

Such information, except for the "Schedule of Insurance in Force", marked unaudited, on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general purpose, individual fund and account group financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account groups, taken as a whole.

In accordance with Government Auditing Standards, we have also issued reports dated June 17, 1997 on our consideration of the Village of Grease Tote's internal control structure and on its compliance with laws and regulations.

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that period in which we expressed an unqualified opinion on the general purpose, individual fund and account group financial statements on the Village of Grease Tote, Louisiana.

FRONOST, SALTER, HARPER & ALFORD, L.L.C.

*Fronost, Salter, Harper & Alford, L.L.C.*

June 17, 1997

# VILLAGE OF GROSSE TETE, LOUISIANA

Condensed Statement of Revenues, Expenditures and  
Change in Fund Balances - Budget and Actual  
All Governmental Fund Types

Exhibit C

Year Ended December 31, 1996

	General Fund		Special Revenue Fund		Variance Favorable (Unfavorable)	Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual		
<b>Revenues</b>						
Taxes	\$ 14,000	\$ 25,611	\$ -	\$ -	-	-
Fees						
Licenses and permits	20,000	23,695	-	-	-	-
Business						
Entrepreneurial	-	-	47,908	82,800	37,892	37,892
State operating grant	68,000	16,631	-	-	-	-
State shared revenues	3,400	3,346	-	-	-	-
Video poker	1,700	1,928	-	-	-	-
Telephone tax						
Alcoholic beverage tax						
State Department of Agriculture operating grant	-	-	2,400	2,912	512	512
Barricade Franch shared revenues	150,000	227,290	-	-	-	-
Sales and use tax	20,000	136,645	-	-	-	-
Fees	4,000	4,919	1,800	4,889	3,089	3,089
Interest						
Miscellaneous	-	2,101	-	-	-	-
<b>Total Revenues</b>	<b>311,100</b>	<b>458,235</b>	<b>81,808</b>	<b>92,791</b>	<b>10,983</b>	<b>10,983</b>

**VILLAGE OF GROSSE TETE, LOUISIANA**

Combined Statements of Revenues, Expenditures, and

For Ended December 31, 1998

Changes in Fund Balances - All Governmental Fund Types

	General	Special Revenue	Totals	
			(Maximums Only)	1998
<b>Revenues</b>				
Taxes	\$ 29,621	\$ -	\$ 29,621	\$ 27,871
Licenses and permits	23,895	-	23,895	24,491
Intergovernmental	282,174	87,932	380,106	296,600
Fees	120,445	-	120,445	93,717
Interest	4,979	4,889	9,868	8,574
Miscellaneous	2,881	-	2,881	60
<b>Total revenues</b>	<b>679,995</b>	<b>92,821</b>	<b>772,816</b>	<b>691,253</b>
<b>Expenditures</b>				
Current				
General government	184,238	-	184,238	76,674
Public safety	693,196	26,216	719,412	332,139
Highways and streets	95,154	-	95,154	88,993
Health	2,150	-	2,150	2,684
Culture and recreation	2,793	-	2,793	2,824
Capital outlay				
General government	24,832	-	24,832	13,689
Public safety	29,683	4,380	34,063	20,824
Highways and streets	94,294	-	94,294	880
Debt Service				
Principal	-	25,451	25,451	23,833
Interest charges	-	5,446	5,446	11,326
<b>Total expenditures</b>	<b>1,027,419</b>	<b>36,083</b>	<b>1,063,502</b>	<b>860,977</b>
<b>Excess Of Revenues Over Expenditures</b>	<b>352,576</b>	<b>56,738</b>	<b>409,314</b>	<b>47,276</b>
<b>Other Financing (Uses)</b>				
Operating transfers out	(17,000)	-	(17,000)	(19,000)
<b>Excess Of Revenues And Other Financing Sources Over Expenditures And Other Financing (Uses)</b>	<b>335,576</b>	<b>56,738</b>	<b>392,314</b>	<b>28,276</b>
<b>Fund Balances</b>				
Beginning	282,685	33,476	316,161	212,479
<b>Ending</b>	<b>\$ 618,261</b>	<b>\$ 90,214</b>	<b>\$ 708,475</b>	<b>\$ 240,755</b>

# VILLAGE OF GROSSE TETE, LOUISIANA

Exhibit C

Condensed Statements of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
All Governmental Fund Types, Combined

Year Ended December 31, 1994

	General Fund			Special Revenue Fund		
	Budget	Actual	Variance	Budget	Actual	Variance
			(Unfavorable)			(Unfavorable)
<b>Expenditures</b>						
<b>Current</b>						
General government:	\$ 11,798	\$ 10,295	\$ (2,503)	\$ -	\$ -	\$ -
Public safety	185,438	183,295	2,143	21,259	24,216	(1,667)
Highways and streets	90,008	93,134	(5,154)	-	-	-
Habitat	2,468	2,251	249	-	-	-
Culture and recreation	3,252	2,751	285	-	-	-
<b>Total current expenditures</b>	<b>276,154</b>	<b>264,729</b>	<b>(2,985)</b>	<b>21,259</b>	<b>24,216</b>	<b>(1,667)</b>
<b>Capital outlay</b>						
General government:	-	24,001	(24,001)	-	-	-
Public safety	11,858	25,483	(11,483)	8,889	4,281	4,199
Highways and streets	20,808	94,124	(74,154)	-	-	-
<b>Total capital outlay</b>	<b>31,666</b>	<b>143,608</b>	<b>(114,685)</b>	<b>8,889</b>	<b>4,281</b>	<b>4,199</b>
<b>Debt service</b>						
Principal	-	-	-	25,481	25,481	-
Interest	-	-	-	13,080	9,446	3,534
<b>Total debt service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,561</b>	<b>34,927</b>	<b>3,634</b>
<b>Total Expenditures</b>	<b>307,750</b>	<b>412,419</b>	<b>(104,669)</b>	<b>68,251</b>	<b>65,214</b>	<b>9,687</b>

(See Exhibit A - Statement of Revenues)

Continued on next page



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To the Mayor and Board of Aldermen  
Village of Greene Tete, Louisiana

Release Date: JUL 16 1997

In planning and performing our audit of the financial statements of the Village of Greene Tete, Louisiana for the year ended December 31, 1996, we considered the Village's internal control structure to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control structure.

However, during our audit, we noted certain matters involving the internal control structure and other operational matters that are presented for your consideration. We previously reported on the Village's internal control structure in our report dated June 17, 1997, on the financial statements of the Village of Greene Tete, Louisiana.

