

VILLAGE OF OAK RIDGE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
 As of and For the Year Ended December 31, 1996

At December 31, 1996, the Reserve and Contingency fund balances were sufficient to satisfy such bond covenants requirements.

Enterprise Fund

	Revenue Bond Sinking and Reserve Fund	Bond & Grant Construction Fund	Customer Deposits	Total
December 31, 1996				
Cash and Investments in Certificates of Deposit	\$31,690	\$	\$2,428	\$34,118

II. PROPERTY, PLANT AND EQUIPMENT

General Fixed Assets Account Group - Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Group of Accounts, rather than in governmental funds. Public domain ("infrastructure") general fixed assets including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on such assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their estimated fair value on the date donated. Repairs and maintenance are recorded as expenditures; renewals and betterments are capitalized.

Water and Sewer System - Additions to the utility plant in service are recorded at cost or, if contributed property, at their estimated fair value at time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

Depreciation has been calculated on each class of depreciable property using the straight-line method and an estimated useful life of 40 years.

I. COMPENSATED ABSENCES

The Village of Oak Ridge, Louisiana employs two individuals on a part-time basis only. Therefore, the Village does not maintain or participate in any retirement system or have a policy for accumulation of annual, vacation or sick leave.

ZOE P. MEEKS
Certified Public Accountant
705 Julia Street
Baton Rouge, LA 70809

Office Phone: (504) 728-0881
Facsimile: (504) 728-5933

Business Phone:
(504) 728-9111

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

**HONORABLE MAYOR AND MEMBERS OF
THE CITY COUNCIL,
Village of Oak Ridge, Louisiana**

I have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Village of Oak Ridge, Louisiana and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village of Oak Ridge, Louisiana's compliance with certain laws and regulations during the year ended December 31, 1996 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, I 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 materials and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2213(the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$5,000 or for 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-RS 42:1101-1124(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 me with the required list including the noted information.

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

VILLAGE OF OAK RIDGE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 1996

NOTE 3 - LEVIED TAXES

The Village levies ad valorem taxes in the following amounts:

General fund	8.15 mills
Sewer, Water and Road	5.00 mills

The 5.00 mills expire in 2002 unless renewed at that time.

NOTE 4 - CASH AND CASH EQUIVALENTS

Cash and investments in certificates of deposit at December 31, 1996 were secured as follows:

	Interest Bearing Demand Deposits	Certificates of Deposit	Total
Carrying amount on Balance Sheet	\$126,200	\$269,813	\$396,013
Insured (FDIC) or collateralized with securities held by the entity or its agent in the entity's name	100,000	100,000	100,000
Collateralized with securities held by pledging financial institution's trust department or agency in the entity's name	26,200	169,813	196,013
Total FDIC insurance and pledged securities	\$126,200	\$269,813	\$396,013

As reflected in the Combined Balance Sheet, the Village of Oak Ridge, Louisiana had cash and investments in certificates of deposit totaling \$126,200 and \$269,813, respectively. The bank balances at December 31, 1996 were \$397,043. Cash and investments are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or collateral bank in the form of safekeeping receipts held by the State Treasurer.

The prior year notes to financial statements disclosed that the deposits were not fully secured at December 31, 1995. The balance of \$112,318 was not secured by the pledge of securities. The Village at its regular meeting on April 1, 1996 passed a resolution adopting an investment policy in accordance with the provisions of R.S. 33:2915 (D). Additional securities were pledged by the financial institution's trust department in the Village's name to adequately secure the deposits at this time. The collateral was

VILLAGE OF OAK RIDGE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 1996

J. FUND EQUITY

Contributed Capital

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds when such resources are restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired or contributed from such resources.

