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**VILLAGE OF BOSSON, LOUISIANA  
GENERAL PURPOSE FINANCIAL STATEMENTS  
AND ACCOUNTANTS' COMPILATION REPORT  
AS OF AND  
FOR THE YEAR ENDED JUNE 30, 1998  
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

Under provisions of state law, this report is a public document. A request for a report has been received, and the report has been prepared, verified and signed accordingly, in the public interest. This report is available for public inspection at the office of the State Auditor of Louisiana, located at the office of the parish clerk of court.

Release Code: **MS2-D-988**

**KENNETH B. FOLDEN & CO.**  
CERTIFIED PUBLIC ACCOUNTANTS

301 EIGHTH STREET, BOSSON, LA 71324  
(504) 297-1144  
FAX (504) 297-1210

**VILLAGE OF HIBSDEN**

Hibden, Louisiana

**General Purpose Financial Statements  
and Accountants' Compilation Report  
As of and for the Year Ended June 30, 1998  
With Supplemental Information Schedules****CONTENTS**

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**Kenneth D. Falden & Co.**  
Certified Public Accountants

Kenneth D. Falden, CPA

Paul W. Steuber, Sr., CPA

Members  
Society of Louisiana  
Certified Public Accountants

811 Eighth Street  
Baton Rouge, La. 70801  
(504) 383-1344  
FAX (504) 383-1344

Members  
American Institute of  
Certified Public Accountants

**ACCOUNTANTS' COMPILATION REPORT**

Honorable Mayor Loyd Vance  
And the Board of Aldermen  
Village of Dodson  
Dodson, Louisiana

We have compiled the accompanying general purpose financial statements of the Village of Dodson, Louisiana, in accordance with standards established by the American Institute of Certified Public Accountants.

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

  
KENNETH D. FALDEN & CO.  
Certified Public Accountants

Baton Rouge, Louisiana  
November 15, 1998

**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
JUNE 30, 1998**

	GOVERNMENTAL FUND TYPES		PROPRIETARY FUND TYPE	ACCOUNT GROUPS		Total (Balance Sheet Debit)
	General Fund	Debt Service Fund	Enterprise Fund	General Fund Assets	General Fund Liabilities	
<b>ASSETS AND OTHER DEBITS</b>						
Cash and cash equivalents	\$ 84,941	\$ 4,446	\$ 38,943			\$ 128,330
Restricted assets - cash			36,638			36,638
Accounts receivable	1,119		679			1,797
Land				3,989		3,989
Building and equipment				111,977		111,977
Equipment, etc.				33,134		33,134
Water and sewer plant			1,071,330			1,071,330
Available for debt service					4,446	4,446
Amount to be provided for debt service					36,334	36,334
<b>Total assets and other debits</b>	<b>\$ 86,060</b>	<b>\$ 4,446</b>	<b>\$ 1,072,890</b>	<b>\$ 139,111</b>	<b>\$ 40,670</b>	<b>\$ 1,243,177</b>
<b>LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>						
Accounts payable and accrued expenses	\$ 1,888	\$	\$ 581			\$ 2,469
Payable from restricted assets						
Bonds			4,999			4,999
Unpaid expenses			4,887			4,887
Customer deposits			3,846			3,846
Bond payables			173,899		21,888	195,787
<b>Total liabilities</b>	<b>\$ 1,888</b>	<b>\$</b>	<b>\$ 13,312</b>	<b>\$</b>	<b>\$ 21,888</b>	<b>\$ 37,088</b>
<b>FUND EQUITY AND OTHER CREDITS</b>						
Unrestricted capital			3,196,899			3,196,899
Investment in general fixed assets				136,211		136,211
<b>RETAINED EARNINGS</b>						
Reserve for bond retirement			4,837			4,837
Reserve for contingency			16,977			16,977
Unreserved			(267,988)			(267,988)
<b>NET BALANCE SHEET</b>						
Designated - Debt Service		4,446				4,446
Undesignated	84,977					84,977
<b>Total fund equity</b>	<b>\$ 84,977</b>	<b>\$ 4,446</b>	<b>\$ 1,927,117</b>	<b>\$ 136,211</b>	<b>\$</b>	<b>\$ 1,992,751</b>
<b>Total liabilities, fund equity and other credits</b>	<b>\$ 86,765</b>	<b>\$ 4,446</b>	<b>\$ 1,072,890</b>	<b>\$ 139,321</b>	<b>\$ 21,888</b>	<b>\$ 1,243,310</b>

