

Note 2 - CASH AND CASH EQUIVALENTS - (continued)

As of June 30, 1997, the Village had deposits of \$22,829 including certificates of deposit and before considering outstanding checks.

The following table is a summary of the Village's bank balances at June 30, 1997, presented in three levels of credit risk.

Category 1	\$ 22,829
Category 2	-
Category 3	-
Total	\$ 22,829

Category 1 includes bank balances which are insured by federal depository insurance or collateralized with securities held by the Village or its agent in the Village's name. Category 2 includes bank balances which are collateralized with securities held by the pledging financial institution's trust department or agent in the Village's name. Category 3 includes bank balances which are uncollateralized, including any bank balances that is collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the Village's name.

\$192,448 of cash and cash equivalents is held in the Louisiana Asset Management Pool(LAMP). LAMP, a local government pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by these securities.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

q. Management's Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimated.

r. Proprietary Fund Accounting:

For proprietary fund accounting, the Village follows all GASB pronouncements and all FASB Statements and Interpretations, APB Opinions and AICPA's, no matter when issued, except those that conflict with a GASB pronouncement.

Note 2 - CASH AND CASH EQUIVALENTS

At June 30, 1997, the Village had cash and cash equivalents totaling \$44,056, as follows:

	General Proprietary		
	Fund	Funds	Totals
Treasury cash	\$ 50	\$ 50	\$ 100
Demand deposits	23,924	23,924	23,924
Funds held in Louisiana Asset Management Pool (LAMP)	<u>19,082</u>	<u>19,082</u>	<u>19,082</u>
Totals	\$43,056	\$43,056	\$43,056

These deposits are stated at cost which is equal to market.

Under state law, these deposits must be secured by federal deposit insurance, by the pledge of securities owned by the fiscal agent bank or must be invested exclusively in instruments backed by the government of the United States of America. 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. The pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

m. Pension Plans:

The Village's Chief of Police and the full time police officer participate in the Municipal Police Employees' Retirement System. Other employees, the Mayor and the Board of Aldermen participate in the Federal Social Security Program. The Village is required to remit an amount equal to the participant's contribution. The Village does not guarantee any of the benefits provided by either of these programs.

n. Transfers:

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various due from and due to accounts.

The only transfers during the year consisted of cash transferred from the General Fund to the Enterprise Fund (Garbage Service) to pay for garbage fees of citizens of Port Vincent who are over 65 years old.

o. Reservations and Designations of Fund Balances:

Reserved fund balances represent those portions of the fund balances which are either not available for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources as approved by the Board of Aldermen.

p. 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, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Method in such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

J. General Fixed Assets:

Fixed assets (capital outlays) used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. All fixed assets have been valued at cost.

Fixed assets (capital outlays) consisting of improvements (other than buildings) such as roads, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems have not been capitalized. Such assets are normally immovable and of value only to the Village. Therefore, the purpose of stewardship for such capital expenditures is satisfied without recording these assets.

No depreciation has been provided on general fixed assets, nor has interest been capitalized.

K. Fixed Assets - Proprietary Fund:

Fixed assets used by the Proprietary Fund are stated at cost. Depreciation has been provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are as follows:

Water distribution systems	15 years
Well site improvements	5 - 10 years
Furniture and office equipment	7 years

L. Annual and Sick Leave:

The Village's Annual and sick leave policy does not provide for the accumulation and vesting of leave. In other words, an employee must "use or lose" any earned leave during the fiscal year. As a result, the Village has not accrued any unpaid costs relating to unused leave in the financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

a. Cash, Cash Equivalents, and Investments -
(continued)

State statutes authorize the Village to invest temporarily idle monies in the following:

1. United States Treasury Bonds,
2. United States Treasury Notes,
3. United States Treasury Bills,
4. Obligations of U.S. Government Agencies, including such instruments as Federal Loan Bank bonds, Government National Mortgage Association bonds, or a variety of "Federal Farm Credit" bonds.
5. Fully collateralized certificates of deposit issued by qualified commercial banks and savings and loan associations located within the State of Louisiana,
6. Fully collateralized repurchase agreements,
7. Fully collateralized interest-bearing checking accounts, and
8. Mutual or Trust Fund institutions which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States Government or its agencies.

Investments are stated at cost and are not subject to market fluctuation. As of year end investments consisted of excess cash that has been deposited into certificates of deposit.

1. Bad Debt:

The Village's governing body is of the opinion that any allowance for bad debts would be immaterial. Therefore, customers' utility receivables are charged directly to expense as they become uncollectible.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

f. Basis of Accounting: - (continued)

Proprietary funds are maintained on the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred. Revenues for utility services are accrued through year-end.

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). They are recorded when the transfer is made.

g. Budgetary Policy and Accounting:

The Mayor and Board of Aldermen approved an annual operating budget, prepared on the modified accrual basis, for general governmental activities.

Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated, require the approval of the Mayor and Board of Aldermen. The budget that was initially adopted for fiscal year 1997 was not amended.

All budgetary appropriations lapse at the end of each fiscal year.

h. Cash, Cash Equivalents, and Investments:

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

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

e. Asset Group

An asset 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. The following account group is not a "fund".

The General Fixed Assets Account Group represents a summary of the fixed assets of the Village, other than assets of the Proprietary Fund. Capital expenditures in funds other than the Proprietary Fund are recorded as expenditures of those funds at the time of purchase and are subsequently recorded, at cost, for several purposes in the General Fixed Assets Account Group. In accordance with generally accepted accounting principles for municipalities, depreciation is not recorded on general fixed assets.

f. Basis of Accounting

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

Governmental funds are accounted for using the modified accrual basis. Their revenues are recognized in the accounting period in which they become available and measurable. Grant revenues are recorded when the Village is entitled to reimbursement of expenditures under the terms of the grant. Interest earned on idle cash and investments are recorded when the income is available. Other revenue sources are not generally susceptible to accrual because they are not both measurable and available; accordingly, they are recorded when received. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

d. Fund Accounting - (continued)

A fund is a separate accounting entity with a self-balancing set of accounts. Funds of the Village are classified as governmental funds and proprietary funds. Governmental funds account for the Village'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. The funds presented in the financial statements are described as follows:

Governmental Fund Types:

General Fund

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

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Proprietary Fund Type:

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis to 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.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

c. Reporting Entity: - (continued)

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Village of Port Vincent, Louisiana, for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. This criteria includes:

1. Appointing a voting majority or an organization's governing body, and
 - a. The ability of the municipality to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the municipality.
2. Organizations for which the municipality does not appoint a voting majority but are 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.

