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**TOWN OF DUBACH  
LOUISIANA**

**FINANCIAL STATEMENTS  
JUNE 30, 1999**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. This 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 NOV 9 1999

**TOWN OF DUBACH, LOUISIANA**  
**FINANCIAL STATEMENTS**  
**JUNE 30, 1999**

CONTENTS

	<u>PAGE</u>
<b>ACCOUNTANT'S COMPILATION REPORT</b>	1
 <b>GENERAL PURPOSE FINANCIAL STATEMENTS</b>	
Combined Balance Sheet--All Fund Types and Account Groups	3 - 4
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance--All Governmental Fund Types	5
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance--Budget and Actual--All Governmental Fund Types	6
Combined Statement of Revenues, Expenses, and Changes In Retained Earnings/Fund Balance--Proprietary Fund Type and Trust Fund	7
Combined Statement of Cash Flows--Proprietary Fund Type and Trust Fund	8
Notes to Financial Statements	9 - 16
 <b>SUPPLEMENTARY INFORMATION</b>	
 <b>INDIVIDUAL FUND AND ACCOUNT GROUP FINANCIAL STATEMENTS AND SCHEDULES</b>	
General Fund:	
Comparative Balance Sheets	20
Statement of Revenues, Expenditures, and Changes in Fund Balance--Budget and Actual	21
Supporting Schedule of Expenditures--General Fund	22 - 23
 Special Revenue Funds:	
Comparative Balance Sheets	25
Statement of Revenues, Expenditures, and Changes in Fund Balance--Budget and Actual	26
 Enterprise Funds:	
Comparative Balance Sheets	28
Comparative Statements of Revenues, Expenses, and Changes in Retained Earnings	29
Comparative Statements of Cash Flows	30

	<u>PAGE</u>
Fiduciary Fund:	
Comparative Balance Sheets	32
Comparative Statements of Revenues, Expenses, and Changes in Fund Balance	33
Comparative Statements of Cash Flows	34
General Fixed Asset Account Group:	
Comparative Schedules of General Fixed Assets	36
 <b>AGREED-UPON PROCEDURES</b>	
Accountant's Report on Applying Agreed-Upon Procedures	38 - 40
Louisiana Attestation Questionnaire	41 - 42
 <b>OTHER REPORTS</b>	
Management's Corrective Action Plan	44

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ACCOUNTANT'S COMPILATION REPORT

The Honorable Margaret Rogers, Mayor  
and Town Council  
Town of Dubach  
P.O. Box 258  
Dubach, Louisiana 71235

I have compiled the accompanying general purpose financial statements and supplementary information of the Town of Dubach, Louisiana as of and for the year ended June 30, 1999, as listed in the table of contents, 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 information that is the representation of management. I have not audited or reviewed the accompanying financial statements and supplementary information and, accordingly, do not express an opinion or any other form of assurance on them.

The information in Note 13 on the Year 2000 Issue is not a required part of the general purpose financial statements under Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants but is required by the Government Accounting Standards Board. I have compiled Note 13 on the Year 2000 Issue from the information that is the representation of management of the Town of Dubach.



Don M. McGehee  
Certified Public Accountant  
September 29, 1999

# GENERAL PURPOSE FINANCIAL STATEMENTS

**TOWN OF DUBACH, LOUISIANA**  
**COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS**  
**JUNE 30, 1999**

ASSETS	Governmental		Proprietary		Fiduciary		Account		Totals
	Fund Types		Fund Type		Fund Type		Group		
	General Fund	Special Revenue Fund	Enterprise Fund	Trust Fund	General	Fixed Assets	(Memorandum Only)		
Cash and Cash Equivalents	\$ 25,070	\$ 6,556	\$ 27,902	\$ 2,502	\$ 0	\$ 0	\$ 62,030		
Investments	250,919	66,597	160,368	12,896	0	0	490,780		
Accounts Receivable	0	0	13,933	0	0	0	13,933		
Ad Valorem Taxes Receivable--Net	2,050	0	0	0	0	0	2,050		
Intergovernmental Receivable	12,139	3,453	0	0	0	0	15,592		
Due from Grants	6,675	301	0	0	0	0	6,976		
Due from Other Funds	6,995	3,825	0	0	0	0	10,820		
Franchise Taxes Receivable	4,447	0	0	0	0	0	4,447		
Prepaid Insurance	1,944	992	252	0	0	0	3,188		
Insurance Deposit	1,974	0	0	0	0	0	1,974		
Interest Receivable	290	0	795	0	0	0	1,085		
Restricted Assets--									
Cash	0	0	7,966	0	0	0	7,966		
Investments	0	0	15,853	0	0	0	15,853		
Land and Buildings	0	0	0	0	168,184	168,184	168,184		
Equipment	0	0	0	0	168,986	168,986	168,986		
Other Improvements	0	0	0	0	781	781	781		
Utility Plant and Equipment	0	0	1,879,868	0	0	0	1,879,868		
Accumulated Depreciation	0	0	(843,174)	0	0	0	(843,174)		
<b>TOTAL ASSETS</b>	<u>\$ 312,503</u>	<u>\$ 81,724</u>	<u>\$ 1,263,763</u>	<u>\$ 15,398</u>	<u>\$ 337,951</u>	<u>\$ 2,011,339</u>			

See accountant's compilation report.  
See accompanying notes to financial statements.

**TOWN OF DUBACH, LOUISIANA**  
**COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS (CONTINUED)**  
**JUNE 30, 1999**

	Governmental Fund Types		Proprietary Fund Type		Fiduciary Fund Type		Account Group		Totals
	General Fund	Special Revenue Fund	Enterprise Fund	Trust Fund	General	Fixed Assets	(Memoran- dum Only)		
<b>LIABILITIES AND EQUITY</b>									
<b>LIABILITIES:</b>									
Accounts Payable	\$ 2,710	\$ 370	\$ 1,796	\$ 0	\$ 0	\$ 0	\$ 4,876		
Accrued Expenses	1,701	709	1,082	0	0	0	3,492		
Due to Other Funds	0	6,457	4,363	0	0	0	10,820		
Deferred Revenue	2,012	0	0	0	0	0	2,012		
Payable from Restricted Assets-- Customer Deposits	<u>0</u>	<u>0</u>	<u>23,819</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>23,819</u>		
<b>TOTAL LIABILITIES</b>	<u>6,423</u>	<u>7,536</u>	<u>31,060</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>45,019</u>		
<b>EQUITY:</b>									
Contributed Capital	0	0	1,585,252	0	0	0	1,585,252		
Investment in General Fixed Assets	0	0	0	0	337,951	0	337,951		
Accumulated Deficit--Unreserved Fund Balances--	0	0	(352,549)	0	0	0	(352,549)		
Reserved for Perpetual Care Unreserved and Undesignated	<u>306,080</u>	<u>74,188</u>	<u>0</u>	<u>12,896</u>	<u>0</u>	<u>0</u>	<u>382,770</u>		
<b>TOTAL EQUITY</b>	<u>306,080</u>	<u>74,188</u>	<u>1,232,703</u>	<u>15,398</u>	<u>337,951</u>	<u>0</u>	<u>1,966,320</u>		
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>\$ 312,503</u>	<u>\$ 81,724</u>	<u>\$ 1,263,763</u>	<u>\$ 15,398</u>	<u>\$ 337,951</u>	<u>\$ 0</u>	<u>\$ 2,011,339</u>		

See accountant's compilation report.  
See accompanying notes to financial statements.

