

VILLAGE OF FOREST
Forest, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
December 31, 2013
With Supplemental Information Schedules

VILLAGE OF FOREST
Forest, Louisiana

Annual Financial Statements
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Independent Auditor's Report

VILLAGE OF FOREST

Forest, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and major fund of the Village of Forest as of December 31, 2013, and for the year then ended, and the related notes to the financial statements, which collectively comprise the village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these 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. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village of Forest's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Forest's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

VILLAGE OF FOREST
Forest, Louisiana
Independent Auditor's Report,
December 31, 2013

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and major fund of the Village of Forest as of December 31, 2013, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 11 and the budgetary comparison information on pages 32 through 33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Forest's office basic financial statements. 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 financial statements.

The supplemental information schedules listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

VILLAGE OF FOREST
Forest, Louisiana
Independent Auditor's Report,
December 31, 2013

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued a report dated January 27, 2014, on my consideration of the Village of Forest's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Forest's internal control over financial reporting and compliance.



West Monroe, Louisiana
January 27, 2014

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

VILLAGE OF FOREST
Forest, Louisiana

Management's Discussion and Analysis
December 31, 2013

As management of the Village of Forest, we offer readers of the Village of Forest's financial statements this narrative overview and analysis of the financial activities of the Village of Forest for the year ended December 31, 2013. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Village's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Village's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Village of Forest's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Village of Forest's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village of Forest is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Forest, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Forest can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village of Forest adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided for the major fund to demonstrate compliance with this budget.

Proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses its enterprise fund to account for its water utility operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the enterprise fund, which is considered to be a major fund of the Village.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Village of Forest's performance.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Village of Forest exceeded liabilities by \$667,853. Approximately 26% of the Village of Forest's net assets reflects its investment in capital assets (e.g., equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending.

The balance in unrestricted net assets is affected by two factors: 1) resources expended, over time, by the Village of Forest to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets being included in the statement of net assets.

STATEMENT OF NET ASSETS

	2013	2012
ASSETS		
Current assets:		
Cash and cash equivalents	\$155,410	\$129,351
Receivables	10,900	14,922
Total current assets	166,310	144,273
Restricted assets - cash and cash equivalents	85,823	127,319
Capital assets - not depreciated	27,500	27,500
Capital assets (net of accumulated depreciation)	1,387,225	1,446,914
TOTAL ASSETS	\$1,666,858	\$1,746,006
LIABILITIES		
Current liabilities:		
Accounts payable	\$209	\$1,551
Customer meter deposits	32,230	32,560
Payable from restricted assets - accrued interest	3,227	3,421
Total current liabilities	35,666	37,532
Long term liabilities:		
Due in one year	10,771	17,688
Due in more than one year	859,153	886,124
Total long term liabilities	869,924	903,812
TOTAL LIABILITIES	905,590	941,344
NET ASSETS		
Invested in capital assets, net of related debt	173,863	386,929
Contributed capital (net of accumulated depreciation on fixed assets acquired with federal grant)	93,415	98,910
Retained earnings:		
Reserved for debt service	19,867	37,355
Reserved for contingencies	4,672	4,672
Unreserved - undesignated	454,561	73,305
Total retained earnings	479,100	115,332
Unrestricted	14,890	203,491
TOTAL NET ASSETS	\$667,853	\$804,662

STATEMENT OF ACTIVITIES

	2013	2012
Primary Government:		
Governmental Activities:		
Personal services	\$3,000	\$3,000
Operating services	16,095	10,162
Materials and supplies	2,937	2,042
Public safety	2,415	2,488
Depreciation expense	9,810	9,701
Total Governmental Activities	34,257	27,393

