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**GENERAL PURPOSE ANNUAL
FINANCIAL REPORT
OF THE
VILLAGE OF IDA, LOUISIANA**

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As of and for the

Year Ended December 31, 2003

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

**JAMES T. BATES
CERTIFIED PUBLIC ACCOUNTANT**

**612 Barksdale Blvd.
Bossier City, Louisiana 71111**

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COMPREHENSIVE FINANCIAL REPORT

of the

VILLAGE OF IDA, LOUISIANA

for the

YEAR ENDED DECEMBER 31, 2003

VILLAGE OF IDA, LOUISIANA

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**INDEPENDENT
ACCOUNTANT'S COMPILATION REPORT**

James T. Bates

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MEMBER
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Independent Accountant's Compilation Report

The Honorable Jerry Means, Mayor
and the Members of the Board of Aldermen of
The Village of Ida, Louisiana

I have compiled the accompanying general purpose financial statements and the combining and individual fund and account group financial statements of the Village of Ida, Louisiana as of December 31, 2003, as listed in the accompanying table of contents, in accordance with the 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 other form of assurance on them.

James T. Bates

June 30, 2004

GENERAL PURPOSE FINANCIAL STATEMENTS

The General Purpose Financial Statements include the combined financial statements which include all funds and account groups of the Village and are designed to provide an overview of the financial position and results of operations for the Village as a whole. Additional information in the form of combining and individual fund and account group statements and schedules are included elsewhere in this report.

VILLAGE OF IDA, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 2003

	GOVERNMENTAL FUNDS		PROPRIETARY	FIDUCIARY	ACCOUNT GROUP	TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	CAPITAL PROJECT FUND	ENTERPRISE	TRUST AND AGENCY		
ASSETS						
Cash and Cash Equivalents	\$ 9,903	\$ 0	\$ 18,442	\$ 31,765	\$ 0	\$ 60,110
Investments						
Certificates of Deposit	88,714	0	0	61,790	0	150,504
Receivables	0	0	17,768	0	0	17,768
Restricted Assets - Cash	0	0	15,964	0	0	15,964
Land, Buildings, Equipment and Improvements	0	0	192,432	8,900	237,177	438,509
Accumulated Depreciation	0	0	(81,756)	0	0	(81,756)
Construction in Progress	0	0	0	0	0	0
TOTAL ASSETS	\$ 98,617	\$ 0	\$ 162,850	\$ 102,455	\$ 237,177	\$ 601,099
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts Payable	\$ 0	\$ 0	\$ 15,980	\$ 0	\$ 0	\$ 15,980
Payroll Deductions and Withholdings Payable	182	0	594	0	0	776
Customer Deposits	0	0	6,684	0	0	6,684
Total Liabilities	182	0	23,258	0	0	23,440
Fund Equity:						
Contributed Capital	0	0	153,865	0	0	153,865
Investment in General Fixed Assets	0	0	0	0	237,177	237,177
Retained Earnings:						
Reserved	0	0	15,964	0	0	15,964
Unreserved	0	0	(30,237)	0	0	(30,237)
Fund Balance:						
Reserved for:						
Unreserved - Undesignated	98,435	0	0	102,455	0	200,890
Total Fund Equity	98,435	0	139,592	102,455	237,177	577,659
TOTAL LIABILITIES AND FUND EQUITY	\$ 98,617	\$ 0	\$ 162,850	\$ 102,455	\$ 237,177	\$ 601,099

See accompanying notes to the financial statements.

