

DEAN AND DEAN

CERTIFIED PUBLIC ACCOUNTANTS

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Donald A. Dean, CPA  
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ACCOUNTANTS' COMPILATION REPORT

October 14, 1996

Mayor and Board of Aldermen  
Town of Springfield, Louisiana

We have compiled the accompanying general purpose financial statements of the Town of Springfield, Louisiana, as of and for the year ended June 30, 1996, as listed in the foregoing table of contents, in accordance with standards established 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. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Respectfully submitted,



Dean and Dean, CPA's

TOWN OF SPRINGFIELD, LOUISIANA  
 General Purpose Financial Statements  
 and Accountants' Compilation Report  
 As of and For the Year Ended June 30, 1996

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TOWN OF SPRINGFIELD, LOUISIANA  
Notes to the Financial Statement  
As of and for the Year Ended June 30, 1996

Vacation and Sick Leave

Employees of the Town earn from 10 to 15 days of vacation leave each year, depending on length of service. Vacation leave must be used in the year earned. There is no formal policy on sick leave. Sick leave is approved by the Town based on need. There are no accumulated and vested benefits relating to vacation or sick leave.

Total Columns on Statements

The total columns on the 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 or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

C. CASH AND CASH EQUIVALENTS

At June 30, 1996, the Town had cash and cash equivalents (book balances) totaling \$86,603, as follows:

	<u>1996</u>
Demand deposits	\$ 44,290
Money market accounts	<u>42,313</u>
Total	<u>\$ 86,603</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. At June 30, 1996, the Town had \$89,662, in deposits (collected bank balances). These deposits were totally secured from risk by federal deposit insurance.

TOWN OF SPRINGFIELD  
 COMBINED BALANCE SHEET  
 ALL FUND TYPES AND ACCOUNT GROUPS  
 JUNE 30, 1996

Statement A

	Governmental Fund Type <u>General Fund</u>	Account Groups <u>General Fixed Assets</u>	Totals (Memorandum only) <u>                    </u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 86,603	\$ -0-	\$ 86,603
Taxes receivable	30,942		30,942
Furniture and equipment		99,628	99,628
<b>TOTAL ASSETS</b>	<b><u>\$ 117,545</u></b>	<b><u>\$ 99,628</u></b>	<b><u>\$ 217,173</u></b>
<b>LIABILITIES AND FUND EQUITY</b>			
<u>Liabilities</u>			
Accounts payable	\$ 6,987	\$ -0-	\$ 6,987
Unearned Grants	-0-		-0-
<b>Total Liabilities</b>	<b><u>6,987</u></b>	<b><u>-0-</u></b>	<b><u>6,987</u></b>
<u>Fund Equity</u>			
Investment in general fixed assets		99,628	99,628
Fund balance: Unreserved-undesignated	<u>110,558</u>		<u>110,558</u>
<b>Total Fund Equity</b>	<b><u>110,558</u></b>	<b><u>99,628</u></b>	<b><u>210,186</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$ 117,545</u></b>	<b><u>\$ 99,628</u></b>	<b><u>\$ 217,173</u></b>

See Accompanying Notes and Accountants' Compilation Report

TOWN OF SPRINGFIELD  
 STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES -  
 GOVERNMENTAL FUND TYPE - GENERAL FUND  
 FOR THE YEARS ENDED JUNE 30, 1996

Statement B

REVENUES

Sales taxes	\$ 126,509
Other taxes	34,325
Licenses and permits	25,280
Fines and forfeitures	21,105
Grants	42,437
Other	13,118
	<hr/>
Total Revenues	262,774
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EXPENDITURES

General government	81,221
Public safety	65,637
Streets	66,271
Solid waste	11,055
Capital expenditures	6,785
	<hr/>
Total Expenditures	230,969
	<hr/>

EXCESS OF REVENUES OVER EXPENDITURES	31,805
FUND BALANCE AT BEGINNING OF YEAR	<hr/> 78,753
FUND BALANCE AT END OF YEAR	<hr/> <u>\$ 110,558</u>

