

RECEIVED
LEGISLATIVE AUDITOR

04 JUN 30 AM 11:40

Town of Benton
Benton, Louisiana

General Purpose Financial Statements

As of and for the Year Ended December 31, 2003

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the entity and other appropriate public officials. This 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 7-21-04

Town of Benton
Benton, Louisiana

Table of Contents

| | <u>Page</u> <u>Number</u> |
|---|------------------------------|
| Independent Auditors' Report | 1 - 2 |
| General Purpose Financial Statements: | |
| Combined Balance Sheet All Fund Types and Account Groups | 3 - 4 |
| Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – All Governmental Fund Types | 5 |
| Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (BMAP Series) and Actual – General, Special Revenues, Debt Service, and Capital Projects Fund Types | 6 - 7 |
| Combined Statement of Revenues, Expenses, and Changes in Retained Earnings – All Proprietary Fund Types | 8 |
| Combined Statement of Cash Flows – All Proprietary Fund Types | 9 |
| Notes to Financial Statements | 10 - 30 |
| Supporting Schedules: | |
| Special Revenue Funds Combining Balance Sheet | 38 |
| Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances For the Year Ended December 31, 2023 | 39 |
| Schedule of Compensation Paid to Members of the Governing Body | 30 |

(Continued)

Town of Benton
Benton, Louisiana

Table of Contents
(Continued)

| | Page No. |
|---|-------------|
| Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards | 21 - 32 |
| Summary Schedule of Audit Findings For the Louisiana Legislative Auditor | 33 - 34 |

COOK & MOREBART

Chartered Public Accountants

1000 BAYVIEW AVENUE • BENTONVILLE, LOUISIANA 71202 • P.O. BOX 1004 • BENTONVILLE, LOUISIANA 71202

PLANNED ACCOUNTANT (PA)
A MEMBER FIRM OF THE
COOPERS & LYONDS (CLY)

TELEPHONE (800) 222-4641

FAX (800) 222-4646

INTERNET (WWW.CMPCPA)

© BENTONVILLE, LA
BENTONVILLE, LA

MEMBER
AMERICAN INSTITUTE
OF CERTIFIED ACCOUNTANTS

INSTITUTE OF JOURNALISM
AND PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report

Town of Benton
Benton, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Benton, Louisiana, as of and for the year ended December 31, 2003, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town of Benton's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material aspects, the financial position of the Town of Benton, as of December 31, 2003, and the results of its operations and the cash flows of its proprietary fund types for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2004, on our consideration of the Town of Benton's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying financial information listed as supporting schedules in the table of contents and shown on pages 28-38 is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Town of Benton. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.



Cook & Marshart
Certified Public Accountants
May 12, 2024

Towns of Monroe
Monroe, Louisiana
Conditional Business Sales - All Fund Types and Account Groups
December 31, 2003
(Continued)

| | Governmental Fund Types | | | Proprietary Fund Types | | | Account Groups | | | Total (Major/Minor) Fund) |
|--|-------------------------|-----------------|--------------|------------------------|--------------|----------|----------------|----------------|---------|---------------------------|
| | General | Special Revenue | Debt Service | Capital Projects | Enterprise | Internal | General Fund | Long-Term Debt | Special | |
| Utilities, Fund Equity and Other Credits (Utilities) | \$ 21,543 | \$ 508 | \$ - | \$ - | \$ 16,231 | \$ - | \$ - | \$ - | \$ - | \$ 38,282 |
| Accounts payable | 21,543 | | | | 16,231 | | | | | 38,282 |
| Salaries and payroll taxes payable | | | | | 25,800 | | | | | 25,800 |
| Payable for restricted funds - | | | | | 14,804 | | | | | 14,804 |
| Revenue funds - various municipalities | | | | | 14,804 | | | | | 14,804 |
| Account interest | | | | | 104,876 | | | | | 104,876 |
| Customers' deposits | | | | | 104,876 | | | | | 104,876 |
| Bonded obligations payable | | | | | 289,200 | | 289,200 | | | 289,200 |
| Revenue funds payable - long term | | | | | 165,800 | | | | | 165,800 |
| Total liabilities | | | | | 640,711 | | 289,200 | | | 930,211 |
| | \$ 48,186 | \$ 508 | \$ - | \$ - | \$ 143,637 | \$ - | \$ - | \$ - | \$ - | \$ 148,131 |
| Fund equity and other credits: | | | | | | | | | | |
| Fund-based capital | | | | | 143,637 | | 148,131 | | | 1,001,268 |
| Reserve in general fund assets | | | | | | | | | | |
| Retained earnings: | | | | | | | | | | |
| Revenue for revenue funds | | | | | 1,218,095 | | | | | 1,218,095 |
| Interest | | | | | 1,947,218 | | | | | 1,947,218 |
| Fund balances: | | | | | | | | | | |
| Revenue for debt service | | | 117,218 | 34,038 | | | | | | 151,256 |
| Interest, undeposited | | | | | | | | | | |
| Total fund equity | \$ 1,192,942 | \$ 508,408 | \$ 117,218 | \$ 34,038 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,852,606 |
| | \$ 1,192,942 | \$ 508,408 | \$ 117,218 | \$ 34,038 | \$ 4,301,306 | \$ - | \$ 1,481,261 | \$ - | \$ - | \$ 7,017,965 |
| Total liabilities, fund equity and other credits: | \$ 1,181,308 | \$ 508,606 | \$ 117,218 | \$ 34,038 | \$ 5,692,617 | \$ - | \$ 1,481,261 | \$ 289,200 | \$ - | \$ 7,206,030 |

The accompanying notes are an integral part of this statement.

