

RECEIVED
LEGISLATIVE AUDITOR
1999 DEC 30 PM 1:17

~~OFFICIAL~~
~~FILE COPY~~
~~DO NOT SEND OUT~~
(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

TOWN OF HENDERSON, LOUISIANA
GENERAL PURPOSE
FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1999
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 FEB 7 6 2006

TABLE OF CONTENTS

	Page
Independent Accountants' Compilation Report	1
Annual Sworn Financial Statements and Certification of Revenues between \$50,000 and \$350,000	2
General-Purpose Financial Statements	
Combined Balance Sheets - All Fund Types and Account Group	4
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances	5
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP/Non-GAAP Basis) and Actual - General Fund	6
Combined Statements of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP/Non-GAAP Basis) and Actual - Special Revenue Funds	7
Notes to the Financial Statements	8-14
Supplemental Information	
Year 2000 Issue (Unaudited)	16
Compensation of Elected Officials	17
Accountants' Report on Agreed-Upon Procedures	
Independent Accountants' Report on Applying Agreed-Upon procedures	19-21

KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA
Russell F. Champagne, CPA
Victor Slaven, CPA
Chris Rainey, CPA
Conrad O. Chapman, CPA
P. Troy Courville, CPA

P. O. BOX 250
113 E. BRIDGE ST.
BREAUX BRIDGE, LA 70517
PHONE (337) 332-4020
FAX (337) 332-2867

WEB SITE:
WWW.KCSRCPAS.COM

MEMBER OF:

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Allen J. LaBry, CPA
Penny Angelle Scruggins, CPA
Mary T. Thibodeaux, CPA
Gerald A. Thibodeaux, Jr., CPA
Kelly M. Doucet, CPA
Kenneth J. Rachel, CPA

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Mayor
and Members of the Board of Aldermen
Town of Henderson
Henderson, Louisiana 70517

We have compiled the general-purpose financial statements of the Town of Henderson, Louisiana as of June 30, 1999 and for the year then ended, and the accompanying supplemental information, which is presented only for supplementary analysis purposes, in accordance with 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 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.

In accordance with the Louisiana Governmental Guide and the provisions of state law, we have issued a report, dated December 14, 1999, on the results of our agreed-upon procedures.

Kolder, Champagne, Slaven & Rainey, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
December 14, 1999

TOWN OF HENDERSON, LOUISIANA


ANNUAL SWORN FINANCIAL STATEMENTS AND
CERTIFICATION OF REVENUES BETWEEN \$50,000 AND \$350,000

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Legislative Auditor within 90 days after the close of the fiscal year. The certification of revenues of between \$50,000 and \$350,000, is required by Louisiana Revised Statute 24:513(1)(1)(c)(i).

AFFIDAVIT

Personally came and appeared before the undersigned authority, Earl J. Patin, Mayor, Town of Henderson, Louisiana, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Town of Henderson, Louisiana as of June 30, 1999, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

In addition, Earl J. Patin, Mayor, Town of Henderson, Louisiana, who, duly sworn, deposes and says that the Town of Henderson, Louisiana received between \$50,000 and \$350,000 in revenues and other sources for the fiscal year ending June 30, 1999, and, accordingly, is not required to have an audit for the previously mentioned fiscal year end.


Earl J. Patin

Sworn to and subscribed before me, this 28th day of Dec., 1999.


NOTARY PUBLIC

GENERAL-PURPOSE FINANCIAL STATEMENTS

TOWN OF HENDERSON, LOUISIANA
 Combined Balance Sheets - All Fund Types and
 Account Group
 June 30, 1999