See Accompanying Notes and Accountants' Compilation Report

TOWN OF SPRINGFIELD  
 COMBINED STATEMENT OF REVENUES,  
 EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 BUDGET (GAAP BASIS) AND ACTUAL  
 ALL GOVERNMENTAL FUND TYPES - GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 1996

Statement C

	Budget	Actual	Variance- Favorable (Unfavorable)
<b><u>REVENUES</u></b>			
Sales taxes	\$ 125,000	\$ 126,509	\$ 1,509
Other taxes	32,000	34,325	2,325
Licenses and permits	25,000	25,280	280
Fines and forfeitures	25,000	21,105	(3,895)
Grants	48,000	42,437	(5,563)
Other	10,020	13,118	3,098
Total Revenues	<u>265,020</u>	<u>262,774</u>	<u>(2,246)</u>
<b><u>EXPENDITURES</u></b>			
General government	85,020	81,221	3,799
Public safety	79,000	65,637	13,363
Streets	87,000	66,271	20,729
Solid waste	35,000	11,055	23,945
Capital expenditures	7,000	6,785	215
Total Expenditures	<u>293,020</u>	<u>230,969</u>	<u>62,051</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	(28,000)	31,805	59,805
FUND BALANCE AT BEGINNING OF YEAR	<u>78,753</u>	<u>78,753</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 50,753</u>	<u>\$ 110,558</u>	<u>\$ 59,805</u>

See Accompanying Notes and Accountants' Compilation Report

TOWN OF SPRINGFIELD, LOUISIANA  
Notes to the Financial Statements  
As of and for the Year Ended June 30, 1996

A. THE TOWN

The Town of Springfield (the Town) was incorporated in 1838, under a special charter. The Town operates under a Mayor-Board of Aldermen form of government. The Mayor and five Aldermen are elected to four year terms. The Town provides the following services as authorized by its charter: public safety (police), highways and streets, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the Town of Springfield, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

For financial reporting purposes, in conformance with Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification), the Town of Springfield includes all funds, account groups, activities, et cetera, that are controlled by the Town's Mayor and Board of Aldermen. Control by the Town was determined on the basis of budget adoption, taxing authority, authority to issue debt, election and appointment of governing body and other general oversight responsibility.

Fund Accounting

The Town 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 relating to certain government functions or activities.

TOWN OF SPRINGFIELD, LOUISIANA  
Notes to the Financial Statements  
As of and for the Year Ended June 30, 1996

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

Funds of the Town are classified as governmental funds. Governmental funds account for the Town's general activities.

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Town and accounts for the operation of the Town's office. The Town's principal source of revenue, sales taxes, is accounted for in this fund. General operating expenditures are paid from this fund. This is the only fund of the Town.

#### Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is 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. The operating statement of the General Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

#### Revenues

Sales taxes, licenses, franchise taxes, beer taxes, tobacco taxes, and video poker taxes are recorded in the year in which they are collected or become collectable. Revenue from restricted grants is recorded as the funds from the grant are expended. Interest income on time deposits is recorded when earned and available. Other revenues are recorded when received.

#### Expenditures

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



TOWN OF SPRINGFIELD, LOUISIANA  
Notes to the Financial Statement  
As of and for the Year Ended June 30, 1996

Budget

The Town prepares a budget at the beginning of each year based upon prior year expenditures and anticipated revenues for the budget year. The proposed budget is prepared on a modified accrual basis of accounting and is made available for public inspection no later than 15 days prior to the beginning of the budgeted year. The budget was formally adopted on June 21, 1995. All appropriations lapse at year end.

Formal budget integration (within the accounting system) is not employed as a management control device. During the fiscal year, actual revenues and expenditures are compared to budgeted revenues and expenditures by the Mayor and Board of Aldermen. If actual revenues are falling short of budgeted revenues by five per cent or more or if actual expenditures to date plus projected expenditures for the remainder of the year exceed the budgeted expenditures by five per cent or more, the original budget is amended by the Mayor and Board of Aldermen. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. The Mayor and Board of Aldermen are responsible for adopting and amending the budget.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits. Under state law, the Town 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.

Fixed Assets

Fixed assets used in governmental fund operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the governmental funds. Fixed assets are valued at historical cost. No depreciation has been provided on fixed assets. The account group is not a fund. It is concerned only with the measurement of financial position and does not involve measurement of results of operations.