**TOWN OF DUBACH, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE--GOVERNMENTAL FUND TYPES**  
**FOR THE YEAR ENDED JUNE 30, 1999**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total (Memoran- dum Only)</u>
<b>REVENUES</b>			
Taxes	\$ 32,567	\$ 0	\$ 32,567
Fines	20,426	0	20,426
Licenses	28,170	0	28,170
Charges for Services	0	22,655	22,655
Interest	14,460	3,064	17,524
Intergovernmental Grant Revenue	49,608	18,246	67,854
On Behalf Revenue	0	1,864	1,864
Miscellaneous	7,200	0	7,200
	<u>3,788</u>	<u>36</u>	<u>3,824</u>
<b>TOTAL REVENUES</b>	<u>156,219</u>	<u>45,865</u>	<u>202,084</u>
 <b>EXPENDITURES</b>			
General Government	54,441	0	54,441
Police	100,407	0	100,407
Highways and Streets	17,137	0	17,137
Sanitation	0	40,200	40,200
Capital Outlay	<u>24,141</u>	<u>0</u>	<u>24,141</u>
<b>TOTAL EXPENDITURES</b>	<u>196,126</u>	<u>40,200</u>	<u>236,326</u>
 <b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	 (39,907)	 5,665	 (34,242)
 <b>OTHER FINANCING SOURCES</b>			
Insurance Proceeds from Loss of Car	18,061	0	18,061
Operating Transfer In (Out)	<u>17,852</u>	<u>506</u>	<u>18,358</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>35,913</u>	<u>506</u>	<u>36,419</u>
 <b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES</b>	 (3,994)	 6,171	 2,177
 <b>FUND BALANCE-BEGINNING</b>	 <u>310,074</u>	 <u>68,017</u>	 <u>378,091</u>
 <b>FUND BALANCE-ENDING</b>	 <u>\$ 306,080</u>	 <u>\$ 74,188</u>	 <u>\$ 380,268</u>

See accountant's compilation report.  
See accompanying notes to financial statements.

**TOWN OF DUBACH, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**--BUDGET AND ACTUAL - ALL GOVERNMENTAL FUND TYPES**  
**FOR THE YEAR ENDED JUNE 30, 1999**

	GENERAL FUND		SPECIAL REVENUE FUND		Variance--
	Budget	Actual	Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>					
Taxes	\$ 30,000	\$ 32,567	\$ 0	\$ 0	\$ 0
Fines	18,000	20,426	0	0	0
Licenses	20,000	28,170	0	0	0
Charges for Services	0	0	22,000	22,655	655
Interest	14,000	14,460	3,100	3,064	(36)
Intergovernmental	37,758	49,608	13,000	18,246	5,246
Grant Revenue	0	0	0	1,864	1,864
On-Behalf Revenue	7,200	7,200	0	0	0
Miscellaneous	3,200	3,788	0	36	36
<b>TOTAL REVENUES</b>	<u>130,158</u>	<u>156,219</u>	<u>38,100</u>	<u>45,865</u>	<u>7,765</u>
<b>EXPENDITURES</b>					
General Government	66,800	54,441	0	0	0
Police	105,740	100,407	0	0	0
Highways and Streets	21,800	17,137	0	0	0
Sanitation	0	0	47,475	40,200	7,275
Capital Outlay	0	24,141	0	0	0
<b>TOTAL EXPENDITURES</b>	<u>194,340</u>	<u>196,126</u>	<u>47,475</u>	<u>40,200</u>	<u>7,275</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(64,182)	(39,907)	(9,375)	5,665	15,040
<b>OTHER FINANCING SOURCES</b>					
Insurance Proceeds from Loss of Car	0	18,061	0	0	0
Operating Transfers from Other Funds	0	17,852	0	506	506
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>0</u>	<u>35,913</u>	<u>0</u>	<u>506</u>	<u>506</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES</b>	(64,182)	(3,994)	(9,375)	6,171	15,546
<b>FUND BALANCE-BEGINNING</b>	<u>259,572</u>	<u>310,074</u>	<u>60,419</u>	<u>68,017</u>	<u>7,598</u>
<b>FUND BALANCE-ENDING</b>	<u>\$ 195,390</u>	<u>\$ 306,080</u>	<u>\$ 51,044</u>	<u>\$ 74,188</u>	<u>23,144</u>

See accountant's compilation report.  
See accompanying notes to financial statements.

**TOWN OF DUBACH, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN RETAINED EARNINGS/FUND BALANCE**  
**PROPRIETARY FUND TYPE AND NONEXPENDABLE TRUST FUND**  
**FOR THE YEAR ENDED JUNE 30, 1999**

	Enterprise Fund	Fiduciary Fund	Totals
	Utility Fund	Non-Expendable Trust Fund	(Memoran- dum Only)
<b>OPERATING REVENUES</b>			
Water Sales	\$ 82,221	\$ 0	\$ 82,221
Sewer Sales	35,003	0	35,003
Interest	0	710	710
Miscellaneous	0	200	200
Delinquent Fees	5,597	0	5,597
<b>TOTAL OPERATING REVENUES</b>	<u>122,821</u>	<u>910</u>	<u>123,731</u>
<b>OPERATING EXPENSES</b>			
Accounting and Audit	3,069	0	3,069
Depreciation	43,719	0	43,719
Insurance	4,120	0	4,120
Miscellaneous	5,026	197	5,223
Operations and Maintenance of System	19,911	0	19,911
Office Supplies, Postage, and Printing	3,461	0	3,461
Professional Fees	6,000	0	6,000
Salaries-Office	14,604	0	14,604
Salaries-Other	6,538	0	6,538
Salaries-Superintendent	11,890	0	11,890
Sewer Pond Inspection	900	0	900
Taxes-Payroll	2,513	0	2,513
Truck Maintenance and Operations	1,054	0	1,054
Unemployment Compensation	1,079	0	1,079
Utilities	9,769	0	9,769
<b>TOTAL OPERATING EXPENSES</b>	<u>133,653</u>	<u>197</u>	<u>133,850</u>
<b>OPERATING INCOME (LOSS)</b>	(10,832)	713	(10,119)
<b>NON-OPERATING REVENUES</b>			
Interest Income	7,575	0	7,575
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	(3,257)	713	(2,544)
<b>OPERATING TRANSFERS TO OTHER FUNDS</b>			
Transfer Out to General Fund	18,359	0	18,359
<b>TOTAL OPERATING TRANSFERS TO OTHER FUNDS</b>	<u>18,359</u>	<u>0</u>	<u>18,359</u>
<b>NET INCOME (LOSS)</b>	(21,616)	713	(20,903)
<b>FUND BALANCE/(ACCUMULATED DEFICIT)-BEGINNING</b>	<u>(330,933)</u>	<u>14,685</u>	<u>(316,248)</u>
<b>FUND BALANCE/(ACCUMULATED DEFICIT)-ENDING</b>	<u>\$ (352,549)</u>	<u>\$ 15,398</u>	<u>\$ (337,151)</u>

See accountant's compilation report.  
See accompanying notes to financial statements.