See Accountants' Compilation Report

**COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
ALL GOVERNMENTAL FUND TYPES  
For the Year Ended June 30, 1998**

	General	Debt Service	Totals (All Governmental Funds)
<b>REVENUES</b>			
Taxes	\$ 5,489	\$ 4,497	\$ 9,986
Licenses and permits	19,178		19,178
Intergovernmental and franchise taxes	7,329		7,329
Fees and forfeitures	17,984		17,984
Interest	4,180	79	4,259
Maintenance fee	4,497		4,497
Miscellaneous	2,145		2,145
Total revenue	<u>52,802</u>	<u>4,576</u>	<u>57,378</u>
<b>EXPENDITURES</b>			
Current:			
General government	76,718		76,718
Public health	2,192		2,192
Public safety	4,644		4,644
Debt service		2,180	2,180
Capital outlay			0
Total expenditures	<u>83,554</u>	<u>2,180</u>	<u>85,734</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(31,552)	2,396	(29,156)
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	14,898	2,180	17,078
Operating transfers out		(3,559)	(3,559)
Sale of timber	33,587		33,587
Total other financing sources (uses)	<u>48,485</u>	<u>(1,379)</u>	<u>47,106</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	16,933	1,017	17,950
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>62,784</u>	<u>3,968</u>	<u>66,752</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 79,717</u>	<u>\$ 4,985</u>	<u>\$ 84,702</u>

See Accountant's Compilation Report

VILLAGE OF BOSSON, LOUISIANA

Statement C

COMBINED STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASED) AND ACTUAL -  
GENERAL AND SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 1998

	General Fund		Variance Plus/Minus (Unfavorable)
	Budget	Actual	
<b>REVENUES</b>			
Ad valorem taxes	\$ 5,000	\$ 5,009	\$ (9)
Tobacco tax	1,000	1,009	(9)
Franchise fee	4,000	4,000	(0)
Occupational licenses	9,000	90,276	1,276
Interest	2,000	4,598	2,598
Fees	1,000	1,000	(0)
Traffic violations	22,000	17,094	(4,906)
Maintenance fees	0	4,007	4,007
Miscellaneous	0	0	0
<b>Total revenues</b>	<b>45,000</b>	<b>112,003</b>	<b>3,003</b>
<b>EXPENDITURES</b>			
Current:			
General government	87,200	76,718	10,482
Public health	0	3,170	(3,170)
Public safety	2,000	4,044	(2,044)
Capital outlay	15,000	0	15,000
<b>Total expenditures</b>	<b>104,200</b>	<b>83,932</b>	<b>20,268</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(59,200)</b>	<b>(21,929)</b>	<b>37,271</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	11,000	14,000	3,000
Sale of stocks	0	22,587	22,587
<b>Total other financing sources (uses)</b>	<b>11,000</b>	<b>36,587</b>	<b>25,587</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>(48,200)</b>	<b>14,658</b>	<b>62,858</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>			
	<u>67,784</u>	<u>67,784</u>	
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 19,584</b>	<b>\$ 82,442</b>	<b>\$ 62,858</b>

See Accountants' Compilation Report

## VILLAGE OF BOSSON, LOUISIANA

Statement 10

**COMBINED STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN RETAINED EARNINGS  
ALL PROPRIETARY FUND TYPES -  
WATER & SEWER ENTERPRISE FUNDS  
For the Year Ended June 30, 1998**

