

RECEIVED
LEGIS. SERV. DIVISION
200 JUL -2 AM 9 15

VILLAGE OF EPTS
Epps, Louisiana

General Purpose Financial Statements
With Independent Auditor's Report
As of and For the Year Ended
December 31, 2008
With Supplemental Information Schedules

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the clerk of court for the parish public records. The report is available for public review at the State Revenue Office of the Louisiana Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8-8-01

VILLAGE OF EPPS
Epps, Louisiana

General Purpose Financial Statements
With Independent Auditor's Report
As of and For the Year Ended
December 31, 2000
With Supplemental Information Schedules

C O N T E N T S

	Statement	Page No.
Independent Auditor's Report		3
General Purpose Financial Statements:		
Certified Balance Sheet - All Fund Types and Account Groups	A	6
Governmental Fund Type - Statement of Revenues, Expenditures and Changes in Fund Balances	B	8
Governmental Fund Type - General Fund- Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual	C	9
Proprietary Fund Type - Water and Sewer Enterprise Fund:		
Statement of Revenues, Expenses, and Changes in Restricted Heritage	D	10
Statement of Cash Flows	E	12
Notes to the Financial Statements		14
	Schedule	Page No.
Supplemental Information Schedules:		
Schedule of Compensation Paid Officers	1	20
Summary Schedule of Prior Year Findings	2	20
Schedule of Expenditures of Federal Awards	3	22

C O N T E N T S (CONT'D)

	Page No.
Independent Auditor's Report Required by Government Auditing Standards and OMB Circular A-133	
Report on Compliance and Internal Control Over Financial Reporting Based on An Audit of Financial Statements Performed in Accordance with Government Auditing Standards	24
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	30
Schedule of Findings	38

M. Carlton Dennis
CERTIFIED PUBLIC ACCOUNTANT

208 HUNTERWOOD BOULEVARD • CALICOVA, LOUISIANA 71225 • TELEPHONE (504)844-5100

Independent Auditor's Report

**MAYOR AND BOARD OF ALDERMEN
VILLAGE OF EGGS
Eggs, Louisiana**

I have audited the accompanying general purpose financial statements of the Village of Eggs as of December 31, 2000, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the management of the Village of Eggs. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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

In my opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Village of Eggs, as of December 31, 2000, and the results of its operations and the cash flows of its proprietary fund type for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated June 22, 2000, on my consideration of the Village of Eggs' internal control over financial reporting, and on my tests of the village's compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

MAYOR AND BOARD
OF ALDERMEN
VILLAGE OF EGG
Eggs, Louisiana
Independent Auditor's Report
December 31, 2000

My audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Village of Eggs. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.



Charles Thomas
Caldwell, Louisiana
June 22, 2001

GENERAL PURPOSE FINANCIAL STATEMENTS

VILLAGE OF EPPS
Epps, Louisiana
ALL FUNDS - TRUSTS AND ACCOUNT GROUP

Continued Balance Sheet, December 31, 2000

	GOVERNMENTAL FUND				TOTAL BALANCE SHEET (500.7)
	GENERAL FUND	TRUST ACCOUNTS CAPITAL PROJECTS FUND	PROPRIETARY FUND TYPE WATER AND SEWER REVENUES FUND	NON-DEBT ACCOUNTS - GENERAL FUND	
ASSETS					
Current assets:					
Cash and cash equivalents	\$16,893	\$0	\$25,148		\$42,041
Receivables (net of allowance for doubtful accounts)	14,727		27,221		31,948
Due from other funds	6,583				6,583
Total current assets	<u>38,203</u>	<u>0</u>	<u>52,369</u>	<u>None</u>	<u>97,260</u>
Restricted assets - cash and cash equivalents:					
Investments			71,526		71,526
Water system plant and equipment (net of accumulated depreciation)	33,282				33,282
Buildings and equipment			1,388,824	582,153	1,970,977
					582,153
TOTAL ASSETS	<u>\$71,505</u>	<u>\$0</u>	<u>\$1,388,724</u>	<u>\$682,153</u>	<u>\$1,970,682</u>
LIABILITIES AND FUNDS EQUITY					
Liabilities:					
Current liabilities payable from current assets:					
Accounts and payroll taxes payable	\$12,652		\$49		\$12,701
Sales tax payable			689		689
Due to other funds		\$29	6,265		6,294
Unfunded warrants			5,419		5,419
Customer meter deposits			9,617		9,617
Total current liabilities payable from current assets	<u>\$12,652</u>	<u>\$29</u>	<u>21,980</u>	<u>\$16,481</u>	<u>50,007</u>
Current liabilities payable from restricted assets:					
Accrued interest payable			9,617		9,617
Revenue bonds payable			12,156		12,156
Total current liabilities payable from restricted assets	<u>None</u>	<u>None</u>	<u>21,773</u>	<u>None</u>	<u>31,773</u>
(Continued)					

See accompanying notes and accountant's compilation report.

