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VILLAGE OF KILBOURNE
KILBOURNE, LOUISIANA

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Legislative Auditor

ANNUAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2001

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 1/16/02

PREPARED BY:
JOHN M. GATHINGS
CERTIFIED PUBLIC ACCOUNTANT
OAK GROVE, LOUISIANA 71263

VILLAGE OF KILBOURNE

COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2001

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VILLAGE OF KILBOURNE

COMPREHENSIVE ANNUAL FINANCIAL REPORT
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JOHN M. GATHINGS
CERTIFIED PUBLIC ACCOUNTANT
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318/428-3549

P.O. Box 1088

Honorable Mayor Jim Sowell
Members of Village Council
Village of Kilbourne
Kilbourne, Louisiana

INDEPENDENT AUDITOR'S REPORT


Mr. Sowell:

I have compiled the accompanying balance sheet of the Village of Kilbourne as of June 30, 2001, and the related statements of receipts, fund balances, accompanying individual financial statements, and accompanying supplementary information contained in Schedule I, II, which are presented only for supplementary purposes for the year ended June 30, 2001, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplemental schedules information that is the representation of management. I have not audited or reviewed the accompanying general purpose financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the statement of cash flows for the proprietary fund required by general accepted accounting principles. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the village's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report, dated December 27, 2001, on the results of our agreed-upon procedures.


JOHN M GATHINGS, CPA
OAK GROVE, LOUISIANA
DECEMBER 27, 2001

**GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)**

**VILLAGE OF KILBOURNE
COMBINED BALANCE SHEET – ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2001**

GOVERNMENTAL FUNDS TYPES

	<u>GENERAL FUND</u>	<u>FIRE DEPARTMENT FUND</u>	<u>POLICE DEPT. FUND</u>
ASSETS			
<u>CURRENT ASSETS:</u>			
CASH IN THE BANK	\$8,051.00	\$1,107.81	\$1,204.80
CERTIFICATES OF DEPOSIT	11,139.78	0.00	0.00
PETTY CASH	55.75	0.00	0.00
RECEIVABLE UTILITY DEPOSIT	30.00	0.00	0.00
RECEIVABLE FROM OTHER FUNDS	7,942.53	0.00	0.00
PROVISIONS FOR LONG-TERM DEBT	0.00	0.00	0.00
TRADE ACCOUNTS RECEIVABLE	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL CURRENT ASSETS	\$27,219.06	\$1,107.81	\$1,204.80
<u>FIXED ASSETS:</u>			
DEPRECIABLE ASSETS RESERVE FOR DEPRECIATION	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL FIXED ASSETS	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL ASSETS	<u>\$27,219.06</u>	<u>\$1,107.81</u>	<u>\$1,204.80</u>
LIABILITIES AND FUND BALANCE			
<u>CURRENT LIABILITIES:</u>			
PAYABLE TO OTHER FUNDS	\$0.00	\$4,000.00	\$0.00
LONG TERM DEBT ACCOUNTS PAYABLE	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL LIABILITIES	\$0.00	\$4,000.00	\$0.00

**EXHIBIT A
(CONTINUED)**

GENERAL LONG-TERM DEBT FUND	PROPRIETARY TYPE SEWER SYSTEM FUND	ACCOUNT GROUP GENERAL FIXED ASSETS FUND	TOTALS (MEMORANDUM ONLY)	<u>2001</u>
\$0.00	\$6,749.25	\$0.00		\$17,112.86
0.00	0.00	0.00		\$11,139.78
0.00	0.00	0.00		\$55.75
0.00	0.00	0.00		\$30.00
0.00	0.00	0.00		\$7,942.53
25,826.53	0.00	0.00		\$25,826.53
<u>0.00</u>	<u>3,930.00</u>	<u>0.00</u>		<u>\$3,930.00</u>
\$25,826.53	\$10,679.25	\$0.00		\$66,037.45
	\$1,340,263.97	\$581,073.53		\$1,921,337.50
<u>0.00</u>	<u>(341,558.98)</u>	<u>0.00</u>		<u>(\$341,558.98)</u>
<u>\$0.00</u>	<u>\$998,704.99</u>	<u>\$581,073.53</u>		<u>\$1,579,778.52</u>
<u>\$25,826.53</u>	<u>\$1,009,384.24</u>	<u>\$581,073.53</u>		<u>\$1,645,815.97</u>
<hr/>				
\$0.00	\$3,942.53	\$0.00		\$7,942.53
25,826.53	2,784.76	0.00		\$28,611.29
<u>0.00</u>	<u>\$233.99</u>	<u>0.00</u>		<u>\$233.99</u>
\$25,826.53	\$6,961.28	\$0.00		\$36,787.81