Based on these criteria, no component units have been identified and as a result, these financial statements present only financial position and results of operations of the Village of Port Vincent, Louisiana (the primary government).

d. Fund Accounting:

The Village uses funds and account groups to report 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 governmental functions or activities.

VILLAGE OF FORT WINCELT, LOUISIANA

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Organization:

The Village of Fort Wincent (the Village) was incorporated May 5, 1952 under the provisions of the Laissez Act and operates under the Mayor - Board of Aldermen form of government (LA. Rev. Sts. 28:121-18) and provides the services set forth in its charter.

b. Basis of Statement Presentation:

The accounting and reporting policies of the Village of Fort Wincent conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:504; the Louisiana Governmental Audit Guide; and to the industry audit guide, Audits of State and Local Governmental Units.

c. Reporting Entity:

As the municipal governing authority, for reporting purposes, the Village of Fort Wincent, Louisiana, is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (municipality), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the 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.

VILLAGE OF FORT VINCENT, MISSISSIPPI

COMBINED STATEMENT OF CASH FLOWS - MAINTENANCE FUND TYPE - ENTERPRISE

For the Year Ended June 30, 1997

With Comparative Totals for
the Year Ended June 30, 1996

	<u>1997</u>	<u>1996</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 5,480	\$ 4,451
Adjustments to reconcile operating income to cash provided by (used for) operating activities:		
Depreciation	1,788	1,680
Transfers from general fund for elderly residents' garbage fees	488	384
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(2,191)	401
(Increase) increase in:		
Accounts payable	1,762	-
Sales tax payable	-	(103)
Revenues collected in advance	282	21
Net cash provided by operating activities	<u>1,708</u>	<u>8,080</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earned	4,530	3,083
Purchase of equipment	(2,794)	-
Purchase of investments	(108,278)	(100,003)
Redemption of investments	<u>104,248</u>	<u>(12,380)</u>
Net cash (used) provided by investing activities	<u>606</u>	<u>(12,380)</u>
NET INCREASE/ DECREASE IN CASH AND CASH EQUIVALENTS	<u>8,214</u>	<u>(4,300)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>21,400</u>	<u>25,701</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 29,614</u>	<u>\$ 21,401</u>

Noncash capital activities - The Village contributed construction in progress of \$32,445 to the Water Works Enterprise Fund.

The accompanying notes are an integral part of this statement.

VILLAGE OF WEST WINCHESTER, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN DEFERRED SAVINGS
PROPRIETARY FUND TYPE - ENTERPRISE

For the Year Ended June 30, 1997

With Comparative Totals for
the Year Ended June 30, 1996

	<u>1997</u>	<u>1996</u>
OPERATING REVENUES		
Charges for services	\$ 22,646	\$ 20,813
Donation fees	440	876
Farming income	<u>2,418</u>	<u>385</u>
Total operating revenues	<u>25,504</u>	<u>22,074</u>
OPERATING EXPENSES		
Garbage collection	15,949	15,126
Administration	8,080	7,877
Utilities	1,082	1,620
Maintenance	1,613	2,987
Depreciation	1,700	1,588
Accrualable accounts	<u>252</u>	<u>2,557</u>
Total operating expenses	<u>28,723</u>	<u>32,283</u>
Operating Income	5,480	4,481
NON-OPERATING REVENUES (EXPENSES)		
Interest income	<u>4,518</u>	<u>2,682</u>
Income before operating activities	10,024	8,144
OTHER FINANCING SOURCES (USES)		
Operating transfers in	880	284
Operating transfers out	<u>-</u>	<u>-</u>
Net income	10,704	8,408
DEFERRED SAVINGS		
Beginning of year	<u>201,018</u>	<u>22,027</u>
End of year	211,719	210,075
	*****	*****

The accompanying notes are an integral part of this statement.

VILLAGE OF FORT RICHMOND, LOUISIANA

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET - COMB. FUND; AND ANNUAL
 GENERAL FUND - (continued)

For the year ended June 30, 1997

	Budget	Actuals	Variance Favorable (Disadvantage)
Public safety:			
Policeman's salary & payroll taxes	45,128	38,115	7,013
Vehicle fuel and maintenance	6,800	12,324	(5,524)
Insurance	-	5,155	(5,155)
Police department supplies	1,800	3,718	(1,918)
Telephone and papers	2,500	3,945	(1,445)
Contract lease/Bookings/Training	3,500	3,914	(414)
Police expenses	-	3,718	(3,718)
Office expenses	1,845	987	858
Insurance - Health & Dental	-	954	(954)
Food/Supplies	300	254	46
Police training	-	188	(188)
Miscellaneous	250	-	250
Highways and streets:			
Street maintenance and repairs	48,800	5,777	43,023
Street lighting	3,800	3,304	496
Capital outlay	<u>35,380</u>	<u>25,400</u>	<u>(9,980)</u>
Total expenditures	<u>157,557</u>	<u>129,411</u>	<u>28,146</u>
Excess of revenues over current expenditures	118,845	17,395	101,450
OTHER FINANCIAL SOURCES (USES)			
Operating transfers to Sewerage District Fund	<u>(14,501)</u>	<u>(14,501)</u>	<u>(12,001)</u>
Excess of revenues and other resources over current expenditures and other uses	104,344	31,896	72,448
FUND BALANCE			
beginning of year	<u>38,327</u>	<u>38,327</u>	
End of year	<u>\$ 132,688</u>	<u>\$ 80,223</u>	

The accompanying notes are an integral part of this statement.

VILLAGE OF FORT WICKERT, LOUISIANA

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET - COMPAR BUDGET AND ACTUAL
GENERAL FUND

For the year ended June 30, 1977

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Fines	\$ 44,200	\$ 45,514	\$ 1,314
Inter-governmental:			
Grants	25,000	25,654	(14,544)
Revenue sharing-video poker tax	24,400	25,122	722
Tobacco tax	2,000	2,812	812
Beer tax	1,500	1,770	270
Franchise taxes and permits	20,000	20,143	143
Occupational licenses	0,000	0,003	003
Insurance premium tax	0,000	0,597	597
Interest income	5,000	3,219	(1,781)
Other:			
Ball South Power Rental	0,000	0,000	(700)
Miscellaneous	000	1,000	1,000
Total revenues	124,100	146,008	12,908
EXPENDITURES			
Current:			
General government:			
Compensation	10,500	10,205	295
Accounting and legal fees	1,000	3,000	12,000
Insurance	1,200	4,100	2,900
Utilities	2,700	2,500	200
Telephone	1,200	1,000	200
Office expense and advertising	2,700	2,500	200
Lease equipment	2,000	2,500	500
Printing and copywriting	1,100	1,500	400
Maintenance and repairs	700	2,300	1,600
Other	000	000	000
Payroll taxes	000	000	000
Miscellaneous	1,000	100	900
Community Center expenses	500	450	50
Debt and contingencies	275	200	75
Electric expense	-	200	200
Fuel control	200	00	200
Donations	150	-	150
Capital outlay	1,000	-	1,000

(EXHIBIT C continued on next page)

The accompanying notes are an integral part of this statement.