We will review the status of this comment during our next audit engagement. Our comments and recommendations, which have been discussed with appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendations. Our comment is as follows:

Water Consumption

The Village is billed for total water consumption from the Water District. The Village bills individual customers based on metered usage. However, no reconciliation is done of total water consumed to that billed from the Water District. We believe a reconciliation would provide management with information that is useful about the amount of water lost through unmeasured use. A comparison of unbilled water lost from year to year would be helpful in monitoring the amount of water used by the fire department or other reasons.

We wish to thank the Mayor and Clerk for their support and assistance during our audit.

This report is intended solely for the information and use of the Board of Aldermen, management, and others within the Village.

PROVOST, SALTER, HARPER & ALFORD, L.L.C.

*Provost, Salter, Harper & Alford, L.L.C.*

June 17, 1997



United  
Nations  
Account

Private  
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To the Board of Aldermen  
Village of Greene Tere  
Greene Tere, Louisiana

We have audited the general purpose financial statements of the Village of Greene Tere, Louisiana for the year ended December 31, 1996, and have issued our report thereon dated June 17, 1997. Professional standards require that we provide you with the following information related to our audit.

**Our Responsibility Under Generally Accepted Auditing Standards And Government Accounting Standards**

As stated in our engagement letter dated December 13, 1996, our responsibility, as described by professional standards, is to plan and perform our 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 we did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defraudations, may exist and not be detected by us.

As part of our audit, we considered the internal control structure of the Village of Greene Tere, Louisiana. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control structure.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Village of Greene Tere's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

**Significant Accounting Deficits**

Management has the ultimate responsibility for the appropriateness of the accounting policies and procedures used by the Village. The Village did not adopt any significant new accounting policies and procedures nor have there been any changes in existing significant accounting policies and procedures during the current year which should be brought to your attention.

**VILLAGE OF GROSSE TETE, LOUISIANA**

Combined Balance Sheet - All Fund Types and Account Groups

December 31, 1996

ASSETS AND OTHER DEBITS	Governmental Fund Types		Proprietary Fund Types		Account Groups		Totals (Memorandum Debit)
	General	Special Revenue	Special Revenue	Enterprise	General		
					Fund Assets	Long-Term Debt	
Assets	\$ 118,125	\$ 31,251	\$ 628	\$ -	\$ -	\$ -	\$ 119,984
Cash and cash equivalents	81,751	28,075	6,736	-	-	-	116,602
Inventories	-	-	-	-	-	-	-
Receivable (net of allowance for uncollectibles)	4,005	-	-	-	-	-	4,005
Taxes	-	-	8,864	-	-	-	8,864
Accounts receivable	21,862	2,988	-	-	-	-	24,850
Prepaid expenses	-	-	-	-	-	-	-
Property, plant and equipment (net of accumulated depreciation)	-	-	91,457	-	-	-	91,457
Due from other fund	1,713	-	-	-	-	-	1,713
Amount to be provided for retirement of general long term debt	-	-	-	-	130,595	-	130,595
<b>Total Assets and Other Debits</b>	<b>\$ 219,749</b>	<b>\$ 63,417</b>	<b>\$ 113,688</b>	<b>\$ 736,719</b>	<b>\$ 130,595</b>	<b>\$ 1,175,178</b>	<b>\$ 1,175,178</b>

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**VILLAGE OF GROSSE TETE, LOUISIANA**

*General Purpose Financial Statements*

*December 31, 1996*



## VILLAGE OF GROSSE TETE, LOUISIANA

Exhibit 4-4

### Comparative Schedule of Expenditures Compared to Budget - Continued

Year Ended December 31, 1999 and 1997

#### General Fund

	1999		1998		Variance Percentage (Unfavorable)	1999		Variance Percentage (Unfavorable)
	Budget	Actual	Budget	Actual		Budget	Actual	
<b>Highways and streets</b>								
Labor	\$ 37,200	\$ 48,800	\$ 31,100	\$ 44,700	\$ 13,700	\$ 14,700	\$ 1,000	3.0%
Street lights	13,000	11,000	13,000	13,000	13,000	13,000	0	0%
Equipment operations	11,000	14,000	770	15,000	15,000	15,000	0	0%
Street materials, tools and supplies	7,000	9,000	9,000	7,000	7,000	7,000	0	0%
Electricity	14,000	13,100	13,700	14,000	14,000	13,700	300	2.1%
Miscellaneous	3,000	2,000	2,000	2,000	2,000	2,000	0	0%
Telephone and utilities	3,000	800	400	1,000	1,000	1,000	0	0%
Total highways and streets	86,000	107,700	67,500	88,700	39,200	86,700	2,500	2.8%
<b>Public Works</b>								
Employee	3,000	3,000	3,000	3,200	3,200	3,200	0	0%
Public works	300	100	100	300	300	300	0	0%
Total public	3,300	3,100	3,100	3,500	3,500	3,500	0	0%
<b>Police and recreation</b>								
Miscellaneous	1,000	1,700	200	3,000	3,000	3,000	0	0%
Total Current Expenditures	91,300	112,500	70,800	95,200	41,700	93,200	2,500	2.8%
<b>Capital Outlay</b>								
General liability	1,000	10,000	10,000	11,000	11,000	11,000	0	0%
Public utility - police	2,000	10,200	10,000	8,000	8,000	8,000	0	0%
Highways and streets	11,000	12,000	12,000	22,100	22,100	22,100	0	0%
Total Capital Outlay Expenditures	14,000	32,200	32,000	41,100	41,100	41,100	0	0%
<b>Total Expenditures</b>	\$ 105,300	\$ 144,700	\$ 102,800	\$ 136,300	\$ 82,800	\$ 134,300	\$ 3,000	3.6%



**INDEPENDENT AUDITOR'S REPORT ON THE GENERAL PURPOSE  
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**

To the Honorable Mayor and Members  
of the Board of Aldermen  
Village of Greene Tote, Louisiana

We have audited the accompanying general purpose financial statements of the Village of Greene Tote, Louisiana, and the individual fund and account group financial statements of the Village as of and for the year ended December 31, 1996 as listed in the accompanying table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Village of Greene Tote, Louisiana, at December 31, 1996, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the individual fund and account group financial statements referred to above present fairly, in all material respects the financial position of each of the individual funds and account groups of the Village of Greene Tote, Louisiana, at December 31, 1996, and the results of operations of such funds for the year then ended, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the individual fund and account group financial statements. The accompanying financial information listed as schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Village of Greene Tote, Louisiana.

