

THE TOWN OF BERNICE, LOUISIANA

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FINANCIAL STATEMENTS AND ACCOUNTANT'S REPORT

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 <u>7-21-04</u>

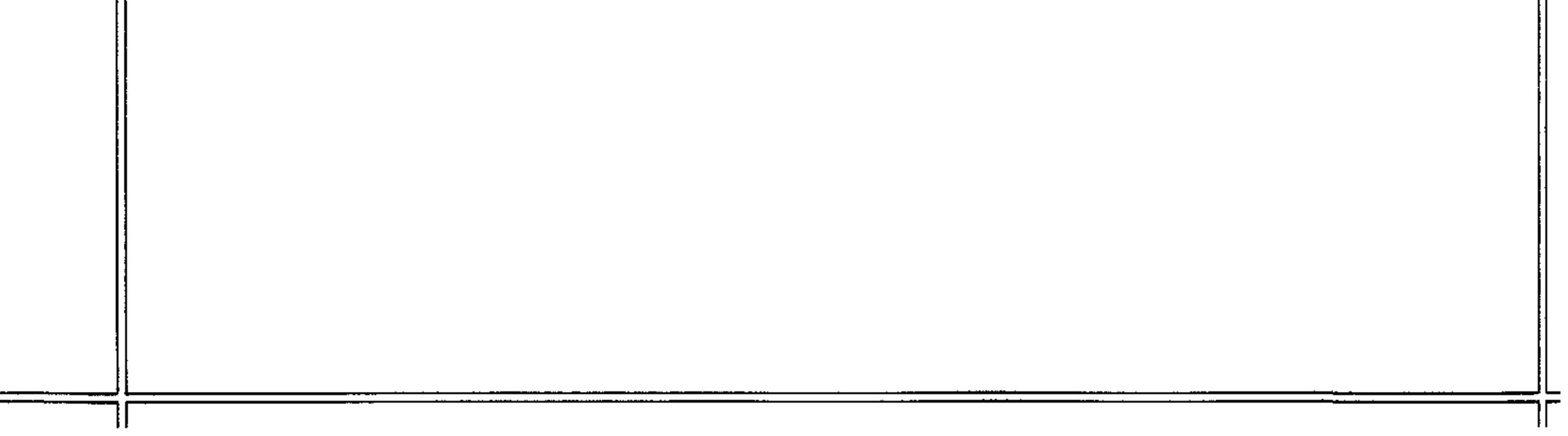
<u>THE TOWN OF BERNICE, LOUISIANA</u> <u>DECEMBER 31, 2003</u> <u>TABLE OF CONTENTS</u>

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MARCUS, ROBINSON and HASSELL

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Minor Patton, Mayor Members of the Board of Aldermen Town of Bernice, Louisiana

We have audited the accompanying general-purpose financial statements of the Town of Bernice, 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 Bernice, Louisiana'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 <u>Government Auditing Standards</u>, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall 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 respects, the financial position of the Town of Bernice, Louisiana, as of December 31, 2003, and the results of its operations for the year then ended in conformity with generally accepted accounting principles in the United States of America.

In accordance with <u>Government Auditing Standards</u>, we have also issued our report dated June 24, 2004, on our consideration of the Town of Bernice, Louisiana'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 <u>Government Auditing Standards</u> and should be read in conjunction with this report in considering the results of our audit.

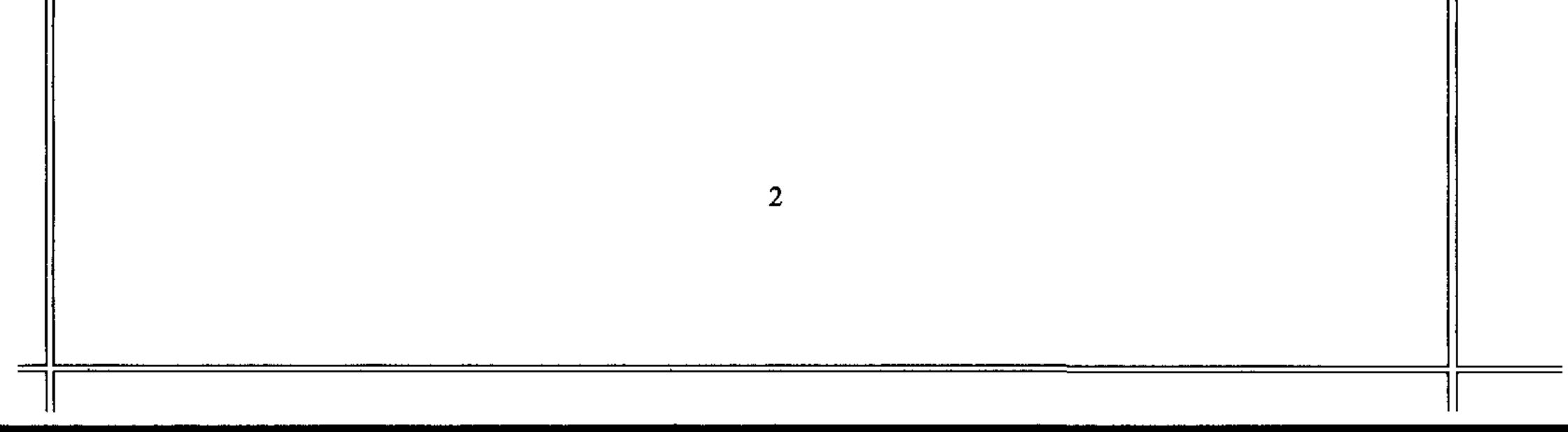
Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the Town of Bernice, Louisiana, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, <u>Audits of States, Local Governments, and Non-Profit Organizations</u>, and is not a required part of the general-purpose financial statements. Also, the supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. 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 stated in all material respects, in relation to the general-purpose financial statements taken as a

Whole. Marcus, Robinson & Harcell

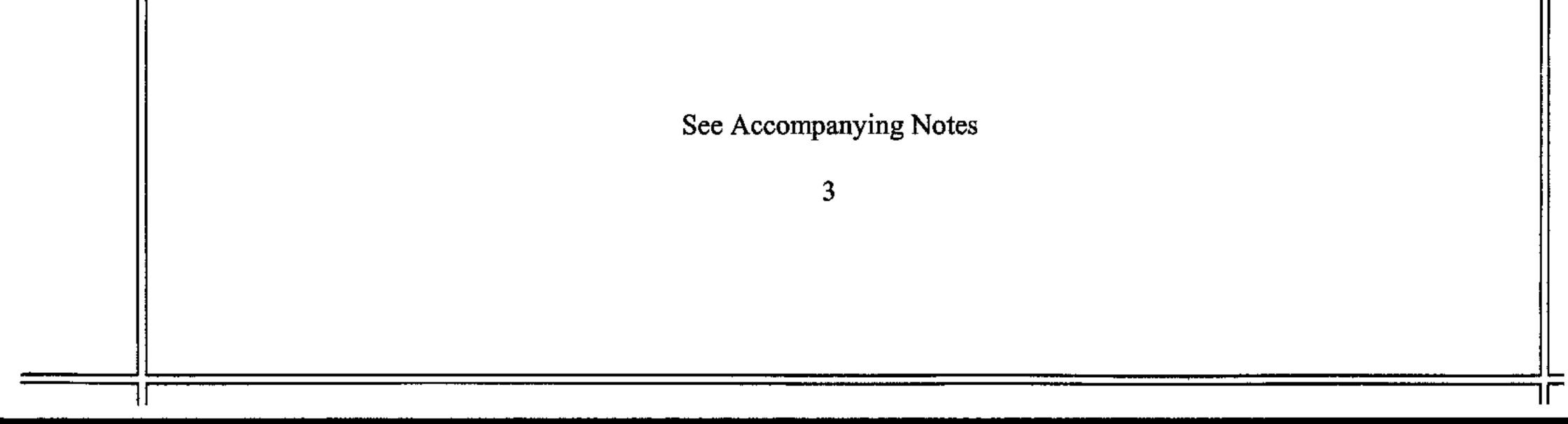
MARCUS, ROBINSON & HASSELL Monroe, Louisiana June 24, 2004

<u>TOWN OF BERNICE, LOUISIANA</u> <u>COMBINED BALANCE SHEETS - ALL FUND TYPES AND ACCOUNT GROUPS</u> <u>DECEMBER 31, 2003</u>

	GOVERNMENTAL <u>FUND TYPES</u> SPECIAL		PROPRIETARY <u>FUND TYPE</u>
	<u>GENERAL</u>	<u>REVENUE</u>	<u>ENTERPRISE</u>
<u>ASSETS</u>			
Current			
Cash	12,793	198,399	8,823
Accounts Receivable	2,120	0	30,619
Due from State	0	38,678	0
Accrued Interest Receivable	0	109	0
Property Taxes Receivable	10,125	0	0
Due from Other Funds	87,187	0	75,302
Inventory Supplies	0	0	2,498
Prepaid Insurance	3,851	0	0
TOTAL CURRENT ASSETS	116,076	237,186	117,242
Restricted Assets			
Cash in Bank	0	0	62,374
Cash - Savings Accounts -			
Replacement & Extension	0	0	31,160
Accrued Interest Receivable	0	0	161
TOTAL RESTRICTED ASSETS	0	0	93,695
Amount to be Provided for Retirement			
of Long-Term Debt	0	0	0
Property, Plant, and Equipment -			
Net of Allowance for Depreciation	0	0	1,438,142
General Fixed Assets	0	0	0
TOTAL ASSETS	<u>116,076</u>	<u>237,186</u>	<u>1,649,079</u>

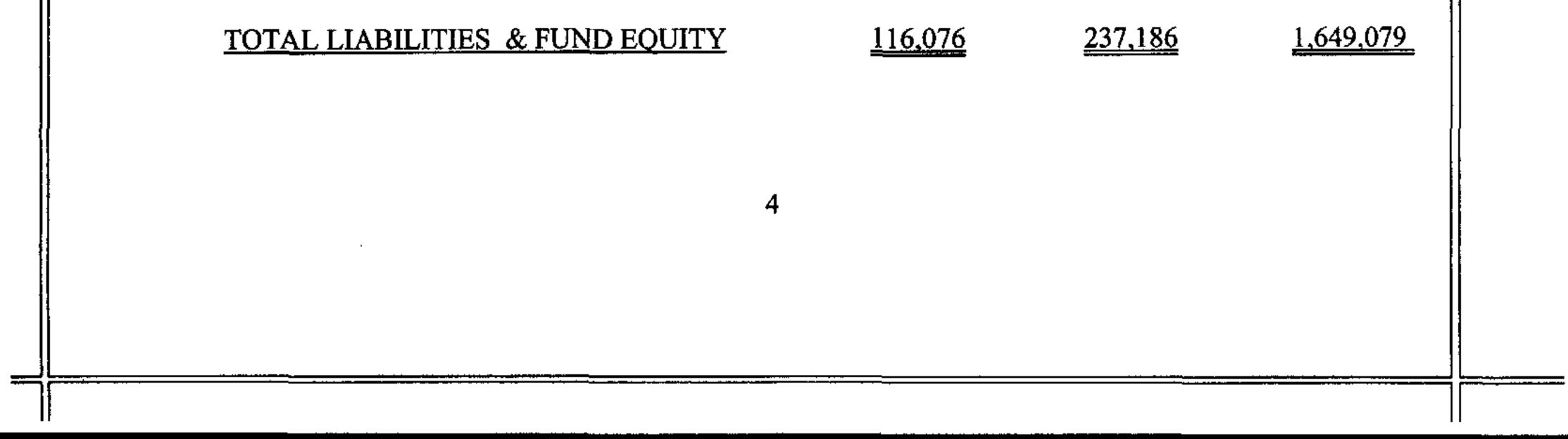


ACCOUNT			
GROUPS		2003	2002
GENERAL	GENERAL	TOTALS	TOTALS
LONG-TERM DEBT	FIXED ASSETS	(MEMO ONLY)	(MEMO ONLY)
0	0	220,015	184,665
0	0	32,739	33,247
0	0	38,678	0
0	0	109	1,783
0	0	10,125	7,834
0	0	162,489	74,161
0	0	2,498	3,031
0	0	3,851	4,659
0	0	470,504	309,380
0	0	62,374	89,970
0	0	31,160	30,660
Ō	0	161	2,668
0	0	93,695	123,298
100,611	0	100,611	0
0	0	1,438,142	1,481,806
0	<u>3,367,737</u>	<u>3,367,737</u>	<u>2,663,031</u>
<u>100,611</u>	<u>3,367,737</u>	<u>5,470,689</u>	<u>4,577,515</u>



<u>TOWN OF BERNICE, LOUISIANA</u> <u>COMBINED BALANCE SHEETS - ALL FUND TYPES AND ACCOUNT GROUPS</u> <u>DECEMBER 31, 2003</u>

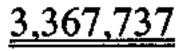
	GOVERNMENTAL <u>FUND TYPES</u> SPECIAL <u>GENERAL</u> <u>REVENUE</u>		PROPRIETARY <u>FUND TYPE</u> <u>ENTERPRISE</u>
LIABILITIES AND FUND EQUITY			
RETAINED EARNINGS			
Liabilities			
Current (Payable from Current Assets)			
Accounts Payable	11,244	88,050	5,477
Payroll Taxes Payable	1,953	0	787
Workman's Comp Payable	4,397	0	0
Sales Tax Payable	0	0	72
Retirement Payable	1,924	0	1,762
Meter Deposits	0	0	28,105
Due to Other Funds	<u>75,302</u>	0	<u> </u>
TOTAL CURRENT (PAYABLE FROM			
<u>CURRENT ASSETS)</u>	94,820	88,050	123,390
Payable from Restricted Assets	_	<u>,</u>	
Water Revenue Bonds - Current	0	0	11,040
Accrued Interest - Current	0	0	7,288
Water Revenue Bonds Long-term	0	0	631,542
Note Payable - State of Louisiana	$\frac{0}{1}$		
<u>TOTAL LIABILITIES</u>	94,820	88,050	773,260
ELDID FOLUTV			
<u>FUND EQUITY</u> Contributed Conital			
Contributed Capital Contributions from Grants	0	0	1,370,159
	0	0	352,982
Contributions from Municipalities	0	0	552,962
Investment in General Fixed Assets	U	v	U
Retained Earnings Records for Replacement and Extension	0	٥	37,060
Reserve for Replacement and Extension	0	0	42,675
Reserve for FHA Water Improvement	0	0	
Unreserved	21.256	140 126	(927,057)
Fund Balance	<u>21,256</u>	<u>149,136</u>	<u> </u>
TOTAL FUND EQUITY	<u>21,256</u>	<u>149,136</u>	<u>875,819</u>