VILLAGE OF ELYS

Elys, Louisiana

ALL FUNDING AND ACCOUNT GROUP

Combined Balance Sheet, December 31, 2008

	GOVERNMENTAL FUND				TOTAL BALANCE SHEET
	GENERAL FUND	COMMUNITY IMPROVEMENT BOND ISSUES CAPITAL PROJECTS FUND	PROPERTY FUND TYPE - WATER AND SEWER IMPROVEMENT	ACCOUNT GROUP - GENERAL FUND	
LIABILITIES AND FUND EQUITY (DEFICIT):					
Long-term liabilities - current					
bonds payable			\$478,881		\$478,881
Total Liabilities	\$18,242	\$0	\$478,881	\$0.00	\$497,123
Fund Equity:					
Investment in general fixed assets				\$267,153	\$267,153
Contributed capital (net of accumulated depreciation on fixed assets acquired with Armed grant			\$11,895		\$11,895
Retained earnings (deficit):					
Reserved for bonds payable			11,700		11,700
Unreserved - undesignated			(1,604)		(1,604)
Total retained earnings	\$0.00	\$0.00	\$9,096	\$0.00	\$9,096
Fund balance - unreserved - undesignated	\$0,518	\$0.00			\$0,518
Total Fund Equity	\$0,518	\$0.00	\$11,870	\$267,153	\$279,541
TOTAL LIABILITIES AND FUND EQUITY	\$18,760	\$0	\$489,751	\$267,153	\$775,664

(Continued)

The accompanying notes are an integral part of this statement.

VILLAGE OF EPPS
Epps, Louisiana
GOVERNMENTAL FUND TYPE

Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2008

	GENERAL FUND	CAPITAL PROJECTS FUND	TOTAL DEBENTURE FUND
REVENUES:			
Franchise fees	\$41,556		\$41,556
Occupational license	12,673		12,673
Intergovernmental revenues:			
Federal grant	59,182	\$332,152	\$391,334
State funds	24,185		24,185
Fees	15,917		15,917
Use of money and property:			
Rent	88,875		88,875
Interest earnings	1,751		1,751
Other revenues	5,315		5,315
Total revenues	<u>178,754</u>	<u>\$332,152</u>	<u>\$510,906</u>
EXPENDITURES:			
General government - current:			
Personnel services and related benefits	65,242		65,242
Operating services	85,017		85,017
Materials and supplies	4,526		4,526
Capital outlay	25,813		
Facilities acquisition and construction		332,152	332,152
Total expenditures	<u>180,798</u>	<u>\$332,152</u>	<u>\$512,950</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>18,956</u>	<u>\$0.00</u>	<u>\$18,956</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	100		100
Operating transfers out	(20,000)	(100)	(20,100)
Total other financing sources (uses)	<u>(19,900)</u>	<u>(100)</u>	<u>(20,000)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(14)</u>	<u>(100)</u>	<u>(114)</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>\$1,418</u>	<u>100</u>	<u>\$1,518</u>
FUND BALANCES AT END OF YEAR	<u>\$1,404</u>	<u>\$0.00</u>	<u>\$1,404</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF IPPS
Ipps, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement C

Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget
(GAAP Basis) and Actual
For the Year Ended December 31, 2009

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE EXPENSES (UNAVAILABILITY)</u>
REVENUES			
Franchise taxes	\$0,500	\$11,956	\$5,456
Occupational licenses	12,875	12,875	(0)
Intergovernmental:			
Federal grant	11,658	19,100	7,442
State funds	24,000	23,182	(818)
Fees	17,000	15,917	(1,083)
Use of money and property:			
Rent	88,600	88,875	275
Interest earnings	000	1,754	854
Other resources	5,000	5,315	315
Total revenues	<u>166,525</u>	<u>178,774</u>	<u>12,249</u>
EXPENDITURES			
General government - current:			
Personal services and related benefits	65,500	65,342	158
Operating services	77,290	69,017	8,273
Materials and supplies	10,700	4,528	6,172
Capital outlay	18,500	25,011	7,511
Total expenditures	<u>172,000</u>	<u>164,908</u>	<u>7,092</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(9,525)	18,736	28,000
OTHER FINANCING USES - operating transfers (out)	<u>None</u>	<u>(18,500)</u>	<u>(18,500)</u>

(Continued)

VILLAGES OF 1998

Epps, Louisiana

GOVERNMENTAL FUND TYPE 1 - GENERAL FUND

Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget
(GAAP Basis) and Actual, etc.