VILLAGE OF BOSS VINCENT, LOUISIANA

 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE GOVERNMENTAL FUND TYPE - GENERAL FUND
 For the year ended June 30, 2007

With comparative totals for the Year Ended June 30, 2006

	General Fund	Capital Projects Fund	Totals (Governmental Funds)	
			2007	2006
REVENUES - (continued)				
Community center expenses	453	-	453	1,847
Fees and subscriptions	360	-	360	370
Electric expense	140	-	140	-
Fuel cost/loss	94	-	94	330
Public safety:				
Policeman's salary & payroll taxes	38,135	-	38,135	31,514
Vehicle fuel and maintenance	12,304	-	12,304	13,618
Insurance	5,157	-	5,157	5,873
Police department supplies	3,739	-	3,739	4,806
Telephone and papers	2,945	-	2,945	2,895
Conventions/Particip/Training	2,834	-	2,834	1,347
Permit expense	2,735	-	2,735	1,800
Office expense	983	-	983	1,517
Insurance - Health & dental	968	-	968	-
Gas/Linemen	258	-	258	166
Prisoner housing	144	-	144	188
Miscellaneous	-	-	-	131
Highways and streets:				
Street maintenance and repairs	6,717	-	6,717	49,085
Street lighting	3,704	-	3,704	3,039
Capital outlay	<u>37,372</u>	<u>372,480</u>	<u>387,853</u>	<u>37,348</u>
Total expenditures	<u>170,411</u>	<u>372,480</u>	<u>521,891</u>	<u>379,283</u>
Excess of revenues over current expenditures	17,295	-	17,295	(7,456)
OTHER FINANCING SOURCES/USES				
Operating transfers to Garbage service fund	<u>18802</u>	<u>-</u>	<u>18802</u>	<u>13884</u>
Excess of revenues and other sources over current expenditures and other uses	<u>36,110</u>	<u>-</u>	<u>36,110</u>	<u>(7,609)</u>
FUND BALANCE				
Beginning of year	<u>38,527</u>	<u>-</u>	<u>38,527</u>	<u>78,263</u>
End of year	<u>\$ 87,452</u>	<u>\$ -</u>	<u>\$ 87,452</u>	<u>\$ 70,654</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF FORT VINCENT, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
For the year ended June 30, 1991

With comparative totals for the year ended June 30, 1990

	General Fund	Capital Projects Fund	Totals (Governmental Only)	
			1991	1990
REVENUES				
Funds	\$ 65,534	\$ -	\$ 65,534	\$ 58,374
Intergovernmentals:				
Grants:				
LA, Community Development				
Rural Road	-	275,448	275,448	25,754
governor's office Rural				
Development	-	-	-	25,800
Dept. of Justice -CDPR PART	12,872	-	12,872	20,868
LA, Commission on Law Enforcement				
and Administration of Criminal				
Justice-P.O.D.T. Grant	1,540	-	1,540	1,240
State of Louisiana-Highway Safety				
Commission	-	-	-	1,200
Capital District Law Enforcement	842	-	842	-
Business training-video police tax	18,333	-	18,333	25,175
Tobacco tax	2,422	-	2,422	2,412
Beer tax	2,772	-	2,772	1,513
Franchise taxes and permits	18,343	-	18,343	28,817
Occupational licenses	8,861	-	8,861	8,771
Insurance premium tax	8,357	-	8,357	7,573
Interest income	2,318	-	2,318	2,116
Other:				
Mail Booth Tower Rental	5,045	-	5,045	500
Miscellaneous	2,588	-	2,588	273
Total revenues	145,088	275,448	318,258	130,547
EXPENDITURES				
Current:				
General governmentals:				
Compensation:				
Mayor and aldermen per diem	6,480	-	6,480	5,200
Clock salary	2,655	-	2,655	2,840
Accounting and legal fees	5,080	-	5,080	5,840
Insurance	4,288	-	4,288	4,288
Utilities	2,558	-	2,558	2,518
Telephone	2,887	-	2,887	1,264
Office expense and advertising	2,558	-	2,558	2,264
Law enforcement	2,590	-	2,590	1,453
Printing and reproduction	2,527	-	2,527	1,200
Maintenance and repairs	1,240	-	1,240	420
Other	805	-	805	1,248
Payroll taxes	805	-	805	628
Savings reimbursement	755	-	755	1,412

(Exhibit B continued on next page)

The accompanying notes are an integral part of this statement.

VILLAGE OF FORT WINCHEST, LOUISIANA

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1997

With Comparative Totals for the Year Ended June 30, 1996

	Governmental Fund Types		Proprietary Fund Type	Account Group	Totals	
	General Fund	Capital Projects Fund	Enterprise	General Fund Account	1997	1996
ASSETS						
Cash and cash equivalents	\$ 88,399	\$ -	\$ 99,717	\$ -	\$ 188,116	\$ 106,365
Investments, at cost	-	-	83,887	-	83,887	83,489
Grants receivable	-	-	-	-	-	438
Accounts receivable	-	-	4,791	-	4,791	2,580
Accruals from employees	-	-	-	-	-	2,580
Overpayment in 1996	1,547	-	-	-	1,547	1,547
Supplies - Grant Match	258	-	-	-	258	-
Equipment	-	-	-	51,052	51,052	35,488
Vehicle	-	-	-	17,482	17,482	12,442
Land	-	-	-	180	180	180
Building	-	-	-	97,299	97,299	87,298
Fixed assets, net of depreciation	-	-	801,244	-	801,244	34,818
TOTAL ASSETS	\$ 88,399	\$ -	\$ 881,061	\$ 148,831	\$ 1,036,325	\$ 262,540
LIABILITIES						
Accounts payable	\$ 765	\$ -	\$ 1,765	\$ -	\$ 2,530	\$ 1,298
Payroll taxes withheld	134	-	-	-	134	-
Unearned grant revenue	808	-	-	-	808	-
Revenues collected in advance	-	-	188	-	188	527
Total Liabilities	\$ 1,707	\$ -	\$ 1,953	\$ -	\$ 2,658	\$ 1,825
FUND EQUITY AND OTHER CREDITS						
Contributed capital	-	-	411,248	-	411,248	37,900
Investment in general fund assets	-	-	-	148,831	148,831	121,504
Retained earnings - unreserved	-	-	111,778	-	111,778	181,478
Fund balances:						
Indesignated	87,652	-	-	-	87,652	20,401
Designated for fire district	-	-	-	-	-	138
Total fund equity and other credits	\$ 87,652	\$ -	\$ 523,026	\$ 148,831	\$ 720,509	\$ 740,715
Total liabilities, fund equity and other credits	\$ 88,399	\$ -	\$ 881,061	\$ 148,831	\$ 1,036,325	\$ 262,540

