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TOWN OF SPRINGFIELD, LOUISIANA

**General Purpose Financial Statements,
Accountants' Compilation Report, Supplemental Information and
Independent Accountants' Report on Applying Agreed-Upon Procedures**

For the Year Ended June 30, 1997

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the resident or registered, equity 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: JAN 07 1998

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TOWN OF SPRINGFIELD, LOUISIANA
 General Purpose Financial Statements
 and Accountants' Compilation Report
 As of and For the Year Ended June 30, 1997

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CERTIFIED PUBLIC ACCOUNTANTS

Donald A. Dean, CPA
Bridget Dean, CPA

ACCOUNTANTS' COMPILATION REPORT

October 31, 1997

Mayer and Board of Aldermen
Town of Springfield, Louisiana

We have compiled the accompanying general purpose financial statements of the Town of Springfield, Louisiana, as of and for the year ended June 30, 1997, as listed in the foregoing table of contents, in accordance with standards established by the American Institute of Certified Public Accountants.

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

Respectfully submitted,



Dean and Dean, CPA's

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

Statement A

	Governmental	Account Groups		Totals
	Fund Type	General	General	(Miscellaneous
	General	Long-term	Fund Assets	and)
	Fund	Obligations		
ASSETS				
Cash and cash equivalents	\$ 58,218	\$	\$ -0-	\$ 58,218
Taxes receivable	29,815			29,815
Property and equipment			185,125	185,125
Amount to be provided for retirement of general long-term obligations		33,080		33,080
TOTAL ASSETS	\$ 88,033	\$ 33,080	\$ 185,125	\$ 306,238
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Accounts payable	\$ 10,482	\$	\$ -0-	\$ 10,482
Current portion of revenue bonds	7,080			7,080
Revenue bonds payable	-0-	33,080		33,080
Total Liabilities	17,562	33,080	-0-	50,642
Fund Equity				
Investment in general fund assets			185,125	185,125
Fund balance: Unreserved-undesignated	71,293			71,293
Total Fund Equity	71,293		185,125	256,418
TOTAL LIABILITIES AND FUND EQUITY	\$ 88,855	\$ 33,080	\$ 185,125	\$ 307,060

See Accompanying Notes and Accountants' Completion Report

TOWN OF SPRINGFIELD
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES -
 GOVERNMENTAL FUND TYPE - GENERAL FUND
 FOR THE YEARS ENDED JUNE 30, 1997

Statement 8

REVENUES

Sales taxes	\$	141,101
Other taxes		51,214
Licenses and permits		28,761
Fines and forfeitures		28,000
Grants		12,848
Other		<u>5,821</u>
Total Revenues		<u>268,845</u>

EXPENDITURES

General government		104,817
Public safety		71,440
Streets		41,434
Solid waste		14,247
Capital expenditures		85,497
Data Service		<u>7,699</u>
Total Expenditures		<u>325,134</u>

DEFICIT OF REVENUES OVER EXPENDITURES (76,289)

(OTHER FINANCING SOURCES - PROCEEDS FROM REVENUE BONDS) 40,000

DEFICIT OF REVENUES AND OTHER SOURCES OVER EXPENDITURES (36,289)

FUND BALANCE AT BEGINNING OF YEAR 110,348

FUND BALANCE AT END OF YEAR \$ 74,059

See Accompanying Notes and Accountants' Compilation Report

TOWN OF SPRINGFIELD
 COMBINED STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL
 ALL GOVERNMENTAL FUND TYPES - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 1997

Statement C

	Budget	Actual	Variance- Favorable (Unfavorable)
REVENUES			
Sales - taxes	\$ 142,808	\$ 141,921	\$ 887
Other taxes	21,508	21,214	294
Licenses and permits	21,504	28,787	6,283
Fees and forfeitures	27,808	28,407	599
Grants	18,208	18,848	640
Other	5,825	5,825	792
Total Revenues	232,671	246,842	1,171
EXPENDITURES			
General government	58,875	64,817	(4,742)
Public safety	78,208	71,442	7,442
Streets	41,808	41,454	354
Solid waste	48,208	14,847	33,361
Capital expenditures	62,208	65,427	(2,487)
Debt Service	7,808	7,808	0
Total Expenditures	316,671	329,867	21,718
DEFICIT OF REVENUES OVER EXPENDITURES	(108,208)	(78,215)	29,485
OTHER FINANCING SOURCES - PROCEEDS FROM REVENUE BONDS	48,208	48,208	0
DEFICIT OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(68,208)	(28,215)	29,485
FUND BALANCE AT BEGINNING OF YEAR	118,558	118,558	
FUND BALANCE AT END OF YEAR	\$ 47,758	\$ 71,243	\$ 23,485