Business-type Activities:		
Water and sewer		
Salaries	\$59,994	\$62,354
Payroll taxes	4,589	4,770
Administrative	10,488	14,744
Utilities	17,054	13,407
Repairs and maintenance	3,327	1,170
Insurance	14,144	11,511
Materials and supplies	6,579	33,988
Testing expense	2,803	3,050
Depreciation expense	49,879	49,879
Total Business-type Activities	<u>168,857</u>	<u>194,873</u>
Total Primary Government	<u>203,114</u>	<u>222,266</u>
Governmental Activities:		
Occupational licenses	7,688	6,318
Fees, charges and commissions	3,803	5,095
Other revenue	2,100	586
Business-type - Water sales	<u>179,376</u>	<u>187,706</u>
Total program revenues	<u>192,967</u>	<u>199,705</u>
Net Program Expenses (Revenues)	<u>(10,147)</u>	<u>(22,561)</u>
General revenues (expenses)		
Tax, franchise	5,852	4,661
Interest earned	1,126	1,514
Interest expense	(40,225)	(41,650)
Intergovernmental:		
Federal grant		25,000
Adjustment for depreciation on capital assets acquired with federal grants	<u>5,495</u>	<u>5,495</u>
Total general revenues (expenses)	<u>(27,752)</u>	<u>(4,980)</u>
Special items		
Proceeds from disposal of assets		7,140
Change in Net Assets	(37,899)	(20,401)
Net Assets - Beginning of year	<u>705,752</u>	<u>726,153</u>
Net Assets - End of year	<u>\$667,853</u>	<u>\$705,752</u>

Financial Analysis of the Government's Funds

As noted earlier, the Village of Forest uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2013, the General Fund unreserved, unassigned fund balance of \$14,890 showed a decrease of \$4,928 over December 31, 2012.

General Fund Budgetary Highlights

Differences between the revenues of the original budget and the final budget was due to a decrease in franchise taxes, state grants, fees, charges and commissions and other revenues. Differences between the expenditures of the original budget and the final budget were due to a decrease in operating services and materials and supplies.

Capital Asset and Debt Administration

Capital assets. The Village of Forest's investment in capital assets for its governmental activities as of December 31, 2013, amounts to \$173,863 (net of accumulated depreciation). This investment includes land, furniture and equipment and construction in progress. There were no increases or decreases in capital outlay for the year ended December 31, 2013.

Long-term debt. At the end of the fiscal year, the Village of Forest had business type activity debt outstanding, in the form of revenue bonds, of \$869,924. During the year ended December 31, 2013, \$33,888 of debt was paid in accordance with the debt agreement.

Requests for Information

This financial report is designed to provide a general overview of the Village of Forest's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Village of Forest, P.O. Box 338, Forest, LA 71242.

January 27, 2014

BASIC FINANCIAL STATEMENTS

VILLAGE OF FOREST
Forest, Louisiana

STATEMENT OF NET ASSETS
December 31, 2013

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$13,693	\$141,717	\$155,410
Accounts receivable	1,391	9,509	10,900
Total current assets	15,084	151,226	166,310
Restricted assets - cash and cash equivalents		85,823	85,823
Capital assets - not depreciated	27,500		27,500
Capital assets (net of accumulated depreciation)	146,363	1,240,862	1,387,225
TOTAL ASSETS	\$188,947	\$1,477,911	\$1,666,858
LIABILITIES			
Current liabilities:			
Accounts payable	\$194	\$15	\$209
Customer meter deposits		32,230	32,230
Payable from restricted assets - accrued interest		3,227	3,227
Total current liabilities	194	35,472	35,666
Long term liabilities:			
Due in one year		10,771	10,771
Due in more than one year		859,153	859,153
Total long term liabilities	NONE	869,924	869,924
TOTAL LIABILITIES	194	905,396	905,590
NET POSITION			
Invested in capital assets, net of related debt	173,863		173,863
Contributed capital (net of accumulated depreciation on capital assets acquired with federal grant)		93,415	93,415
Retained earnings:			
Reserved for debt service		19,867	19,867
Reserved for contingencies		4,672	4,672
Unreserved - undesignated		454,561	454,561
Total retained earnings		479,100	479,100
Unrestricted	14,890		14,890
TOTAL NET POSITION	\$188,753	\$479,100	\$667,853

The accompanying notes are an integral part of this statement.