ACCOUI GROUP		2003	2002
GENERAL LONG-TERM DEBT	GENERAL	TOTALS (MEMO ONLY)	TOTALS (MEMO ONLY)
0	0	104,771	21,414
0	0	2,740	1,681
0	0	4,397	4,742
0	0	72	577
0	0	3,686	0
0	0	28,105	27,220
0	0	162,489	74,161
0	0	306,260	129,795
0	0	11,040	10,416
0	0	7,288	7,512
0	0	631,542	642,438
<u>100,611</u>	0	<u>100,611</u>	
100,611	0	1,056,741	790,161
0	0	1,370,159	1,370,159
Ő	Ō	352,982	352,982
0	3,367,737	3,367,737	2,663,031
0	0	37,060	34,444
0	0	42,675	39,927
0	0	(927,057)	(863,340)
0	0	<u> 170,392 </u>	<u> 190,151 </u>
0	<u>3,367,737</u>	<u>4,413,948</u>	<u>3,787,354</u>
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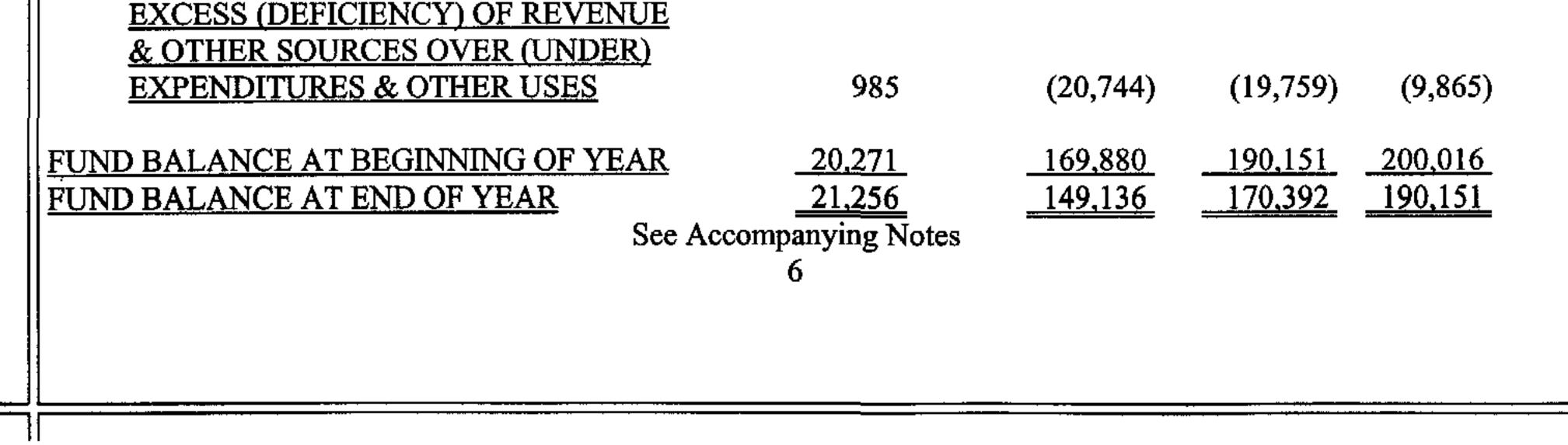




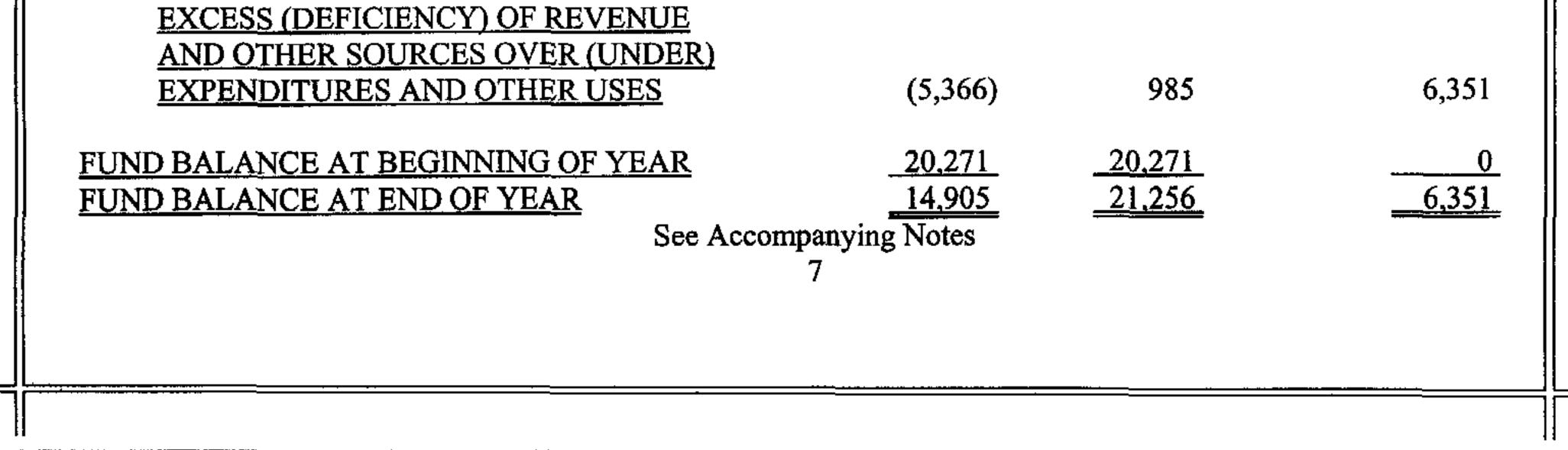


See Accompanying Notes

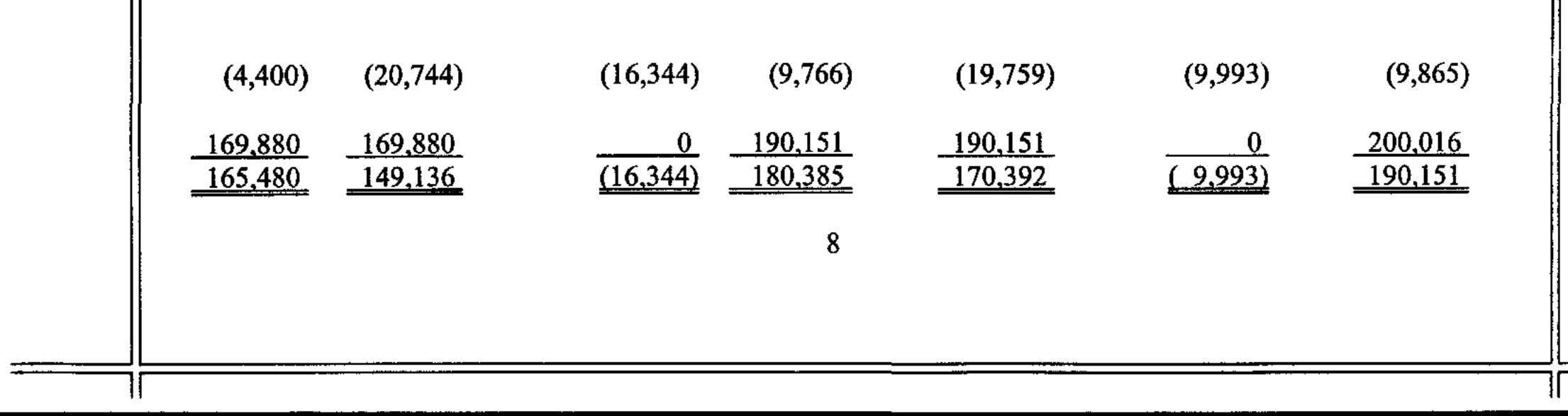
TOWN O	<u>F BERNICE, LOUISI</u>	ANA				
COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES						
	RNMENTAL FUND					
	R ENDED DECEMBE					
		NMENTAL				
	FUND '		2003	2002		
		SPECIAL	(MEMO-	(MEMO-		
REVENUE	GENERAL	REVENUE	ONLY)	ONLY)		
Fines	24,172	0	24,172	19,133		
Licenses	53,197	0	53,197	42,393		
Tobacco & Beverage Tax	660	0	660	790		
Fees - Entergy	25,648	0	25,648	27,727		
Fees - Reliant	7,313	0	7,313	0		
Ad Valorem Taxes	21,753	0	21,753	19,930		
State Revenue Sharing	771	0	771	582		
Cable TV Franchise Fee	9,970	0	9,970	0		
Miscellaneous	2,246	0	2,246	3,375		
Sanitation Fee Income	47,780	0	47,780	46,844		
Building Permits	285	0	285	800		
Rent Income	6,000	0	6,000	6,000		
Lots Sold	375	0	375	880		
Sale of Equipment	2,225	0	2,225	0		
Sales Tax	0	214,688	214,688	227,034		
Interest Income	0	6,368	6,368	9,219		
Salary Reimbursement	13,460	0	13,460	10,425		
Federal Grants	0	59,641	59,641	228,244		
State Grants	0	528,359	528,359	1,473		
Utility Relocation Assistance Funds	0	<u>100,611</u>	100,611	0		
TOTAL REVENUE	215,855	909,667	1,125,522	644,849		
<u>EXPENDITURES</u> Administrative	44 714	0	44 714	21 262		
	44,714	4 900	44 ,714	31,362		
Public Safety Streets & Sanitation	151,843 67,077	4,800	156,643 67,077	152,474 60,008		
General	172,142		172,142	209,295		
Capital Outlay	<u>16,094</u>	688,611	704,705	209,295		
TOTAL EXPENDITURES	451,870	693,411	1,145,281	654,714		
EXCESS (DEFICIENCY) OF	451,670	075,411	1,143,201	034,714		
REVENUE OVER EXPENDITURES	(236,015)	216,256	(19,759)	(9,865)		
	(*,***)		(,)	(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
OTHER FINANCING SOURCES (USES):						
• Operating Transfers In	237,000	0	237,000	225,000		
Operating Transfers Out	0	<u>(237,000)</u>	<u>(237,000)</u>	(225,000)		
TOTAL OTHER FINANCING SOURCES	(USES) 237,000	(237,000)	0	0		



<u>TOWN OF BERNIC</u>			
STATEMENT OF REVENUE, EXPENDITURE			<u>D BALANCES</u>
BUDGET (GAAP BAS)			
<u>GENERAL AND SPECIA</u>			
FOR THE YEAR ENDED			
	<u>GENI</u>	ERAL FUND	VARIABLE
		_	FAVORABLE
	<u>BUDGET</u>	<u>ACTUAL</u>	(UNFAVORABLE)
REVENUE			
Fines	24,000	24,172	172
Licenses	51,572	53,197	1,625
Tobacco & Beverage Tax	441	660	219
Fees - Entergy	25,931	25,648	(283)
Fees - Reliant	7,000	7,313	313
Ad Valorem Taxes	19,000	21,753	2,753
State Revenue Sharing	873	771	(102)
Cable TV Franchise Fee	10,000	9,970	(30)
Miscellaneous	500	2,246	1,746
Sanitation Fee Income	45,000	47,780	2,780
Building Permits	250	285	35
Rent Income	6,000	6,000	0
Lots Sold	250	375	125
Sale of Equipment	0	2,225	2,225
Sales Tax	0	0	0
Interest Income	0	0	0
Salary Reimbursements	0	13,460	13,460
Federal Grants	0	0	0
State Grants	Õ	0	0
Utility Relocation Assistance Funds	Õ	0	0
TOTAL REVENUE	190,817	215,855	25,038
	190,017	210,000	20,000
<u>EXPENDITURES</u>			
Administrative	44,800	44,714	86
Public Safety	151,000	151,843	(843)
Streets and Sanitation	68,200	67,077	1,123
General	157,183	172,142	(14,959)
Capital Outlay	0	16,094	<u>(16,094)</u>
TOTAL EXPENDITURES	421,183	451,870	(30,687)
EXCESS (DEFICIENCY) OF REVENUE			
OVER EXPENDITURES	(230,366)	(236,015)	(5,649)
OTHER FINANCING SOURCES (USES):			
Operating Transfers In:	225,000	237,000	12,000
Operating Transfers Out:	<u>2</u> 23,000 0	۰,000 میں ۵	12,000
TOTAL OTHER FINANCING SOURCES (USES)	225,000	237,000	12,000
EVCESS (DEELCIENCY) OF DEVENIUE	223,000	201,000	12,000

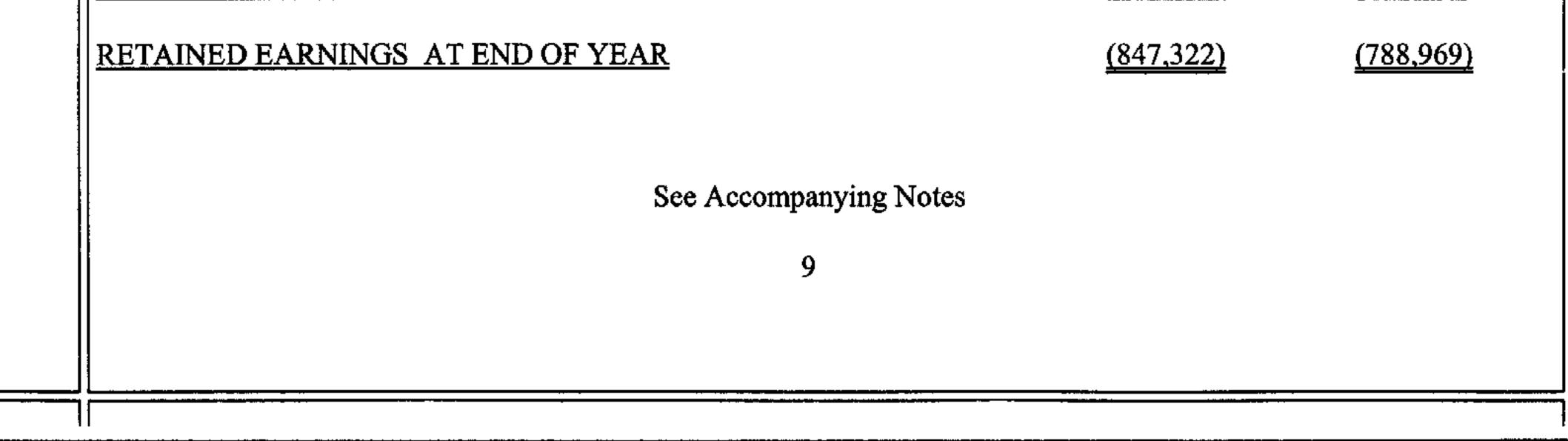


TOTALS (MEMO ONLY)						
SPEC	SPECIAL REVENUE FUNDS			2003		
		VARIANCE			VARIANCE	
	I	FAVORABLE			FAVORABLE	
BUDGET	ACTUAL(UN	IFAVORABLE)	<u>BUDGET</u>	<u>ACTUAL</u>	(UNFAVORABLE)	<u>ACTUAL</u>
_	~	<u> </u>	• 4 0 0 0			
0	0	0	24,000	24,172	172	19,133
0	0	0	51,572	53,197	1,625	42,393
0	0	0	441	660	219	790
0	0	0	25,931	25,648	(283)	27,727
0	0	0	7,000	7,313	313	0
0	0	0	19,000	21,753	2,753	19,930
0	0	0	873	771	(102)	582
0	0	0	10,000	9,970	(30)	0
0	0	0	500	2,246	1,746	3,375
0	0	0	45,000	47,780	2,780	46,844
0	0	0	250	285	35	800
0	0	0	6,000	6,000	0	6,000
0	0	0	250	375	125	880
0	0	0	0	2,225	2,225	0
225,000	214,688	(10,312)	225,000	214,688	(10,312)	227,034
400	6,368	5,968	400	6,368	5,968	9,219
0	0	0	0	13,460	13,460	10,425
59,641	59,641	0	59,641	59,641	0	228,244
528,359	528,359	0	528,359	528,359	0	1,473
100,611	100,611	0	100,611	100,611	0	0
914,011	909,667	(4,344)	1,104,828	1,125,522	20,694	644,849
-	-				-	
		0	44.000		0.4	01.070
0	0	0	44,800	44,714	86	31,362
4,800	4,800	0	155,800	156,643	(843)	152,474
0	0	0	68,200	67,077	1,123	60,008
0	0	0	157,183	172,142	(14,959)	209,295
<u>688,611</u>	<u>688,611</u>	0	<u>688,611</u>	704,705	<u>(16,094)</u>	201,575
<u>693,411</u>	<u>693,411</u>	0	<u>1,114,594</u>	<u>1,145,281</u>	<u>(30,687)</u>	654,714
220,600	216,256	(4,344)	(9,766)	(19,759)	(9,993)	(9,865)
0	0	0	225,000	237,000	12,000	225,000
(225,000)	(237,000)	(12,000)	<u>(225,000)</u>	<u>(237,000)</u>	<u>(12,000)</u>	<u>(225,000)</u>
(225,000)	(237,000)	<u>(12,000)</u>	0	0	0	0



