

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)  
Year ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	<u>Budget</u>	<u>Actual</u>		
Public safety:				
Police department -				
Salaries	\$508,000	\$516,985	\$ (8,985)	\$532,700
Gas and oil	24,000	24,262	(262)	25,893
Auto repairs	42,500	47,035	(4,535)	37,721
Equipment and building repairs and maintenance	9,500	9,154	346	7,416
Feeding prisoners	7,800	6,864	936	7,845
Supplies	9,500	10,062	(562)	9,945
Telephone	5,000	5,145	(145)	4,373
Insurance	52,000	49,890	2,110	52,828
Workman's compensation	55,500	50,102	5,398	46,869
Advertising and publicity	457	457	-	171
Uniforms and storage	8,500	8,022	478	7,210
Retirement contributions	46,500	48,881	(2,381)	42,067
Group insurance	60,000	57,223	2,777	50,765
Office expense	-	58	(58)	58
Professional fees	1,385	5,212	(3,827)	68
Association dues, conventions and travel	3,000	2,986	14	3,755
Officer training program	4,000	4,143	(143)	3,376
Utilities	4,800	4,778	22	4,714
Medicare taxes	8,400	6,728	1,672	8,758
Payroll taxes	2,540	1,451	1,089	2,707
Dare expense	3,000	2,242	758	3,612
Medical expense	11,000	10,622	378	12,625
Miscellaneous	<u>6,864</u>	<u>17,690</u>	<u>(10,826)</u>	<u>19,773</u>
Total police department	<u>874,246</u>	<u>889,992</u>	<u>(15,746)</u>	<u>885,249</u>

(continued)

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)  
Year ended June 30, 1996

With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
Fire Department -				
Salaries	\$ 228,500	\$ 216,686	\$11,814	\$ 188,426
Auto allowance	2,160	2,160	-	2,160
Gas and oil	600	581	19	392
Equipment and building repairs and maintenance	23,000	30,781	(7,781)	17,821
Supplies	9,000	9,868	(868)	15,088
Telephone	4,900	4,496	404	3,881
Insurance	20,000	19,243	757	14,884
Workman's compensation	36,000	32,425	3,575	27,482
Uniforms	4,000	3,902	98	7,572
Retirement contributions	19,700	20,294	(594)	15,091
Group insurance	39,550	36,684	2,866	33,384
Utilities	11,500	11,243	257	10,103
Medicare taxes	2,200	2,057	143	2,596
Payroll taxes	1,570	1,137	433	1,373
Contribution of fire insurance rebate	15,982	15,982	-	14,353
Training	310	308	2	450
Professional fees	-	420	(420)	-
Miscellaneous	1,000	266	734	2,871
Total fire department	419,972	408,533	11,439	357,927
Total public safety	1,294,218	1,298,525	(4,307)	1,243,176

(continued)

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)  
Year ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	<u>Budget</u>	<u>Actual</u>		
Streets and drainage:				
Salaries	\$216,700	\$221,657	\$(4,957)	\$261,734
Gas, oil and fuel	10,500	10,085	415	12,376
Truck and equipment repairs	41,350	44,131	(2,781)	48,945
Tools and supplies	12,200	16,500	(4,300)	15,453
Telephone	475	499	(24)	397
Insurance	34,000	31,183	2,817	33,392
Workman's compensation	54,000	48,234	5,766	54,314
Retirement contributions	12,500	13,186	(686)	12,590
Group insurance	42,000	38,999	3,001	45,828
Utilities - street lights	43,700	44,174	(474)	42,730
Medicare taxes	4,200	4,028	172	5,316
Payroll taxes	1,000	681	319	1,244
Medical expense	2,000	1,771	229	3,096
Sand, gravel, cement and dirt	3,000	3,630	(630)	2,986
Street repairs and overlay	12,000	7,951	4,049	13,958
Professional fees	2,500	2,233	267	75
Impounder	2,200	2,282	(82)	2,358
Miscellaneous	6,500	6,265	235	6,485
Total streets and drainage	<u>500,825</u>	<u>497,489</u>	<u>3,336</u>	<u>563,277</u>

(continued)

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)  
Year ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
Culture and recreation:				
Salaries	\$ 87,750	\$ 93,281	\$ (5,531)	\$ 100,330
Gas, oil and diesel	1,175	1,177	(2)	1,139
Building and equipment repairs	13,750	19,139	(5,389)	18,730
Pool repairs	5,000	3,077	1,923	7,208
Small tools and supplies	8,600	9,643	(1,043)	10,240
Chemicals	4,075	8,178	(4,103)	-
Telephone	500	454	46	636
Insurance	4,000	4,129	(129)	3,829
Workman's compensation	6,500	5,852	648	6,326
Retirement contributions	3,200	3,216	(16)	3,492
Group insurance	12,700	12,679	21	13,841
Utilities	12,500	13,196	(696)	12,384
Medicare taxes	3,250	3,927	(677)	3,421
Payroll taxes	420	283	137	467
Professional fees	318	318	-	6,978
Security expense	-	3,640	(3,640)	-
Miscellaneous	2,900	3,390	(490)	3,296
Total culture and recreation	<u>166,638</u>	<u>185,579</u>	<u>(18,941)</u>	<u>192,317</u>
Capital outlay:				
Administrative -				
Building improvements	-	-	-	2,360
Vehicles	-	-	-	12,900
Public safety -				
Police:				
Vehicles	42,980	42,981	(1)	18,985
Equipment	-	-	-	24,731
Fire:				
Equipment	15,000	15,454	(454)	22,205
Fire truck	-	-	-	123,963
Streets and drainage -				
Equipment	1,650	8,556	(6,906)	17,807
Culture and recreation -				
Equipment	2,950	2,609	341	2,306
Parking lot overlay	-	17,876	(17,876)	-

(Continued)

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)  
Year ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	<u>1996</u>		Variance - Favorable (Unfavorable)	<u>1995 Actual</u>
	<u>Budget</u>	<u>Actual</u>		
Northside pool:				
Bathhouse re-roofing	-	-	-	31,742
Pool renovation	24,000	24,807	(807)	10,043
Southside park:				
Improvements	<u>10,000</u>	<u>7,317</u>	<u>2,683</u>	<u>23,492</u>
Total capital outlay	<u>96,580</u>	<u>119,600</u>	<u>(23,020)</u>	<u>290,534</u>
Debt service:				
Principal	20,132	30,630	(10,498)	28,205
Interest	<u>2,991</u>	<u>9,537</u>	<u>(6,546)</u>	-
Total debt service	<u>23,123</u>	<u>40,167</u>	<u>(17,044)</u>	<u>28,205</u>
 Total expenditures	 <u>\$2,429,240</u>	 <u>\$2,498,816</u>	 <u>\$(69,576)</u>	 <u>\$2,658,378</u>

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Statement of Revenues Compared to Budget (GAAP Basis)  
Year Ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
<b>Taxes:</b>				
Ad valorem	\$ 149,150	\$ 149,479	\$ 329	\$ 145,700
Drainage maintenance	106,250	106,487	237	104,125
Street maintenance	106,250	106,487	237	104,125
PILOT - Housing Authority	14,700	17,224	2,524	14,636
Franchise - utility companies	237,000	236,951	(49)	222,311
Chain store	4,000	3,750	(250)	3,519
	<u>617,350</u>	<u>620,378</u>	<u>3,028</u>	<u>594,416</u>
<b>Licenses and permits:</b>				
Occupational licenses	252,000	268,557	16,557	234,007
Building permits	2,700	2,946	246	3,224
Electrical permits	1,600	1,808	208	1,629
House moving permits	320	330	10	260
	<u>256,620</u>	<u>273,641</u>	<u>17,021</u>	<u>239,120</u>
<b>Intergovernmental:</b>				
State of Louisiana -				
Tobacco tax	45,900	45,903	3	45,977
Beer tax	15,000	23,967	8,967	14,721
State grants	41,206	45,605	4,399	11,432
Fire insurance rebate	15,982	15,982	-	14,353
Video Poker	45,000	54,487	9,487	46,555
Federal-				
Summer food service program	40,000	37,633	(2,367)	41,482
	<u>203,088</u>	<u>223,577</u>	<u>20,489</u>	<u>174,520</u>
<b>Miscellaneous:</b>				
Rental income -				
Gas department	15,000	15,000	-	15,000
Park and civic center	21,600	22,293	693	25,043
City park receipts	5,000	10,651	5,651	1,746
Cemetery receipts	600	1,000	400	550
Interest income	10,000	11,552	1,552	10,552
Sale of capital assets	1,100	1,100	-	10,506
Land rent	6,350	6,320	(30)	6,105
Cleco grant	8,500	8,500	-	-
Other sources	4,000	8,274	4,274	12,847
	<u>72,150</u>	<u>84,690</u>	<u>12,540</u>	<u>82,349</u>
<b>Total revenues</b>	<b>\$1,149,208</b>	<b>\$1,202,286</b>	<b>\$53,078</b>	<b>\$1,090,405</b>