VILLAGE OF FOREST
Forest, Louisiana

STATEMENT OF ACTIVITIES
December 31, 2013

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>
Primary Government:			
Governmental Activities:			
Personal services	\$3,000		\$3,000
Operating services	16,095		16,095
Materials and supplies	2,937		2,937
Public safety	2,415		2,415
Depreciation expense	9,810		9,810
Total Governmental Activities	<u>34,257</u>	NONE	<u>34,257</u>
Business-type Activities:			
Water and sewer			
Salaries		\$59,994	59,994
Payroll taxes		4,589	4,589
Administrative		10,488	10,488
Utilities		17,054	17,054
Repairs and maintenance		3,327	3,327
Insurance		14,144	14,144
Materials and supplies		6,579	6,579
Testing expense		2,803	2,803
Depreciation expense		49,879	49,879
Total Business-type Activities	NONE	<u>168,857</u>	<u>168,857</u>
Total Primary Government	<u>34,257</u>	<u>168,857</u>	<u>203,114</u>
Governmental Activities:			
Occupational licenses	7,688		7,688
Fees, charges and commissions	3,803		3,803
Other revenue	2,100		2,100
Business-type Activity - Water sales		179,376	179,376
Total program revenues	<u>13,591</u>	<u>179,376</u>	<u>192,967</u>
Net Program Expenses (Revenues)	<u>(20,666)</u>	<u>10,519</u>	<u>(10,147)</u>
General revenues (expenses)			
Tax, franchise	5,852		5,852
Interest earned	76	1,050	1,126
Interest expense		(40,225)	(40,225)
Adjustment for depreciation on capital assets acquired with federal grants		5,495	5,495
Total general revenues (expenses)	<u>5,928</u>	<u>(33,680)</u>	<u>(27,752)</u>
Special item-			
Proceeds from disposal of assets			
Change in Net Assets	(14,738)	(23,161)	(37,899)
Net Assets - Beginning of year	<u>203,491</u>	<u>502,261</u>	<u>705,752</u>
Net Assets - End of year	<u>\$188,753</u>	<u>\$479,100</u>	<u>\$667,853</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF FOREST
Forest, Louisiana
GOVERNMENTAL FUNDS

Balance Sheet, December 31, 2013

	GOVERNMENTAL FUND TYPE - GENERAL FUND	PROPRIETARY FUND TYPE - WATER ENTERPRISE FUND
ASSETS		
Current assets:		
Cash	\$13,693	\$141,717
Accounts receivables	1,391	9,509
Total current assets	15,084	151,226
Restricted assets - cash and equivalents		85,823
Water system plant and equipment (Net of accumulated depreciation)		1,240,862
TOTAL ASSETS	\$15,084	\$1,477,911
LIABILITIES AND FUND EQUITY		
Liabilities:		
Current liabilities:		
Accounts payable	\$194	\$15
Customer meter deposits		32,230
Payable from restricted assets - accrued interest		3,227
Revenue bonds payable		869,924
Total liabilities	194	905,396
Fund Equity:		
Contributed capital (net of accumulated depreciation on fixed assets acquired with federal grant)		93,415
Retained earnings:		
Reserved for debt service		19,867
Reserved for contingencies		4,672
Unreserved - undesignated		454,561
Total retained earnings	NONE	479,100
Fund balance - unreserved- unassigned	14,890	
Total Fund Equity	14,890	572,515
TOTAL LIABILITIES AND FUND EQUITY	\$15,084	\$1,477,911

The accompanying notes are an integral part of this statement.

VILLAGE OF FOREST
Forest, Louisiana

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Assets

For the Year Ended December 31, 2013

	<u>Governmental Fund Type</u> <u>General Fund</u>
Total Fund Balances - Governmental Funds (Statement C)	<u>\$14,890</u>
Cost of capital assets	\$246,196
Less: Accumulated depreciation	<u>(72,333)</u>
Net Assets (Statement A)	<u><u>\$188,753</u></u>

The accompanying notes are an integral part of this statement.

VILLAGE OF FOREST
Forest, Louisiana
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures,
and Changes in Fund Balances

For the Year Ended December 31, 2013

	GENERAL FUND
REVENUES	
Tax, franchise	\$5,852
Occupational licenses	7,688
Fees, charges and commissions	3,803
Use of money and property - interest earnings	76
Other revenue	<u>2,100</u>
Total revenues	<u>19,519</u>
EXPENDITURES	
General government - current:	
Personal services	3,000
Operating services	16,095
Materials and supplies	2,937
Public safety	<u>2,415</u>
Total expenditures	<u>24,447</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(4,928)
FUND BALANCES AT BEGINNING OF YEAR	<u>19,818</u>
FUND BALANCES AT END OF YEAR	<u><u>\$14,890</u></u>

The accompanying notes are an integral part of this statement.