Reserves

Reserves represent those portions of fund equity not appropriate for expenditure or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

K. TOTAL COLUMNS ON COMBINED STATEMENTS

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

NOTE J - ENTERPRISE FUND DEFICIT

The accumulated deficit in the water utility fund of \$96,908 as of December 31, 1996, resulted from the following: prior to June 30, 1991, an ineffective transfer to the General Fund of the excess of cash received from water utility operations over the cash disbursed incident to those operations was made. No cash was maintained in the water utility fund; receipts were deposited in the General Fund and disbursements were made from the same, with all excess becoming General Fund cash. This practice continued through June 30, 1991, when the water and sewer operations were combined and a separate bank account was established for the enterprise fund. This deficit was reduced by net operating income in 1991 of \$4,048 and increased by net operating losses in 1992, 1993, 1994, 1995 and 1996 of \$(6,486), \$(21,608), \$(16,129), \$(11,143), and \$(8,128). The 1992 - 1996 losses included depreciation expense in the amount of \$25,583 in each of the five years.

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VILLAGE OF OAK RIDGE, LOUISIANA
FINANCIAL STATEMENTS
DECEMBER 31, 1976

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or engineer, 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 6-2-82

VILLAGE OF OAK RIDGE, LOUISIANA
 General Purpose Financial Statements
 As of and For the Year Ended December 31, 1990
 With Supplemental Information Schedules

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ZOE P. MEERS
CERTIFIED PUBLIC ACCOUNTANT
RECEIVED
709 JENNIFER ST. 2ND FLOOR
BOSSIERE, LA 71309
MARCH 21 AM 9:39

Office Phone: (504) 738-0283
Facsimile: (504) 338-1150

Professional Phone:
(504) 251-4311

Honorable Mayor and Members of
the City Council
Village of Oak Ridge, Louisiana

I have compiled the accompanying recombined financial statements of the Village of Oak Ridge, Louisiana as of and for the year ended December 31, 1996, as listed in the table of contents, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements in conformity with the representations of the city officials. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Zoe P. Meers, CPA
March 19, 1997

Receipt Acknowledged
Legislative Auditor

By _____

Management provided me with the required list.

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

Name of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

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

Management provided me with a copy of the original budget. There were no amendments to the budget.

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

I traced the adoption of the original budget to the minutes of a meeting held on January 18, 1996 which indicated that the budget had been adopted by the commissioners of the Village of Oak Ridge, Louisiana by a unanimous vote.

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%.

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did exceed budgeted amounts by more than 5%. As of the date of this report, management has adopted a policy to amend the budget for changes in revenues and expenditures in addition to the current policy of reviewing the budget comparison.

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

I 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.

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

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

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the accountant and the chairman of the Board of Commissioners.

Meetings

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

The Village of Oak Ridge, Louisiana is only required to post a notice of each meeting and the accompanying agenda on the door of the district's office building. In addition to complying with this procedure, precincts were mailed each month to notify each member of the meetings.

Debt

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

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

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

I was 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, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

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

Zoe P. Adams, CPA
March 19, 1997

LOUISIANA ATTESTATION QUESTIONNAIRE

Dear Chief Executive Officer:

Attached is the Louisiana Attestation Questionnaire that is to be completed by you or your staff. This questionnaire is a required part of a compilation and attestation engagement performed under Louisiana Revised Statute 24:513 (OCIA-CM). The legal matters contained in the questionnaire parallel those matters contained in the *Law Affecting Louisiana Government*, published by the Society of Louisiana Certified Public Accountants. Upon completion, the questionnaire must be presented to and adopted by the governing body, if any, of your organization by means of a formal resolution in an open meeting. Independently elected officials should sign the document, in lieu of such a resolution. In all instances, this compliance questionnaire is to be given to the auditor at the start of the engagement; it is not necessary to return the questionnaire to my office.

The completed questionnaire and a copy of the adoption instrument, if appropriate, must be given to the auditor at the beginning of the engagement. The auditor will, during the course of the engagement, test the accuracy of your representations.

Certain portions of the questionnaire may not be applicable to your organization. In such cases, you will probably want to revise the wording of the representation to state that the law does not apply to your organization. However, you must respond to each applicable representation. A 'yes' answer indicates that you have complied with the applicable law or regulation. A 'no' answer to any representation indicates a possible violation of law or regulation and, as such, should be fully explained. These matters will be reviewed by the auditor during the course of his examination. Please feel free to attach a further explanation of any representation.