	Governmental Funds		Account Group	Total (Memorandum only)
	General Fund	Special Revenue Funds	General Fixed Assets	
ASSETS				
Cash	\$ 53,990	\$ 23,323	\$ -	\$ 77,313
Accounts receivable	13,969	14,376	-	28,345
Due from other governments	3,760	-	-	3,760
Other receivables	920	3,011	-	3,931
Land	-	-	13,000	13,000
Buildings	-	-	149,745	149,745
Automobiles and equipment	-	-	172,192	172,192
Streets and improvements	-	-	303,424	303,424
Park and facilities	-	-	134,888	134,888
Office equipment	-	-	15,713	15,713
TOTAL ASSETS	<u>\$ 72,639</u>	<u>\$ 40,710</u>	<u>\$ 788,962</u>	<u>\$ 902,311</u>
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Accounts payable	\$ 4,678	\$ 6,838	\$ -	\$ 11,516
Payroll taxes payable	1,329	-	-	1,329
TOTAL LIABILITIES	<u>6,007</u>	<u>6,838</u>	<u>-</u>	<u>12,845</u>
FUND EQUITY				
Investment in general fixed assets	-	-	788,962	788,962
Fund balance	66,632	33,872	-	100,504
TOTAL FUND EQUITY	<u>66,632</u>	<u>33,872</u>	<u>788,962</u>	<u>889,466</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 72,639</u>	<u>\$ 40,710</u>	<u>\$ 788,962</u>	<u>\$ 902,311</u>

The accompanying notes are an integral part of this statement.

TOWN OF HENDERSON, LOUISIANA
GOVERNMENTAL FUNDS
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances -
For the Year Ended June 30, 1999

	Governmental Funds		Total (Memorandum only)
	General Fund	Special Revenue Funds	
REVENUES			
Taxes:			
Ad valorem	\$ 6,127	\$ -	\$ 6,127
Sales & use taxes	-	56,658	56,658
Beer & tobacco taxes	17,091	-	17,091
Franchise taxes	40,826	-	40,826
Licenses and permits	26,044	-	26,044
Intergovernmental revenues:			
Video poker	6,914	-	6,914
State funds:			
State revenue sharing	3,632	-	3,632
Grants	56,579	-	56,579
Fees			
Fines and forfeits	33,441	-	33,441
Miscellaneous income	2,655	1,110	3,765
Park use fees	-	3,890	3,890
Trash disposal	-	49,267	49,267
Total revenues	<u>193,309</u>	<u>110,925</u>	<u>304,234</u>
EXPENDITURES			
General government:			
Legislative	4,560	-	4,560
Judicial	3,658	-	3,658
Executive	15,681	-	15,681
Finance & administrative	53,304	41,660	94,964
Public safety	99,903	149	100,052
Health & welfare	-	42,469	42,469
Culture & recreation	-	5,310	5,310
Capital outlay	22,032	1,200	23,232
Total expenditures	<u>199,138</u>	<u>90,788</u>	<u>289,926</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(5,829)</u>	<u>20,137</u>	<u>14,308</u>
FUND BALANCE, BEGINNING OF YEAR	<u>72,461</u>	<u>13,735</u>	<u>86,196</u>
FUND BALANCE, END OF YEAR	<u>\$ 66,632</u>	<u>\$ 33,872</u>	<u>\$ 100,504</u>

The accompanying notes are an integral part of this statement.

TOWN OF HENDERSON, LOUISIANA
GOVERNMENTAL FUNDS
Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Budget (GAAP/Non-GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 1999

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes:			
Ad valorem	\$ 6,000	\$ 6,127	\$ 127
Beer & tobacco taxes	15,000	17,091	2,091
Franchise taxes	53,000	40,826	(12,174)
Licenses and permits	17,000	26,044	9,044
Intergovernmental revenues:			
Video poker	9,000	6,914	(2,086)
State funds:			
State revenue sharing	3,800	3,632	(168)
Grants	54,000	56,579	2,579
Fees			
Fines and forfeits	38,000	33,441	(4,559)
Miscellaneous income	1,500	2,655	1,155
Total revenues	<u>197,300</u>	<u>193,309</u>	<u>(3,991)</u>
EXPENDITURES			
General government:			
Legislative	5,000	4,560	440
Judicial	4,000	3,658	342
Executive	16,500	15,681	819
Finance & administrative	80,000	53,304	26,696
Public safety	87,000	99,903	(12,903)
Capital outlay	2,000	22,032	(20,032)
Total expenditures	<u>194,500</u>	<u>199,138</u>	<u>(4,638)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,800	(5,829)	(8,629)
FUND BALANCE, BEGINNING OF YEAR	<u>72,461</u>	<u>72,461</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 75,261</u>	<u>\$ 66,632</u>	<u>\$ (8,629)</u>

The accompanying notes are an integral part of this statement.