Town of Benton
Benton, Louisiana
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
All Governmental Fund Types
For the Year Ended December 31, 2000

| Revenues: | General | Special Revenues | Debt Service | Capital Projects | Total (Memorandum Only) |
|--|-------------------|---------------------|-------------------|---------------------|-------------------------------|
| Taxes: | | | | | |
| Ad valorem | \$ 86,000 | | | | \$ 86,000 |
| Franchise | 41,517 | | | | 41,517 |
| Sales | 238,528 | 225,888 | | | 464,416 |
| Gaming | 80,199 | | | | 80,199 |
| Licenses and permits | 181,590 | | | | 181,590 |
| Fees and forfeits | 151,254 | | | | 151,254 |
| Water | 41,615 | | | 1,800 | 43,415 |
| Interest income | 2,708 | 1,589 | 200 | 83 | 4,580 |
| Total revenues | <u>784,430</u> | <u>227,477</u> | <u>200</u> | <u>1,883</u> | <u>1,013,989</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| General/government | 367,190 | | | | 367,190 |
| Public safety: | | | | | |
| Police | 318,517 | | | | 318,517 |
| Capital outlay | 78,388 | | | | 78,388 |
| Debt service: | | | | | |
| Principal retirement | | | 33,000 | | 33,000 |
| Interest and fiscal charges | | | 8,498 | | 8,498 |
| Total expenditures | <u>754,693</u> | | <u>41,498</u> | | <u>796,191</u> |
| Excess of revenues over funded expenditures | <u>29,737</u> | <u>271,977</u> | <u>(41,298)</u> | <u>1,883</u> | <u>209,419</u> |
| Other financing sources (used): | | | | | |
| Operating transfers in | 208,890 | | 57,420 | | 266,310 |
| Operating transfers out | (8,863) | (281,252) | | | (290,115) |
| Total other financing sources (used) | <u>199,999</u> | <u>(281,252)</u> | <u>57,420</u> | | <u>(23,833)</u> |
| Excess of revenues and other sources over (under) expenditures and other uses | <u>129,273</u> | <u>(3,275)</u> | <u>18,217</u> | <u>1,883</u> | <u>145,918</u> |
| Fund balances, beginning of year, as restated | <u>812,270</u> | <u>509,942</u> | <u>110,889</u> | <u>21,488</u> | <u>1,454,589</u> |
| Fund balances at end of year | <u>\$ 941,543</u> | <u>\$ 506,667</u> | <u>\$ 129,106</u> | <u>\$ 23,371</u> | <u>\$ 1,600,687</u> |

The accompanying notes are an integral part of this statement.

Town of Benton
Benton, Louisiana
Consolidated Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual - General, Special Revenue, Debt Service, and Capital Projects Fund Types
For the Year Ended December 31, 2003

| | General Fund | | | Special Revenue Fund Types | | |
|--|------------------|----------------|-----------------------|----------------------------|------------------|-----------------------|
| | Budget | Actual | Variance Favorable | Budget | Actual | Variance Favorable |
| Revenues: | | | | | | |
| Taxes | | | | | | |
| All values | \$ 75,000 | \$ 66,001 | \$ 9,000 | \$ | \$ | \$ |
| Franchise | 40,000 | 41,577 | 1,577 | | | |
| Sales | 200,000 | 230,000 | 30,000 | 200,000 | 228,000 | 28,000 |
| Sewer | 50,000 | 82,150 | 32,150 | | | |
| Licenses and permits | 157,000 | 161,000 | 4,000 | | | |
| Fees and heliads | 150,000 | 161,251 | 11,251 | | | |
| Other | 20,000 | 41,615 | 21,615 | | | |
| Interest income | 2,075 | 2,708 | 533 | 400 | 1,000 | 1,000 |
| Total revenues | 686,075 | 734,433 | 47,358 | 200,400 | 231,000 | 30,600 |
| Expenditures: | | | | | | |
| General government | 691,075 | 363,100 | 327,975 | 20 | | 20 |
| Public safety - | | | | | | |
| Police | 227,000 | 210,011 | 17,000 | | | |
| Capital outlay | | 75,000 | (75,000) | | | |
| Debt service | | | | | | |
| Principal retirement | | | | | | |
| Interest and fiscal charges | | | | | | |
| Total expenditures | 1,001,000 | 748,000 | 253,000 | 20 | | 20 |
| Excess of revenues over total expenditures | (314,925) | 36,433 | 341,392 | (20,000) | 29,100 | 36,817 |
| Other financing sources (used) | | | | | | |
| Operating transfers in | 150,000 | 200,000 | 50,000 | | | |
| Operating transfers out | (121,000) | (8,000) | 113,000 | (75,100) | (200,000) | (80,100) |
| Other financing sources (used) | 28,000 | 192,000 | 164,000 | (75,100) | (200,000) | (80,100) |
| Excess of revenues and other sources over (under) expenditures and other uses | (286,925) | 238,433 | 525,358 | (20,120) | (170,900) | (81,383) |
| Fund balances - January 1, 2003 as revised | 843,000 | 870,270 | 27,270 | | 105,040 | 105,040 |
| Fund balances - December 31, 2003 | \$ 556,075 | \$ 1,108,703 | \$ 552,628 | \$ 20,120 | \$ 90,140 | \$ 414,220 |

The accompanying notes are an integral part of this statement.

