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VILLAGE OF PONCHARTRAIN
Ponchartraine, Louisiana

General Purpose Financial Statements
As of and for the Year Ended
June 30, 1996 1997

under provisions of state law, this report is a public document. A copy of this report has been deposited to the auditor, or reviewed, or filed 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 OCT 22 1997

VILLAGE OF PIONEER
Pioneer, Louisiana

General Purpose Financial Statements
As of and for the Year Ended
June 30, 1997 - 1997

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TRANSMITTAL LETTER

ANNUAL FINANCIAL STATEMENTS

Office of the Legislative Auditor
Attention: Ms. Dorothy Milner
Post Office Box 94797
Baton Rouge, La 70804-9397

Dear Ms. Milner:

In accordance with Louisiana Revised Statute 24:214, enclosed are the annual financial statements for the Village of Plaquemine as of and for the fiscal year ended June 30, 1993. The financial statements include all funds under the control and oversight of the Village of Plaquemine.

The accompanying general purpose financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,



Clerk - Village of Plaquemine

Enclosure

VILLAGE OF PIONEER
Pioneer, Louisiana
ANNUAL SWORN FINANCIAL STATEMENTS
AND CERTIFICATION OF REVENUES \$50,000 OR LESS

A F F I D A V I T

Personally came and appeared before the undersigned authority, Dezlyn Sandidge, who, duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the Village of Pioneer as of June 30, 1997, and the results of operations for the year then ended, in accordance with basis of accounting described within the accompanying financial statements.

In addition, Dezlyn Sandidge, who, duly sworn, deposes and says that the Village of Pioneer received \$50,000 or less in revenues and other sources for the fiscal year ending June 30, 1997, and accordingly, is not required to have an audit for the previously mentioned fiscal year-end.


Dezlyn Sandidge
Village of Pioneer

Sworn to and subscribed before me, this 31 day of August, 1997.


PATRICIA H. COOPER
NOTARY PUBLIC

Officer: Dezlyn Sandidge, Clerk
Village of Pioneer
Address: Post Office Box 153
Pioneer, Louisiana 71266
Telephone: (510) 428-8581

GENERAL PURPOSE FINANCIAL STATEMENTS

VILLAGE OF PIONEER
Pioneer, Louisiana
ALL FUND TYPES AND ACCOUNT GROUP

Combined Balance Sheet, June 30, 1987

	GOVERNMENTAL FUND TYPE - GENERAL (USD)	PROPRIETARY FUND TYPE - SEWER ENTERPRISE (USD)	ACCOUNT GROUP - GENERAL FUND ASSETS	TOTAL MEMORANDA (USD)
ASSETS				
Cash	\$9,034	\$29,342		\$38,376
Receivables (net of allowance for doubtful accounts)	1,250	1,051		2,301
Due from General Fund		4,000		4,000
Motor deposits	300			300
Sewer system plant and equipment (net of accumulated depreciation)		660,192		660,192
Buildings and equipment			\$230,174	230,174
TOTAL ASSETS	<u>\$11,464</u>	<u>\$685,585</u>	<u>\$230,174</u>	<u>\$916,773</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$1,823	\$679		\$2,502
Payroll taxes payable	906	303		609
Due to Sewer Fund	4,000			4,000
Customer motor deposits		580		580
Total Liabilities	<u>6,729</u>	<u>1,562</u>	<u>\$0,000</u>	<u>7,091</u>
Fund Equity:				
Investment in general fund assets			\$230,174	230,174
Contributed capital (net of accumulated depreciation on fixed assets acquired with local grant)		657,129		657,129
Retained earnings - unreserved		27,694		27,694
Fund balance - unreserved - undesignated	4,135			4,135
Total Fund Equity	<u>4,135</u>	<u>684,223</u>	<u>230,174</u>	<u>908,532</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$11,464</u>	<u>\$685,585</u>	<u>\$230,174</u>	<u>\$916,773</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF HUNTER
Monroe, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget
(GAAP Basis) and Actual
For the Year Ended June 30, 1997

