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VILLAGE OF CLARK
Clark, Louisiana

**General Purpose Financial Statements
With Accountant's Compilation Report
and Agreed-Upon Procedures Report
As of and for the Year Ended
June 30, 1988**

Under provisions of state law, this report is a public document. A copy of the report has been distributed to the council, or board, and to other appropriate public officials. This report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date Oct 2 8 1988

VILLAGE OF CLARK
Clark, Louisiana

General Purpose Financial Statements
With Accountant's Compilation Report
and Agreed-Upon Procedures Report
As of and for the Year Ended June 30, 1998

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M. Carolyn Dumas
CERTIFIED PUBLIC ACCOUNTANT

308 DELAWARE BOULEVARD • COLLEEN, LOUISIANA 71225 • TELEPHONE 504/694-0700

Accountant's Compilation Report

MAYOR AND BOARD OF ALDERMEN
Village of Clark
Clark, Louisiana

I have compiled the accompanying general purpose financial statements and supplemental information schedules, as listed in the foregoing table of contents, of the Village of Clark as of June 30, 1998, and for the year then ended, in accordance with standards established by *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 and schedules information that is the representation of management. I have not audited or reviewed the accompanying general purpose financial statements and, accordingly, do not express an opinion or any form of assurance on them. However, I did become aware of a departure from generally accepted accounting principles that is described in the following paragraph.

A statement of revenues, expenditures, and changes in fund balances - budget and actual for the year ended June 30, 1998, for the General Fund has not been presented. Generally accepted accounting principles require that such a statement be presented. As discussed in Note F, the Village of Clark did not adopt a budget for the General Fund for the year ended June 30, 1998, as is required by state law.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report dated September 14, 1998, on the results of our agreed-upon procedures.



Colleen, Louisiana
September 14, 1998

Receipt Acknowledged
Legislative Auditor

By P. Manderson

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

VILLAGE OF CLARE
Clare, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, June 30, 1988

	CORPORATE FUND TYPES...		ACCOUNT GROUPS...		TOTAL PERMANENT FUND TYPES
	GENERAL FUND	CAPITAL PROJECTS FUND	PROPRIETARY FUND TYPE-ENTERPRISE FUND	GENERAL FUND ASSETS	
ASSETS					
Cash	\$1,067	528	517,319		\$18,340
Accounts receivable	1,348		19,981		20,429
Due from other funds			5,414		5,414
Property, plant and equipment (net of accumulated depreciation)			2,279,215	\$196,459	2,415,674
TOTAL ASSETS	<u>\$2,415</u>	<u>528</u>	<u>\$2,801,929</u>	<u>\$196,459</u>	<u>\$3,419,857</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$1,397		\$8,904		\$10,251
Payroll taxes payable	12		128		317
Taxes due payable			611		611
Due to other funds	603	149	4,664		5,414
Customer money deposits			1,881		3,881
Total liabilities	<u>2,012</u>	<u>149</u>	<u>15,228</u>	<u>\$0.00</u>	<u>20,494</u>

(Continued)

VILLAGE OF CLARK
 Clark, Louisiana
 ALL FUND TYPES AND ACCOUNT GROUPS
 Combined Balance Sheet, June 30, 1998

GOVERNMENTAL — FUND TYPE —		PROPERTY FUND TYPE — EXCHANGE FUNDS		ACCOUNT GROUP — GENERAL FUND — OTHERS		TOTAL PERSONNELS
GENERAL FUNDS	CAPITAL PROJECTS FUNDS					(\$5,000)
				\$136,459		\$136,459
		\$2,213,829				2,213,829
		88,840				88,840
629	6871					(768)
(78)	(87)	2,302,668		136,459		2,439,127
\$2,413	598	\$2,326,025		\$136,459		\$2,499,182

Fund Equity:

Investment in general fixed assets
 Contributed capital (net of accumulated
 depreciation on fixed assets acquired
 with federal grants
 Retained earnings - unassigned - undesignated
 Fund balance (deficit) - unreserved - undesignated
 Total Fund Equity

TOTAL LIABILITIES
 AND FUNDED EQUITY

(Continued)

See accompanying notes and accountant's compliance report.