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

**VILLAGE OF KILBOURNE
 COMBINED BALANCE SHEET – ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 2001**

GOVERNMENTAL FUNDS TYPES

	<u>GENERAL FUND</u>	<u>FIRE DEPARTMENT FUND</u>	<u>POLICE DEPT. FUND</u>
FUND EQUITY			
INVESTMENT IN GEN. FIXED ASSETS	\$0.00	\$0.00	\$0.00
FUND BALANCE			
FUND BALANCE - UNDESIGNATED	\$20,513.44	(\$2,892.19)	\$1,204.80
FUND BALANCE - DESIGNATED	<u>6,705.62</u>	<u>0.00</u>	<u>0.00</u>
TOTAL FUND BALANCE	<u>\$27,219.06</u>	<u>(\$2,892.19)</u>	<u>\$1,204.80</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$27,219.06</u>	<u>\$1,107.81</u>	<u>\$1,204.80</u>

**EXHIBIT A
(CONCLUDED)**

GENERAL LONG-TERM DEBT FUND	PROPRIETARY TYPE SEWER SYSTEM FUND	ACCOUNT GROUP GENERAL FIXED ASSETS FUND	TOTALS (MEMORANDUM ONLY)	<u>2001</u>
\$0.00	\$0.00	\$581,073.53		\$581,073.53
\$0.00	\$1,002,422.96	\$581,073.53		\$1,609,028.16
<u>0.00</u>	<u>0.00</u>	<u>0.00</u>		<u>6,705.62</u>
<u>\$0.00</u>	<u>\$1,002,422.96</u>	<u>\$581,073.53</u>		<u>\$1,615,733.78</u>
<u>\$25,826.53</u>	<u>\$1,009,384.24</u>	<u>\$581,073.53</u>		<u>1,645,815.97</u>

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

VILLAGE OF KILBOURNE

COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES- ALL FUND TYPES

YEAR ENDED JUNE 30, 2001

	2001

RECEIPTS:	

PROPERTY TAXES	1,614.30
LOUISIANA GAS SERVICE	1,447.39
TOBACCO TAXES	1,087.64
NORTHEAST LOUISIANA POWER AND LIGHT	3,478.97
OCCUPATIONAL LICENSES	6,387.09
INTEREST	600.80
FINES	333.00
MISCELLANEOUS	10.00
DONATIONS	100.00
POLICE CAR GRANT	25,020.00
SEWER SYSTEM	20,332.98
SOUTH CENTRAL BELL	1,260.13

TOTAL RECEIPTS	\$61,672.30

(CONTINUED)

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

VILLAGE OF KILBOURNE

COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES- ALL FUND TYPES

YEAR ENDED JUNE 30, 2001

	2001

DISBURSEMENTS:	

UTILITIES AND TELEPHONE	\$2,967.69
SALARY, TOWN CLERK	2,400.00
SALARY, MARSHALL	1,200.00
SUPPLIES	0.00
DRAINAGE WORK	0.00
OFFICE SUPPLY	370.70
INSURANCE	768.00
DUES	125.00
AUDITING & LEGAL	1,300.00
PEST CONTROL	73.36
MISCELLANEOUS	0.00
PAYROLL TAXES	0.00
MOWING	105.00
POLICE CAR EXPENSE	553.02
CAPITAL OUTLAY	26,290.97
FIRE DEPARTMENT EXPENSES	0.00
CITY HALL REPAIRS AND MAINTENANCE	0.00
PUBLICATIONS/ADVERTISEMENT	76.67
INTEREST EXPENSE	2,464.10
NOTES PAYABLE	2,703.94
SEWER SYSTEM EXPENSES	42,873.62

TOTAL DISBURSEMENTS	\$84,272.07

EXCESS OF RECEIPTS OVER DISBURSEMENTS	(\$22,599.77)
FUND BALANCE BEGINNING OF YEAR	\$1,050,554.40
TRANSFERS FROM CONSTRUCTION	\$0.00

FUND BALANCE END OF YEAR	\$1,027,954.63
	=====

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

VILLAGE OF KILBOURNE
Statement of Receipts, Disbursements and Changes in Fund Balances
Budget (GAAP Basis) and Actual
ALL FUND TYPES
For the Year Ended June 30, 2001