Material Contingencies

The financial statements reflect no disclosures associated with material contingencies and there were no matters we believe should be disclosed as such.

We would be pleased to respond to any questions you have about the foregoing or to discuss any other matters you would like to discuss.

FROYST, SALTER, HARPER & ALFORD, L.L.C.

*Froyst, Salter, Harper & Alford, L.L.C.*

June 17, 2003

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# VILLAGE OF GROSSE TETE, LOUISIANA

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December 31, 1995

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VILLAGE OF  
GROSSE TETE, LOUISIANA

FINANCIAL REPORT

December 31, 1996



200 United Plaza Boulevard, Suite 600, Baton Rouge, Louisiana 70801 Phone: (225) 384-1100 Telex: 504 013605

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**VILLAGE OF GROSSE TETE, LOUISIANA**

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December 31, 1999

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**VILLAGE OF GROSSE TETE, LOUISIANA**

Exhibit C

Condensed Statement of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
All Governmental Fund Types, Continued

Year Ended December 31, 1995

	General Fund		Special Revenue Fund		Variance Favorable (Unfavorable)	Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual		
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 1,248	\$ 23,508	\$ 24,356	\$ (8,361)	\$	\$ 31,318
Other Financing (Use) - Operating transfer out	-	(17,000)	117,000	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Use)	1,248	8,508	7,356	14,357	31,417	31,798
Fund Balances Beginning	302,680	281,895	-	31,416	31,416	-
Ending	\$ 303,928	\$ 283,541	\$ 1,966	\$ 29,873	\$ 68,863	\$ 31,798

**VILLAGE OF GROSSE TETE, LOUISIANA***Notes to Financial Statements, Continued**December 31, 1994***4. Receivables**

Receivables at December 31, 1994, consist of the following:

	General	Special Revenues	Enterprise	Total
Receivables				
Taxes	\$ 4,565	\$ -	\$ -	\$ 4,565
Accounts	-	-	8,285	8,285
Intergovernmental	31,805	3,900	-	35,705
Grass receivables	36,470	3,900	8,285	51,755
Less allowance for uncollectible	-	-	531	531
Net total receivables	\$ 36,470	\$ 3,900	\$ 8,285	\$ 51,755

**5. Fixed Assets**

The following is a summary of changes in the general fixed assets account group during the fiscal year:

	Balance December 31, 1993	Additions	Retirements	Balance December 31, 1994
Land	\$ 10,908	\$ -	\$ -	\$ 10,908
Buildings	183,868	10,545	-	194,413
Improvements other than buildings	30,882	-	-	30,882
Equipment	420,413	50,545	-	470,958
Total	\$ 626,052	\$ 70,092	\$ -	\$ 729,219

The following is a summary of proprietary fund type, enterprise fund fixed assets at December 31,

	1994
Water system	\$ 247,565
Less accumulated depreciation	149,808
Net fixed assets	\$ 97,757



### Management Assumptions and Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. Management has informed us that they used all the relevant facts available to them at the time to make the best judgments about accounting estimates including the amount of estimated depreciation. We concur with the results of those estimates.

### Significant Audit Adjustments

There were several audit adjustments made from the original trial balance presented to us to begin our audit. We accumulated some potential adjustments that were collectively considered immaterial and were, therefore, not made to the financial statements. We have discussed these potential adjustments with management.

### Other Information In Documents Containing Audited Financial Statements

We have not been informed of any documents that contain your audited financial statements. If there were such documents, we have a responsibility to determine that financial information included in those documents is not materially inconsistent with the audited financial statements of the Village.

### Disagreements With Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgment on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statement or on the wording of our report on the financial statements.

### Consultation With Other Accountants

We are not aware nor have we been informed of any consultations management had with other independent accountants about accounting or auditing matters. Also, there were no major issues discussed regarding the application of accounting principles or auditing standards in connection with our recurring retention.

### Difficulties Encountered In Performing the Audit

We did not encounter any serious difficulties in dealing with management relating to the performance of our audit.

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## VILLAGE OF GROSSE TETE, LOUISIANA

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Notes to Financial Statements, Continued

December 31, 1996

### Municipal Police Employees Retirement System (MPERS)

*Plan Description.* All of the Village's full time police employees participate in the MPERS, a cost-sharing, multiple-employer defined benefit pension plan administered by a separate Board of Trustees. MPERS provides retirement, disability, and survivor benefits to participating, eligible employees. Benefits are established and amended by state statute. MPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Municipal Police Employees Retirement System, 8405 United Plaza Boulevard, Suite 270, Baton Rouge, Louisiana, 70808, or by calling (504) 820-7611.

*Funding Policy.* Plan members are required by state statute to contribute 3.93% of their annual covered salary and employers are required to contribute at an actuarially determined rate. The current employer rate is 9% of annual covered payroll. The contribution requirements of plan members and the employer are established by, and may be amended by, state law. As required by state law, the employer 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 Village's contributions to MPERS for the years ending June 30, 1996 and 1995 were \$3,642 and \$3,644, respectively, and were equal to the required contributions for each year.

### **I. Lease Commitment**

On August 31, 1993, the Village entered into a municipal lease agreement with Emergency One, Inc. for the lease of a fire truck. The terms of the lease are for eight annual rental payments of \$10,571. The payments bear interest at 8.875%. The lease is cancellable on any anniversary date or at any time by paying a pro-rata portion of the annual payment due. The lease agreement qualifies as a capital lease for accounting purposes (title transfers at the end of the lease term) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception.

The following is an analysis of equipment leased under capital leases as of December 31, 1996:

	<b>General Fixed Assets</b>
Fire truck	<u>\$ 212,862</u>

Although the lease has a non-appreciation cancellation provision, the following is a schedule of the future minimum lease payments anticipated under this capital lease and the present value of the net minimum lease payments at December 31, 1996.