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE UNFAVORABLE</u>
REVENUES			
Taxes - franchise	\$4,019	\$3,459	(560)
Occupational licenses	845	845	NONE
Insurance licenses	10,912	11,130	218
Intergovernmental - state funds	627	1,682	955
Use of money and property - interest earnings	110	106	(4)
Other revenues	6,802	2,726	(4,076)
Total revenues	<u>29,315</u>	<u>19,868</u>	<u>(9,447)</u>
EXPENDITURES			
General government - current:			
Personal services and related benefits	10,691	9,654	837
Operating services	13,981	11,442	1,539
Materials and supplies	896	1,839	(943)
Capital outlay	130	130	NONE
Total expenditures	<u>24,788</u>	<u>23,265</u>	<u>1,523</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,473)	(3,397)	(1,924)
FUND BALANCES AT BEGINNING OF YEAR	8,329	7,532	(797)
FUND BALANCES AT END OF YEAR	<u>\$6,856</u>	<u>\$4,135</u>	<u>(\$2,721)</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF FRONTIER
 Frontier, Louisiana
 PROPRIETARY FUND TYPE -
 SEWER ENTERPRISE FUND

Statement of Revenues, Expenses,
 and Changes in Retained Earnings
 For the Year Ended June 30, 1997

OPERATING REVENUES	
Service fees	\$12,414
Other income	17
Total operating revenues	<u>12,431</u>
OPERATING EXPENSES	
Salaries	2,700
Payroll taxes	211
Utilities	1,133
Repairs	1,434
Insurance	351
Supplies and chemicals	482
Bank charges	47
Collection fees	1,269
Other dues and fees	494
Legal and accounting	669
Lab fees	308
Depreciation	14,579
Total operating expenses	<u>23,782</u>
OPERATING LOSS	(11,351)
NON-OPERATING REVENUES - Interest Income	<u>489</u>
NET INCOME (Loss)	(10,862)
Adjustment for depreciation on fixed assets acquired with federal grant	<u>14,549</u>
NET INCREASE IN RETAINED EARNINGS	3,686
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>23,408</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$27,094</u>

The accompanying notes are an integral part of this statement.

VILLAGE DU PIONEER
 Pioneer, Louisiana
 PROPRIETARY FUND TYPE -
 SEWER ENTERPRISE FUND

Statement of Cash Flows
 For the Year Ended June 30, 1997

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Loss	(\$11,754)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:	
Depreciation	14,925
Decrease in accounts receivable	60
Increase in customer deposits	17
Increase in taxes payable	51
Decrease in accounts payable	(917)
Total adjustments	<u>14,734</u>
Net cash provided by operating activities	3,789
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Loans to General Fund	14,800
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earnings	<u>493</u>
NET DECREASE IN CASH	(119)
CASH AT BEGINNING OF PERIOD	<u>30,461</u>
CASH AT END OF PERIOD	<u>\$29,342</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF PIONEER
Pioneer, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1997

8. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Pioneer was incorporated under the provisions of the Louisiana Act on May 17, 1911. 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, 1998. The mayor and board of aldermen serve the Village without benefit of compensation.

A. REPORTING ENTITY

As the municipal governing authority, for reporting purposes, the Village of Pioneer 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 Pioneer for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the 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.

VILLAGE OF PUNTER

Punnet, Louisiana

Notes to the Financial Statements (Continued)

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 are part of the reporting entity.

II. 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 that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed 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, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. 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.

VILLAGE OF PIONEER

Pioneer, Louisiana

Notes to the Financial Statements (Continued)

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 the Sewer Districts Fund which is used to account for the operations of the village's sewer system. The operations are financed and operated in a manner similar to private business enterprise, where the intent of the village is that the total expenses, including depreciation of providing service to the general public on a continuing basis be financed or recovered primarily through user charges.

C. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities 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.

VILLAGE OF PIONEER

Pioneer, Louisiana

Notes to the Financial Statements (Continued)

Expenditures

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

The Sewer Enterprise Fund is accounted for on a flow of economic resources measurement basis 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 Sewer Enterprise Fund uses the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

D. BUDGET PRACTICES

A proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is presented to the board of aldermen in June each year and a public hearing is held on the budget. The budget then 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.