<b>OPERATING REVENUES</b>	
Service revenue	\$ 47,098
Total operating revenue	<u>47,098</u>
<b>OPERATING EXPENSES</b>	
Utilities	8,553
Personnel	15,816
Supplies	17,600
Depreciation	53,432
Insurance	4,796
Repairs and maintenance	1,758
Miscellaneous expenses	<u>2,394</u>
Total operating expenses	<u>165,349</u>
<b>OPERATING LOSS</b>	<b>(98,251)</b>
<b>NON-OPERATING REVENUE (EXPENSES)</b>	
Interest income	1,814
Interest expense	<u>(5,216)</u>
Total non-operating revenue (expenses)	<u>(3,402)</u>
<b>LOSS BEFORE OPERATING TRANSFERS</b>	<b>(94,157)</b>
<b>OPERATING TRANSFERS</b>	
Transfer from debt service	3,000
Transfer to debt service	(2,180)
Transfer to general fund	<u>(14,555)</u>
<b>NET LOSS</b>	<b>(77,892)</b>
<b>RETAINED EARNINGS AT THE BEGINNING OF YEAR</b>	<u>149,558</u>
<b>RETAINED EARNINGS AT THE END OF YEAR</b>	<b>\$ 71,666</b>

See Accountants' Compilation Report

Village of Dubois, Louisiana  
**COMBINED STATEMENT OF CASH FLOWS**  
 ALL PROPERTIARILY FUNDED TYPES  
**WATER & SEWER ENTERPRISE FUNDS**  
 For the Year Ended June 30, 1998

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Net income (loss)		\$ (71,856)
Adjustments to reconcile net income to net cash provided by operating activities:		
Increase in accounts receivable	4,346	
Depreciation	53,601	
Increase in accounts payable	(2,819)	
Increase in water deposits	(58)	
Increase in interest payable	<u>145</u>	
Total adjustments		<u>55,204</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		<b>(17,512)</b>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:**

Note payment	(1,800)	
Receipts from capital grants	<u>15,800</u>	
Total adjustments		<u>14,000</u>

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Capital outlay		<u>(28,600)</u>
Net change in cash and cash equivalents		(27,240)
Cash and cash equivalents at beginning of year		<u>24,792</u>
Cash and cash equivalents at end of year		<u>\$ (7,552)</u>

## Supplemental disclosures of cash flow information:

Cash paid during the period for interest expense	\$ <u>6,758</u>
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VILLAGE OF BOSSON  
Bossou, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 1998

**INTRODUCTION**

The Village of Bossou, Louisiana, was incorporated under the provisions of the Louisiana Act. The Village operates under a Mayor-Board of Aldermen form of government. The Board of Aldermen of the Village of Bossou is composed of three Aldermen, elected for four year terms, who are compensated according to the schedule in this report. The Village of Bossou employs a Village Clerk who is appointed to office and a Police Chief, an elected position. The Village of Bossou serves its citizens by providing water/sewer services, police protection, fire protection and various other needs of the citizens of this area.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying financial statements of the Village of Bossou 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.

**B. REPORTING ENTITY**

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

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

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the municipality to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the municipality.
2. Organizations for which the municipality does not appoint a voting majority but are financially dependent on the municipality.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

As required by generally accepted accounting principles, these financial statements present the Village of Bossou (the primary government). The Village of Bossou has no component units.

## VILLAGE OF BOBSON, LOUISIANA

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### II. REPORTING ENTITY (Continued)

Considered in the determination of component units of the reporting entity were the Winn Parish Police Jury, Sheriff, Clerk of Court, Assessor, and School Board and the District Attorney and Judges for Winn Parish. It was determined that these governmental entities are not component units of the Village of Bobson reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Village of Bobson.

##### C. FUND ACCOUNTING

The accounts of the Village are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises assets, liabilities, fund equity, revenues, and expenditures, or its possess, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Funds of the Village of Bobson are classified into two categories: governmental and proprietary. In turn each category is divided into separate fund types. The fund classifications and a description of each existing fund type follows:

###### Governmental Funds

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

The **Debt Service Fund** is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

###### Proprietary Funds

The **enterprise fund** is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the government body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered through user charges; or (b) where the governing body has decided that periodic determinations of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

###### Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources."

Governmental fund spending statements present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

VILLAGE OF BOBSON, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. FUND ACCOUNTING (Continued)

*Fixed Assets and Long-Term Liabilities (Continued)*

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets which are recorded at historical cost.