Your cooperation in this matter will be greatly appreciated.

Sincerely,

Daniel G. Kyle, CPA, CFE
Legislative Auditor

Enclosure

VILLAGE OF OAK RIDGE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 1996

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when earned, and their expenses are recognized when incurred.

D. BUDGETS AND BUDGETARY ACCOUNTING

The Board of Aldermen adopts annual budgets for the General Fund and the Water and Sewer Enterprise Fund which are prepared on the basis of accounting utilized by those funds. Annual budgets are not adopted for the other funds.

E. ENCUMBRANCES

Encumbrance accounting under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Village of Oak Ridge, Louisiana.

F. CASH, CASH EQUIVALENTS AND INVESTMENTS

For reporting purposes, cash and investments include (cash, demand deposits, time deposits, and certificates of deposit). Under state law, the Village of Oak Ridge, Louisiana, may deposit funds within a fiscal agent bank. Further, the Village may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

G. RESTRICTED ASSETS

The ordinance authorizing the Water and Sewer System revenue bonds requires that the Village establish a sinking fund (Revenue Bond Sinking and Reserve Fund) in an amount not less than the maximum annual requirement for the payment of principal and interest on all the revenue bonds. At December 31, 1996, the sinking fund balance is sufficient to satisfy such bond ordinance requirements.

The ordinance further requires that the proceeds from the sale of revenue bonds be expended for certain capital improvements to the Water and Sewer System. The proceeds are maintained as Restricted Assets-Bond Construction Fund until such time as needed to fund the Water and Sewer System construction program.

The ordinance further requires that the Village establish a Reserve Fund and a Contingency Fund with monthly deposits of \$80 and \$82 to the respective funds beginning June 30, 1991. The Reserve Fund deposits shall continue until \$19,173.36 is accumulated in the fund.

VILLAGE OF OAK RIDGE, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 1999

	Governmental Fund Types		Proprietary Fund Types	Account Groups			Totals (Miscellaneous Debt)
	General	Special Revenue		Debt	Debt	Long-Term Debt	
EQUITY AND OTHER CREDITS:							
Contributed Capital	-	-	740,000	-	-	-	740,000
Investment in General Fund Assets	-	-	-	-	21,287	-	21,287
Retained Earnings (Deficit) (Prior 2)	-	-	(96,000)	-	-	-	(96,000)
Fund Balances	-	-	-	-	-	-	-
Reserve for Water Maintenance & Pits Protection Unreserved	144,312	28,529	-	144,312	-	-	316,853
Total Equity and Other Credits	144,312	28,529	643,999	144,312	21,287	-	814,928
Total Liabilities, Equity and Other Credits	144,312	28,529	643,999	144,312	21,287	1	814,928

The accompanying notes are an integral part of this statement.

VILLAGE OF OAK RIDGE, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -
ALL GOVERNMENTAL FUND TYPES
As of and For the Year Ended December 31, 1986

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Totals (Memorandum Only)</u>
REVENUES:				
Taxes	\$ 16,504	\$ -	\$ -	\$ 16,504
Licenses & Permits	9,967	-	-	9,967
Fees & Forfeitures	19,829	-	-	19,829
Intergovernmental	706	-	-	706
Interest Revenues	5,601	1,348	7,287	14,456
Miscellaneous	5,218	-	-	5,218
Total Revenues	<u>58,125</u>	<u>1,348</u>	<u>7,287</u>	<u>66,879</u>
EXPENDITURES:				
General Government	14,006	-	-	14,006
Public Safety	14,289	-	-	14,289
Highways & Streets	16,260	-	-	16,260
Capital Outlay	4,862	-	-	4,862
Debt Service:				
Principal & Interest	-	-	-	-
Total Expenditures	<u>49,417</u>	<u>-</u>	<u>-</u>	<u>49,417</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>8,708</u>	<u>1,348</u>	<u>7,287</u>	<u>17,343</u>
OTHER FINANCIAL SOURCES (USES):				
Operating Transfers In	-	-	-	-
Operating Transfers Out	<u>(14,921)</u>	<u>-</u>	<u>-</u>	<u>(14,921)</u>
	<u>(14,921)</u>	<u>-</u>	<u>-</u>	<u>(14,921)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>3,787</u>	<u>1,348</u>	<u>7,287</u>	<u>12,422</u>
FUND BALANCES, January 1	<u>252,749</u>	<u>24,230</u>	<u>(17,185)</u>	<u>269,894</u>
FUND BALANCES, December 31	<u>\$256,536</u>	<u>\$25,578</u>	<u>\$10,112</u>	<u>\$301,418</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF OAK RIDGE, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - GENERAL FUND
 As of and For the Year Ended December 31, 1990