VILLAGE OF IDA, LOUISIANA
GOVERNMENTAL FUNDS

**COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES**
Year Ended December 31, 2003

	GENERAL FUND	CAPITAL PROJECT FUND	TOTAL
REVENUES			
Franchise Fees	\$ 5,420	\$ 0	\$ 5,420
Grant Revenue	0	0	0
Licenses and Permits	11,626	0	11,626
Interest	3,429	0	3,429
Rentals	1,300	0	1,300
Refunds	0	0	0
Other Revenues	943	0	943
	22,718	0	22,718
EXPENDITURES			
Payroll	5,265	0	5,265
Casual Labor	2,701	0	2,701
Dues and Publications	611	0	611
Insurance	1,942	0	1,942
Repairs and Maintenance	105	0	105
Office	628	0	628
Professional Fees	2,798	0	2,798
Supplies	908	0	908
Utilities	2,974	0	2,974
Telephone	817	0	817
Street Lighting	(809)	0	(809)
Travel	412	0	412
Capital Outlays	4,927	0	4,927
Miscellaneous	129	0	129
	23,408	0	23,408
EXCESS OF REVENUES OVER EXPENDITURES	(690)	0	(690)
FUND BALANCE AT BEGINNING OF YEAR	99,125	0	99,125
FUND BALANCE AT END OF YEAR	\$ 98,435	\$ 0	\$ 98,435

See accompanying notes to the financial statements.

VILLAGE OF IDA, LOUISIANA
GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL GENERAL FUND TYPE
Year Ended December 31, 2003

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Franchise Fees	\$ 5,000	\$ 5,420	\$ 420
Grant Revenue	15,000	0	(15,000)
Licenses and Permits	10,000	11,626	1,626
Interest	5,000	3,429	(1,571)
Rentals	1,150	1,300	150
Refunds	0	0	0
Other Revenues	680	943	263
	<u>36,830</u>	<u>22,718</u>	<u>(14,112)</u>
EXPENDITURES			
Payroll	7,500	5,265	2,235
Casual Labor	4,000	2,701	1,299
Dues and Publications	600	611	(11)
Insurance	3,000	1,942	1,058
Repairs and Maintenance	23,030	105	22,925
Office	250	628	(378)
Professional Fees	2,100	2,798	(698)
Supplies	500	908	(408)
Utilities	3,400	2,974	426
Telephone	750	817	(67)
Street Lighting	800	(809)	1,609
Travel	1,000	412	588
Grant Expenditures	0	4,927	(4,927)
Miscellaneous	900	129	771
	<u>47,830</u>	<u>23,408</u>	<u>24,422</u>
EXCESS OF REVENUES OVER EXPENDITURES	(11,000)	(690)	10,310
FUND BALANCE AT BEGINNING OF YEAR	99,125	99,125	0
FUND BALANCE AT END OF YEAR	\$ 88,125	\$ 98,435	\$ 10,310

See accompanying notes to the financial statements.

VILLAGE OF IDA, LOUISIANA

COMBINED STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN RETAINED EARNINGS/FUND BALANCES PROPRIETARY FUND TYPES AND SIMILAR TRUST AND AGENCY FUNDS Year Ended December 31, 2003

	PROPRIETARY FUND TYPE ENTERPRISE	FIDUCIARY FUND TYPE TRUST	TOTAL
<u>OPERATING REVENUES</u>			
Charges for Services	\$ 30,217	\$ 2,700	\$ 32,917
Other	1,351	5,738	7,089
Total Revenues	31,568	8,438	40,006
<u>OPERATING EXPENSES</u>			
Payroll	15,953	0	15,953
Casual Labor	619	8,883	9,502
Insurance	1,100	150	1,250
Office	1,054	13	1,067
Professional Fees	446	800	1,246
Utilities	2,714	131	2,845
Repairs and Maintenance	19,800	2,727	22,527
Depreciation	3,210	0	3,210
Miscellaneous	322	75	397
Total Operating Expenses	45,218	12,779	57,997
Operating Income (Loss)	(13,650)	(4,341)	(17,991)
<u>NONOPERATING REVENUES (EXPENSES)</u>			
Interest Income	230	1,559	1,789
Income From Investments	0	0	0
Gain on Water Well Abandonment	4,722	0	4,722
Total Nonoperating Revenues (Expenses)	4,952	1,559	6,511
NET INCOME	(8,698)	(2,782)	(11,480)
RETAINED EARNINGS AT BEGINNING OF YEAR	(5,576)	105,237	99,661
RETAINED EARNINGS AT END OF YEAR	\$ (14,274)	\$ 102,455	\$ 88,181

See accompanying notes to the financial statements.