Long-term liabilities reported to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

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

All proprietary funds are accounted for on a cost of service or "capital maintenance" measurement basis. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net of total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total assets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on useful lives using the straight-line method. The estimated useful lives follow:

Sewer system	40 years
Water system	40 years
Furniture and Equipment	5 to 10 years

D. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement basis applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liabilities are incurred, except that principal and interest on general long-term debt is recognized when due.

All supplies are recognized as expenditures when purchased. Supplies on hand at the balance sheet date are not material in amount.

No allowance for doubtful accounts has been established in any of the funds as the amount, if any, is considered insignificant.

VILLAGE OF DODSON, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. BUDGET AND BUDGETARY ACCOUNTING

The Village of Dodson, Louisiana, prepared its budget on financial activity by fund type. The Village follows these procedures in establishing the budgetary data:

1. The Mayor prepares the budget which is submitted to the Council of Aldermen at the May meeting of the council. The budget is then voted on at the June meeting.
2. The financial budget is published in the Village's journal.
3. The budget can be amended after adoption by the Board.
4. All budgetary appropriations expire at year end.

The Village adopted the 1997-1998 budget in an open regular meeting on June 11, 1997.

F. ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods and 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 by the Village of Dodson.

G. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash and cash equivalents of the Village of Dodson include demand deposits, and short-term certificates of deposit. Under state law, the Village of Dodson may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Village of Dodson may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost. At June 30, 1998, the Village of Dodson had no investments.

H. TOTAL COLUMNS ON COMBINED STATEMENTS

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

VILLAGE OF DODDSON, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. AD VALOREM TAXES

Property taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Village in August or September and actually billed to the taxpayer in October. Billed taxes become delinquent on January 1 of the following year. Revenues for property taxes are budgeted in the year billed.

The Village bills and collects its own property taxes using assessed values determined by the tax assessor of West Parish.

For the year ended June 30, 1998, taxes of 11.59 mills were levied, and dedicated as follows:

General corporate purpose	5.18 mills
Debt service (water bonds)	<u>6.41 mills</u>
	<u>11.59 mills</u>

Income is recognized when levied, on October 15 and taxes become delinquent on January 1 of each year.

3. CASH AND CASH EQUIVALENTS

At June 30, 1998, the Village of Doddson has cash and cash equivalents (bank balances) totaling \$127,561 as follows:

	Central Fund	Debt Service	Enterprise Fund	Total
Interest-bearing demand deposits	\$ 28,364	\$ 4,446	\$ 18,694	\$ 51,504
Time deposits	68,600		18,660	97,260
Total	<u>\$ 96,964</u>	<u>\$ 4,446</u>	<u>\$ 37,354</u>	<u>\$ 137,561</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (for the resulting bank balances) must be secured by Federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the Federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1998, the Village of Doddson had \$128,671 in deposits (collected bank balances) in three banks. These deposits are fully secured from risk by \$128,671 of Federal deposit insurance.

4. RESTRICTED ASSETS - WATER AND SEWER FUNDS

Restricted assets were applicable to the following at June 30, 1998:

Water bond contingency	\$ 3,188
Water customers' deposits	3,316
Water bond reserve	15,188
Water bond interest and redemption	<u>6,828</u>
Total	<u>\$ 28,600</u>

VILLAGE OF BOHSON, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. CHANGES IN GENERAL FIXED ASSETS

A summary of the changes in fixed assets follows:

	Balance 7/1/97	Additions	Deletions	Balance 6/30/98
Land	\$ 0,000			\$ 0,000
Buildings	111,977			111,977
Furniture and equipment	33,234			33,234
<b>Total</b>	<b>\$ 145,211</b>	<b>NONE</b>	<b>NONE</b>	<b>\$ 145,211</b>

6. CHANGES IN LONG-TERM DEBT

The following is a summary of bond transactions of the Village of Bohson, Louisiana, for the year ended June 30, 1998:

	General Obligation	Revenue	Total
Bonds payable 7/1/97	\$ 32,000	\$ 177,000	\$ 209,000
Less, bonds retired during year	(1,000)	(4,000)	(5,000)
Bonds payable 6/30/98	<u>\$ 31,000</u>	<u>\$ 173,000</u>	<u>\$ 204,000</u>