**TOWN OF DUBACH, LOUISIANA**  
**COMBINED STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPE AND TRUST FUND**  
**FOR THE YEAR ENDED JUNE 30, 1999**

	Enterprise Fund <u>Utility Fund</u>	Fiduciary Fund <u>Non-Expendable Trust Fund</u>	Totals (Memoran- dum Only)
<b>Cash Flows From Operating Activities</b>			
Cash Received from Customers and Users	\$ 122,634	\$ 200	\$ 122,834
Cash Payments for Goods and Services	(58,811)	(197)	(59,008)
Cash Payments to Employees	<u>(32,857)</u>	<u>0</u>	<u>(32,857)</u>
<b>Net Cash Provided By Operating Activities</b>	<u>30,966</u>	<u>3</u>	<u>30,969</u>
<b>Cash Flows From Noncapital Financing Activities</b>			
Operating Transfers from (to) Other Funds	<u>(18,386)</u>	<u>0</u>	<u>(18,386)</u>
<b>Net Cash Used By Noncapital Financing Activities</b>	<u>(18,386)</u>	<u>0</u>	<u>(18,386)</u>
<b>Cash Flows From Investing Activities</b>			
Proceeds from Sale of Investments	155,451	0	155,451
Purchase of Investments	(176,221)	0	(176,221)
Interest Received	<u>7,498</u>	<u>710</u>	<u>8,208</u>
<b>Net Cash Provided (Used) By Investing Activities</b>	<u>(13,272)</u>	<u>710</u>	<u>(12,562)</u>
<b>Net Increase (Decrease) In Cash</b>	(692)	713	21
<b>Cash At Beginning Of Year</b>	<u>36,560</u>	<u>1,789</u>	<u>38,349</u>
<b>Cash At End Of Year</b>	<u>\$ 35,868</u>	<u>\$ 2,502</u>	<u>\$ 38,370</u>
<b>Reconciliation Of Operating Income To Net Cash Provided (Used) By Operating Activities:</b>			
Operating Income (Loss)	\$ (10,832)	\$ 713	\$ (10,119)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities--			
Depreciation	43,719	0	43,719
Interest Reported as Operating Income	0	(710)	(710)
(Increase) Decrease in Accounts Receivable	(597)	0	(597)
Increase (Decrease) in Prepaid Insurance	319	0	319
Increase (Decrease) in Accrued Expenses	518	0	518
Increase (Decrease) in Accounts Payable	(2,570)	0	(2,570)
Increase (Decrease) in Customers' Deposits	<u>409</u>	<u>0</u>	<u>409</u>
Total Adjustments	<u>41,798</u>	<u>(710)</u>	<u>41,088</u>
<b>Net Cash Provided By Operating Activities</b>	<u>\$ 30,966</u>	<u>\$ 3</u>	<u>\$ 30,969</u>

See accountant's compilation report.  
See accompanying notes to financial statements.

**TOWN OF DUBACH, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1999**

The Town of Dubach, Louisiana, was incorporated in 1898, under the provisions of the Lawrason Act. The Town operates under a Mayor-Council form of government.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification is recognized as generally accepted accounting principles for state and local government. The accounting and reporting policies of the Town of Dubach, Louisiana, conform to these generally accepted accounting principles and the requirements of Louisiana Revised Statutes 24:513 and to the guides set forth in the Louisiana Governmental Audit Guide and to the industry audit guide, Audits of State and Local Governmental Units, published by the American Institute of Certified Public Accountants.

**A. Reporting Entity**

*Based upon standards for defining and reporting on the financial reporting entity, the Town of Dubach is a primary government. Component units can be identified by financial accountability and whether exclusion would create misleading or incomplete financial statements. No component units of the Town of Dubach were identified.*

**B. Fund Accounting**

The accounts of the Town of Dubach 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. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The government applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations. The various funds are grouped, in the financial statements in this report, into three broad fund categories and four generic fund types. The following funds and group of accounts are used by the Town of Dubach:

Governmental Funds--

General Fund

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

Special Revenue Funds

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

See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Proprietary Funds--

Enterprise Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the costs (expenses, including depreciation) of providing water and sewer services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiduciary Funds--

Non-Expendable Trust Fund

Trust are used to account for assets held by the Town on behalf of outside parties, including other governments, or on behalf of other funds within the municipality. Non-expendable trust funds are accounted for in essentially the same manner as proprietary funds. The principal may not be expended.

General Fixed Assets Account Group--

The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost. No depreciation is recorded on general fixed assets. General fixed assets are recorded as expenditures in the governmental fund type when purchased.

**C. Measurement Focus**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds and non-expendable trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings/fund balance components. Operating statements of these funds present increases (e.g., expenses) in net total assets.

**D. Basis of Accounting**

The modified accrual basis of accounting is used by all governmental fund types. 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 be used to pay liabilities of the current period.

See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
JUNE 30, 1999

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The Town considers all governmental revenues as available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred. *Purchase of various operating supplies are regarded as expenditures at the time purchased.*

Those revenues susceptible to accrual are special assessments, taxes collected locally, franchise fees, and charges for services. Fines, occupational licenses, and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash. Grants requiring expenditure for determining eligibility are recognized as revenue when the expenditure is made.

The accrual basis of accounting is utilized by proprietary fund types and non-expendable trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Town reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

**E. Budgetary Practices**

The Town of Dubach, Louisiana, adopted an operating budget, on a basis consistent with generally accepted accounting principles, on its governmental fund types for the year ended June 30, 1999, as required by generally accepted accounting principles as applicable to governmental units, and as required by Louisiana law. Prior to year end, the Town adopted an amended budget approving revisions to revenues. The amended budget for the General Fund and the Special Revenue Fund is presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual. Appropriations lapse at year-end and must be re-appropriated for the following year to be expended.

**F. Cash and Cash Equivalents**

*Cash and cash equivalents consist of cash on hand, demand deposits, interest-bearing demand deposits, and short-term time deposits with original maturities of three months or less from date of acquisition.*

Under state law, the Town of Dubach 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 their principal offices in Louisiana. Deposits are carried at cost which approximates market value.

**G. Restricted Assets**

The "customer deposit" account is used to report proceeds from customers' meter deposits. A corresponding liability is presented to record these funds held by the enterprise fund.

See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**H. Vacation and Sick Leave**

Employees earn either one or two weeks of vacation time each year, depending upon years of service. Employees earn 12 days of sick leave each year. Vacation can be accumulated. There were no accumulated and vested vacation and sick leave benefits at year end.