Formal 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 subsequent amendments.

E. CASH

Cash includes amounts in interest-bearing demand deposits. Under state law, the village may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At June 30, 1997, the village has cash in interest-bearing demand deposits (bank balances) totaling \$29,376. 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 at June 30, 1997, are fully secured by federal deposit insurance.

VILLAGE OF PIONEER

Pioneer, Louisiana

Notes to the Financial Statements (Continued)

**F. SHORT-TERM INTERFUND
RECEIVABLE/PAYABLES**

During the course of operations, transactions which occur between individual funds are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as due to/from other funds.

G. FIXED ASSETS AND LONG-TERM DEBT

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 asset account group. Public domain or infrastructure general fixed assets such as roads, sidewalks, bridges, and drainage systems are not capitalized. No depreciation has been provided on general fixed assets. All general fixed assets at June 30, 1997 are valued at actual cost. There are no general long-term obligations at June 30, 1997.

The fixed assets used in the proprietary fund type operations are included on the balance sheet of the fund net of accumulated depreciation. 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:

Sewer system	50 years
Equipment	10 years

H. VACATION AND SICK LEAVE

The village has only part-time employees. There is no vacation or sick leave granted; therefore, there is no liability for compensated absences.

**I. TOTAL COLUMN ON THE
COMBINED STATEMENT**

The total column on the combined statement is captioned Memorandum Only to indicate that it is prepared only to facilitate financial analysis. Data in this column does not present financial position nor results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

VILLAGE OF PIONEER

Pioneer, Louisiana

Notes to the Financial Statements (Continued)

Interfund eliminations have not been made in the aggregation of this data.

2. RECEIVABLES

The following is a summary of receivables at June 30, 1997:

	General Fund	sewer Enterprise Fund	Total
Franchise taxes	\$98		\$98
Intergovernmental revenue - state funds	1,132		1,132
Accounts		\$1,223	1,223
Allowance for doubtful accounts		(172)	(172)
Total	<u>\$1,230</u>	<u>\$1,051</u>	<u>\$2,281</u>

The allowance for doubtful accounts of \$172 is an estimate of the June 1993 amount for billing that will not be collected. This estimate is based on average monthly collections for the year ended June 30, 1996.

3. FIXED ASSETS

The following presents changes in general fixed assets for the year ended June 30, 1997:

	Balance at July 1, 1996	Additions	Retirements	Balance at June 30, 1997
Buildings and improvements	\$46,120			\$46,120
Other improvements	88,740			88,740
Office equipment	5,288			5,288
Equipment	108,886	\$130		110,016
Total	<u>\$249,034</u>	<u>\$130</u>	<u>\$0,000</u>	<u>\$249,174</u>

A summary of proprietary fund type property, plant, and equipment at June 30, 1997, follows:

VILLAGE OF PINSON

Pinson, Louisiana

Notes to the Financial Statements (Continued)

	<u>Base</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Sewer system	\$727,450	(\$78,321)	\$649,129
Equipment	3,798	(725)	3,073
Total	<u>\$731,248</u>	<u>(\$79,046)</u>	<u>\$652,192</u>

4. PENSION PLAN

The employees of the village are members of the Social Security System. In addition to its 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.

5. CONTRIBUTED CAPITAL

1979

In 1979, the village received a grant totaling \$727,450 from the United States Department of Housing and Urban Development to finance the construction of the village sewer system. The grant amount, shown as contributed capital on the balance sheet, is reduced each year by the amount of depreciation expense recognized on fixed assets constructed or acquired with the grant funds. At June 30, 1997, accumulated depreciation on these assets is \$70,321.

6. LITIGATION, CLAIMS, AND RISK OF LOSS

The village is not involved in any pending or threatened litigation, claims, or assessments at June 30, 1997. The village maintains commercial insurance to provide protection against losses resulting from the damage or destruction of property or liability claims against the village.