CITY OF VILLE PLATTE, LOUISIANA

Statement of Changes in General Fixed Assets  
(Unaudited)

Year Ended June 30, 1996

	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>	<u>Equipment</u>	<u>Totals</u>
General fixed assets, beginning of year	\$607,246	\$1,905,009	\$2,076,563	\$1,884,832	\$6,473,650
Additions:					
General Fund revenues	-	6,735	-	69,600	76,335
HUD Section 8 Housing Program	-	-	-	925	925
Total additions	-	<u>6,735</u>	<u>-</u>	<u>70,525</u>	<u>77,260</u>
Deletions:					
General fixed assets, end of year	<u>\$607,246</u>	<u>\$1,911,744</u>	<u>\$2,076,563</u>	<u>\$1,955,357</u>	<u>\$6,550,910</u>

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Statement of Other Financing Sources (Uses)  
Compared to Budget (GAAP Basis)  
Year Ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	<u>1996</u>		Variance - Favorable (Unfavorable)	<u>1995 Actual</u>
	<u>Budget</u>	<u>Actual</u>		
Other financing sources:				
Proceeds from capital lease	\$ -	\$ -	\$ -	\$ 145,790
Transfers from other funds -				
Utility Fund	780,000	815,000	(35,000)	740,000
1975 Sales Tax Fund	<u>600,000</u>	<u>600,000</u>	<u>-</u>	<u>600,000</u>
Total other financing sources	<u>\$1,380,000</u>	<u>\$1,415,000</u>	<u>\$(35,000)</u>	<u>\$1,485,790</u>

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
Revenues:				
Taxes	\$ 617,350	\$ 620,378	\$ 3,028	\$ 594,416
Licenses and permits	256,620	273,641	17,021	239,120
Intergovernmental	203,088	232,077	28,989	174,520
Miscellaneous	72,150	76,190	4,040	82,349
Total revenues	1,149,208	1,202,286	53,078	1,090,405
Expenditures:				
General government	347,856	357,456	(9,600)	340,869
Public safety -				
Police	874,246	889,992	(15,746)	885,249
Fire	419,972	408,533	11,439	357,927
Streets and drainage	500,825	497,489	3,336	563,277
Culture and recreation	166,638	185,579	(18,941)	192,317
Capital outlay	96,580	119,600	(23,020)	290,534
Debt service	23,123	40,167	(17,044)	28,205
Total expenditures	2,429,240	2,498,816	(69,576)	2,658,378
Deficiency of revenues over expenditures	(1,280,032)	(1,296,530)	(16,498)	(1,567,973)
Other financing sources:				
Proceeds from capital lease	-	-	-	145,790
Operating transfers in	1,380,000	1,415,000	35,000	1,340,000
Total other financing sources	1,380,000	1,415,000	35,000	1,485,790
Excess (deficiency) of revenues and other sources over expenditures	99,968	118,470	18,502	(82,183)
Fund balance, beginning	109,610	109,610	-	191,793
Fund balance, ending	\$ 209,578	\$ 228,080	\$ 18,502	\$ 109,610

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Comparative Balance Sheet  
June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
<b>ASSETS</b>		
Cash	\$102,953	\$134,643
Interest-bearing deposits	295,648	267,660
Receivables:		
Taxes	547	162
Accrued interest	1,149	632
Other	1,250	1,250
Due from other funds	216,689	134,254
Due from other governmental units	<u>36,636</u>	<u>15,718</u>
 Total assets	 <u>\$654,872</u>	 <u>\$554,319</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	\$ 78,179	\$104,702
Compensated absences payable	67,802	53,109
Due to other funds	<u>280,811</u>	<u>286,898</u>
Total liabilities	426,792	444,709
 Fund balance, unreserved and undesignated	 <u>228,080</u>	 <u>109,610</u>
 Total liabilities and fund balance	 <u>\$654,872</u>	 <u>\$554,319</u>

GENERAL FUND

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

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

(16) Segment Information for the Enterprise Fund

The City of Ville Platte maintains one enterprise fund with three departments which provide gas, water, and sewerage services. Segment information for the year ended June 30, 1996 was as follows:

	<u>Gas Department</u>	<u>Water Department</u>	<u>Sewerage Department</u>	<u>Total Enterprise Fund</u>
Operating revenues	<u>\$2,093,934</u>	<u>\$751,969</u>	<u>\$ 264,156</u>	<u>\$3,110,059</u>
Operating expenses:				
Depreciation	125,116	116,577	175,143	416,836
Other	<u>1,296,875</u>	<u>244,031</u>	<u>298,974</u>	<u>1,839,880</u>
Total operating expenses	<u>1,421,991</u>	<u>360,608</u>	<u>474,117</u>	<u>2,256,716</u>
Operating income (loss)	<u>\$ 671,943</u>	<u>\$ 391,361</u>	<u>\$(209,961)</u>	<u>\$ 853,343</u>

(17) Enterprise Fund Contracts

The City of Ville Platte, under contract dated May 1, 1989, is required to purchase its natural gas from LIG Chemical Company. The original contract was renewed on January 1, 1995 and will expire on May 31, 1997, after which time the contract will be renewed on an annual basis and may be terminated by either party with a written ninety-day notice. The City purchased natural gas during 1996 in the amount of \$908,309 of which \$37,146 was owed for purchases for the month of June, 1996.

(18) Compensation of City Officials

A detail of compensation paid to the Mayor and Board of Aldermen for the year ended June 30, 1996 follows:

Bennett Bacquet, Mayor	<u>\$22,304</u>
Aldermen:	
C. J. Dardeau	\$ 7,706
Curley Dossman	8,304
Dr. J. S. Fontenot	7,706
Gloria Frank	8,084
William B. Jeanmard	7,586
Larry Vidrine	<u>8,846</u>
	<u>\$48,232</u>

**SUPPLEMENTAL INFORMATION**

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

Capital leases at June 30, 1996 are comprised of the following:

\$123,963 fire truck lease due in annual installments of \$17,923 through July 1, 2001	\$ 71,698
\$21,827 communications equipment lease due in monthly installments of \$427 through December 9, 1999, interest at 6.68 percent	<u>15,257</u>
	<u>\$86,955</u>

The annual requirements to amortize all debt outstanding as of June 30, 1996, including interest payments of \$3,917,431, are as follows:

<u>Year Ended</u>	<u>Capital Leases</u>	<u>General Obligation</u>	<u>Revenue</u>	<u>Total</u>
1997	\$ 5,118	\$ 518,803	\$ 475,252	\$ 999,173
1998	23,042	513,848	481,508	1,018,398
1999	23,042	510,010	481,147	1,014,199
2000	19,628	521,860	479,605	1,021,093
2001	17,923	526,980	477,368	1,022,271
2002	17,923	525,570	479,115	1,022,608
2003	-	457,990	474,865	932,855
2004	-	468,173	479,675	947,848
2005	-	466,382	477,680	944,062
2006	-	472,902	478,950	951,852
2007-2011	-	1,413,557	1,671,545	3,085,102
2012-2015	-	-	344,925	344,925
	<u>\$106,676</u>	<u>\$6,396,075</u>	<u>\$6,801,635</u>	<u>\$13,304,386</u>

(9) Flow of Funds; Restrictions on Use - Utilities Revenues

Under the terms of the \$2,960,000 Utilities Revenue Refunding Bonds, Series 1995A and \$1,400,000 Utilities Revenue Bonds, Series 1995B bond indenture dated May 1, 1995, all income and revenues of every nature derived from the operation of the system are pledged and dedicated to the retirement of said bonds.