VILLAGE OF IDA, LOUISIANA

COMBINED STATEMENT OF CASH FLOWS -
 PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
 Year Ended December 31, 2003

	PROPRIETARY FUND TYPE ENTERPRISE	FIDUCIARY FUND TYPE TRUST	TOTAL
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Operating Income (Loss)	\$ 2,261	\$ (4,341)	\$ (2,080)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	3,210	0	3,210
(Increase) Decrease in Accounts Receivable - Customers	(14,764)	0	(14,764)
Increase (Decrease) in Accounts Payable	15,018	0	15,018
Increase (Decrease) in Customer Deposits	230	0	230
Net Cash Provided (Used) by Operating Activities	<u>5,955</u>	<u>(4,341)</u>	<u>1,614</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>			
Grant Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>0</u>	<u>0</u>	<u>0</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>			
Acquisition and Construction of Capital Assets	<u>(200)</u>	<u>0</u>	<u>(200)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(200)</u>	<u>0</u>	<u>(200)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Sale of Investments	0	54,603	54,603
Purchase of Investments	0	(60,790)	(60,790)
Interest Income	230	1,559	1,789
Net Cash Provided (Used) by Investing Activities	<u>230</u>	<u>(4,628)</u>	<u>(4,398)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5,985	(8,969)	(2,984)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>28,420</u>	<u>40,734</u>	<u>69,154</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 34,405</u>	<u>\$ 31,765</u>	<u>\$ 66,170</u>

See accompanying notes to the financial statements.

VILLAGE OF IDA, LOUISIANA

Notes to Financial Statements
December 31, 2003

(1) Summary of Significant Accounting Policies:

The Village of Ida, Louisiana (Village), was incorporated in May, 1967, under the provisions of LA R.S. 33:321-48. The Village operates under the Mayor-Board of Aldermen form of government.

The Village of Ida, Louisiana, complies with Generally Accepted Accounting Principles (GAAP). The Village's reporting entity applies all relevant Government Accounting Standards Board (GASB) pronouncements. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. GAAP as applicable to governments also conforms to the requirements of Louisiana R.S. 24:517 and the guides set forth in the *Louisiana Municipal Audit and Accounting Guide* and to the industry guide, *Audits of State and Local Government Units*, published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies:

- A. Reporting Entity - This report includes all funds and account groups which are controlled by or dependent on the Village's executive and legislative branches (the Mayor and Board of Aldermen). Control by or dependence on the Village was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.
- B. Fund Accounting - The accounts of the Village are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following funds and group of accounts are used by the Village:

GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the Village. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds, Special Assessment Funds, and Trust Funds.)

PROPRIETARY FUNDS

The Proprietary Fund is used to account for the Village's ongoing organizations and activities which are similar to those often found in the private sector. The Proprietary Fund is accounted for on a capital maintenance measurement focus; that is the measurement focus is upon determination of net income.

(Continued)

VILLAGE OF IDA, LOUISIANA

Notes to Financial Statements
December 31, 2003

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed through user charges; or (b) where the governing body has periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

FIDUCIARY FUNDS

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

These include Expendable Trust, Nonexpendable Trust, Pension Trust, and Agency Funds. Nonexpendable Trust and Pension Trust Funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Expendable Trust Funds are accounted for in essentially the same manner as governmental funds.

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

ACCOUNT GROUP

General Fixed Assets Account Group - This account group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on general fixed assets.

- C. Fixed Assets and Long-Term Liabilities - The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds and Expendable Trust Funds are accounted for on a spending of "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds.

All fixed assets are valued at historical cost or estimated fair market value for assets acquired before 1959 and still on hand. Donated fixed assets are valued at their estimated fair market value on the date donated.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current

(Continued)

VILLAGE OF IDA, LOUISIANA

Notes to Financial Statements
December 31, 2003

assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Account Group.

Fixed Assets - All items of property, plant and equipment which do not constitute assets of the enterprise fund are recorded in the general fixed assets group of accounts. Such assets are maintained on the basis of original cost (cash paid plus trade-in allowance, if applicable).

Property, plant and equipment which constitute assets of the enterprise fund are recorded at cost. Depreciation computed on these assets is under the straight-line method of depreciation based on the estimated useful lives of the individual assets.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are not capitalized along with other general fixed assets.