	BUDGET	ACTUAL	VARIANCE: FAVORABLE (UNFAVORABLE)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES AND OTHER USES	(29,925)	(29,925)	\$0.00
FUND BALANCES AT BEGINNING OF YEAR	61,448	61,448	None
FUND BALANCES AT END OF YEAR	<u>31,523</u>	<u>31,523</u>	<u>\$0.00</u>

(Continued)

The accompanying notes are an integral part of this statement.

VILLAGE OF EPPS
Epps, Louisiana
PROPRIETARY FUND TYPE -
WATER AND SEWER ENTERPRISE FUND

Statement of Revenues, Expenses,
and Changes in Retained Earnings
For the Year Ended December 31, 2000

OPERATING REVENUES	
Water sales	\$24,018
Sewer sales	50,048
Fees/charges	1,896
Other	3,155
Total operating income	<u>129,117</u>
OPERATING EXPENSES	
Salaries	54,155
Payroll taxes	2,779
Utilities	93,632
Repairs and maintenance	9,707
Insurance	1,353
Materials and supplies	2,623
Professional services	1,057
Telephone	365
Postage	618
Legal and accounting	908
Office expense	720
Depreciation	42,705
Other operating expenses	93,237
Total operating expenses	<u>115,758</u>
OPERATING INCOME	<u>13,359</u>
NON-OPERATING REVENUES (Expenses)	
Interest income	85
Aut valuations fees	4,776
Operating transfer in	20,800
Interest expense	<u>(28,440)</u>
Net non-operating revenues (expenses)	<u>7,226</u>

(Continued)

VILLAGE OF ETS

Epps, Louisiana

ENTERPRISE FUND TYPE -

WATER AND SEWER ENTERPRISE FUND

Statement of Revenues, Expenses,

and Changes in Retained Earnings, etc.

NET INCOME	\$11,151
Adjustment for depreciation on fixed assets acquired with federal grants	21,363
Cumulative effect of change in accounting principle	<u>48,987</u>
NET INCREASE IN RETAINED EARNINGS	79,511
RETAINED EARNINGS (Deficit) AT BEGINNING OF YEAR	<u>117,359</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$196,870</u>

(Continued)

The accompanying notes are an integral part of this statement.

VILLAGE OF EPPS
Epps, Louisiana
PROPRIETARY FUND TYPE -
WATER AND SEWER ENTERPRISE FUND

Statement of Cash Flows
For the Year Ended December 31, 2009

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Income	<u>\$13,998</u>
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:	
Depreciation	47,706
Decrease in accounts receivable	3,173
Increase in due to other funds	27
Decrease in customer deposits	(58)
Increase in deferred revenue	99
Increase in taxes payable	847
Decrease in accounts payable	<u>(213)</u>
Total adjustments	48,997
Net cash provided by operating activities	<u>\$62,995</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal paid on long-term debt	(29,650)
Interest paid on long-term debt	(27,874)
Transfer from General Fund	29,800
All valuation taxes	<u>4,614</u>
Net cash used by capital and related financing activities	<u>(23,310)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earnings	<u>805</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>39,510</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>20,556</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$59,066</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF EPPS
Epps, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2000

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Epps was incorporated under the provisions of the Louisiana Act in 1999. The village operates under a Mayor-Board of Aldermen form of government. The mayor and aldermen serve four-year terms which expire on December 31, 2002. The village has a full-time clerk and an elected chief of police and five other employees.

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Village of Epps have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for established governmental accounting and financial reporting principles. The village applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

B. REPORTING ENTITY

As the municipal governing authority, for reporting purposes, the Village of Epps is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (the village), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

1. Appointing a voting majority of an organization's governing body, and

VILLAGE OF IRYS

Irys, Louisiana

Notes to the Financial Statements (Continued)

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

Based on the previous criteria, the village has determined that there are no component units that should be considered as part of the village reporting entity.

C. FUND ACCOUNTING

The village uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fund assets and general long term debt) that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds

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

VILLAGE OF IPPS

Ipps, Indiana

Notes to the Financial Statements (Continued)

fixed assets. Governmental funds include:

General Fund

The General Fund is the general operating fund of the village. It accounts for all financial resources, except those required to be accounted for in other funds.

**Community Development Block Grant
Capital Projects Fund**

The Community Development Block Grant Capital Projects Fund accounts for grants from the United States Department of Housing and Urban Development, Division of Administration for the improvement of the village's sewer system.

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

Water and Sewer Enterprise Fund

The Water and Sewer Enterprise Fund is used to account for the operations of the village's water and sewer system. The use of enterprise funds is appropriate where the intent of the village is that the cost (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

B. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current

VILLAGE OF HIPS

Hips, Louisiana

Notes to the Financial Statements (Continued)

financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. The modified accrual basis of accounting is used for reporting all governmental fund types. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Franchise taxes and intergovernmental revenues are recorded when the village is entitled to the funds.