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis)  
Year ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		Actual
General government:				
Executive -				
Mayor salary	\$ 22,184	\$ 22,304	\$ (120)	\$ 21,984
Council salaries	47,692	48,232	(540)	45,512
Retirement	3,850	4,030	(180)	3,821
Medicare taxes	230	227	3	232
Group insurance	11,750	11,733	17	10,396
Dues and conventions	<u>4,000</u>	<u>3,894</u>	<u>106</u>	<u>2,066</u>
Total executive	<u>89,706</u>	<u>90,420</u>	<u>(714)</u>	<u>84,011</u>
Administrative -				
Salaries	96,650	99,426	(2,776)	96,770
Utilities	5,850	5,564	286	4,973
Telephone	3,800	3,663	137	4,331
Insurance	20,000	19,203	797	20,260
Workman's compensation	2,200	1,376	824	2,369
Advertising and publicity	2,500	2,233	267	3,137
Group insurance	14,100	14,079	21	12,475
Office expense	13,850	14,830	(980)	9,373
Professional fees	21,000	19,202	1,798	23,906
Repairs and maintenance	5,020	5,507	(487)	3,658
Association dues, conventions and travel	9,800	9,718	82	6,929
Chamber of Commerce	5,400	5,400	-	5,400
Auto allowances	5,160	4,960	200	5,160
Retirement contributions	5,900	6,179	(279)	4,946
Medicare taxes	600	594	6	867
Payroll taxes	480	210	270	584
Uniforms	-	-	-	1,125
Summer feeding program expense	40,000	48,098	(8,098)	43,465
Election expense	-	-	-	1,800
Miscellaneous	<u>5,840</u>	<u>6,794</u>	<u>(954)</u>	<u>5,330</u>
Total administrative	<u>258,150</u>	<u>267,036</u>	<u>(8,886)</u>	<u>256,858</u>
Total general government	<u>347,856</u>	<u>357,456</u>	<u>(9,600)</u>	<u>340,869</u>

(continued)

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

(19) Risk Management

Effective April 1, 1992, the City established a self-insurance health plan to account for and finance its uninsured risk of loss for commercial group health insurance. The plan is administered by Self-Insurance Administrators, Inc. and the plan year ends on March 31 of each year. Under this plan, the Shenandoah Life Insurance Co. agreed to reimburse the City for specific incurred claims related to any one covered employee or dependent which exceeds the retention by the City, which is \$22,500. For the plan year ending March 31, 1997, the Shenandoah Life Insurance Co. will reimburse the City for aggregate incurred claims during the period of insurance less any amounts paid in respect to the specific incurred claims, which exceeds the greater of \$186,911 or the total of monthly payments by the City. Monthly payments are calculated based on the number of employees with single coverage multiplied by a funding factor of \$120 and the number of employees with family coverage multiplied by a funding factor of \$270. For the plan year ending March 31, 1996, the aggregate reimbursement amount is the greater of \$221,368 or the total of monthly payments which is calculated based on the number of employees multiplied by a composite funding factor of \$133 and \$300 for single and family coverage, respectively.

The General and Utility Funds of the City participate in the program and make payments to the Self-Insurance Fund based upon amounts needed to pay prior and current year claims. The claims liability of \$51,948 reported in the fund at June 30, 1996, is based on the loss that is probable to have been at the date of the financial statements and the amount of the loss that can be reasonably estimated. The City currently does not discount its claims liabilities.

Reconciliation of Claims Liabilities

	<u>1996</u>	<u>1995</u>
Unpaid claims, July 1, 1995	\$ 48,106	\$ 47,506
Insurance claims	150,107	236,425
Payments	<u>(146,265)</u>	<u>(235,825)</u>
Unpaid claims, June 30, 1996	<u>\$ 51,948</u>	<u>\$ 48,106</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

1-4 years service	10 days
5-9 years service	15 days
10 or more years service	20 days

Sick leave accumulates and is available for employees when needed, however, it does not vest nor is it payable at termination of employment. Compensated leave for Fire Department employees can be accumulated and carried forward to future years. Vacation leave is earned over a calendar year basis. Vacation leave may not be carried forward beyond the end of the calendar year. At June 30, 1996, the City has accrued vested leave benefits as required to be reported in accordance with GASB statement No. 16, "Accounting for Compensated Absences".

At June 30, 1996, employees of the City have accumulated and vested \$82,869 of compensated absence benefits, which is recorded in the General, City Court, Construction and Utility Funds.

(14) Pending Litigation

There are several lawsuits presently pending against the City of Ville Platte. The City's legal counsel and elected officials are of the opinion that any unfavorable outcomes in these cases would be within the limits of the City's insurance coverage.

(15) Contributed Capital

Amounts contributed to the Enterprise and Internal Service Funds for acquisition or construction of fixed assets are recognized as contributed capital. Contributed capital generated through grants externally restricted for capital acquisitions is amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such grants. This depreciation is closed to the appropriate contributed capital account and is reflected as an adjustment to net income on the Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings.

The sources of contributed capital used to acquire and construct facilities of the Enterprise and Internal Service Funds are as follows:

	<u>Municipality</u>	<u>Federal Grants</u>	<u>State Grants</u>	<u>Private Grants</u>	<u>Total</u>
Total contributed capital	\$7,358,239	\$990,879	\$505,565	\$268,662	\$9,123,345
Less: Accumulated amortization	<u>-</u>	<u>163,500</u>	<u>113,093</u>	<u>13,433</u>	<u>290,026</u>
Net contributed capital	<u>\$7,358,239</u>	<u>\$827,379</u>	<u>\$392,472</u>	<u>\$255,229</u>	<u>\$8,833,319</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

B. Municipal and State Police Retirement System of Louisiana

Plan members are required to contribute 7.5 percent of their annual covered salary to the system while the City is required to contribute the statutory rate of 9.0 percent of the total annual covered salary. The City's contributions to the system for the years ended June 30, 1996, 1995 and 1994 were \$48,041, \$41,769, and \$39,953, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Police Employee's Retirement System, P.O. Box 94095 - Capital Station, Baton Rouge, Louisiana 70804-9095.

C. Louisiana State Employees Retirement System

Plan members are required to contribute 11.5 percent of their annual covered salary to the System, while the city is required to contribute 12 percent of the total annual covered salary. The City's contributions to the system for the years ended June 30, 1996, 1995, and 1994 were \$1,058, \$1,050, and \$1,037, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana State Employees Retirement System, P.O. Box 44213, Baton Rouge, Louisiana 70804.

(12) Social Security System

Employees of the City of Ville Platte who are not eligible to participate in any other retirement system are members of the Social Security System. The City and its employees contribute a percentage of each employee's salary to the System (7.65 percent contributed by the City; 7.65 percent contributed by the employee). The City's contribution during the year ended June 30, 1996 amounted to \$24,690.

(13) Compensated Absences

Sick leave is earned at the rate of fourteen hours per month. Compensated leave, which is earned only by Fire Department employees, is earned on a one to one ratio for overtime hours worked. Vacation leave is accumulated as follows:

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

The City violated the bond indenture requiring a written policy regarding collection of delinquent accounts, assessment of late payment penalties and disconnection of services.

(10) Dedication of Proceeds and Flow of Funds - 1 Percent Sales and Use Tax

A one percent sales and use tax levied by the City of Ville Platte in 1975 (1996 collections \$769,957; 1995 \$735,560) is dedicated to the following purposes:

Paying bonds; constructing, acquiring, improving and maintaining police and fire department stations and equipment; water disposal facilities; streets, sidewalks, and drainage facilities; sewer and sewerage disposal works; park and pool facilities; and compensating firemen and policemen.

A one percent sales and use tax levied by the City beginning in 1984 (1996 collections \$769,317; 1995 \$735,560) is dedicated to these purposes:

Constructing, acquiring, extending, improving, operating and/or maintaining sewers and sewerage disposal works, including the purchase and acquisition of the necessary land and equipment therefore; and at least 5 percent of such tax annually for constructing, extending, improving and/or maintaining streets and sidewalks, after making provision for annual debt service on bonds which may be issued for the aforementioned purposes.