	<u>Budget as</u> <u>Amended</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
RECEIPTS:			
PROPERTY TAX	\$1,700.00	\$1,614.30	(\$85.70)
TOBACCO TAX	1,100.00	1,087.64	(12.36)
LOUISIANA GAS SER.	1,500.00	1,447.39	(52.61)
NORTHEAST LA POWER	3,700.00	3,478.97	(221.03)
OCCUPATIONAL LICENCES	6,500.00	6,387.09	(112.91)
INTEREST	600.00	600.80	0.80
MISCELLANEOUS	200.00	110.00	(90.00)
FINES	350.00	333.00	(17.00)
GRANTS	25,000.00	25,020.00	20.00
SOUTH CENTRAL BELL	1,500.00	1,260.13	(239.87)
SEWER INCOME	<u>20,350.00</u>	<u>20,332.98</u>	<u>(17.02)</u>
 TOTAL RECEIPTS	 <u>\$62,500.00</u>	 <u>\$61,672.30</u>	 <u>(\$827.70)</u>

(CONTINUED)

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

VILLAGE OF KILBOURNE
Statement of Receipts, Disbursements and Changes in Fund Balances
Budget (GAAP Basis) and Actual
ALL FUND TYPES
For the Year Ended June 30, 2001

	<u>Budget as</u> <u>Amended</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
DISBURSEMENTS:			
UTILITES & TELEPHONE	\$3,000.00	\$2,967.69	\$32.31
SALARY, TOWN CLERK	2,400.00	2,400.00	0.00
SALARY, TOWN MARSHALL	1,200.00	1,200.00	0.00
OFFICE SUPPLIES	400.00	370.70	29.30
INSURANCE	750.00	768.00	(18.00)
DUES	200.00	125.00	75.00
LEGAL & ACCOUNTING	1,250.00	1,300.00	(50.00)
MISCELLANEOUS	60.00	0.00	60.00
CAPITAL OUTLAY	26,000.00	26,290.97	(290.97)
POLICE CAR EXPENSES	500.00	553.02	(53.02)
PUBLICATIONS	400.00	76.67	323.33
INTEREST	2,500.00	2,464.10	35.90
PEST CONTROL	80.00	73.36	6.64
MOWING	300.00	105.00	195.00
NOTES PAYABLE	2,700.00	2,703.94	(3.94)
SEWER EXPENSES	<u>16,750.00</u>	<u>16,644.19</u>	<u>105.81</u>
TOTAL DISBURSEMENTS	<u>\$58,490.00</u>	<u>\$58,042.64</u>	<u>\$447.36</u>
EXCESS RECEIPTS/DISBURSE.	\$4,010.00	\$3,629.66	<u>(\$1,275.06)</u>
BEGINNING FUND/EQUITY BALANC	<u>\$1,050,554.40</u>	<u>\$1,050,554.40</u>	
ENDING FUND/EQUITY BALANCE	<u><u>\$1,054,564.40</u></u>	<u><u>\$1,054,184.06</u></u>	

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

**VILLAGE OF KILBOURNE
KILBOURNE, LOUISIANA**

**SELECTED INFORMATION—Substantially All Disclosures Required
by Generally Accepted Accounting principles Are Not Included
JUNE 30, 2001**

I. Summary of Significant Accounting Policies

The Village of Kilbourne, Louisiana was incorporated under the provisions of the Lawrason Act. The Village operates under a Village Council–Mayor form of government and provides the following services as authorized by its charter: public improvements and general administrative services.

The accounting policies of the Village of Kilbourne conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

A. SCOPE OF REPORTING ENTITY

This report contains all of the funds and account groups of the Village of Kilbourne. There are no significant additional organizations, functions or activities over which the Village has manifestations of oversight, or for which the scope of public service or special financial arrangements may require them to be included in this report as per NCGA statements 1 and 7.

B. BASIS OF PRESENTATION

1. FUND CATEGORIES

The accounts of the Village are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self–balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for 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 category as follows:

**VILLAGE OF KILBOURNE
KILBOURNE, LOUISIANA**

**SELECTED INFORMATION—Substantially All Disclosures Required
by Generally Accepted Accounting principles Are Not Included
JUNE 30, 2001**

GOVERNMENTAL FUNDS

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

CAPITAL PROJECTS FUND – Capital Projects Fund is used to account for the acquisition and use of financial resources to construct or otherwise acquire long-lived general government real property or make public improvements.