Interest income on bank deposits is recorded when the interest has been earned and the amount is determinable.

Substantially all other revenues are recorded when they are received by the village.

Based on the above criteria, franchise taxes and intergovernmental revenues have been treated as susceptible to accrual.

Expenditures

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

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recorded when the underlying events occur.

The Water and Sewer Enterprise Fund is accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of the fund are included on the balance sheet. The Water and Sewer Enterprise Fund uses the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. Water and sewer sales are recognized in the period the service is provided to the customer. In accordance with GASB Statement 33 and relevant law revenues are recognized in the period for which they are levied and all

VILLAGE OF EPTX

Epps, Louisiana

Notes to the Financial Statements (Continued)

valorem tax receivables are recognized when the government has an enforceable lien. The district's ad valorem taxes are assessed on a calendar year basis, which is an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:293 requires that the tax roll be filed on or before November 15 of each year. All valorem taxes become delinquent if not paid by December 31. The taxes are levied for the following calendar year and are recognized as revenue in the period for which they are levied. Salaries and other expenses are recognized when incurred.

K. BUDGET PRACTICES

A proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is presented to the board of aldermen each year. The budget is legally adopted by the board of aldermen and amended during the year as necessary. Budgets are established and controlled by the board at the object level of expenditures. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Fund budgetary integration is not employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent budget amendments.

F. CASH AND CASH EQUIVALENTS

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

G. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 35:2935. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At December 31, 2000, the village's investments consist of a nonnegotiable certificate of deposit with a original maturity that exceeds 90 days that is reported in the accompanying financial statements at cost.

II. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructure general fixed assets consisting of roads, sidewalks, bridges, parking lots, and drainage systems are not capitalized, as these assets are inalienable and of value only to the village. All purchased fixed assets are valued at cost where historical records are available and at estimated cost where no historical records are available. Approximately 70 per cent of fixed assets are valued at actual cost, while the remaining 30 per cent are valued at estimated cost based on the actual cost of like items. Donated fixed assets are valued at their estimated fair market value on the date received. No depreciation has been provided on general fixed assets.

The fixed assets used in the proprietary fund type operations are included on the balance sheet of the fund net of accumulated depreciation. Interest costs incurred during construction are not capitalized. Depreciation of all exhaustible fixed assets used by the proprietary fund type operations is charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

Water distribution system	30 years
Buildings	25 years
Equipment	5 - 10 years

I. LONG-TERM DEBT

Long-term liabilities expected to be financed from enterprise fund operations are accounted for in the enterprise fund.

J. VACATION AND SICK LEAVE

Permanent, full-time employees receive from five to fifteen days of vacation leave depending on length of service on the employee's anniversary date of employment. Employees may not accumulate or carry over annual leave from one anniversary date of employment to another. Sick leave is earned at the rate of one day for each month worked, however, no-employee may accumulate more than ten-days of sick leave per year, nor accumulate more than a total of thirty days of sick leave. Employees who resign, retire, or who are dismissed from employment will not be paid for accumulated sick leave.

VILLAGE OF IPPS

Ipps, Louisiana

Notes to the Financial Statements (Continued)

K. RESTRICTED ASSETS

Certain resources of the Water and Sewer Enterprise Fund set aside for the repayment of revenue bonds are classified as restricted assets on the balance sheet because their use is limited.

L. CONTRIBUTED CAPITAL

Grants, entitlements, or shared revenues that are assigned for the acquisition or construction of capital assets are recorded as contributed capital. Contributed capital is amortized based on the depreciation recognized on that portion of the assets acquired from such contributions. This depreciation is closed to the contributed capital account and is reflected as an adjustment to net income.

M. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

**N. TOTAL COLUMN ON
COMBINED STATEMENTS**

The total column 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 nor results of operations in conformity with generally accepted accounting principles. Whether such data is comparable to a consolidation. Intended eliminations have not been made in the aggregation of this data.

2. DEPOSITS WITH FINANCIAL INSTITUTIONS

The following is a summary of cash, cash equivalents, and investments (bank balances) as December 31, 2000:

VILLAGE OF 1875

Ippa, Louisiana

Notes to the Financial Statements (Continued)

Demand deposits	\$38,457
Certificates of deposit	<u>69,942</u>
Total	<u>\$108,399</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. Deposit balances (bank balances) at December 31, 2000, total \$113,083 and are fully secured by federal deposit insurance.