- D. Basis of Accounting - Basis of Accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt which is recognized when due.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance.

Licenses and permits, charges for general governmental services, fines and penalties, and miscellaneous other revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Other taxes, charges or services, and investment earnings are recorded as earned since they are measurable and available.

All proprietary funds are accounted for using the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when incurred.

Purchase of various operating supplies are regarded as expenditures at the time purchased, and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year.

The preparation of financial statements generally requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(Continued)

VILLAGE OF IDA, LOUISIANA

Notes to Financial Statements
December 31, 2003

- E. Budgets and Budgetary Accounting - The Village follows these procedures in establishing the budgetary data reflected in these financial statements:
1. The Mayor prepares a proposed budget and submits same to the 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 at least ten days after publication of the call for the hearing.
 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. The budget ordinance is structured such that revenues are budgeted by source and appropriations are budgeted by department and by principal object of expenditure. The Board of Aldermen may revise or amend the budget at its discretion during legally convened sessions. Management may amend the budget only below the department level.
 6. The Village utilizes formal budgetary integration as a management control device for all funds.
- F. Investments - All investments are interest bearing deposits with original maturity dates in excess of three months and are stated at cost which approximates market value.
- G. Inventories - Inventory of supplies in the Proprietary Fund is not material and is charged to operations as purchased.
- H. Bad Debts - Uncollectible amounts due from customers' utility and ad valorem taxes receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. Provisions for uncollectible utility and ad valorem taxes have not been deemed necessary.
- I. Restricted Assets - The Enterprise Fund restricts customer deposits and an amount established by the Board of Aldermen for future fixed asset replacements. Also, the Cemetery Funds restrict the use of their operating accounts and certificates of deposit.
- J. Compensated Absences - No liability is recorded for nonvesting accumulating rights to receive vacation or sick pay benefits.

(Continued)

VILLAGE OF IDA, LOUISIANA

Notes to Financial Statements
December 31, 2003

K. 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.

L. Reserves - Use of the term "reserve" in describing governmental fund "Fund Balances" and proprietary fund "Retained Earnings" indicates that a portion of the fund balance or retained earnings is not appropriate for expenditure or is legally segregated for a specific future use. Reserves are as follows:

Proprietary Fund Type: \$15,964

M. Interfund Transactions - There are several types of transactions that are reported in the financial statements as interfund items. Interfund transactions which constitute reimbursements of the fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is being reimbursed. Nonrecurring or non-routine transfers of equity between funds are treated as residual equity transfers and reported as additions to or deductions from fund balance. All other transfers are treated as operating transfers and are included in the results of operations of both governmental and proprietary funds.

N. Statements of Cash Flows (including restricted assets) - For purposes of the statement of cash flows, the Village considers all highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

O. Refundable Deposits - The Water Fund of the Village requires customers to place a deposit before service is rendered. These monies are considered restricted and are held until the customer discontinues service.

(2) General Fixed Assets and Property, Plant and Equipment:

	Balance January 1, 2003	Additions	Deletions	Balance December 31, 2003
Buildings	\$ 174,122	\$ 0	\$ 0	\$ 174,122
Machinery and equipment	32,965	0	0	32,965
Furniture and fixtures	20,363	4,927	0	25,290
Land	4,800	0	0	4,800
Total	\$ 232,250	\$ 4,927	\$ 0	\$ 237,177

(Continued)

VILLAGE OF IDA, LOUISIANA

Notes to Financial Statements
December 31, 2003

A summary of Proprietary fund type property, plant and equipment at December 31, 2003:

Water utility:	
Wells	\$ 92,003
Storage tanks	30,250
Lines and meters	67,583
Other equipment	1,300
Right-of-ways	<u>1,296</u>
	192,432
Less: Accumulated depreciation	<u>(81,755)</u>
	<u>\$ 110,677</u>

Depreciation is computed using the straight-line method.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Water Utility:	
Wells	50 years
Storage tanks	50 years
Lines and meters	15-50 years
Other equipment	3 years

(3) Cash and Cash Equivalents:

For reporting purposes, cash equivalents include cash, demand deposits and certificates of deposit. Cash and cash equivalents are stated at cost, which approximates market. At December 31, 2003, the Village's cash deposits were \$226,740 and the bank balance was \$226,577. At December 31, 2003, all deposits were insured or collateralized by securities.

