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**VILLAGE OF NOBLE
Noble, Louisiana**
**General Purpose Financial Statements
With Accountant's Compilation Report
And Agreed-Upon Procedures Report
As of and For the Year Ended
December 31, 1997
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 JUN 17 1998

VILLAGE OF NOBLE
Noble, Louisiana

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

C O N T E N T S

	Statement	Page No.
Accountant's Compilation Report		3
General Purpose Financial Statements:		
Combined Balance Sheet - All Fund Types and Account Groups	A	5
Governmental Fund Type - General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual	B	6
Proprietary Fund Type - Water System Enterprise Fund:		
Statement of Revenues, Expenses, and Changes in Retained Earnings	C	7
Statement of Cash Flows	D	8
Notes to the Financial Statements		9
	Schedule	Page No.
Supplemental Information Schedules:		
Schedule of Per Diem Paid Aldermen	1	20

CONTENTS (CONTD.)

	Schedule	Page No.
Supplemental Information Schedules (Contd.):		
Summary Schedule of Prior Audit Findings	2	21
Corrective Action Plan for Current Year Findings	3	22
Accountant's Report on Applying Agreed-Upon Procedures		24
Louisiana Attestation Questionnaire		28

M. Carleen Dumas

CERTIFIED PUBLIC ACCOUNTANT

369 DONALDSON ROAD • CALHOUN, LOUISIANA 71225 • TELEPHONE 318/644-5726

Accountant's Compilation Report

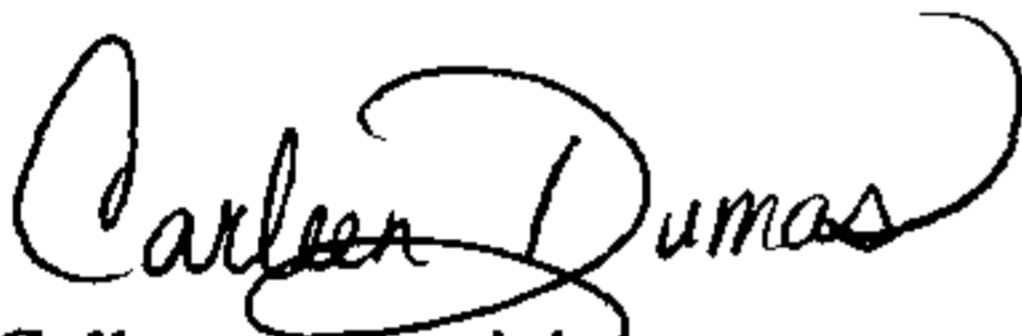
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MAYOR AND BOARD
OF ALDERMEN
VILLAGE OF NOBLE
Noble, Louisiana

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 Noble as of December 31, 1997, 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 Noble. 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 22, 1998, on the results of my agreed-upon procedures.



Calhoun, Louisiana
May 22, 1998

Receipt Acknowledged
Legislative Auditor

By P. Monson

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

Statement A

VILLAGE OF NOBLE
Noble, 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 FIXED ASSETS	TOTAL (MEMORANDUM ONLY)
ASSETS				
Current assets:				
Cash	\$25,452	\$24,787		\$50,239
Receivables	2,508	2,464		4,972
Total current assets	<u>27,960</u>	<u>27,251</u>	NONE	<u>55,211</u>
Restricted assets - cash		2,400		2,400
Land, buildings, water system plant, and equipment (net of accumulated depreciation)		25,155	\$33,100	58,255
TOTAL ASSETS	<u><u>\$27,960</u></u>	<u><u>\$54,806</u></u>	<u><u>\$33,100</u></u>	<u><u>\$115,866</u></u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Current liabilities:				
Accounts payable		\$1,149		\$1,149
Notes payable - current		1,793		1,793
Total current liabilities	NONE	<u>2,942</u>	NONE	<u>2,942</u>
Long-term notes payable		12,880		12,880
Total liabilities	NONE	<u>15,822</u>	NONE	<u>15,822</u>
Fund Equity:				
Investment in general fixed assets			\$33,100	33,100
Retained earnings:				
Reserved for notes payable		2,400		2,400
Unreserved - undesignated		36,584		36,584
Total retained earnings	NONE	<u>38,984</u>	NONE	<u>38,984</u>
Fund balance - unreserved - undesignated	<u>\$27,960</u>			<u>27,960</u>
Total Fund Equity	<u>27,960</u>	<u>38,984</u>	<u>33,100</u>	<u>100,044</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$27,960</u></u>	<u><u>\$54,806</u></u>	<u><u>\$33,100</u></u>	<u><u>\$115,866</u></u>

See accountant's compilation report and accompanying notes.