3. BUDGETED EXPENDITURES

For the year ended December 31, 2000, the General Fund's actual expenditures and other uses exceeded budgeted expenditures and other uses by \$2,548 or 2.5%.

4. LIQUID TAXES

For the year ended December 31, 2000, the village levied 5.88 mills for the Water and Sewer Enterprise Fund on property with a taxable value of \$1,047,988.

5. RECEIVABLES

The following is a summary of receivables at December 31, 2000:

	General Fund	Water and Sewer Enterprise Fund	Total
Taxes:			
Ad valorem		\$2,595	\$2,595
Franchise	\$3,148		3,148
Intergovernmental revenue	10,598		10,598
Other	981		981
Accounts		16,749	16,749
Allowance for doubtful accounts		<u>(2,133)</u>	<u>(2,133)</u>
Total	<u>\$14,727</u>	<u>\$17,221</u>	<u>\$31,948</u>

VILLAGE OF ILLYS

Ippa, Louisiana

Notes to the Financial Statements (Continued)

6. DUE TO/FROM OTHER FUNDS

The following is a summary of due to/from other funds at December 31, 2000:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$6,565	
LEGONG Capital Projects Fund		658
Water and Sewer Enterprise Fund		6,500
Total	<u>\$6,565</u>	<u>\$6,565</u>

7. FIXED ASSETS

The following presents changes in general fixed assets for the year ended December 31, 2000:

	<u>Land and Buildings</u>	<u>Furniture and Equipment</u>	<u>Total</u>
Balance, January 1, 2000	\$464,099	\$78,181	\$542,280
Additions		35,000	35,000
Retirements	NONE	NONE	NONE
Balance, December 31, 2000	<u>\$464,099</u>	<u>\$113,181</u>	<u>\$577,280</u>

A summary of proprietary fund type property, plant, and equipment at December 31, 2000, follows:

	<u>Basic</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Water and sewer system	\$736,825	(\$394,065)	\$342,560
1998 sewer improvements	644,317	(71,591)	372,326
1992 sewer improvements	386,378	(1,073)	385,305
Buildings	5,307	(1,569)	2,738
Equipment	13,180	(6,924)	6,256
Total	<u>\$1,785,157</u>	<u>(\$477,222)</u>	<u>\$1,307,934</u>

VILLAGE OF EPPS

Epps, Louisiana

Notes to the Financial Statements (Continued)

8. PENSION PLAN

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

9. REVENUE BONDS PAYABLE

The liability for revenue bonds at December 31, 2000 includes the following:

Water Revenue Bonds sold by the village in 1988 in the amount of \$257,000 and \$13,000 to the United States Department of Agriculture, Farmers Home Administration, under the Water and Waste Disposal Systems for Rural Communities Loan Program (CFDA 10-418) to construct the water system. The 1988 bonds bear interest at 6 and 6.125 per cent annually. Annual principal and interest payments of \$16,739 are due through April 5, 2008 and are made solely from revenues derived from operation of the water system.

The village authorized the issuance of \$199,000 of Sewer Revenue Bonds dated May 23, 1986 to be sold to the United States Department of Agriculture, Farmers Home Administration, under the Water and Waste Disposal Systems for Rural Communities Loan Program (CFDA 10-438) to finance a portion of the cost of improvements to the village sewer system. The bonds bear interest at 4.5 per cent annually. Annual principal and interest payments of \$19,558 are due through May 23, 2006 and are made solely from revenues derived from operation of the sewer system.

The following is a summary of revenue bonds payable transactions for the year ended December 31, 2000:

	1988 Water Revenue Bonds	1986 Sewer Revenue Bonds	Total
Revenue bonds payable at January 1, 2000	\$218,580	\$80,668	\$301,267
Additions			
Retirements	<u>(3,733)</u>	<u>(2,329)</u>	<u>(10,952)</u>

VILLAGE OF 1975

Twp. 1, Louisiana

Notes to the Financial Statements (Continued)

Revenue bonds payable at December 31, 2000	<u>\$224,868</u>	<u>\$276,764</u>	<u>\$501,736</u>
---	------------------	------------------	------------------

The annual requirements to amortize the revenue bonds outstanding at December 31, 2000, including interest of \$671,543, are as follows:

Year	
2001	\$36,297
2002	36,297
2003	36,297
2004	36,297
2005	36,297
2006 - 2010	181,484
2011 - 2015	181,484
2016 - 2020	181,484
2021 - 2025	181,484
2026 - 2030	148,807
2031 - 2035	97,760
2036	19,538
Total	<u>\$1,775,778</u>

10. CONTRIBUTED CAPITAL

In 1989, the village received a grant totaling \$250,000 from the United States Department of Agriculture, Farmers Home Administration to finance approximately 54 per cent of the construction and acquisition of the water system. During the years ended December 31, 1995, 1996, and 1997, the village received a total of \$310,461 in grant funds from the United States Department of Housing and Urban Development to finance approximately 49 per cent of the construction of the 1994 sewer improvement project. During 1999 and 2000, the village received a total of \$386,378 in grant funds from the United States Department of Housing and Urban Development to finance 100 per cent of the construction of the 1998 sewer improvement project. The grant amounts, shown as contributed capital on the balance sheet, are reduced each year by the amount of depreciation expense recognized on fixed assets constructed or acquired with the grant funds. At December 31, 2000, accumulated depreciation on these assets is \$248,378.