(4) Investments:

Changes in investments for the period ended December 31, 2003 consist of the following:

	Certificates of Deposit
Balance at January 1, 2003	\$ 143,539
Purchase of Certificates of Deposit	<u>6,965</u>
Balance at December 31, 2003	<u>\$ 150,504</u>

The investments are recorded in these financial statements at cost.

(Continued)

VILLAGE OF IDA, LOUISIANA

Notes to Financial Statements
December 31, 2003

(5) Commitments and Contingencies:

The Village 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 Village carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance. Settlements have not exceeded insurance coverage in any of the past three fiscal years.

The Village participates in certain federal and state assisted programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

SUPPLEMENTAL INFORMATION SCHEDULES

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The Village is the trustee over two cemeteries, Bethsaida Cemetery and Munnerlyn Chapel Cemetery. The Village oversees the sale of lots and the maintenance of the cemeteries.

Schedule of Compensation Paid Mayor and Aldermen - The Schedule of Compensation Paid Mayor and Aldermen is required by the Louisiana Revised Statutes.

VILLAGE OF IDA, LOUISIANA

TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET
Year Ended December 31, 2003

	<u>BETHSAIDA CEMETERY</u>	<u>MUNNERLYN CHAPEL CEMETERY</u>	<u>TOTAL</u>
ASSETS			
Cash and Cash Equivalents	\$ 12,266	\$ 19,499	\$ 31,765
Investments			
Certificates of Deposit	31,867	29,923	61,790
Land	<u>6,500</u>	<u>2,400</u>	<u>8,900</u>
TOTAL ASSETS	\$ <u>50,633</u>	\$ <u>51,822</u>	\$ <u>102,455</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts Payable	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Equity:			
Fund Balance:			
Reserved for:			
Unreserved -			
Undesignated	<u>50,633</u>	<u>51,822</u>	<u>102,455</u>
Total Fund Equity	<u>50,633</u>	<u>51,822</u>	<u>102,455</u>
TOTAL LIABILITIES AND FUND EQUITY	\$ <u>50,633</u>	\$ <u>51,822</u>	\$ <u>102,455</u>

See accompanying notes to the financial statements.

VILLAGE OF IDA, LOUISIANA

**TRUST AND AGENCY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND BALANCE
Year Ended December 31, 2003**

	BETHSAIDA CEMETERY	MUNNERLYN CHAPEL CEMETERY	TOTAL
<u>OPERATING REVENUES</u>			
Charges for Services	\$ 400	\$ 2,300	\$ 2,700
Other	3,708	2,030	5,738
Total Revenues	4,108	4,330	8,438
<u>OPERATING EXPENSES</u>			
Casual Labor	4,397	4,487	8,884
Administrative Fees	400	400	800
Insurance	75	75	150
Utilities	65	66	131
Miscellaneous	2,658	156	2,814
Total Operating Expenses	7,595	5,184	12,779
Operating Income (Loss)	(3,487)	(854)	(4,341)
<u>NONOPERATING REVENUES (EXPENSES)</u>			
Interest Income	626	932	1,558
Total Nonoperating Revenues (Expenses)	626	932	1,558
NET INCOME	(2,861)	79	(2,783)
FUND BALANCE AT BEGINNING OF YEAR	53,494	51,743	105,237
FUND BALANCE AT END OF YEAR	\$ 50,633	\$ 51,822	\$ 102,455

See accompanying notes to the financial statements.

VILLAGE OF IDA, LOUISIANA
Schedule of Compensation Paid Mayor and Aldermen

For the Year Ended December 31, 2003

Mayor Means	\$	3,600
Alderman Shaw		250
Alderman Dial		300
Alderman Alexander		<u>300</u>
Totals	\$	<u><u>4,450</u></u>

FINDINGS

Summary Schedule of Prior Findings

Schedule of Current Findings and Questioned Costs

**Summary Schedule of Prior Findings for Louisiana
Legislative Auditor**

Schedule of Current Findings for Louisiana Legislative Auditor

VILLAGE OF IDA, LOUISIANA

Summary Schedule of Prior Findings December 31, 2003

There were two findings and two management letter comments disclosed as a result of the agreed-upon procedures engagement for the prior period ending December 31, 2002.

