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VILLAGE OF LISBON
Lisbon, Louisiana

**General Purpose Financial Statements
With Accountant's Compilation Report
And Agreed-Upon Procedures Report
As of and For the Year Ended
December 31, 1967
With Supplemental Information Schedules**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: APR 23 1968

VILLAGE OF LISBON

Lisbon, Louisiana

General Purpose Financial Statements
With Accountant's Compilation Report
and Agree-Upon Procedures Report
As of and For the Year Ended
December 31, 1997
With Supplemental Information Schedules

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Accountant's Compilation Report

MAYOR AND BOARD
OF ALDERMEN
VILLAGE OF LISBON
Lisbon, 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 Lisbon as of December 31, 1987, 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 of the Village of Lisbon. I have not audited or reviewed the accompanying general purpose financial statements and schedules and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report dated May 15, 1988, on the results of our agreed-upon procedures.



Colleen, Louisiana
May 15, 1988

Receipt Acknowledged
Legislative Auditor

By *[Signature]*

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

VILLAGE OF LISBON
Lisbon, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, December 31, 1997

	GOVERNMENTAL FUND TYPE - GENERAL FUND	PROPRIETARY FUND TYPE - WATER SYSTEM ENTERPRISE FUND	ACCOUNT GROUP - GENERAL FUNDED ASSETS	TOTAL MEMORANDUM (09.1)
ASSETS				
Cash	\$19,119	\$32,931		\$52,050
Investments	25,948			25,948
Receivables:				
Franchise taxes	1,033			1,033
Tobacco taxes	216			216
Water sales		3,218		3,218
Property, plant and equipment (net of accumulated depreciation)		42,811	\$87,653	130,464
Other assets		10		10
TOTAL ASSETS	<u>\$46,316</u>	<u>\$78,968</u>	<u>\$87,653</u>	<u>\$211,937</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable		81,213		81,213
Payroll taxes payable		217		217
Bonds payable		38,000		38,000
Customer deposits		7,671		7,671
Total Liabilities	<u>NONE</u>	<u>47,101</u>	<u>NONE</u>	<u>47,101</u>
Fund Equity:				
Investment in general fixed assets			\$87,653	87,653
Contributed capital		3,857		3,857
Retained earnings - unreserved - undesignated		28,010		28,010
Fund balance - unreserved - undesignated	\$46,316			46,316
Total Fund Equity	<u>46,316</u>	<u>31,867</u>	<u>87,653</u>	<u>165,836</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$46,316</u>	<u>\$78,968</u>	<u>\$87,653</u>	<u>\$211,937</u>

See accompanying notes and accountant's compilation report.

VILLAGE OF LISBON
Lisbon, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget
(GAAP Basis) and Actual
For the Year Ended December 31, 1997

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Franchise taxes	\$3,000	\$2,580	(\$420)
Licenses and permits	17,775	17,800	25
Intergovernmental:			
State funds	1,500	1,534	34
Local funds	300	300	
Traffic fines	250	258	8
Use of money and property:			
Interest earnings	450	1,786	1,336
Rent	350	350	
Royalties	1	79	78
Other revenue	600	362	(\$238)
Total revenues	<u>24,226</u>	<u>25,349</u>	<u>1,123</u>
EXPENDITURES			
General government:			
Cannons:			
Personal services	1,000	934	66
Operating services	11,100	8,189	2,911
Other expenditures		293	(\$293)
Capital outlay	2,000	2,891	(\$891)
Total expenditures	<u>14,100</u>	<u>12,307</u>	<u>1,793</u>
EXCESS OF REVENUES OVER EXPENDITURES	10,126	12,942	2,814
FUND BALANCES AT BEGINNING OF YEAR, Restated	<u>33,376</u>	<u>33,376</u>	
FUND BALANCES AT END OF YEAR	<u>\$43,502</u>	<u>\$46,318</u>	<u>\$2,814</u>

See accompanying notes and accountant's compilation report.

VILLAGE OF LISBON
Lisbon, Louisiana
PROPRIETARY FUND TYPE -
WATER SYSTEM ENTERPRISE FUND

Statement of Revenues, Expenses, and
Changes in Retained Earnings
For the Year Ended December 31, 1997

OPERATING REVENUES	
Water sales	<u>\$15,623</u>
OPERATING EXPENSES	
Salaries and related benefits	8,064
Utilities	4,863
Materials and supplies	1,692
Maintenance and labor	2,578
Contract meter reading	637
Insurance	2,189
Office supplies and expense	1,482
Bank charges	184
Depreciation	2,215
Total operating expenses	<u>28,144</u>
OPERATING INCOME	<u>15,479</u>
NON-OPERATING REVENUES (Expenses)	
Earnings on bank deposits	534
Other income	73
Interest expense	<u>(2,000)</u>
Net operating revenues (expense)	<u>(1,393)</u>
NET INCOME	14,110
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>15,800</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$28,910</u>

See accompanying notes and accountant's compilation report.