PROPRIETARY FUND

ENTERPRISE FUND – Enterprise Fund is used to account for the operations of the Village's sewer system.

2. ACCOUNT GROUPS

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period. Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems are capitalized along with other general fixed assets. Depreciation is not taken on general fixed assets.

**VILLAGE OF KILBOURNE
KILBOURNE, LOUISIANA**

**SELECTED INFORMATION—Substantially All Disclosures Required
by Generally Accepted Accounting principles Are Not Included
JUNE 30, 2001**

All fixed assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. Interest costs incurred during construction are capitalized.

Long-term liabilities expected to be financed from governmental funds are accounted for the General Long-Term Debt Account Group, not in governmental funds. The Village at this time has a General Long term Debt Account Group because it has a long-term debt in the amount of \$25,826.53.

The two account groups are not "funds". They are concerned only with measurement of financial position. They are not involved with measurement of results of operations.

C. 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 the measurement focus applied.

GOVERNMENTAL FUNDS

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The revenue recognition under the modified accrual basis is determined for each primary revenue source as detailed below:

TAXPAYER ASSESSED REVENUES – Revenues from taxpayer assessment is recognized when cash is received as that is generally the earliest

**VILLAGE OF KILBOURNE
KILBOURNE, LOUISIANA**

**SELECTED INFORMATION—Substantially All Disclosures Required
by Generally Accepted Accounting principles Are Not Included
JUNE 30, 2001**

point that income measurable and collectible. If taxpayer collectibility and liability is clearly established as when tax returns are filed but payment while assured is not made, revenue is accrued prior to actual payment. Any refunds of such taxes would be reported as a reduction of revenue at the time the claims are filed with the Village.

GRANTS – Grants recorded in governmental funds are recognized as revenue in the accounting period when they become susceptible to accrual. Legal and contractual requirements are reviewed in making this determination with each grant. Generally revenue is recorded at the time of receipt or earlier if the susceptibility to accrual criteria is met. As expenditures are often the prime factor for determining eligibility, revenues are recognized when the expenditure is made. If cost sharing or matching requirements exist, revenue recognition depends upon compliance with these requirements.

The measurement focus of governmental funds is on expenditures which represent decreases in net financial resources. Most expenditures are measurable and should be recorded when the related liability is incurred. The expenditures shall be the amount accrued during the year that would normally be liquidated with expendable available financial resources.

The expenditures for the inventory is recognized as detailed below:

INVENTORY– Inventory items (material and supplies) are considered to be insignificant and are reported as expenditures when purchased.

PROPRIETARY FUNDS

All proprietary funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets.

**VILLAGE OF KILBOURNE
KILBOURNE, LOUISIANA**

**SELECTED INFORMATION--Substantially All Disclosures Required
by Generally Accepted Accounting principles Are Not Included
JUNE 30, 2001**

D. BUDGETS AND BUDGETARY ACCOUNTING

The Village did adopt a budget for the year 2001.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The General Fund had expenditures in excess of receipts, and the sewer fund shows a negative balance after making an allowance for depreciation.

III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. ASSETS

1. Cash

At June 30, 2001, the carrying amount of the Village's deposits (C.D.'s and checking accounts) were \$28,253 and the bank balance was \$28,253. All of the bank balance was covered by federal depository insurance or by collateral held by the pledging bank or by its agent in the Village's name.

2. Changes in General Fixed Assets Account Group

Investments in General Fixed Assets by Sources:

Property Acquired Prior to 7/1/81	\$35,499
Property Acquired After 6/30/81	
General Fund	\$60,731
Capital Projects	<u>\$484,844</u>
	\$581,074

**VILLAGE OF KILBOURNE
KILBOURNE, LOUISIANA**

**SELECTED INFORMATION—Substantially All Disclosures Required
by Generally Accepted Accounting principles Are Not Included
JUNE 30, 2001**

Summary of Changes in General Fixed Assets:

	BALANCE 7/01/00	ADD.	DEL.	BALANCE 6/30/01
BUILDINGS	\$69,499	\$0	\$0	\$69,499
OFFICE EQUIPMENT	553	0	0	\$553
BUILDING IMPROVE.	1,519	0	0	\$1,519
EQUIPMENT	326,744	26,291	0	\$353,035
ROAD IMPROVE.	<u>156,468</u>	<u>0</u>	<u>0</u>	<u>\$156,468</u>
TOTALS	<u><u>\$554,783</u></u>	<u><u>\$26,291</u></u>	<u><u>\$0</u></u>	<u><u>\$581,074</u></u>

B. INTERFUND RECEIVABLES AND PAYABLES

There are Interfund receivables and payables as of June 30, 2001.
The Sewer Fund owes the General Fund \$3,943.00 and the Fire Department Fund owes the General Fund \$4,000.00 as of June 30, 2001.