**I. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**J. Fixed Assets**

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased.

The Town has elected not to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Water Utility	
Wells	10 years
Lines and Tanks	20-50 years
Sewerage Utility	
Pump Stations	10 years
Lines	30-50 years
Lift Stations	15 years

All fixed assets are stated at historical cost. Donated fixed assets are stated at their estimated fair value on the date donated.

**K. Investments**

Investments are stated at cost or amortized cost. Discounts and premiums on the purchase of investments are amortized over the life of the investment remaining from the date of purchase to the date of maturity.

See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1999**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Under state law, the Town of Dubach may invest in time certificates of deposit with state banks organized under Louisiana law, national banks having their principal offices in Louisiana, and United States bonds, treasury notes, etc.

**L. Bad Debts**

Uncollectible amounts due for ad valorem taxes are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable.

**M. Short-Term Interfund Receivables/Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

**N. Prepaid Insurance**

Payments made to insurance companies for insurance coverage that will benefit periods beyond June 30, 1999, are recorded as prepaid items in the asset section of the balance sheet.

**O. Memorandum Only - Total Columns**

Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 2 - CASH**

The Town maintains its cash accounts in the various banks, which are insured by the Federal Deposit Insurance Corporation (FDIC). FDIC coverage is \$100,000 for all demand deposits and \$100,000 for all time deposits (time deposits are defined as any interest bearing account). At June 30, 1999, the bank balance was \$12,344 and the carrying amount was \$12,246 on non-interest bearing accounts, which was all covered by FDIC insurance.

Interest bearing accounts at June 30, 1999, had a bank balance of \$570,707 and a carrying amount of \$564,183, which was covered by \$200,000 of FDIC insurance and the remainder of \$364,183 by pledged securities held by third party institutions.

Besides demand deposits and time deposits, the only other cash the Town has is \$200 of petty cash. Cash is carried at cost which approximates market value.

**TOWN OF DUBACH, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1999**

**NOTE 3 - AD VALOREM TAXES**

Taxes are levied on a calendar year basis and become delinquent on December 31. The Town bills and collects its own Ad Valorem taxes. For the 1998 Ad Valorem Taxes, one rate of tax was levied on property within the corporate limits, as follows:

7.25 mills for the general maintenance of the Town. This millage was approved by the Town Council August, 1998. This millage is the maximum millage that can be assessed without the approval of voters.

For the year ended June 30, 1999, taxes of \$13,795 were levied on property. Taxes receivable at June 30, 1999 consisted of the following:

Taxes Receivable		\$ 2,194
Allowance for Uncollectible Taxes		<u>(144)</u>
Net Ad Valorem Taxes Receivable		<u>\$ 2,050</u>

**NOTE 4 - INTERFUND RECEIVABLE/PAYABLE**

	Interfund Receivable	Interfund Payable
General Fund	\$ 6,995	\$ 0
Special Revenue Fund-Garbage Fund	3,825	6,457
Utility Fund	<u>0</u>	<u>4,363</u>
Totals	<u>\$ 10,820</u>	<u>\$ 10,820</u>

**NOTE 5 - DUE FROM OTHER GOVERNMENTAL UNITS**

Amounts due from other governmental units consisted of the following at June 30, 1999:

Sales Tax Due from the Lincoln Parish-Ruston Sales and Use Tax Collection Agency		\$ 8,437
Tobacco Taxes Due from the State of Louisiana		1,139
Hotel/Motel Taxes Due from the State of Louisiana		1,158
Sales Tax Dedicated to Garbage Collection from the Lincoln Parish Police Jury		3,453
Reimbursement from the State of Louisiana for Right-of-Way Maintenance		<u>1,405</u>
Total		<u>\$ 15,592</u>

**NOTE 6 - RESTRICTED ASSETS--PROPRIETARY FUND TYPE**

Restricted assets were applicable to the following at June 30, 1999:

Customers' Deposits		<u>\$ 23,819</u>
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See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1999**

**NOTE 7 - CHANGES IN FIXED ASSETS**

A summary of changes in general fixed assets is as follows at June 30, 1999:

	Beginning Balance <u>07/01/98</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>06/30/99</u>
Land and Buildings	\$ 168,184	\$ 0	\$ 0	\$ 168,184
Equipment	165,289	24,141	20,444	168,986
Improvements Other than Buildings	<u>781</u>	<u>0</u>	<u>0</u>	<u>781</u>
Total	<u>\$ 334,254</u>	<u>\$ 24,141</u>	<u>\$ 20,444</u>	<u>\$ 337,951</u>

A summary of proprietary fund type property, plant, and equipment at June 30, 1999, is as follows:

Land	\$ 7,907
Water Plant	727,448
Sewer Treatment Plant	1,138,917
Furniture and Equipment	<u>5,596</u>
Total	1,879,868
Less Accumulated Depreciation	<u>843,174</u>
Net	<u>\$ 1,036,694</u>

**NOTE 8 - DEDICATION OF PROCEEDS AND FLOW OF FUNDS -  
1/2% SALES AND USE TAX**

By a special election, duly called and duly held, on November 5, 1974, the qualified electors of Lincoln Parish authorized a 1/2 cent sales and use tax levy, as defined in Louisiana R.S. 47:301 to Louisiana R.S. 47:317, to be dedicated and used for the purpose of solid waste disposal. The proceeds of the sales tax, after paying reasonable and necessary cost and expenses of collecting and administering the tax and cost of operating and maintaining parishwide solid waste disposal facilities and necessary equipment in connection therewith, is allocated and divided between the Lincoln Parish Police Jury and the incorporated municipalities of the parish according to a formula based upon the ratio that the population of each municipality or entity bears to the total population of the parish as shown by the most recent federal decennial census. The proceeds are restricted for use in the operation and maintenance of solid waste collection facilities, including equipment, furnishings, and other property in connection therewith.

**NOTE 9 - FUND DEFICIT**

The retained earnings deficit in the proprietary fund of \$(352,549) arose due to the Town's water and sewer service revenue being less than operating expenses and transfers to other funds. The deficit is expected to continue. There are no plans for rate increases to alleviate this deficit.

See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1999**

**NOTE 10 - OPERATING LEASE**

The Town was committed under a ten year building lease which ended December, 1998. After December, 1998, the Town continued to lease the building on a monthly basis until May, 1999. The lease is considered to be an operating lease. Lease expense for the year ended June 30, 1999 was \$1,100.

**NOTE 11 - COMPENSATION PAID THE ALDERMEN**

The amount of compensation paid each board member for the year ended June 30, 1999, is as follows:

Laverette Carrico	\$ 300
Hershel Cooper	675
Hattie Graham	675
Darrell McAdams	675
Jimmy Newsom	675
Seth Tatum	<u>375</u>
Total	\$ <u>3,375</u>

**NOTE 12 - ON-BEHALF PAYMENTS**

Employees of the Town of Dubach's Police Department received salary supplements of \$7,200 from the State of Louisiana. There were no fringe benefits paid on this supplemental salary.