Continued

Town of Boston
 Boston, Massachusetts
 Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Budget (GAAP Basis) and Actual - General, Special Revenues, Debt Service, and Capital Projects Fund Types
 for the Year Ended September 30, 2003
 (Continued)

| | Debt Service Fund Type | | | Capital Projects Fund Type | | |
|---|------------------------|-------------------|--|----------------------------|------------------|--|
| | Budget | Actual | Variance- Favorable/ (Unfavorable) | Budget | Actual | Variance- Favorable/ (Unfavorable) |
| Revenues: | | | | | | |
| Taxes | | | | | | |
| Ad valorem | \$ | \$ | \$ | \$ | \$ | \$ |
| Franchise | | | | | | |
| Sales | | | | | | |
| Licenses and permits | | | | | | |
| Intergovernmental | | | | | | |
| Grants | | | | | | |
| Fees and tariffs | | | | | | |
| Other | | | | 1,800 | 1,800 | |
| Interest income | 290 | 261 | 43 | 75 | 82 | 7 |
| Total revenues | <u>290</u> | <u>261</u> | <u>43</u> | <u>1,875</u> | <u>1,882</u> | <u>7</u> |
| Expenditures: | | | | | | |
| General government | | | | | | |
| Public safety | | | | | | |
| Police | | | | | | |
| Capital outlay | | | | | | |
| Debt service | | | | | | |
| Principal retirement | 48,187 | 33,000 | 15,187 | | | |
| Interest and fiscal charges | 81,493 | 8,406 | 73,087 | | | |
| Total expenditures | <u>129,680</u> | <u>41,406</u> | <u>88,274</u> | | | |
| Excess of revenues over total expenditures | <u>161,810</u> | <u>81,208</u> | <u>80,602</u> | <u>1,875</u> | <u>1,882</u> | <u>7</u> |
| Other financing sources (uses): | | | | | | |
| Operating transfers in | 57,880 | 57,428 | 452 | | | |
| Operating transfers and other financing sources (uses) | <u>57,880</u> | <u>57,428</u> | <u>452</u> | | | |
| Excess of revenues and other sources over total expenditures and other uses | | 81,217 | 81,217 | 1,875 | 1,882 | 7 |
| fund balances - January 1, 2003 | | <u>78,880</u> | <u>110,000</u> | | <u>31,488</u> | <u>32,488</u> |
| fund balances - December 31, 2003 | \$ | \$ <u>157,218</u> | \$ <u>191,218</u> | \$ | \$ <u>34,880</u> | \$ <u>35,218</u> |

The accompanying notes are an integral part of this statement.

Town of Denton
 Texas, Louisiana
 Combined Statement of Revenue, Expenses, and Changes in Retained Earnings
 All Proprietary Fund Types
 For the Year Ended December 31, 2003

| | Enterprise |
|--|--------------|
| Operating revenues: | |
| Charges for service: | |
| Water sales | \$ 576,802 |
| Coverage service charges | 248,273 |
| Solid waste collection | 85,758 |
| Other charges and fees | 95,797 |
| Total operating revenues | 1,006,630 |
| Operating expenses: | |
| Salaries | 193,381 |
| Payroll taxes | 73,735 |
| Office expenses | 14,381 |
| Insurance | 13,900 |
| Professional Fees | 16,338 |
| Repairs and maintenance | 396,166 |
| Telephone | 13,363 |
| Utilities | 28,131 |
| Travel and training | 2,836 |
| Vehicle operations | 11,167 |
| Commercial loading | 72,075 |
| Miscellaneous | 11,089 |
| Supplies | 8,993 |
| Water purchases | 239,187 |
| Depreciation | 118,180 |
| Total operating expenses | 1,817,482 |
| Operating loss | (810,852) |
| Non-operating revenues (expenses): | |
| Transfers in | 12,898 |
| Interest income | 5,138 |
| Interest expense | (45,823) |
| Sales tax | 114,837 |
| Total non-operating revenues (expenses) | 87,050 |
| Net income | (723,802) |
| Depreciation transferred to contributions | 51,817 |
| Increase in retained earnings | 76,988 |
| Retained earnings - January 1, 2003, as restated | \$ 1,185,810 |
| Retained earnings - December 31, 2003 | \$ 1,262,796 |

The accompanying notes are an integral part of this statement.

Town of Benton
Benton, Louisiana
Combined Statement of Cash Flows
All Proprietary Fund Types
For the Year Ended December 31, 2003