IV. FINANCIAL STATEMENT PRESENTATION

A. 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 do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**VILLAGE OF KILBOURNE
KILBOURNE, LOUISIANA**

**SELECTED INFORMATION—Substantially All Disclosures Required
by Generally Accepted Accounting principles Are Not Included
JUNE 30, 2001**

B. COMPARATIVE DATA

No Comparative Data is presented in the general purpose financial statements statements under the memorandum total of all the fund types and account group columns.

V. CONTINGENT LIABILITIES

According to the Village Attorney, there was no pending or threatened litigation, claims or assessments against the Village.

Intergovernmental awards received by the Village are subject to audit and adjustment by the funding agency or its representatives. If grant revenues are received for expenditures which are subsequently disallowed, the Village may be required to repay the revenues to the funding agency. In the opinion of management, liabilities resulting from such disallowed expenditures, if any, will not be material to the accompanying financial statements at June 30, 2001.

The Village has no formal policy regarding vacations and sick leave, therefore, no accrual has been made for compensated absences.

VI. SEWER SYSTEM

The sewer system began operations in 1986 and was extended in 1988. It now provides service regularly to two hundred fifty users. A service charge of \$10.00 per month per residence is being assessed.

VII. SHORT TERM OBLIGATION

The Village pledged C.D.# 679213420 in the General Fund to secure a short term loan to make the necessary repairs to the sewer system. This loan is with Regions Bank for the principle amount of \$10,030.00. This loan had a

**VILLAGE OF KILBOURNE
KILBOURNE, LOUISIANA**

**SELECTED INFORMATION—Substantially All Disclosures Required
by Generally Accepted Accounting principles Are Not Included
JUNE 30, 2001**

balance on June 30, 2001 in the amount of \$2,814.76. C.D.# 679213420 was renewed on June 11, 2001 for \$11,139.78.

VIII. COMPENSATION PAID TO GOVERNING BODY

The following alderwomen served the Village of Kilbourne without compensation:

For the Year Ended 6/30/01

Gay Brown
Effie McClendon
Patsy Hughes

**FINANCIAL STATEMENTS
OF INDIVIDUAL FUNDS
AND ACCOUNT GROUPS**

VILLAGE OF KILBOURNE
GENERAL FUND

BALANCE SHEET

June 30, 2001

ASSETS:	2001
CURRENT ASSETS:	-----
CASH IN THE BANK	\$8,051.00
CERTIFICATES OF DEPOSIT	11,139.78
PETTY CASH	55.75
RECEIVABLE - UTILITY DEPOSIT	30.00
Due from other Funds	7,942.53

TOTAL ASSETS	\$27,219.06
	=====
LIABILITIES AND FUND BALANCE:	
CURRENT LIABILITIES:	-----
LEASE PAYABLE	\$0.00
DUE TO OTHER FUNDS	0.00

TOTAL LIABILITIES	\$0.00

FUND BALANCE	-----
RESERVED - DEBT SERVICE	\$6,705.62
UNRESERVED - UNDESIGNATED	\$20,513.44

TOTAL FUND BALANCE	\$27,219.06

TOTAL LIABILITIES & FUND BALANCE	\$27,219.06
	=====

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

VILLAGE OF KILBOURNE
GENERAL FUND

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCE

Year Ended June 30, 2001

	2001
RECEIPTS:	

PROPERTY TAXES	\$1,614.30
TOBACCO TAXES	1,087.64
LOUISIANA GAS SERVICE	1,447.39
NORTHEAST LOUISIANA POWER	3,478.97
OCCUPATIONAL LICENSES	6,387.09
INTEREST	600.80
MISCELLANEOUS	110.00
POLICE CAR GRANT	25,020.00
SOUTH CENTRAL BELL	1,260.13

TOTAL RECEIPTS	\$41,006.32
DISBURSEMENTS:	

UTILITIES AND TELEPHONE	\$2,967.69
SALARY, TOWN CLERK	2,400.00
SALARY, TOWN MARSHALL	1,200.00
OFFICE SUPPLIES	370.70
INSURANCE	768.00
DUES	125.00
AUDITING AND LEGAL	1,300.00
MISCELLANEOUS	0.00
CAPITAL OUTLAY	26,290.97
POLICE CAR EXPENSE	553.02
PUBLICATIONS	76.67
INTEREST	2,464.10
Pest Control	73.36
Mowing	105.00
Notes Payable	2,703.94