**REQUIRED SUPPLEMENTARY INFORMATION:**

**NOTE 13 - YEAR 2000 ISSUE**

The Town of Dubach is aware of the Year 2000 issue and that it could affect the operations of their computer. There has been no formalized plan or budget adopted to deal with the year 2000 issue at this time.

## **SUPPLEMENTARY INFORMATION**

**INDIVIDUAL FUND AND ACCOUNT GROUP  
STATEMENTS AND SCHEDULES**

## General Fund

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

**TOWN OF DUBACH, LOUISIANA**  
**GENERAL FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash on Hand	\$ 200	\$ 200
Cash in Bank	24,870	11,516
Investments	250,919	270,327
Ad Valorem Taxes Receivable (Net of Allowance for Uncollectible Taxes of \$144 and \$92, Respectively)	2,050	2,720
Franchise Taxes Receivable	4,447	4,241
Hotels Taxes Receivable	1,158	1,020
Tobacco Taxes Receivable	1,139	1,139
State Department of Transportation Receivable	1,405	1,405
Sales Tax Receivable	8,437	8,785
Accrued Interest	290	319
Due from State Highway Enhancement Grant	6,675	6,675
Due from Garbage Fund	6,457	6,697
Due from Utility Fund	538	695
Prepaid Insurance	1,944	2,412
Insurance Deposit	<u>1,974</u>	<u>1,974</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 312,503</u></b>	<b><u>\$ 320,125</u></b>
 <b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES:</b>		
Accounts Payable	\$ 2,710	\$ 3,408
Accrued Payroll	1,691	1,329
Deferred Revenue	2,012	2,541
Payroll Taxes Payable	<u>10</u>	<u>2,773</u>
<b>TOTAL LIABILITIES</b>	<b><u>6,423</u></b>	<b><u>10,051</u></b>
 <b>FUND BALANCE:</b>		
Unreserved--Undesignated	<u>306,080</u>	<u>310,074</u>
<b>TOTAL FUND BALANCE</b>	<b><u>306,080</u></b>	<b><u>310,074</u></b>
 <b>TOTAL LIABILITIES AND FUND BALANCE</b>	 <b><u>\$ 312,503</u></b>	 <b><u>\$ 320,125</u></b>

See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE--BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 1999**  
**WITH COMPARATIVE ACTUAL AMOUNTS**  
**FOR THE YEAR ENDED JUNE 30, 1998**

	1999		Variance-- Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
<b>REVENUES</b>				
Ad Valorem Tax	\$ 14,000	\$ 14,682	\$ 682	\$ 14,905
Fines	18,000	20,426	2,426	28,640
Franchise Tax	16,000	17,885	1,885	17,606
Interest Income	14,000	14,460	460	15,634
Highway Enhancement Grant	0	0	0	6,675
Hotel Tax	2,000	2,183	183	2,326
Miscellaneous	3,200	3,788	588	3,297
Occupational Licenses	20,000	28,170	8,170	25,843
On Behalf Revenues	7,200	7,200	0	7,200
Rent	0	0	0	1,800
Right-of-Way Maintenance	2,800	2,809	9	2,809
Sales Tax	28,400	39,612	11,212	43,066
Tobacco Tax	4,558	5,004	446	4,558
<b>TOTAL REVENUES</b>	<u>130,158</u>	<u>156,219</u>	<u>26,061</u>	<u>174,359</u>
<b>EXPENDITURES</b>				
General and Administrative	66,800	54,441	12,359	55,923
Police Department	105,740	100,407	5,333	107,253
Street Department	21,800	17,137	4,663	41,763
Capital Outlay	0	24,141	(24,141)	26,210
<b>TOTAL EXPENDITURES</b>	<u>194,340</u>	<u>196,126</u>	<u>(1,786)</u>	<u>231,149</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	(64,182)	(39,907)	24,275	(56,790)
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfer In	0	18,358	18,358	31,095
Operating Transfer Out	0	(506)	(506)	0
Insurance Proceeds from Loss of Car	0	18,061	18,061	1,295
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>0</u>	<u>35,913</u>	<u>35,913</u>	<u>32,390</u>
<b>DEFICIENCY OF REVENUES AND OTHER SOURCES UNDER EXPENDITURES</b>	(64,182)	(3,994)	60,188	(24,400)
<b>FUND BALANCE-BEGINNING</b>	<u>259,572</u>	<u>310,074</u>	<u>50,502</u>	<u>334,474</u>
<b>FUND BALANCE-ENDING</b>	<u>\$ 195,390</u>	<u>\$ 306,080</u>	<u>\$ 110,690</u>	<u>\$ 310,074</u>

See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA**  
**GENERAL FUND**  
**SUPPORTING SCHEDULE OF EXPENDITURES COMPARED TO BUDGET**  
**FOR THE YEAR ENDED JUNE 30, 1999**  
**WITH COMPARATIVE ACTUAL AMOUNTS**  
**FOR THE YEAR ENDED JUNE 30, 1998**

	1999		Variance-- Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
<b>GENERAL GOVERNMENT</b>				
Accounting and Legal Fees	\$ 7,000	\$ 5,236	\$ 1,764	\$ 5,535
Building Repair and Maintenance	3,500	1,398	2,102	2,383
Christmas Decorations	1,000	1,284	(284)	812
Councilman Fees	3,375	3,375	0	3,350
Election	0	48	(48)	0
Insurance	12,850	3,071	9,779	3,989
Hopewell Lease	1,200	1,100	100	1,200
Mayor's Salary	7,300	7,165	135	7,325
Miscellaneous	500	261	239	454
Municipal Dues	300	854	(554)	181
Office Supplies	3,000	4,258	(1,258)	3,027
Salaries-Office	17,375	17,559	(184)	17,667
Salaries-Other	950	1,380	(430)	1,096
Taxes-Payroll	2,350	2,249	101	2,233
Tax Roll Expense	900	675	225	902
Telephone	2,000	1,758	242	1,814
Travel	700	150	550	150
Utilities	2,500	2,620	(120)	3,805
<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$ 66,800</b>	<b>\$ 54,441</b>	<b>\$ 12,359</b>	<b>\$ 55,923</b>
<b>POLICE</b>				
Auto Maintenance	\$ 2,500	\$ 2,830	\$ (330)	\$ 4,329
Auto Operating Expense	6,000	3,652	2,348	5,540
Court Management Information System	0	58	(58)	250
Criminal Investigation	0	200	(200)	775
Insurance	12,640	8,583	4,057	8,722
LA Law Enforcement Commission	1,000	170	830	498
Miscellaneous	100	83	17	135
On-Behalf Salary Expense	8,000	7,200	800	7,200
Salaries	68,000	69,128	(1,128)	72,209
Supplies	1,500	2,069	(569)	1,055
Taxes-Payroll	5,400	5,879	(479)	5,992
Telephone	600	555	45	548
<b>TOTAL POLICE</b>	<b>\$ 105,740</b>	<b>\$ 100,407</b>	<b>\$ 5,333</b>	<b>\$ 107,253</b>
<b>STREET DEPARTMENT</b>				
Equipment Expense	\$ 3,500	\$ 870	2,630	\$ 1,580
Highway Enhancement Grant Expenses	0	644	(644)	6,675
Insurance	1,200	1,001	199	1,059
Maintenance Supplies and Expense	2,000	0	2,000	0
Miscellaneous	100	37	63	0
Street Repairs and Maintenance	2,000	682	1,318	19,434
Utilities	13,000	13,903	(903)	13,015
<b>TOTAL STREET</b>	<b>\$ 21,800</b>	<b>\$ 17,137</b>	<b>\$ 4,663</b>	<b>\$ 41,763</b>

