASH EQUIVALENTS - December 31	36,136	34,365

The accompanying notes are an integral part of this statement.

TOWN OF FORTDOCHE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1994

**NOTE 1 - INTRODUCTION**

The Town of Fortdoche, Louisiana (the "Town") was incorporated May 13, 1961, under the provisions of Title 33, Chapter 2, Part 1, of the Louisiana Revised Statutes (Law Revision Act - Act No. 34 of 1955). The Town operates under a Mayor-Board of Aldermen Council form of government and provides the following services--public safety (police), streets, public improvements, and general administrative services. In addition, the Town owns and operates a water enterprise activity.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Reporting Entity*

As the municipal governing authority, for reporting purposes, the Town of Fortdoche 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 which component units should be considered part of the Town of Fortdoche for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria include:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the municipality to impose its will on the organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the municipality.
2. Organizations for which the municipality does not appoint a voting majority but are financially dependent on the municipality.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

As required by generally accepted accounting principles, these financial statements present the Town of Fortdoche (the primary government). There are no component units that are required to be included with the reporting entity.

TOWN OF FORDOCHÉ, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1996

During the year, monthly budgetary comparison statements are used as management tools to control operations. When necessary the Board adopts budget amendments which are included in minutes published in the official journal.

The Board exercises budgetary control at the line item level. Unexpended appropriations lapse at the year end and must be reappropriated in the next year's budget to be expended.

***Encumbrances***

The Town does not follow the encumbrance method of accounting.

***Cash and Cash Equivalents***

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. 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.

***Accounts Receivable and Bad Debt***

The Town uses the direct charge-off method whereby uncollectible amounts due from all valenters taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The direct charge-off method is used because it does not cause a material departure from GAAP and it approximates the valuation method.

***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.

***Inventory***

Inventory for supplies are immaterial and are recorded as expenditures when purchased.

***General Fixed Assets***

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the general fixed assets account group. Public domain

**EXHIBIT A**  
**TOWN OF FORTDOCHE, LOUISIANA**  
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
**DECEMBER 31, 1996**

	Governmental	Proprietary	Account	Total	
	Fund Type	Fund Type	Group	(Governmental-Only)	
	General	Enterprise	(Fixed Assets)	1996	1995
<b>ASSETS</b>					
Cash	\$4,057	\$0.00		\$4,057	\$6,400
Receivables -					
Taxes - ad valorem	14,900			14,900	14,800
Taxes - franchise	1,099			1,099	633
Utility billings		1,770		1,770	1,600
Due from other governmental units -					
Louisiana - fire rates	290			290	70
Louisiana - refuse rates	1,375			1,375	1,375
Louisiana - other police	60			60	71
Louisiana - open-circuiting	1,700			1,700	1,700
Due from other funds -					
Water System	647			647	2,681
Prepaid expenses		73		73	73
Property, Plant and Equipment -					
Land			1,000	1,000	1,000
Building and improvements			68,000	68,000	71,000
Water system		64,190		64,190	64,190
Trucks and equipment			30,000	30,000	
Equipment		1,204	1,207	2,411	3,511
Vehicles		1,204		2,408	3,444
Other equipment		59	7,247	7,306	8,034
Accumulated depreciation		(24,485)		(24,485)	(24,484)
<b>TOTAL ASSETS</b>	<b>\$24,724</b>	<b>\$40,717</b>	<b>\$79,447</b>	<b>\$64,776</b>	<b>\$60,039</b>

The accompanying notes are an integral part of this statement.

**TOWN OF FORTDOCHE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 1998**

**Governmental Fund**

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:

**General Fund**—the general operating fund of the municipality and accounts for all financial resources, except those required to be accounted for in other funds.

**Proprietary Fund Type**

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 measurement of equity, is an important financial indicator. Proprietary funds include:

**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 that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**Basis of Accounting**

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

Ad valorem taxes and related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by