TOTAL DISBURSEMENTS	\$41,398.45
EXCESS RECEIPTS OVER DISBURSEMENTS	(\$392.13)
FUND BALANCE BEGINNING OF YEAR	\$27,611.19
TRANSFER ADJUSTMENT	\$0.00

FUND BALANCE END OF YEAR	\$27,219.06
	=====

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

VILLAGE OF KILBOURNE
FIRE DEPARTMENT FUND

BALANCE SHEET

JUNE 30, 2001

ASSETS:	2001

CURRENT ASSETS	

CASH IN BANK	\$1,107.81

TOTAL ASSETS	\$1,107.81
	=====
LIABILITIES AND FUND BALANCE:	
CURRENT LIABILITIES	

DUE TO GENERAL FUND	\$4,000.00

TOTAL LIABILTIIES	\$4,000.00

FUND BALANCE	(\$2,892.19
-----	-----
TOTAL LIABILITIES AND FUND BALANCE	\$1,107.81
	=====

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

VILLAGE OF KILBOURNE
FIRE DEPARTMENT FUND

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2001

	2001
RECEIPTS:	

DONATIONS	\$0.00

TOTAL RECEIPTS	\$0.00
EXPENDITURES:	

UTILITIES	\$0.00
MISCELLEANOUS	0.00

TOTAL EXPENDITURES	\$0.00

EXCESS OF REVENUE OVER EXPENDITURES	\$0.00
FUND BALANCE BEGINNING OF YEAR	(\$2,892.19)

FUND BALANCE END OF YEAR	(\$2,892.19)
	=====

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

VILLAGE OF KILBOURNE
POLICE DEPARTMENT FUND

BALANCE SHEET

June 30, 2001

ASSETS:	2001
CURRENT ASSETS	-----

CASH IN BANK	\$1,204.80

TOTAL ASSETS	\$1,204.80
	=====
LIABILITIES AND FUND BALANCE	
LIABILITIES	

DUE TO GENERAL FUND	\$0.00
FUND BALANCE	\$1,204.80
-----	-----
TOTAL LIABILITIES AND FUND BALANCE	\$1,204.80
	=====

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

VILLAGE OF KILBOURNE
POLICE DEPARTMENT FUND

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2001

	2001

RECEIPTS:	

FINES	\$333.00

TOTAL RECEIPTS	\$333.00
DISBURSEMENTS:	

UNIFORMS	\$0.00
SUPPLIES	0.00
OFFICE SUPPLIES	0.00
DUES	0.00
LAW ENFORCE. SCHOOL	0.00

TOTAL DISBURSEMENTS	\$0.00

EXCESS OF RECEIPTS OVER DISBURSEMENTS	\$333.00
FUND BALANCE BEGINNING OF YEAR	\$871.80

FUND BALANCE END OF YEAR	\$1,204.80
	=====

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

VILLAGE OF KILBOURNE
SEWER SYSTEM FUND

BALANCE SHEET

June 30, 2001

ASSETS	2001
CURRENT ASSETS	

CASH IN BANK	\$6,749.25
ACCOUNTS RECEIVABLE	3,930.00

TOTAL CURRENT ASSETS	\$10,679.25
FIXED ASSETS	

SEWER SYSTEM	\$488,792.00
SEWER SYSTEM BLDG.	1,140.72
SEWER ADDITION	848,895.00
EQUIPMENT	1,436.25

ACCUMULATED DEPRECIATION	\$1,340,263.97
	(\$341,558.98)

TOTAL FIXED ASSETS	\$998,704.99

TOTAL ASSETS	\$1,009,384.24
	=====
LIABILITIES AND FUND BALANCE	

CURRENT LIABILITIES	

ACCOUNTS PAYABLE	\$233.99
DUE TO OTHER FUNDS	3,942.53
LONG-TERM DEBT	2,784.76

TOTAL LIABILITIES	\$6,961.28
FUND BALANCE	\$1,002,422.96
-----	-----
TOTAL LIABILITIES AND FUND BALANCE	\$1,009,384.24
	=====

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

VILLAGE OF KILBOURNE
SEWER SYSTEM FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2001

	2001
REVENUES:	

Fees	\$20,332.98
Interest	0.00

TOTAL REVENUES	\$20,332.98
EXPENDITURES:	