The individual bond issues that comprise the total bonds payable at June 30, 1998 are shown below:

	Issue Date	Maturity Date	Authorized and Issued	Interest Rate
General obligation	8/8/1975	8/8/2015	160,000	8%
Revenue	8/8/1977	8/8/2015	43,000	8%

VILLAGE OF BOSSON, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. CHANGES IN LONG-TERM DEBT (Continued)

The total requirements to amortize all bonds outstanding at June 30, 1998 including interest payments are as follows:

Year Ending June 30	Revenues	P.L.I. Bonds	Total
1998	10,000	2,000	12,000
1999	10,000	2,000	12,000
2000	9,500	2,000	11,500
2001	9,750	1,950	11,700
2002	9,250	1,900	11,150
2003	10,250	1,850	12,100
2004	10,000	1,800	11,800
2005	9,850	1,750	11,600
2006	9,600	1,700	11,300
2007	10,250	1,650	11,900
2008	10,850	1,600	12,450
2009	9,750	1,550	11,300
2010	9,450	1,500	10,950
2011	10,050	1,450	11,500
2012	9,800	1,400	11,200
2013	9,450	1,300	10,750
2014	10,000	1,200	11,200
2015	9,700	1,100	10,800
2016	9,200	1,000	10,200
2017	9,800	900	10,700
2018	9,450	800	10,250
<b>Total</b>	<b>\$ 217,000</b>	<b>\$ 32,850</b>	<b>\$ 249,850</b>
<b>Total interest requirement</b>			<b>\$ 36,550</b>

7. PROPRIETARY FUND PROPERTY AND EQUIPMENT

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

	Water	sewer	Total
Water & sewer systems	\$ 788,498	\$ 1,086,212	\$ 1,874,710
Equipment	87,212	87,882	175,094
<b>Total</b>	<b>\$ 875,710</b>	<b>\$ 1,174,094</b>	<b>\$ 2,049,804</b>
Less, allowance for depreciation	180,882	581,276	762,158
<b>Net plant</b>	<b>\$ 694,828</b>	<b>\$ 592,818</b>	<b>\$ 1,287,646</b>

VILLAGE OF BOSSON, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. FLOW OF FUNDS, RESTRICTION ON USE-WATER REVENUE

Under the terms of the bond indenture relating to Water Bonds, all income and revenues (hereinafter referred to as revenues) of every nature, earned or derived from operations of the water system, are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

- (A) Out of revenues to the "operation and maintenance fund," an amount sufficient to provide for expenses of the system.
- (B) Each month, there will be set aside into a fund called the "Bond and Interest Redemption Fund," an amount constituting 112 of the next maturing yearly installment of principal and interest payments. These funds may be used only for payment of bond principal and interest.
- (C) There shall also be set aside into a "Bond Reserve Fund," an amount equal to 5% of adjusted income until the sum of \$18,250 is accumulated. Such amount may be used only for the payment of maturing bonds and interest for which sufficient funds are not on deposit in the "Bond and Interest Redemption Fund".
- (D) Funds will also be set aside into a contingency fund at the rate of \$400 per year. Money in this fund may be used for making extraordinary repairs to the system necessary to keep the system in operating condition. Money in this fund may also be used to pay principal or interest on bonds falling due at any time there is not sufficient money for payment in the other bond funds.
- (E) All of the revenues received in any fiscal year not required to be paid in each fiscal year into any of the above-named funds shall be regarded as surplus and may be used for any lawful purpose of the Village.

9. SEWER AND WATER FUNDS HAVE DEFICITS BY RETAINED EARNINGS

The sewer fund has a retained earnings deficit of \$584,782 and the water system has a retained earning deficit of \$39,803 as of June 30, 1998. These deficits were created by depreciation taken on that portion of the system constructed with grant funds. Also, the beginning retained earnings balances were adjusted for prior period adjustments.

10. OFFICIAL COMPENSATION

Name	Position	Annual Salary
Francis Jones	Alderman	\$40
Serra Sharp	Alderman	\$40
Camille Taylor	Alderman	\$40

11. LITIGATION

The Village advises there is no litigation against the Village.



