

ANNUAL FINANCIAL REPORT

of the

ONE CENT SALES TAX STREET SPECIAL REVENUE FUND,

DEBT SERVICE FUND and

GENERAL LONG-TERM DEBT OBLIGATION ACCOUNT GROUP

of the

TOWN OF BENTON, LOUISIANA

for the

YEAR ENDED DECEMBER 31, 1997

YOUNG OF DENVER, COLORADO
Annual Financial Report
Year Ended December 31, 1999

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

FINANCIAL STATEMENTS

***INDEPENDENT
AUDITOR'S REPORT***



James T. Bates

CERTIFIED PUBLIC ACCOUNTANT
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BOSSIERE CITY, LOUISIANA 71111

MEMBER OF
FEDERAL SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF
STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

The Honorable Carl LeBlanc, Mayor
and the Honorable members of the Board of Aldermen
Town of Bossier, Louisiana

I have audited the financial statements of the One Cent Sales Tax Special Revenue Fund, Debt Service Fund and General Long-Term Obligation Account Group of the Town of Bossier, Louisiana, as of and for the year ended December 31, 1997, as listed in the accompanying table of contents. These financial statements are the responsibility of the management of the Town of Bossier, Louisiana. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of these funds of the Town of Bossier, Louisiana, as of December 31, 1997, and the results of operations of such funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated March 25, 1998 on my consideration of the Town of Bossier, Louisiana's internal control over financial reporting and my tests of compliance with certain provisions of laws, regulations, contracts and grants.

J. T. Bates

March 25, 1998

FINANCIAL STATEMENTS



SPECIAL REVENUE FUND

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

One Cent Sales Tax - Street - To account for the receipt and subsequent expenditures of funds received from the collection of an one cent sales tax.

TOWN OF BOSTON, LOUISIANA
SPECIAL REVENUE FUND
ONE CENT SALES TAX - STREET

BALANCE SHEET
December 31, 1997

ASSETS	
Cash and Cash Equivalents	\$ <u>256,263</u>
Total Assets	\$ <u>256,263</u>
LIABILITIES AND FUND BALANCE	
Liabilities	\$ -0-
Fund Balances - Unreserved Designated for Streets and Drainage Improvements	<u>256,263</u>
Total Liabilities and Fund Balance	\$ <u>256,263</u>

See accompanying notes to financial statements.

TOWN OF BOSTON, LOUISIANA
SPECIAL REVENUE FUND
ONE CENT SALES TAX FUND - STREET

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 1987

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Revenues:			
Sales Tax	\$ 380,000	\$ 343,487	\$ 3,513
Interest Income	<u>3,300</u>	<u>4,000</u>	<u>3,500</u>
Total Revenues	<u>383,300</u>	<u>347,487</u>	<u>3,513</u>
Expenditures:			
General Government	<u>0</u>	<u>8</u>	<u>18</u>
Total Expenditures	<u>0</u>	<u>8</u>	<u>18</u>
Excess of Revenues over Expenditures	<u>383,300</u>	<u>347,479</u>	<u>3,505</u>
Other Financing Sources (Uses):			
Operating Transfers Out	<u>(142,000)</u>	<u>(154,000)</u>	<u>85,000</u>
Total Other Financing Sources (Uses)	<u>(142,000)</u>	<u>(154,000)</u>	<u>85,000</u>
Excess (Deficiency) of Revenues and Other sources over Expenditures and other Uses	3,490	83,479	89,989
Fund Balance at Beginning of Year	<u>182,800</u>	<u>182,800</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 186,290</u>	<u>\$ 266,279</u>	<u>\$ 89,989</u>

See accompanying notes to financial statements.

DEBT SERVICE 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. The sales tax fund is financed by a portion of sales taxes paid to the Town.

TOWN OF HUNTON, LOUISIANA
DEBT SERVICE FUND
STREET SALES TAX DEBT SERVICE FUND

COMPARATIVE BALANCE SHEET
December 31, 1997 and 1996

	<u>1997</u>	<u>1996</u>
ASSETS		
Cash And Cash Equivalents	\$ <u>75,600</u>	\$ <u>75,600</u>
Total Assets	\$ <u>75,600</u>	\$ <u>75,600</u>
 LIABILITIES AND FUND BALANCE		
Liabilities:		
Interest and Service Fee Payable	\$ -0-	\$ -0-
Fund Balance:		
Reserved for Debt Service	<u>75,600</u>	<u>75,600</u>
Total Liabilities and Fund Balance	\$ <u>75,600</u>	\$ <u>75,600</u>

See accompanying notes to financial statements.