VILLAGE OF CLARK
Clark, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and
Changes in Fund Balance
For the Year Ended June 30, 1998

REVENUES

Taxes:

Ad valorem	55,689
Franchise	8,806
Occupational licenses	4,495
Intergovernmental - state funds:	
Tobacco tax	3,513
On-behalf payments - supplemental pay	3,600
Use of money and property - rent	3,485
Other revenues	4,743
Total revenues	<u>83,331</u>

EXPENDITURES

General government:

Current:	
Personal services and related benefits	15,443
Operating services	28,401
Materials and supplies	3,782
Total expenditures	<u>47,626</u>

**EXCESS (Deficiency) OF REVENUES
OVER EXPENDITURES**

(17,912)

**OTHER FINANCING SOURCES -
operating transfers in**

19,000

**EXCESS (Deficiency) OF REVENUES AND
OTHER SOURCES OVER EXPENDITURES**

1,088

FUND BALANCE (Deficit) AT BEGINNING OF YEAR

(1,167)

FUND BALANCE (Deficit) AT END OF YEAR

(579)

See accompanying notes and accountant's compilation report.

VILLAGE OF CLARK
Clark, Louisiana
PROPRIETARY FUND TYPE - ENTERPRISE FUNDS

Combined Statement of Revenues, Expenses,
and Changes in Retained Earnings
For the Year Ended June 30, 1998

OPERATING REVENUES	
Service fees	\$128,042
Other income	7,243
Total operating revenues	<u>135,285</u>
OPERATING EXPENSES	
Salaries	29,505
Payroll taxes	2,257
Utilities	18,492
Lub. fees	1,842
Supplies	29,467
Repairs	500
Postage	371
Salaries	2,456
Travel	3,042
Miscellaneous	4,584
Depreciation	68,058
Total operating expenses	<u>152,035</u>
OPERATING LOSS	(16,750)
NON-OPERATING REVENUE - state grant	15,000
OPERATING TRANSFERS OUT	<u>(19,000)</u>
NET INCOME (Loss)	(21,690)
Adjustment for depreciation on fixed assets acquired with federal grant	53,985
NET INCREASE IN RETAINED EARNINGS	32,295
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>58,548</u>
RETAINED EARNINGS AT END OF YEAR	<u>90,843</u>

See accompanying notes and accountant's compilation report.

VILLAGE OF CLARK
 Clark, Louisiana
PROPRIETARY FUND TYPE - ENTERPRISE FUNDS

Combined Statement of Cash Flows
 For the Year Ended June 30, 1998

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Loss	<u>(\$19,680)</u>
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:	
Depreciation	60,858
Increase in accounts receivable	18,758
Decrease in customer deposits	(2,779)
Decrease in accounts and withholdings payable	11,350
Increase in due from other funds	(2,346)
Increase in due to other funds	1,741
Total adjustments	<u>49,882</u>
Net cash provided by operating activities	<u>30,202</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Operating transfer out	<u>(79,808)</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Acquisition and construction of fixed assets	(18,850)
State grant	<u>15,800</u>
Net cash used by capital financing activities	<u>(3,050)</u>
NET INCREASE IN CASH	<u>7,344</u>
CASH AT BEGINNING OF PERIOD	<u>9,289</u>
CASH AT END OF PERIOD	<u>\$17,133</u>

See accompanying notes and accountant's compilation report.

VILLAGE OF CLARES

Clarks, Louisiana

Notes to the Financial Statements

As of and for the Year Ended June 30, 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Clarks is governed by the mayor-board of aldermen form of government. The village provides public safety, public works and general government services to its residents. The village has three employees and a chief of police.

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Village of Clarks 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 established governmental accounting and financial reporting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

B. REPORTING ENTITY

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Village of Clarks 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:

VILLAGE OF CLARKS

Clarks, Louisiana

Notes to the Financial Statements (Continued)

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the village 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 village.
2. Organizations for which the village does not appoint a voting majority but are fiscally dependent on the village.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the village has determined that there are no component units that are part of the reporting entity. Considered in the determination of component units of the reporting entity were the Caldwell Parish Police Jury, Sheriff, Clerk of Court, Assessor, and School Board, and the District Attorney and Judges for the Thirty-Seventh Judicial District. It was determined that these governmental entities are not component units of the Village of Clarks reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Village of Clarks.