(11) Pension Plans

Eligible employees of the City participate in one of three multiple-employer public employee retirement systems (PERS), which are controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. Pertinent information relative to each plan follows:

A. Municipal Employees' Retirement System

Plan members are required to contribute 9.25 percent of their annual covered salary to the system while the City is required to contribute the statutory rate of 6.75 percent of the total annual covered salary. The City's contributions to the system for the years ended June 30, 1996, 1995, and 1994 were \$71,404, \$60,428, and \$70,155, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Employee's Retirement System, 7937 Office Park Bldg., Baton Rouge, Louisiana 70809.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

Bond and Interest Sinking Fund

The City is required to set aside into a Utilities Revenue Bond Sinking Fund each month a sum equal to 1/6 of the interest falling due on the next interest payment date plus 1/12 of the principal falling due on the next principal payment date. Funds deposited in this account are available only for the retirement of maturing bonds and interest.

Reserve Fund

The Utilities Revenue Bond Reserve Fund is maintained solely for the purpose of paying the principal of and the interest on bonds payable from the sinking fund as to which there would otherwise be default. The fund is required to be funded in an amount equal to the reserve fund requirement (\$482,988 at June 30, 1996).

Capital Additions and Contingencies Fund

The Utilities System Capital Additions and Contingencies Fund (Renewal and Replacement Fund) was established to care for extensions, additions, improvements, renewals, and replacements necessary to properly operate the system and to pay the principal of and the interest on the bonds, including any additional pari passu bonds issued hereafter in the manner provided by the bond resolution, for the payment of which there is not sufficient money in the sinking or reserve funds.

The maximum required balance of \$200,000 was deposited when the bonds were sold. The money in the fund shall never be used for the making of such extensions, additions, improvements, renewals and replacements if such use of said money will leave less than the sum of \$50,000. In the event that the City utilizes any monies in the fund so that the balance falls below \$200,000, a monthly deposit of 5 percent of the gross revenues of the system (excluding revenues derived from fuel adjustments) must be made until there is again on deposit the sum of \$200,000.

It is further understood that the City shall adopt a rate ordinance which shall provide revenue in each year, after paying all reasonable and necessary expenses of operating and maintaining the utility system in such year, at least equal to 135 percent of the largest amount of principal and interest maturing on the bonds in any future fiscal year. Said rate ordinance shall also provide for 10 percent penalty charge for non-payment of bills within ten days after the due date and discontinuance of service upon non-payment of bills within thirty days after the due date.

**SCHEDULES OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS**

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

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The Honorable Bennett Baquet, Mayor  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana

We have audited the primary government financial statements of the City of Ville Platte, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated August 28, 1996. In our report, our opinion was qualified due to the inability to determine the accuracy of the general fixed assets acquired prior to July 1, 1973.

We have applied procedures to test the City of Ville Platte, Louisiana's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the schedule of federal financial assistance, for the year ended June 30, 1996:

### General Requirements

Political activity  
Civil rights  
Cash management  
Federal financial reports  
Drug-free Workplace Act  
Administrative Requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budgets Compliance Supplement for Single Audits of State and Local Governments. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Ville Platte, Louisiana's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Ville Platte, Louisiana had not complied, in all material respects, with those requirements. Also, results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

MEMBER OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for the fixed assets not used in proprietary fund operations.

CITY OF VILLE PLATTE, LOUISIANA  
Agency Funds

Combining Statement of Changes in Assets and Liabilities - All Agency Funds  
Year Ended June 30, 1996

	<u>Balances</u> <u>July 1, 1995</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances</u> <u>June 30, 1996</u>
<u>PAYROLL FUND</u>				
ASSETS				
Cash	\$55,284	\$2,350,566	\$2,325,537	\$80,313
Other receivables	9	-	9	-
Due from other funds	<u>750</u>	<u>2,620,820</u>	<u>2,620,840</u>	<u>730</u>
Total assets	<u>\$56,043</u>	<u>\$4,971,386</u>	<u>\$4,946,386</u>	<u>\$81,043</u>
LIABILITIES				
Due to other funds	<u>\$56,043</u>	<u>\$1,955,954</u>	<u>\$1,930,954</u>	<u>\$81,043</u>
<u>DISBURSEMENT FUND</u>				
ASSETS				
Cash	\$ 42	\$1,083,491	\$1,083,414	\$ 119
LIABILITIES				
Due to other funds	<u>\$ 42</u>	<u>\$2,167,071</u>	<u>\$2,166,994</u>	<u>\$ 119</u>
<u>TOTAL - ALL AGENCY FUNDS</u>				
ASSETS				
Cash	\$55,326	\$3,434,057	\$3,408,951	\$80,432
Other receivables	9	-	9	-
Due from other funds	<u>750</u>	<u>2,620,820</u>	<u>2,620,840</u>	<u>730</u>
Total assets	<u>\$56,085</u>	<u>\$6,054,877</u>	<u>\$6,029,800</u>	<u>\$81,162</u>
LIABILITIES				
Due to other funds	<u>\$56,085</u>	<u>\$4,123,025</u>	<u>\$4,097,948</u>	<u>\$81,162</u>

CITY OF VILLE PLATTE, LOUISIANA

Comparative Statement of General Fixed Assets  
(Unaudited)  
June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
General fixed assets, at cost:		
Property acquired prior to 7/1/73* -		
Land	\$ 96,610	\$ 96,610
Buildings	958,743	958,743
Improvements other than buildings	2,076,563	2,076,563
Equipment	638,984	568,459
Property acquired after 7/1/73 -		
Land	510,636	510,636
Buildings	953,001	946,266
Equipment	<u>1,316,373</u>	<u>1,316,373</u>
Total general fixed assets	<u>\$6,550,910</u>	<u>\$6,473,650</u>
Investment in general fixed assets:		
Property acquired prior to 7/1/73*	\$1,539,034	\$1,539,034
Property acquired after 7/1/73 from -		
General obligation bonds proceeds and interest	824,174	824,174
Federal grants	434,926	434,926
State grants	81,101	81,101
General Fund revenues	1,525,101	1,448,766
Sales Tax Fund revenues	872,375	872,375
Federal revenue sharing funds	23,192	23,192
State revenue sharing funds	9,238	9,238
Community Center special revenue	6,577	6,577
Utility Fund	193,049	193,049
Donations	1,030,900	1,030,900
HUD Section 8 Housing assistance program	<u>11,243</u>	<u>10,318</u>
Total investment in general fixed assets	<u>\$6,550,910</u>	<u>\$6,473,650</u>

\* Records reflecting sources from which assets were acquired were not maintained prior to July 1, 1973.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Ville Platte, Louisiana  
August 28, 1996

GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for unmatured principal amounts on general long-term debt expected to be financed from governmental type funds. Payment of maturing obligations, including interest, are accounted for in the debt service funds.

CITY OF VILLE PLATTE, LOUISIANA

Statement of General Long-Term Debt  
 June 30, 1996  
 With Comparative Totals for June 30, 1995

	Public Improvement Bonds	Sewerage District No. 1 Bonds	Sales Tax Bonds	Capital Leases	Totals
					1996      1995
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT					
Amount available in debt service funds for debt retirement	\$165,000	\$165,000	\$ 712,715	\$ -	\$1,042,715      \$1,064,896
Amount to be provided from:					
Sales taxes	-	-	3,602,285	-	3,602,285      3,845,104
General Fund revenues	-	-	-	86,955	86,955      117,585
Total amount to be provided	-	-	3,602,285	86,955	3,689,240      3,962,689
Total available and to be provided	\$165,000	\$165,000	\$4,315,000	\$86,955	\$4,731,955      \$5,027,585
GENERAL LONG-TERM DEBT PAYABLE					
Bonds payable	\$165,000	\$165,000	\$4,315,000	\$ -	\$4,645,000      \$4,910,000
Lease obligation payable	-	-	-	86,955	86,955      117,585
Total long-term debt payable	\$165,000	\$165,000	\$4,315,000	\$86,955	\$4,731,955      \$5,027,585

INTERNAL CONTROL, COMPLIANCE

AND

OTHER GRANT INFORMATION

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF PRIMARY GOVERNMENT FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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The Honorable Bennett Baquet, Mayor  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana

We have audited the primary government financial statements of the City of Ville Platte, Louisiana, for the year ended June 30, 1996, and have issued our report thereon dated August 28, 1996. In our report, our opinion was qualified due to the inability to determine the accuracy of the general fixed assets acquired prior to July 1, 1973.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The elected officials of the City of Ville Platte, Louisiana are responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of the City of Ville Platte, Louisiana for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgement, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

#### Inadequate Segregation of Accounting Functions

##### Finding:

Due to the small number of employees the City did not have adequate segregation of functions within the accounting system.