11. DEFICIT IN RETAINED EARNINGS

At December 31, 2000, the Water and Sewer Enterprise Fund had a deficit in unreserved-

VILLAGE OF 1475

Ipps, Louisiana

Notes to the Financial Statements (Continued)

undesignated retained earnings in the amount of \$1,600. The village will eliminate the deficit with transfers from the General Fund.

12. RESERVED/RETAINED EARNINGS

The bond covenants with the United States Department of Agriculture, Farmers Home Administration for the 1988 Water Resource Bond discussed in note 8 above, require the village to establish the following reserve accounts:

- A. A "Sinking Fund". The village must transfer into this fund, each month, one-twelfth of the principal and interest due on the new principal and interest payment date. This fund is used to pay bond principal and interest as they become due.
- B. A "Reserve Fund". The village must transfer into this fund, each month, an amount equal to 5 per cent of the amount to be paid into the Sinking Fund each month until \$38,738 has been accumulated therein. Such amounts may be used only for the payment of maturing bonds and interest for which sufficient funds are not available in the Sinking Fund.
- C. A "Contingency Fund". The village must transfer \$66 into this fund each month. The deposits in this fund may be used for unusual or extraordinary maintenance, repair, replacements, and extensions and for the cost of improvements to the system. Money in this fund may also be used to pay principal and interest on bonds falling due at any time there is not sufficient funds in the other reserve funds.

The bond covenants with the United States Department of Agriculture, Farmers Home Administration for the 1996 Sewer Revenue Bond discussed in note 8 above, require the village to establish the following reserve accounts:

- A. A "Reserve Fund". The village must transfer \$80 into this fund each month until \$39,558 has been accumulated therein. Such amounts may be used only for the payment of maturing bonds and interest for which would otherwise be in default.
- B. A "Contingency Fund". The village must transfer \$90 into this fund each month. The deposits in this fund may be used to care for depreciation, extensions, additions, improvements, and replacements to the system.

VILLAGE OF HIPS

Hips, Louisiana

Notes to the Financial Statements (Continued)

Money in this fund may also be used to pay principal and interest on bonds falling due at any time there is not sufficient funds in the other reserve fund.

At December 31, 2000 the district has \$31,826 in restricted accounts to meet reserve requirements. Of that amount, \$20,171 is offset by current liabilities, with the remaining \$11,755 reported as a reserve of retained earnings on Statement A. The following is a summary of transactions in the bond reserve accounts for the year ended December 31, 2000:

Reserve for premium bonds payable at January 1, 2000	\$27,505
Deposits	16,461
Interest earnings	3,129
Loan payments	<u>(11,169)</u>
Reserve for bonds payable at December 31, 2000	<u>\$31,826</u>

13. CHANGE IN ACCOUNTING PRINCIPLE

During the year ended December 31, 2000, the village adopted GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. In accordance with GASB Statement No. 33, property taxes (and interest taxes) are recognized as revenue in the period for which they are levied, even if the property tax due date or enforceable lien arises in a different period. Property tax receivables are recognized when the district has an enforceable lien on the taxable property. Prior to the adoption of GASB Statement No. 33, the district recognized the property tax revenue and the receivable in the same period which was when the district had an enforceable lien on the taxable property. The cumulative effect on beginning retained earnings of the Water and Sewer Enterprise Fund of this change in accounting principle was computed as follows:

	Effect on Beginning Retained Earnings Increase/(Decrease)
1999 ad valorem taxes levied for 2000 and reported as revenue for the year ended December 31, 1999	(14,982)

14. LITIGATION AND CLAIMS

The village is involved in one lawsuit at December 31, 2000 that has been ongoing for several years. It is the opinion of the village's legal counsel that any liability to the village would be covered by

VILLAGE OF EPPS

Epps, Louisiana

Notes to the Financial Statements (Continued)

insurance; therefore, no provision for any liability that may result is recorded in the accompanying financial statements. The district maintains commercial insurance coverage to reduce the risk of loss resulting from property damage or liability claims. There were no significant reductions in insurance coverage during the year ended December 31, 2000. There were no costs resulting from claims or judgments during the year ended December 31, 2000.