C. 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.

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

See accountant's compilation report.

VILLAGE OF CLARK

Clark, Louisiana

Notes to the Financial Statements (Continued)

financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds

Governmental funds are used to account for all or most of the village's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition or construction of general fixed assets. Governmental funds include:

General Fund

The General fund is the general operating fund of the village. It accounts for all financial resources, except those required to be accounted for in other funds.

Capital Projects Funds

The Capital Projects Funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the General Fund.

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:

Enterprise Funds

The Enterprise Funds account for operations where the intent of the governing body is that the cost (expenses, including depreciation) of providing services to customers in the village on a continuing basis be financed or recovered primarily through user charges.

See accountant's compilation report.

VILLAGE OF CLARES

Clarks, Louisiana

Notes to the Financial Statements (Continued)

D. BASIS OF ACCOUNTING

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

The modified accrual basis of accounting is used for reporting all governmental fund types. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the village and billed to taxpayers in October or November. Billed taxes become delinquent on January 1 of the following year. The taxes are normally collected in December, January and February of the current year.

Franchise taxes and intergovernmental revenues are recorded when the village is entitled to the funds.

Substantially all other revenues are recorded when they become available to the village.

Based on the above criteria, ad valorem taxes and intergovernmental revenues are treated as susceptible to accrual.

Expenditures

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

See accountant's compilation report.

VILLAGE OF CLARK

Clark, Louisiana

Notes to the Financial Statements (Continued)

Other Financing Sources (Used)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). The transactions are recorded when the underlying events occur.

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

E. BUDGET PRACTICES

The village did not adopt a budget for the General Fund for the year ended June 30, 1988, as is required by the Local Government Budget Act.

F. CASH

Cash includes amounts in demand deposits. Under state law, the village may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with banks organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States.

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, transactions which occur between individual funds are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as due to/from other funds.

See accountant's compilation report.

VILLAGE OF CLARK
Clark, Louisiana
Notes to the Financial Statements (Continued)

II. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. All fixed assets are valued cost where historical records are available and at estimated cost based on the actual costs of like items where no historical cost records exist. Public domain or infrastructure general fixed assets are capitalized. No depreciation has been provided on general fixed assets.

Fixed assets used in proprietary fund operations are included on the balance sheet of the funds net of accumulated depreciation. Depreciation of all depreciable fixed assets used by proprietary fund operations is charged as an expense against operations. Depreciation is computed using the straight-line method over estimated useful lives of 40 years for the water and sewer systems and from 5 to 10 years for equipment.

I. CONTRIBUTED CAPITAL

Federal grants that are restricted for the acquisition or construction of capital assets are recorded as contributed capital in the proprietary funds. Contributed capital is amortized based on the depreciation recognized on that portion of the assets acquired from such grants. This depreciation is closed to the contributed capital account and is reflected as an adjustment to net income.

**J. TOTAL COLUMN ON THE
COMBINED STATEMENTS**

The total columns on the combined statements are captioned Memorandum Only (overview) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present 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.

2. CASH

At June 30, 1998, the village has cash in demand deposits (book balances) totaling \$38,346. These deposits are stated at cost, which approximates market. Under state law,

See accountant's compilation report.

VILLAGE OF CLARES

Clare, Louisiana

Notes to the Financial Statements (Continued)

those deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. Cash (bank balances) at June 30, 1998, are \$22,858, and are fully secured from risk by federal deposit insurance.

3. FUND DEFICITS

The following individual funds have deficits in unreserved fund balances at June 30, 1998:

General Fund	\$79
Capital Projects Funds:	
LCT180 #10-3009	40
LCT180 #10-6026	7
LCT180 #10-3007	40
Total	<u>\$166</u>

The village reduced the prior year General Fund deficit by \$1,088 with operating transfers from the Water and Sewer Enterprise Funds. The village plans to contact its grant consultant concerning the need to close out the capital projects funds.

4. LEVIED TAXES

For the year ended June 30, 1998, the village levied 6.31 mills for the General Fund on the assessed value of property totaling \$755,700.