**SUPPLEMENTAL INFORMATION SCHEDULES**

## ENTERPRISE FUNDS

## COMBINING BALANCE SHEET

June 30, 1998

	Water Fund	Street Fund	Total
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 3,870	\$ 18,065	\$ 21,935
Accounts receivable	554	87	641
Total current assets	4,424	18,152	22,576
<b>Restricted assets</b>			
Bond contingency cash	3,000		3,000
Customers' deposit cash	3,244		3,244
Bond interest and redemption cash	4,894		4,894
Bond reserve cash	15,189		15,189
Total restricted assets	26,327	00,000	26,327
<b>Plant and equipment</b>			
At cost, net of allowance for depreciation (\$208,081 for water, \$528,276 for sewer)		1,073,499	1,073,499
Total assets	\$ 30,751	\$ 1,093,649	\$ 1,093,600
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Current liabilities</b>			
Accounts payable	\$ 55	\$ 567	\$ 622
Total current liabilities	55	567	622
<b>Current liabilities (payable from restricted assets)</b>			
Accrued interest revenue bonds	4,887		4,887
Customer deposits	3,044		3,044
Bonds payable	4,000		4,000
Total current liabilities (payable from restricted assets)	11,931	00,000	11,931
<b>Other liabilities</b>			
Revered bonds payable	175,000		175,000
Total liabilities	175,106	567	175,673
<b>Fund equity</b>			
<b>Unrestricted capital</b>			
Municipality and derived grants	536,834	1,073,499	1,510,333
<b>Restricted earnings</b>			
Reserve for income bond retirement	4,827		4,827
Reserve for income bond contingency	16,271		16,271
Unreserved	(24,493)	(254,783)	(279,276)
Total restricted earnings	(3,895)	(254,783)	(258,678)
Total fund equity	499,834	1,048,716	1,548,550
Total liabilities and fund equity	\$ 675,040	\$ 1,093,649	\$ 1,093,600

## ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN RETAINED EARNINGS  
For the Year Ended June 30, 1998

	Water Fund	Street Fund	Total
<b>OPERATING REVENUES</b>			
Service revenue	\$ 38,736	\$ 16,252	\$ 47,888
Total operating revenues	38,736	16,252	47,888
<b>OPERATING EXPENSES</b>			
Utilities	2,715	2,807	8,692
Personnel	3,615	4,285	13,814
Supplies	8,081	9,512	17,600
Depreciation	13,475	38,907	53,432
Insurance	2,365	2,365	4,766
Repairs and maintenance	1,266	694	1,768
Miscellaneous expenses	1,849	764	2,734
Total operating expenses	48,375	63,979	102,342
<b>INCOME FROM OPERATIONS</b>	(9,639)	(47,727)	(55,255)
<b>NON-OPERATING REVENUE (EXPENSES)</b>			
Interest income	976	38	1,014
Interest expense	(2,916)		(2,916)
Total non-operating revenue (expenses)	(1,940)	38	(1,902)
<b>NET GAIN (LOSS) BEFORE OPERATING TRANSFERS</b>	(14,575)	(45,589)	(56,132)
<b>OPERATING TRANSFERS IN (OUT)</b>			
Transfer from debt service	2,000		2,000
Transfer to debt service	(2,180)		(2,180)
Transfer to general fund	(18,620)	(4,185)	(14,555)
<b>NET (LOSS)</b>	(23,195)	(49,664)	(72,860)
<b>RETAINED EARNINGS AT THE BEGINNING OF YEAR</b>	(15,835)	(452,895)	(478,730)
<b>RETAINED EARNINGS AT THE END OF YEAR</b>	\$ (39,030)	(502,559)	(541,589)

