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## Village of Grand Cane, Louisiana

### GENERAL PURPOSE FINANCIAL STATEMENTS WITH ACCOUNTANT'S COMPILATION REPORT AND AGREED -UPON PROCEDURES REPORT

As of and For the Year Ended  
June 30, 1999

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, 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 DEC 01 1999

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Deborah D. Dees, MBA, CPA  
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VILLAGE OF GRAND CANE, LOUISIANA

General Purpose Financial Statements  
with Accountant's Compilation Report  
and Agreed-Upon Procedures Report  
As of and for the Year Ended June 30, 1999

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*Deborah D. Dees, MBA, CPA*



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CERTIFIED PUBLIC ACCOUNTANT

### Accountant's Compilation Report

MAYOR AND BOARD OF ALDERMEN  
VILLAGE OF GRAND CANE, LOUISIANA

I have compiled the accompanying general purpose financial statements of the Village of Grand Cane, Louisiana, as of and for the year ended June 30, 1999, as required by Louisiana Revised Statute 24:513. The annual general purpose financial statements were compiled 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 information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any form of assurance on them.

*Deborah D. Dees, CPA*

Certified Public Accountant  
Mansfield, LA

November 11, 1999

**VILLAGE OF GRAND CANE, LOUISIANA**  
**ALL FUND TYPES AND ACCOUNT GROUPS**

Combined Balance Sheet  
 June 30, 1999

	GOVERNMENTAL FUNDS			PROPRIETARY FUND	ACCOUNT GROUP	TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND			
<b>ASSETS AND OTHER DEBITS</b>						
Cash & Cash Equivalents	\$ 142,220	\$ 14,086	\$	16,658	\$	172,964
Accounts Receivable	1,899			2,392		4,291
Fixed Assets				14,679	71,358	86,037
Accumulated Depreciation				(6,902)		(6,902)
Construction in Progress			45,868			45,868
Due from other funds	59					59
<b>TOTAL ASSETS</b>	<b>\$ 144,178</b>	<b>\$ 14,086</b>	<b>\$ 45,868</b>	<b>\$ 26,827</b>	<b>\$ 71,358</b>	<b>\$ 302,317</b>
<b>LIABILITIES &amp; FUND EQUITY AND OTHER CREDITS</b>						
Liabilities:						
Accounts Payable	\$ 1,090	\$	\$	1,712	\$	2,802
Due to Other Funds				59		59
Deposits	329			3,800		4,129
<b>TOTAL LIABILITIES</b>	<b>1,419</b>	<b>0</b>		<b>5,571</b>		<b>6,990</b>
Fund Equity and Other Credits:						
Retained Earnings				21,256		21,256
Investment in Fixed Assets					71,358	71,358
Contributed Capital			45,868			45,868
Fund Balance -Unreserved,Undesignated	142,759	14,086				156,845
<b>TOTAL EQUITY AND OTHER CREDITS</b>	<b>142,759</b>	<b>14,086</b>	<b>45,868</b>	<b>21,256</b>		<b>249,459</b>
<b>TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS</b>	<b>\$ 144,178</b>	<b>\$ 14,086</b>	<b>\$ 45,868</b>	<b>\$ 26,827</b>	<b>\$ 71,358</b>	<b>\$ 256,449</b>

See accompanying notes and accountant's compilation report.