5. RECEIVABLES

The following is a summary of receivables at June 30, 1998:

	<u>General Fund</u>	<u>Enterprise Funds</u>	<u>Total</u>
Ad valorem taxes	\$155		\$155
Other	1,390		1,390
Accounts		\$19,081	19,081
Total	<u>\$1,545</u>	<u>\$19,081</u>	<u>\$20,626</u>

See accountant's compilation report.

VILLAGE OF CLARK
 Clark, Louisiana
 Notes to the Financial Statements (Continued)

There was no provision for bad debts recorded in the accompanying financial statements.

6. CHANGES IN GENERAL FIXED ASSETS

The following presents the changes in general fixed assets for the year ended June 30, 1998:

	Balance at July 1, 1997	Additions	Deletions	Balance at June 30, 1998
Land	\$2,000			\$2,000
Buildings	30,000			30,000
Improvements	31,500			31,500
Equipment	13,235			13,235
Streets, parks and bridges	26,819			26,819
Fire Department	\$2,444			\$2,444
Total	<u>\$156,024</u>	<u>NONE</u>	<u>NONE</u>	<u>\$156,024</u>

A summary of proprietary fund type property, plant, and equipment at June 30, 1998, follows:

	Cost	Accumulated Depreciation	Net Book Value
Land	\$1,500	NONE	\$1,500
Waterworks distribution system	1,893,199	(134,809)	958,390
Sewer system	1,079,988	(168,003)	1,311,985
Equipment	65,624	(82,284)	7,340
Total	<u>\$3,644,311</u>	<u>(\$365,096)</u>	<u>\$3,279,215</u>

7. PENSION PLAN

The employees of the village are members of the Social Security System. In addition to the employee contributions withheld at 7.65 per cent of gross salary, the village contributes an equal amount to the Social Security System. The village does not guarantee the benefits granted by the Social Security System.

See accountant's compilation report.

VILLAGE OF CLARK

Clark, Louisiana

Notes to the Financial Statements (Continued)

8. DUE TO/FROM OTHER FUNDS

The following is a summary of due to/from other funds at June 30, 1998:

	Due From Other Funds	Due To Other Funds
General Fund		\$605
Capital Projects Funds:		
LCDRG #101-5009		40
LCDRG #101-6005		40
LCDRG #101-5087		45
LCDRG #101-5009		20
Enterprise Funds:		
Water Fund	\$185	4,864
Sewer Fund	<u>5,392</u>	
Total	<u>\$5,458</u>	<u>\$5,414</u>

9. CHANGES IN CONTRIBUTED CAPITAL

The following is a summary of changes in contributed capital for the year ended June 30, 1998:

	Water Fund	Sewer Fund	Total
Balance at July 1, 1997	\$926,388	\$1,541,425	\$2,267,809
Reductions - depreciation on fixed assets acquired with federal grant	<u>(24,511)</u>	<u>(29,475)</u>	<u>(53,986)</u>
Balance at June 30, 1998	<u>\$901,877</u>	<u>\$1,311,950</u>	<u>\$2,213,827</u>

10. LITIGATION, CLAIMS, AND RISK OF LOSS

The village is not involved in any litigation nor aware of any unasserted claims at June 30, 1998. The village maintains commercial insurance to reduce the risk of loss resulting from property damage or liability claims.

See accountant's compilation report.

VILLAGE OF CLARK

Clark, Louisiana

Notes to the Financial Statements (Continued)

**11. ON-BEHALF PAYMENTS
FOR SALARIES**

During the year ended June 30, 1998, the village police chief received supplemental compensation in the amount of \$3,600, from the Louisiana Department of Public Safety. In accordance with GASB Statement 24 that amount has been reported as intergovernmental revenue and personal services expenditures in the General Fund in the accompanying financial statements.

See accountant's compilation report.

SUPPLEMENTAL INFORMATION

See accountant's compilation report.

VILLAGE OF CLARK
Clark, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year Ended June 30, 1998

CAPITAL PROJECTS FUNDS

The Louisiana Community Development Block Grant (LCDBG) Funds account for funds provided by the U. S. Department of Housing and Urban Development through the Louisiana Division of Administration. The monies are used to develop viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of low to moderate income. There were no revenues or expenditures in these funds for the year ended June 30, 1998.

See accountant's compilation report.