##### Recommendation:

Based upon the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

##### Response:

No response is considered necessary.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions, and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above is a material weakness.

We also noted other matters involving the internal control structure and its operation that we have reported to the management of the City of Ville Platte in a separate letter dated August 28, 1996.

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT OF PRIMARY GOVERNMENT FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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The Honorable Bennett Baquet, Mayor  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana

We have audited the primary government financial statements of the City of Ville Platte, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated August 28, 1996. In our report, our opinion was qualified due to the inability to determine the accuracy of the general fixed assets acquired prior to July 1, 1973.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the City of Ville Platte, Louisiana is the responsibility of the City's elected officials. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed the following instances of noncompliance that are required to be reported herein under Government Auditing Standards for which the ultimate resolution cannot presently be determined. Accordingly, no provision for any liability that may result has been recognized in the City of Ville Platte, Louisiana's 1996 financial statements.

### Failure to Comply with the Utility Revenue Bond Resolution Covenant

#### Finding:

The City of Ville Platte failed to comply with the utility revenue bond indenture which requires the establishment of and adherence to a written policy regarding collection of delinquent accounts, assessment of late payment penalties and disconnection of services.

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

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The Honorable Bennett Baquet, Mayor  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana

We have audited the primary government financial statements of the City of Ville Platte, Louisiana, for the year ended June 30, 1996, and have issued our report thereon dated August 28, 1996. In our report, our opinion was qualified due to the inability to determine the accuracy of the general fixed assets acquired prior to July 1, 1973. We have also audited the compliance of the City of Ville Platte, Louisiana with requirements applicable to major federal financial assistance programs and have issued our report thereon dated August 28, 1996.

We conducted our audits in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether the City of Ville Platte, Louisiana complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended June 30, 1996, we considered the internal control structure of City of Ville Platte, Louisiana, in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements of the City of Ville Platte, Louisiana and on the compliance of the City of Ville Platte, Louisiana, with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated August 28, 1996.

The elected officials of the City of Ville Platte, Louisiana are responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and

procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

<u>Accounting Controls</u>	<u>Administrative Controls</u>	
	<u>General Requirements</u>	<u>Specific Requirements</u>
Revenue/receipts	Political activity	Eligibility
Purchases/disbursements	Civil Rights	Review of Contract
Property, plant and equipment	Cash management	rent and utility
General ledger	Federal financial reports	allowances
	Drug-free Workplace Act	

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1996, the City of Ville Platte, Louisiana expended 63 percent of its total federal financial assistance under a major federal financial assistance program.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we have considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the City of Ville Platte, Louisiana's major federal accompanying schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the City's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

### Inadequate Segregation of Accounting Functions

#### Finding:

Due to the small number of employees, the City did not have adequate segregation of functions within the accounting system.

#### Recommendation:

In order to properly safeguard assets, the City's officials should consider additional reassignment of present employee duties to achieve further segregation of accounting functions.

#### Response:

Although much improvement has been made regarding segregation of accounting functions, City officials are in the process of a complete evaluation of each HUD staff employees' present duties and will redistribute the various functions in order to complete a further segregation of accounting functions.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above is a material weakness.

We also noted other matters involving the internal control structure and its operation that we have reported to the management of the City of Ville Platte, Louisiana in a separate letter dated August 28, 1996.

This report is intended for the information of management and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Ville Platte, Louisiana  
August 28, 1996

## AGENCY FUNDS

Payroll and Disbursement Funds - To account for the centralization of two clearing accounts which are used for the disbursements (except for the transfers between funds) of all City funds, including those for purchases, payroll and payroll-related costs.

CITY OF VILLE PLATTE  
Section 8 Housing Assistance Program  
Ville Platte, Louisiana

Analysis of Surplus  
Years Ended June 30, 1996 and 1995

	Annual Contribution Contract FW-2114	
	<u>1996</u>	<u>1995</u>
<b>Unreserved surplus:</b>		
Balance at beginning of fiscal year	\$(3,104,890)	\$(2,787,660)
Operating expenditures for the year	(222,820)	(209,281)
(Increase) decrease in operating reserve	1,755	(1,534)
Provision for project account	<u>(95,240)</u>	<u>(106,415)</u>
Balance at end of fiscal year	<u>(3,421,195)</u>	<u>(3,104,890)</u>
<b>Reserved surplus (operating reserve):</b>		
Balance at beginning of fiscal year	3,190	1,656
(Increase) decrease in operating reserve	<u>(1,755)</u>	<u>1,534</u>
Balance at end of fiscal year	<u>1,435</u>	<u>3,190</u>
<b>Project account - unfunded:</b>		
Balance at beginning of fiscal year	453,656	347,241
Provision for project account	<u>95,240</u>	<u>106,415</u>
Balance at end of fiscal year	<u>548,896</u>	<u>453,656</u>
<b>Cumulative HUD contributions:</b>		
Balance at beginning of fiscal year	2,661,552	2,450,737
Annual contributions earned	<u>221,990</u>	<u>210,815</u>
Balance at end of fiscal year	<u>2,883,542</u>	<u>2,661,552</u>
 Total surplus	 \$ 12,678	 \$ 13,508
	<u>=====</u>	<u>=====</u>
<b>Fund equity (GAAP basis):</b>		
Investment in general fixed assets	\$ 11,243	\$ 10,318
Fund balance - reserved for housing assistance	<u>1,435</u>	<u>3,190</u>
Total fund equity	<u>\$ 12,678</u>	<u>\$ 13,508</u>
	<u>=====</u>	<u>=====</u>

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Insurance in Force  
(Unaudited)  
June 30, 1996

<u>Description of Coverage</u>	<u>Coverage Amounts</u>
Workmen's Compensation - Employer's liability	Statutory \$ 100,000
Surety Bonds -	
Mayor	40,000
Mayor Pro-tem	40,000
City Clerk	40,000
Treasurer	80,000
Utility clerks, sales tax collectors, city office manager	140,000
City Marshall	5,000
Blanket Coverage on City Property buildings and contents	3,587,200
Comprehensive Automobile and Physical Damage	796,000
Commercial General Liability	500,000
Public Official Liability	500,000
Police Professional Liability occurrence	500,000
Electronic data processing coverage	90,819
Electronic data processing hand held equipment	10,000
Ditch witch coverage	3,400

CITY OF VILLE PLATTE, LOUISIANA  
 Combined Schedule of Interest-bearing Deposits  
 June 30, 1996