See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA**

**GENERAL FUND**

**SUPPORTING SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 1999  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED JUNE 30, 1998**

	1999		Variance--	1998
	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>	<u>Actual</u>
<b>CAPITAL OUTLAY</b>				
General Government	\$ 0	\$ 0	\$ 0	\$ 26,210
Police	0	23,761	(23,761)	0
Streets	0	380	(380)	0
<b>TOTAL CAPITAL OUTLAY</b>	<u>\$ 0</u>	<u>\$ 24,141</u>	<u>\$ (24,141)</u>	<u>\$ 26,210</u>

## Special Revenue Fund

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

### Garbage Fund

To account for the receipt and use of the Town's portion of a 1/2% sales and use tax levied by the Lincoln Parish Police Jury and for a related charge for garbage service levied by the Town. The tax proceeds are dedicated to operation and maintenance of solid waste collection and disposal facilities.

**TOWN OF DUBACH, LOUISIANA**  
**GARBAGE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash in Bank	\$ 6,556	\$ 1,791
Investments	66,597	66,598
Accounts Receivable--Lincoln Parish Police Jury	3,453	2,895
Prepaid Insurance	992	667
Due from Grant	301	0
Due from Utility Fund	<u>3,825</u>	<u>3,695</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 81,724</u></b>	<b><u>\$ 75,646</u></b>
 <b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accrued Payroll	\$ 709	\$ 608
Accounts Payable	370	324
Due to General Fund	<u>6,457</u>	<u>6,697</u>
<b>TOTAL LIABILITIES</b>	<b><u>7,536</u></b>	<b><u>7,629</u></b>
 <b>FUND BALANCE</b>		
Unreserved--Undesignated	<u>74,188</u>	<u>68,017</u>
<b>TOTAL FUND BALANCE</b>	<b><u>74,188</u></b>	<b><u>68,017</u></b>
 <b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 81,724</u></b>	<b><u>\$ 75,646</u></b>

See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA**  
**GARBAGE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE--BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 1999**  
**WITH COMPARATIVE ACTUAL AMOUNTS**  
**FOR THE YEAR ENDED JUNE 30, 1998**

	1999		Variance-- Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
<b>REVENUES</b>				
Garbage Fees	\$ 22,000	\$ 22,655	\$ 655	\$ 22,060
Grant Revenue	0	1,864	1,864	0
Miscellaneous	0	36	36	0
Town's Portion of 1/2% Sales Tax	13,000	18,246	5,246	15,548
Interest on Investments	3,100	3,064	(36)	3,282
<b>TOTAL REVENUES</b>	<u>38,100</u>	<u>45,865</u>	<u>7,765</u>	<u>40,890</u>
<b>EXPENDITURES</b>				
Capital Outlay	0	0	0	207
Insurance	5,425	3,159	2,266	3,600
Legal and Accounting	650	1,000	(350)	300
Other Expenses	0	902	(902)	467
Salaries	31,700	29,576	2,124	34,205
Taxes-Payroll	2,500	2,255	245	2,600
Truck Expenses	5,800	2,210	3,590	1,506
Utilities	1,400	1,098	302	1,407
<b>TOTAL EXPENDITURES</b>	<u>47,475</u>	<u>40,200</u>	<u>7,275</u>	<u>44,292</u>
<b>(DEFICIENCY OF) REVENUES OVER EXPENDITURES</b>	(9,375)	5,665	15,040	(3,402)
<b>OTHER FINANCING SOURCES</b>				
Operating Transfers from General Fund	0	506	506	0
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>0</u>	<u>506</u>	<u>506</u>	<u>0</u>
<b>(DEFICIENCY OF) REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	(9,375)	6,171	15,546	(3,402)
<b>FUND BALANCE--BEGINNING</b>	<u>60,419</u>	<u>68,017</u>	<u>7,598</u>	<u>71,419</u>
<b>FUND BALANCE--ENDING</b>	<u>\$ 51,044</u>	<u>\$ 74,188</u>	<u>\$ 23,144</u>	<u>\$ 68,017</u>

See accountant's compilation report.

## Enterprise Fund

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

### UTILITY FUND--

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

**TOWN OF DUBACH, LOUISIANA**  
**ENTERPRISE FUND**  
**UTILITY FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 27,902	\$ 29,003
Investments	160,368	139,598
Accounts Receivable	13,933	13,336
Accrued Interest	795	718
Prepaid Insurance	<u>252</u>	<u>571</u>
<b>TOTAL CURRENT ASSETS</b>	<u>203,250</u>	<u>183,226</u>
<b>RESTRICTED ASSETS</b>		
Cash-La. Community Development Block Grant	0	1
Cash-Customers' Deposits	7,966	7,556
Investments-Customers' Deposits	<u>15,853</u>	<u>15,853</u>
<b>TOTAL RESTRICTED ASSETS</b>	<u>23,819</u>	<u>23,410</u>
<b>PLANT AND EQUIPMENT</b>		
Plant and Equipment at Cost, Net of Accumulated Depreciation of \$843,174 and \$799,455, Respectively	<u>1,036,694</u>	<u>1,080,413</u>
<b>TOTAL ASSETS</b>	<u>\$1,263,763</u>	<u>\$1,287,049</u>
<b>LIABILITIES AND FUND EQUITY</b>		
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accrued Payroll and Other Expenses	535	360
Accounts Payable	1,796	4,366
Sales Tax Payable	547	204
Due to Garbage Fund	3,825	3,695
Due to General Fund	<u>538</u>	<u>695</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>7,241</u>	<u>9,320</u>
<b>CURRENT LIABILITIES (Payable from Restricted Assets)</b>		
Customers' Meter Deposits	<u>23,819</u>	<u>23,410</u>
<b>TOTAL LIABILITIES</b>	<u>31,060</u>	<u>32,730</u>
<b>FUND EQUITY</b>		
<b>CONTRIBUTED CAPITAL</b>		
Municipality	85,000	85,000
Federal Grant	184,146	184,146
State Grant	<u>1,316,106</u>	<u>1,316,106</u>
<b>TOTAL CONTRIBUTED CAPITAL</b>	<u>1,585,252</u>	<u>1,585,252</u>
<b>ACCUMULATED DEFICIT-UNRESERVED</b>	<u>(352,549)</u>	<u>(330,933)</u>
<b>TOTAL FUND EQUITY</b>	<u>1,232,703</u>	<u>1,254,319</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$1,263,763</u>	<u>\$1,287,049</u>