VILLAGE OF CLARK
 Clark, Louisiana
 CAPITAL PROJECTS FUNDS

Combining Balance Sheet, June 30, 1998

	LCDBG #10-000 FUND	LCDBG #10-005 FUND	LCDBG #10-007 FUND	LCDBG #10-008 FUND	TOTAL
ASSETS					
Cash	<u>NONE</u>	<u>\$33</u>	<u>\$5</u>	<u>\$20</u>	<u>\$58</u>
LIABILITIES AND FUND EQUITY					
Liabilities - due to other funds	40	40	45	20	145
Fund Equity:					
Fund balance (deficit) -					
unreserved - undesignated	<u>100</u>	<u>(7)</u>	<u>100</u>	<u>NONE</u>	<u>(7)</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>NONE</u>	<u>\$33</u>	<u>\$5</u>	<u>\$20</u>	<u>\$58</u>

See accountant's compilation report.

VILLAGE OF CLARK
Clark, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year ended June 30, 1998

ENTERPRISE FUNDS

Water Fund - The Water Fund is used to account for the operation of the village water system.

Sewer Fund - The Sewer Fund is used to account for the operation of the village sewer system.

VILLAGE OF CLARK
Clark, Lombard
ENTERPRISE FUNDS

Combining Balance Sheet, June 30, 1998

	WATER FUND	SEWER FUND	TOTAL
ASSETS			
Cash	\$5,485	\$11,750	\$17,235
Accounts receivable	14,700	4,572	19,272
Due from other funds	105	5,309	5,414
Property, plant, and equipment (net of accumulated depreciation)	<u>967,230</u>	<u>1,311,885</u>	<u>2,279,115</u>
TOTAL ASSETS	<u>\$987,500</u>	<u>\$1,333,416</u>	<u>\$2,320,916</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$7,617	\$1,289	\$8,906
Payroll taxes payable	143	50	193
Sales tax payable	611		611
Due to other funds	4,604		4,604
Customer meter deposits	3,881		3,881
Total liabilities	<u>16,856</u>	<u>1,339</u>	<u>18,195</u>
Fund Equity:			
Contributed capital (net of accumulated depreciation on fixed assets acquired with federal grants)	\$81,876	1,311,949	2,213,825
Retained earnings - unreserved	<u>88,748</u>	<u>20,128</u>	<u>108,876</u>
Total fund equity	<u>\$170,624</u>	<u>1,332,077</u>	<u>2,542,701</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$987,500</u>	<u>\$1,333,416</u>	<u>\$2,320,916</u>

See accountant's compilation report.

VILLAGE OF CLARK
 Clark, Louisiana
ENTERPRISE FUNDS

Combining Schedule of Revenues, Expenses,
 and Changes in Retained Earnings
 For the Year Ended June 30, 1998

	WATER	SEWER	TOTAL
	<u>1998</u>	<u>1998</u>	<u>TOTAL</u>
OPERATING REVENUES			
Service fees	\$79,064	\$40,983	\$120,047
Other income	80	7,185	7,265
Total operating revenues	<u>79,144</u>	<u>48,168</u>	<u>127,312</u>
OPERATING EXPENSES			
Salaries	21,264	8,241	29,505
Payroll taxes	1,627	600	2,227
Utilities	11,003	3,479	14,482
Labor fees		1,642	1,642
Supplies	18,687	10,880	29,567
Repairs		500	500
Postage	572		572
Sales tax	2,456		2,456
Travel	1,542	1,900	3,442
Miscellaneous	3,276	1,708	4,984
Depreciation	90,561	29,891	120,452
Total operating expenses	<u>90,918</u>	<u>62,851</u>	<u>153,769</u>
OPERATING LOSS	(11,774)	(7,913)	(19,687)
NON-OPERATING REVENUE - state grant	15,000		15,000
OPERATING TRANSFERS OUT	<u>(6,000)</u>	<u>(15,000)</u>	<u>(21,000)</u>
NET INCOME (Loss)	(2,774)	(23,913)	(26,687)
Adjustment for depreciation on fixed assets acquired with federal grant	<u>24,511</u>	<u>20,474</u>	<u>44,985</u>
NET INCREASE IN RETAINED EARNINGS	21,737	8,561	30,298
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>46,983</u>	<u>11,567</u>	<u>58,550</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$68,720</u>	<u>\$20,128</u>	<u>\$88,848</u>

See accountant's compilation report.