<u>TOWN OF BERNICE, LOUISIANA</u> <u>STATEMENT OF REVENUE, EXPENSES,</u> <u>AND CHANGES IN RETAINED EARNINGS ENTERPRISE FUND</u> <u>FOR THE YEAR ENDED DECEMBER 31, 2003</u>

	PROPRIETARY FUND TYPES	TOTAL (MEMO ONLY) 2002
OPERATING REVENUE		
Water Sales	173,344	177,586
Sewer Sales	70,979	71,176
Water & Sewer Connection Fees	3,075	18,127
Other	22,702_	318
TOTAL OPERATING INCOME	270,100	267,207
OPERATING EXPENSES		
Bad Debt Expense	7,614	4,369
Billing Department	7,737	5,389
Depreciation	84,154	81,842
Insurance	18,000	0
Miscellaneous	7,007	2,592
Payroll Tax Expense	7,017	6,665
Repairs	23,975	23,263
Retirement Expense	2,201	1,035
Salaries	91,730	87,122
Sewer Test	2,652	2,285
Supplies	21,035	34,039
Vehicle Expense	1,475	3,612
Utilities	44,255	35,628
TOTAL OPERATING EXPENSE	318,852	287,841
INCOME (LOSS) FROM OPERATIONS	(48,752)	(20,634)
NON-OPERATING REVENUE (EXPENSE)		
Intergovernmental Grant	16,675	25,000
Interest Revenue	5,228	7,699
Sale of Equipment	7,551	0
Interest Expense	(39,055)	(39,581)
Operating Transfers In	0	0
Operating Transfers Out	0	0
TOTAL NON-OPERATING REVENUE, NET	(9,601)	(6,882)
NET LOSS	(58,353)	(27,516)
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>(788,969)</u>	<u>(761,453)</u>



<u>THE TOWN OF BERNICE, LOUISIANA</u> <u>STATEMENT OF CASH FLOWS</u> <u>ENTERPRISE FUND</u> FOR THE YEAR ENDED DECEMBER 31, 2003

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Received from Customers Cash Payments to Suppliers for Goods and Services Cash Payments to Employees for Services Cash Received for Other Operating Income

NET CASH PROVIDED BY OPERATING ACTIVITIES

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal Paid on Revenue Bond Maturities	
Acquisition and Construction of Capital Assets	
Interest Paid on Revenue Bonds	
Intergovernmental Grants	

246,441 (148,203) (91,730) 24,329

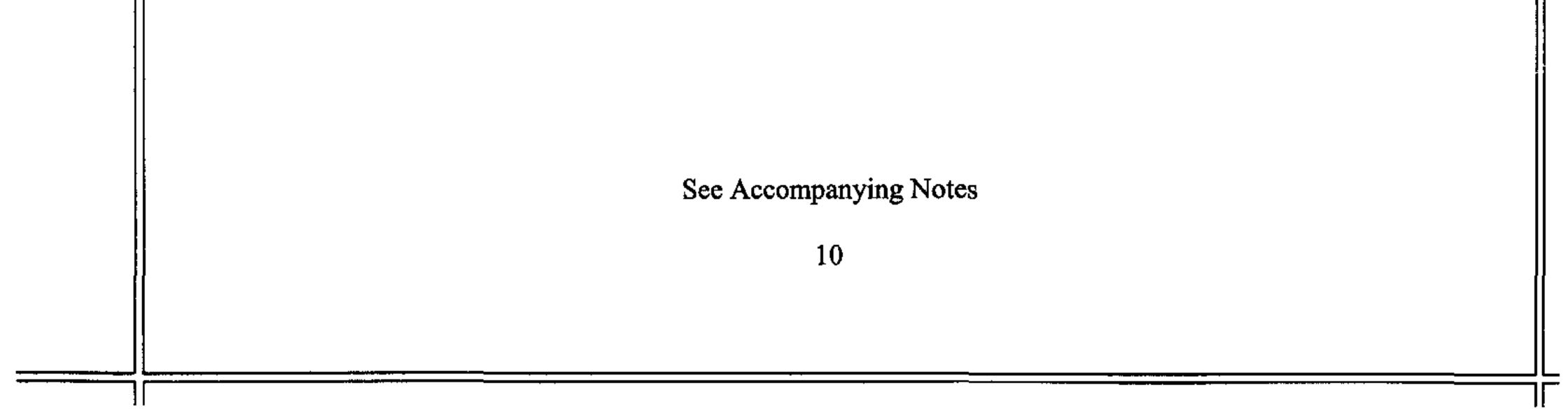
30,837

(10,272)

(40,490)

(39,279)

Intergovernmental Grants	16,675
Proceeds from Sale of Equipment	7,551
NET USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	(65,815)
CASH FLOWS FROM INVESTING ACTIVITIES Interest on Investments	7,735
NET CASH PROVIDED BY INVESTING ACTIVITIES	7,735
NET DECREASE IN CASH AND CASH EQUIVALENTS	(27,243)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	129,600
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>102,357</u>
CASH SUMMARY Unrestricted Cash Restricted Cash Restricted Cash - Savings	8,823 62,374 <u>31,160</u> <u>102,357</u>

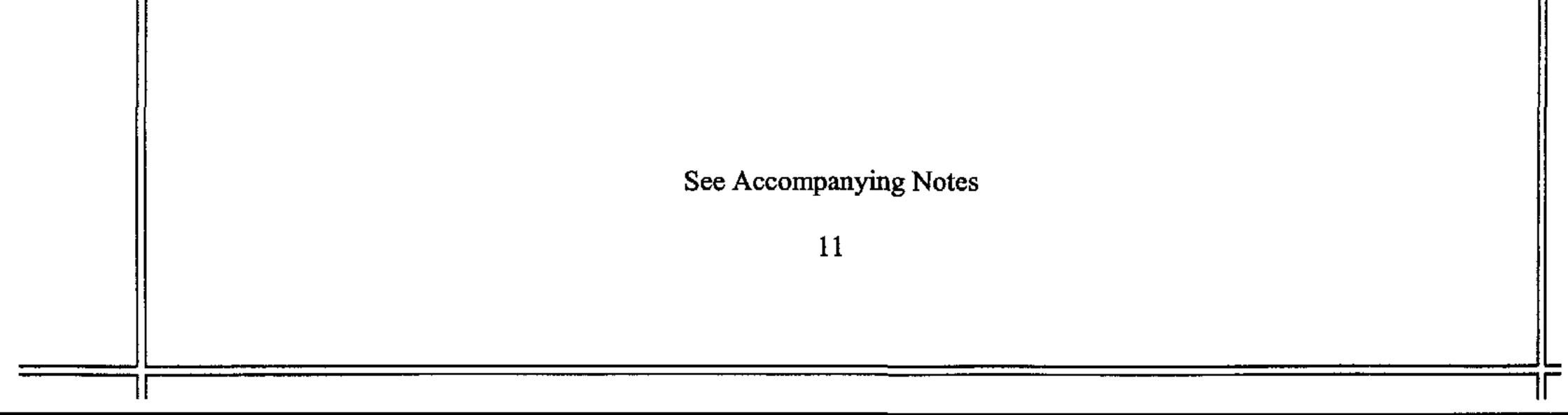


TOWN OF BERNICE, LOUISIANA **STATEMENT OF CASH FLOWS (CONTINUED)** ENTERPRISE FUND FOR THE YEAR ENDED DECEMBER 31, 2003 **RECONCILIATION OF OPERATING INCOME TO NET CASH** PROVIDED BY OPERATING ACTIVITIES (48,752) **Operating Income** Adjustments to Reconcile Operating Income to Net Cash **Provided by Operating Activities** Depreciation 84,154 Change in Assets and Liabilities: Increase in Accounts Receivable (957) Increase in Due from Other Funds (44,498) Decrease in Inventory 533 Decrease in Accounts Payable (5,895) Increase in Payroll Taxes Payable 280 Decrease in Sales Tax Payable (505)

Increase in Meter Deposits	885
Increase in Due to Other Funds	43,830
Increase in Retirement Payable	<u>1,762</u>

<u>30,837</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Town of Bernice, Louisiana, was incorporated under the provisions of the Lawson Act. The Town operates under a Mayor - Board of Aldermen form of government.

The accounting and reporting policies of the Town of Bernice, Louisiana, conform to generally accepted accounting principles as applicable to governments.

The following is a summary of certain significant accounting policies.

FINANCIAL REPORTING ENTITY

This report includes all funds and account groups which are controlled by or dependent on the Town executive and legislative branches (The Mayor and Board of Aldermen). Control by or dependence on the Town was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general overnight responsibility.

FUND ACCOUNTING

The accounts of the Town of Bernice, Louisiana 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 comprises 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 purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into three generic fund types and two broad fund categories as follows:

Governmental Funds -

General Fund

The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes.

Proprietary Fund -

Enterprise Fund

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - 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 the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

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 fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. The Town has elected to capitalize public domain (infrastructure) fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-term Debt Account Group.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets.

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 Storage Tanks Purification Plant Lines & Meters	40 years 40 years 40 years 40 years
The estimated useful lives are as follows:	
Sewerage Utility -	
Pump Stations	40 years
Lines	40 years
Autos and Trucks	3-5 years
Other Equipment	3-10 years

All fixed assets are stated at historical cost or estimated cost if actual historical cost is not available. Prior to 1978, records were not maintained of historical cost. The water system was placed on the books at January 1, 1978 at an estimated value of 413,766.

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 accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered measurable when in the hands of collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Expenditures are generally recognized under the accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on long-term debt is recognized when due.

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

Budgets and Budgetary Accounting

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

- 1. The Town Clerk prepares a proposed budget and submits same to the Mayor and 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 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. 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 and Special Revenue Funds are adopted on a basis consistent with generally

accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Board of Aldermen.

8. The budget was amended in December 2003, by approval of the Board of Aldermen. These amendments are reflected in these financial statements.

Inventories

Inventory of supplies in both the governmental funds and proprietary fund is valued at cost (first-in, firstout).

Bad Debts

Uncollectible accounts receivable are charged directly against earnings when they are determined to be uncollectible. Use of this method does not result in a material difference from the valuation method required by generally accepted accounting principles. Management feels the receivables recorded are collectible and no bad debt allowance is necessary.

Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefits

All unpaid vacation and sick pay must be taken during the current year or they lapse at December 31. Therefore, there is no accrual of unpaid vacation or sick pay.

Comparative

Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of the changes in the Town's financial position and operations.

Total Columns on Combined Statements - Overview

Total columns on the combined statements - overview are captioned memorandum only to indicate that they are presented only to facilitate financial analysis. Data in these columns does 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 the data.

AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Town in October or November and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The Town bills and collects its own property taxes using the assessed values determined by the tax assessor of Union Parish.

For the year ended December 31, 2003, taxes were levied on property with assessed valuations totaling \$4,119,860 and were dedicated as follows:

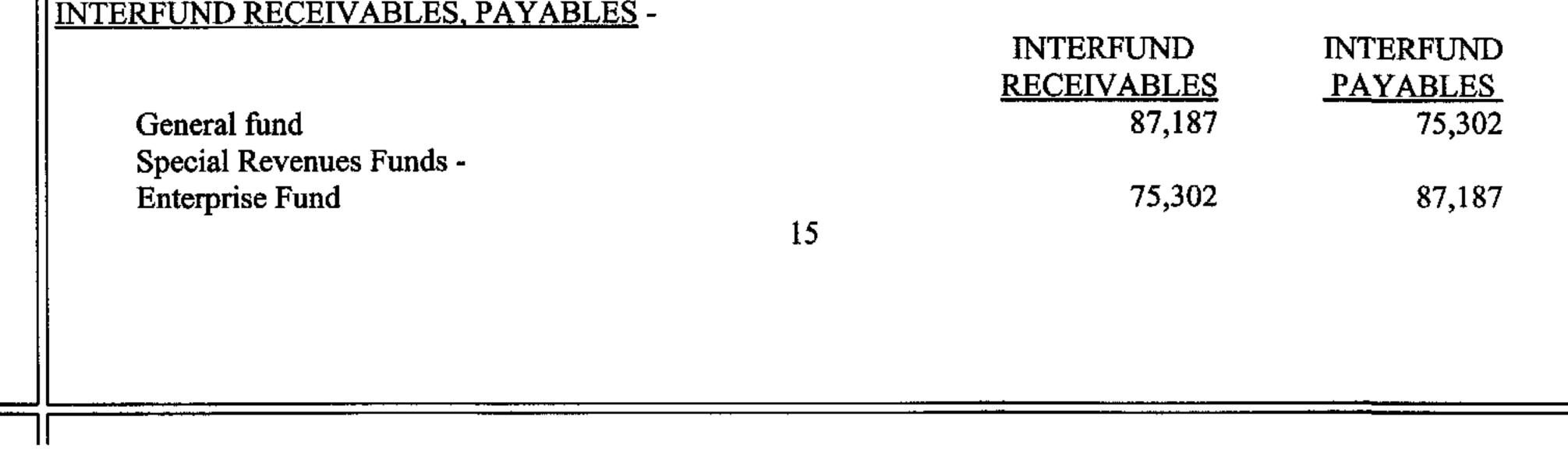
General corporate purpose

5.28 mills

Total taxes levied were \$21,753. Taxes receivable at December 31, 2003 consisted of the following:

Taxes Receivable current roll

10.125



<u>TOWN OF BERNICE, LOUISIANA</u> <u>NOTES TO FINANCIAL STATEMENTS</u> <u>DECEMBER 31, 2003</u>

LONG-TERM DEBT - PROPRIETARY FUND

Water Revenue Bond:

Water System Construction. Interest rate is 6%. Payment of interest only was due on October 23, 1990 and 1991. Principal and interest is due October 23, 1992 to 2029. The original bond issuance is for 735,600.