VILLAGE OF NOBLE
Noble, 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			
Taxes:			
Ad valorem	\$1,800	\$1,963	\$163
Franchise	4,150	4,370	220
Licenses and permits	10,500	10,817	317
Intergovernmental - state funds	1,400	1,217	(183)
Traffic fines		14,578	14,578
Use of money and property:			
Interest earnings	400	421	21
Rent	50		(50)
Other revenue	25		(25)
Total revenues	<u>18,325</u>	<u>33,366</u>	<u>15,041</u>
EXPENDITURES			
General government:			
Current:			
Personal services	3,000	7,855	(4,855)
Operating services	14,000	12,620	1,380
Materials and supplies	1,700	5,083	(3,383)
Travel and other	800	1,618	(818)
Capital outlay	700	3,142	(2,442)
Total expenditures	<u>20,200</u>	<u>30,318</u>	<u>(10,118)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,875)	3,048	4,923
FUND BALANCES AT BEGINNING OF YEAR	<u>22,731</u>	<u>24,912</u>	<u>2,181</u>
FUND BALANCES AT END OF YEAR	<u>\$20,856</u>	<u>\$27,960</u>	<u>\$7,104</u>

See accompanying notes and accountant's compilation report.

VILLAGE OF NOBLE
Noble, 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	\$20,742
Other	1,947
Total operating revenue	<u>22,689</u>
OPERATING EXPENSES	
Postage	354
Telephone	552
Utilities	1,548
Repairs and maintenance	4,436
Insurance	2,538
Chemicals	2,109
Management expense	4,493
Testing fees	202
Depreciation	2,295
Other operating expenses	1,336
Total operating expenses	<u>19,863</u>
OPERATING INCOME	<u>2,826</u>
NON-OPERATING REVENUES (Expenses)	
Interest income	586
Interest expense	(585)
Total non-operating revenues (expenses)	<u>1</u>
NET INCOME	2,827
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>36,157</u>
RETAINED EARNINGS AT END OF YEAR	<u><u>\$38,984</u></u>

See accountant's compilation report and accompanying notes.

VILLAGE OF NOBLE
Noble, 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>\$2,826</u>
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation	2,295
Increase in accounts receivable	(531)
Decrease in accounts payable	(245)
Total adjustments	<u>1,519</u>
Net cash provided by operating activities	<u>4,345</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal paid on notes payable	(1,758)
Interest paid on notes payable	(585)
Net cash used by capital and related financing activities	<u>(2,343)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earnings	<u>586</u>
NET INCREASE IN CASH	2,588
CASH AT BEGINNING OF YEAR	<u>24,599</u>
CASH AT END OF YEAR	<u><u>\$27,187</u></u>

See accountant's compilation report and accompanying notes.

VILLAGE OF NOBLE
Noble, 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 Noble was incorporated on March 12, 1901, under the provisions of the Lawrason 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, 1999. The village has a chief of police and a part-time employee.

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Village of Noble 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 Noble 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 Noble 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 includes:

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 NOBLE

Noble, Louisiana

Notes to the financial statements (Continued)

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the village.
2. Organizations for which the village does not appoint a voting majority but are fiscally dependent on the village.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the village has determined that there are no component units that 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 fixed 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:

VILLAGE OF NOBLE

Noble, Louisiana

Notes to the financial statements (Continued)

General Fund

The General fund is the general operating fund of the village. It accounts for all financial resources, except those required to be accounted for in 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 (expenses, including depreciation) of providing services to customers in the village on a continuing basis be financed or recovered primarily through user charges.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used for reporting all governmental fund types. The village uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls

VILLAGE OF NOBLE

Noble, Louisiana

Notes to the financial statements (Continued)

are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

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

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

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

Based on the above criteria, ad valorem taxes, 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

A 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.

VILLAGE OF NOBLE

Noble, Louisiana

Notes to the financial statements (Continued)

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. There were no budget amendments during the year.