See Accompanying Notes and Accountants' Compilation Report

TOWN OF SPRINGFIELD, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended June 30, 1997

A. THE TOWN

The Town of Springfield (the Town) was incorporated in 1838, under a special charter. The Town operates under a Mayor-Board of Aldermen form of government. The Mayor and five Aldermen are elected to four year terms. The Town provides the following services as authorized by its charter: public safety (police), highways and streets, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Reporting Entity

For financial reporting purposes, in conformance with Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB codification), the Town of Springfield includes all funds, account groups, activities, or others, that are controlled by the Town's Mayor and Board of Aldermen. Control by the Town was determined on the basis of budget adoption, taxing authority, authority to issue debt, election and appointment of governing body and other general oversight responsibility.

Fund Accounting

The Town 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.

TOWN OF SPRINGFIELD, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended June 30, 1997

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

Funds of the Town are classified as governmental funds. Governmental funds account for the Town's general activities.

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Town and accounts for the operation of the Town's office. The Town's principal source of revenue, sales taxes, is accounted for in this fund. General operating expenditures are paid from this fund. This is the only fund of the Town.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is 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. The operating statement of the General Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

Sales taxes, licenses, franchise taxes, beer taxes, tobacco taxes, and video poker taxes are recorded in the year in which they are collected or become collectable. Revenue from restricted grants is recorded as the funds from the grant are expended. Interest income on time deposits is recorded when earned and available. Other revenues are recorded when received.

Expenditures

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

TOWN OF SPRINGFIELD, LOUISIANA
Notes to the Financial Statement
As of and for the Year Ended June 30, 1997

Budget

The Town prepares a budget at the beginning of each year based upon prior year expenditures and anticipated revenues for the budget year. The proposed budget is prepared on a modified accrual basis of accounting and is made available for public inspection no later than 15 days prior to the beginning of the budgeted year. The budget was formally adopted on August 11, 1996. All appropriations lapse at year end.

Formal budget integration (within the accounting system) is not employed as a management control device. During the fiscal year, actual revenues and expenditures are compared to budgeted revenues and expenditures by the Mayor and Board of Aldermen. If actual revenues are falling short of budgeted revenues by five per cent or more or if actual expenditures to date plus projected expenditures for the remainder of the year exceed the budgeted expenditures by five per cent or more, the original budget is amended by the Mayor and Board of Aldermen. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. The Mayor and Board of Aldermen are responsible for adopting and amending the budget.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits. Under state law, the Town 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.

Fixed Assets

Fixed assets used in governmental fund operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the governmental funds. Fixed assets are valued at historical cost. No depreciation has been provided on fixed assets. The account group is not a fund. It is concerned only with the measurement of financial position and does not involve measurement of results of operations.

TOWN OF SPRINGFIELD, LOUISIANA
Notes to the Financial Statements
As of and for the Year Ended June 30, 1997

Vacation and Sick Leave

Employees of the Town earn from 18 to 15 days of vacation leave each year, depending on length of service. Vacation leave must be used in the year earned. There is no formal policy on sick leave. Sick leave is approved by the Town based on need. There are no accumulated and vested benefits relating to vacation or sick leave.

Long-Term Obligations

Long-term obligations expected to be financed from the General Fund are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the General Fund when due.

Total Columns on Statements

The total columns on the 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.

C. CASH AND CASH EQUIVALENTS

At June 30, 1997, the Town had cash and cash equivalents (bank balances) totaling \$59,210, as follows:

	<u>1997</u>
Demand deposits	\$ 18,884
Money market accounts	<u>40,326</u>
Total	<u>\$ 59,210</u>

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. At June 30, 1997, the Town had \$59,210 in deposits (collected bank balances). These deposits were totally secured from risk by Federal deposit insurance.

TOWN OF SPRINGFIELD, LOUISIANA
 Notes to the Financial Statements
 As of and for the year ended June 30, 1997

K. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets (office furnishings and equipment) for the years ended June 30, 1997, is as follows:

Beginning Balance	\$ 99,838
Additions	93,497
Deductions	<u>-0-</u>
Ending Balance	<u>\$ 193,335</u>

F. REVENUE BONDS PAYABLE

During the year ended June 30, 1997, the Town issued \$48,000 of revenue bonds to finance the purchase of a new town hall. Interest on the bonds is payable semiannually on April 1 and October 1 of each year at a rate of 8.25% on the outstanding principal. The principal is payable annually on April 1 of each year as follows:

1998	\$ 7,000
1999	8,000
2000	8,000
2001	8,000
2002	<u>8,000</u>
	<u>\$ 48,000</u>

G. PENSION PLAN

All employees of the Town's police department are members of the Louisiana Municipal Police Employees Retirement System ("System"), a multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees.