TOWN OF SPRINGFIELD, LOUISIANA  
Notes to the Financial Statements  
As of and for the year Ended June 30, 1996

E. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets (office furnishings and equipment) for the years ended June 30, 1996, is as follows:

	<u>1996</u>
Beginning Balance	\$ 93,443
Additions	6,785
Deductions	<u>(600)</u>
Ending Balance	<u>\$ 99,628</u>

F. PENSION PLAN

All employees of the Town's police department are members of the Louisiana Municipal Police Employees Retirement System ("System"), a multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees.

All full-time police officers, employed in a municipality in the State of Louisiana, engaged in law enforcement, and empowered to make arrests are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 per cent of their final-average salary for each year of credited service, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of credited service stated above and do not withdraw their employee contributions may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, LA 70809-2250, or by calling (504) 929-7411.

TOWN OF SPRINGFIELD, LOUISIANA  
Notes to the Financial Statements  
As of and for the Year Ended June 30, 1996

Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Town of Springfield is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the Town of Springfield are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Springfield contributions to the System for the years ending June 30, 1996, 1995, and 1994, were \$4,084, \$4,412, and \$4,777, respectively, equal to the required contributions for each year.

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CERTIFIED PUBLIC ACCOUNTANTS

Donald A. Dean, CPA  
David P. Dean, CPA

ACCOUNTANTS' REPORT ON SUPPLEMENTAL INFORMATION

October 14, 1996

Mayor and Board of Aldermen  
Town of Springfield, Louisiana

Our report on our compilation of the general purpose financial statements of the Town of Springfield, Louisiana for the year ended June 30, 1996 appears on Page 1. A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the financial statements and, accordingly, do not express an opinion or any other form of assurance on them. The information included in the accompanying supplemental schedules is presented only for supplementary analysis purposes. Such information has been compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

Respectfully submitted,



Dean and Dean, CPA's

SUPPLEMENTAL INFORMATION

TOWN OF SPRINGFIELD, LOUISIANA  
Schedule of Compensation Paid to Mayor  
and Board of Aldermen  
For the Year Ended June 30, 1996

Charles Martin, Mayor P. O. Box 421 Springfield, LA 70462 (504) 294-5491	\$ 4,800
Thomas Abels, Alderman P. O. Box 436 Springfield, LA 70462 (504) 294-3959	450
Marsha Sherburne, Alderman 25564 McCarroll Rd. Springfield, LA 70462 (504) 294-5139	600
Lynette Farrill, Alderman P. O. Box 304 Springfield, LA 70462 (504) 294-5050	325
Tracy Savoy, Alderman P. O. Box 348 Springfield, LA 70462 (504) 294-3181	700
Gary Pigott, Alderman P. O. Box 187 Springfield, LA 70462 (504) 294-4122	650
	<hr/>
	<u>\$ 7,525</u>

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David P. Dean, CPA

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING  
AGREED-UPON PROCEDURES

October 14, 1996

Mayor and Board of Aldermen  
Town of Springfield, 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 Springfield, Louisiana, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Town of Springfield's compliance with certain laws and regulations during the year ended June 30, 1996 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 \$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).

There were no expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000.

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.

Mayor and Board of Aldermen  
October 14, 1996

This report is intended solely for the use of management of the Town of Springfield 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.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Dean and Dean", written over a horizontal line.

Dean and Dean, CPAs



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TOWN OF SPRINGFIELD, LOUISIANA

General Purpose Financial Statements,  
Accountants' Compilation Report, Supplemental Information and  
Independent Accountants' Report on Applying Agreed-Upon Procedures

For the Year Ended June 30, 1996

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 JAN 22 1997

DEAN AND DEAN

CERTIFIED PUBLIC ACCOUNTANTS

Mayor and Board of Aldermen  
October 14, 1996

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 appeared on the list of immediate family members provided by management.

#### 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 and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on June 21, 1995 which indicated that the budget had been adopted by the members of the board by a 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 or expenditures exceed budgeted amounts by more than 5%.

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 the 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 of the payments were properly coded to the correct fund and general ledger account.