VILLAGE OF GROSSE TETE, LOUISIANA

Comparative Schedule of Expenditures Compared to Budget

General Fund

Year Ended December 31, 1994 and 1993

	1994		1993		Variance Favorable (Unfavorable)	Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual		
<b>Current</b>						
General government						
Salaries	\$ 21,344	\$ 22,785	\$ (8,880)	\$ 21,644	\$ 401	\$ 411
Fringe	7,495	7,495	-	7,495	0	660
Pre-Ohio	4,000	4,000	(1,210)	4,000	1,000	(1,000)
Commissions, meals and travel	6,000	12,251	(7,651)	4,700	4,300	111
Professional fees	4,700	7,894	(3,094)	4,800	3,176	464
Insurance and bonds	6,100	6,821	(1,321)	6,800	1,500	(171)
Telephone and utilities	1,200	1,442	(438)	1,600	1,617	(217)
Printing, photocopying, supplies	400	411	(11)	400	771	(371)
Data and subscriptions	700	700	0	700	475	27
Official printing	10,700	10,600	(1,400)	11,100	11,100	(300)
Miscellaneous	1,000	1,275	(775)	821	820	52
Building maintenance	70,700	81,128	(11,428)	79,824	79,824	1,700
<b>Total general government</b>						
Public safety						
Police department						
Salaries	\$5,300	\$5,887	(887)	\$5,248	\$632	\$63
Commissary	400	3,440	(3,040)	3,444	3,444	(44)
Uniforms	11,000	11,004	(804)	871	871	(87)
Vehicle repairs	-	12,004	(12,004)	10,994	10,994	(1,000)
Telephone	-	2,500	-	2,500	2,500	-
Tools and supplies	4,000	4,214	(214)	3,141	3,141	700
Advertising	3,000	2,700	(200)	2,671	2,671	329
Insurance and bonds	11,000	10,000	2,000	10,000	10,000	2,000
<b>Total police department</b>	\$16,700	\$33,346	\$2,284	\$33,228	\$1,176	\$2,211
Fire department - Miscellaneous	-	78	(78)	178	180	(182)
<b>Total public safety</b>	\$16,700	\$33,374	\$2,206	\$33,406	\$1,856	\$2,029

Continued on next page

**VILLAGE OF GROSSE TETE, LOUISIANA**

Comparative Statements of Revenues, Expenditures and Changes in Fund Balance

December 31, 1995 and 1994

Budget and Actual - General Fund, Continued

	1994		1995		Variance	
	Budget	Actual	Budget	Actual	Favorable (Unfavorable)	Percent (Favorable)
Capital outlay						
General government	-	\$ 24,882	\$ -	\$ -	\$ 24,882	\$ (1,645)
Public utility	10,000	20,000	10,000	8,700	1,300	13%
Highways and streets	20,000	94,254	(24,254)	500		
Total capital outlay	30,000	147,000	(14,254)	22,110	(1,645)	
Total Expenditures	400,000	452,419	(142,600)	203,292	(1,552)	
Excess of Revenues Over Expenditures	1,200	20,000	24,000	41,000	4,000	4,000
Other Financing (Funds)						
Operating transfers out	-	(1,000)	(1,000)	(24,000)	(24,000)	(5,000)
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing (Funds)	1,200	8,000	1,500	16,000	14,000	(1,200)
Fund Balance						
Beginning	202,000	202,000	-	183,644	183,644	-
Revised open year	-	-	-	(52)	(52)	(52)
Ending	\$ 202,000	\$ 202,000	\$ 1,500	\$ 203,644	\$ 203,644	\$ (1,200)

# VILLAGE OF GROSSE TETE, LOUISIANA

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - General Fund

Exhibit A-1

Items	1998		1999		Variance Favorable (Unfavorable)	Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual		
<b>Revenues</b>						
Taxes						
Franchise	\$ 14,000	\$ 25,621	\$ 11,621	\$ 15,000	\$ 3,379	\$ 3,379
Licenses and permits	28,000	21,000	(6,000)	28,000	21,000	(9,000)
Business	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Operating - other	68,000	95,017	(269)	68,000	48,017	(11,750)
State shared revenues	2,400	3,200	(11)	3,200	3,200	40
Tobacco tax	1,500	1,528	28	1,500	1,912	312
Alcoholity tax stamp tax	150,000	227,500	72,500	150,000	171,500	66,500
Boat/raja Parks shared revenues	98,000	128,000	98,000	98,000	93,727	(4,273)
Sales and use tax	4,000	4,000	919	5,000	5,000	11
Miscellaneous	-	2,181	2,081	-	81	81
<b>Total Revenues</b>	<b>211,000</b>	<b>478,959</b>	<b>167,250</b>	<b>310,000</b>	<b>129,000</b>	<b>6,042</b>
<b>Expenditures</b>						
Current						
General government	75,500	181,228	(105,000)	78,000	78,000	1,700
Public safety	100,000	100,700	2,000	100,000	100,000	2,000
Highways and roads	90,000	95,154	(5,154)	91,200	90,000	2,000
Health	2,000	2,000	349	2,000	21	2,000
Culture and recreation	3,000	3,779	800	3,000	2,874	400
<b>Total current expenditures</b>	<b>270,500</b>	<b>383,761</b>	<b>(27,000)</b>	<b>273,200</b>	<b>175,642</b>	<b>8,242</b>

**VILLAGE OF GROSSE TETE, LOUISIANA**

*Comparative Statements of Revenues, Expenditures,  
and Changes in Fund Balance  
General Fund*

December 31, 1996 and 1995

	1996	1995
<b>Revenues</b>		
Taxes	\$ 25,023	\$ 25,073
Licenses and permits	13,095	14,493
Intergovernmental	293,174	279,661
Fees	139,408	15,173
Interest	4,919	5,018
Miscellaneous	2,181	48
<b>Total Revenues</b>	<u>478,800</u>	<u>314,663</u>
<b>Expenditures</b>		
<b>Current</b>		
General government	164,128	76,624
Public safety	100,276	101,899
Highways and streets	95,154	88,981
Health	2,281	2,684
Culture and recreation	2,781	2,824
<b>Total current expenditures</b>	<u>364,720</u>	<u>273,012</u>
<b>Capital outlay</b>		
General government	14,032	11,685
Public safety	18,483	8,765
Highways and streets	94,254	881
<b>Total capital outlay</b>	<u>126,769</u>	<u>21,331</u>
<b>Total Expenditures</b>	<u>491,489</u>	<u>294,343</u>
<b>Excess of Revenues Over Expenditures</b>	25,936	42,960
<b>Other Financing (Uses)</b>		
Operating transfers out	<u>(17,800)</u>	<u>(24,800)</u>
<b>Excess Of Revenues And Other Financing Sources Over Expenditures And Other Financing (Uses)</b>	8,136	18,160
<b>Fund Balance</b>		
Beginning	181,605	183,644
Residual equity transfer	-	(270)
<b>Ending</b>	<u>\$ 201,240</u>	<u>\$ 203,605</u>

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**VILLAGE OF GROSSE TETE, LOUISIANA**


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**Comparative Balance Sheet**  
**General Fund**

December 31, 1998 and 1997

ASSETS	1998	1997
<b>Assets</b>		
Cash and cash equivalents	\$ 108,188	\$ 105,091
Investments	81,791	79,830
Receivables		
Taxes	4,605	3,004
Intergovernmental	21,808	21,837
Due from other fund	2,713	2,744
	<b>\$ 239,105</b>	<b>\$ 217,691</b>
<b>Total Assets</b>		
<hr/>		
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts and payroll taxes payable	\$ 27,598	\$ 14,446
<b>Fund Balance</b>		
Unreserved - undesignated	211,540	203,685
	<b>\$ 239,138</b>	<b>\$ 217,691</b>
<b>Total Liabilities and Fund Balance</b>		

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## **VILLAGE OF GROSSE TETE, LOUISIANA**

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*General Fund*

*December 31, 1998*

The General Fund is used to account for resources, traditionally associated with governments, which are not required legally or by sound financial management to be accounted for in another fund.