TOWN OF HENDERSON, LOUISIANA
 GOVERNMENTAL FUNDS
 Combined Statement of Revenues, Expenditures,
 and Changes in Fund Balances -
 Budget (GAAP/Non-GAAP Basis) and Actual
 Special Revenue Funds
 For the Year Ended June 30, 1999

	Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes:			
Sales & use taxes	\$ 57,000	\$ 56,658	\$ (342)
Garbage collection fees	43,500	49,267	5,767
Park use fees	3,000	3,890	890
Miscellaneous income	500	1,110	610
Total revenues	<u>104,000</u>	<u>110,925</u>	<u>6,925</u>
EXPENDITURES			
General government:			
Finance & administrative	58,000	41,660	16,340
Public safety	-	149	(149)
Health & welfare	34,500	42,469	(7,969)
Culture & recreation	5,500	5,310	190
Capital outlay	1,200	1,200	-
Total expenditures	<u>99,200</u>	<u>90,788</u>	<u>8,412</u>
EXCESS OF REVENUES OVER EXPENDITURES	4,800	20,137	15,337
FUND BALANCE, BEGINNING OF YEAR	<u>13,735</u>	<u>13,735</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 18,535</u>	<u>\$ 33,872</u>	<u>\$ 15,337</u>

The accompanying notes are an integral part of this statement.

TOWN OF HENDERSON, LOUISIANA

Notes to the Financial Statements

(1) INTRODUCTION

The Town of Henderson, Louisiana (the "Town") was incorporated in March 1971, under the provisions of the Lawrason Act, State of Louisiana. The Town operates under a Mayor-Board of Aldermen form of government and provides the following services as authorized by its charter; public safety (police and fire), streets, sanitation, health and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The Board of Aldermen is composed of five (5) members, duly elected by the citizens of the Town and compensated for meetings attended. The Town is located in the Northeast section of St. Martin Parish and has approximately 1,500 persons living within the town limits.

There is a Town clerk, a street and playground worker, and an elected Chief of Police, assisted by four (4) additional police officers.

The Town has approximately 500 electrical hookups, twenty-five (25) miles of public roads, a Town Hall and jail, a municipal recreation building, and an approximate 10-acre park with suitable buildings.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

As the municipal governing authority, for reporting purposes, the Town of Henderson 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 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. The Town has no component units.

B. FUND ACCOUNTING

The municipality uses funds and an account group 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 relating to certain government functions or activities.

TOWN OF HENDERSON, LOUISIANA

Notes to Financial Statements (Continued)

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable financial resources.

Funds of the municipality are classified into one category: governmental. This category is divided into separate fund types. The fund classifications and description of each existing fund type follow:

1. Governmental Funds

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

- a. General fund--the general operating fund of the municipality which accounts for all financial resources, except those required to be accounted for in other funds.
- b. Special revenue funds--account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

C. 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 are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

1. Revenues

Revenues are recognized when available and measurable. Revenues that are accrued are franchise taxes from utility companies, licenses, sale and use taxes, permits, fines, and other taxes.

2. Expenditures

Expenditures are recorded when measurable.

TOWN OF HENDERSON, LOUISIANA

Notes to Financial Statements (Continued)

D. BUDGETS

The Town of Henderson adopted a budget as required by Louisiana Revised Statute 39:1301-1316, for fiscal year end June 30, 1999; however, the Town did not adopt the budget until May 17, 1999. This late adoption violates the statute requiring a budget to be adopted 15 days prior to the beginning of the fiscal year.

E. CASH

Cash includes amounts in demand deposits. Under state law, the municipality 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.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from or due to other funds on the balance sheet if they are intended to be repaid. If they are not intended to be repaid, then they are shown on the Statement of Revenues, Expenditures, and Changes in Fund Balance, as operating transfers.

G. RESTRICTED ASSETS

Certain proceeds from grants and other receipts from the State of Louisiana have been received specifically for police equipment.