FINDINGS - FINANCIAL STATEMENT COMPILATION

Finding 2002-01: - Public Finance

Condition: The prior administration purchased through a brokerage firm a certificate of deposit from a bank that does not have a fiscal presence within the State of Louisiana.

Current Status: This certificate has not been liquidated and is a finding again in 2003 as noted in Finding 2003-01.

Finding 2002-02: - Ordinance Adoption Process

Condition: The Village passed an ordinance adopting the 2003 budgets for the Village without proper introduction and a public hearing.

Current Status: Ordinances are currently being properly introduced and public hearings held prior to adoption.

VILLAGE OF IDA, LOUISIANA

**Schedule of Current Findings and Questioned Costs
December 31, 2003**

A. SUMMARY OF RESULTS

One instance of noncompliance material to the general purpose financial statements of the Village of Ida, Louisiana was disclosed during the agreed-upon procedures performed.

B. FINDINGS - AGREED UPON PROCEDURES ENGAGEMENT

Finding 2003-01: - Public Finance

- Criteria:** Louisiana Revised Statutes 1211 et seq states that a "local depositing authority" (the Village) deposit its funds into a fiscal agency which is a bank organized under the laws of this state or any other state of the United States with a fiscal presence within this State.
- Condition:** The prior administration purchased through a brokerage firm a certificate of deposit from a bank that does not have a fiscal presence within the State of Louisiana.
- Recommendation:** The Village should contact the brokerage firm as to the procedures to redeem this certificate of deposit and acquire a certificate of deposit from a bank with a fiscal presence within the State.

VILLAGE OF IDA, LOUISIANA

Summary Schedule of Prior Findings for Louisiana Legislative Auditor December 31, 2003

There were two findings in the previous engagement for the year ended December 31, 2002 as noted on Page 17 of this report.

There were two management letter comments in the previous agreed-upon procedures engagement performed for the year ended December 31, 2002.

Comment #1 - Fiscal Management

The monies that the Village's water customers have deposited as meter deposits to secure water service should be maintained in a separate bank account designated as "Water Deposits." The Village does not have such an account.

This issue has been resolved.

Comment #2 - Account Classification

A liability is recorded in the general ledger of the Enterprise Fund (water system) titled "Memberships." This account was transferred at the time the Village accepted ownership of the water system. There is some uncertainty as to whether this account should be classified as a liability or as part of the fund equity. Research of the original documents should be performed in order to make a proper classification of this account.

This is again a management letter comment for the current period.

VILLAGE OF IDA, LOUISIANA

Schedule of Current Findings for Louisiana Legislative Auditor
December 31, 2003

CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS

There is one finding for the current year ended December 31, 2003, as follows:

Finding 2003-01 - Public Finance

The Village purchased a certificate of deposit through a brokerage firm from a bank that does not have a fiscal presence within the State of Louisiana in violation of Louisiana Revised Statutes 1211 et seq.

Management's Response

Management will contact the brokerage firm to liquidate this certificate of deposit at the time of its maturity and deposit the funds into an appropriate financial institution.

There is one management letter comment for the current year ended December 31, 2003, as follows:

Comment #1 - Account Classification

A liability is recorded in the general ledger of the Enterprise Fund (water system) titled "Memberships." This account was transferred at the time the Village accepted ownership of the water system. There is some uncertainty as to whether this account should be classified as a liability or as part of the fund equity. Research of the original documents should be performed in order to make a proper classification of this account.

Management's Response

Research of the original documentation forming the Ida Water System, Inc. will be performed in order to make a determination as to the proper classification of this account.