## VILLAGE OF GRAND CANE, LOUISIANA

### GOVERNMENTAL FUNDS

#### Combined Statement of Revenues, Expenditures, and Changes in Fund Balances For the Year Ended June 30, 1999

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL (MEMORANDUM ONLY)
<b>REVENUES:</b>				
Taxes:				
Ad Valorem	\$ 4,256	\$ 6,706		\$ 10,962
Sales	33,528			33,528
Franchise	8,651			8,651
Occupational licenses	14,922			14,922
Intergovernmental:				
Grants	5,395		23,851	29,246
Tobacco tax	1,260			1,260
Other:				
Rent	3,948			3,948
Interest	817	68		817
Miscellaneous	30			30
<b>TOTAL REVENUES</b>	<b>72,807</b>	<b>6,774</b>	<b>23,851</b>	<b>103,364</b>
<b>EXPENDITURES</b>				
Current:				
General Government:				
Personal services	5,180			5,180
Operating	8,693			8,693
Public works-streets	15,466			15,466
Historical development	2,256			2,256
Capital outlays	5,395		23,851	29,246
<b>TOTAL EXPENDITURES</b>	<b>36,990</b>	<b>0</b>	<b>23,851</b>	<b>60,841</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>35,817</b>	<b>6,774</b>		<b>42,523</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>106,942</b>	<b>7,312</b>		<b>114,254</b>
<i>Transferred to Contributed Capital</i>			23,851	
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 142,759</b>	<b>\$ 14,086</b>	<b>\$ 0</b>	<b>\$ 156,845</b>

See accompanying notes and accountant's compilation report.

**VILLAGE OF GRAND CANE, LOUISIANA**

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances  
Budget (GAAP Basis) and Actual - General and Special Revenue Funds  
For the Year Ended June 30, 1999**

	GENERAL FUND			SPECIAL REVENUE FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES:</b>						
Taxes:						
Ad Valorem	\$ 4,005	\$ 4,256	\$ 251	\$ 6,900	\$ 6,706	\$ (194)
Sales	11,500	33,528	22,028			
Franchise	8,651	8,651	0			
Occupational licenses	12,000	14,922	2,922			
Intergovernmental:						
Grants		5,395	5,395			
Tobacco tax	1,260	1,260	0			
Other:						
Rent	3,948	3,948	0			
Interest	1,300	817	(483)	200	68	(132)
Miscellaneous	30	30	0			
<b>TOTAL REVENUES</b>	<b>42,694</b>	<b>72,807</b>	<b>30,113</b>	<b>7,100</b>	<b>6,774</b>	<b>(326)</b>
<b>EXPENDITURES</b>						
Current:						
General Government:						
Personal services	5,069	5,180	(111)			
Operating	8,820	8,693	127			
Public works-streets	14,838	15,466	(628)			
Historical development	2,645	2,256	389			
Capital outlays	2,819	5,395	(2,576)			
<b>TOTAL EXPENDITURES</b>	<b>34,191</b>	<b>36,990</b>	<b>(2,799)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>8,503</b>	<b>35,817</b>	<b>27,314</b>	<b>7,100</b>	<b>6,774</b>	<b>(326)</b>

(Continued)

**VILLAGE OF GRAND CANE, LOUISIANA**

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances  
Budget (GAAP Basis) and Actual - General and Special Revenue Funds**

For the Year Ended June 30, 1999

	GENERAL FUND			SPECIAL REVENUE FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers out	1,000	0	1,000	7,100		0
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>1,000</u>	<u>0</u>	<u>1,000</u>	<u>7,100</u>	<u>0</u>	<u>0</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURE</b>	7,503	35,817	28,314	0	6,774	6,774
<b>FUND BALANCE, BEGINNING OF YEAR</b>	106,942	106,942		7,312	7,312	0
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 114,445</u>	<u>\$ 142,759</u>	<u>\$ 28,314</u>	<u>\$ 7,312</u>	<u>\$ 14,086</u>	<u>\$ 6,774</u>

See accompanying notes and accountant's compilation report

**VILLAGE OF GRAND CANE, LOUISIANA****PROPRIETARY FUND - Sewer Fund**  
**Statement of Revenues, Expenditures, and Changes in Retained Earnings**  
**For the Year Ended June 30, 1999****OPERATING REVENUES:**

Sewer fees	\$	23,786
Ad Valorem Taxes		3,266
<b>TOTAL OPERATING REVENUES</b>		<u>27,052</u>

**OPERATING EXPENSES:**

Personal and contract		10,378
General & administrative		1,698
Materials & Supplies		6,460
Purchases of easements		1,825
Depreciation		2,490
<b>TOTAL OPERATING EXPENSES</b>		<u>22,851</u>

**NET INCOME**

4,201

**RETAINED EARNINGS, BEGINNING OF YEAR**17,055**RETAINED EARNINGS, END OF YEAR**\$ 21,256

See accompanying notes and accountant's compilation report.