See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA****ENTERPRISE FUND****UTILITY FUND****COMPARATIVE STATEMENTS OF REVENUE, EXPENSES, AND  
CHANGES IN RETAINED EARNINGS--PROPRIETARY FUND TYPE  
PROPRIETARY FUND TYPE AND NONEXPENDABLE TRUST FUND  
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
<b>OPERATING REVENUES</b>		
Water Sales	\$ 82,221	\$ 71,214
Sewer Sales	35,003	35,067
Delinquent Fees	5,597	4,286
<b>TOTAL OPERATING REVENUES</b>	<u>122,821</u>	<u>110,567</u>
<b>OPERATING EXPENSES</b>		
Accounting and Audit	3,069	3,570
Depreciation	43,719	43,118
Insurance	4,120	5,629
Miscellaneous	5,026	724
Operations and Maintenance of System	19,911	22,798
Office Supplies, Postage, and Printing	3,461	1,663
Professional Fees	6,000	0
Salaries-Office	14,604	14,299
Salaries-Other	6,538	9,841
Salaries-Superintendent	11,890	11,627
Sewer Pond Inspection Fees	900	975
Taxes-Payroll	2,513	2,827
Truck Maintenance and Operations	1,054	1,499
Unemployment Compensation	1,079	1,995
Utilities	9,769	11,070
<b>TOTAL OPERATING EXPENSES</b>	<u>133,653</u>	<u>131,635</u>
<b>OPERATING LOSS</b>	(10,832)	(21,068)
<b>NON-OPERATING REVENUES</b>		
Interest Income	<u>7,575</u>	<u>8,333</u>
<b>LOSS BEFORE OPERATING TRANSFERS</b>	(3,257)	(12,735)
<b>OPERATING TRANSFERS TO OTHER FUNDS</b>		
Transfer Out to General Fund	<u>18,359</u>	<u>31,095</u>
<b>TOTAL OPERATING TRANSFERS TO OTHER FUNDS</b>	<u>18,359</u>	<u>31,095</u>
<b>NET LOSS</b>	(21,616)	(43,830)
<b>ACCUMULATED DEFICIT - BEGINNING</b>	<u>(330,933)</u>	<u>(287,103)</u>
<b>ACCUMULATED DEFICIT - ENDING</b>	<u>\$ (352,549)</u>	<u>\$ (330,933)</u>

See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA**  
**ENTERPRISE FUND-UTILITY FUND**  
**COMPARATIVE STATEMENTS OF CASH FLOWS--**  
**FOR THE YEARS ENDED JUNE 30, 1999**

	<u>1999</u>	<u>1998</u>
<b>Cash Flows From Operating Activities</b>		
Cash Received from Customers and Users	\$ 122,634	\$ 113,282
Cash Payments for Goods and Services	(58,811)	(51,920)
Cash Payments to Employees	<u>(32,857)</u>	<u>(35,679)</u>
<b>Net Cash Provided By Operating Activities</b>	<u>30,966</u>	<u>25,683</u>
<b>Cash Flows From Noncapital Financing Activities</b>		
Operating Transfers from (to) Other Funds	<u>(18,386)</u>	<u>(31,071)</u>
<b>Net Cash Used By Noncapital Financing Activities</b>	<u>(18,386)</u>	<u>(31,071)</u>
<b>Cash Flows From Capital Financing Activities</b>		
<b>Cash Flows From Investing Activities</b>		
Proceeds from Sale of Investments	155,451	138,814
Purchase of Investments	(176,221)	(139,598)
Interest Received	<u>7,498</u>	<u>8,362</u>
<b>Net Cash Provided (Used) By Investing Activities</b>	<u>(13,272)</u>	<u>7,578</u>
<b>Net Increase (Decrease) In Cash</b>	(692)	2,190
<b>Cash At Beginning Of Year</b>	<u>36,560</u>	<u>34,370</u>
<b>Cash At End Of Year</b>	<u>\$ 35,868</u>	<u>\$ 36,560</u>
<b>Reconciliation Of Operating Income To Net Cash Provided By Operating Activities:</b>		
Operating Loss	\$ (10,832)	\$ (21,068)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities--		
Depreciation	43,719	43,118
(Increase) Decrease in Accounts Receivable	(597)	2,883
(Increase) Decrease in Prepaid Insurance	319	(3)
Increase (Decrease) in Accrued Expenses	518	87
Increase (Decrease) in Accounts Payable	(2,570)	851
Increase (Decrease) in Sales Tax Payable	343	(18)
Increase (Decrease) in Customers' Deposits	<u>409</u>	<u>(167)</u>
Total Adjustments	<u>41,798</u>	<u>46,751</u>
<b>Net Cash Provided By Operating Activities</b>	<u>\$ 30,966</u>	<u>\$ 25,683</u>

See accountant's compilation report.

## Fiduciary Fund

Trust and agency funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

### NON-EXPENDABLE TRUST FUNDS--

Hamilton Memorial Cemetery Trust Fund--To account for principal trust amounts received and related interest income. The interest portion of the trust can be used to maintain and care for the Hamilton Memorial Cemetery. This fund also receives contributions and proceeds from the sale of cemetery lots that can be used for maintenance and care of the cemetery.

**TOWN OF DUBACH, LOUISIANA**  
**FIDUCIARY FUND**  
**HAMILTON MEMORIAL CEMETERY NONEXPENDABLE TRUST FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash in Bank	\$ 2,502	\$ 1,789
Investments	<u>12,896</u>	<u>12,896</u>
<b>TOTAL ASSETS</b>	<u>\$ 15,398</u>	<u>\$ 14,685</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
<b>FUND BALANCE</b>		
Reserved for Perpetual Care	12,896	12,896
Unreserved and Undesignated	<u>2,502</u>	<u>1,789</u>
<b>TOTAL FUND BALANCE</b>	<u>15,398</u>	<u>14,685</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 15,398</u>	<u>\$ 14,685</u>

See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA**  
**FIDUCIARY FUND**  
**HAMILTON MEMORIAL CEMETERY NONEXPENDABLE TRUST FUND**  
**COMPARATIVE STATEMENTS OF REVENUES, EXPENSES**  
**AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
<b>OPERATING REVENUES</b>		
Contributions	\$ 200	\$ 200
Sale of Lots	0	600
Interest in Investments	<u>710</u>	<u>608</u>
<b>TOTAL OPERATING REVENUES</b>	<u>910</u>	<u>1,408</u>
 <b>OPERATING EXPENSES</b>		
Supplies and Maintenance	<u>197</u>	<u>332</u>
<b>NET INCOME</b>	713	1,076
<b>FUND BALANCE--BEGINNING OF YEAR</b>	<u>14,685</u>	<u>13,609</u>
<b>FUND BALANCE--END OF YEAR</b>	<u>\$ 15,398</u>	<u>\$ 14,685</u>

See accountant's compilation report.