The accompanying notes are an integral part of this statement.

GENERAL PURPOSE FINANCIAL STATEMENTS

In my opinion, the Village of Port Vincent, Louisiana complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1997.

Internal Control Over Compliance

The management of the Village of Port Vincent, Louisiana is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the Village of Port Vincent, Louisiana's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the Village's Mayor, Board of Aldermen, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Neil A. Ferraro, CPA

Baton Rouge, Louisiana,
September 25, 1997.

Internal Control over Financial Reporting

In planning and performing my audit, I considered the Village of Fort Vincent, Louisiana's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect Village of Fort Vincent, Louisiana's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general-purpose financial statements. A reportable condition is described in the accompanying schedule of findings and questioned costs as Item 92-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I consider reportable condition 92-1 referred to above to be a material weakness.

I also noted other matters involving the internal control over financial reporting that I have reported to the Mayor and Board of Aldermen of the Village of Fort Vincent, Louisiana in a separate letter dated September 20, 1997.

This report is intended for the information of the Village's Mayor, Board of Aldermen, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Neil P. Farnon, CPA

Notre House, Louisiana,
September 20, 1997.

NEIL G. FERRARI

CERTIFIED PUBLIC ACCOUNTANT

14001 OLD HANCOCK ROAD, SUITE 100, METairie, LA 70002

PHONE: (504) 885-1100 FAX: (504) 885-1101

MEMBER IIA

MEMBER AICPA

MEMBER IIA

MEMBER AICPA

FORM NO. 1000 (REV. 11-11-97)

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING ISSUED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Mayor and Board of Aldermen
Village of Port Vincent, Louisiana

I have audited the general-purpose financial statements of the Village of Port Vincent, Louisiana, as of and for the year ended June 30, 1997, and have issued my report thereon dated September 25, 1997. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Village of Port Vincent, Louisiana's general-purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of my audit and, 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. However, I noted certain immaterial instances of noncompliance that I have reported to the Mayor and Board of Aldermen of the Village of Port Vincent, Louisiana in a separate letter dated September 25, 1997.

In accordance with Government Auditing Standards, I have also issued a report (see page 3) dated September 25, 1997, on my consideration of the Village of Port Vincent, Louisiana's internal control over financial reporting and my tests of its compliance with laws, regulations, contracts, and grants.

My audit was made for the purpose of forming an opinion on the general-purpose financial statements of the Village of Port Vincent, Louisiana, taken as a whole. The accompanying financial information listed as supplementary financial 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 Village of Port Vincent, 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.

Mark B. Farnani, CPA

Baton Rouge, Louisiana,
September 25, 1997, except for Note 14
as to which the date is December 3, 1997.

NEIL G. FERRARI

REGISTERED PUBLIC ACCOUNTANT

14401 OLD SPANISH WRESTLING GLEYS
BATON ROUGE, LOUISIANA 70805

MEMBER OF THE
INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF THE
AMERICAN INSTITUTE OF CHARTERED FINANCIAL ANALYSTS

PHONE (504) 222-1100

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Board of Aldermen
Village of Port Vincent, Louisiana

I have audited the accompanying general-purpose financial statements of the Village of Port Vincent, Louisiana, as of and for the year ended June 30, 1987, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Village'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; standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 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.

In my opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Village of Port Vincent, Louisiana, as of June 30, 1987, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

5. SUPPLEMENTARY FINANCIAL INFORMATION

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- Schedule 3 - Combining Statement of Revenues, Expenditures, and Changes in Retained Earnings - Enterprise Fund 34
- Schedule 3 - Combining Statement of Cash Flows - Enterprise Fund 35
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Village of Port Vincent, Louisiana
Port Vincent, Louisiana

June 30, 1993

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- Copies from this copy and PLACE
- SIGN in FILE

Village of Port Vincent, Louisiana
 Financial Report
 June 30, 1997

Under provisions of STATE 134, this report is a public document. A copy of the report has been distributed to the auditor, or reviewer, 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 3-4-98

Other Recommendations

- CR#1: I noticed that the Village paid for advertising in the Livingston Parish Fair book. Although this purchase did not violate state law, I want to remind you that municipalities may only spend amounts to advertise as prescribed by state law. The Village may not include the name or picture of any elected official in local advertising.
- CR#2: Monitoring of interest rates on certificates of deposit needs to be improved. State law requires that, for certificates of deposit to qualify as an approved investment for a political subdivision, the interest rate at the time of the investment be not less than 50 basis points below the prevailing market interest rate on direct obligations of the United States Treasury with a similar length of maturity. The Village should require the bank to document that this rule is met each time a certificate of deposit is purchased or renewed. As an alternative, the Village can move the funds invested in certificates of deposit to its LAMP account.