**VILLAGE OF GRAND CANE, LOUISIANA**

**PROPRIETARY FUND - Sewer Fund  
Statement of Cash Flows  
For the Year Ended June 30, 1999**

<i>Cash flows from operating activities</i>	
Cash received from customers	\$ 24,511
Ad valorem taxes collected	3,266
Cash payments to supplies for goods and services	(10,238)
Cash payments to employees for services	(9,372)
Net cash (used) by operating activities	<u>8,167</u>
<i>Cash flows from noncapital financing activities</i>	
Operating transfers from other funds	10,244
Net cash provided by noncapital financing activities	<u>10,244</u>
<i>Cash flows from capital and related financing activities</i>	
Acquisition of capital assets	(3,258)
Net Cash (used) by capital and related financing activities	<u>(3,258)</u>
<b>NET INCREASE IN CASH</b>	15,153
<b>CASH, BEGINNING OF YEAR</b>	1,505
<b>CASH, END OF YEAR</b>	\$ <u><u>16,658</u></u>
<i>Reconciliation of net operating loss to net cash (used) by operating activities</i>	
Net operating loss	\$ 4,201
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>	
Depreciation	2,489
(Increase) decrease in accounts receivable	51
Increase (decrease) in accounts payable	742
Increase (decrease) in accrued liabilities	9
Increase (decrease) in customer deposits	675
Total adjustments	<u>3,966</u>
Net cash (used) by operating activities	\$ <u><u>8,167</u></u>

See accompanying notes and accountant's compilation report.

**VILLAGE OF GRAND CANE, LOUISIANA**  
**Notes to the Financial Statements**  
As of and for the Year Ended June 30, 1999

**INTRODUCTION**

The Village of Grand Cane, Louisiana was incorporated under the provisions of the Lawrason Act in 1939. The village is governed by the mayor-board of aldermen form of government. The mayor and three aldermen are elected and serve four-year terms that expire of December 31, 2002. There is also an elected village marshal. The Village has one sewer/street employee and a part time clerk. The Village is located in northwest Louisiana in DeSoto Parish.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. REPORTING ENTITY**

As the municipal governing authority, for reporting purposes, the Village of Grand Cane 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.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Village of Grand Cane for financial reporting purposes. The basic criterion for including a potential component unity within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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

As required by generally accepted accounting principles, these financial statements present the Village of Grand Cane (the primary government) and its component units. In prior years the Grand Cane Preservation District was considered a component unit of the Village. During this fiscal year the district was reorganized as an advisory board and the remaining monies transferred to the Village accounts. The expenses incurred for historical development are now part of the general fund.

**B. FUND ACCOUNTING**

The Village uses funds and account groups to report on it 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.

**VILLAGE OF GRAND CANE, LOUISIANA**  
**Notes to the Financial Statements**  
As of and for the Year Ended June 30, 1999

**B. FUND ACCOUNTING (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 not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of a municipality are classified into three categories: governmental, proprietary, and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type used by the village at this time are described as follows:

**Governmental Funds.** Governmental funds are used to account for all or most of the village's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition or construction of general fixed assets.

1. General Fund--the general operating fund of the municipality and accounts for all financial resources, except those required to be accounted for in other funds.
2. Special revenue funds--account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. Capital Projects Fund--Account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

**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:

1. Enterprise funds--account for operations (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other 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:

**VILLAGE OF GRAND CANE, LOUISIANA**  
**Notes to the Financial Statements**  
As of and for the Year Ended June 30, 1999

**C. BASIS OF ACCOUNTING (Continued)**

**Revenues.** Franchise taxes and intergovernmental revenues are recorded when the village is entitled to the funds. The state tobacco tax is received quarterly. Interest income on demand and time 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.

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

**Other Financing Sources (Uses).** Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses). These transactions are recorded at the time of receipt or payment.

All proprietary funds are 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 all liabilities associated with the operation of these funds are included on the balance sheet. The proprietary funds use the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized at the time liabilities are incurred.