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 assets account group. Interest costs incurred during construction are capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

I. COMPENSATED ABSENCES

The Town adopted a policy concerning vacation leave and other compensated absences. All employees will be paid for unused vacation upon termination of employment. At June 30, 1999 accrual of this amount would not be material to the financial statements.

J. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the

TOWN OF HENDERSON, LOUISIANA

Notes to Financial Statements (Continued)

reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers of the primary government are reported as operating transfers.

K. SALES TAXES

Proceeds of a 1% sales and use tax approved in a special election in June 1972 are dedicated and to be used for the purpose of constructing, acquiring, extending, improving and/or maintaining streets and incidental public buildings, including the acquisition of all necessary land, equipment, and furnishings for the aforesaid public works and improvements; and, maintaining and operating garbage and waste collection and disposal facilities, including the purchase of equipment.

Proceeds from the 1% sales and use tax were \$56,658 for the year ended June 30, 1999.

L. PARK FUND

On April 13, 1984, the Board of Aldermen approved the establishment of a Park Fund. The fund is to be used to account for revenues from park usage fees and expenses for maintaining the park.

Park usage fees collected for the year ended June 30, 1999 were \$3,890.

M. 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 of this data.

TOWN OF HENDERSON, LOUISIANA

Notes to Financial Statements (Continued)

N. EXPENDITURES - ACTUAL AND BUDGET

The following individual funds have actual expenditures over budgeted expenditures for the year ended June 30, 1999:

	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund:			
Public safety	\$ 87,000	\$ 99,903	\$(12,903)
Capital outlay	2,000	22,032	(20,032)
Sales Tax & Park Funds:			
Public safety	-	149	(149)
Health and welfare	<u>34,500</u>	<u>42,469</u>	<u>(7,969)</u>
Total	<u>\$123,500</u>	<u>\$164,553</u>	<u>\$(41,053)</u>

O. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes for the year:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Townwide taxes:	2.36	2.36	09-30-99

The following are the principal taxpayers for the municipality:

<u>Taxpayer</u>	<u>Type of business</u>	<u>Assessed Valuation</u>	<u>Percent to total</u>
Century Telephone	Telephone Co.	\$259,154	11.53%
Atmos Energy Corp.	Energy Corp.	98,040	4.36%
Lafayette MSA	Limited Partnership	81,218	3.62%

The total assessed valuation for the municipality is \$2,248,913 at June 30, 1999.

P. CASH

The following is a summary of cash (book balances) at June 30, 1999:

Demand deposits	\$77,313
-----------------	----------

TOWN OF HENDERSON, LOUISIANA

Notes to Financial Statements (Continued)

These deposits are stated at cost, which approximates market. Under state law, these deposits (or 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, 1999 the Town of Henderson, Louisiana has \$77,770 in deposits (collected bank balances). These deposits are secured from risk by \$77,770 of federal deposit insurance.

Q. RECEIVABLES

The following is a summary of receivables for June 30, 1999:

General fund:		
Franchise tax		\$12,192
Occupational license		<u>1,777</u>
Total		<u>\$13,969</u>
Special revenue fund:		
Garbage collection		
52 accounts - all delinquent		<u>\$14,376</u>

R. DUE FROM OTHER GOVERNMENTS

At June 30, 1999, the Town of Henderson, Louisiana has an amount due from the State of Louisiana for video poker and tobacco tax revenue which was not paid at year end in the amount of \$1,012 and \$2,748, respectively.

S. FIXED ASSETS

The changes in general fixed assets follow:

	<u>Balance</u> <u>07-01-98</u>	<u>Additions</u>	<u>Balance</u> <u>06-30-99</u>
Land	\$ 13,000	\$ -	\$ 13,000
Buildings	149,745	-	149,745
Autos & equipment	148,960	23,232	172,192
Streets & improvements	303,424	-	303,424
Park & facilities	134,888	-	134,888
Office equipment	<u>15,713</u>	<u>-</u>	<u>15,713</u>
	<u>\$765,730</u>	<u>\$23,232</u>	<u>\$788,962</u>

TOWN OF HENDERSON, LOUISIANA
Notes to Financial Statements (Continued)