		ENTER	PRISE FUND
		WATE	R REVENUE
			BONDS
Debt Payable January 1, 2003			652,854
Debt Issued			0
Debt Retired			(10,272)
Debt Payable December 31, 2003			642,582
Less: Current Maturities			<u>(11,040)</u>
Long-term Debt			631,542
YEAR ENDING			
DECEMBER 31.	PRINCIPAL	INTEREST	TOTAL
2004	11,040	38,511	49,551
2005	11,073	38,478	49,551
2006	12,451	37,100	49,551
2007	13,075	36,476	49,551
2008	13,854	35,697	49,511
2009-2029	<u>581,089</u>	<u>409,925</u>	<u>991,014</u>
	642,582	<u>596,187</u>	1,238,769

PROPERTY, PLANT AND EQUIPMENT

The following is a summary of proprietary fund type property, plant, and equipment at December 31, 2003:

	ENTERPRISE
	<u> </u>
Water & Sewer System	2,091,132
Equipment	193,128
Water System Improvements	988,117
Computer & Office Equipment	7,998
Land	7,162
	3,287,537
Less: Accumulated Depreciation	<u>1,849,395</u>
<u>NET PROPERTY, PLANT & EQUIPMENT</u>	<u>1,438,142</u>

Depreciation expense for the year ended was \$84,154.	
16	
	L [

PROPERTY, PLANT AND EQUIPMENT - continued

A summary of changes in property, plant and equipment at December 31, 2003, is as follows:

	December 31,			December 31,
	2002	Additions	Deletions	2003
Water & Sewer System	2,091,132	0	0	2,091,132
Equipment	174,792	40,490	22,154	193,128
Water System Improvements	988,117	0	0	988,117
Computer & Office Equipment	7,998	0	0	7,998
Land	7,162	0	<u>0</u>	7,162
	<u>3,269,201</u>	<u>40,490</u>	<u>22,154</u>	<u>3,287,537</u>

CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets:

Balance 1-1-03	2,663,031
Current Additions	704,706
Current Deletions	0
Balance 12-31-03	<u>3,367,737</u>

DEDICATION OF PROCEEDS AND FLOW OF FUNDS - 1% Sales and Use Tax -

The 1% sales tax was increased to 2% effective October 1, 1988.

The proceeds of this tax to be dedicated and used for the purpose of acquiring, constructing, improving, maintaining, and operating fire protection facilities, purchasing fire trucks, ambulance, rescue vehicles, or other fire fighting, ambulance and/or rescue equipment: or for one or more of said purposes including the supplementing of the general revenues, said tax to be subject to funding into funds by the Town for the purpose of making capital improvement to the extent and in the manner permitted by the laws of Louisiana should such become necessary.

PENDING LITIGATION AND CONTINGENT LIABILITIES

The Town attorney has advised that there is no pending litigation against the Town.

PENSION PLANS

All employees of the Town of Bernice, Louisiana, are members of the Social Security System. The Town contributed \$21,923 as the employer's portion. Employees have the option of participating in a SIMPLE retirement plan. The Town will match employee contributions up to 3% of gross salaries. The Town's matching contributions for 2003 total \$5,252.

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POST RETIREMENT BENEFITS

The Town provides no post retirement benefits for its employees.

TEDM

TOWN OF BERNICE, LOUISIANA, ELECTED OFFICIALS

				TERM
<u>NAME</u>	POSITION	ADDRESS	<u>SALARY</u>	<u>EXPIRES</u>
Minor S. Patton	Mayor	P. 0. Box 86	13,800	12/31/06
		Bernice, LA 71222		
Ricky Albritton	Chief-of	705 South Cherry	24,730	12/31/06
,	Police	Bernice, LA 71222	,	
Oliver Gene Terrall	Alderman	929, Pisgah Church Rd	1,200	12/31/06
	District 1	Bernice, LA 71222		
Rhodell Montgomery	Alderman	P. 0. Box 273	1,200	12/31/06
	District 2	Bernice, LA 71222		
Teddy Sutton	Alderman	113 Church St	1,200	12/31/06
	District 3	Bernice, LA 71222		
Mildred Ferguson	Alderman	P. 0. Box 43	1,200	12/31/06
	District 4	Bernice, LA 71222		
Amy Pesnell	Alderman	3017 Roberson St.	1,200	12/31/06
-	District 5	Bernice, La 71222		
<u>TOTAL SALARI</u>	<u>ES</u>		<u>44,530</u>	
<u>ASH</u>				
Cash Flow Information - {	Supplemental disclosu	res of cash flow information:		
Chathanaid domined the second	F orm		2003	2002
Cash paid during the year Interest	IOT:		39,279	0
Income Taxes			0	Ŏ
Q	an an an an Indone an an an	ad financina caticulticas		
Supplemental schedule of There were no non-cas		ing activities for the year.		
Disclosure of accounting				
* *		ws, the Town considers cash is	n checking accourt	nts, savings
accounts, and certificat	les of deposit to be cas	sh and cash equivalents.		

Cash is classified into three categories to give an indication of the level of risk assumed at year-end. Category 1 includes investments insured or registered or securities which are held by the Town or its agent in the Town's name. Category 2 includes uninsured or unregistered investments for which the securities are held by the bank or agent in the Town's name. Category 3 includes uninsured or unregistered investments with the securities held by the bank or agent but not in the Town's name.

CASH - continued

The carrying amount of the Town's deposits with the financial institutions was \$307,012 and the book balance was \$313,449. The bank balance is categorized as follows:

		Category		
	1	2	3	
Cash	200,000	107,012	0	

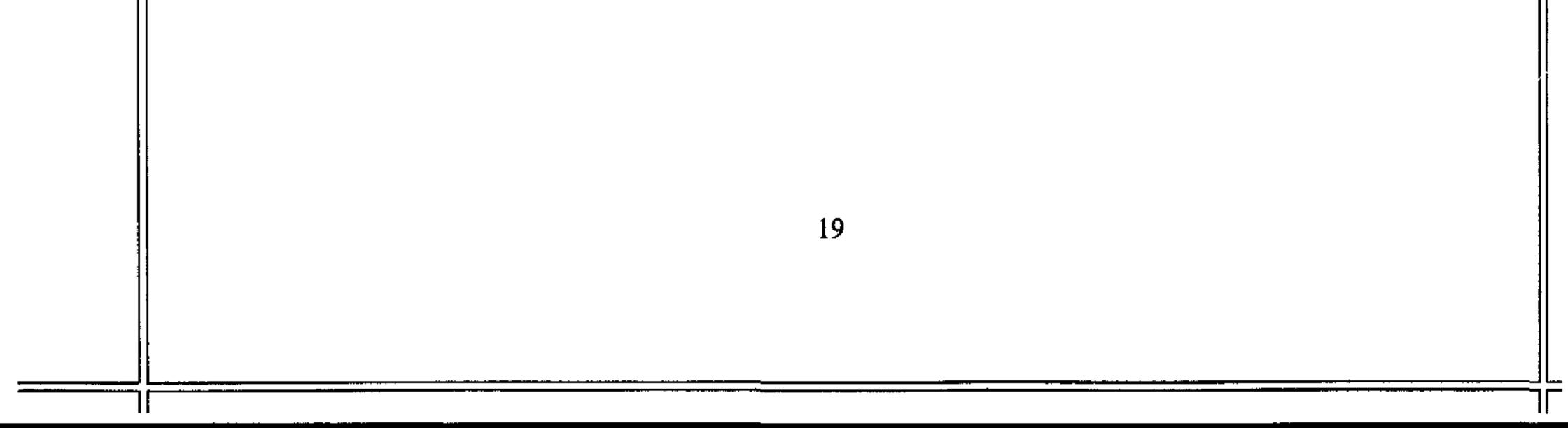
RETAINED EARNINGS - ENTERPRISE FUND

The deficit in retained earnings is created by accumulated depreciation on property, plant and equipment. Of the \$3,287,537 of property, plant and equipment, 1,723,140 is from contributed capital. Thus, \$961,685 or 52% of accumulated depreciation that has flowed through retained earnings is attributable to the assets purchased through contributed capital.

GENERAL LONG - TERM DEBT

The general long-term debt is a loan from the State of Louisiana for Utility Relocation Assistance Funds as promulgated in accordance with R.S. 48:381. The funds were advanced for payment of the Town's portion of the cost of State Project No. 023-11-0035 and Project No. 023-11-0034, Route U.S. 167.

The loan is non-interest bearing and has no timetable for repayment nor has a repayment schedule been established. The Town is to repay the loan as funds become available.



MARCUS, ROBINSON and HASSELL

CERTIFIED PUBLIC ACCOUNTANTS P. O. BOX 2896 TELEPHONE 322-8106 FAX 387-5015 MONROE, LOUISIANA 71207-2896

Harvey Marcus, CPA John Robinson, CPA Doyle Hassell, CPA MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS SOCIETY OF LOUISIANA CERTIFIED PUBLIC 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

The Honorable Minor Patton, Mayor Members of the Board of Aldermen Town of Bernice, Louisiana

We have audited the financial statements of the Town of Bernice, Louisiana, as of and for the year ended December 31, 2003, and have issued our report thereon dated June 23, 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 <u>Government Auditing Standards</u>, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Town of Bernice, Louisiana's 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 statements 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 <u>Government Auditing Standards</u>.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Bernice, Louisiana'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. Our consideration of the internal control over financial reporting that might be material weaknesses. 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the Board of Aldermen and the Legislative Auditor of Louisiana and is not intended to be, and should not be used by anyone other than the specified parties. Under Louisiana Revised Statute 24:513, this report is to be distributed by the Legislative Auditor as a public document.

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Marcus, Robinson a Harsel

Marcus, Robinson and Hassell June 23, 2004

<u>TOWN OF BERNICE, LOUISIANA</u> <u>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</u> <u>FOR THE YEAR ENDED DECEMBER 31, 2003</u>

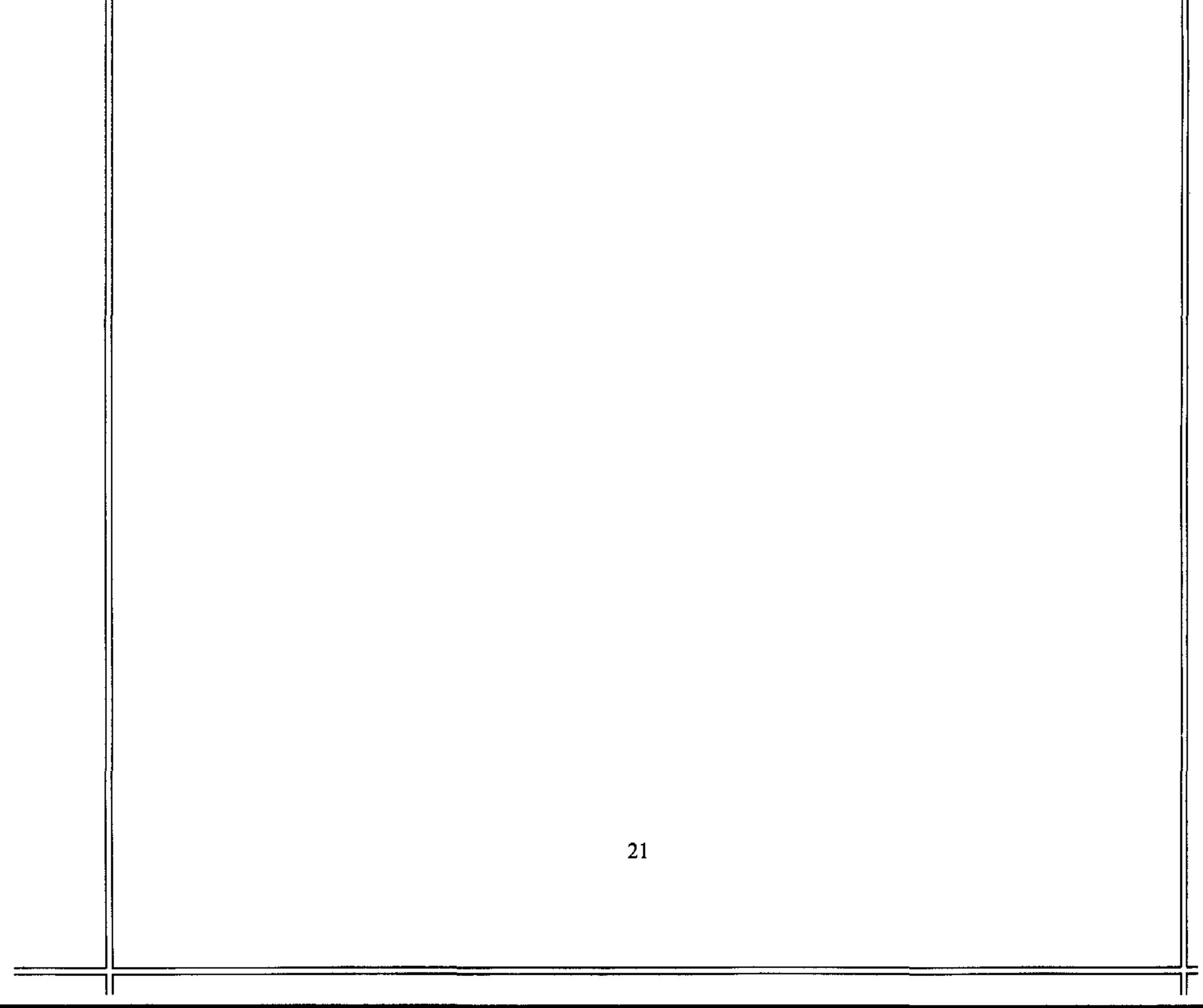
Federal Grants/ Pass Through Grantor/ <u>Program Title</u>

Award Period Expenditures

LCDBG

1-1-03/12-31-03

<u>59,641</u>



TOWN OF BERNICE, LOUISIANA BERNICE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003