UTILITIES	\$5,128.80
SUPPLIES AND CHEMICALS	944.65
INTEREST	428.26
REPAIR	508.83
MAINTENANCE SERVICE	6,000.00
SALARY	1,200.00
ACCOUNTING	0.00
TESTING	1,920.00
MISCELLANEOUS	513.65
DEPRECIATION	26,229.43

TOTAL EXPENDITURES	\$42,873.62

EXCESS OF REVENUE OVER EXPENDITURES	(\$22,540.64)
FUND BALANCE BEGINNING OF YEAR	\$1,024,963.60
TRANSFER FROM CONSTRUCTION ACCOUNT	\$0.00

FUND BALANCE END OF YEAR	\$1,002,422.96
	=====

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

VILLAGE OF KILBOURNE
GENERAL FIXED ASSETS

STATEMENT OF GENERAL FIXED ASSETS

JUNE 30, 2001

	2001

GENERAL FIXED ASSETS AT COST:	
BUILDINGS	\$69,499.24
IMPROVE OTHER THAN BUILDINGS	157,986.97
EQUIPMENT	335,587.32

TOTAL INVENTORY IN GENERAL FIXED ASSETS	\$563,073.53
	=====
PROPERTY ACQUIRED PRIOR TO JULY 1, 1979*	\$50,827.12
	=====

*RECORDS REFLECTING SOURCE FROM WHICH ASSETS WERE ACQUIRED WERE NOT MAINTAINED PRIOR TO JULY 1, 1979.

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT.

VILLAGE OF KILBOURNE
GENERAL FIXED ASSETS

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS

YEAR ENDED JUNE 30, 2001

	BUILDINGS	IMPROVEMENTS OTHER THAN BUILDINGS	EQUIPMENT	TOTAL
GENERAL FIXED ASSETS JULY 1,	\$69,499.24	\$157,986.97	\$327,296.35	\$554,782.56
ADDITIONS:				0.00
EQUIPMENT			8,290.97	8,290.97
STREET IMPROVE.				0.00
TOTAL ADDITIONS	\$0.00	\$0.00	\$8,290.97	\$8,290.97
DEDUCTIONS	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL DEDUCTIONS	\$0.00	\$0.00	\$0.00	\$0.00
GENERAL FIXED ASSETS JUNE 30,	\$69,499.24	\$157,986.97	\$335,587.32	\$563,073.53

SEE ACCOMPANYING SELECTED INFORMATION AND ACCOUNTANT'S REPORT

JOHN M. GATHINGS
CERTIFIED PUBLIC ACCOUNTANT
Hwy. 2 East - OAK GROVE, LOUISIANA 71263

318/428-3549

P.O. Box 1088

INDEPENDENT AUDITOR'S REPORT
on APPLYING AGREED-UPON PROCEDURES

Honorable Mayor Jim Sowell
Members of the Village Council
Village of Kilbourne, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the Village of Kilbourne and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village of Kilbourne's compliance with certain laws and regulations during the year ended June 30, 2001 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

PUBLIC BID LAW

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

There was one purchase made during the period that exceeded the spending limits set by LSA-RS 38:2211-2251. Police car bought under State contract # 1330

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of

outside business interests of all board members and employees, as well as their immediate families.

Management provided me with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided me with the required list.

4. Determined whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were included on the listing on the listing obtained from management in agree-upon procedure (2) as immediate family members.

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

BUDGETING

5. The Village did adopt a budget for the year included in this report. There was one amendment.

ACCOUNTING AND REPORTING

6. Randomly selected 6 disbursements made during the period under examination and:
(a) traced payments to supporting documentation as to proper amounts and payee:

I examined supporting documentation for each of the six selected disbursements and found that payments were for the proper amount and made to the correct payee.

- (b) determined if payments were properly coded to the correct fund and general ledger account; and

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

- (c) determined whether payments received approval from proper authorities.

Inspection of documents supporting each of the six selected disbursements

indicated approval from the entire board of councilpersons at a regular stated meeting.

MEETINGS

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

The Village of Kilbourne is only required to post a notice of each meeting and the accompanying agenda on the door of the Village's City Hall. During examination I notice on two occasions that notices of meetings were posted on the door.

DEBT

8. Examined bank deposits for the period under examination and determined whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

I inspected copies of all bank deposit slips for the period under examination and did not find any deposits that appeared to be proceeds from loans, bonds, or like indebtedness. There is previous debt still outstanding.