This information is intended solely for the information of the Village's Mayor, Board of Aldermen, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Sincerely,



Neil G. Ferrari
Certified Public Accountant

Immaterial Instances of Noncompliance

- 80F1: Excess funds have been received under the COPSFAST grant because grant requests were based on budgeted expenditures instead of actual expenditures, which were lower. This was reported as an immaterial instance of noncompliance in the audit for the year ended June 30, 1986 and the matter has not yet been fully resolved.
- 80F2: Documentation of single source suppliers should be improved. During the year a police radio was bought from EMCO on the basis that it was a single source supplier but this item was not well documented.
- 80F3: Documentation of collateral pledged to secure deposits in excess of \$100,000 in a single bank should be improved. There were times during the year where it was unclear as to whether or not bank deposits in excess of \$100,000 were properly collateralized by the bank.
- 80F4: The FY 87 budget was not adopted until after the beginning of the fiscal year. The Village could not correct this finding from last year's audit for the FY 87 budget because it was adopted before I made the audit recommendation. However, the FY 88 budget was adopted timely in response to my recommendation.
- 80F5: The State of Louisiana, Division of Administration, Office of Community Development monitored the Village's Louisiana Community Development Block Grant (LCDBG) on July 9, 1987 and reported several findings of deficiencies. I reviewed these findings and called the person who did the monitoring. Based on my review and discussion, I do not consider these findings to be material and, therefore, have not reported them as material instances of noncompliance. I do not believe any material questioned or disallowed costs will result. The Village's management should address how it can prevent similar findings from occurring in the future.
- 80F6: State law requires that the chief executive or administrative officer shall advise the governing authority or independently elected official in writing when total revenues and other sources plus projected revenues and other sources for the remainder of the year, within a fund, are falling to meet total budgeted revenues and other sources by five percent or more. I noted a 5.12% unfavorable variance in the total revenues and other sources of the General Fund. Although the amount is not material, it could have been, and illustrates the need to more closely monitor this area in the future.

Instances of Noncompliance - Prior Year

- Finding #1: A formal investment policy was not developed and adopted.
- Corrective Action: A formal investment policy has now been adopted.
- Finding #2: The Village did not fully comply with certain budget laws.
- Corrective Action: The Village is now in compliance with these laws.

I also discussed three immaterial instances of weaknesses in the internal control and two immaterial instances of noncompliance. I noted no problems in these areas in the current audit except that excess funds received for the COPPEST grant has not been fully received. This is discussed in the current year findings and recommendations below.

Current Year Findings and Recommendations

Material Weakness in Internal Control

- MM1: The lack of segregation of duties is a material weakness in internal control and is discussed in the schedule of Findings and Questioned Costs of the audit report package.

Immaterial Weaknesses in Internal Control

- IC1: Accrued returns should be filed to recover overpayment of Federal payroll taxes. Payroll taxes overwithheld from employees should be reimbursed immediately to the employees.
- IC2: The detailed inventory of police equipment should be reconciled to the Village's fixed asset list.
- IC3: Receivables which are greater than \$100 per customer comprise about 50% of the June 30, 1997, outstanding receivable balance in the waterworks and garbage funds. Someone should be appointed to find out why these customers are not paying. The Village should consider how to manage situations like this in the future and adopt a policy to provide guidance on how to collect past due accounts.

Reportable Conditions - Prior Year

- Finding #1:** Due to the size of the organization, there is no meaningful segregation of duties in most areas.
- Corrective Actions:** This has not been resolved and is reported as a material weakness in the audit for the year ended June 30, 1997.
- Several of the specific recommendations made in the prior audit to mitigate risk in this area were adopted. Others were not. The condition exists because the Village clerk is the only administrative employee of the Village and the condition can only be corrected if another administrative employee is hired or the Mayor and/or Aldermen take more responsibility for reviewing financial information. The accounting records are well organized, which should make these reviews relatively easy to perform.
- An administrative consultant was hired for the Louisiana Community Development Block Grant. This provided for adequate segregation of duties in the administration of the major federal award program.
- Finding #2:** Blank checks are sometimes signed by one of the two authorized check signers.
- Corrective Actions:** Signing blank checks is now forbidden. All Aldermen are now authorized check signers which enables checks to be signed when the Mayor or Clerk are not available.
- Finding #3:** Cash is not deposited intact on a daily basis.
- Corrective Actions:** Management has acknowledged that frequent deposits reduce the risk that checks or money orders will be lost or mishandled and is trying to make deposits at least once a week. The reasons this finding has not been corrected are logistical and not by design. The Village's bank is not located where daily deposits are possible and the Village's employees do not work every day. In my opinion, the Village is doing all that it can in this area.

These adjustments, which were accepted by management, could have had a significant effect on the Village of Port Vincent's financial statements if they had not been made. However, these adjustments are routine, end-of-year adjustments that I traditionally make as a part of the audit. There were other adjustments that were not material to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement as a matter, whether or not resolved to my satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the general purpose financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of my audit.

Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with me to determine that the consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Independent Auditor

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Village of Port Vincent's auditor. However, these discussions occurred in the normal course of our professional relationship and my responses were not a condition to my retention.

Difficulties Encountered in Performing the Audit

I encountered no significant difficulties in dealing with management in performing my audit.

Corrective Action Taken on Prior Year Audit Findings

The following discussion briefly presents the material findings from the audit for the year ended June 30, 1987 and the action, if any, that has been taken to correct them.

Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of my engagement letter, I am to advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Village of Port Vincent are described in Note 3 to the general purpose financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 1987. I noted no transactions entered into by the Village of Port Vincent during the year that were both significant and unusual, and of which, under professional standards, I am required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the general purpose financial statements prepared by management and are based on management's current judgment. Certain accounting estimates are particularly sensitive because of their significance to the general purpose financial statements and because of the possibility that future events affecting them may differ significantly from management's current judgments.

Significant Audit Adjustments

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the general purpose financial statements that, in my judgment, may not have been detected except through my auditing procedures. These adjustments may include those proposed by me but not recorded by the Village of Port Vincent that could potentially cause future financial statements to be materially misstated, even though I have concluded that such adjustments are not material to the current financial statements.

During the audit I proposed adjustments for the following reasons:

1. To reclass certain accounts or transactions for financial statement presentation.
2. To correctly state the revenue earned from the COPF EAST Grant.
3. To record the contribution of the construction in progress on the water well to the Water Works Fund.
4. To record depreciation on the fixed assets in the Water Works Fund.

NEIL G. FERRARI

CERTIFIED PUBLIC ACCOUNTANT

14491 OLD FARMROADS HIGHWAY, SUITE 4
BAYTOWN, MISSISSIPPI, LOS ANGELES COUNTY

MEMBER OF THE
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF THE
STATE BOARD OF ACCOUNTANTS

PHONE (601) 222-1172

Management Letter

September 25, 1993

To the Mayor and Board of Aldermen
Village of Port Vincent, Louisiana

I have audited the general purpose financial statements of the Village of Port Vincent, as of and for the year ended June 30, 1993, and have issued my report dated September 25, 1993. Professional standards require that I provide you with the following information related to my audit.