T. ACCOUNTS, SALARIES, AND OTHER PAYABLES

	<u>General Fund</u>	<u>Sales Tax Fund</u>	<u>Total</u>
Accounts Payable	\$4,678	\$6,838	\$11,516
Payroll taxes Payable	<u>1,329</u>	<u>-</u>	<u>1,329</u>
Total Payables	<u>\$6,007</u>	<u>\$6,838</u>	<u>\$12,845</u>

SUPPLEMENTAL INFORMATION

TOWN OF HENDERSON, LOUISIANA

Year 2000 Issue (Unaudited)
Year Ended June 30, 1999

Impact of Year 2000 on Computer Programs (Unaudited)

The Year 2000 issue is the result of computer programs being written using two digits rather than four to define the applicable year. Any of the Town of Henderson's computer programs that have time sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruptions of operations, including among other things, a temporary inability to process transactions or engage in similar normal business activities.

The Town has completed an inventory of computer systems and other electronic equipment that may be affected by the year 2000 issue and that are necessary to conducting Town operations. The Town has only one computer which is used very sparingly.

- No testing has been performed, because of the limited use of the computer.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the Town is or will be Year 2000 ready, that the Town's remediation efforts will be successful in whole or in part, or that parties with whom the Town does business will be Year 2000 ready. The Town is not utilizing external resources to identify and test the system for Year 2000 compliance.

TOWN OF HENDERSON, LOUISIANA
 Compensation of elected officials
 For the Year Ended June 30, 1999

The schedule of compensation paid to elected officials is presented in compliance with House Concurrent Resolution No. 54 of the 1979 session of the Louisiana Legislature.

Mayor - - - - -	-\$ 400 per month
Mayor's court - - - - -	-\$ 200 per month
Council members- - - - -	-\$ 80 per meeting attended
Council members - - - - -	-\$ 40 per special meeting attended
Chief of Police - - - - -	\$ 1,900 per month

Total compensation paid during the fiscal year ended June 30, 1999:

Mayor - - - - -	\$ 4,800
Mayor's court - - - - -	\$ 2,400
Board of Aldermen - - - - -	\$ 4,560
Chief of Police - - - - -	\$ 22,800

ACCOUNTANTS' REPORT ON AGREED-UPON PROCEDURES

KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA
Russell F. Champagne, CPA
Victor Slaven, CPA
Chris Rainey, CPA
Conrad D. Chapman, CPA
P. Troy Courville, CPA

P. O. BOX 250
113 E. BRIDGE ST.
BREAUX BRIDGE, LA 70517
PHONE (337) 332-4020
FAX (337) 332-2867

WEB SITE:
WWW.KCSRCPAS.COM

Allen J. LaBry, CPA
Penny Angelle Scruggins, CPA
Mary T. Thibodeaux, CPA
Gerald A. Thibodeaux, Jr., CPA
Kelly M. Doucet, CPA
Kenneth J. Rachel, CPA

MEMBER OF:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Mayor and Board of Aldermen
Town of Henderson
Henderson, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Town of Henderson, Louisiana (the Town) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Town's compliance with certain laws and regulations during the year ended June 30, 1999 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, 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 \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

One expenditure was made during the year for materials and supplies exceeding \$15,000. We examined documentation which indicated that this expenditure had been properly advertised, bid and accepted in accordance with the provisions of LSA-RS 38:2211-2251.

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 us 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 us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) 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 [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon 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. There were no amendments to the budget during the year.

6. Trace the budget adoption to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on May 17, 1999 which indicated that the budget had been adopted by the Board of Aldermen of the Town by unanimous vote. No amendments were made to the budget during the year.

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

We compared the revenues and expenditures of the final 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 proper amount and payee;

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

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

All six 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 approvals of the Mayor and the Chairperson of the Board of Aldermen. In addition, each of the disbursements were traced to the Town's minute book where they were approved by the full Board.

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 through 42:12 (the open meetings law).

The Town is only required to post a notice of each meeting and the accompanying agenda on the door of the Town Hall. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas. We also noted letters written to the local paper concerning publishing minutes in the paper. The minutes of meetings were printed in the local journals. The Town has a copy of the actual articles printed.