TOWN OF BOSTON, LOUISIANA
DEBT SERVICE FUND
STREET LIGHT TAX DEBT SERVICE FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
Year Ended December 31, 1997 and 1996

	<u>1997</u>	<u>1996</u>
Revenues:		
Interest on Investments	\$ <u>2,028</u>	\$ <u>1,651</u>
Expenditures - Debt Service:		
Principal Retirement	38,000	38,000
Interest and Fiscal Charges	<u>34,658</u>	<u>35,388</u>
Total Expenditures	<u>72,658</u>	<u>73,388</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(50,630)</u>	<u>(51,737)</u>
Other Financing Sources (Uses):		
Operating Transfers In	<u>54,058</u>	<u>55,388</u>
Total Other Financing sources (Uses)	<u>54,058</u>	<u>55,388</u>
Excess of Revenues and Other Sources over Expenditures and Other Uses	1,428	1,651
Fund Balance at Beginning of Year	<u>11,628</u>	<u>12,517</u>
Fund Balance at End of Year	\$ <u>13,056</u>	\$ <u>14,168</u>

See accompanying notes to financial statements.

ACCOUNT GROUP

**GENERAL LONG-TERM
OBLIGATION ACCOUNT GROUP**

This account group represents a summary of all general obligation debt of the Town.

TOWN OF BENTON, LOUISIANA

SCHEDULE OF CHANGES IN LONG-TERM OBLIGATIONS

Year Ended December 31, 1997

	December 31, <u>1996</u>	Additions	Payments/ Amortizations	December 31, <u>1997</u>
Amount Available in Debt Service Funds	\$ 73,628	\$ 1,470	\$ -0-	\$ 75,098
Amount to be Provided for Retirement of General Long Term Debt	<u>416,322</u>	<u>-0-</u>	<u>21,470</u>	<u>394,852</u>
	<u>\$ 490,000</u>	<u>\$ 1,470</u>	<u>\$ 21,470</u>	<u>\$ 479,800</u>
Long-term Obligations Payable:				
Revenue Bonds Payable- General Town Operations	<u>479,800</u>	<u>-0-</u>	<u>29,000</u>	<u>479,800</u>
	<u>\$ 479,800</u>	<u>\$ -0-</u>	<u>\$ 29,000</u>	<u>\$ 479,800</u>

See accompanying notes to financial statements.

TOWN OF BENTON, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 1997

(1) Summary of Significant Accounting Policies -

The Town of Benton, Louisiana was incorporated August 16, 1880, under the provisions of the Louisiana Act. The Town operates under a Mayor/Board of Aldermen form of government. The Town provides the following services as authorized by the Act: public health and safety, streets, sanitation, water and sewerage, planning and zoning, recreation, and general administrative services. Education and welfare are administered by other governmental entities.

The accounting policies of the Town of Benton, Louisiana, conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

(a) Basis of Presentation - Fund Accounting

The accounts of the Town are organized on the basis of funds or 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 comprise its assets, liabilities, fund balance/retained earnings, revenues and expenditures/expenses. The various funds are summarized by type in the financial statements. The following fund types and account group are used in this report:

GOVERNMENTAL FUNDS

Governmental Funds are those through which most governmental functions of the Town are financed. The acquisition, use, and balances of the Town's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. All governmental funds are accounted for on a spending measurement basis that is, the measurement basis is upon determination of changes in financial position, rather than upon net income determination. The following are the governmental fund types presented:

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally committed to expenditures for specified purposes.

Debt Service 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. The Debt Service Fund receives a portion of sales taxes paid to the Town.

ACCOUNT GROUPS

Account groups are used to establish accounting control and accountability for the Town's general fixed assets and general long-term obligations. The following are the Town's account groups:

General Long-Term Obligation Account Group - This group of accounts is established to account for all long-term obligations of the Town other than those accounted for in the proprietary funds.

(Continued)

TOWN OF HENTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

99 Long-Term Liabilities

The accounting and reporting treatment applied to the long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement basis. This means that only current assets and current liabilities are generally included on their balance sheets. This reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financial resources) 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.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Obligations Account Group, set in the governmental funds. Long-term liabilities accounted for in the General Long-Term Obligations Account Group are retired from the Debt Service Fund.