**D. BUDGETS**

The primary government municipality uses the following budget practices:

A preliminary budget for the ensuing year is prepared by the clerk and the mayor in May. The proposed budget is reviewed by the mayor and the board of aldermen and made available to the public. The budget is then adopted during the regular June meeting. The proposed budget for the General Fund is prepared on the cash basis of accounting. The budget is established and controlled by the mayor and the 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. All changes in the budget must be approved by the mayor and the board of aldermen. The village does not use encumbrance accounting in its accounting system.

**E. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and other investments with original maturities of 90 days or less. Under state law, the village may deposit funds in demand deposits, interest bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**VILLAGE OF GRAND CANE, LOUISIANA**  
**Notes to the Financial Statements**  
As of and for the Year Ended June 30, 1999

**F. 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. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All purchased fixed assets are valued at cost where historical costs are available and estimated cost where no historical records are available. Approximately 8 per cent of fixed assets are valued at estimated historical costs based on the actual costs of like items, while the remaining 92 percent are based on actual historical costs.

Depreciation of all exhaustible fixed assets used by sewer fund operations is charged as an expense against operations. Depreciation is computed on the equipment using the straight-line method over five years.

**G. SALES TAX**

A one percent sales and use tax was levied in the Village beginning January, 1997. The tax is to be used for constructing, improving and maintaining public roads, streets and bridges in the village

**H. INTERFUND TRANSACTIONS**

All interfund transactions are reported as operating transfers.

**I. TOTAL COLUMN ON THE BALANCE SHEET**

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 operation, 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.

**2. CASH AND CASH EQUIVALENTS**

At June 30, 1999, the village has cash (book balances) totaling \$172,964, with \$172,939 in demand deposits and \$25 in cash.

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. 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.

**VILLAGE OF GRAND CANE, LOUISIANA**  
**Notes to the Financial Statements**  
As of and for the Year Ended June 30, 1999

**2. CASH AND CASH EQUIVALENTS (Continued)**

At June 30, 1999, the primary government has \$175,989 in deposits (bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance. The remaining balance is secured by pledged securities held by the custodial bank in the name of the Village (GASB Category 2) with a market value of \$100,000.

**3. LEVIED TAXES**

The Village levies taxes on real and business personal property located within the boundaries of Village limits. Property taxes are levied by the Village on property values assessed by the DeSoto Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

Property Tax Calendar:

Assessment date	January 1, 1997
Levy date	June 30, 1997
Tax bills mailed	October 15, 1997
Total taxes are due	December 31, 1997
Penalties & interest added	January 31, 1998
Tax sale	May 15, 1998

The village is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or, in the aggregate for all purposes 25% of the assessed valuation for the payment of principal and interest on long-term debt after the approval by the voters of the Village. Property taxes are recorded as revenues in the year assessed. No receivable is recorded at June 30, for all taxes are considered paid at the time of the tax sale.

The following is a summary of authorized and levied ad valorem taxes (tax rate per \$1,000 assessed value)

Village taxes:	Authorized Millage	Levied Millage	Expiration Date
General	6.00	6.04	Indefinite
Sewer system	5.00	5.01	2007
Sewer/Streets	5.00	5.01	2006
Sewer/Streets	5.40	5.40	2007

The difference between authorized and levied millages is the result of reassessments of taxable property within the parish as required by Louisiana Constitution Art. VII, Section 18(F). This revaluation all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 1996. Total assessed value was \$663,962 in 1998.

**VILLAGE OF GRAND CANE, LOUISIANA**  
**Notes to the Financial Statements**  
As of and for the Year Ended June 30, 1999

**3. LEVIED TAXES (Continued)**

Total ad valorem tax revenues recognized by the Village were \$14,228 for the year ended June 30, 1999. The following are the principal taxpayers for the village and their 1998 assessed valuations:

Taxpayer	Type of Business	1998 Assessed Valuation	Percentage of Total Assessed Valuation
Neosho Construction	Road Construction	\$259,540	39.09%
Central La. Electric Co.	Utility	98,130	14.78%
South Central Bell	Utility	69,700	10.50%
Hibernia National Bank	Financial Institution	22,370	3.37%
United Post Office Investment	Real Estate Investment	9,740	1.47%
Calvin T. Jones	Real Estate Investment	9,200	1.39%
Louisiana Gas Service	Utility	8,660	1.30%
Jay & Debbie Kay's, Inc.	Restaurant	8,170	1.23%
Primestar, Inc.	Utility	8,090	1.22%
Martha J. Rogers.	Real Estate Investment	7,350	1.11%
		<u>\$502,948</u>	<u>36.36%</u>

**4. RECEIVABLES**

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

	General Fund	Sewer Fund
Sales and use tax	\$ 1,899	\$
Sewer fees		2,392
Total	<u>\$ 1,899</u>	<u>\$ 2,392</u>

Substantially all receivables are considered to be fully collectible, and no allowance for uncollectibles is used.

**VILLAGE OF GRAND CANE, LOUISIANA**  
**Notes to the Financial Statements**  
As of and for the Year Ended June 30, 1999

**5. FIXED ASSETS**

The changes in general fixed assets follow:

	Balance 7/1/98	Additions	Disposals	Balance 6/30/99
Land and Buildings	\$54,315	5,395	-	59,710
Furniture & equipment	11,648	-	-	11,648
Total	<u>\$65,963</u>	5,395	0	<u>71,358</u>

**6. PENSION PLAN**

The employees of the village are members of the Social Security System. In addition to the employee contributions withheld at 7.65% of gross salary, the village contributes an equal amount to the Social Security System. The village does not guarantee the benefits granted by the Social Security System.

**7. ACCOUNTS PAYABLE**

The following is a summary of payables at June 30, 1999:

	General	Sewer
Accounts	\$ 1,023	\$ 1,258
Accrued payroll taxes	67	454
Total	<u>\$ 1,090</u>	<u>\$ 1,712</u>

**8. INTERFUND ASSETS/LIABILITIES**

Due from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Sewer Fund	\$ 59

**9. LITIGATION AND CLAIMS**

The village is not involved in any litigation at June 30, 1999, nor is it aware of any unasserted claims.

**VILLAGE OF GRAND CANE, LOUISIANA**  
**Notes to the Financial Statements**  
As of and for the Year Ended June 30, 1999

**10. PER DIEM/REIMBURSEMENTS TO MAYOR AND BOARD OF ALDERMEN**

Per diem or reimbursements paid to the Mayor and Board of Aldermen for the year ended June 30, 1999 is as follows:

Honorable Linda Brown, Mayor	\$	165
Honorable E. E. Crocker, Mayor		195
Donna Crocker		130
Billy Franklin		120
Shelton Farmer		65

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

Mayor and Board of Aldermen  
Village of Grand Cane  
Grand Cane, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed upon by the management of Village of Grand Cane and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Village of Grand Cane'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 the 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 \$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).

A review was made of the disbursement journal for the year. That review did not disclose any expenditures in the above parameters.

#### 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.

The Board provided me with the required list including the noted information.

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

Management provided me with the required list.

4. Determine whether any of the employees included in the listing obtained from management in procedure number 3 above were also included in the listing obtained from management in procedure number 2 above as immediate family members.

None of the employees included on the list of employees provided by management in agreed-upon procedure No. 3 appeared on the list provided by the Board in agreed-upon procedure No. 2.

## **Budgeting**

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

Management provided me with a copy of the original budgets. The budget was amended twice during the year.

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

I traced the adoption of the original budget to the minutes of a special meeting held on June 29, 1998, which indicated that the budget had been adopted by the Board of Aldermen of the Village of Grand Cane by a vote of 3 in favor and 0 opposed. The budget was amended at a meeting held December 1, 1998 and June 1, 1999.

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 final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%, except for that the capital outlays in the general fund exceeded the budget by 17%. This was caused by an error in posting the expenses associated with a grant against the grant revenue.

**BOARD RESPONSE:** Diligence is taken in the keeping of the town's books. Errors may occur, but we will continue to monitor the budget carefully.

## **Accounting and Reporting**

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

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

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

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

The payments were found to be coded to the correct fund and general ledger accounts.