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.

We inspected copies of all bank deposit slips for the period under examination and noted that 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.

We 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 to, 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 Town of Henderson, Louisiana 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.

Kolder, Champagne, Slaven & Rainey, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
December 14, 1999

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

10-15-99 (Date Transmitted)

Kolder, Champagne, Slaven & Rainey, LLC
PO Box 250
Breaux Bridge, LA 70517

(Auditors)

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation 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 (date of completion/representations).

Public Bid Law

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

Yes [] No []

Code of Ethics for Public Officials and Public Employees

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

Yes [] No []

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

Yes [] No []

Budgeting

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

Yes [] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes No

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

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 VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes No

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes No

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

We have provided you with any communications from regulatory agencies or other sources concerning any possible 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.

Tom Boudry, Clerk Secretary 10-15-99 Date
Tom Boudry, Clerk Treasurer 10-15-99 Date
Carl P. Patten, Mayor President 10-15-99 Date

KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA
Russell F. Champagne, CPA
Victor Slaven, CPA
Chris Rainey, CPA
Conrad D. Chapman, CPA
P. Troy Courville, CPA

P. O. BOX 250
113 E. BRIDGE ST.
BREAUX BRIDGE, LA 70517
PHONE (337) 332-4020
FAX (337) 332-2867

WEB SITE:
WWW.KCSRCPAS.COM

MEMBER OF:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Allon J. LaBry, CPA
Penny Angelle Scruggins, CPA
Mary T. Thibodeaux, CPA
Gerald A. Thibodeaux, Jr., CPA
Kelly M. Doucet, CPA
Kenneth J. Rachet, CPA

MANAGEMENT LETTER

To the Mayor and the
Board of Aldermen
Town of Henderson
Henderson, Louisiana 70517

We have compiled the general-purpose financial statements of the Town of Henderson, Louisiana (the Town) as of and for the year ended June 30, 1999 and submitted our report to you dated December 14, 1999.

While our report reported on certain financial statements and the notes thereto, we have noted certain matters which should be brought to your attention in order that the administration of the Town's records may be kept in a more professional manner and be in compliance with all of the requirements of a local government. These items are as follows:

1. The Town of Henderson adopted a budget as required by Louisiana Revised Statute 39:1301-1316, for fiscal year end June 30, 1999; however, the Town did not adopt the budget until May 17, 1999. This late adoption violates the statute requiring a budget to be adopted 15 days prior to the beginning of the fiscal year.
2. The Town of Henderson should require payment for passed due garbage billings or discontinue service to those customers with passed due billings.

If we can be of any further help in the administration of the Town, we are available for consultation with all elected as well as all citizens of the Town of Henderson.

Kolder, Champagne, Slaven, & Rainey, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
December 14, 1999

234 Rue Beauregard
Lafayette, Louisiana 70508
Phone (337) 232-4141
Fax (337) 232-8660

133 East Waddil
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (504) 384-2020
Fax (504) 384-3020

408 W. Colton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W. Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abeville, LA 70511
Phone (337) 893-7944
Fax (337) 893-7946

TOWN OF HENDERSON
Henderson, Louisiana

Current Audit Findings and Management's Corrective Action Plan
Year Ended June 30, 1999

Management Letter Items

Item 99-1 – Noncompliance with Local Government Budget Act

Finding:

The Town of Henderson adopted a budget as required by Louisiana Revised Statute 39:1301-1316, for fiscal year ended June 30, 1999; however, the Town did not adopt the budget until May 17, 1999. This late adoption violates the statute requiring a budget to be adopted 15 days prior to the beginning of the fiscal year.

Management's Corrective Action Plan:

The Town of Henderson has already adopted their budget for the fiscal year ended June 30, 2000. As this has been done timely, they are no longer in violation of the local government budget act.

Item 99-2 – Past Due Billings

Finding:

The Town of Henderson should require payment for past due garbage billings or discontinue service to those customers with past due billings.

Management's Corrective Action Plan:

The Town of Henderson is currently consulting with their legal council on this matter. Lawsuits have been filed and judgements are being pursued.