**TOWN OF DUBACH, LOUISIANA**  
**FIDUCIARY FUND**  
**HAMILTON MEMORIAL CEMETERY NONEXPENDABLE TRUST FUND**  
**COMPARATIVE STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
<b>Cash Flows From Operating Activities</b>		
Cash Received from Lot Sales	\$ 0	\$ 600
Cash Received from Contributions	200	200
Cash Payments for Goods and Services	<u>(197)</u>	<u>(332)</u>
<b>Net Cash Provided by Operating Activities</b>	<u>3</u>	<u>468</u>
<b>Cash Flows From Investing Activities</b>		
Interest from Investments	<u>710</u>	<u>608</u>
<b>Net Cash Provided by Investing Activities</b>	<u>710</u>	<u>608</u>
<b>Net Increase In Cash</b>	713	1,076
<b>Cash At Beginning Of Year</b>	<u>1,789</u>	<u>713</u>
<b>Cash At End Of Year</b>	<u>\$ 2,502</u>	<u>\$ 1,789</u>
<b>Reconciliation Of Operating Income To Net Cash Provided By Operating Activities</b>		
Operating Income	\$ 713	\$ 1,076
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities-- Interest Reported as Operating Income	<u>(710)</u>	<u>(608)</u>
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 3</u>	<u>\$ 468</u>

See accountant's compilation report.

## General Fixed Assets Account Group

To account for all fixed assets owned by the Town of Dubach.

**TOWN OF DUBACH, LOUISIANA**  
**COMPARATIVE SCHEDULES OF GENERAL FIXED ASSETS**  
**JUNE 30, 1999 AND 1998**

	<u>1999</u>	<u>1998</u>
<b>GENERAL FIXED ASSETS</b>		
Land and Buildings	\$ 168,184	\$ 168,184
Equipment	168,986	165,289
Improvements Other than Buildings	<u>781</u>	<u>781</u>
<b>TOTAL GENERAL FIXED ASSETS</b>	<b><u>\$ 337,951</u></b>	<b><u>\$ 334,254</u></b>
<b>INVESTMENT IN GENERAL FIXED ASSETS</b>		
Property Acquired Prior to 7/1/63	\$ 4,075	\$ 4,075
Property Acquired After 7/1/63 from--		
General Obligation Bonds	50,781	50,781
General Fund	147,530	143,635
Federal Revenue Sharing	32,557	32,755
Law Enforcement	4,574	4,574
Garbage Fund	29,000	29,000
Donations	39,250	39,250
State Grants	<u>30,184</u>	<u>30,184</u>
<b>TOTAL INVESTMENTS IN GENERAL FIXED ASSETS</b>	<b><u>\$ 337,951</u></b>	<b><u>\$ 334,254</u></b>

See accountant's compilation report.

## **AGREED-UPON PROCEDURES**

**DON M. McGEHEE**  
(A Professional Accounting Corporation)  
P.O. Box 1344  
806 North Trenton  
Ruston, Louisiana 71273-1344

**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

The Honorable Margaret Rogers, Mayor  
and Board of Aldermen  
Town of Dubach  
P.O. Box 258  
Dubach, Louisiana 71235

I have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of the Town of Dubach and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Town of Dubach's compliance with certain laws and regulations during the year ended June 30, 1999 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 were no expenditures made during the year for public works exceeding \$100,000. There was one expenditure made during the year for materials and supplies exceeding \$15,000. I examined documentation which indicated that this expenditure was to replace a police car that burned in a fire. The town declared a public emergency due to the fact that only one police car was available for use and an additional police car was needed immediately. The purchase of the new police car was considered by the town to be exempt to the requirements of the public bid law, since a public emergency was declared. Therefore, the new police car was not purchased in accordance with LSA-RS 38:2211-2251.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of the mayor and each council member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of the mayor, each alderman, 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. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-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. Obtain a copy of the legally adopted budget and all amendments.

Management provided me with a copy of the original budget and the budget amendments made during the year.

6. Trace the budget adoption and amendments to the minute book.

I traced the adoption of the original budget to the minutes of a meeting held on September 29, 1998, which indicated that the budget had been adopted by the mayor and council members of the Town of Dubach. I traced to the adoption of amendments to the budget to the minutes of a meeting held on June 21, 1999, which indicated that the budget amendments had been adopted by the mayor and council members of the Town of Dubach.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budget amounts by 5% or more.

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenue and expenditures for the fiscal year did not exceed budgeted amounts by more than 5%.

#### Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee;

I examined supporting documentation for four of the disbursements and found that payment was for the proper amount and made to the correct payee. I found no supporting documentation for two of the disbursements.

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

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

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

Each of the six selected disbursements indicated approval from the mayor.

Meetings

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

The Town of Dubach is only required to post a notice of each meeting and the accompanying agenda on the door of the town hall. Although management has asserted that such documents were properly posted for July through March, 1999, I could find no evidence supporting such assertion. The required notices and agendas were not properly posted April through June, 1999.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

I inspected copies of bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

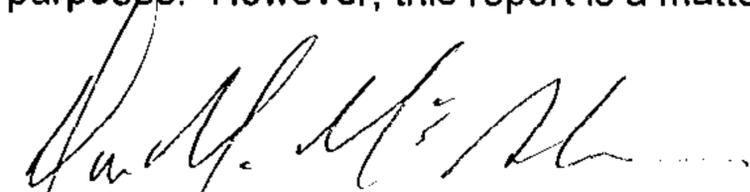
11. Examine payroll records for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of minutes of the Town 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.

My prior year report, dated October 6, 1998, did not include any comments or unresolved matters.

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 Town of Dubach 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.



Don M. McGehee  
Certified Public Accountant  
September 29, 1999

LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)

Sept. 21, 1999 (Date Transmitted)

Don M. McGehee, CPA

806 N. Trenton

Ruston, LA 71270

(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.

_____	Secretary	_____	Date
<i>Nanttilhoate</i>	<i>Town Clerk</i>	<i>9-21-99</i>	Date
_____	Treasurer	_____	Date
<i>Margaret Royle</i>	<i>Mayor</i>	<i>9-21-99</i>	Date
_____	President	_____	Date

## **OTHER REPORTS**

**TOWN OF DUBACH, LOUISIANA**  
**MANAGEMENT'S CORRECTIVE ACTION PLAN**  
**FOR THE YEAR ENDED JUNE 30, 1999**

**SECTION I COMPLIANCE WITH CERTAIN LAWS AND REGULATIONS**

**FINDINGS**

**1999-1** Supporting documentation was not found for two disbursements selected for agreed-upon procedures.

**1999-2** Notice of each meeting and the accompanying agenda were not posted for a portion of the year as required by the open meetings law.

**MANAGEMENT'S RESPONSES**

The missing documentation related to salaries and wages. The mayor, Margaret Rogers, will include documentation in employee personnel files to indicate the approved salary and wage rates in effect.

The new clerk was not aware that the notice of each meeting and the accompanying agenda were required to be posted. Nanette Choate, town clerk, will begin posting the required notices and agendas beginning in October, 1999.