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**VILLAGE OF GROSSE TETE, LOUISIANA**

*Individual Fund and Account Group Statements and Schedules*

*December 31, 1996*

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## VILLAGE OF GROSSE TETE, LOUISIANA

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Notes to Financial Statements, Continued

December 31, 1996

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

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

**Risk Management.** The Village is exposed to various risks of loss related to theft, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Village purchases commercial insurance policies at levels which management believes is adequate to protect the Village. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

### 3. Legal Compliance - Budgets

The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

- A. The Village Clerk prepares a proposed budget for submission to the Mayor and Board of Aldermen no later than 35 days prior to the beginning of the ensuing fiscal year.
- B. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- C. A public hearing is held on the proposed budget at least 30 days after publication of the call for the hearing.
- D. After the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
- E. 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 Board of Aldermen.

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**VILLAGE OF GROSSE TETE, LOUISIANA**

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*Notes to Financial Statements, Continued**December 31, 1998*

	<b>General Long Term Debt</b>
1997	\$ 39,512
1998	39,512
1999	39,512
2000	<u>39,510</u>
Total minimum lease payments	147,046
Less amount representing interest	<u>21,460</u>
Present value of future minimum lease payments	<b>\$ 125,586</b>

**20. Prior Year Amounts**

Some of the amounts presented in the prior year have been reclassified to conform to the current year presentation.

**VILLAGE OF GROSSE TETE, LOUISIANA***Exhibit A*

*Comparative Statements of Revenues,  
Expenses and Changes in Accumulated Deficit  
Proprietary Fund Type - Enterprise Fund*

	1996	1995
<b>Operating Revenues</b>		
Charges for services		
Water sales	\$ 61,488	\$ 55,540
Service connection and other fees	11,640	8,641
Other operating revenue	2,188	2,528
<b>Total operating revenues</b>	<b>75,316</b>	<b>66,709</b>
<b>Operating Expenses</b>		
Salaries and wages	24,125	21,864
Depreciation	5,271	5,098
Tools and supplies	1,575	880
Repairs and maintenance	2,860	2,412
Postage, printing and office supplies	1,663	788
Insurance and bonds	7,148	5,451
Bad debts	378	360
Professional services	3,263	2,758
Sewer expenses	9,688	-
Shared cost - Water District 4	24,822	32,488
Miscellaneous	217	554
<b>Total operating expenses</b>	<b>91,640</b>	<b>83,966</b>
<b>Operating (Loss)</b>	<b>(16,324)</b>	<b>(14,854)</b>
<b>Nonoperating Revenues</b>		
Interest on investments	268	286
<b>(Loss) Before Operating Transfers</b>	<b>(16,056)</b>	<b>(14,568)</b>
Operating transfers in	17,800	24,000
<b>Net Income</b>	<b>1,744</b>	<b>9,432</b>
<b>Accumulated (Deficit)</b>		
Beginning	(16,736)	(26,160)
Ending	\$ (15,002)	\$ (16,728)

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**VILLAGE OF GROSSE TETE, LOUISIANA**

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Notes to Financial Statements, Continued

December 31, 1995

In the enterprise fund, the following estimated useful lives are used to compute depreciation:

	Years
Water system	50-55
Equipment	3-10

**6. Interfund Assets/Liabilities**

Due from/to other funds:

Receivable Fund	Payable Fund	Amount
General	Enterprise	\$ 2,110

**7. Retirement Commitments****Municipal Employees Retirement System of Louisiana (MERS)**

*Plan Description.* All of the Village's full-time general employees participate in the MERS, a cost-sharing, multiple-employer defined benefit pension plan administered by a separate Board of Trustees. MERS provides retirement, disability, and survivor benefits to participating, eligible employees. Benefits are established and amended by state statute. MERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Municipal Employees Retirement System of Louisiana, 7037 Office Park Boulevard, Baton Rouge, Louisiana, 70809, or by calling (504) 825-4818.

*Funding Policy.* Plan members are required by state statute to contribute 5% of their annual covered salary and employers are required to contribute at an actuarially determined rate. The current employer rate is 6.8% of annual covered payroll. The contribution requirements of plan members and employers are established by, and may be amended by, state law. As required by state law, the employer 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 Village's contributions to MERS for the years ending June 30, 1994 and 1995, were \$1,621 and \$3,235, respectively, and were equal to the required contributions for each year.

## VILLAGE OF GROSSE TETE, LOUISIANA

Comparative Balance Sheets

December 31, 1996 and 1995

Enterprise Fund

ASSETS	1996	1995
<b>Current Assets</b>		
Cash	\$ 608	\$ 1,314
Investments	6,756	6,736
Accounts receivable, net of allowance for uncollectibles, 1996, \$331; 1995, \$677.	<u>8,854</u>	<u>8,172</u>
<b>Total current assets</b>	<u>16,218</u>	<u>16,242</u>
<b>Plant And Equipment, at cost, net of accumulated depreciation; 1996, \$149,988; 1995, \$144,631.</b>	<u>97,467</u>	<u>98,458</u>
<b>Total Assets</b>	<u>\$ 113,685</u>	<u>\$ 115,701</u>
<b>LIABILITIES AND FUND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 2,545	\$ 6,065
Due to other funds	<u>2,728</u>	<u>2,723</u>
<b>Total current liabilities</b>	<u>5,273</u>	<u>8,788</u>
<b>Fund Equity</b>		
Contributed capital	<u>123,649</u>	<u>123,649</u>
Accumulated deficit		
Unreserved	<u>(15,147)</u>	<u>(16,596)</u>
<b>Total fund equity</b>	<u>108,502</u>	<u>107,053</u>
<b>Total Liabilities and Fund Equity</b>	<u>\$ 113,685</u>	<u>\$ 115,701</u>

# VILLAGE OF GROSSE TETE, LOUISIANA

Notes to Financial Statements, Continued

December 31, 1996

- F. Fiscal budgetary integration is employed as a management control device during the year for the General Funds.
- G. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles.