VILLAGE OF LISBON
Lisbon, Louisiana
PROPRIETARY FUND TYPE -
WATER SYSTEM ENTERPRISE FUND

Statement of Cash Flows
For the Year Ended December 31, 1997

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income	<u>\$15,479</u>
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation	2,315
Increase in accounts receivable	(262)
Increase in customer deposits	200
Decrease in accounts and taxes payable	<u>(1,294)</u>
Total adjustments	1,118
Net cash provided by operating activities	<u>16,598</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Principal and interest on revenue bonds	(4,000)
Non-operating income	71
Net cash used by capital financing activities	<u>(3,929)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earnings on bank deposits	<u>554</u>
NET INCREASE IN CASH	13,229
CASH AT BEGINNING OF YEAR	<u>15,782</u>
CASH AT END OF YEAR	<u>\$29,011</u>

See accompanying notes and accountant's compilation report.

VILLAGE OF LISBON
Lisbon, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Lisbon was incorporated under the provisions of the Louisiana Act. The village is governed by the mayor-board of aldermen form of government. The mayor and aldermen serve four-year terms which expire on December 31, 2000. The village has two part-time employees.

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Village of Lisbon 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.

B. REPORTING ENTITY

As the governing authority of the village, for reporting purposes, the Village of Lisbon 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.

GASB Statement 14 established criteria for determining which, if any, component units should be considered part of the Village of Lisbon 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, which include:

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

VILLAGE OF LISBON

Lisbon, Louisiana

Notes to the financial statements (Continued)

1. 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 financially dependent on the village.
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 its relationship.

Based on the previous criteria, the village has determined that there are no component units that should be considered as part of the village reporting entity.

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. 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 obligations) that are not recorded in the funds because they do not directly affect net expendable available financial resources.

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 legally restricted monies. Governmental funds of the village include the following:

General Fund

The General fund is the general operating fund of the village.

VILLAGE OF LISBON

Lisbon, Louisiana

Notes to the financial statements (Continued)

It accounts for all financial resources, except those required to be accounted for in the Water System Enterprise 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:

Water System Enterprise Fund

The Water System Enterprise Fund is used to account for operation of the village water system. The use of enterprise funds is appropriate where the intent of the governing body is that the cost (expense, including depreciation) of providing services to customers in the village on a continuing basis be financed or recovered primarily through user charges.

B. 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 village uses the following practices in recording revenues and expenditures:

Revenues

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

Interest income on time deposits is recorded when the interest has been earned and the amount is determinable.

VILLAGE OF LISBON

Lisbon, Louisiana

Notes to the financial statements (Continued)

Interest income on demand deposits is recorded in the month earned and credited to the account.

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

Based on the above criteria, franchise taxes and intergovernmental revenues have been treated as susceptible to accrual.

Expenditures

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

The Water System Enterprise Fund is 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 this fund are included on the balance sheet. The Water System Enterprise Fund uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Water sales are recognized in the period the service is provided to the customer. Salaries and other expenses are recognized when incurred.

E. BUDGET PRACTICES

The proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is formally adopted by the mayor and board of aldermen at the December board meeting each year. The budget is established and controlled by the mayor and board of aldermen at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is not employed as a management control device during the year. Budgeted amounts included in the accompanying financial statement include the original adopted budget amounts and all budget amendments.

F. CASH

Cash includes amounts in demand deposits and interest-bearing demand deposits.

VILLAGE OF LISBON

Lisbon, Louisiana

Notes to the financial statements (Continued)

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 and the laws of any other state in the union, or the laws of the United States.

G. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 33:2595. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. As December 31, 1987, the village's investments consist of nonnegotiable certificates of deposits with original maturities that exceed 90 days that are reported in the accompanying financial statements at cost. The bank balances of the deposits are fully secured from risk by federal deposit insurance.