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	\$ 13,080	\$ 16,504	\$3,504
Licenses & Permits	8,080	9,967	1,907
Fines & Penalties	12,080	19,825	7,825
Fees & Commissions	4,080	4,895	85
Intergovernmental Revenues	700	706	6
Interest Revenues	3,080	5,804	2,811
Rental of Property	1,125	1,125	-
Total Revenues	41,505	58,121	16,700
EXPENDITURES:			
General Government	9,765	14,806	(4,240)
Public Safety	12,080	14,289	(2,209)
Highways & Streets	25,080	18,260	6,749
Capital Outlay	-	4,867	(4,867)
Total Expenditures	46,765	48,412	(1,640)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,260)	9,709	11,597
OTHER FINANCING SOURCES (USES)	(5,788)	(4,921)	(1,141)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(9,028)	3,788	10,411
FUND BALANCE, January 1	132,545	132,545	-
FUND BALANCE, December 31	\$123,517	\$136,338	\$10,411

The accompanying notes are an integral part of this statement.

VILLAGE OF ONE RIDGE, LOUISIANA
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
 RETAINED EARNINGS (DEFICIT)
 PROPRIETARY FUND TYPE

As of and For the Year Ended December 31, 1996

	<u>Encapsule</u>
OPERATING REVENUES:	
Charges for Services	\$41,447
OPERATING EXPENSES:	
Depreciation	25,582
Interest Expense	17,385
Insurance	1,141
Repairs	4,368
Supplies	1,893
Utilities	5,707
Motor Fueling Service	<u>2,368</u>
Total Operating Expenses	<u>56,346</u>
OPERATING INCOME (LOSS)	<u>15,089</u>
OTHER INCOME:	
Interest Income	<u>2,658</u>
NET INCOME (LOSS) BEFORE OTHER FINANCING SOURCES (USES)	<u>17,747</u>
OTHER FINANCING SOURCES (USES):	
Operating Transfers In	4,321
Operating Transfers Out	<u>-</u>
Total Other Financing Sources (Uses)	<u>4,321</u>
NET INCOME (LOSS)	<u>13,426</u>
Retained Earnings (Deficit), January 1	158,780
Retained Earnings (Deficit), December 31	<u>172,206</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF OAK RIDGE, LOUISIANA
 STATEMENT OF CASH FLOWS
 PROPRIETARY FUND TYPE
 As of and For the Year Ended December 31, 1996

	<u>Enterprise</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Operating Income (Loss)	\$(11,049)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:	
Depreciation	75,583
Increase/Decrease in Customer Accounts	139
Increase/(Decrease) in Accounts Payable	<u>797</u>
Net Cash Provided by Operating Activities	<u>65,460</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Operating Transfers from Other Funds	4,901
Increase in Customer Deposits	<u>200</u>
Net Cash Provided by Noncapital Financing Activities	<u>5,101</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Retirement of Utilities Revenue Bonds	<u>(7,644)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(7,644)</u>
NET INCREASE IN CASH	15,918
CASH, January 1	<u>73,382</u>
CASH, December 31	<u>\$ 89,300*</u>

*Includes \$30,000 restricted balance in Revenue Bond Sinking
 Reserve Funds and \$2,478 restricted for customer deposits.