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

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the mayor and the village clerk.

## 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 open meetings law)

Village of Grand Cane is only required to post a notice of each meeting and the accompanying agenda on the door of the district's meeting place. Management has asserted that such documents were properly posted, and I noted the posted agendas on several occasions when I visited the Village Hall.

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

## Advances and 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 district for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

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 Village of Grand Cane 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.

*Deborah A. Dees, CPA*

Mansfield, Louisiana  
November 11, 1999

## LOUISIANA ATTESTATION QUESTIONNAIRE

Deborah D. Dees, CPA  
122 Jefferson Street  
Mansfield, LA 71052

In connection with your compilation of our financial statements as of June 30, 1999 and for the period 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 regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of August 1, 1999.

### 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 39:43.

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 47:1410:60.

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.

L. L. Coche, Mayor August 1, 1999

Lorraine M. Brummett, Clerk August 1, 1999

**DATA COLLECTION FORM**  
**FOR REPORTING ON AUDITS OF STATE AND LOCAL GOVERNMENT AND QUASIPUBLIC ENTITIES**

OMB Form 0348-0057 may be used as a substitute for this form.

Date Submitted 11/11/99

RETURN to: Legislative Auditor  
Attn: Engagement Processing  
Post Office Box 94397  
Baton Rouge, Louisiana 70804-9397

1. Fiscal Year Ending Date For This Submission:

6/30/99

3. Audit Period Covered

Annual  Biennial  
 Other \_\_\_\_\_ to \_\_\_\_\_

2. Type of Report:

Single Audit  GAO Audit Standards Audit  
 Compilation  Compilation/Attestation  
 Program Audit  Other

4. AUDITEE INFORMATION

Auditee Name  
Village of Grand Cane

Street Address (Number and Street)

Mailing Address (PO No.)

P.O. Box 82

City State Zip  
Grand Cane LA 71032

Auditee Contact

Name Title  
E.E. Crocker Mayor

Telephone Fax  
318-872-3251  
Email (Optional)

5. AUDITOR INFORMATION

Firm Name  
Deborah D. Dees, CPA

b. Street Address (Number and Street)

122 Jefferson St.

Mailing Address (PO No.)

City State Zip  
Mansfield LA 71052

c. Auditor Contact

Name Title  
Deborah D. Dees

Telephone Fax  
318-872-3007 318-872-1357  
Email (Optional)

Component Units Included Within the Report and for Which No Separate Report Will Be Issued:

None

If there are no modifications to the auditor's financial opinion, no reportable conditions, no material weaknesses, no reported instances of noncompliance, and no management letter, check this box; do not complete the rest of the form.

6. FINANCIAL STATEMENTS

a. Type of audit report on financial statements.  Not Applicable  
 Unqualified Opinion  Qualified Opinion  Adverse Opinion  Disclaimer of Opinion  
b. Is a 'going concern' explanatory paragraph included in the audit report?  Yes  No  
c. Do any of the funds have deficit fund balances?  Yes  No  
d. Is there a related party footnote?  Yes  No

7. INTERNAL CONTROL

Do the comments on internal control include:  material weaknesses  reportable conditions  not applicable

8. COMPLIANCE

Do the comments on compliance include:  illegal acts  fraud/criminal acts  not applicable

9. MANAGEMENT LETTER (Finding Caption and No.)

Budget 7 page 18

Resolved  Yes  No  No Longer Applicable  
Resolved  Yes  No  No Longer Applicable  
Resolved  Yes  No  No Longer Applicable

10. SCHEDULE OF CURRENT YEAR FINDINGS/QUESTIONED COSTS (Finding Caption and No.)

\$ _____	Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
\$ _____	Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
\$ _____	Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
\$ _____	Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
\$ _____	Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
\$ _____	Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable

Do any findings address nepotism, ethics violations or related party transactions?  Yes  No  
Do any findings address violation of bond indenture covenants?  Yes  No

11. SCHEDULE OF PRIOR YEAR FINDINGS/QUESTIONED COSTS (Finding Caption and No.)

Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable

AUDITEE SIGNATURE

E.E. Crocker

Date 11-11-99