	<u>Term</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
<b>General Fund:</b>				
Certificate of deposit - Evangeline Bank	30 days	07/07/96	5.00%	\$ 25,535
Certificate of deposit - Evangeline Bank	30 days	07/03/96	3.25%	53,607
Certificate of deposit - Evangeline Bank	30 days	07/10/96	3.25%	57,600
Certificate of deposit - Evangeline Bank	30 days	07/07/96	3.25%	72,602
Certificate of deposit - Citizens Bank	82 days	07/26/96	4.00%	31,216
Certificate of deposit - Evangeline Bank	30 days	07/07/96	5.00%	19,574
Certificate of deposit - Federal Savings Bank	180 days	08/16/96	3.55%	34,534
Savings account - Evangeline Bank	N/A	N/A	2.50%	980
				<u>295,648</u>
<b>1975 Sales Tax Fund:</b>				
Certificate of deposit - Federal Savings Bank	180 days	08/16/96	3.55%	<u>57,556</u>
<b>1984 Sales Tax Fund:</b>				
Certificate of deposit - Evangeline Bank	182 days	11/17/96	5.00%	324,640
Certificate of deposit - Evangeline Bank	30 days	07/07/96	5.00%	324,965
Interest-bearing checking account - Evangeline Bank	N/A	N/A	2.50%	1,133,257
				<u>1,782,862</u>
<b>Debt Service Fund:</b>				
Certificate of deposit - Evangeline Bank	30 days	07/07/96	5.00%	165,095
Certificate of deposit - Evangeline Bank	30 days	07/07/96	5.00%	194,171
Paragon Treasury - Premier Bank & Trust	N/A	N/A	2.85%	200,650
Paragon Treasury - Premier Bank & Trust	N/A	N/A	2.85%	512,065
				<u>1,071,981</u>
<b>Capital Projects Fund:</b>				
Interest-bearing checking account - Evangeline Bank	N/A	N/A	2.50%	<u>1,017,260</u>
<b>Utility Fund:</b>				
Certificate of deposit - Evangeline Bank	30 days	07/07/96	5.00%	194,210
Certificate of deposit - Evangeline Bank	30 days	07/07/96	5.00%	313,327
Certificate of deposit - Evangeline Bank	30 days	07/07/96	5.00%	200,000
Certificate of deposit - Evangeline Bank	30 days	07/06/96	5.00%	152,650
Certificate of deposit - Evangeline Bank	30 days	07/07/96	5.00%	284,574
Certificate of deposit - Evangeline Bank	30 days	07/07/96	5.00%	89,491
Certificate of deposit - American Security Bank	180 days	12/01/96	5.00%	75,101
Certificate of deposit - Federal Savings Bank	90 days	08/16/96	3.55%	100,000
Interest-bearing checking account - Evangeline Bank	N/A	N/A	2.50%	259,840
Interest-bearing checking account - Evangeline Bank	N/A	N/A	6.00%	487,209
Interest-bearing checking account - Evangeline Bank	N/A	N/A	2.85%	142,787
Interest-bearing checking account - Evangeline Bank	N/A	N/A	2.85%	435,426
				<u>2,734,615</u>
<b>Municipal Garage Fund:</b>				
Certificate of deposit - Evangeline Bank	30 days	07/07/96	5.00%	<u>41,542</u>
<b>Construction Fund:</b>				
Certificate of deposit - Evangeline Bank	30 days	07/07/96	5.00%	<u>59,555</u>
<b>Self-Insurance Fund:</b>				
Interest-bearing checking account - Evangeline Bank	N/A	N/A	2.85%	<u>76,495</u>
<b>Total all funds</b>				<b>\$7,137,514</b> =====

CITY OF VILLE PLATTE, LOUISIANA  
 Enterprise Fund  
 Utility Fund

Schedule of Changes in Property, Plant and Equipment  
 Year Ended June 30, 1996

Property	Annual Straight-Line Depreciation Rate	Balance July 1, 1995	Additions	Retirements	Balance June 30, 1996	Accumulated Depreciation July 1, 1995	Additions	Retirements	Accumulated Depreciation June 30, 1996
Land		\$ 76,445	\$ -	\$ -	\$ 76,445	\$ -	\$ -	\$ -	\$ -
Buildings	3-1/3 - 5 %	4,027	-	-	4,027	2,520	145	-	2,665
Equipment	10 - 33-1/3%	228,275	14,006	-	242,281	216,722	5,263	-	221,985
Gas system	2-1/2 - 4 %	4,308,476	-	-	4,308,476	2,262,951	121,732	-	2,384,683
Water system	2-1/2 - 10 %	3,763,851	894,174	-	4,658,025	1,547,028	114,993	-	1,662,021
Sewerage system	2 - 20 %	8,678,693	167,741	-	8,846,434	1,622,612	174,703	-	1,797,315
Construction in process		291,018	770,896	1,061,914	-	-	-	-	-
Totals		\$17,350,785	\$1,846,817	\$1,061,914	\$18,135,688	\$5,651,833	\$416,836	\$ -	\$6,068,669
Less: Accumulated depreciation					6,068,669				
Net book value					12,067,019				

CITY OF VILLE PLATTE, LOUISIANA  
 Enterprise Fund  
 Utility Fund

Comparative Departmental Analysis of Operating Expenses  
 For the Years Ended June 30, 1996 and 1995

	Gas Department		Water Department		Sewerage Department		Totals	
	1996	1995	1996	1995	1996	1995	1996	1995
Salaries	\$ 161,415	\$ 152,019	\$ 36,101	\$ 31,421	\$ 83,604	\$ 79,733	\$ 281,120	\$ 263,173
Retirement contributions	8,819	7,982	1,494	1,133	5,490	4,362	15,803	13,477
Payroll taxes	491	756	118	156	251	398	860	1,310
Medicare taxes	2,523	2,355	1,040	1,068	528	999	4,091	4,422
Group insurance	21,535	18,594	4,693	4,158	14,079	12,042	40,307	34,794
Insurance	24,471	25,095	4,133	3,794	3,222	3,105	31,826	31,994
Workman's compensation insurance	3,359	3,504	2,950	1,777	5,733	5,570	12,042	10,851
Natural gas purchased	908,309	610,739	-	-	-	-	908,309	610,739
Equipment repairs and maintenance	15,578	16,441	15,966	26,090	59,510	36,367	91,054	78,898
Construction fund payments	15,000	15,000	35,000	35,000	-	-	50,000	50,000
Materials and supplies	17,539	16,689	33,409	36,015	15,711	13,237	66,659	65,941
Chemicals	-	-	9,335	6,313	17,541	14,435	26,876	20,748
Testing and inspection fees	-	-	-	-	10,217	15,441	10,217	15,441
Professional fees	17,981	22,886	15,959	19,674	903	4,849	34,843	47,409
Utilities and telephone	2,658	2,662	62,133	56,076	60,844	57,052	125,635	115,790
Bad debts	48,575	27,509	17,400	12,867	6,525	3,993	72,500	44,369
Rent	15,000	15,000	-	-	-	-	15,000	15,000
Dues and conventions	246	706	350	272	1,367	1,209	1,963	2,187
Auto allowance	-	-	-	-	4,200	4,200	4,200	4,200
Gas, oil and fuel	4,924	4,696	898	1,082	2,495	2,641	8,317	8,419
Office supplies and postage	16,192	15,388	946	343	444	400	17,582	16,131
Depreciation	125,116	127,811	116,577	105,992	175,143	171,967	416,836	405,770
Miscellaneous	3,707	3,960	622	287	5,874	7,361	10,203	11,608
Sand, gravel and dirt	-	-	1,484	698	436	4,285	1,920	4,983
Gas leak survey	8,553	8,219	-	-	-	-	8,553	8,219
	\$1,421,991	\$1,098,011	\$360,608	\$344,216	\$474,117	\$443,646	\$2,256,716	\$1,885,873

CITY OF VILLE PLATTE, LOUISIANA  
Enterprise Fund  
Utility Fund

Schedule of Number of Utility Customers  
(Unaudited)  
June 30, 1996 and 1995

Records maintained by the City indicated the following number of customers were being served during the month of June, 1996 and 1995:

<u>Department</u>	<u>1996</u>	<u>1995</u>
Gas (metered)	3,053	3,090
Water (metered)	3,414	3,425
Sewerage	3,236	3,259

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## Independent Auditor's Report on Compliance with Specific Requirements Applicable to Major Federal Financial Assistance Programs

The Honorable Bennett Baquet, Mayor  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana

We have audited the primary government financial statements of the City of Ville Platte, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated August 28, 1996.

We have also audited the City of Ville Platte, Louisiana's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to its major federal financial assistance program, which is identified in the accompanying Schedule of Federal Financial Assistance, for the year ended June 30, 1996. The elected officials of the City of Ville Platte, Louisiana are responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City of Ville Platte, Louisiana's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures did not disclose any immaterial instances of noncompliance with the requirements referred to above.

In our opinion, the City of Ville Platte, Louisiana complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility, matching, level of effort, or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to its major federal financial assistance program for the year ended June 30, 1996.