VILLAGE OF CLARK
 Clarks, Louisiana
ENTERPRISE FUNDS

Combining Schedule of Cash Flows
 For the Year Ended June 30, 1968

	WATER FUND	SEWER FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Loss	\$(11,777)	\$(87,813)	\$(19,690)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:			
Depreciation	30,901	29,497	60,398
Increase in accounts receivable	(7,385)	(1,355)	(8,740)
Decrease in customer deposits	(279)		(279)
Decrease in accounts and withholdings payable	(186)	694	(1,350)
Increase in due from other funds		(2,348)	(2,348)
Increase in due to other funds	1,741		1,741
Total adjustments	23,894	25,182	49,076
Net cash provided by operating activities	12,117	13,379	25,496
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Operating transfers out	(6,000)	(13,000)	(19,000)
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Acquisition and construction of fixed assets	(18,000)		(18,000)
State grant	15,000		15,000
Net cash used by capital financing activities	(3,000)	NONE	(3,000)
NET INCREASE IN CASH	3,087	4,379	7,466
CASH AT BEGINNING OF PERIOD	2,388	7,473	9,861
CASH AT END OF PERIOD	\$5,475	\$11,852	\$17,327

See accountant's compilation report.

VILLAGE OF CLARK
Clarks, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE
As of and for the Year Ended June 30, 1998

COMPENSATION PAID ALDERMEN

The schedule of compensation paid to aldermen is presented in compliance with House Concurrent Resolution No. 24 of the 1979 Session of the Louisiana Legislature. Compensation of the aldermen is included in the legislative expenditures of the General Fund. Aldermen receive a per diem \$20 for attending each regular and special meeting.

See accountant's compilation report.

VILLAGE OF CLARK
Clark, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE
As of and For the Year Ended June 30, 1998

COMPENSATION PAID ALDERMEN
Schedule of Per Diem Paid Aldermen

Murphy Ballard	\$300
James King	300
Danny Thomas	300
Total	<u>\$1,800</u>

See accountant's compilation report.

VILLAGE OF CLARK
 Clark, Louisiana

Summary Schedule of Prior Year Findings
 For the Year Ended June 30, 1998

Reference Number	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Planned Corrective Action
Procedure 5	1997	The village did not adopt a budget for its General Fund for the year ended June 30, 1997.	No	The village will adopt a budget for its General Fund for the year ending June 30, 1998.
Procedure 8(b)	1997	Disbursements were not properly posted; salaries recorded at net instead of gross.	Yes	N/A
General	1997	Failure to maintain adequate records of fixed assets.	Yes	N/A
General	1996	Employees expense allowances not included on the employees' W-2 forms.	Yes	N/A

See accountant's compilation report.

VILLAGE OF CLARK
Clark, Louisiana

Corrective Action Plan
For Current Year Findings
For the Year Ended June 30, 1998

<u>Reference Number</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
Procedure 4	The village purchased supplies from a business owned by the mayor's wife.	See following page	John Eason, Mayor	See following page
Procedure 3	The village did not adopt a budget for its General Fund for the year ended June 30, 1998.	The village will adopt a budget for its General Fund for the year ending June 30, 1999.	John Eason, Mayor	October 31, 1998
Procedure 8(a)	One of the six selected disbursements was not adequately supported.	In the future, all disbursements will be supported by adequate documentation.	John Eason, Mayor	N/A

See accountant's compilation report.

VILLAGE OF CLARK

P. O. BOX 1880
CLARK, ILLINOIS 71118
PH. 662-7218

September 17, 1988

Mrs. Carleen Dumas
305 Donaldson Road
Calthoon, IL 71005

Subject: Compilation Report - FY 1988
Schedule 7 page 38 Procedure 4

Dear Mrs. Dumas:

The following is offered to explain the subject deficiencies:

The Village of Clark is fortunate to be able to use Department of Corrections inmates incarcerated in the Correction Center located within our Village. These inmates provide the labor for us to install new water lines, water meters and other needed activities. We use an average of 6 to 10 inmates per day.