All full-time police officers, employed in a municipality in the State of Louisiana, engaged in law enforcement, and empowered to make arrests are required to participate in the System. Employees who retire at or after age 55 with at least 25 years of creditable service or at or after age 50 with at least 15 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 per cent of their final-average salary for each year of credited service, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's

TOWN OF SPRINGFIELD, LOUISIANA
Notes to the Financial Statements
As of and for the year Ended June 30, 1997

average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of credited service stated above and do not withdraw their employee contributions may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 6401 United Plaza Boulevard, Metairie, LA 70009-2258, or by calling (504) 839-7411.

Plan members are required by state statute to contribute 1.5 percent of their annual covered salary and the Town of Springfield is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the Town of Springfield are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:109, the employee contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Springfield contributions to the System for the years ending June 30, 1997, 1996, and 1995, were \$3,526, \$4,064, and \$4,412, respectively, equal to the required contributions for each year.

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CERTIFIED PUBLIC ACCOUNTANTS

Donald A. Dean, CPA
David P. Dean, CPA

ACCOUNTANTS' REPORT ON SUPPLEMENTAL INFORMATION

October 14, 1997

Mayor and Board of Aldermen
Town of Springfield, Louisiana

Our report on our compilation of the general purpose financial statements of the Town of Springfield, Louisiana for the year ended June 30, 1997 appears on Page 2. A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the financial statements and, accordingly, do not express an opinion or any other form of assurance on them. The information included in the accompanying supplemental schedules is presented only for supplementary analysis purposes. Such information has been compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

Respectfully submitted,



Dean and Dean, CPAs

SUPPLEMENTAL INFORMATION

TOWN OF SPRINGFIELD, LOUISIANA
 Schedule of Compensation Paid to Mayor
 and Board of Aldermen
 For the Year Ended June 30, 1997

Charles Martin, Mayor P. O. Box 421 Springfield, LA 70462 (504) 294-2401	\$ 4,800
Thomas Abeln, Alderman P. O. Box 416 Springfield, LA 70462 (504) 294-2800	400
Marcia Sherburne, Alderman 2844 McCordell Rd. Springfield, LA 70462 (504) 294-2128	675
Lynette Parrill, Alderman P. O. Box 398 Springfield, LA 70462 (504) 294-2000	175
Tracy Massey, Alderman P. O. Box 148 Springfield, LA 70462 (504) 294-2261	175
Gary Figott, Alderman P. O. Box 187 Springfield, LA 70462 (504) 294-4222	425
	<hr/> \$ 7,350

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING
AGREED-UPON PROCEDURES

October 14, 1997

Mayor and Board of Aldermen
Town of Springfield, Louisiana

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

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-PS 38:2211-2221 (the public bid law).

There were no expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-PS 41:1181-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

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

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

Management provided us with the required list.

Mayor and Board of Aldermen
October 14, 1997

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

None of the employees included on the list of employees provided by management appeared on the list of immediate family members provided by management.

Budgeting

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

Management provided us with a copy of the original budget and all amendments.

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

We traced the adoption of the original budget to the minutes of a meeting held on August 21, 1996 which indicated that the budget had been adopted by the members of the board by a unanimous vote. We traced the budget amendments to the minutes of a meeting held on June 18, 1997.

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

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

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

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

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

Mayor and Board of Aldermen
October 14, 1997

- (c) Determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the town clerk and the mayor.

Meetings

8. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by RSA-92 42:1 through 42:12 (the open meetings law).

The Town of Springfield is only required to post a notice of each meeting and the accompanying agenda on the bulletin board at the town hall. During all of our visits to the town hall, we noted that the agenda for the upcoming meeting was posted on the bulletin board.

Debt

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

We inspected copies of all bank deposit slips for the period under examination and noted a deposit on May 28, 1997, for \$10,000 which represented the proceeds from revenue bonds. We also noted that the bond insurance was approved by the state bond commission on April 17, 1997.

Advances and Bonuses

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

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

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

Mayor and Board of Aldermen
October 14, 1907

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

Respectfully submitted,



Ross and Ross, CPAs