| | Enterprise |
|--|---------------------|
| Cash flows from operating activities: | |
| Operating net income (loss) | \$ (82,442) |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: | |
| Cumulative effect of change in accounting principle for GASB, 20 | 16,887 |
| Depreciation | 176,789 |
| (Increase) decrease in accounts receivable | 13,875 |
| (Increase) decrease in taxes receivable | (2,414) |
| (Increase) decrease in accrued interest receivable | 888 |
| (Increase) decrease in other assets | (2,345) |
| Increase (decrease) in accounts payable | (3,871) |
| Increase (decrease) in due to other funds | (25,382) |
| Increase (decrease) in sales tax payable | 878 |
| Increase (decrease) in salaries and payroll taxes payable | 2,828 |
| Increase (decrease) in customers' deposits | 12,111 |
| | 35,898 |
| Net cash provided by operating activities | 35,898 |
| Cash flows from non-capital financing activities: | |
| Sales tax collections | 114,923 |
| | 114,923 |
| Cash flows from capital and related financing activities: | |
| Principal paid on revenue bonds | (25,080) |
| Interest paid on revenue bonds | (45,823) |
| Fiscal agent additions | 8,260) |
| | (72,643) |
| Net cash used for capital and related financing activities | (72,643) |
| Cash flows from investing activities: | |
| Transfer in | 12,886 |
| Interest income | 8,186 |
| | 21,072 |
| Net cash provided from investing activities | 21,072 |
| Net increase in cash and cash equivalents | 84,327 |
| Cash and cash equivalents - January 1, 2003 | 2,478,530 |
| Cash and cash equivalents - December 31, 2003 | \$ 2,562,857 |

The accompanying notes are an integral part of this statement.

Town of Bertrac
Bertrac, Louisiana
Notes to Financial Statements
December 31, 2022

(ii) **Summary of Significant Accounting Policies**

The Town of Bertrac is incorporated under the provisions of the Louisiana Act. The Town operates under a Mayor-Board of Aldermen form of government.

A. Basis of Presentation

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

B. Reporting Entity

As the municipal governing authority, for reporting purposes, the Town of Bertrac is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (Town of Bertrac), (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 Statement No. 34 established criteria for determining which component units should be considered part of the Town of Bertrac for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Town 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 Town.
2. Organizations for which the Town does not appoint a voting majority but are fiscally dependent on the Town.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

As required by generally accepted accounting principles, these financial statements present the Town of Bertrac and its component unit. The component unit included in the accompanying financial statements is blended with the Town's funds.

(Continued)

Town of Sentez
Bossier, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

Blended Component Unit

Component units that are legally separate from the Town but are so intertwined with the Town that they are, in substance, the same as the Town are blended component units. For a component unit to be blended, the organization's board and the Town must be substantively the same, or the organization must provide services entirely or almost entirely to the Town. The following component unit is reported as part of the Town and blended with the appropriate Town funds:

Metropolitan Planning Commission

The Metropolitan Planning Commission is responsible for the orderly physical development of the Town and the surrounding planning area. The Commission makes recommendations to the Board of Aldermen and the Parish Police Jury. The Metropolitan Planning Commission consists of five members with two appointed by the Town of Sentez, two appointed by the Greater Parish Police Jury, and one member is elected by joint action of the governing authorities. Although the Commission is legally separate, the Town acts as its fiscal agent and has the ability to modify and approve its budget. Separate financial statements are not issued as the Commission since its revenues and expenditures have been historically included as part of the General Fund within the Town's financial statements. Since the Commission provides services almost entirely to the Town and due to the significance of the fiscal dependency relationship, it has been blended with the Town's financial statements.

C. 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. 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 available financial resources. Funds of the Town are classified into two categories: governmental and proprietary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds

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

(Continued)

Town of Benton
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

General Fund – the general operating fund of the Town and accounts for all financial resources except those required to be accounted for in other funds.

Special Revenue Funds – account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Funds – account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term debt account group.

Capital Projects Funds – This fund accounts 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:

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.

The account groups of the town are described as follows:

General Fixed Assets Account Group

The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for stated purposes. No depreciation is recorded on general fixed assets.

General Long-Term Debt Account Group

The General Long-Term Debt Account Group is used to account for long-term liabilities to be financed from government funds.

(Continued)

Town of Benton
Benton, Louisiana
Notes to Financial Statements
December 31, 2022
(Continued)

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities 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 governmental fund types. Under the modified accrual basis, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within 90 days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, interest revenue, and charges for services. Sales taxes collected and held by the collecting government at year-end on behalf of the Town also are recognized as revenue. Fines and permit revenues are not susceptible to accrual because generally they are not measurable until received as cash.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and 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.

E. Budget and Budgetary Accounting

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

1. The Mayor prepares a proposed budget and submits same to Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget after publication of the call for the hearing.

(Continued)

Town of Benton
Benton, Louisiana
Notes to Financial Statements
December 31, 2013
(Continued)

4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another, or involving increases in expenditures resulting from revenues exceeding amounts estimated, require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts in the accompanying statements are as originally adopted, or as amended by the Board of Aldermen.

F. 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 and those investments with original maturities of 90 days or less. 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 or any other state of the United States, or under the laws of the United States.

Under state law, the Town of Benton, Louisiana may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

G. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

(Continued)

Town of Barton
Barton, Louisiana
Notes to Financial Statements
December 31, 2000
(Continued)

H. Fixed Assets

General Fixed Assets Account Group

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 ("infrastructure") general fixed assets are not capitalized along with other general fixed assets. No depreciation has been provided on such assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their estimated fair value on the date donated. Repairs and maintenance are recorded as expenditures; renewals and betterments are capitalized.

Proprietary Fund

Additions to the utility plant in service are recorded at cost or, if contributed property, at their estimated fair value at time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

| | |
|------------------------|---------------|
| Sewer and Water System | 15 - 40 years |
| Equipment | 5 - 10 years |

I. Compensated Absences

The Town's policy allows annual leave based upon years of service. Employees must use all annual leave during the year in which it is earned or within the next three succeeding calendar months. Unused annual leave accumulated by an employee at the time of termination (not to exceed the amount of leave the employee can earn in one year) shall be paid in a lump sum with the employee's final pay.