VILLAGE OF FOREST
Forest, Louisiana

Reconciliation of Governmental Funds
Statement of Revenue, Expenditures, and Changes
in Fund Balances to the Statement of Activities

For the Year Ended December 31, 2013

Governmental
Fund Type -
General Fund

Total net change in fund balances - governmental funds (Statement D)	(\$4,928)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation for the	<u>(9,810)</u>
Change in net assets of governmental activities (Statement B)	<u><u>(\$14,738)</u></u>

The accompanying notes are an integral part of this statement.

VILLAGE OF FOREST
FOREST, Louisiana
PROPRIETARY FUND TYPE -
WATER ENTERPRISE FUND

Statement of Revenues, Expenses,
and Changes in Retained Earnings
For the Year Ended December 31, 2013

OPERATING REVENUES	
Water sales	<u>\$179,376</u>
OPERATING EXPENSES	
Salaries	59,994
Payroll taxes	4,589
Administrative	10,488
Utilities	17,054
Repairs and maintenance	3,327
Insurance	14,144
Materials and supplies	6,579
Testing Expense	2,803
Depreciation	<u>49,879</u>
Total Operating Expenses	<u>168,857</u>
OPERATING INCOME	<u>10,519</u>
NON-OPERATING REVENUES (Expenses)	
Interest income	1,050
Interest expense	<u>(40,225)</u>
Total Non-Operating Revenues (expenses)	<u>(39,175)</u>
NET INCOME	<u>(28,656)</u>
OTHER FINANCING SOURCE (Use)	
Adjustment for depreciation on capital assets acquired with federal grants	<u>5,495</u>
TOTAL OTHER FINANCING SOURCE (USE)	5,495
TOTAL NET INCOME AND OTHER FINANCING SOURCE (Use)	<u>(23,161)</u>
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>502,261</u>
RETAINED EARNINGS AT END OF YEAR	<u><u>\$479,100</u></u>

The accompanying notes are an integral part of this statement.

VILLAGE OF FOREST
FOREST, Louisiana
PROPRIETARY FUND TYPE -
WATER ENTERPRISE FUND

Statement of Cash Flows
For the Year Ended December 31, 2013

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Income (Loss)	<u>\$10,519</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	49,879
Decrease in accounts receivable	4,310
Decrease in accounts payable	(1,138)
Decrease in accrued interest payable	(196)
Decrease in meter deposits	<u>(330)</u>
Total adjustments	<u>52,525</u>
Net cash provided by operating activities	<u>63,044</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Decrease in bonds payable	(33,888)
Interest expense	<u>(40,225)</u>
Total cash flows from capital and related financing activities	<u>(74,113)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earnings	<u>1,051</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(10,018)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>237,558</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$227,540</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF FOREST

Forest, Louisiana

Notes to the Financial Statements

As of and For the Year Ended December 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Forest was incorporated under the provisions of the Lawrason Act in 1966. 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, 2016.

The accompanying financial statements of the Village of Forest have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis -for State and Local Governments*, issued in June 1999.

A. REPORTING ENTITY

As the governing authority of the village, for reporting purposes, the Village of Forest 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 Forest 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.

VILLAGE OF FOREST

Forest, Louisiana

Notes to the Financial Statements (Continued)

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 are part of the reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The village's basic financial statements include both government-wide (reporting the village as a whole) and fund financial statements (reporting the village's major funds). Both government-wide and fund financial statements categorize primary activities as either governmental or business type.

The Statement of Net Assets (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the village.

In the Statement of Net Assets, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net assets are reported in three parts; invested in capital assets, net of any related debt; restricted net assets; and unrestricted net assets. The village first uses restricted resources to finance qualifying activities.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the village's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the village's general revenues.

VILLAGE OF FOREST

Forest, Louisiana

Notes to the Financial Statements (Continued)

Allocation of Indirect Expenses - The village reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings is assigned to the "general administration" function due to the fact that buildings serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the village are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the village. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The village's current operations require the use of only governmental and proprietary funds. The governmental and proprietary fund types used by the village are described as follows:

Governmental Fund Type

General Fund - The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the village and is used to account for the operations of the village's office. The various fees and charges due to the village's office are accounted for in this fund. General operating expenditures are paid from this fund.