15. OPERATING AGREEMENT

In September 1996, the village entered into an agreement with Correctional Operations Management Company, L.L.C., (COMCO) to become the sponsoring agent for COMCO to operate and manage the facility known as West Carroll Detention Center. The village agreed to sponsor COMCO and lease property to them for an original term of five years. In consideration for the sponsorship and lease of property, COMCO agreed to pay a total of \$4,500 per month for the last nine months of the first year of the original term of the agreement. Total sponsorship and lease payments will total \$5,750 per month for the second year of the original term of the agreement and \$6,750 per month for the remaining three years of the original five year agreement. The agreement contains an option to extend the term of sponsorship and lease agreement for three additional five year terms. During 1998, the agreement with COMCO was amended for a \$500 per month increase in rent upon completion of a facility expansion. The village received \$83,000 in connection with the agreement for the year ended December 31, 2000.

16. FEDERAL GRANT CONTINGENCIES

During the year ended December 31, 2000, the Village of Epps received federal grant funds totaling \$352,255. These grant funds are subject to audit by agents of the granting authorities, the purpose of which is to assure compliance with the conditions of the grant. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

SUPPLEMENTAL INFORMATION SCHEDULES

VILLAGE OF IFFS
Iffs, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE
As of and For the Year Ended December 31, 2000

COMPENSATION PAID ALDERMEN

The schedule of compensation paid aldermen is prepared in compliance with House Concurrent Resolution No. 54 of the 1970 Session of the Louisiana Legislature. In accordance with Louisiana Revised Statute 28:405, aldermen receive \$12.50 for each regular meeting and \$7.50 for each special meeting they attend. Compensation of aldermen is included in personal services and related benefits expenditures of the General Fund.

PRIOR YEAR FINDINGS

The follow-up and corrective action taken on all prior year findings is presented in the summary schedule of prior year findings (Schedule 2).

SCHEDULE OF FEDERAL EXPENDITURES

The accompanying schedule of expenditures of federal awards is prepared for the purpose of additional analysis as required by U. S. Office of Management and Budget Circular A-115, *Audit of States, Local Governments, and Non-Profit Organizations*.

VILLAGE OF HITS
Eggs, LouisianaSchedule of Compensation Paid Aldermen
For the Year Ended December 31, 2000

Loraine Green	\$35
Maggie Hale	50
Katherine Johnson	200
Henry McPherson	135
Laurie Haley	200
Laurie Sullivan	50
Total	<u>\$670</u>

VILLAGE OF LIPPS
Lipps, Louisiana

Summary Schedule of Prior Year Findings
For the Year Ended December 31, 2008

<u>Reference Number</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Planned Corrective Action</u>
Procedure 7	2007	Actual General Fund expenditures exceeded budgeted expenditures by \$10,640 or 7%.	Yes	N/A

VILLAGE OF IPYS
Ipps, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2000

Federal Grantor/Pass Through Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Fiscalization
U.S. Department of Housing and Urban Development: Louisiana Division of Administration: Community Development Block Grants/ State's Program	14.228	307-900095	\$353,153
U.S. Department of Justice: Direct Programs: Public Safety and Partnership and Community Policing Grants (COMPS)	16.710	1990/049700000	18,169
Total expenditures of federal awards			<u>\$371,322</u>

Note to the Schedule of Expenditures of Federal Awards

Note A - Basis of Presentation

The above schedule of expenditures of federal awards includes the Federal grant activity of the Village of Ipps for the year ended December 31, 2000 and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-115, *Antifraud Efforts, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Independent Auditor's Reports Required by
Government Auditing Standards and OMB
Circular A-133, Audit of State, Local
Governments, and Non-Profit Organizations**

The following independent auditor's reports on compliance with laws, regulations, contracts, and grants and internal control over financial reporting and compliance are presented in compliance with the requirements of Government Auditing Standards, issued by the Comptroller General of the United States and the Office of Management and Budget Circular A-133, *Audit of State, Local Governments, and Non-Profit Organizations*.

M. Carleen Thomas
CERTIFIED PUBLIC ACCOUNTANT

340 Demarest Road • Covington, Louisiana 70127 • Telephone 214-664-5776

**Independent Auditor's Report on Compliance and on
Internal Control Over Financial Reporting
Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

**MAYOR AND BOARD OF ALDERMEN
VILLAGE OF EPPS
Epps, Louisiana**

I have audited the general purpose financial statements of the Village of Epps, as of December 31, 2000, and for the year then ended, and have issued my report thereon dated June 22, 2001. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Village of Epps' general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2000-1.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Village of Epps' internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, I noted a certain matter involving the internal control over financial reporting and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect the Village of Epps' ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition is described in the accompanying schedule of findings as item 2000-2.