PART I - SUMMARY OF THE AUDITOR'S RESULTS

Financial Statement Audit

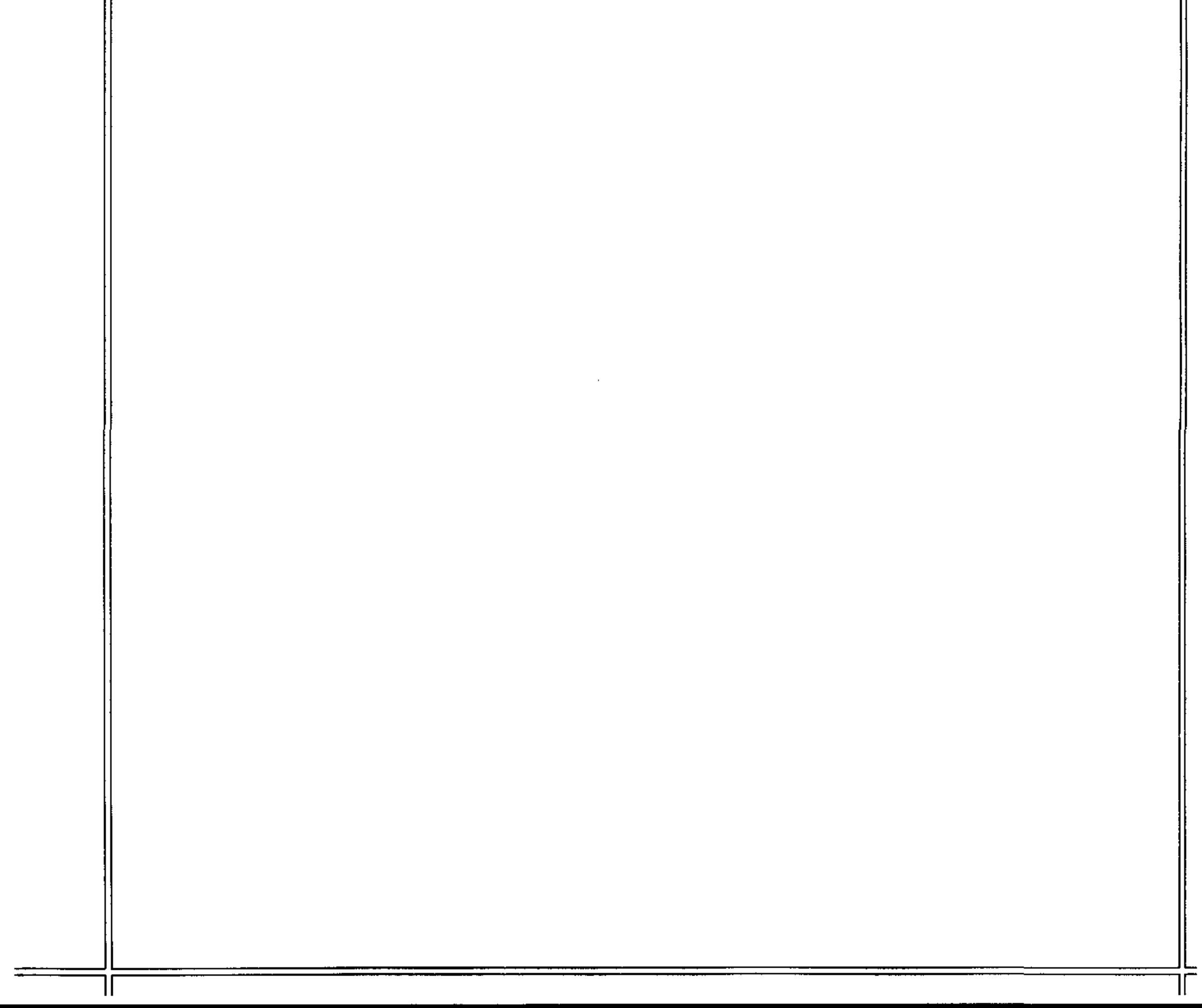
- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statement.

Audit of Federal Awards

- iv. There were no reportable conditions required to be disclosed by OMB Circular No.A-133.
- v. The audit disclosed no audit findings which the auditor is required to report under OMB Circular No. A-133, Section .510(a).
- vi. There were no major federal programs for the year ended December 31, 2003.
- vii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No. A-133, Section .520(b) was \$300,000.
- PART II Finding(s) relating to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards:

NONE

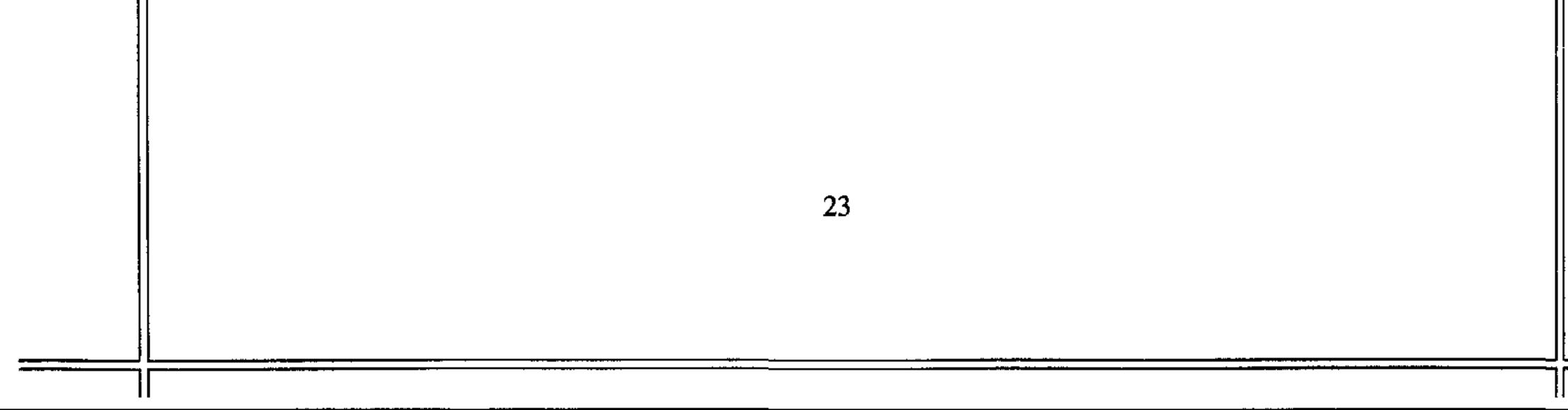
SUPPLEMENTAL INFORMATION



<u>GOVERNMENTAL FUND TYPE - GENERAL FUND</u>

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

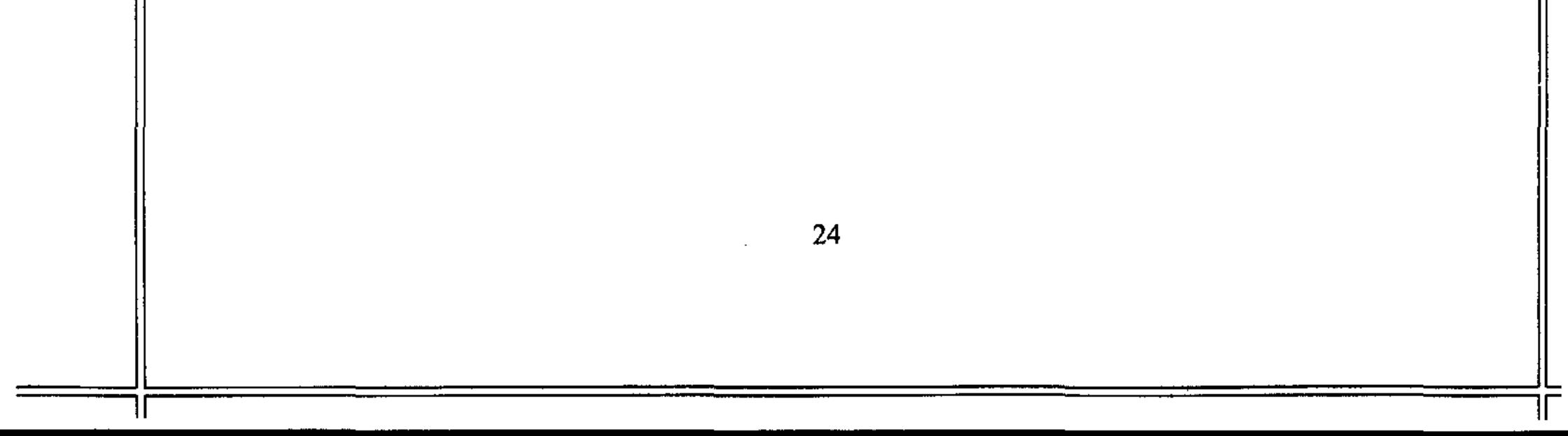




TOWN OF BERNICE, LOUISIANA <u>GOVERNMENTAL FUND TYPE - GENERAL FUND</u> **COMPARATIVE BALANCE SHEET** DECEMBER 31, 2003 AND 2002

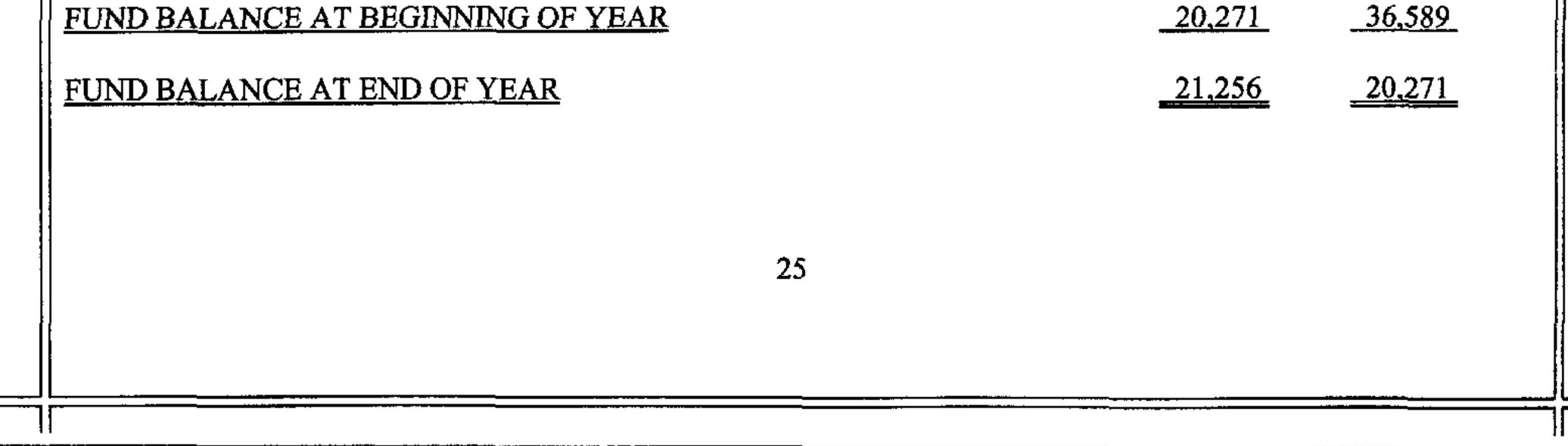
	2003	2002
ASSETS		
Cash	12,793	6,398
Accounts Receivable	2,120	3,585
Property Taxes Receivable	10,125	7,834
Due from Enterprise Fund	87,187	43,357
Prepaid Insurance	<u>3,851</u>	4,659
TOTAL ASSETS	<u>116,076</u>	<u>65,833</u>
LIABILITIES AND FUND BALANCE		
Liabilities		

Accounts Payable	11,244	8,842
Payroll Taxes Payable	1,953	1,174
Workman's Comp. Payable	4,397	4,742
Retirement Payable	1,924	0
Due to Enterprise Fund	75,302	<u>30,804</u>
Total Liabilities	94,820	45,562
Fund Balance	<u>21,256</u>	<u>20,271</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>116,076</u>	<u>65,833</u>



<u>TOWN OF BERNICE, LOUISIANA</u> <u>GOVERNMENTAL FUND TYPE - GENERAL FUND</u> <u>COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,</u> <u>AND CHANGES IN FUND BALANCES</u> <u>FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002</u>

		2003	2002
	REVENUES		
	Ad Valorem Tax	21,753	19,930
	Fines	24,172	19,133
	License	53,197	42,393
	Tobacco & Beverage Tax	660	790
	Fees - Entergy	25,648	27,727
	Fees - Reliant	7,313	0
	State Revenue Sharing	771	582
	Cable TV Franchise Fee	9,970	0
	Miscellaneous	2,246	3,375
	Sanitation Fee Income	47,780	46,844
	Building Permits	285	800
	Lots Sold	375	880
	Rent Income	6,000	6,000
	Sale of Equipment	2,225	0
	Local Grant - Salary Reimbursement	13,460	10,425
	Federal Grants	0	2,287
	State Grants	0	<u> </u>
	TOTAL REVENUES	215,855	182,639
	EXPENDITURES		
	Administrative	44,714	31,362
	Public Safety	151,843	147,674
	Streets & Sanitation	67,077	60,008
	General	172,142	177,429
	Capital Outlay	<u>16,094</u>	<u> </u>
	TOTAL EXPENDITURES	<u>451,870</u>	<u>423,957</u>
	EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(236,015)	(241,318)
	OTHER FINANCING SOURCES (USES):		
	Transfer from Sales Tax Fund	<u>237,000</u>	<u>225,000</u>
	TOTAL OTHER FINANCING SOURCES (USES)	237,000	225,000
	EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES		
	OVER EXPENDITURES AND OTHER USES	985	(16,318)
	ELINID DAT ANCE AT DECININIC OF VEAD	20.271	26 580

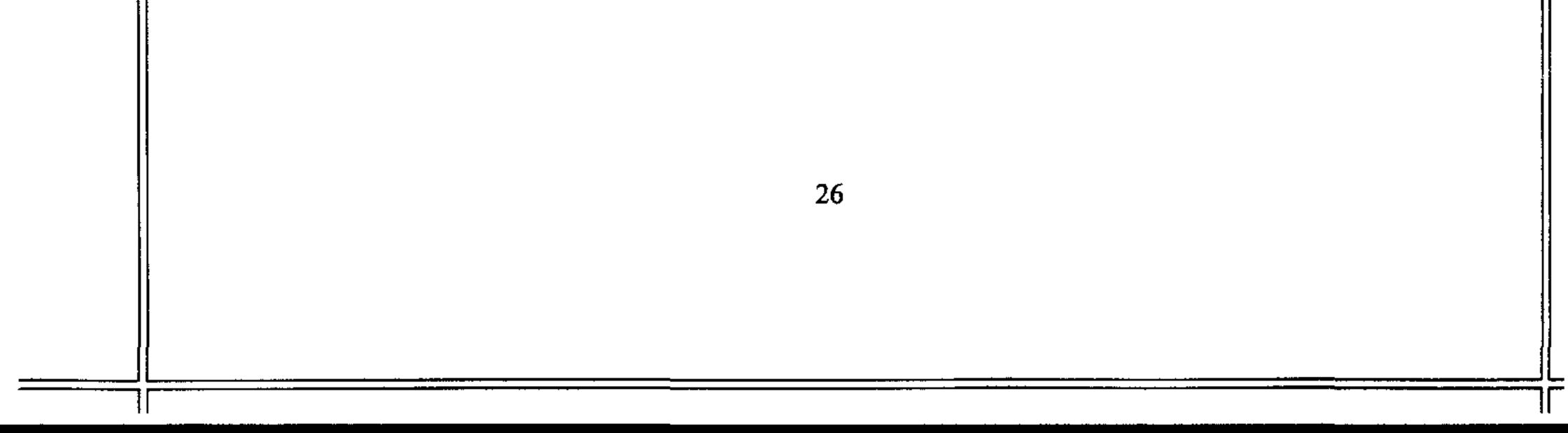


<u>TOWN OF BERNICE, LOUISIANA</u> <u>GOVERNMENTAL FUND TYPE - GENERAL FUND</u> <u>COMPARATIVE STATEMENT OF EXPENDITURES</u> FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	2003	_2002_
ADMINISTRATIVE	44,714	31,362
PUBLIC SAFETY Police Department	151,843	147,674
STREET AND SANITATION Sanitation Department Expense Street Expense	38,552 <u>28,525</u> 67,077	32,301 <u>27,707</u> 60,008
<u>GENERAL</u> General	172,142	177,429