H. 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 asset account group. Public domain or infrastructures are not capitalized. All purchased fixed assets are valued at cost where historical records are available and at estimated cost where no historical records are available. Approximately 94 per cent of fixed assets are valued at actual cost, while the remaining 6 per cent are valued at estimated cost based on the actual cost of like items. Donated fixed assets are valued at their estimated fair market value on the date received. No depreciation has been provided on general fixed assets.

The fixed assets used in the proprietary fund type operations are included on the balance sheet of the fund net of accumulated depreciation. Depreciation of all depreciable fixed assets used by the proprietary fund type operations is charged as an expense against operations. Depreciation is computed using the straight-line method over a 40 year estimated useful life.

I. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from proprietary fund operations are accounted for within the fund.

VILLAGE OF LISBON

Lisbon, Louisiana

Notes to the financial statements (Continued)

J. CONTRIBUTED CAPITAL

Grants, endowments, or shared revenues that are restricted for the acquisition or construction of capital assets are recorded as contributed capital. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired from such contributions.

**K. TOTAL COLUMN ON THE
COMBINED BALANCE SHEET**

The total column on the combined balance sheet is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position nor results of operations 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 December 31, 1997, the village has cash (bank balances) totaling \$52,086 as follows:

Demand deposits:	
Non-interest bearing	34,996
Interest bearing	<u>17,090</u>
Total	<u>\$52,086</u>

These deposits are stated at cost, which approximates market. Under state law, these 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 December 31, 1997, are \$52,086, and are fully secured from risk by federal deposit insurance.

3. FIXED ASSETS

The following schedule presents changes in general fixed assets for the year ended December 31, 1997:

VILLAGE OF LISBON

Lisbon, Louisiana

Notes to the financial statements (Continued)

	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
Balance, January 1, 1997	\$1,000	\$77,500	\$6,360	\$84,860
Additions			2,891	2,891
Balance, December 31, 1997	<u>\$1,000</u>	<u>\$77,500</u>	<u>\$9,251</u>	<u>\$87,751</u>

A summary of plant and equipment used in the Water System Enterprise Fund follows:

Water system	\$380,398
Accumulated depreciation	<u>(257,777)</u>
Plant and equipment, net	<u>\$122,621</u>

4. BONDS PAYABLE

On July 14, 1998, the village issued water revenue bonds in the amount of \$74,000 to construct the village water system. The bonds bear interest at the rate of five per cent per annum and are due January 1 of each year. Principal and interest payments are made solely from revenues derived from operation of the water system.

The following is a summary of changes in bonds payable for the year ended December 31, 1997:

Bonds payable at January 1, 1997	\$40,000
Retirements	<u>(2,000)</u>
Bonds payable at December 31, 1997	<u>\$38,000</u>

The annual requirements to retire the bonds, including interest payments of \$13,360, are as follows:

<u>Year</u>	
1998	\$3,000
1999	4,800
2000	4,650
2001	4,500
2002	4,350
2003-2007	30,500
2008-2009	<u>8,600</u>
Total	<u>\$70,300</u>

VILLAGE OF LISBON

Lisbon, Louisiana

Notes to the financial statements (Continued)

5. RESTATED FUND BALANCE

The General Fund fund balance at January 1, 1997, as previously reported, has been restated to include franchise tax receivable at December 31, 1996, in the amount of \$966, that was not recorded during the prior year.

6. LITIGATION AND CLAIMS

The village is not involved in any litigation at December 31, 1997, nor is it aware of any unasserted claims. The village maintains commercial insurance to provide protection against losses resulting from the damage or destruction of property or liability claims against the village.

SUPPLEMENTAL INFORMATION SCHEDULES

VILLAGE OF LISBON
Lisbon, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE
As of and For the Year Ended December 31, 1997

COMPENSATION PAID MAYOR AND ALDERMEN

The schedule of per diem paid the mayor and aldermen is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the mayor and aldermen is included in personal services expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:465, the mayor and aldermen receive \$200 each year.

WATER SYSTEM ENTERPRISE FUND
1998 OPERATING BUDGET

The proposed operating budget for the year ending December 31, 1998, for the Water System Enterprise Fund is presented in Schedule 2.

PRIOR AUDIT FINDINGS

The follow-up and corrective action taken on all prior audit findings is presented in the summary schedule of prior audit findings (Schedule 3).

CURRENT YEAR FINDINGS

The corrective action plan for current year findings is presented in Schedule 4.