The accompanying notes are an integral part of this statement.

VILLAGE OF OAK RIDGE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 1986

INTRODUCTION

The Village of Oak Ridge, Louisiana was incorporated July 1, 1867 and operates under a mayor-board of aldermen form of government. The accounting and reporting practices of the Village of Oak Ridge, Louisiana, except as noted in the following paragraph, conform to generally accepted accounting principles applicable to governmental units. Such accounting procedures also conform to the accounting requirements of Louisiana Revised Statute 24:217 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, to the industry audit guide, Audit of State and Local Governmental Units published by the American Institute of Certified Public Accountants, and to Governmental Accounting and Financial Reporting Principles, published by the National Council on Governmental Accounting.

The Village operated with a fiscal year ending June 30 until 1986 when the Town Board of Aldermen adopted an official reporting period ending December 31. The resolution adopting a new accounting period was effective beginning January 1, 1987.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

As the municipal governing authority, for reporting purposes, the Village of Oak Ridge, Louisiana is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government village, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

1. Appointing a voting majority of 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.

VILLAGE OF OAK RIDGE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 1998

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

- i. Enterprise funds - account for operations (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

General Fixed Assets and General Long-Term Debt Account Groups:

General Fixed Assets - The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on general fixed assets.

General Long-Term Debt Account Group - The General Long-Term Debt Account Group is used to account for long-term liabilities to be financed from governmental funds.

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

C. BASIS OF ACCOUNTING:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust 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. The modified accrual basis of accounting is used by all governmental funds, expendable trust funds, and agency funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues are recognized when they are available and measurable.

Expenditures are recognized when incurred.

VILLAGE OF OAK MOORE, LOUISIANA
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 December 31, 1998

	Governmental Fund Types		Proprietary Fund Types	Account Groups		Totals (Memorandum Only)
	General	Special Services		General Account	Special Account	
ASSETS:						
Cash	\$ 808,595	\$ 2,583	\$ 56,179	\$ -	\$ -	\$ 84,179
Investment in Certificates of Deposit	100,485	141,719	-	-	-	242,204
Accounts Receivable -						
Taxes, Grants and Customers	1,284	-	3,259	-	-	4,543
Miscellaneous Assets - Cash (Note 1)	-	-	21,118	-	-	21,118
Water & Sewer Systems (Notes 1 & 3)	-	-	1,021,000	-	-	1,021,000
Accumulated Depreciation	-	-	(194,890)	-	-	(194,890)
Land	-	-	2,508	-	-	2,508
General Fund Assets (Notes 1 & 3)	-	-	-	21,287	-	21,287
Amount Available to Debt Service Funds	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Total Assets	\$1,111,029	\$247,518	\$1,558,265	\$21,287	\$ -	\$1,728,109
LIABILITIES AND FUND EQUITY:						
Liabilities:						
Customer Deposits	\$ -	\$ -	\$ 2,599	-	-	\$ 2,599
Account Insurance Payable	-	-	909	-	-	909
General Obligation Bonds Payable (Notes 1 & 6)	-	-	182,594	-	-	182,594
Accounts Payable	642	-	732	-	-	1,374
Due to Other Funds	-	-	-	-	-	-
Total Liabilities	\$ 642	\$ -	\$ 258,831	\$ -	\$ -	\$ 261,473

(Continued)

TRANSMITTAL LETTER

ANNUAL FINANCIAL STATEMENTS

March 19, 1997

Office of Legislative Auditor
Attention: Ms. Dorothy Milner
1680 North Third
Post Office Box 94397
Baton Rouge, Louisiana 70804-0397

Dear Ms. Milner:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Village of Oak Ridge, Louisiana as of and for the fiscal year ended December 31, 1996. The report includes all funds under the control and oversight of the municipality. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,


Percy C. Hall
Clerk

Enclosure

VILLAGE OF OAK RIDGE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 As of and For the Year Ended December 31, 1996

sufficient at all times during 1996 to secure the deposits.