CAPITAL OUTLAY	<u> 16,094 </u>	7,484
TOTAL EXPENDITURES	<u>451,870</u>	<u>423,957</u>

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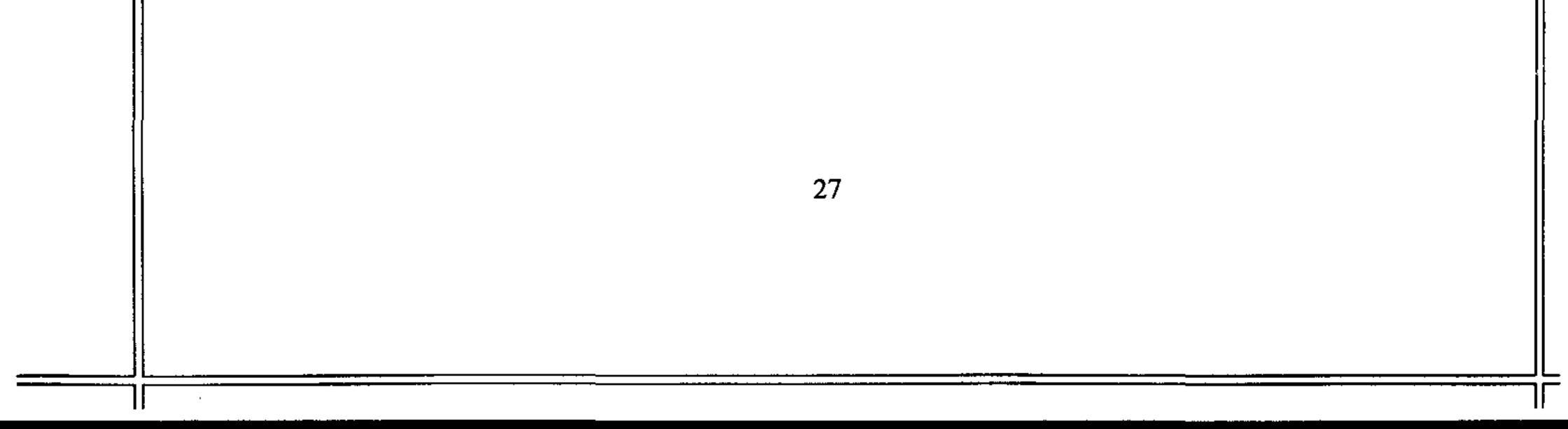
<u>GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS</u>

<u>Sales Tax</u> - To account for the receipt and use of proceeds of the Town's sales tax. These taxes are dedicated and are to be used for the purpose of establishing, acquiring, constructing, maintaining, building, and repairing streets, roads, and bridges; construction and maintaining drains and drainage ditches; establishing, acquiring, operating, and maintaining solid waste disposal facilities and equipment, therefore; including the acquisition, operation, and maintenance of equipment for the collection of same; constructing, operating, and maintaining sewage and water improvements; or for one or more of said purposes, said tax to be subject to funding into bonds by the Town for the purpose of making capital improvement to the extent and in the manner permitted by the laws of Louisiana.

Sewer Rehabilitation Grant - To account for community development block grant proceeds for the sewer

rehabilitation project.

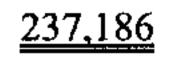
Utility Relocation Grant - To account for grant proceeds for utility relocation.



<u>TOWN OF BERNICE, LOUISIANA</u>
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUND
COMBINED BALANCE SHEET
DECEMBER 31, 2003 AND 2002

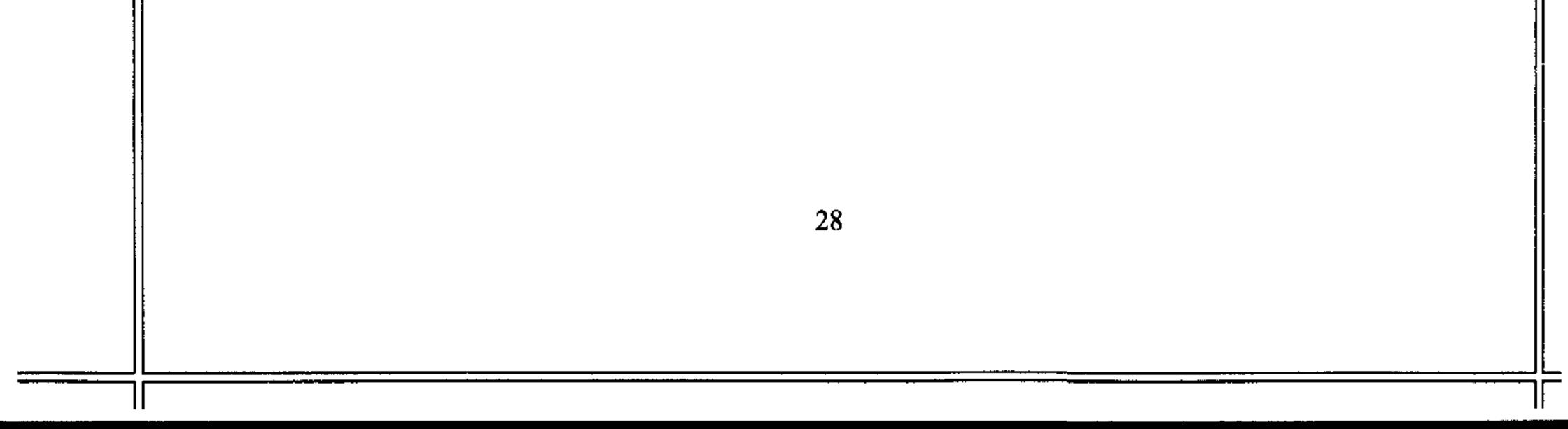
	2003	
ASSETS		
Cash	198,399	169,297
Due from State	38,678	0
Interest Receivable	<u> 109 </u>	<u> 1,783 </u>
<u>TOTAL ASSETS</u>	<u>237,186</u>	<u>171,080</u>
<u>LIABILITIES</u>		
Accounts Payable	<u>_88,050</u>	1,200
TOTAL LIABILITIES	88,050	1,200
FUND BALANCE	<u>149,136</u>	<u>169,880</u>

TOTAL LIABILITIES AND FUND BALANCE

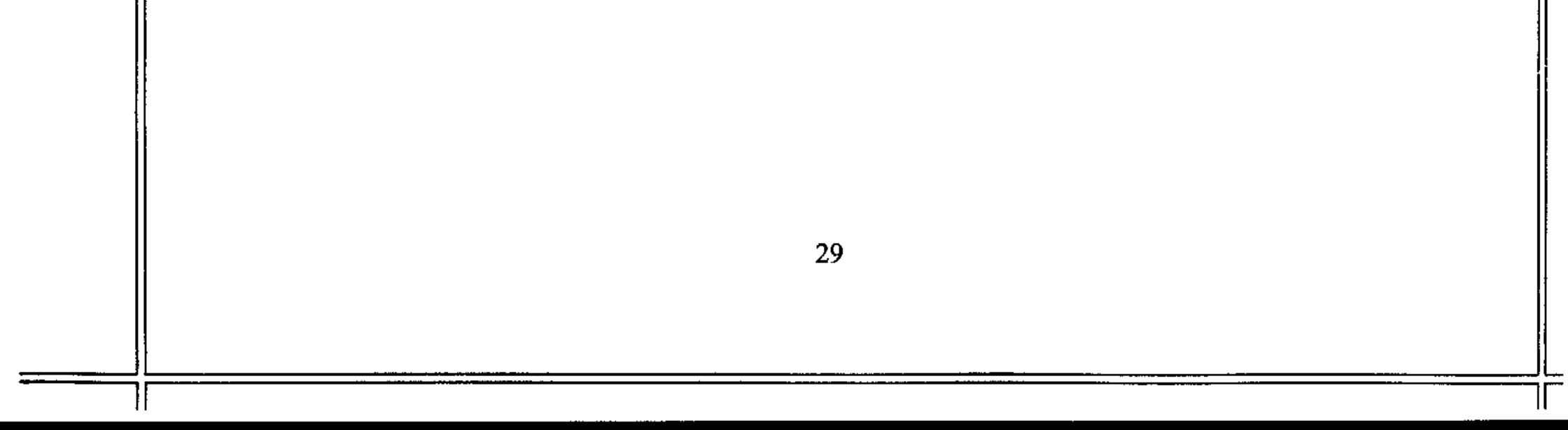




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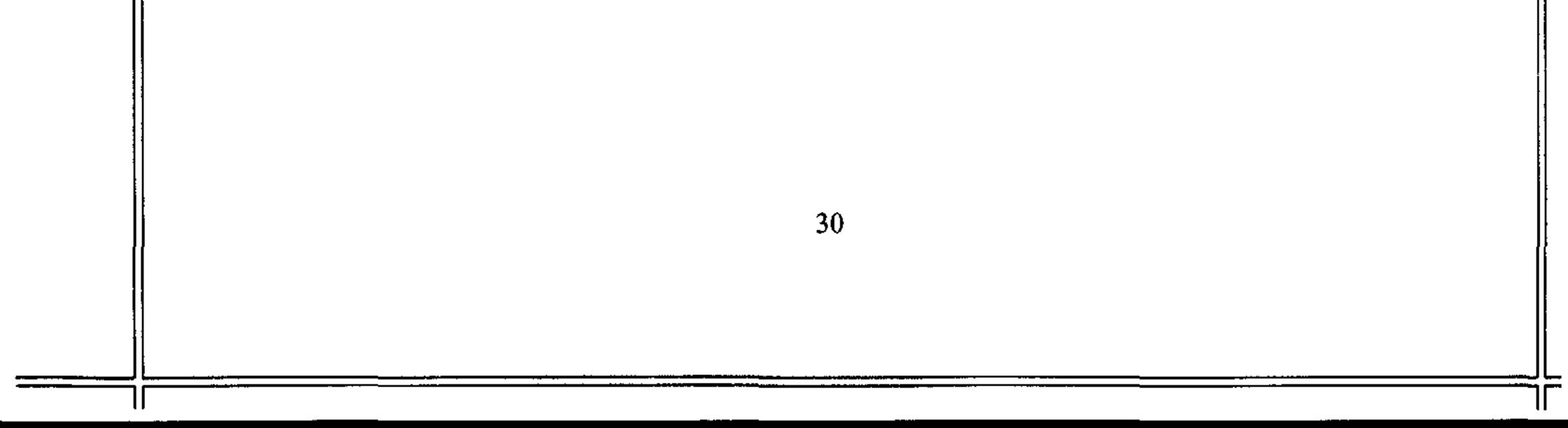


<u>TOWN OF BERNICE, LOU</u> <u>GOVERNMENTAL FUND TYPE - SPECI</u> <u>COMBINED STATEMENT OF REVENU</u> <u>AND CHANGES IN FUND B.</u> <u>FOR THE YEARS ENDED DECEMBER</u>	IAL REVENUE FUND JE, EXPENDITURES, ALANCE	
	2003	2002
REVENUE		
Interest Income	6,368	9,219
Sales Tax Collected	214,688	227,034
Federal Grants	59,641	225,957
State Grants	528,359	89,680
Utility Relocation Assistance funds	100,611	0
TOTAL REVENUE	909,667	551,890
<u>EXPENDITURES</u>		
Public Safety	4,800	4,800
General	0	31,866
Capital Outlay	<u>_688,611</u>	283,771
TOTAL EXPENDITURES	<u> 693,411 </u>	_320,437
EXCESS REVENUES OVER EXPENDITURES	216,256	231,453
OTHER FINANCING SOURCES (USES)		
Transfer in - General Fund	0	0
Transfer to General Fund	(237,000)	(225,000)
Transfer to Water & Sewer Fund	0	0
TOTAL OTHER FINANCING USES	<u>(237,000)</u>	<u>(225,000)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES		6 150
EXPENDITURES AND OTHER FINANCING USES	(20,744)	6,453
FUND BALANCE AT BEGINNING OF YEAR	<u>169,880</u>	163,427



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	<u>TOWN OF BERNICE, LOUISIANA</u> <u>SALES TAX FUND</u> <u>COMPARATIVE BALANCE SHEET</u> <u>DECEMBER 31, 2003 AND 2002</u>			
		2003	2002	
ASSETS Cash Interest Rec	eivable	149,827 <u>109</u>	169,297 <u>1,783</u>	
TOTA	<u>LASSETS</u>	<u>149,936</u>	<u>171,080</u>	
LIABILITIES Accounts Pa		800	1,200	
FUND BALA	<u>NCE</u>	<u>149,136</u>	<u>169,880</u>	
TOTA	L LIABILITIES AND FUND BALANCE	149,936	171,080	