VILLAGE OF FOREST

Forest, Louisiana

Notes to the Financial Statements (Continued)

Proprietary Fund Type - Water Enterprise Fund

The Water Enterprise Fund is used to account for the operations of the village's water system. The operations are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds and the proprietary type agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The village considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is

VILLAGE OF FOREST

Forest, Louisiana

Notes to the Financial Statements (Continued)

recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. 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 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.

Proprietary Fund Type - Water Enterprise Fund

The Water Enterprise Fund is accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

E. CASH AND CASH EQUIVALENTS

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 December 31, 2013, the village has cash and cash equivalents (book balances) totaling \$241,233.

Demand deposits	\$145,436
Time deposits	<u>95,797</u>
Total	<u>\$241,233</u>

VILLAGE OF FOREST

Forest, Louisiana

Notes to the Financial Statements (Continued)

These deposits of \$237,114 are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance.

F. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The village maintains a threshold level of \$500 or more for capitalizing capital assets.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the village, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	20 - 40 years
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

G. ANNUAL AND SICK LEAVE

The Village of Forest has not adopted vacation and sick leave policies; therefore, there is no liability for compensated absences.

H. RISK MANAGEMENT

The village is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; and injuries to employees. To handle such risk of loss, the fire district maintains a commercial insurance policy covering property, employee liability, and public officials liability. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2013.

VILLAGE OF FOREST
 Forest, Louisiana
 Notes to the Financial Statements (Continued)

2. RECEIVABLES

The following is a summary of receivables at December 31, 2013:

	General Fund	Water Enterprise Fund	Total
Taxes:			
Franchise	\$1,391		\$1,391
Accounts		\$9,509	9,509
Total	<u>\$1,391</u>	<u>\$9,509</u>	<u>\$10,900</u>

3. CHANGES IN CAPITAL ASSETS

The following presents changes in capital assets for the year ended December 31, 2013:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated -				
Land	\$27,500			\$27,500
Capital assets being depreciated:				
Buildings	169,768			169,768
Improvements other than buildings	13,001			13,001
Equipment	35,927			35,927
Total assets	246,196	NONE	NONE	246,196
Less accumulated depreciation	62,523	\$9,810		72,333
Net capital assets	<u>\$183,673</u>	<u>(\$9,810)</u>	<u>NONE</u>	<u>\$173,863</u>

A summary of proprietary fund type property, plant, and equipment at December 31, 2013, follows:

	Basis	Accumulated Depreciation	Net Book Value
Water system	\$1,840,796	(\$599,934)	\$1,240,862
Equipment	3,372	(3,372)	NONE
Total	<u>\$1,844,168</u>	<u>(\$603,306)</u>	<u>\$1,240,862</u>

VILLAGE OF FOREST

Forest, Louisiana

Notes to the Financial Statements (Continued)

4. 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. For the year ended December 31, 2013, total salaries paid for 2013 were \$69,714. The village does not guarantee the benefits granted by the Social Security System.

5. REVENUE BONDS PAYABLE

At December 31, 2013, the village has one outstanding issues of long-term revenue bonds. In 1990 the village sold a revenue bond to the United States Department of Agriculture, Farmers Home Administration. The issue dated November 14, 1990 was for \$130,200. The issue bears interest at 6.125 per cent per annum. Principal and interest are to be repaid in annual payments of \$8,846 through November 14, 2030. All long-term debt is to be repaid solely from the income and revenues derived from the operation of the water system. This was paid off early in 2013. In 2008 the village had a preliminary bond issue for \$912,000. The village received \$755,000 of this issue at December 31, 2008 and the remaining \$157,000 at December, 31, 2009. The issue bears interest at 4.5 per cent per annum. Principal and interest are to be repaid in monthly payments of \$4,141 through July 10, 2048. All long-term debt is to be repaid solely from the income and revenues derived from the operation of the water system.