NOTE 3 - FIXED ASSETS

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

	Balance January 1, 1996	Additions	Deletions	Balance December 31, 1996
Land & Buildings	\$ 8,935	\$ -	\$ -	\$ 8,935
Equipment & Vehicles	7,480	4,863	—	12,343
Total	<u>\$16,415</u>	<u>\$4,863</u>	<u>\$ -</u>	<u>\$21,278</u>

A summary of the enterprise fund fixed assets and depreciation at December 31, 1996 is as follows:

	Life	Cost	Accumulated Depreciation	Net	Depreciation This Year
Sewer System	40	\$375,000	\$51,800	\$323,200	\$8,100
Water System-Old	40	\$196,725	\$63,338	\$133,387	\$3,804
Water System-Expansion	40	\$259,720	\$68,965	\$190,755	\$3,993

VILLAGE OF OAK RIDGE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 As of and For the Year Ended December 31, 1996

NOTE 6 - CHANGES IN LONG-TERM DEBT

The following is a summary of bond transactions of the Village for the year ended December 31, 1996:

Public Improvement Bonds

En HA. Water Project

Bonds Payable at January 1, 1996	\$285,738
Bonds Issued	-
Bonds Retired	<u>(2,640)</u>
Bonds Payable at December 31, 1996	<u>\$283,098</u>

The individual issues are as follows:

\$283,000 Water System Improvement & Extension - Revenue bonds dated June 14, 1991, bearing interest at 5-7/8 % per annum, payable in monthly installments of \$1,599.78 which includes principal and interest payable July 14, 1992 through June 14, 2001. Annual principal payments for the next five years are as follows:

1997	\$ 2,801
1998	2,862
1999	3,150
2000	3,398
2001	3,586
Thereafter	<u>266,737</u>
	<u>\$283,098</u>

VILLAGE OF OAK RIDGE, LOUISIANA
 SCHEDULE OF GENERAL FUND REVENUES
 As of and For the Year Ended December 31, 1998

	Schedule 1
Taxes:	
Ad Valorem	\$16,504
Licenses & Permits:	
Occupational Licenses	2,967
Intragovernmental:	
Tobacco Tax	706
Fees and Commissions:	
Franchise Fees and Commissions	4,003
Fines and Penalties:	
Traffic Violations	18,823
Other:	
Interest Earned on Time Deposits	9,981
Rental of Property	1,125
	7,029
Total General Fund Revenues	\$58,121

The accompanying notes are an integral part of this statement.

VILLAGE OF OAK RIDGE, LOUISIANA
 SCHEDULE OF GENERAL FUND EXPENDITURES
 As of and For the Year Ended December 31, 1998

Schedule 2

General Government:	
Salaries & Employer Taxes	\$ 6,842
Insurance	1,511
Utilities & Telephone	1,601
Supplies	470
Other Operating Expenses	1,307
Legal & Accounting	<u>1,825</u>
	<u>14,000</u>
Public Safety:	
Police:	
Salaries & Employee Taxes	8,720
Fuel & Repairs	2,169
Insurance	2,282
Other Operating Expenses	1,108
Capital Outlay	<u>3,504</u>
	<u>17,783</u>
Highways & Streets:	
Street Light Utilities	5,479
Street Repairs	10,781
Capital Outlay	<u>1,258</u>
	<u>17,518</u>
Transfer Out	<u>4,821</u>
Total General Fund Expenditures	<u>\$34,330</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF OAK RIDGE, LOUISIANA
SCHEDULE OF PER DIEM & SALARY PAID TO ALDERMEN
Year Ended December 31, 1996

Schedule 3

The following compensation was paid to the Mayor and Aldermen of the Village of Oak Ridge, Louisiana for the year ended December 31, 1996.

The Honorable Gerald McLendon, Mayor	24
Clim E. Shephard, Commissioner	12
Gene Allen, Commissioner	12
John Baker, Commissioner	12
	<u>60</u>