The account group is not "hands." It is concerned only with the measurement of financial position. It is not involved with measurement of results of operations.

Because of their spending measurement basis, expenditures recognition for governmental fund types is limited to exclude amounts represented by measured liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Obligations Account Group.

100 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 refers to the timing of the measurements made, regardless of the measurement focus applied.

The modified accrual basis of accounting is followed by all governmental funds (Special Revenue Fund and Debt Service Fund). Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued and (2) principal and interest on general long-term debt which is recognized when due.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Town; therefore, revenues are recognized based upon the expenditures incurred. In the other, monies are virtually unrestricted as to purposes of

(Continued)

TOWN OF BENTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

expenditures and are usually recoverable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or realize if the asset/liability is annual DISBURSE 616 001.

(D) BUDGETARY DATA

The Town follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The Mayor prepares a proposed budget and submits same to the Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.

2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.

4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year in which the budget is being adopted.

5. The budget ordinance is structured such that revenues are budgeted by source and appropriations are budgeted by department and by principal object of expenditures. The Board of Aldermen may review or amend the budget at its discretion during legally convened sessions. Management may amend the budget only below the department level. Amendments to the budget were made and adopted by the Board of Aldermen during 1988.

6. The Town utilizes formal budgetary integration as a management control device for the Special Revenue Fund. The program is not employed for the Debt Service Funds because effective budgetary control is achieved through general bond indenture provisions.

(E) ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve their portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances are reported as reservations of fund balances since the commitments will be honored through subsequent years' budget appropriations. Encumbrances do not constitute expenditures or liabilities.

(F) INVENTORIES

Inventories of expendable supplies, repair materials, spare parts, etc. whose value at December 31, 1987 is estimated to be immaterial by management and is, therefore, not recorded on the Balance Sheet of the appropriate funds.

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TOWN OF BENTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

90 RESERVE

Use of the term "reserve" in describing governmental fund "fund balances" indicates that a portion of the fund balance is not appropriable for expenditures or is legally appropriated for a specific future use.

95 INTERFUND TRANSACTIONS

Interfund transactions that would be treated as revenues, expenditures or expenses if they involved organizations external to the Town, are accounted for as revenues, expenditures or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from it which are properly applicable to another fund are recorded as expenditures or expenses (as appropriate) in the reimbursing fund and as reimbursements of the expenditures or expense in the fund that is reimbursed. Operating transfers to the appropriate funds are distinguished from revenues, expenses or expenditures in the financial statements. These transfers are reported in the "Other Financing Sources (Use)" section in the statement of revenues, expenditures, and changes in fund balance (governmental funds) and in the "Operating Transfers" section in the statement of revenues, expenses, and changes in retained earnings (proprietary fund).

100 CASH AND CASH EQUIVALENTS

For purposes of the Statement of Cash Flows, the Town considers cash in operating bank accounts, bank or fund and certificates of deposit (including restricted assets) as Cash and Cash Equivalents.

121 LONG-TERM DEBT

The following is a summary of debt transactions for the year ended December 31, 1997:

	<u>Balance</u>	<u>Total</u>
Debt Payable at January 1, 1997	\$ 480,000	\$ 480,000
Debt Retired - Serial Bonds	<u>120,000</u>	<u>(120,000)</u>
Bonds Payable at December 31, 1997	<u>\$ 420,000</u>	<u>\$ 420,000</u>

In addition to \$20,000 of debt retired, the Town paid \$20,000 in interest.

Debt Payable at December 31, 1997 are comprised of the following issues:

Revenue Bonds - Applicable to
General Town operations:

\$25,000 1998 public improvement sales
tax bonds due in annual installments
of \$10,000 to \$25,000 through July 1,

(Continued)

TOWN OF MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

Notes Issued at 7.00% to 12.00%
 callable on or after July 1, 1997 \$ 413,000

Total Revenue Bonds \$ 413,000

The annual requirements to amortize all debt outstanding as of December 31, 1997, including interest payments of \$773,685 are as follows:

Year Ending	Sales
<u>December 31,</u>	<u>Year Ending</u>
1998	\$ 33,333
1999	37,000
2000	50,000
2001	63,000
2002	84,750
2003 - 2007	268,389
2008 - 2010	<u>177,883</u>
Totals	\$ <u>718,655</u>

There are a number of limitations and restrictions contained in the Western Bond Indenture. The Town is in substantial compliance with all significant limitations and restrictions.