The Town's policy allows sick leave based upon time worked. Employees may carryover unused sick leave, but will not be paid for unused sick leave upon separation from employment.

(Continued)

Town of Benton
Benton, Louisiana
Notes to Financial Statements
December 31, 2022
(Continued)

J. Long-Term Obligations

Long-term obligations expected to be financed from governmental funds are reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due. Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

K. Fund Equity

Contributed Capital

Contributed capital is recorded in proprietary funds for capital grants restricted for the acquisition or construction of capital assets. Contributed capital is amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such resources. This depreciation is charged to the contributed capital account and is reflected as an adjustment to net income.

Reserves

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

L. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecursing or nonrecurring transfers of equity are reported as residual equity transfers. All other interfund transfers of the primary government are reported as operating transfers.

M. Sales Taxes

The General Fund and Special Revenue Fund accounts for the collection of a one cent sales and use tax each and the distribution of these taxes to other funds of the Town. Also, the enterprise fund accounts for a one-half cent sales and use tax dedicated for sewer system improvements and upkeep. For financial reporting purposes, sales taxes are recorded as revenue in the General, Special Revenue and Enterprise Funds net of collection expenses.

(Continued)

Town of Saratoga
Saratoga, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

In 1955, the voters approved the issuance of public improvement bonds and reallocated the proceeds from the original one-cent sales tax to pay any balance due to service the annual debt not covered by an additional one-cent sales tax approved in conjunction with the bonds. Any remaining proceeds are used to pay general operating expenses of the Town.

In 1958, an additional one-cent sales tax was approved by the voters. This revenue, net of expenses incurred in collecting the tax, is to be used for scheduled monthly payments to the Debt Service Fund for debt service requirements. The remaining amount, if any, is to be used for street and drainage improvements.

In 1959, a half-cent sales tax was approved by the voters for the purpose of paying for improvements to and the upkeep of the Sewer System within the Town.

In 1959 and effective January 1, 1959, the Town entered into an agreement with the City of Bossier City, Louisiana for the City of Bossier City, Louisiana to collect and distribute to the Town its two and one-half cent sales and one tax. The City of Bossier City, Louisiana charges 1% of the sales tax collected for these services.

R. Bad Debts

Uncollectible amounts due for ad valorem taxes, customer's utility receivables, and special assessments are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the collectibility of the particular receivable.

D. 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.

F. Statement of Cash Flows

For the purposes of the Statement of Cash Flows, the Enterprise Fund considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

(Continued)

Town of Benton
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

0. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

(2) Change in Accounting Principles and Restatement of Fund Equity

For 2003, the Town has implemented Governmental Accounting Standards Board (GASB) Statement No. 30, "Accounting and Financial Reporting for Nonexchange Transactions." The following discloses the restatement of fund balances as of the beginning of the fiscal year:

| | <u>General</u> | <u>Enterprise</u> | <u>Special Revenue</u> |
|---|-------------------|---------------------|------------------------|
| Fund balances, beginning of year, as previously stated | \$ 852,080 | \$ 3,171,710 | \$ 908,369 |
| Increase due to implementation of GASB No. 30, concerning recognition of sales taxes | <u>38,174</u> | <u>15,857</u> | <u>38,173</u> |
| Fund balances, beginning of year, as restated | <u>\$ 890,254</u> | <u>\$ 3,187,567</u> | <u>\$ 946,542</u> |

(3) Limited Taxes

Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. State law requires that the tax rolls be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31.

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> |
|--------------|-------------------------------|---------------------------|----------------------------|
| General Fund | 7.23 | 7.23 | N/A |
| Streets | 4.98 | 4.98 | 2008 |

(Continued)

Town of Benton
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

18 Cash and Cash Equivalents

The following is a summary of cash and cash equivalents book balances at December 31, 2003:

| | | |
|----------------------------------|----------|------------------|
| Fifty cash | 0 | 350 |
| Interest-bearing demand deposits | | 4,128 |
| Money market accounts | | 3,714,508 |
| Time deposits | | 581,798 |
| | | |
| Total | <u>0</u> | <u>4,380,686</u> |

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. 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 December 31, 2003, the Town had 54,266,164 in deposits (collected bank balances). These deposits are secured from risk by \$123,000 of federal deposit insurance and 54,046,164 of pledged securities held by the custodial bank in the name of the fiscal agent bank. The accounts are held at two different Louisiana banks.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1279 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

(Continued)

Town of Benton
 Benton, Louisiana
 Notes to Financial Statements
 December 31, 2003
 (Continued)

54 Fixed Assets

A summary of changes in general fixed assets for the year follows:

| | Balance January 1, 2003 | Additions | Deletions | Balance December 31, 2003 |
|-------------------------------|----------------------------|------------------|-------------|------------------------------|
| Land | \$ 187,182 | \$ 10,800 | \$ - | \$ 197,982 |
| Building | 616,511 | - | - | 616,511 |
| Equipment | <u>520,280</u> | <u>85,359</u> | <u>-</u> | <u>605,639</u> |
| Total general fixed assets | <u>\$ 1,323,973</u> | <u>\$ 96,159</u> | <u>\$ -</u> | <u>\$ 1,420,132</u> |