## VILLAGE OF BOHANNON, LOUISIANA

## ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 1998

	WATER FUND	SEWER FUND	TOTAL
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net income (loss)	\$ (25,168) \$	(49,689) \$	(74,857)
Adjustments to reconcile net income to net cash provided by operating activities:			
(Increase) decrease in accounts receivable	2,818	1,501	4,319
Depreciation	15,479	19,957	35,436
Adjustment for prior year between water funds	(1,571)	1,571	
Increase (decrease) in accounts payable	(652)	(1,358)	(2,010)
Increase (decrease) in water deposits	(59)		(59)
Increase (decrease) in interest payable	(134)		(134)
Total adjustments	<u>12,581</u>	<u>18,781</u>	<u>31,362</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(12,587)</b>	<b>(30,908)</b>	<b>(43,495)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Note payment	(4,080)		(4,080)
Receipts from capital grants	<u>15,080</u>		<u>15,080</u>
Total adjustments	<u>11,000</u>	<u>None</u>	<u>11,000</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Capital outlay	<u>(12,674)</u>	<u>(7,985)</u>	<u>(20,659)</u>
Net change in cash and cash equivalents	<u>(12,199)</u>	<u>(14,981)</u>	<u>(27,180)</u>
Cash and cash equivalents at beginning of year	<u>44,747</u>	<u>38,045</u>	<u>82,792</u>
Cash and cash equivalents at end of year	<u>\$ 32,548 \$</u>	<u>23,064 \$</u>	<u>55,612</u>

**Kenneth D. Falden & Co.**  
**Certified Public Accountants**

Kenneth D. Falden, CPA

Tim W. Sanderlin, CPA

Members  
Society of Louisiana  
Certified Public Accountants

301 Eighth Street  
Baton Rouge, La. 70801  
(504) 229-7744  
FAX (504) 289-3344

Members  
American Institute of  
Certified Public Accountants

**Independent Accountants' Report**  
**on Applying Agreed-Upon Procedures**

Honorable Lloyd Vines, Mayor  
and Members of the Board of Aldermen  
Village of Duboué  
Duboué, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and summarized below, which were agreed to by the management of the Village of Duboué and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village of Duboué's compliance with certain laws and regulations during the year ended June 30, 1998, included in the accompanying Louisiana Application Questionnaire. This agreed-upon procedure engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**Public Bid Law**

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 58:211-1-1251 (the public bid law).

Only one expenditure was made during the year for capital outlay exceeding \$5,000. An expenditure of \$7,499 was made in June, 1998, for a road truck. No expenditures were made for public works exceeding \$50,000. Supporting documentation was available to document that three telephone solicitations were performed and awarded to lowest bidder.

**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 42:0181-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us the required list including the noted information.

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

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

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

None of the employees included on the list of employees provided by management for procedure (2) appeared on the list provided by management for procedure (2).

#### Budgeting

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

Management provided us with a copy of the original budget. The budget was not amended during the year.

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

We traced the adoption of the original budget to the minutes of a meeting held on June 11, 1997, which indicated that the budget had been approved by all of the aldermen.

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

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

#### Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:  
(a) trace payments to supporting documentation as to proper amount and payee;

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

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

The six selected disbursements were properly coded to the correct fund and general ledger account.

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

The six selected disbursements were traced to the district's minute book where they were approved by the aldermen.

#### Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted as advertised as required by RSA-BS 42:1 through 42:11 (the open meetings law).

The Village of Bethen is only required to post a notice of each meeting and the accompanying agenda on the door of the Village's office building. Management has informed us that these documents were properly posted.

Bank

18. 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.

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

Advances and Expenses

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

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

This report is intended solely for the use of management of the Village of Broussard 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.

  
KENNETH H. POLLOCK & CO.  
Certified Public Accountants

Jonesboro, Louisiana  
November 28, 1990

## LOUISIANA ATTESTATION QUESTIONNAIRE

December 14, 1998 Date

Keonith D. Tolden & Co., CPAs  
505 Eighth Street  
Monroeville, LA 71291 (Auditors)

In connection with your completion of our financial statements as of June 30, 1998 and for the period then ended, and as required by Louisiana Revised Statute 24:512 and the Louisiana Governmental Audit Code, 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 the information available to us as of December 14, 1998 date.

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2712, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes  No **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 42:1101-1104.

Yes  No 

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 42:1118.

Yes  No **Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 38:1381-14) or the budget requirements of LSA-RS 38:43.