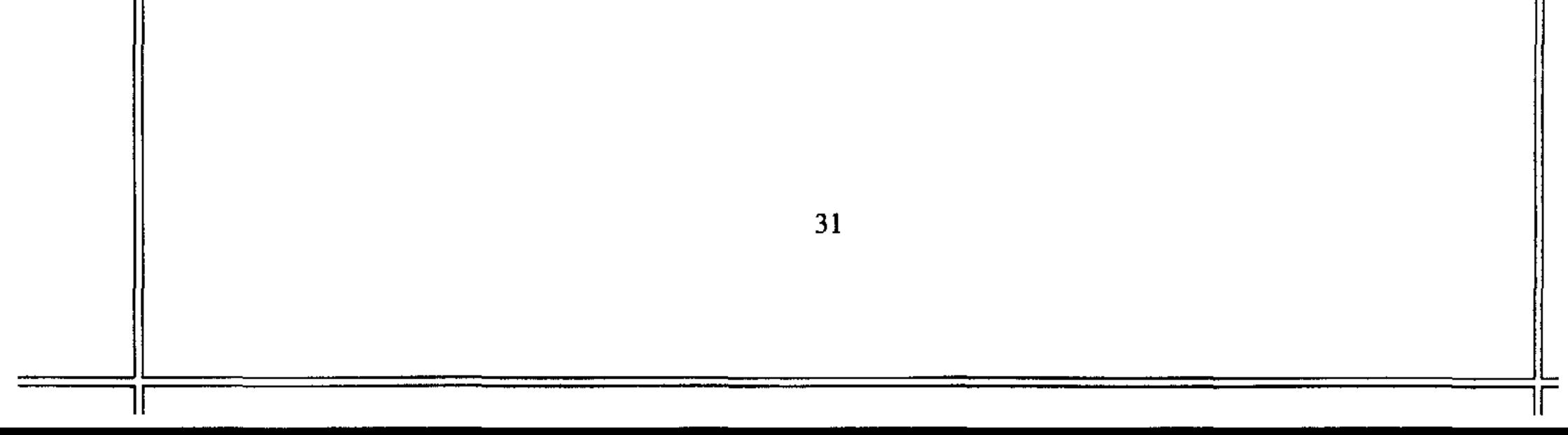


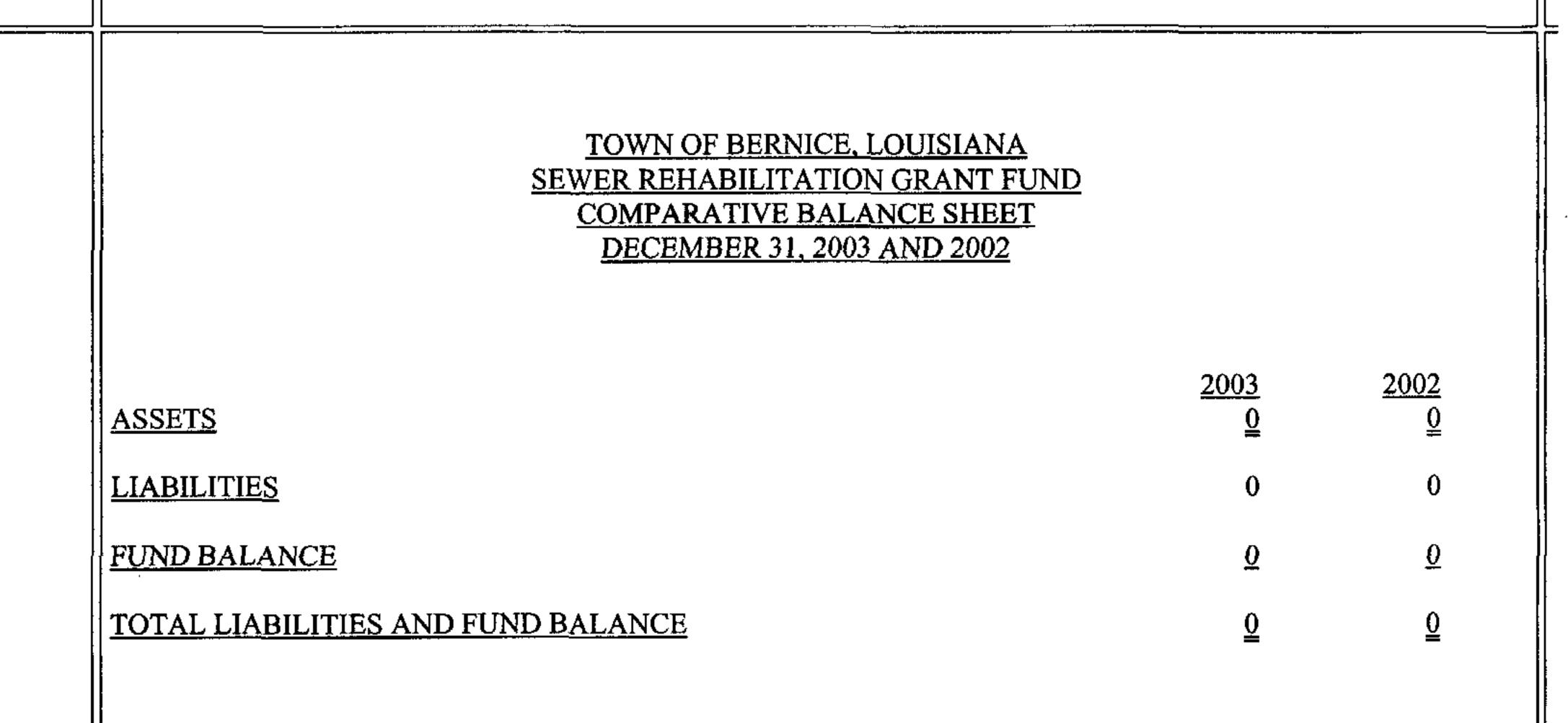
<u>TOWN OF BERNICE, LOUISIANA</u> <u>SALES TAX FUND</u> <u>COMPARATIVE STATEMENT OF REVENUE, EXPENDITURES,</u> <u>AND CHANGES IN FUND BALANCE</u> <u>FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002</u>

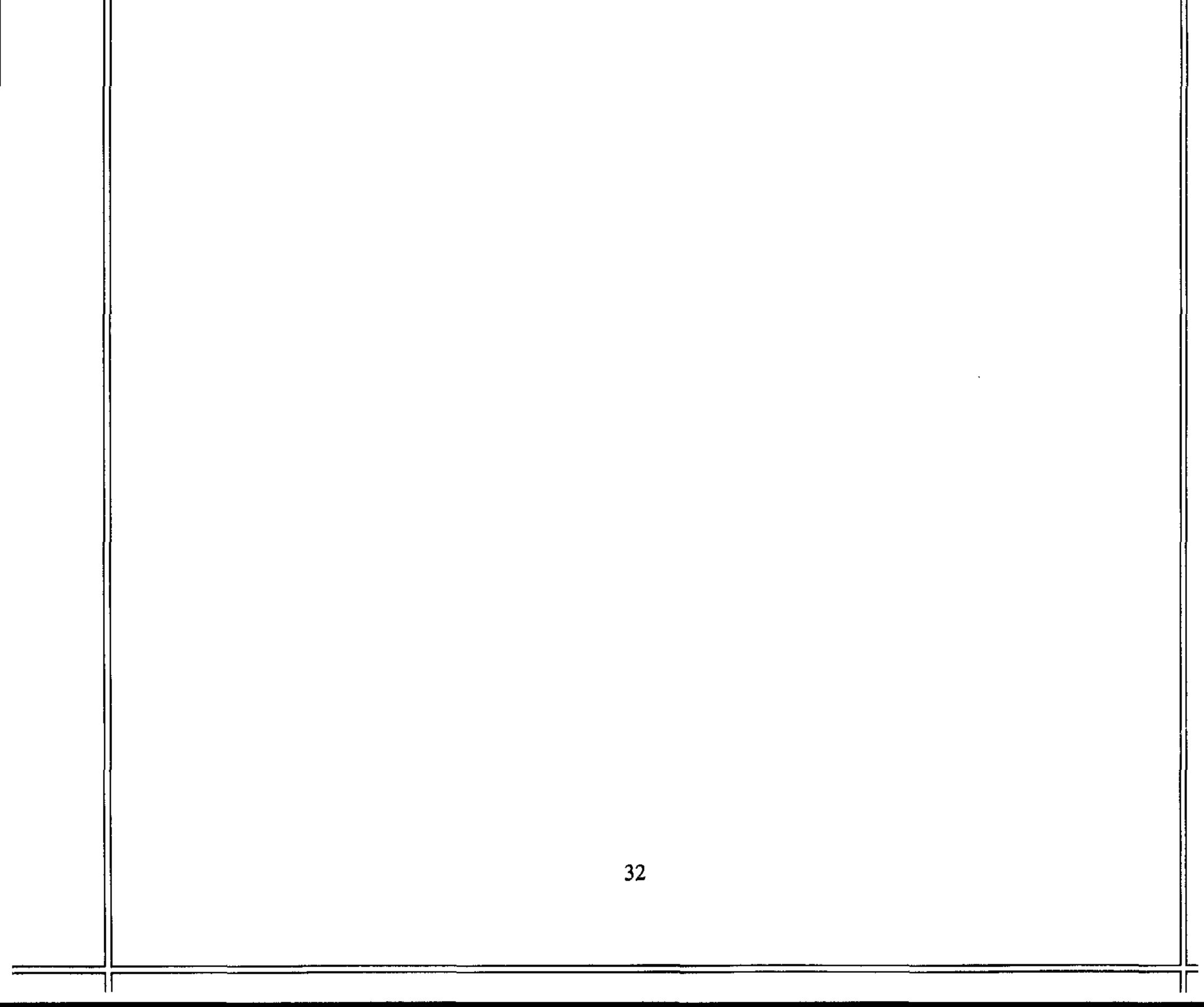
	2003	2002
REVENUE		
Interest Income	6,368	9,219
Sales Tax Collected	214,688	227,034
<u>TOTAL REVENUE</u>	221,056	236,253
EXPENDITURES Public Safety <u>TOTAL EXPENDITURES</u>	<u>4,800</u> <u>4,800</u>	<u>4,800</u> <u>4,800</u>
EXCESS REVENUES OVER EXPENDITURES	216,256	231,453
OTHER FINANCING USES		

Transfer to General Fund <u>TOTAL OTHER FINANCING USES</u>	<u>(237,000)</u> (20,744)	<u>(225,000)</u> (225,000)
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Uses	(20,744)	6,453
FUND BALANCE AT BEGINNING OF YEAR	<u>169,880</u>	163,427
FUND BALANCE AT END OF YEAR	<u>149,136</u>	<u>169,880</u>

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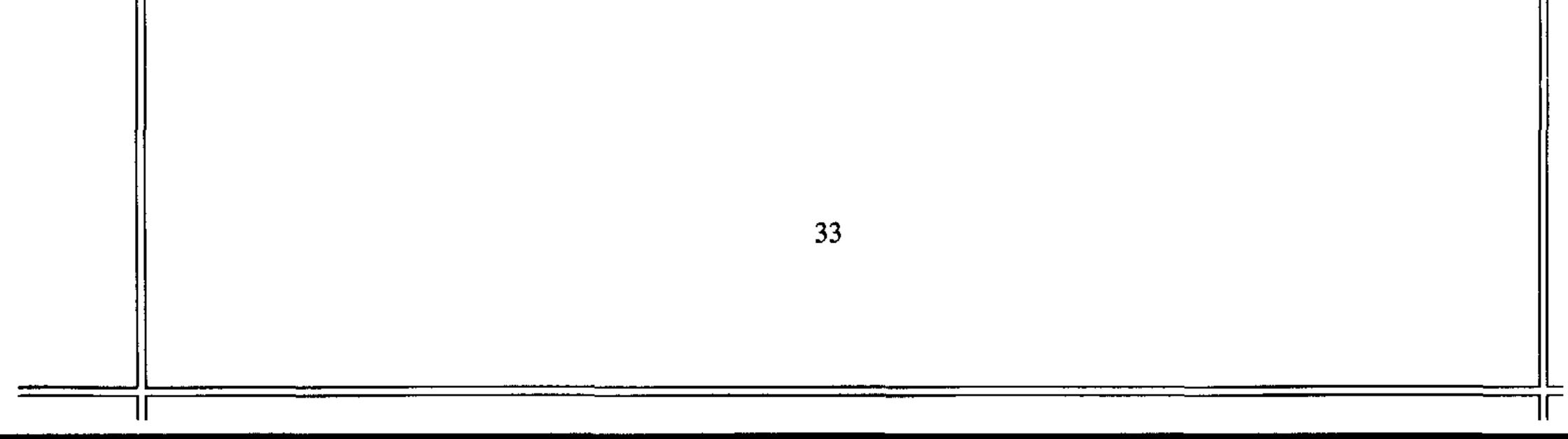


<u>TOWN OF BERNICE, LOUISIANA</u> <u>SEWER REHABILITATION GRANT FUND</u> <u>COMPARATIVE STATEMENT OF REVENUE, EXPENDITURES</u> <u>AND CHANGES IN FUND BALANCE</u> FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

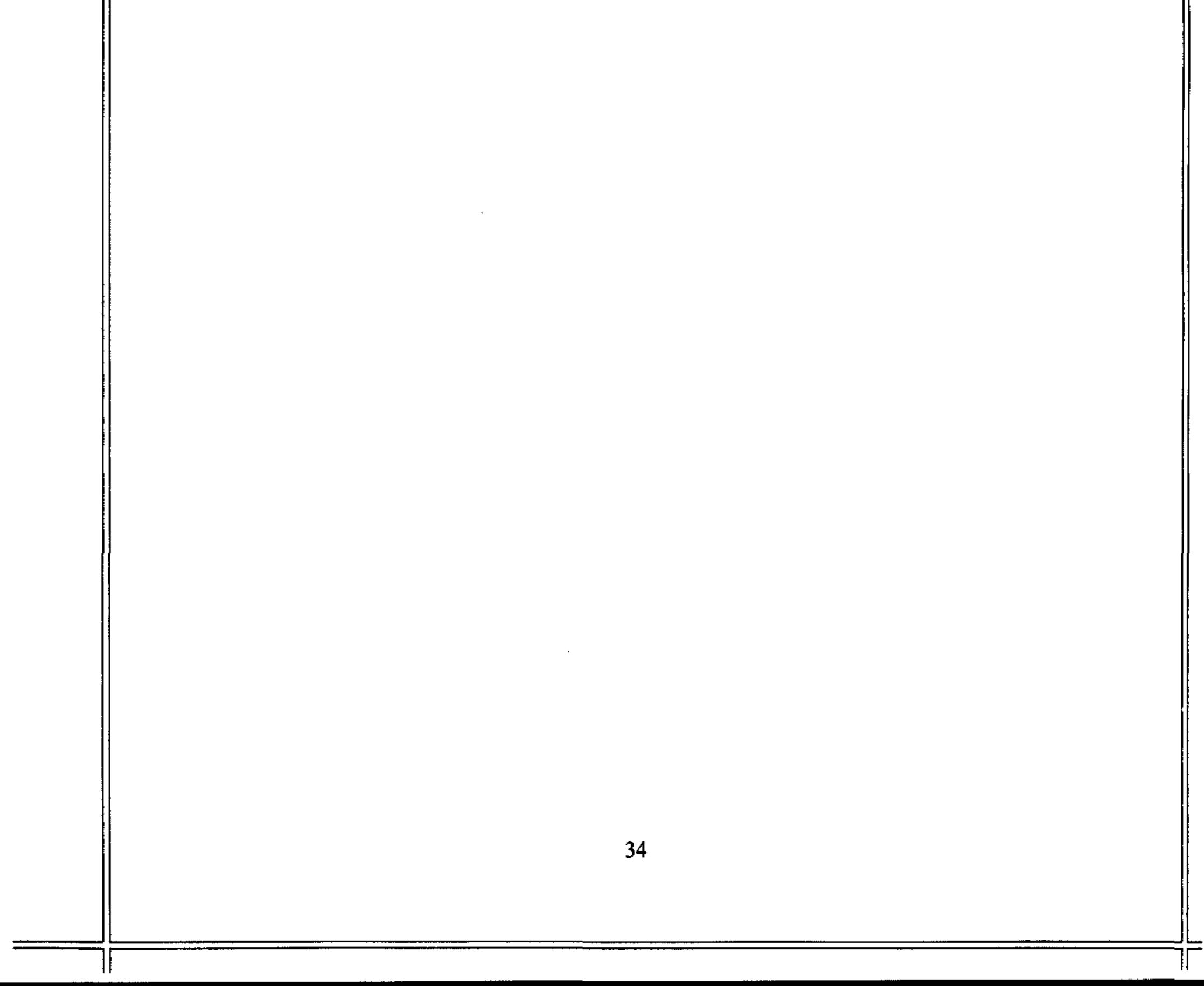
	_2003	2002
REVENUE Federal Grants TOTAL REVENUE	<u>59,641</u> 59,641	<u>225,957</u> 225,957
EXPENDITURES Capital Outlay General	59,641 0 59,641	194,091 <u>31,866</u> <u>225,957</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0