A summary of proprietary land type property, plant and equipment at December 31, 2003 follows:

| | Total |
|-------------------------------|---------------------|
| Transportation | \$ 82,202 |
| Water meters | 388,732 |
| Water lines | 1,394,072 |
| Sanwer system | 1,808,734 |
| Sanwer equipment | 381,238 |
| Solid waste disposal | 17,888 |
| Gilling system computer | 41,085 |
| Land | <u>28,080</u> |
| Total | <u>4,483,089</u> |
| Less accumulated depreciation | (3,404,857) |
| Net | <u>\$ 1,078,232</u> |

(Continued)

Town of Benton
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

(B) Pension Plans

Municipal Employees Retirement System of Louisiana (System) Employees of the Town (except for police employees) are members of The Municipal Employees Retirement System of Louisiana. The System is a cost-sharing, multiple-employer, defined benefit pension plan administered by a separate board of trustees. Pertinent information relative to the Plan follows:

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the municipality are members of Plan B.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System.

Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final-average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each year retirement precedes age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100 percent of final-average salary. Final-average salary is the employee's average salary over the 30 consecutive or joint months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended 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 Employees Retirement System of Louisiana, 7807 Office Park Boulevard, Baton Rouge, Louisiana 70808, or by calling (225) 875-4811.

Under Plan B, members are required by state statute to contribute 5.0 percent of their annual covered salary and the Town is required to contribute at an actuarially determined rate. The current rate was 6.26 percent of annual covered payroll for January through June, 2003, increasing to 7.75 percent effective July 1, 2003. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town are established and may be amended by state statute.

(Continued)

Town of Benton
Benton, Louisiana
Notes to Financial Statements
December 31, 2000
(Continued)

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 results of the valuation for the prior fiscal year. The Town contributions in the System under Plan B for the years ending December 31, 2000, 1999, and 1997 were 118,114, 112,001, and 110,733, respectively, equal to the required contributions for each year.

Municipal Police Employees Retirement System of Louisiana (System) Police employees of the Town are members of Municipal Police Employees' Retirement System of Louisiana. This is a statewide retirement system. This system is a cost-sharing, multiple-employer, defined benefit pension plan administered by a separate board of trustees. Pertinent information relative to the plan follows:

All full-time police department employees engaged in law enforcement 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 creditable 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 creditable service. 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 creditable 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, Louisiana 70809-2358, or by calling (225) 922-3411.

Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Town is required to contribute at an actuarially determined rate. The current rate was 9 percent for January through June, 2000, increasing to 10.25 percent effective July 1, 2000. The contribution requirements of plan members and the Town are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:102, 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 contributions in the System for the years ending December 31, 2000 and 1999 were 230,136 and 216,814, respectively, equal to the required contributions for each year.

(2) **Other Postemployment Benefits**

The Town provides no other postemployment benefits to its employees.

(Continued)

Town of Benton
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

08 Salaries and Payroll Taxes Payable

The following is a summary of salaries and payroll taxes payable at December 31, 2003:

| | General | Enterprise | Total |
|---------------|-----------|------------|-----------|
| Salaries | \$ 3,758 | \$ | \$ 3,758 |
| Accrued leave | 12,219 | 4,384 | 17,603 |
| Payroll taxes | 6,153 | | 6,153 |
| Total | \$ 21,832 | \$ 4,384 | \$ 26,456 |

09 Changes in General Long-Term Obligations

The following is a summary of the long-term obligation transactions for the year ended December 31, 2003:

| | General Obligation Bonds | Revenue Bonds | Total |
|---|--------------------------------|------------------|--------------|
| Obligations payable at January 1, 2003 | \$ 322,800 | \$ 828,800 | \$ 1,151,600 |
| Less principal payments year ended December 31, 2003 | (22,800) | (25,000) | (58,800) |
| Obligations payable at December 31, 2003 | \$ 295,800 | \$ 811,000 | \$ 1,108,000 |

Obligations payable at December 31, 2003 are comprised of the following individual issues:

General obligation bonds:

\$352,000 dated 07/01/02; due in annual installments of
\$22,800 - 148,000 through July 1, 2010; interest at 0.75
to 5.0%. The debt redemption is paid from the Debt
Service Fund.

\$ 295,800

(Continued)

Town of Benton
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

| | | |
|--|-------------------------|-------------------|
| Sales tax revenue bonds: | | |
| 1418,000 dated 2/1/88, due in annual installments of 170,000 - 438,000 through February 1, 2018; | interest at 4.5% to 7% | \$ 380,000 |
| Utilities revenue bonds: | | |
| 4808,000 dated 10/1/89, due in annual installments of 170,000 - 438,000 through October 1, 2024; | interest at 5.15% to 8% | <u>480,000</u> |
| Total revenue bonds | | <u>\$ 860,000</u> |

At December 31, 2003, the Town has accumulated \$121,215 in debt service funds for future debt requirements. The annual requirements to amortize all bonds outstanding at December 31, 2003, including interest of 147,587 for the General Obligation Bonds and 7589,105 for the Revenue Bonds follows:

| Year Ending December 31 | General Obligation | Revenue | Total |
|----------------------------|-----------------------|---------------------|---------------------|
| 2004 | \$ 48,107 | \$ 82,797 | \$ 130,904 |
| 2005 | 48,570 | 87,822 | 136,392 |
| 2006 | 48,570 | 71,868 | 120,438 |
| 2007 | 48,570 | 74,215 | 122,785 |
| 2008 | 52,370 | 72,896 | 125,266 |
| 2009 - 2013 | 108,870 | 358,893 | 467,763 |
| 2014 - 2018 | - | 386,442 | 386,442 |
| 2019 - 2023 | - | 323,879 | 323,879 |
| 2024 - 2028 | - | 32,461 | 32,461 |
| | <u>\$ 348,587</u> | <u>\$ 1,318,105</u> | <u>\$ 1,666,702</u> |

General obligation bonds are secured by a portion of sales tax revenues from a one-cent sales tax. In accordance with Louisiana Revised Statute 28:582, the Town is legally restricted from incurring long-term bonded debt in excess of 25 percent of the assessed value of taxable property in the Town.