My Responsibility under Generally Accepted Auditing Standards and Government Auditing Standards

As stated in my engagement letter dated June 21, 1993, my responsibility, as described by professional standards, is to plan and perform my audit to obtain reasonable, but not absolute, assurance about whether the general purpose financial statements are free of material misstatement. Because of the concept of reasonable assurance and because I did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defalcations, may exist and not be detected by me.

As part of my audit, I considered the internal control of the Village of Port Vincent. Such considerations were for the purpose of determining my audit procedures and to report on the internal control in accordance with GAO Circular A-333 and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Village of Port Vincent's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my tests was not to provide an opinion on overall compliance with such provisions. Also, in accordance with GAO Circular A-333, I examined, on a test basis, evidence about the Village of Port Vincent's compliance with requirements applicable to major federal award programs for the purpose of expressing an opinion on the Village of Port Vincent's compliance with those requirements.

EXIT CONFERENCE

Village of Port Vincent, Louisiana
Baton Rouge, Louisiana

June 10, 1997

The exit conference was held December 17, 1997, at the office of Neil Ferrari, CPA in Baton Rouge, Louisiana. The conference was attended by Neil M. Ferrari, CPA, Sharyl Hawkins, CPA, Mayor Peggy Savoy, and Mary Gourdon, Village clerk and alderman.

I reported to the Village's representatives a reportable condition that I considered to be a material weakness in the Village's internal control along with other immaterial internal control weaknesses. I reported no material instances of noncompliance with laws, regulations, contracts and grant agreements, however, I mentioned some immaterial instances to them.

I also offered some recommendations that were not related to any specific findings.

The reportable condition that I considered to be a material weakness in the Village's internal control is described in this audit report package. The immaterial findings and my other recommendations have been reported to the Village's Mayor and Board of Aldermen in a separate letter dated September 25, 1997.

Mayor Savoy acknowledged my findings and recommendations and stated that she would evaluate how to implement them. There were not any disagreements with the Village's management during the audit.

ANNUAL SCHEDULE OF PRIOR AUST FINDINGS
RELATIVE TO FEDERAL AWARD PROGRAMS

Village of Port Vincent, Louisiana
Port Vincent, Louisiana

June 30, 1997

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The findings noted in the 1994 report by the auditor were not relative to major federal award programs and are not required to be described in this section.

CORRECTIVE ACTION PLAN - (continued)

If you have any questions regarding this plan, please call Mayor Peggy Savoy at (504) 688-9893.

Sincerely,



Peggy Savoy, Mayor

CORRECTIVE ACTION PLAN.

Village of Port Vincent, Louisiana
Port Vincent, Louisiana

June 30, 1997

To the following oversight agencies for audit:

Federal: U.S. Department of Housing and Urban Development

State: Legislative Auditor of the State of Louisiana

The Village of Port Vincent, Louisiana, respectfully submits the following corrective action plan for the year ended June 30, 1997.

Name and address of independent public accounting firm: Neil G. Ferrari, CPA, 14481 Old Hammond Highway, Suite 4, Baton Rouge, Louisiana, 70816.

Audit period: For the year ended June 30, 1997.

The findings from the June 30, 1997 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule. Section A of the schedule, Summary of Audit Results, does not include findings and is not addressed in this corrective action plan.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

REPORTABLE CONDITION - material weakness

Finding 97-1: Lack of Segregation of Duties

Recommendation: The Mayor should continue to become involved in reviewing financial information to compensate for areas where there is a lack of segregation of duties. When performing reviews, she should remember to document them.

Action Taken: The auditor has discussed with me the accounting areas where a lack of segregation of duties exist. The Village has hired another employee to assist the Village's clerk in processing transactions and thereby spread the responsibilities for handling certain phases of accounting amongst two people. This will help minimize the risks associated with a lack of segregation of duties. I plan to continue my oversight and review of what the Village clerk is doing and will document my review where necessary.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - (continued)

Perspective: This condition exists because the Village clerk is the only administrative employee of the Village and can only be corrected if an additional administrative employee is hired or the Mayor and/or aldermen take more responsibility for reviewing financial information.

I cited this same finding last year. The Mayor has made some attempts to review the work of the Village clerk, but the Mayor still relies heavily on the knowledge and integrity of the Village clerk.

The Village is only required to have an audit for the year ended June 30, 1997 because of the funds received from a Louisiana Community Development Block Grant. An administrative consultant was hired for the grant to ensure adequate segregation of duties as well as compliance with grant requirements.

Questioned Costs: There were not any questioned costs related to this finding.

Recommendation: The Mayor should continue to become involved in reviewing financial information to compensate for areas where there is a lack of segregation of duties. When performing reviews, she should remember to document them.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AIDED PROGRAMS MUST

There were no findings or questioned costs discovered by me that require reporting in this section.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - (continued)

B. FINDINGS - FINANCIAL STATEMENTS ASPECT

Reportable Conditions - Material Weakness

#97-1 Lack of Segregation of Duties

Condition: Due to the size of the organization, there is no meaningful segregation of duties in most areas. Examples include:

- a) The Village clerk receives payments, lists incoming receipts, prepares deposits, and records these transactions in the accounting records. She also does the billings for the Enterprise Funds.
- b) The Village clerk prepares checks, records disbursements, and is an authorized check signer.
- c) The Village clerk prepared the bank reconciliations.

Criteria: The internal control structure of any organization should be designed to include the following:

- 1) Provide for an appropriate segregation of duties.
- 2) Provide for appropriate reviews and approvals of transactions, accounting entries, and systems output.

Effect: This finding is a material weakness in the Village's internal control structure, but it has no effect on the financial statements. The errors that were found and corrected during the audit were not material to the financial statements taken as a whole. The Village hired an administrative consultant for the Louisiana Community Development Block Grant to ensure adequate segregation of duties for the major federal award program.

Cause: When one person is basically responsible for initiating, processing, and recording transactions with little or no oversight, errors can and will occur.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Village of Port Vincent, Louisiana
Port Vincent, Louisiana

June 30, 1997

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general-purpose financial statements of the Village of Port Vincent, Louisiana.
2. One reportable condition was disclosed during the audit of the general-purpose financial statements and has been reported in the "Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Comptroller Auditing Standards." The condition was reported as a material weakness.
3. No instances of noncompliance material to the general-purpose financial statements of the Village of Port Vincent, Louisiana were disclosed during the audit.
4. No internal control matters relating to the audit of the major federal award program are reported in the "Report on Compliance With Requirements Applicable to Each Major Program And Internal Control Over Compliance in Accordance With OMB Circular A-113".
5. The auditor's report on compliance for the major federal award programs for the Village of Port Vincent, Louisiana expresses an unqualified opinion.
6. No audit findings relating to major federal award programs were disclosed during the audit.
7. The program tested as a major program is the:
U.S. Department of Housing and Urban Development - Louisiana Community Development Block Grant Program; CDBG #14.110
8. The threshold for distinguishing Types A and B programs was \$200,000.
9. Village of Port Vincent, Louisiana was determined not to be a low-risk auditee.