The largest portion of these farm was "Water Crew". Normally we return them to the compound for their noon meal, however there were times when a water main was broken and it became necessary to repair same to provide adequate fire protection on other regular household usage.

This necessitated the crew to work through their regular lunch break to restore water service to the Village.

When these emergency situations happened and the inmates missed their lunch the Village supplied same through the local cafe, which is the only eating establishment within miles. The cafe is owned and operated by the Mayor's wife.

Corrective Actions

It is hoped that with new water lines that these emergency situations will be minimized, however we doubt that they will ever be totally eliminated.



John Taylor, Mayor

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

The following independent accountant's report on applying agreed upon procedures is presented in compliance with the requirements of the *Louisiana Governmental Audit Guide* and the *Louisiana Attention Questionnaire*, issued by the *Society of Louisiana Certified Public Accountants* and the *Louisiana Legislative Auditor*.

M. Carlson Dumas
CERTIFIED PUBLIC ACCOUNTANT

349 EXHIBITION ROAD • CLARKSVILLE, LOUISIANA 71226 • TELEPHONE 338-644-8776

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

MAYOR AND BOARD OF ALDERMEN
VILLAGE OF CLARKS
Clarks, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Village of Clarks and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village of Clarks' compliance with certain laws and regulations during the year ended June 30, 1988 included in the accompanying *Louisiana Allocation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the 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 \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

A review was made of all disbursement journals for the year. There were no disbursements exceeding \$15,000 made during the year.

Village of Clark
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 1998

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-42:1103-1124 (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.

Management provided me with the required list.

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

There were no names on the employee listing that were also included on the listing of immediate family members. However, the village purchased supplies totaling \$306 from a business owned by the mayor's wife.

Budgeting

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

The village did not adopt a budget for the General Fund for the year ended June 30, 1998.

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

See results of procedures listed under question number 5.

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

See results of procedures listed under question number 5.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:
- (a) trace payments to supporting documentation as to correct amount and payee;
 - (b) determine if payments were properly coded to the correct fund and general ledger account;
 - (c) determine whether payments received approval from proper authorities.

An examination of six randomly selected disbursements disclosed the following:

- (a) One of the six selected disbursements was not supported by adequate documentation.
- (b) All six of the selected disbursements were properly coded to the correct fund and general ledger account.
- (c) The minutes of the board of aldermen meetings reflected that all six disbursements were approved by the mayor and board of aldermen.

Meetings

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

Agendas for the meetings are posted as required by LSA-RS 42:7.

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

Village of Clark
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 1998

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 board meetings and an examination of payroll records indicated no payments which may constitute bonuses, advances, or gifts.

The accompanying schedule of prior year findings provides details on the actions taken by management with regards to the findings reported in my prior year report dated October 3, 1997.

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 Clark 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.


William J. Dumas
Caldwell, Louisiana
September 14, 1998

Louisiana Arbitration Questionnaire

The accompanying *Louisiana Arbitration Questionnaire* has been completed by management and is included in this report as required by the *Louisiana Governmental Audit Guide*.

M. Carleen Dumas
Certified Public Accountant
369 Donaldson Rd.
Cattonia, La 70225

Mrs. Dumas,

In connection with your compilation of our financial statements of the Village of Clarke as of June 30, 1998 and for the year then ended, and as required by Louisiana Revised Statute 24:503 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on information available to us as of 6/30/98.

PUBLIC BID LAW

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes No N/A

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes No N/A

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980 under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes No N/A

BUDGETING

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes No N/A

ACCOUNTING AND REPORTING

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:3, 44:31, and 44:34.

Yes No N/A

We have filed our annual financial statements in accordance with LSA-RS 24:504, LSA-RS 33:463, and/or LSA-RS 38:92, as applicable.

Yes No N/A

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes No N/A

MEETINGS

We have complied with the provisions of the Opening Meetings Law, provided in LSA-RS 42:1-12.

Yes No N/A

DEBT

It is true that we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60 - 1410.65.

Yes No N/A

ADVANCES AND BONUSES

It is true that we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-719.

Yes No N/A

We have disclosed to you all known non-compliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible non-compliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known non-compliance which may occur subsequent to the issuance of your report.

Jeanon
Mayer

8/5/98
Date