Continued

Town of Saran
 Genoa, Louisiana
 Notes to Financial Statements
 December 31, 2003
 (Continued)

(10) Changes in Contributed Capital

The following is a summary of changes in contributed capital:

| | |
|---|---------------------|
| Balance at December 31, 2002 | \$ 1,480,844 |
| Depreciation transferred to contributed capital | <u> 51,815</u> |
| Balance at December 31, 2003 | <u>\$ 1,532,659</u> |

(11) Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town.

(12) Restricted Assets - Proprietary Fund Type

Restricted assets were applicable to the following at December 31, 2003:

| | <u>Enterprise Fund</u> |
|--|------------------------|
| Cash: | |
| Customer deposits | \$ 104,035 |
| Contingency, reserves, and sinking funds - revenue bonds | <u>1,218,185</u> |
| | <u>\$ 1,322,220</u> |

(13) Leases

The Town leases certain equipment under operating leases. Rental costs on the equipment were \$5,837 for the year ended December 31, 2003. There are no commitments under lease agreements having lease terms in excess of one year.

(14) Litigation

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

(Continued)

Town of Benton
Benton, Louisiana
Notes to Financial Statements
December 31, 2000
(Continued)

(15) GASBS No. 34

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* (Statement). Certain of the significant changes in the Statement include the following:

For the first time the financial statements will include:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Town's overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the Town's activities, including reporting infrastructure assets (roads, bridges, etc.) as applicable.
- A change in the fund financial statements to focus on the major funds.

The general provisions of GASBS No. 34 must be implemented in the year ending December 31, 2004.

Supporting Schedules

Town of Benton
Benton, Louisiana
Special Revenue Funds
Combining Balance Sheet
December 31, 2000

| | Rehabilitation | Streets | Total |
|--|------------------|-------------------|-------------------|
| Assets: | | | |
| Cash | \$ 70,540 | \$ 411,090 | \$ 481,630 |
| Taxes receivable | | 33,379 | 33,379 |
| Other receivable | 47 | | 47 |
| Total assets | \$ 70,587 | \$ 434,469 | \$ 505,055 |
| Liabilities and Fund Balances | | | |
| Liabilities: | | | |
| Accounts payable | \$ 589 | | \$ 589 |
| Total liabilities | 589 | | 589 |
| Fund balances: | | | |
| Unreserved, undesignated | 70,018 | 434,458 | 504,476 |
| Total liabilities and fund balances | \$ 70,587 | \$ 434,468 | \$ 505,055 |

Town of Berlin
Berlin, Louisiana
Special Revenue Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2003

| | <u>Rehabilitation</u> | <u>Streets</u> | <u>Total</u> |
|---|-----------------------|-------------------|-------------------|
| Revenues: | | | |
| Taxes - sales tax | \$ | \$ 229,808 | \$ 229,808 |
| Interest income | 340 | 1,249 | 1,589 |
| | <hr/> | <hr/> | <hr/> |
| Total revenues: | 340 | 231,057 | 231,397 |
| | <hr/> | <hr/> | <hr/> |
| Other financing sources (used): | | | |
| Operating transfers out | | (282,253) | (282,253) |
| | <hr/> | <hr/> | <hr/> |
| Total other financing sources (used): | | (282,253) | (282,253) |
| | <hr/> | <hr/> | <hr/> |
| Excess of revenues and other sources over (under) expenditures and other uses: | 340 | (27,395) | (27,055) |
| | <hr/> | <hr/> | <hr/> |
| Fund balance, beginning of year, as restated | 69,879 | 466,864 | 536,743 |
| | <hr/> | <hr/> | <hr/> |
| Fund balance at December 31, 2003 | \$ 70,219 | \$ 439,469 | \$ 509,688 |
| | <hr/> | <hr/> | <hr/> |

Town of Benton
Benton, Louisiana
Schedule of Compensation Paid to Members
of the Governing Body
For the Year Ended December 31, 2000

| | | |
|-----------------------|---|---------------|
| Mayor - Lynn Messagni | 1 | 18,000 |
| Members: | | |
| Johnny Bennett | | 2,700 |
| Ralph Richardson | | 3,600 |
| Marcello Fells | | 3,600 |
| Donna Wyatt | | 3,600 |
| Richard Jackson | | 3,600 |
| | | <hr/> |
| | 4 | <u>75,400</u> |