The following is a summary of revenue bonds payable transactions for the year ended December 31, 2013:

Revenue bonds payable at January 1, 2013	\$903,812
Additions	NONE
Reductions	<u>(33,888)</u>
Long-term debt at December 31, 2013	<u>\$869,924</u>

The annual requirements to amortize the revenue bonds outstanding at December 31, 2013 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$10,771	\$38,921	\$49,692
2015	11,266	38,426	49,692
2016	11,783	37,909	49,692
2017	12,324	37,368	49,692
2018	12,891	36,801	49,692
2019-2023	73,899	174,561	248,460
2024-2028	92,507	155,953	248,460
2029-2033	115,800	132,660	248,460
2034-2038	144,958	103,502	248,460

VILLAGE OF FOREST

Forest, Louisiana

Notes to the Financial Statements (Continued)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2039-2043	\$181,457	\$67,003	\$248,460
2044-2048	202,268	21,545	223,813
Total	<u>\$869,924</u>	<u>\$844,649</u>	<u>\$1,714,573</u>

6. CONTRIBUTED CAPITAL

In 1990, the village received a grant totaling \$219,800 from the United States Department of Agriculture, Farmers Home Administration to finance the construction of its water 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 December 31, 2013, accumulated depreciation on these assets is \$93,415.

7. RESERVED RETAINED EARNINGS

The bond covenant with the Farmers Home Administration for the 1990 revenue bond discussed in note 4 above, requires the village to establish the following reserve accounts:

- A. A "Water Revenue Bond and Interest Sinking Fund". The village must transfer into this fund, each month, one-twelfth of the principal and interest due on the next principal and interest payment date. This fund is used to pay bond principal and interest as they become due.
- B. A "Water 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 Water Revenue Bond and Interest Sinking Fund. Such amounts may be used only for the payment of matured bonds and interest when sufficient funds are not available in the Water Revenue Bond and Interest Sinking Fund.
- C. A "Water Depreciation and Contingency 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 Water Revenue Bond and Interest Sinking Fund. The deposits in this fund may be used for unusual or extraordinary maintenance, repairs, 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.

At December 31, 2013 the village has \$19,867 in restricted accounts to meet reserve requirements. The following is a summary of transactions in the bond reserve accounts for the year ended December 31, 2013:

VILLAGE OF FOREST

Forest, Louisiana

Notes to the Financial Statements (Continued)

Reserve for revenue bonds payable at January 1, 2013	\$42,027
Deposits	9,288
Transfer to Operating	(22,602)
Debt service	<u>(8,846)</u>
Reserve for bonds payable at December 31, 2013	<u>\$19,867</u>

8. LITIGATION AND CLAIMS

The Village of Forest is not involved in any litigation at December 31, 2013, nor is it aware of any unasserted claims.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

VILLAGE OF FOREST
Forest, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2013

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Tax, franchise	\$6,500	\$5,700	\$5,852	\$152
Occupational licenses	7,300	7,572	7,688	116
Intergovernmental - State grants	5,000			
Fees, charges and commissions	6,500	4,050	3,803	(247)
Use of money and property - interest earnings			76	76
Other revenues	5,000	2,105	2,100	(5)
Total revenues	<u>30,300</u>	<u>19,427</u>	<u>19,519</u>	<u>92</u>
EXPENDITURES				
General government - current:				
Personal services	5,500	4,790	3,000	1,790
Operating services	18,250	16,075	16,095	(20)
Materials and supplies	5,750	2,881	2,937	(56)
Public safety	800	636	2,415	(1,779)
Total expenditures	<u>30,300</u>	<u>24,382</u>	<u>24,447</u>	<u>(65)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	NONE	(4,955)	(4,928)	27
FUND BALANCE AT BEGINNING OF YEAR	<u>NONE</u>	<u>9,707</u>	<u>19,818</u>	<u>10,111</u>
FUND BALANCE AT END OF YEAR	<u>NONE</u>	<u>\$4,752</u>	<u>\$14,890</u>	<u>\$10,138</u>

See accompanying note to budgetary comparison schedule.

VILLAGE OF FOREST
Forest, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

A preliminary budget for the ensuing year is prepared for the General Fund by the mayor prior to December 31 of each year and is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The budget is established and controlled by the board of aldermen at the functional level of expenditure. Encumbrance accounting is not used by the village. Appropriations lapse at year end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the board of aldermen.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and all subsequent amendments.