The Debt Service Fund has been dedicated revenues from proceeds from the Town's sales tax revenues, to the extent of current year Debt Service requirements for retirement of the Sales Tax Bonds since 1990. The total sales taxes dedicated to the Debt Service Fund amounted to 473,698 and 473,628 in 1997 and 1998, respectively.

State law allows a maximum of 3% of assessed valuation of bonded debt for any one purpose or 3% of the total assessed value for all purposes. The Town's assessed property value as of December 31, 1997 is \$4,200,370. The maximum debt allowable for any one purpose and total debt allowable by state law as of December 31, 1997 is \$126,011 and \$1,470,795. The Town currently has no general bonded debt outstanding. Therefore, at December 31, 1997, the Town has a debt margin of \$1,470,795 available for issuance pursuant to the 3% limitation.

(3) SALES TAX

In 1989, the voters approved the issuance of public improvement bonds and re-dedicated the proceeds from the original one cent sales tax to pay any balance due to service the annual debt and covered by an additional one cent sales tax approved in conjunction with the bonds. Any remaining proceeds are used to pay general operating expenses of the Town.

In 1989, an additional one cent sales tax was approved by the voters. This revenue, net of expenses incurred in collecting the tax, is to be used for scheduled monthly payments to the Debt Service Fund for debt service requirements, the remaining amount if any, is to be used for street and drainage improvements.

In 1988 and effective January 1, 1989, the Town entered into an agreement with the City of Bossier City, Louisiana for the City of Bossier City, Louisiana to collect and distribute to the Town its sales and use tax. The City of Bossier City, Louisiana charges 2% of the sales tax collected for their services.

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TOWN OF BRIDGE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

04) NOTE REQUIRED BY DISCLOSURE

Operation Transfers

A reconciliation of operating transfers follows:

	<u>Operation Transfers</u>			
	<u>Year Ended</u>		<u>Year Ended</u>	
	<u>December 31, 1991</u>		<u>December 31, 1990</u>	
	<u>In</u>	<u>Out</u>	<u>In</u>	<u>Out</u>
General Fund	\$ -0-	\$ -0-	\$ 47,000	\$ -0-
Special Revenue Fund				
Gas Cash Sales				
Gas - Homes	-0-	\$4,800	-0-	\$7,800
Debt Service Fund				
Water Tax Fund	\$4,000	-0-	\$0,000	-0-
Capital Projects Fund				
Town Hall Construction	-0-	-0-	-0-	4,400
	<u>\$ 4,000</u>	<u>\$ 4,800</u>	<u>\$ 47,000</u>	<u>\$ 7,800</u>

15) Commitments and Contingencies

Litigation

The Town is defendant in various legal actions most of which are adequately covered by insurance. Resolution of some cases could involve liability to the Town in excess of insurance limits if the courts find in favor of the plaintiffs. In the opinion of the Town's attorney, the Town's ultimate exposure is unknown at this time. It is the policy of the Town to pay uninsured judgments against the Town on a current basis from the means of revenues over expenditures.

Revenues from the State of Louisiana

The general fund receives various revenues from the state of Louisiana including cigarette tax and beer tax. Financial difficulties at the state level may result in the reduction or elimination of certain revenues to be received by the Town during 1997.

***OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS***



James T. Kates

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDIT STANDARDS

To The Honorable Carl Jansen, Mayor
and Honorable Members of the Board of Aldermen
Town of Benton, Louisiana

I have audited the financial statements of the One Cent Sales Tax Special Revenue Fund, Debt Service Fund and General Long-Term Obligation Account Group of the Town of Benton, Louisiana, as of and for the year ended December 31, 2021, and have issued my report thereon dated March 25, 2022. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Town of Benton, Louisiana's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Town of Benton, Louisiana's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all weaknesses in the internal control over financial reporting that might be material weaknesses.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in accounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned duties. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of the Mayor and Board of Aldermen, management, the State of Louisiana's Legislative Auditor and the bonding agency. This restriction is not intended to limit the dissemination of this report, which is a matter of public record.

March 25, 1998

TOWN OF HENRY, LOUISIANA
SUMMARY SCHEDULE OF AUDIT FINDINGS

December 31, 1997

Summary Schedule of Prior Audit Findings

There were no audit findings or management letter comments for the prior audit year ended December 31, 1996.

Summary Schedule of Current Year Audit Findings

There are no audit findings or management letter comments for the current audit year ended December 31, 1997.