OTHER REPORTS

Independent Accountant's Report on Agreed Upon Procedures
Performed

Louisiana Attestation Questionnaire

James T. Bates

CERTIFIED PUBLIC ACCOUNTANT
612 BARKSDALE BOULEVARD
BOSSIER CITY, LOUISIANA 71111

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Independent Accountant's Report on Applying Agreed Upon Procedures

The Honorable Jerry Means, Mayor,
and the members of the Board of Aldermen of
The Village of Ida, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Village of Ida, Louisiana and the Legislative Auditor, State of Louisiana to assist the users in evaluating management's assertions about the Village of Ida, Louisiana's compliance with certain laws and regulations during the year ended December 31, 2003 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

The Village of Ida, Louisiana did not make any expenditures during the year for materials and supplies exceeding \$15,000 or any expenditures for public works exceeding \$100,000.

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 me with the required list.

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 those employees included in the listing obtained from management in agreed-upon procedure (3) were also on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

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

Management provided me 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.

I traced the adoption of the original budget to the minutes of the regular meeting held on December 2, 2002 which indicated that the budget had been adopted by the board of aldermen of the Village of Ida by an unanimous vote of 3 in favor and none opposed. No amendments were made to the budget during the year.

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

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%.

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;

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; and

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

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the clerk and mayor. In addition, each of the disbursements were traced to the Village's minute book where they were approved by the Board of Aldermen.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The Village of Ida is only required to post a notice of each meeting and the accompanying agenda on the door of the Village Hall. Although management has asserted that such documents were properly posted, I could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits which appeared 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.

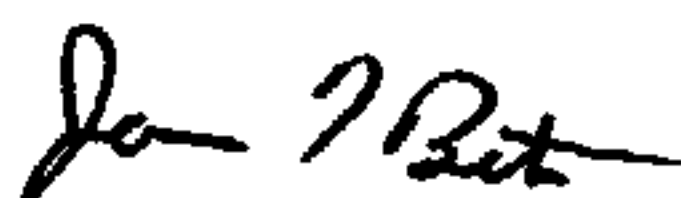
A reading of the minutes of the Village for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

Prior Comments and Recommendations

There were three findings and three incidents in the prior year that required corrective actions, comments, or recommendations as noted in the Summary Schedule of Prior Findings and Summary Schedule of Prior Findings for Louisiana Legislative Auditor as noted on Pages 17 and 19 of this report.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Village of Ida, Louisiana and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



June 30, 2004

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)
5-4-04 (Date Transmitted)

 _____ (Auditors)

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..
 Yes No

Code of Ethics for Public Officials and Public Employees

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

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

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.
 Yes No

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.
 Yes No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.
 Yes No

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.
Yes [] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.
Yes [] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.
Yes [] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.
Yes [] No []

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

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Raymond Williams TOWN Clerk
Secretary 5-4-04 Date

Jerry A. Means
Treasurer 5-4-04 Date

Raymond Williams
President 5-4-04 Date

Note: If the engagement is for a routine compilation/attest that will be completed within six months of the entity's fiscal year-end and the CPA will submit either a Fax Approval Form or an Email engagement approval form to the legislative auditor, the space for the legislative auditor's approval may be omitted.

James T. Bates

CERTIFIED PUBLIC ACCOUNTANT
612 BARKSDALE BOULEVARD
BOSSIER CITY, LOUISIANA 71111

RECEIVED
LEGISLATIVE AUDITOR

04 JUL -7 AM 11:14

MEMBER
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Management Letter

The Honorable Jerry Means, Mayor,
and the Members of the Board of Aldermen of
The Village of Ida, Louisiana

I have compiled and performed the agreed upon procedures of the general purpose financial statements of the Village of Ida, Louisiana (the Village), for the year ended December 31, 2003, and have issued my report thereon dated June 30, 2004.

During the performance of the tests the following items were noted which appear to merit your attention for consideration to improve the operations of the Village. These comments have been discussed with the appropriate members of management.

Account Classification

Upon the acceptance of the water system's operations by the Village, the Village assumed ownership and responsibility of all of the system's assets and liabilities. A liability is recorded in the system's financial statements titled "Memberships." The original documents organizing the system should be researched to determine whether this is a refundable liability or a contribution to the equity of the system for the proper classification of this balance. It is my recommendation that this research be performed and the account be properly classified and assets restricted if necessary.

I express sincere thanks to the Village's personnel for the cooperation and assistance provided me during the engagement. I am 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 the Board of Aldermen and is not intended to be used for any other purpose.

James T. Bates

June 30, 2004