VILLAGE OF SAINT VINCENT, LOUISIANA
 CONSOLIDATED STATEMENT OF CASH FLOW
 SUPPLEMENTAL PAGE

For the year ended June 30, 1987

With Comparative Balance for the Year Ended June 30, 1986

	Midcourse	verage Balance	Balance	
			1987	1986
CASH FLOW FROM OPERATING ACTIVITIES				
Operating Income (Loss)				
Adjustments to Midcourse operating income in cash provided by other cash operating activities:	\$ 6,783	\$ (1,280)	\$ 5,483	\$ 4,451
Depreciation	1,488	88	1,308	1,108
Provisions from general fund for dilatory residents' garbage fees	-	680	680	384
Changes in assets and liabilities:				
(Decrease) increase in:				
Accounts receivable	(928)	(1,253)	(2,371)	421
Accounts payable	-	1,762	1,762	-
Sales tax payable	-	-	-	(112)
Revenues collected in advance	41	234	232	37
Net cash provided by operating activities	7,353	350	7,182	6,633
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of equipment	(3,327)	(887)	(3,794)	-
Debtors' notes	4,128	487	4,333	3,429
Purchase of investments	(108,250)	-	(108,374)	(100,657)
Redemptions of investments	104,288	-	104,348	113,748
Net cash provided (used) by investing activities	632	(350)	808	31,798
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	8,214	88	8,314	19,482
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	42,862	8,343	51,933	31,921
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 51,076	\$ 8,431	\$ 60,247	\$ 51,403

Supplemental activities - The Village contributed construction in progress of \$172,448 to the Waterworks Enterprise Fund.

VILLAGE OF FORT VINCENT, LOUISIANA

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN DEBTABLE FUNDING
RESERVE FUND

FOR the year ended June 30, 1991

With Comparative Details for the Year Ended June 30, 1990

	1990	1991	TOTAL	
			1991	1990
OPERATING REVENUES				
Charges for services	\$ 18,485	\$ 17,381	\$ 35,866	\$ 35,866
Commodities from	450	-	450	450
Penalty income	478	922	1,400	743
Total operating revenues	19,413	18,303	37,716	36,959
OPERATING EXPENSES				
Garbage collection	-	19,949	19,949	11,792
Administration	9,328	2,848	12,176	7,873
Utilities	2,891	-	2,891	2,538
Maintenance	2,821	-	2,821	2,990
Depreciation	2,659	58	2,717	2,384
Unallocable amounts	182	272	454	2,552
Total operating expenses	18,600	15,127	33,727	27,280
Operating income (loss)	813	3,176	3,989	4,679
NON-OPERATING REVENUES (EXPENSES)				
Interest income	4,128	482	4,610	3,492
Income before operating transfers	12,931	3,658	16,589	8,171
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	688	688	304
Operating transfers out	-	-	-	-
Net income (loss)	12,931	4,346	17,277	8,475
RETAINED EARNINGS				
Beginning of year	91,482	8,388	99,870	70,622
End of year	\$104,413	\$ 12,734	\$117,147	\$79,097

VILLAGE OF FORT VINCENT, LOUISIANA

COMBINED BALANCE SHEET
ENTERPRISE FUND

June 30, 2009

With comparative totals for the Year Ended June 30, 2008

	Enterprise	Charge Service	Totals	
			2009	2008
CAPITAL				
CONTRIBUTIONS				
From municipality	411,369	-	411,369	36,900
Total contributions	411,369	-	411,369	36,900
RETAINED EARNINGS				
Unreserved	162,366	8,381	170,747	201,075
Total retained earnings	162,366	8,381	170,747	201,075
Total capital	573,735	8,381	582,116	237,975
Total liabilities and capital	\$624,005	\$ 13,004	\$637,009	\$675,510

VILLAGE OF PORT VINCENT, LOUISIANA

COMBINED BALANCE SHEET
INTERFUNDAL FUNDS

June 30, 1993

With Comparative Totals for the Year Ended June 30, 1992

ASSETS	Encumbrance	Change Accrued	Totals	
			1993	1992
CURRENT				
Cash and cash equivalents	\$ 81,880	\$ 8,827	\$ 90,707	\$ 55,485
INVESTMENTS:				
Certificates of deposit	53,887	-	53,887	53,729
Accounts receivable	2,313	2,880	4,193	2,580
Total current assets	137,980	11,707	149,687	111,794
FIXED				
Waterworks system and equipment	454,798	487	455,285	63,547
Less accumulated depreciation	187,873	183	188,056	148,737
Total fixed assets	266,925	304	267,229	214,810
Total assets	404,905	\$ 12,011	416,916	326,604
	*****	*****	*****	*****
LIABILITIES				
CURRENT				
Payable from current assets:				
Accounts payable	-	\$ 1,762	\$ 1,762	-
Revenue collected in advance	328	881	1,209	520
Total current liabilities	328	2,643	3,971	520

(Schedule 1 continued on next page)

SUPPLEMENTARY FINANCIAL INFORMATION

Note 12 - RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village has obtained liability insurance through the Louisiana Risk Management Association (LRMA). This policy includes general liability insurance as well as liability insurance for the Village Hall, the police car and the patrolmen, and an errors and omissions policy on the public officials. In addition, the Village has purchased building and contents insurance on the Village Hall, comprehensive and collision insurance on the police car and worker's compensation insurance.

Note 13 - FEDERAL AIDED PROGRAMS

The Village participates in a number of federal award programs. These programs are audited in accordance with the Single Audit Act Amendments of 1996. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations (see Note 14 below). Based on prior experience, the Village's management believes that further examinations would not result in any significant disallowed costs to such an extent that they would affect the Village's financial position.

Note 14 - SUBSEQUENT EVENT

The State of Louisiana, Division of Administration, Office of Community Development monitored the Louisiana Community Development Block Grant Program (LCDBG) on July 9, 1997. The monitoring report identified several findings of deficiencies in the administration of the grant. The Village responded to these findings on October 18, 1997. The State has not yet reviewed the Village's response. The Village does not expect any material questioned or disallowed costs as a result of these findings.