VILLAGE OF LISBON
Lisbon, Louisiana
Schedule of Per Diem Paid Mayor and Aldermen
For the Year Ended December 31, 1997

Wayne Tanner, Mayor	\$300
Danny Sapps	100
Robert McAdams	100
Shelley Malcom	33
Marilyn Myers	33
Sonny Givens	200
Jean Witt	33
Paul Witt	33
Total	<u>\$732</u>

VILLAGE OF LISBON
 Lisbon, Louisiana
 Proprietary Fund Type -
 Water System Enterprise Fund

Proposed Operating Budget
 For the Year Ending December 31, 1998

OPERATING REVENUES	
Water sales	<u>\$20,825</u>
OPERATING EXPENSES	
Salaries and wages	3,600
Utilities	6,900
Contract meter reader	5,100
Supplies	3,000
Office expense	1,500
Maintenance	3,000
Taxes	2,500
Insurance	2,000
Bond payments (principal and interest)	4,000
Other	125
Total operating expenses	<u>31,825</u>
NET INCOME	<u>\$0.00</u>

VILLAGE OF LISBON
Lisbon, Louisiana

Schedule 3

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 1997

<u>Reference Number</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>
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There were no prior audit findings.

VILLAGE OF LISBON
Lisbon, Louisiana

Corrective Action Plan
For Current Year Findings
For the Year Ended December 31, 1997

<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 entered into a contract with a member of an employee's immediate family.	The village will consult with its attorney on this matter.	Wayne Turner, Mayor	June 30, 1998
Procedure 6	The 1997 original budget was not adopted prior to December 31, 1996.	The 1998 original budget was adopted prior to December 31, 1997.	Wayne Turner, Mayor	N/A
Procedure 9	The village did not publish or post agendas for meetings.	An agenda for each meeting is posted at least 24 hours in advance of the meeting on the door of the building where the meeting is held.	Wayne Turner, Mayor	Implemented in early 1998

**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 *Affaires Gouvernementales*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

M. Carleen Dumas
CERTIFIED PUBLIC ACCOUNTANT

305 DEBARRIEUX ROAD • CALIBORN, LOUISIANA 71223 • TELEPHONE 338/844-5726

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

**MAYOR AND BOARD
OF ALDERMEN
VILLAGE OF LISBON
Lisbon, Louisiana**

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Village of Lisbon and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Village of Lisbon's compliance with certain laws and regulations during the year ended December 31, 1997, included in the accompanying *Louisiana Alternative Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

A review was made of all disbursements for the year. There were no disbursements for materials and supplies exceeding \$5,000 nor disbursements for public works exceeding \$50,000, made during the year.

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 42:1191-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Village of Lisbon
Independent Accountant's Report on
Applying Agreed-Upon Procedures
December 31, 1997

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 number 3 above were also included in the listing obtained from management in procedure number 2 above as immediate family members.

None of the employees included on the list of employees provided by management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members. However, in September 1997, the village entered into a contract for meter reading services with a company that is owned and operated by an individual who is the brother of the village clerk and the father of one of the members of the board of aldermen. The alderman was elected in October 1997. The village clerk was employed by the village on January 1, 1997. The village paid a total of \$637 to this company for meter reading services during the year ended December 31, 1997. The village obtained an advisory opinion from the Louisiana Board of Ethics concerning the propriety of the individual holding contracts with the village while his daughter serves as a member of the board of aldermen. The Board concluded in a letter dated March 17, 1998, that the existing contractual relationship between the individual and the village did not appear to violate the Code of Governmental Ethics because the contact was entered into before the alderman took office.

Budgeting

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

Management provided me with a copy of the original budget and the final revised budget for 1997.

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

I traced the adoption of the original budget to the minutes of a meeting held January 14, 1997, which was the first meeting held after the current mayor and board of aldermen took office. I traced the adoption of the final revised budget to the minutes of a meeting held December 9, 1997.

Village of Lisbon
Independent Accountant's Report on
Applying Agreed-Upon Procedures
December 31, 1997

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

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

Accounting and Reporting

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

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

I examined supporting documentation for each of the six selected disbursements and found that the 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;

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

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

Inspection of documentation supporting each of the six selected disbursements indicated approval from the proper authorities.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by RSA-95 42:1-12 (the opening meetings law).

The village did not publish or post the agenda for meetings.

Debt

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

Village of Lisbon
Independent Accountant's Report on
Applying Agreed-Upon Procedures
December 31, 1997

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.

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.

My prior year compilation report, dated February 5, 1997, did not include any comments or unresolved matters.

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 Lisbon 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.



Carter Davis
Cathon, Louisiana

May 15, 1998