<u> 0 0</u>

FUND BALANCE AT END OF YEAR



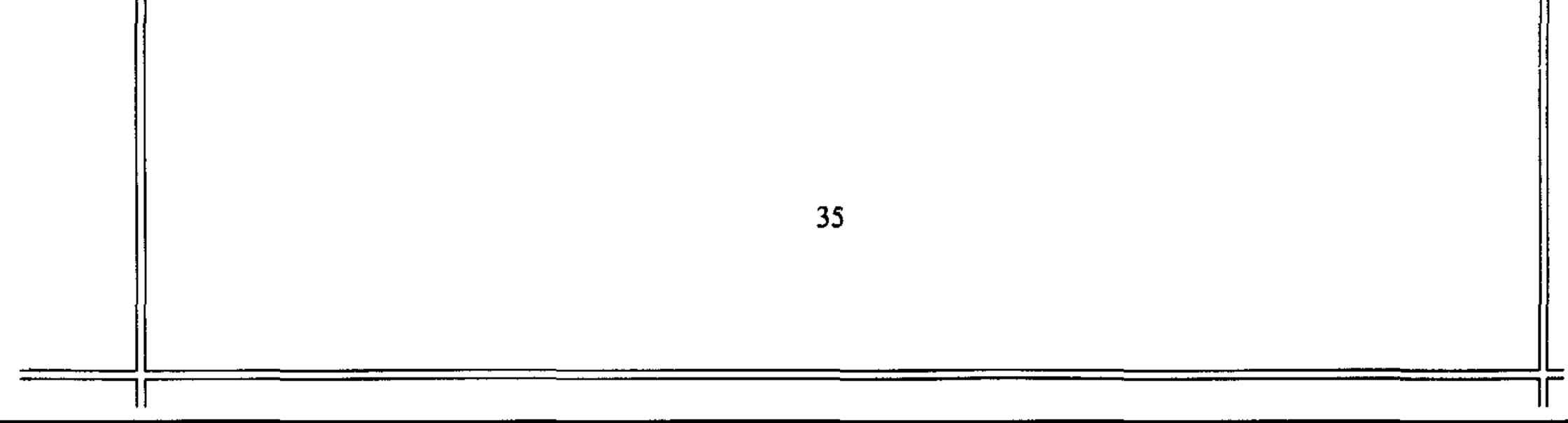
	<u>_</u>	
<u>TOWN OF BERNICE, LOUISIANA</u> <u>UTILITY RELOCATION GRANT FUND</u> <u>COMPARATIVE BALANCE SHEET</u> <u>DECEMBER 31, 2003 AND 2002</u>		
ASSETS	<u>2003</u>	<u>2002</u>
Cash Due from Sate <u>TOTAL ASSETS</u>	48,572 <u>38,678</u> <u>87,250</u>	0 <u>0</u> <u>0</u>
LIABILITIES Accounts Payable	87,250	0
<u>FUND BALANCE</u>	0	<u>0</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>87,250</u>	<u>♀</u>



TOWN OF BERNICE, LOUISIANA UTILITY RELOCATION GRANT FUND COMPARATIVE STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

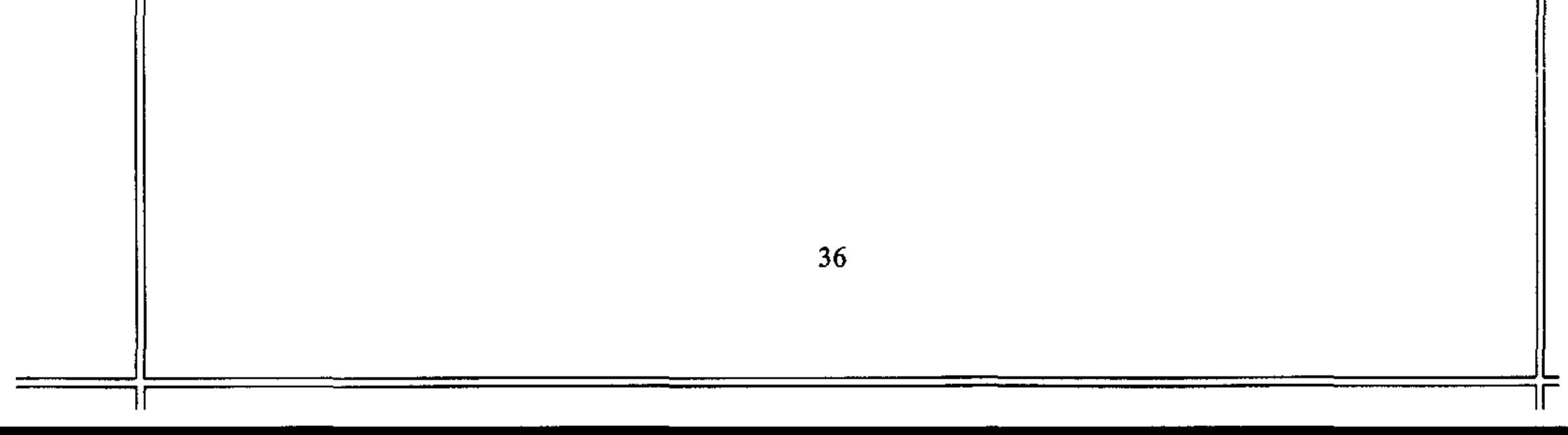
	2003	2002
REVENUE Grant - State of Louisiana Utility Relocation Assistance Funds TOTAL REVENUE	528,359 <u>100,611</u> 628,970	89,680 <u>0</u> 89,680
EXPENDITURES Capital Outlay	<u>628,970</u> <u>628,970</u>	<u>89,680</u> <u>89,680</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0

FUND BALANCE AT END OF YEAR



GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operations



<u>TOWN OF BERNICE, LOUISIANA</u> <u>COMPARATIVE STATEMENT OF GENERAL FIXED ASSET ACCOUNT GROUP</u> <u>DECEMBER 31, 2003 AND 2002</u>

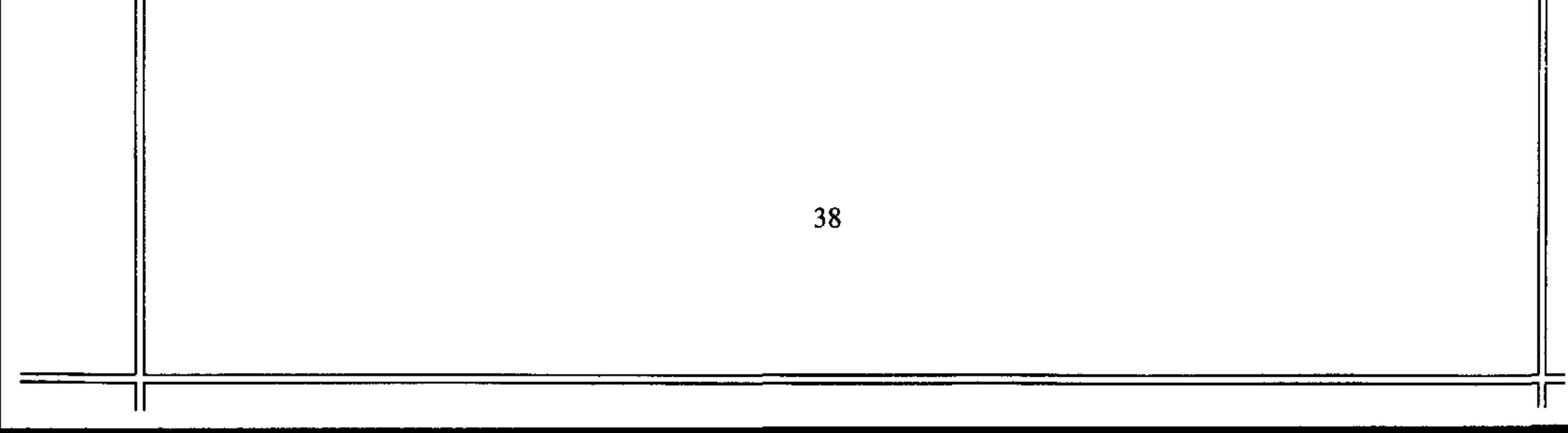
	2003	2002
GENERAL FIXED ASSETS AT COST*		
Land - Inside City Limits	103,235	103,235
Land - Outside City Limits	1,150	1,150
Building - Old Town Hall	75,000	75,000
Building - Old Town Hall	5,000	5,000
Building - Old Depot	17,497	17,497
Building & Land - Town Hall	155,000	155,000
Land & Building (Todd Building)	381,495	375,000
Furniture & Office Equipment	13,905	13,905
Police Equipment	65,384	65,384
Police Cars	67,527	57,927
Computer	3,467	3,467
Civic Clubhouse	25,001	25,001
Vehicles	177,518	177,518
Gasoline Tank and Trailers	7,546	7,546
Streets	93,075	93,075
Street Department Tractor	31,569	31,569
Fire Truck	210,182	210,182
Capitalization of Fire Protection Grant	260,117	260,117
Fire Protection Equipment	5,840	5,840
Medical Clinic	154,820	154,820
Copy Machine	3,041	3,041
Helicopter Pad	25,000	25,000
Furniture - Museum	1,285	1,285
Sewer Rehabilitation	261,659	202,018
Street Overlay	503,774	503,774
Utility Relocation	<u>_718,650</u>	<u>. 89,680</u>
	<u>3,367,737</u>	<u>2,663,031</u>
PROPERTY ACQUIRED PRIOR TO JANUARY 1, 1978	276,074	276,074
PROPERTY ACQUIRED AFTER JANUARY 1, 1978		
From:		
Federal Revenue Sharing	2,434	2,434
General Fund Reserve	1,164,510	1,148,415
Federal Block Grants	1,120,076	1,060,435
Sales Tax Fund Reserve	85,993	85,993
State Funding	<u> </u>	<u> </u>
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	<u>3,367,737</u>	<u>2,663,031</u>

* Records were not maintained prior to January 1, 1978. Assets on hand at January 1, 1978 were placed on books at estimated costs.

37

PROPRIETARY FUND TYPE - ENTERPRISE FUND

To account for the provision of water and sewer services to residents of the Town. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.



<u>TOWN OF BERNICE, LOUISIANA</u> <u>PROPRIETARY FUND TYPE- ENTERPRISE FUND</u> <u>COMPARATIVE BALANCE SHEET</u> <u>DECEMBER 31, 2003 AND 2002</u>

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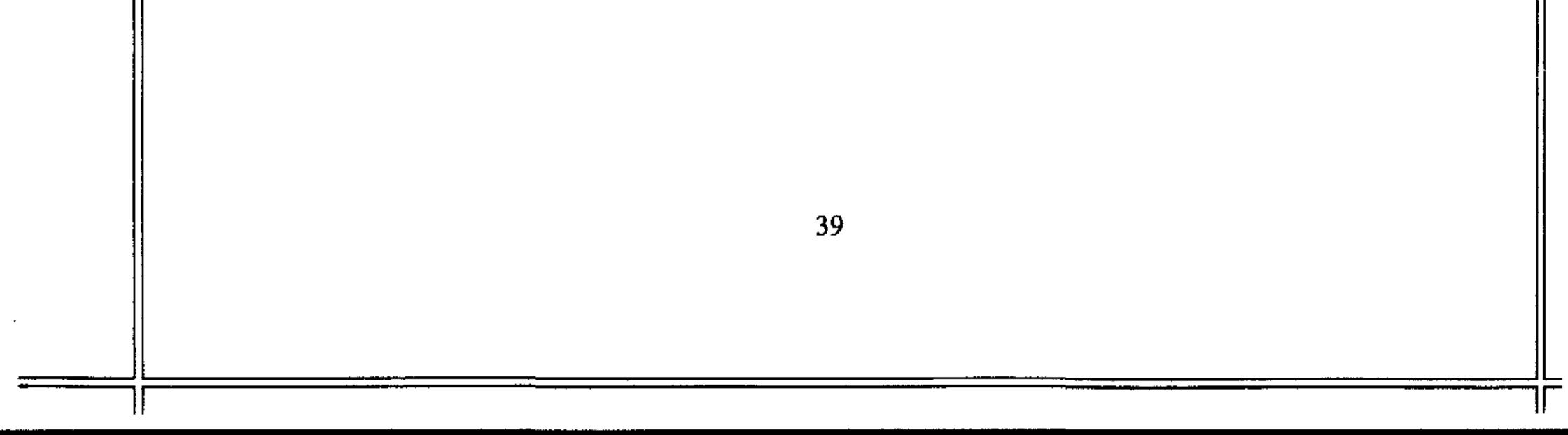
	2003	2002
ASSETS		
Cash	8,823	8,970
Accounts Receivable	30,619	29,662
Due From Other Funds	75,302	30,804
Inventory of Supplies	2,498	3,031
TOTAL CURRENT ASSETS	117,242	72,467
Restricted Assets		
Cash in Bank	62,374	89,970
Cash - Savings Account - Replacement and Extension	31,160	30,660
Accrued Interest Receivable	<u> </u>	<u> </u>
TOTAL RESTRICTED ACCOUNTS	93,695	123,298

Property, Plant and Equipment Net of Allowance for Depreciation

.

TOTAL ASSETS

<u>1,438,142</u> <u>1,481,806</u> <u>1,649,079</u> <u>1,677,571</u>



<u>TOWN OF BERNICE, LOUISIANA</u> <u>PROPRIETARY FUND TYPE - ENTERPRISE FUND</u> <u>COMPARATIVE BALANCE SHEET</u> <u>DECEMBER 31, 2003 AND 2002</u>

	2003	
LIABILITIES AND FUND EQUITY		
Liabilities		
Current (Payable from Current Assets)		
Accounts Payable	5,477	11,372
Payroll Taxes Payable	787	507
Sales Tax Payable	72	577
Retirement Payable	1,762	0
Meter Deposits	28,105	27,220
Due to General Fund	87,187	43,357
TOTAL CURRENT (PAYABLE FROM CURRENT ASSETS)	123,390	83,033
Current (Payable from Restricted Assets)		
Bond Payable - FRA - Current	11,040	10,416
Accrued Interest	7,288	7,512
Bond Payable - FHA - Long-term	<u> 631,542 </u>	642,438
TOTAL LIABILITIES	773,260	743,399
Fund Equity		
Contributed Capital		
Contributions from Grants	1,370,159	1,370,159
Contributions from Municipality	352,982	352,982
Retained Earnings		
Reserve for Replacement and Extension	37,060	34,444
Reserve for FHA Water improvement	42,675	39,927
Unreserved	<u>(927,057)</u>	<u>(863,340)</u>
<u>TOTAL FUND EQUITY</u>	<u>875,819</u>	<u>934,172</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>1,649,079</u>	<u>1,677,571</u>