Budgeted amounts are as originally adopted, or as amended from time to time by the Board of Aldermen. Such amendments are not material in relation to the original appropriations.

## 3. Deposits and Investments

**Deposits.** At June 30, 1996, the Village had cash and cash equivalents and investments (check balances) totaling \$266,717.

Under State law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities covered 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. The Village's deposits are categorized to give an indication of the level of risk assumed by the Village. The categories are described as follows:

- Category 1.** Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2.** Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3.** Collateralized with securities held by the pledging financial institution's trust department or agent but not in the entity's name.

At June 30, 1996	Bank Balance	Category			Carrying Amount
		1	2	3	
Deposits	\$ 133,868	\$ 180,000	\$ -	\$ 12,868	\$ 180,000
Contingents of deposit	159,900	180,000	-	59,900	159,900
Cash on hand	72,949	-	-	-	72,949
Total cash	\$ 366,717	\$ 360,000	\$ -	\$ 72,768	\$ 366,717

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## VILLAGE OF GROSSE TETE, LOUISIANA

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Notes to Financial Statements, Continued

December 31, 1986

**Prepaid Items.** Payments made to vendors for services that will benefit periods beyond December 31 are recorded as prepaid items.

**Fixed Assets.** General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Proprietary fund type property and equipment is capitalized in the fund in which it is utilized. All purchased fixed assets are valued at cost when historical records are available and at an estimated fair market value on the date received.

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

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are inseparable and of value only to the Village.

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

**Compensated Absences.** Vacation and sick leave benefits must be taken in the year earned and no carryover of unused leave is allowed. In accordance with the provisions of Statement of Financial Accounting Standards No. 43, Accounting for Compensated Absences, no liability is recorded for accumulating rights to receive sick pay benefits.

**Fund Equity.** Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. Reserves represent those portions of fund equity not appropriate for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

**Interfund Transactions.** Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made in that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of the expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.



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## VILLAGE OF GROSSE TETE, LOUISIANA

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Notes to Financial Statements, Continued

December 31, 1996

Those revenues susceptible to accrual are property taxes, franchise taxes, fees, interest revenue and charges for services. Sales taxes collected and held by the parish and beer and tobacco taxes collected and held by the state at year end on behalf of the Village also are recognized as revenue. Licenses and permits are not susceptible to accrual because generally they are not measurable until received in cash.

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

**Budgets.** Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for general, special revenue and debt service funds. All annual appropriations lapse at fiscal year end. Project-length financial plans are adopted for capital project funds.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not utilized in the governmental funds. Encumbrances outstanding at year end are immaterial and not reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

**Cash and Cash Equivalents.** Cash and cash equivalents includes amounts in demand deposits, as well as short-term investments with a maturity date within three months of the date acquired by the Village.

State statute authorizes the Village to invest in obligations of the U. S. Treasury and U.S. agencies, certificates of deposit in Louisiana banks, or any other federally insured investment.

Investments are stated at cost or amortized cost.

**Short-Term Interfund Receivables/Payables.** During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other fund" or "due to other fund" on the balance sheet. Short-term interfund loans, if any, are classified as "interfund receivables/payables".

**Inventories.** Purchases of operating supplies are recorded as expenditures when purchased; inventories of such supplies are not recorded and are not considered by management to be material.

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## VILLAGE OF GROSSE TETE, LOUISIANA

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Notes to Financial Statements, Continued

December 31, 1988

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 reportable available financial resources.

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

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of nonmarketed moneys (special revenue fund), the acquisition or construction of general fixed assets (capital project fund), and the servicing of general long-term debt (debt service fund). The general fund is used to account for all activities of the general government not accounted for in some other fund.

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. Services from such activities are provided to outside parties (enterprise funds).

**Basis of Accounting.** The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other uses) in net current assets.

The proprietary fund is accounted for on a flow-of-economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or property taxes are available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

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## VILLAGE OF GROSSE TETE, LOUISIANA

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Notes to Financial Statements

December 31, 1996

### 1. Summary of Significant Accounting Policies

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

**Reporting Entity.** The government is a municipal corporation governed by an elected mayor and three member Board of Aldermen. As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the government's operations, and so data from these units are combined with data of the primary government.

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

**Blended Component Unit:** Grosse Tete Volunteer Fire Department services the citizens of the government.

**Fund Accounting.** The Village uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

**VILLAGE OF GROSSE TETE, LOUISIANA**
*Comparative Statements of Cash Flows*
*Years Ended December 31, 1998 and 1997*
*Proprietary Fund Type - Enterprise Fund*

	1998	1997
<b>Reconciliation of Operating (Loss) to Net Cash (Used In)</b>		
<b>Operating Activities</b>		
Operating (loss)	\$ (15,794)	\$ (14,854)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities		
Depreciation	5,277	5,158
Provision for doubtful accounts	350	108
Change in assets and liabilities		
(Increase) in accounts receivable	(1,682)	(3,361)
Increase (decrease) in accounts payable and accrued expenses	(3,529)	1,828
<b>Net Cash (Used In) Operating Activities</b>	<b>(14,799)</b>	<b>(16,721)</b>
<b>Cash Flows From Investing Activities</b>		
Interest on investments	368	566
<b>Cash Flows From Capital and Related Financing Activities</b>		
Purchase of capital assets	(2,278)	(18,181)
<b>Cash Flows From Non-Capital Financing Activities</b>		
Operating transfers in	17,000	24,000
<b>(Decrease) in Cash And Cash Equivalents</b>	<b>(729)</b>	<b>(129)</b>
<b>Cash And Cash Equivalents</b>		
Beginning	1,334	1,464
Ending	<b>\$ 605</b>	<b>\$ 1,334</b>

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**VILLAGE OF GROSSE TETE, LOUISIANA**

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*Supplementary Information*

*December 31, 1996*

**VILLAGE OF GROSSE TETE, LOUISIANA**

*Schedule of Compliance Findings*

*Year Ended December 31, 1996*

**Material Instances of Noncompliance**

**Finding 1.**

**Condition.** Cash was collected for traffic tickets and not remitted.

**Criteria.** All cash received should be deposited in tact on a daily basis.

**Cause.** Police officers have apparently been collecting cash for violations and not remitting the cash and tickets in a timely manner.