F. CASH

Cash includes amounts in demand deposits, interest-bearing demand deposits, and cash on hand. 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. 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 70 per cent of fixed assets are valued at actual cost, while the remaining 30 per cent are valued at estimated cost based on the actual cost of like items. 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 exhaustible 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 estimated useful lives as follows:

Water tank and lines	40 years
Water well	25 years
Water meters and other equipment	10-20 years

H. LONG-TERM OBLIGATIONS

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

I. RESTRICTED ASSETS

Certain resources of the Water System Enterprise Fund set aside in connection with the revenue bonds are classified as restricted assets on the balance sheet because their use is limited.

**J. 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 (book balances) totaling \$52,639, as follows:

Cash on hand	\$1,254
Demand deposits:	
Non-interest bearing	10,118
Interest bearing	<u>41,267</u>
Total	<u>\$52,639</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 \$54,593, and are fully secured from risk by federal deposit insurance.

VILLAGE OF NOBLE
 Noble, Louisiana
 Notes to the financial statements (Continued)

3. LEVIED TAXES

For the year ended December 31, 1997, a 5.10 mill tax authorized by the Village of Noble for general operating purposes was levied on property with assessed valuations totaling \$399,150.

4. RECEIVABLES

The following is a summary of receivables at December 31, 1997:

	<u>General Fund</u>	<u>Water Enterprise Fund</u>	<u>Total</u>
Taxes:			
Ad valorem	\$1,113		\$1,113
Franchise	1,091		1,091
Intergovernmental revenues - state funds - tobacco tax	304		304
Accounts		\$2,464	2,464
Total	<u>\$2,508</u>	<u>\$2,464</u>	<u>\$4,972</u>

5. FIXED ASSETS

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

	<u>Buildings</u>	<u>Furniture and Equipment</u>	<u>Total</u>
Balance, January 1, 1997	\$27,086	\$2,872	\$29,958
Additions		3,142	3,142
Balance, December 31, 1997	<u>\$27,086</u>	<u>\$6,014</u>	<u>\$33,100</u>

A summary of proprietary fund type property, plant, and equipment at December 31, 1997, follows:

VILLAGE OF NOBLE

Noble, Louisiana

Notes to the financial statements (Continued)

	<u>Basis</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	\$75		\$75
Water wells, pumps and lines	59,177	(\$39,146)	20,031
Other equipment	13,220	(8,171)	5,049
Total	<u>\$72,472</u>	<u>(\$47,317)</u>	<u>\$25,155</u>

6. CHANGES IN LONG-TERM DEBT

On April 7, 1966, the village obtained a loan in the amount of \$47,600, from the Farmers Home Administration to construct the village water system. The note bears interest at 3.75 per cent. Debt service payments are made from the Water System Enterprise Fund. The following is a summary of long-term debt transactions for the year ended December 31, 1997:

Note payable at January 1, 1997	\$16,431
Retirements	<u>(1,758)</u>
Note payable at December 31, 1997	<u>\$14,673</u>

The annual requirements to amortize the note payable at December 31, 1997, including interest of \$8,757, are as follows:

Year	
1998	\$2,343
1999	2,343
2000	2,343
2001	2,343
2002	2,343
2003 - 2007	<u>11,715</u>
Total	<u>\$23,430</u>

7. RETAINED EARNINGS - RESERVED

The terms of the Farmers Home Administration note payable described in Note 5 above, requires the village to establish a reserve account to accumulate funds for the purpose of repairing or replacing any damage to the water system which may be caused by unforeseen catastrophes, for making extensions or improvements to the system, and when necessary for the purpose of making payments of principal and

VILLAGE OF NOBLE

Noble, Louisiana

Notes to the financial statements (Continued)

interest. The loan agreement requires that the village deposit \$40 per month into the reserve account until there is a balance of \$2,400 in the account. The village is to maintain this reserve balance by replacing any withdrawals made from the account.

8. MANAGEMENT AGREEMENT

On October 3, 1991, the Village of Noble entered into an agreement with Utility Data Service Corporation (UDS) for operation and management of the water system. The agreement provides a fee structure for various activities performed by UDS in the operation of the village's water treatment and distribution system. For the year ended December 31, 1997, the village paid UDS \$4,493, for the management and operation of the water system. Additionally, the village paid to UDS, \$4,436, for the year ended December 31, 1997 for repairs and maintenance to the water system.

9. 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 NOBLE
Noble, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE
As of and For the Year Ended December 31, 1997

COMPENSATION PAID ALDERMEN

The schedule of per diem paid aldermen is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the aldermen is included in personal services expenditures of the General Fund. The aldermen receive \$60 per meeting attended.