CITY OF VILLE PLATTE  
Section 8 Housing Assistance Program  
Ville Platte, Louisiana

Computation of Annual Contributions Earned and Project Account -  
Operating Reserve Changes  
Housing Assistance Payments Program  
Years Ended June 30, 1996 and 1995

	Annual Contribution Contract FW-2114	
	1996	1995
 Project LA48-E192-001		
Provision for project account:		
Maximum contribution available -		
Maximum annual contribution authorized	\$ 317,230	\$ 317,230
Project account balance at beginning of fiscal year	453,656	347,241
Total annual contribution available	770,886	664,471
 Annual contribution required -		
Administrative fee earned	29,110	25,337
Audit fee	2,720	2,690
Housing assistance payments	190,160	182,788
Total annual contributions required	221,990	210,815
 Project account at end of fiscal year	 548,896	 453,656
 Project account at beginning of fiscal year	 453,656	 347,241
 Provision for project account	 \$ 95,240	 \$ 106,415
 Annual contribution earned - lessor of total annual contribution available or total annual contribution required		
	 \$ 221,990	 \$ 210,815
 Reduction of operating reserve:		
Annual contribution earned	\$ 221,990	\$ 210,815
 Less: Total expenditures	 (223,745)	 (209,281)
 Increase (decrease) in operating reserve	 \$ (1,755)	 \$ 1,534

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Ville Platte, Louisiana  
August 28, 1996

CITY OF VILLE PLATTE, LOUISIANA  
 Schedule of Federal Financial Assistance  
 Year Ended June 30, 1996

<u>Agency/Program Grant Title</u>	<u>Federal CFDA Number</u>	<u>Federal Assistance I. D. Number</u>	<u>Grant Funds Earned</u>	<u>Expended This Year</u>
Major Federal Assistance Program:				
State of Louisiana Division of Administration - LCDBG	14.228	B94-DC-22-0001	<u>\$456,020</u>	<u>\$456,020</u>
Nonmajor Federal Assistance Programs:				
Department of Housing and Urban Development - Section 8 Housing Assistance	14.156	LA 48-E192-003	221,990	223,745
Department of Agriculture - Summer Food Service Program for Children	10.559	SFSP-96-09	<u>37,633</u>	<u>48,098</u>
Total nonmajor federal assistance			<u>\$259,623</u>	<u>\$271,843</u>
Total federal assistance			<u>\$715,643</u>	<u>\$727,863</u>

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## INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

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The Honorable Bennett Baquet, Mayor  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana

We have audited the primary government financial statements of the City of Ville Platte, Louisiana, for the year ended June 30, 1996, and have issued our report thereon dated August 28, 1996. These primary government financial statements are the responsibility of the City of Ville Platte, Louisiana's elected officials. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128 "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the primary government financial statements of the City of Ville Platte, Louisiana taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Ville Platte, Louisiana  
August 28, 1996

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.

*Darnall, Sikes, Kolder, Frederick & Rainey*  
A Corporation of Certified Public Accountants

Ville Platte, Louisiana  
August 28, 1996

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

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## Independent Auditor's Report on Compliance with Specific Requirements Applicable to Nonmajor Federal Financial Assistance Program Transactions

The Honorable Bennett Baquet, Mayor  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana

We have audited the primary government financial statements of the City of Ville Platte, Louisiana as of and for the year ended June 30, 1996, and have issued our report thereon dated August 28, 1996.

In connection with our audit of the primary government financial statements of the City of Ville Platte, Louisiana and with our consideration of the City's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed, eligibility and review of contract rent and utility allowances that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Ville Platte, Louisiana's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Ville Platte, Louisiana, had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

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This report is intended for the information of the management and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Ville Platte, Louisiana  
August 28, 1996

CITY OF VILLE PLATTE, LOUISIANA  
Internal Service Funds

Combining Statement of Cash Flows  
Years Ended June 30, 1996 and 1995

	Municipal Garage Fund	Construction Fund	Self Insurance Fund	Totals
	1996	1996	1996	1996
	1995	1995	1995	1995
Cash flows from operating activities:				
Net operating income (loss)	\$ (4,032)	\$ (49,031)	\$ 54,288	\$ 1,225
				\$ (89,665)
Adjustments to reconcile net operating income to net cash provided by operating activities -				
Depreciation	-	890	-	890
Increase in accrued interest receivable	(33)	(48)	-	(81)
Increase (decrease) in other receivables	-	-	278	278
Increase in inventory	-	-	-	-
Increase (decrease) in cash overdraft	-	9,098	(19,396)	(10,298)
Increase (decrease) in accounts payable	210	(1,101)	-	(891)
Increase (decrease) in compensated absences	-	(2,378)	-	(2,378)
Increase in claims payable	-	-	-	-
Total adjustments	(3,855)	(1,591)	3,842	24
	(3,855)	(1,591)	(15,276)	600
	(3,855)	(3,351)	(19,718)	(8,638)
Net cash used by operating activities	(3,855)	(42,570)	39,012	(7,413)
	(3,855)	(50,638)	(16,411)	(70,400)
Cash flows from noncapital financing activities:				
Cash received from other funds	52,407	39,374	-	91,781
Cash paid to other funds	(51,677)	(19,373)	-	(71,050)
Net cash provided (used) by noncapital financing activities	730	20,001	-	20,731
	730	(1,453)	-	(1,453)
	-	-	-	-
Cash flows from capital and related financing activities:				
Acquisition of equipment	-	(5,465)	-	(5,465)
	-	-	-	-
Cash flows from investing activities:				
Interest received on interest-bearing deposits	2,153	3,252	754	6,159
Net increase (decrease) in cash and cash equivalents	(972)	(1,498)	(49,328)	(15,147)
Cash and cash equivalents, beginning of period	53,572	55,070	36,729	174,638
Cash and cash equivalents, end of period	\$ 52,600	\$ 53,572	\$ 76,495	\$ 188,650
	\$ 52,600	\$ 84,337	\$ 36,729	\$ 174,638

**OTHER SUPPLEMENTARY INFORMATION**

## ENTERPRISE FUND

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

CITY OF VILLE PLATTE, LOUISIANA  
Special Revenue Funds

Combining Balance Sheet  
June 30, 1996

With Comparative Totals for June 30, 1995

	Sales Tax		City Court	Section 8 Housing Fund	1995 LCDBG	Totals	
	1975	1984				1996	1995
ASSETS							
Cash	\$ 94,536	\$ 39,890	\$12,005	\$30,319	\$6,169	\$ 182,919	\$ 101,720
Interest-bearing deposits	57,556	1,782,862	-	-	-	1,840,418	1,697,727
Receivables:							
Accrued interest	739	2,892	-	-	-	3,631	2,815
Due from other funds	10,000	106,188	2,078	-	-	118,266	8,084
Due from other governmental units	-	-	2,316	-	-	2,316	-
Total assets	\$162,831	\$1,931,832	\$16,399	\$30,319	\$6,169	\$2,147,550	\$1,810,346
LIABILITIES AND FUND BALANCES							
Accounts payable	\$ 245	\$ 245	\$ 7,288	\$ -	\$ -	\$7,778	\$ 10,369
Compensated absences payable	-	-	3,717	-	-	3,717	4,549
Due to other governmental units	-	-	-	28,884	-	28,884	4,776
Deferred revenue	-	-	-	-	-	-	20,510
Due to other funds	111,000	198,016	10,000	-	-	319,016	69,185
Other accrued liabilities	-	-	-	-	6,169	6,169	-
Total liabilities	111,245	198,261	21,005	28,884	6,169	365,564	109,389
Fund balances (deficit):							
Reserved for housing purposes	-	-	-	1,435	-	1,435	3,190
Unreserved - undesignated	51,586	1,733,571	(4,606)	-	-	1,780,551	1,697,767
Total fund balances	51,586	1,733,571	(4,606)	1,435	-	1,781,986	1,700,957
Total liabilities and fund balances	\$162,831	\$1,931,832	\$16,399	\$30,319	\$6,169	\$2,147,550	\$1,810,346

CITY OF VILLE PLATTE, LOUISIANA  
Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended June 30, 1996  
With Comparative Totals for Year Ended June 30, 1995