COOK & MOBERGART

Certified Public Accountants

200 BAYOU LAKE DRIVE - SUITE 200, LAFAYETTE, LOUISIANA 70501 • P.O. BOX 7000 - MONROE, LOUISIANA 70133

TOWN OF BENTON, LA
200 BAYOU LAKE DRIVE
SUITE 200, LAFAYETTE, LA

TELEPHONE (504) 281-4611

FACSIMILE (504) 281-4611

ACCOUNTING PERIOD: 2003

P. BRADY COOPER, CPA
SUSAN A. MOBERGART, CPAMEMBER
AMERICAN INSTITUTE
OF CERTIFIED ACCOUNTANTSMEMBER OF AMERICAN
INSTITUTE OF CERTIFIED ACCOUNTANTS**Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of
Financial Statements Performed in Accordance With Government Auditing Standards****Town of Benton
Benton, Louisiana**

We have audited the general purpose financial statements of the Town of Benton as of and for the year ended December 31, 2003, and have issued our report thereon dated May 12, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Town of Benton's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Town of Benton's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying summary schedule of audit findings for the Louisiana Legislative Auditor as Finding 2003-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not

necessarily discuss all matters in the internal control over financial reporting that might be reportable conditions and accountings, would not necessarily discuss all reportable conditions that are also considered to be material weaknesses. However, we believe that the reportable condition listed above is not a material weakness.

We noted other matters involving the internal control over financial reporting which we have reported to management of Town of Center in a separate management letter dated May 12, 2004.

This report is intended solely for the information and use of management, federal funding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Cook & Monahan
Certified Public Accountants
May 12, 2004

Town of Bertram
Bertram, Louisiana
Summary Schedule of Prior Audit Findings for the Louisiana Legislative Auditor
December 31, 2003

There were no findings or questioned costs for the prior audit period ended December 31, 2003.

There were two management letter comments for the year ended December 31, 2003. Current status of those comments is as follows:

Comment #1: Fixed Asset Records

See current year management letter comment.

Comment #2: Current Accounting Records

Improvement noted.

Town of Benton
Benton, Louisiana
Summary Schedule of Current Audit Findings for the Louisiana Legislative Auditor
December 31, 2003

There was one reportable condition for the year ended December 31, 2003, as follows:

Reportable Condition #2003-1 - Insurance

Description of Reportable Condition

During our audit we noted that the Town's commercial insurance was not paid for the policy period covering April 30, 2003 to April 30, 2004 and April, 2004. This was not discovered by the Town until the April, 2004 premium came due.

We recommend that procedures be put in place to ensure that the Town has adequate commercial insurance coverage in place at all times and that premiums are paid timely, to ensure that the Town is properly covered for risk of loss.

Corrective Action Planned

Due to an employee changeover, the original billing was lost. The carrier sent no second or late notice, and the Town was not aware of the non-payment until the bill was received for renewal this year. The Town has set in place policies and procedures to ensure that the Town has adequate commercial insurance and that the premiums are paid timely.

There were two management letter comments for the current year audit for the year ended December 31, 2003. Management's response to those comments follows:

Comment #1: Fixed Asset Records

Over the last two years, the Town Clerk has looked through minutes, files and inventory reassigning assets. She has made considerable progress in obtaining and updating the information that we need. The Town Clerk will start the first of next month sorting this all up in new software in order to have our records up to date. An outside CPA will be working with her on this project in order to ensure compliance with CSA-RS 24:515 and CS-RS No. 34.

Comment #2: Restricted Cash Accounts

The Town Clerk will work with the new Interim Mayor on the restricted cash accounts in order to determine which accounts need to be released. The Town Clerk and the new Interim Mayor will also examine all debt issues to determine the reserve requirements.

COOK & MOREHART

Certified Public Accountants

225 SOUTH AVENUE • MONROE, LOUISIANA 70131 • P.O. BOX 7000 • MONROE, LOUISIANA 70131-0700

MONROE OFFICE: (504) 233-1111
MONROE FAX: (504) 233-1112

TELEPHONE OVER 504-835-1111

FAX OVER 504-835-1112

SHREVEPORT OFFICE: (504) 233-1111

SHREVEPORT OFFICE: (504) 233-1111
SHREVEPORT FAX: (504) 233-1112

MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS
INTERNATIONAL
CERTIFIED FINANCIAL ACCOUNTANTS

Management Letter

May 12, 2004

Town of Benton
Benton, Louisiana

We have audited the financial statements of Town of Benton, for the year ended December 31, 2003, and have issued our report thereon dated May 12, 2004. In planning and performing our audit of the financial statements of Town of Benton, we considered its internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and will to provide assurance on the internal control over financial reporting.

During our audit the following items were noted involving internal control over financial reporting and other operational matters which appear to merit your attention for consideration to improve the internal control over financial reporting or operations of Town of Benton.

Comment #1: Fixed Asset Records

During our audit we noted that the Town's fixed asset records were not current.

We recommend that the Town update its fixed asset records in accordance with CGS-PG 24-515. This will be essential for implementation of CGS No. 34 during the year ended December 31, 2004.

Comment #2: Restricted Cash Accounts

During our audit we noted that the Town has restricted cash accounts established for various reasons. It appears that the Town has excess cash in restricted funds, partially due to the debt issues of the Town having been refinanced and the reserve requirements changed.

We recommend that the Town re-examine the reserve / restricted account requirements of the Town to determine appropriate amounts to be classified as restricted cash.

RECEIVED
LEGISLATIVE SERVICES
02 JUN 30 AM 11:40

We express sincere thanks to the Town of Boston personnel for the cooperation and assistance provided us during our audit. We are available to provide you assistance and consultation in the implementation of the above mentioned items. This letter is furnished solely for the use of management and is not intended to be used for any other purpose.



Cook & Marchant
Certified Public Accountants