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 2).

CURRENT YEAR FINDINGS

The corrective action plan for current year findings is presented in Schedule 3.

VILLAGE OF NOBLE
Noble, Louisiana

Schedule of Per Diem Paid Aldermen
For the Year Ended December 31, 1997

Paul Campbell	\$520
Terry Ebarb	520
Jerry Williams	<u>520</u>
Total	<u>\$1,560</u>

VILLAGE OF NOBLE
Noble, Louisiana

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>
-----------------------------	---	-------------------------------	--

There were no prior audit findings.

VILLAGE OF NOBLE
Noble, 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 paid a member of an aldermen's immediate family for contract labor.	The mayor will consult with state legislators concerning this matter.	Gary Rivers, Mayor	June 30, 1998
Procedure 7	Actual General Fund expenditures exceeded budgeted expenditures by more than 5%.	The 1998 adopted budget will be amended if actual expenditures exceed budgeted expenditures by 5% or more.	Gary Rivers, Mayor	December 31, 1998
Procedure 8	One disbursement out of six selected was not adequately supported.	During 1998, all disbursements will be supported by original invoices or other supporting documentation.	Gary Rivers, Mayor	Implemented in fall of 1997
Procedure 9	The village did not publish or post agendas for meetings.	An agenda for each meeting will be posted at least 24 hours in advance of the meeting on the door of the building where the meeting is to be held.	Gary Rivers, Mayor	June 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 Attestation Questionnaire*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

M. Carleen Dumas

CERTIFIED PUBLIC ACCOUNTANT

369 DONALDSON ROAD • CALHOUN, LOUISIANA 71225 • TELEPHONE 318/644-5726

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

MAYOR AND BOARD
OF ALDERMEN
VILLAGE OF NOBLE
Noble, 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 Noble and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Village of Noble's compliance with certain laws and regulations during the year ended December 31, 1997, included in the accompanying *Louisiana Attestation 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 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

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

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

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, during 1997, the village paid the brother of one of the members of the board of aldermen approximately \$75 for contact labor.

Budgeting

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

Management provided me with a copy of the original General Fund budget for 1997. There were no budget amendments during 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 December 30, 1996.

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 budget to actual revenues and expenditures. Actual expenditures exceeded budgeted expenditures by \$10,119, or approximately 50%.

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 five of the six selected disbursements and found

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

that the payment was for the proper amount and made to the correct payee. There was no supporting documentation for one of the selected disbursements which was for an aldermen's travel reimbursement.

- (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 LSA-RS 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.

I reviewed all bank deposits 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.

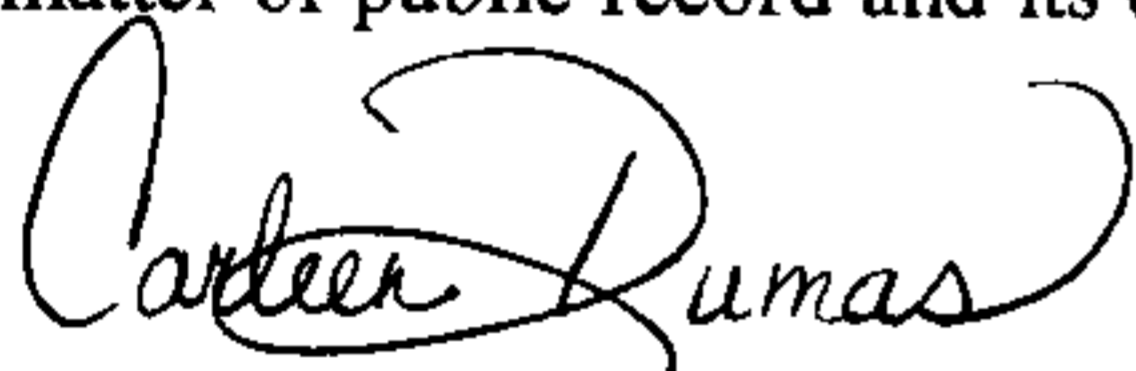
A reading of the minutes of the board meetings and an examination of payroll records indicated no payments which may constitute bonuses, advances, or gifts.

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

My prior year compilation report, dated March 13, 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 Noble 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.



Calhoun, Louisiana
May 22, 1998