**VILLAGE OF FOREST
Forest, Louisiana**

**Schedule of Water Rates
For the Year Ended December 31, 2013**

<u>Classification</u>	<u>Tariff</u>	<u>Rate</u>
Residential	Monthly minimum for first 2,000 gallons	\$15.00
	Per 1,000 gallons for all over 2,000 gallons	3.50
Commercial	Monthly minimum for first 10,000 gallons	33.00
	Per 1,000 gallons for all over 10,000 gallons	3.50

VILLAGE OF FOREST
Forest, Louisiana

Schedule of Insurance Coverage
As of December 31, 2013

Type of Coverage	Name of Insurer	Policy Number	Amount of Coverage	Expiration Date
Commercial General Liability	Louisiana Municipal Risk Management Agency	LML-124	Aggregate - \$500,000 Each Occurrence - \$500,000 Medical Payments - \$1,000 per person - \$10,000 per accident Fire Legal Liability - \$50,000 per occurrence	5/1/14
Law Enforcement Officers Comprehensive Liability	Louisiana Municipal Risk Management Agency	LML-124	\$500,000	5/1/14
Public Officials Errors and Omissions Liability	Louisiana Municipal Risk Management Agency	LML-124	\$500,000	5/1/14
Worker's Compensation and Employers Liability	Louisiana Municipal Risk Management Agency	WC-0164	Statutory	1/1/14
Standard Fire	Farm Bureau	SF204639	\$292,000	1/22/14
Standard Fire	Farm Bureau	SF187734	\$217,200	4/30/14
Property Damage	State Farm	98-13-6529-5	\$230,400	5/30/14
Fidelity Bond	Fidelity & Deposit Co. of Maryland	30406398	\$100,000	12/1/14

VILLAGE OF FOREST
Forest, Louisiana
PROPRIETARY FUND TYPE - ENTERPRISE FUND

Proposed Operating Budget
For the Year Ending December 31, 2014
(Unaudited)

REVENUES	
Water	\$214,000
Other	20,000
Interest income	<u>3,000</u>
Total revenues	<u>237,000</u>
EXPENSES	
Insurance	13,800
Interest expense	6,000
Depreciation expense	15,000
Permits	400
Payroll taxes	13,700
Office	1,700
Repairs and maintenance	3,200
Salaries	71,000
Supplies	14,000
Administrative expense	15,000
Testing expense	5,300
FmHA	50,000
Postage	2,200
Utilities and telephone	<u>25,700</u>
Total expenses	<u>237,000</u>
NET INCOME	<u><u>NONE</u></u>

OTHER SUPPLEMENTARY INFORMATION

PART III

VILLAGE OF FOREST
Forest, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE
As of and For the Year Ended December 31, 2013

COMPENSATION PAID ALDERMEN

The schedule of compensation paid aldermen is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. In accordance with Louisiana Revised Statute 33:405, aldermen receive up to \$30.00 for each regular meeting and \$15.00 for each special meeting they attend. Compensation of aldermen is included in personal services and related benefits expenditures of the General Fund.

VILLAGE OF FOREST
Forest, Louisiana

Schedule of Compensation Paid Aldermen
For the Year Ended December 31, 2013

Larry Denmon, Mayor	\$1,375
Polly McKaskle	150
Buddy Dukes	75
Jone Whorton	63
Arizona Pearson	<u>50</u>
Total	<u>\$1,713</u>

**REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
PART IV**

**Independent Auditor's Report Required
by *Government Auditing Standards***

The following independent auditor's report on compliance and internal control over financial reporting is presented in compliance with the requirements of *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

**Independent Auditors Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance *Government Auditing Standards***

VILLAGE OF FOREST
Forest, Louisiana

I have audited, in accordance with the 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, the financial statements of the Village of Forest as of and for the year ended December 31, 2013 and the related notes to the financial statements, which collectively comprise the Village of Forest's basic financial statements, and have issued my report thereon dated January 27, 2014.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Village of Forest's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Forest's internal control. Accordingly, I do not express an opinion on the effectiveness of the Village of Forest's internal control.

A deficiency in internal control exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

VILLAGE OF FOREST

Forest, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

December 31, 2013

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of Forest's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Forest's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Forest's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



West Monroe, Louisiana

January 27, 2014

VILLAGE OF FOREST
Forest, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Village of Forest.
2. No instances of noncompliance material to the financial statements of the Village of Forest was disclosed during the audit.
3. No significant deficiency relating to the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

**VILLAGE OF FOREST
Forest, Louisiana**

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2013**

There were no findings reported in the audit report for the year ended December 31, 2012.