**Recommendation.** All tickets should be turned in daily and police officers should not collect cash for violations.

**Response.** We will obtain restitution and account for the missing tickets. Also, officers will be prohibited from collecting cash for violations.

**Finding 2.**

**Condition.** The Chief of Police has disbursed fees on traffic tickets.

**Criteria.** The Louisiana Revised Statutes reserve this power to the Mayor in Mayor's Court.

**Cause.** The condition appears to have been caused because the Chief of Police thought he had the authority to disburse fees.

**Recommendation.** Only the Mayor should disburse traffic fees.

**Response.** We will implement this recommendation.

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## VILLAGE OF GROSSE TETE, LOUISIANA

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### *Enterprise Fund*

December 31, 1998

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

The Utility Fund is used to account for the provision of water and sewer service to the residents of the Village.

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**VILLAGE OF GROSSE TETE, LOUISIANA**

*General Fixed Assets Account Group*

*December 31, 1996*



**VILLAGE OF GROSSE TETE, LOUISIANA**

*Comparative Schedule of General Fixed Assets By Source*  
*General Fixed Assets Account Group*

December 31, 1996 and 1995

<b>General Assets, At Cost</b>	<b>1996</b>	<b>1995</b>
Land	\$ 18,969	\$ 10,968
Buildings and improvements	196,521	183,968
Office equipment and furniture	18,688	13,854
Equipment	131,917	113,938
Vehicles	338,568	301,828
Park	21,788	23,788
Water lines and hydrants	7,382	7,382
<b>Total general assets, at cost</b>	<b>\$ 726,728</b>	<b>\$ 656,632</b>
<b>Investment In General Fixed Assets By Source</b>		
Acquired prior to July 1, 1974*	\$ 78,371	\$ 70,372
Acquired after June 30, 1974 from general fund revenues	648,357	586,260
<b>Total investment in general fixed assets by source</b>	<b>\$ 726,728</b>	<b>\$ 656,632</b>

\*Records reflecting source from which assets were acquired were not maintained prior to July 1, 1974

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**VILLAGE OF GROSSE TETE, LOUISIANA**

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*Other Supplementary Information*

*December 31, 1995*

**VILLAGE OF GROSSE TETE, LOUISIANA**
*Schedule of Insurance in Force*
*Unaudited*
*December 31, 1996*

Insurer	Coverage	Risk	Limits of Coverage	Expiration
Employer's Mutual Casualty Company	Police chief	Dishonesty	\$5,000	9/18/97
Employer's Mutual Casualty Company	Police employees	Dishonesty	\$10,000	9/18/97
Audubon Insurance Company	Vehicle fleet	Collision and comprehensive	ACV	10/18/97
Louisiana Farm Bureau Mutual	All Village owned property	Fire and extended coverage	\$250,200	12-31-97
Louisiana Municipal Association Liability Program	All Village owned property and automobiles	Comprehensive general liability and automobile liability	Combined single limit \$500M	9/1/97
Louisiana Municipal Association	All employees	Workers' compensation	Statutory	1/1/97
Louisiana Municipal Association	Law enforcement officers	Comprehensive liability	Combined single limit \$200M	9/1/97
Louisiana Municipal Association	Public officials	Errors and omissions	Combined single limit \$200M	9/1/97

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**VILLAGE OF GROSSE TETE, LOUISIANA**

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Schedule 2

*Schedule of Pay Items**For the Year Ended December 31, 1995**Paid to Board Members*

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Philip Sarullo, Mayor	\$	7,000
Richard David, Alderman		2,400
Jarvis R. Hill, Alderman		2,400
Michael Chauffe, Alderman		2,400
		<hr/>
	\$	14,200

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**VILLAGE OF GROSSE TETE, LOUISIANA**
**Comparative Statements of Revenues, Expenditures  
and Changes in Fund Balance**
**December 31, 1998 and 1997**
**Volunteer Fire District Special Revenue Fund**

	1998	1997
<b>Revenues</b>		
Intergovernmental		
Iberville Parish operating grant	\$ 85,000	\$ 64,087
State Department of Agriculture operating grant	2,932	2,381
Interest on investments	4,809	3,560
	<hr/>	<hr/>
Total revenues	92,741	70,028
<b>Expenditures</b>		
Current		
Public safety - fee	26,216	20,280
Capital outlays	4,500	10,739
Debt service		
Principal	25,451	23,800
Interest	9,486	11,120
	<hr/>	<hr/>
Total expenditures	65,653	65,929
<b>Excess of Revenues Over Expenditures</b>	<b>27,087</b>	<b>4,103</b>
<b>Fund Balance</b>		
Beginning	<hr/>	<hr/>
	39,436	28,813
Ending	<hr/>	<hr/>
	\$ 66,523	\$ 32,916

VILLAGE OF GROSSE TETE, LOUISIANA

Continued

Comparative Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Years Ended December 31, 1998 and 1997

Volunteer Fire Department Special Revenue Fund

	1998		1997		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
<b>Revenues</b>					
Environmental	\$ 17,900	\$ 18,000	\$ 27,400	\$ 24,000	\$ 3,400
Service participating grant	3,400	3,312	312	3,000	2,688
State Department of Agriculture operating grant	1,000	8,000	3,400	3,150	3,850
Interest on investments					418
<b>Total Revenues</b>	22,300	29,312	34,112	30,150	3,962
<b>Expenditures</b>					
Current					
Public utility - fire department	13,200	13,814	1,500	13,000	814
Insurance	1,800	2,476	800	1,000	1,476
Subsidies	3,500	3,500	100	3,200	300
Information	1,400	1,100	200	1,000	1,000
Professional service	1,500	2,000	1,000	1,000	1,000
Supplies	1,200	1,000	12,000	1,000	10,800
Utilities	1,200	4,000	12,714	3,200	1,714
<b>Total public utility</b>	22,800	28,310	13,600	22,400	6,410
Capital outlay	8,000	4,200	4,700	8,400	4,200
<b>Total Expenditures</b>	30,800	32,510	18,300	30,800	1,710
<b>Change in Fund Balance</b>					
Initial	25,000	24,412	-	23,000	1,412
Principal	10,000	9,416	614	11,701	1,285
Interest	20,000	24,000	614	24,000	386
<b>Total debt service</b>	35,000	33,828	1,228	34,701	1,227
<b>Total Expenditures</b>	65,800	66,338	1,828	65,501	837
<b>Change (Decrease) or Increase in Fund Balance</b>	14,200	10,584	1,772	11,299	485
<b>Balance (Beginning)</b>	10,800	10,828	-	10,811	17
<b>Balance (Ending)</b>	\$ 25,000	\$ 21,412	\$ 11,772	\$ 22,110	\$ 4,642



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## VILLAGE OF GROSSE TETE, LOUISIANA

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*Independent Auditor's Comments on  
Resolution of Prior Audit Findings*

*Year Ended December 31, 1996*

The matter listed in the Schedule of Internal Control Structure Reportable Conditions Finding Number 1 is a repeat of prior year's findings. The other findings reported in the prior year have been satisfactorily resolved.