ADVANCES AND BONUSES


9. Examined payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

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

The matter of social security to be withheld and paid on employees as shown on the report, dated December 26, 2000, has not been resolved.

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

This report is intended solely for the use of management of the Village of Kilbourne and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.


JOHN M GATHINGS, CPA
OAK GROVE, LOUISIANA
DECEMBER 27, 2001

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

December 3, 2001 (Date Transmitted)

JOHN M. GATNINGS, CPA
P.O. Box 1088
DAK GROVE, LA 71263 (Auditors)

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

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

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes No []

Code of Ethics for Public Officials and Public Employees

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

Yes No []

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

Yes No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes No []

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes No []

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

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [] No []

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

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

Carey Harris, Clerk Secretary 11/28/01 Date

Treasurer _____ Date

President _____ Date

VILLAGE OF KILBOURNE
Kilbourne, Louisiana

SCHEDULE OF FINDINGS
For the Year Ended June 30, 2001

Criteria: Withholding of social security tax from salaries.

Condition: The village should withhold social security taxes from the clerk's salary and match the withholding and remit it to the Internal Revenue Service.

Cause: No taxes were withheld from the clerk's salary.

Effect: The village is liable for the taxes that should have been withheld.

Recommendation: That the village have the clerk figure the amount of taxes that should have been withheld and remit the same, with her matching part to the Internal Revenue Service.

Management's response: Management will determine the correct tax and remit it to the proper agency and withhold this tax on all future wages.

This was a prior year's finding that has not been resolved.

[This form is an unaudited informational document prepared by management of the agency.]

LEGISLATIVE AUDITOR
BATON ROUGE LA 70804

DATA COLLECTION FORM
FOR REPORTING ON STATE AND LOCAL GOVERNMENT AND QUASI-PUBLIC ENTITIES

OMB Form 0348-0057 may be used as a substitute for this form.

RETURN to: Legislative Auditor
Attn: Engagement Processing
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Date Submitted 12/27/2001

1. Fiscal Year Ending Date For This Submission:

06/30/2001

3. Audit Period Covered

Annual Biennial
 Other to

2. Type of Report:

Single Audit GAO Audit Standards Audit
 Compilation Compilation/Attestation
 Program Audit Other

4. AUDITEE INFORMATION

Auditee Name

Village of Kilbourne

Street Address (Number and Street)

125 CARNELL STREET

Mailing Address (PO No.)

P.O. Box 395

City State Zip
Kilbourne LA 71253

Auditee Contact

Name Title
CAROL HARRIS Clerk

Telephone Fax
(318) 428-2774

Email (Optional)

5. AUDITOR INFORMATION

Firm Name

JOHN GATHINGS, CPA

Street Address (Number and Street)

601 EAST MAIN

Mailing Address (PO No.)

P.O. Box 1088

City State Zip
OAK GROVE LA 71263

Auditor Contact

Name Title
JOHN GATHINGS OWNER

Telephone Fax
(318) 428-3549 (318) 428-2973

Email (Optional)
JMGATHINGS@AOL.COM

Component Units Included Within the Report and for Which No Separate Report Will Be Issued:

N/A

If there are no modifications to the auditor's financial opinion, no reported deficiencies in internal control, no reported instances of noncompliance, and no management letter, check this box and do not complete the rest of the form.

6. FINANCIAL STATEMENTS

a. Type of audit report on financial statements. Not Applicable
 Unqualified Opinion Qualified Opinion Adverse Opinion Disclaimer of Opinion
b. Is a 'going concern' explanatory paragraph included in the audit report? Yes No
c. Do any of the funds have deficit balances? Yes No

7. INTERNAL CONTROL

Do the comments on internal control include: material weaknesses other conditions

8. COMPLIANCE

Do the comments on compliance include: criminal acts fraud and abuse not applicable

9. CURRENT YEAR MANAGEMENT LETTER (Finding Caption and No.)

Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable

10. SCHEDULE OF CURRENT YEAR FINDINGS/QUESTIONED COSTS (Finding Caption and No.)

No Social Security Withheld \$ 550 Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable

Do any findings address nepotism, ethics violations or related party transactions? Yes No
Do any findings address violation of bond indenture covenants? Yes No

11. SCHEDULE OF PRIOR YEAR FINDINGS/QUESTIONED COSTS/MANAGEMENT LETTER COMMENTS

(Finding/Comment Caption and No.)
No Social Security Withheld Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable

AUDITEE SIGNATURE

Carol Harris
Clerk

Date 12/27/01