NOTE 8 - PER DIEM PAID TO MAYOR AND ALDERMEN

The mayor receives a per diem of \$200 per regular meeting attended and \$100 for special meetings, and the aldermen receive a per diem of \$50 per regular meeting attended and \$25 for special meetings. Per diems received during the year ended June 30, 1997 were as follows:

Mayor Peggy Sweeney	\$1,750
Alderman John Morris	600
Alderman Evelyn Neagham	525
Alderman Mary Gordon	525
Alderman Malvin Albee	375
Alderman Robert Neagham	225
Total	\$4,400

NOTE 9 - RELATED PARTY TRANSACTIONS

There were not any related party transactions during the fiscal year.

NOTE 10 - LITIGATION

A man and his wife filed suit against the Village, and several law enforcement officers and other agencies, alleging that they were arrested without probable cause and that excessive force was used in the arrest. Discovery is currently underway. The Village intends to vigorously defend this suit. The attorney for the Village believes that the outcome of the case will depend on determinations of fact. In the event of an adverse outcome, the amount of any potential loss to the village (with the exception of punitive damages if they are awarded) will be covered by the village's insurance.

NOTE 11 - INCOME TAXES

The Village is exempt from all Federal and Louisiana income taxes.

Note 2 - PENSION PLAN - (continued)

Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the age specified previously and receive the benefit accrued to their date of termination. The Plan also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees' Retirement System, 6481 United Plaza Blvd., Room 370, Baton Rouge, Louisiana 70808-4619, or calling (504) 928-7411.

Note 3 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The Village maintains two enterprise funds which provide water and garbage services. Segment information for the year ended June 30, 1997 was as follows:

	WATERWORKS	GARBAGE	TOTALS
Operating revenues	\$ 17,383	\$17,823	\$ 35,206
Depreciation	1,458	56	1,514
Operating income (loss)	6,283	(1,260)	5,023
Operating transfers in (out)	-	688	688
Net income (loss)	10,811	(227)	10,584
Current capital:			
Contributions	372,449	-	372,449
Transfers in/out	-	-	-
Property, Plant, and Equipment:			
Additions	373,216	487	373,703
Deletions	520	-	520
Net working capital	306,820	8,944	315,764
Total assets	\$14,878	\$1,494	\$16,372
Total equity	\$13,747	\$,381	\$14,128

Note 4 - PENSION PLAN

All full-time police department employees engaged in law enforcement and all police chiefs earning at least \$100 per month are required to participate in the Municipal Police Employees Retirement System of Louisiana, which is a cost-sharing multiple employer plan. The Village's police chief and the full-time police officer participate in the Plan. Plan contributions are funded at 94 of gross salary, including any state supplemental pay, but not including any overtime. Additionally, employee contributions are made at the rate of 7.5% state statute specifies the required contribution percentages. The difference between the actual actuarially required employer rate and the 94 rate established by statute is funded through assessments against casualty insurers in the state.

	Year Ended	Year Ended	Year Ended
	06/30/97	06/30/96	06/30/95
Total payroll	\$51,150	\$44,697	\$32,110
Covered payroll	26,850	20,500	4,800
Pension expense	2,738	1,841	411

All of the required contributions have been made.

Employees who retire with 25 years of service, at any age, or at or after age 55 with at least 20 years of creditable service or at or after age 55 with at least 15 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of creditable service. Early retirement, at reduced benefits is available for any member who has 20 years or more of service but who has not reached age 55. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Members are not considered fully vested until they have attained both the age and the years of service required to receive regular retirement benefits.

Note 5 - CHANGES IN FIXED ASSETS

- a. A summary of changes in general fixed assets and investment in general fixed assets for the year ended June 30, 1997, are as follows:

	Beginning _BT_ 1996	Additions	Retirements	End _BT_ Year
General Fixed Assets				
Equipment	\$ 15,442	\$ 15,400	\$ -	\$ 30,842
Rebuses	12,462	-	-	12,462
Land	100	-	-	100
Building	93,258	-	-	93,258
Totals	\$121,262	\$ 15,400	\$ -	\$136,662

Investment in General Fixed Assets

	Beginning _BT_ 1996	Additions	Retirements	End _BT_ Year
General Fund assets from State of Louisiana:	\$ 84,897	\$ 12,887	\$ -	\$ 97,784
Building	70,000	-	-	70,000
Police equipment	14,897	12,887	-	27,784
Totals	\$121,262	\$ 12,887	\$ -	\$134,149

- b. A summary of changes in Proprietary Fund fixed assets for the year ended June 30, 1997 is as follows:

	Beginning _BT_ 1996	Additions	Retirements	End _BT_ Year
Distribution systems	\$ 29,956	\$ -	\$ -	\$ 29,956
Well-site improvements	11,050	850	-	11,900
Furniture	2,222	-	-	2,222
Copy machine	930	930	(930)	930
Construction in progress	38,752	172,480	-	211,232
Totals	\$1,140	173,260	(930)	\$183,230
less accumulated depreciation	(10,712)	(1,200)	000	(11,712)
Totals	\$ 1,140	\$172,060	\$ -	\$171,518

Depreciation expense was \$1,708 for the year ended June 30, 1997.

Note 2 = CASH AND CASH EQUIVALENTS - (continued)

LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

Note 3 = INVESTMENTS

Investments at June 30, 1997 consisted of the following:

	<u>Govt.</u>	<u>Market</u>	<u>Maturity</u>	<u>Fund</u>
<u>INSTITUTIONS:</u>				
Deposit Guaranty National Bank	\$ 48,244	\$ 48,244	09-16-97	Enterprise
Deposit Guaranty National Bank	3,622	3,622	10-28-97	Enterprise
Totals	\$ 51,866	\$ 51,866		

Certificates of deposit with greater than 90 day maturities are included on the financial statements as investments; however, they are considered as deposits for purposes of the state law described in Note 3.

Note 4 = CAPITAL CONTRIBUTIONS - ENTERPRISE FUND

During the year ended June 30, 1996, the Village was awarded a federal grant of \$85,516 to construct a new water well. This well will be contributed by the Village to the Enterprise Fund. Construction in progress as of June 30, 1997 was \$28,202 and is shown as an increase in the Enterprise Fund's fixed assets and as an increase in contributed capital of \$25,753 for the year ended June 30, 1996 and \$372,449 for the year ended June 30, 1997.