Yes  No **Accounting and Reporting**

All non-trusted governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:2, 44:31, and 44:36.

Yes  No 

We have filed our annual financial statements in accordance with LSA-RS 34:514, 34:483, and/or 34:502, as applicable.

Yes  No



We have had our financial statements audited or compiled in accordance with LSA-RS 24:013.

Yes  No

#### Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes  No

#### Debt

It is true 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 VI, Section 8 of the 1874 Louisiana Constitution, Article VI, Section 33 of the 1924 Louisiana Constitution, and LSA-RS 47:1418.02.

Yes  No

#### Advances and Benefits

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VI, Section 14 of the 1874 Louisiana Constitution, LSA-RS 14:135, and RS opinion 79-129.

Yes  No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contributions 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 noncompliance 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 noncompliance which may occur subsequent to the issuance of your report.

\_\_\_\_\_  
Secretary Date

\_\_\_\_\_  
Treasurer Date

*Loyd Pittman* *2/28/08* *November, Dec. 14, 2008* Date

Note: Quasi-public entities should delete reference to the above statutes, unless required to follow such laws by contract with their public funding agencies. The quasi-public entities should include a representation that they have complied with the contractual provisions under which they have received state and/or local funds.

**Kenneth D. Falden & Co.**  
Certified Public Accountants

Kenneth D. Falden, CPA

Ted W. Sandretto, CPA

Members  
Society of Louisiana  
Certified Public Accountants

80 Eighth Street  
Baton Rouge, LA 70801  
(504) 281-7344  
FAX (504) 281-7333

Members  
American Institute of  
Certified Public Accountants

Honorable Mayor Lloyd Vines  
And the Board of Aldermen  
Village of Bodou  
Bodou, Louisiana

During our compilation of the Village of Bodou, as of and for the year ended June 30, 1998, we became aware of certain matters involving the internal control structure and noncompliance with laws that were opportunities for strengthening internal controls and compliance requirements. The memorandum that accompanies this letter summarizes our comments regarding the current status of those matters.

Sincerely,

  
Kenneth D. Falden & Co., CPAs  
November 15, 1998

### Reserve Requirements

For the fiscal year ended June 30, 1998, the Village of Dodson failed to transfer \$4,990 of required funds into three reserve accounts, which pertain to either bond retirement or depreciation and contingencies. The bond covenant of the 1997 Water Revenue Bonds discloses the amounts which must be paid monthly from the earnings of the Village of Dodson's waterworks system into the three reserve accounts. The accumulated amount of the 1997-98 required transfers totaled \$11,681, which the Village only transferred \$6,690 resulting in a \$4,990 shortage.

We recommend that the Village of Dodson comply with the reserve provisions of its bond covenant.

In a letter dated December 31, 1998, management of the Village of Dodson responded by stating that these funds were not transferred due to personnel changes. During the 1997-98 fiscal year, the Village had (4) four different Town Clerks. In October 1998, the failure to transfer the funds was discovered by management and has been corrected. Management has assured us that it will monitor the required transfers more closely in the future.

1000 PINE BLVD  
**VILLAGE OF DOBSON**  
P.O. BOX 88  
DOBSON, LOUISIANA 70440

LOUISIANA  
MAYOR  
  
ALDERMEN  
CHRISTIE JONES  
SANDRA PERRY  
WILLIE SWEET

STREET LIGHTS  
POLICE CHIEF  
  
CHRYL BARRON  
CLERK  
  
FIRECHIEF

December 11, 1998

Mr. Kenneth D. Falden, CPA  
Kenneth D. Falden & Co., CPAs  
302 Fifth Street  
Jamboree, LA 71251

Dear Kenneth:

I am responding to the comment contained in our accountants' compilation report for the year ended June 30, 1998, issued by your firm dated November 25, 1998.

Management Letter.

Required funds were not adequately transferred into reserve accounts during the fiscal year 1997-98. The transfers were due to major personnel changes during the past fiscal year, we have had four different Town Clerks. In October 1998, we discovered that the transfers were not being made and have corrected this situation. We will monitor the transfers closer in the future.

Should you have any questions, please contact me.

Sincerely,



Lloyd Vines  
Mayor