BOARD OF DIRECTORS

Village of Tyng

Tyng, Louisiana

Independent Auditor's Report

on Compliance and on

Internal Control, etc.,

December 31, 2000

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 general purpose 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. My consideration of the internal control over financial reporting would not necessarily disclose all material weaknesses in the internal control that might be reportable conditions and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I believe the reportable condition described above is a material weakness.

This report is intended solely for the information and use of the mayor and board of directors and management of the Village of Tyng and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Carlson, Louisiana

June 22, 2001

M. Carlisle Dennis
CRYPTICIFIED PUBLIC ACCOUNTANT

349 DORCHESTER HOUSE • COLUMBIA, LOUISIANA 71205 • TELEPHONE 318/644-5726

**Independent Auditor's Report on Compliance With
Requirements Applicable to Each Major Program
and on Internal Control Over Compliance
in Accordance with OMB Circular A-133**

MAYOR AND BOARD OF ALDERMEN
VILLAGE OF HIPPS
Hips, Louisiana

Compliance:

I have audited the compliance of the Village of Hips, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement, that are applicable to its major federal program for the year ended December 31, 2000. The Village of Hips' major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the management of the Village of Hips. My responsibility is to express an opinion on the Village of Hips' compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Village of Hips' compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of the Village of Hips' compliance with those requirements.

In my opinion, the Village of Hips, complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the years ended December 31, 2000.

MAYOR AND BOARD OF ALDERMEN

Village of Ipps

Ipps, Louisiana

Independent Auditor's Report

on Compliance with

Requirements Applicable to

Each Major Program and on

Internal Control Over Compliance, etc.,

December 31, 2009

Internal Control Over Compliance

The management of the Village of Ipps, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered the Village of Ipps' internal control over compliance with requirements that could have a direct and material effect on its major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on the internal control over compliance in accordance with COM Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended solely for the information of the mayor and board of aldermen and management of the Village of Ipps and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Carlson, Louisiana

June 22, 2009

Village of Ipps
Ipps, Louisiana
Schedule of Findings
For the Year Ended December 31, 2000

Section II - Financial Statement Findings

2000-1. Need to Comply with Public Bid Law

- Criteria:** Louisiana Revised Statutes 38:2212.1 requires that all purchases of materials and supplies exceeding the sum of \$15,000 to be paid out of public funds be advertised and let by contract to the lowest responsible bidder.
- Condition:** In May 2000, the Village of Ipps purchased used equipment costing \$17,000 without advertising for bids.
- Effect:** The failure to comply with the public bid law could result in the village not obtaining the lowest possible price for the purchased equipment.
- Recommendation:** I recommend that the village comply with the provisions of Louisiana Revised Statutes 38:2212.1 for all future purchases of materials, supplies, and equipment.

**Management's Response
and Corrective Action Plan:**

The village will comply with the public bid law for all future purchases. The mayor and board of aldermen will be responsible for implementing this corrective action plan during the year ending December 31, 2000.

**2000-2. Need to Improve Controls over Citations
Issued by the Police Department**

- Criteria:** Management is responsible for establishing internal control policies and procedures that provide reasonable assurance that assets are safeguarded from loss.
- Condition:** The Village of Ipps does not have adequate internal control procedures in place over accounting for citations issued by the village police department. Although a journal was maintained which listed citations issued during the year, it did not contain sufficient information to ensure that all citations issued by the police department were properly accounted for. Citations are prenumbered but there were several different sequences of numbers recorded in the journal and at least 50 numbers within those sequences that were not accounted for in the journal. Approximately 200 citations were recorded in the journal as being issued during

Village of Ipps
Ipps, Louisiana
Schedule of Findings
For the Year Ended December 31, 2008

the year ended December 31, 2008. For approximately 40 of these 200 citations, the disposition of the citation was not recorded in the journal.

Effect: Failure to properly account for all citations issued could result in a loss of revenue due to nonpayment of fines.

Recommendation: I recommend that citations be issued in numerical order and that all citation numbers be accounted for in the citation journal. The disposition of each citation (paid, dismissed, license suspension, void, etc.) should be documented in the journal. Periodically, the journal should be reviewed by the mayor or board of aldermen to ensure that established policies and procedures are being followed.

**Management's Response
and Corrective Action Plan:**

Citations will be issued in numerical order from one ticket book. The village clerk will maintain the citation journal and will document the disposition of each citation in the citation journal. The mayor will review the citation journal to ensure that procedures are being properly followed. The mayor, board of aldermen, and village clerk will be responsible for implementing this corrective action plan immediately.

Section III - Federal Award Findings

None