**VILLAGE OF GROSSE TETE, LOUISIANA***Schedule of Internal Control Structures  
Reportable Conditions, Continued**Year Ended December 31, 1996***Finding 2**

**Condition.** The village has not accounted for the numerical sequence of all traffic tickets.

**Criteria.** The numerical sequence of all traffic tickets should be logged for audit and control.

**Effect.** The condition is such that errors, either intentional or unintentional, in the processing of receipts, could occur and not be detected in a timely manner and in the ordinary course of operations.

**Cause.** No one has the responsibility for accounting for all tickets.

**Recommendation.** Management should be certain that all tickets are logged as issued.

**Response.** We will implement measures to comply with the recommendation.

**Finding 3**

**Condition.** Time sheets are not turned in for police department employees on a regular basis.

**Criteria.** The state constitution prohibits the donation of funds to any person. Time sheets for all personnel which have been approved by their supervisor is a method to monitor hours worked.

**Effect.** The condition is such that police officers may be paid for time not worked.

**Cause.** Police personnel do not turn in time sheets on a daily basis.

**Recommendation.** Police officers should turn in time sheets at the end of each shift and they should be approved by the Chief of Police.

**Response.** We will comply with this recommendation and will no longer issue paychecks to any employee who has not turned in an approved time sheet.

**VILLAGE OF GROSSE TETE, LOUISIANA***Schedule of Internal Control Structure**Year Ended December 31, 1995***Reportable Conditions****Reportable Condition****Minor Weakness****Finding 1**

**Condition.** The Village was not large enough to permit an adequate segregation of employee duties of effective internal accounting control over the cash receipts, disbursements, and financial reporting cycles.

**Criteria.** The recording of receipts and disbursements under the control of one person represents a failure to segregate incompatible accounting activities.

**Effect.** The condition is such that errors, either intentional or unintentional, in the processing of receipts and disbursements, could occur and not be detected in a timely manner and in the ordinary course of operations.

**Cause.** The size of the Village and the limited number of employees did not permit an adequate segregation of incompatible duties.

**Recommendation.** To the extent that it is practical to do so, Management should segregate employee duties and perform supervisory reviews.

**Response.** We recognize the problem and we perform supervisory reviews to mitigate the effect. However based on the size of the Village, there is nothing else that we can do that is cost effective.

placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the Village's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The matter that we consider to be a reportable condition is described in the accompanying schedule of internal control structure reportable conditions.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe that the reportable condition described in the accompanying schedule of internal control structure reportable conditions and other matters is a material weakness.

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

PRIVOST, SALTER, HARPER & ALFORD, L.L.C.

*Privost, Salter, Harper & Alford, L.L.C.*

June 13, 1997



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE  
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING  
STANDARDS**

To the Honorable Mayor and Members  
of the Board of Aldermen  
Village of Grease Tote, Louisiana

We have audited the general purpose financial statements of the Village of Grease Tote, Louisiana, and the individual fund and account group financial statements of the Village of Grease Tote, Louisiana, for the year ended December 31, 1996, and have issued our report thereon dated June 17, 1997.

We conducted our audit in accordance with generally accepted auditing standards and Government Accounting Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the Village of Grease Tote, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of the Village of Grease Tote, Louisiana for the year ended December 31, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been

**VILLAGE OF GROSSE TETE, LOUISIANA***Schedule of Compliance Findings, Continued**Year Ended December 31, 1996***Finding 1.**

**Condition.** An employee was paid for time not worked.

**Criteria.** The Louisiana Revised Statutes 14:131 state that employees shall not be paid for services not rendered.

**Cause.** The employee terminated without giving notice and continued to be paid because the supervisor did not report the termination.

**Recommendation.** All employees should be paid based on approved time sheets signed by their supervisor.

**Response.** We will implement this recommendation and seek restitution from the employee involved.

**Material Instances of Noncompliance****Finding 1.**

**Condition.** The budget was not amended for general fund revenues and expenditures which exceeded budget.

**Criteria.** Louisiana Revised Statutes require that when expenditures or revenues exceed budget by five percent or more, that the governing authority shall amend the budget.

**Cause.** Revenues exceeded budget and no thought was given to the need to amend the budget.

**Recommendation.** The Mayor and Board of Aldermen need to monitor revenues and expenditures and amend the budget when necessary.

**Response.** The Mayor and Board of Aldermen will monitor revenue and expenditures and amend the budget when required.

material noncompliance. This condition and occurrence is described in the accompanying schedule of compliance findings.

We considered the material instances of noncompliance in forming our opinion on whether or not the Village of Orosco Tete, Louisiana's 1998 financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated June 17, 1999, on these financial statements.

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

PROVOST, SALTER, HARPER & ALFORD, L.L.C.

*Provost, Salter, Harper & Alford, L.L.C.*

June 17, 1999

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## VILLAGE OF GROSSE TETE, LOUISIANA

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*Special Revenue Fund*

*December 31, 1999*

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Grosse Tete Volunteer Fire District - this fund is used to account for the receipt of dedicated revenues from the parish police jury for fire protection services.

**VILLAGE OF GROSSE TETE, LOUISIANA**
*Comparative Balance Sheet*
*December 31, 1996 and 1995*
*Volunteer Fire District Special Revenue Fund*

ASSETS	1996	1995
<b>Assets</b>		
Cash	\$ 31,381	\$ 5,950
Investments	18,078	17,144
Due from other governments	3,980	4,600
<b>Total Assets</b>	<b>\$ 53,439</b>	<b>\$ 27,694</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$ 1,551	\$ 710
Accrued expense	3,505	3,528
<b>Total liabilities</b>	<b>4,466</b>	<b>4,238</b>
<b>Fund Balance</b>		
Reserved for fire protection	60,863	13,456
<b>Total fund balance</b>	<b>60,863</b>	<b>13,456</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 65,329</b>	<b>\$ 17,694</b>