	Sales Tax		City Court	Section 8 Housing Fund	1995 LCDBG	Totals	
	1975	1984				1996	1995
<b>Revenues:</b>							
Taxes	\$ 769,957	\$ 769,317	\$ -	\$ -	\$ -	\$ 1,539,274	\$ 1,471,120
Intergovernmental	-	-	28,767	221,990	456,020	706,777	282,582
Fines and forfeits	-	-	84,266	-	-	84,266	67,910
Miscellaneous	2,594	75,500	-	-	-	78,094	70,171
Total revenues	<u>772,551</u>	<u>844,817</u>	<u>113,033</u>	<u>221,990</u>	<u>456,020</u>	<u>2,408,411</u>	<u>1,891,783</u>
<b>Expenditures:</b>							
General government	26,689	26,678	161,453	-	-	214,820	208,223
Urban redevelopment and housing	-	-	-	222,820	-	222,820	209,281
Capital outlay	-	202,034	6,735	925	456,020	665,714	355,594
Total expenditures	<u>26,689</u>	<u>228,712</u>	<u>168,188</u>	<u>223,745</u>	<u>456,020</u>	<u>1,103,354</u>	<u>773,098</u>
Excess (deficiency) of revenues over expenditures	<u>745,862</u>	<u>616,105</u>	<u>(55,155)</u>	<u>(1,755)</u>	<u>-</u>	<u>1,305,057</u>	<u>1,118,685</u>
<b>Other financing sources (uses):</b>							
Operating transfers in	-	-	57,000	-	-	57,000	47,500
Operating transfers out	<u>(747,000)</u>	<u>(534,028)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,281,028)</u>	<u>(1,247,869)</u>
Total other financing sources (uses)	<u>(747,000)</u>	<u>(534,028)</u>	<u>57,000</u>	<u>-</u>	<u>-</u>	<u>(1,224,028)</u>	<u>(1,200,369)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(1,138)	82,077	1,845	(1,755)	-	81,029	(81,684)
Fund balances (deficit), beginning	<u>52,724</u>	<u>1,651,494</u>	<u>(6,451)</u>	<u>3,190</u>	<u>-</u>	<u>1,700,957</u>	<u>1,782,641</u>
Fund balances (deficit), ending	<u>\$ 51,586</u>	<u>\$ 1,733,571</u>	<u>\$ (4,606)</u>	<u>\$ 1,435</u>	<u>\$ -</u>	<u>\$ 1,781,986</u>	<u>\$ 1,700,957</u>

CITY OF VILLE PLATTE, LOUISIANA  
Special Revenue Fund  
1975 Sales Tax Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance -	1995
	Budget	Actual	Favorable	Actual
			Unfavorable	
<b>Revenues:</b>				
Taxes	\$ 755,000	\$ 769,957	\$ 14,957	\$ 735,560
Miscellaneous	2,000	2,594	594	1,808
Total revenues	757,000	772,551	15,551	737,368
<b>Expenditures:</b>				
General government -				
Professional fees	3,000	2,733	267	1,470
Sales tax collection fees	18,900	23,956	(5,056)	23,186
Total expenditures	21,900	26,689	(4,789)	24,656
Excess of revenues over expenditures	735,100	745,862	10,762	712,712
<b>Other financing uses:</b>				
Transfers to other funds -				
General Fund	(600,000)	(600,000)	-	(600,000)
Utility Fund	(90,000)	(90,000)	-	(90,000)
City Court Fund	(45,000)	(57,000)	(12,000)	(47,500)
Total other financing uses	(735,000)	(747,000)	(12,000)	(737,500)
Excess (deficiency) of revenues over expenditures and other financing uses	100	(1,138)	(1,238)	(24,788)
Fund balance, beginning	52,724	52,724	-	77,512
Fund balance, ending	\$ 52,824	\$ 51,586	\$ (1,238)	\$ 52,724

CITY OF VILLE PLATTE, LOUISIANA  
Special Revenue Fund  
1984 Sales Tax Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	<u>Budget</u>	<u>Actual</u>		
<b>Revenues:</b>				
Taxes	\$ 755,000	\$ 769,317	\$ 14,317	\$ 735,560
Miscellaneous	<u>70,000</u>	<u>75,500</u>	<u>5,500</u>	<u>68,363</u>
Total revenues	<u>825,000</u>	<u>844,817</u>	<u>19,817</u>	<u>803,923</u>
<b>Expenditures:</b>				
General government -				
Professional fees	3,000	2,695	305	11,983
Sales tax collection fees	<u>18,900</u>	<u>23,983</u>	<u>(5,083)</u>	<u>23,184</u>
Total general government	21,900	26,678	(4,778)	35,167
Capital outlay -				
Street overlay project	<u>208,405</u>	<u>202,034</u>	<u>6,371</u>	<u>306,462</u>
Total expenditures	<u>230,305</u>	<u>228,712</u>	<u>1,593</u>	<u>341,629</u>
Excess of revenues over expenditures	<u>594,695</u>	<u>616,105</u>	<u>21,410</u>	<u>462,294</u>
<b>Other financing uses:</b>				
Operating transfers to -				
Utility Fund	-	(18,632)	(18,632)	-
1995 Sales Tax Bonds Construction Fund	(96,246)	(63,014)	33,232	(56,995)
Sales Tax Bonds Debt Service Fund	<u>(453,658)</u>	<u>(452,382)</u>	<u>1,276</u>	<u>(453,374)</u>
Total other financing uses	<u>(549,904)</u>	<u>(534,028)</u>	<u>15,876</u>	<u>(510,369)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	44,791	82,077	37,286	(48,075)
Fund balance, beginning	<u>1,651,494</u>	<u>1,651,494</u>	-	<u>1,699,569</u>
Fund balance, ending	<u>\$1,696,285</u>	<u>\$1,733,571</u>	<u>\$ 37,286</u>	<u>\$1,651,494</u>

CITY OF VILLE PLATTE, LOUISIANA  
Special Revenue Fund  
City Court Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
Revenues:				
Intergovernmental -				
Transfer from City Court	\$ 28,767	\$ 28,767	\$ -	\$ 27,787
Fines and forfeits	<u>90,000</u>	<u>84,266</u>	<u>(5,734)</u>	<u>67,910</u>
Total revenues	<u>118,767</u>	<u>113,033</u>	<u>(5,734)</u>	<u>95,697</u>
Expenditures:				
General government	157,880	161,453	(3,573)	148,400
Capital outlay	<u>4,000</u>	<u>6,735</u>	<u>(2,735)</u>	<u>5,152</u>
Total expenditures	<u>161,880</u>	<u>168,188</u>	<u>(6,308)</u>	<u>153,552</u>
Deficiency of revenues over expenditures	(43,113)	(55,155)	(12,042)	(57,855)
Other financing sources:				
Operating transfer from - 1975 Sales Tax Fund	<u>45,000</u>	<u>57,000</u>	<u>12,000</u>	<u>47,500</u>
Excess (deficiency) of revenues and other financing sources over expenditures	1,887	1,845	(42)	(10,355)
Fund balance (deficit), beginning	<u>(6,451)</u>	<u>(6,451)</u>	-	<u>3,904</u>
Fund balance (deficit), ending	<u>\$ (4,564)</u>	<u>\$ (4,606)</u>	<u>\$ (42)</u>	<u>\$ (6,451)</u>

CITY OF VILLE PLATTE, LOUISIANA  
Special Revenue Fund  
City Court Fund

Statement of Expenditures Compared to Budget (GAAP Basis)  
Year Ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	<u>Budget</u>	<u>Actual</u>		
General government:				
Salaries	\$ 91,000	\$ 90,175	\$ 825	\$ 92,799
Supplies	7,100	11,998	(4,898)	7,944
Postage	1,800	1,824	(24)	1,562
Telephone	3,375	3,362	13	2,505
Utilities	4,400	4,274	126	3,464
Dues and conventions	-	375	(375)	375
Building and equipment maintenance	3,100	305	2,795	2,628
Retirement contributions	6,175	6,173	2	5,162
Insurance	2,000	3,877	(1,877)	481
Group insurance	18,500	18,505	(5)	16,633
Workman's compensation	750	563	187	449
Payroll taxes	500	450	50	503
Witness expense	14,000	14,269	(269)	11,021
Miscellaneous	200	321	(121)	294
Medicare taxes	2,430	2,432	(2)	2,580
Professional fees	<u>2,550</u>	<u>2,550</u>	-	-
 Total expenditures	 <u>\$157,880</u>	 <u>\$161,453</u>	 <u>\$(3,573)</u>	 <u>\$148,400</u>

CITY OF VILLE PLATTE, LOUISIANA  
Special Revenue Fund  
Section 8 Housing Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
Revenues:				
Intergovernmental -				
Federal grant	\$221,990	\$221,990	\$ -	\$210,815
Expenditures:				
Urban redevelopment and housing				
Housing assistance payments	188,894	190,190	(1,296)	181,002
Administrative	33,096	32,630	466	28,279
Capital outlay	-	925	(925)	-
Total expenditures	221,990	223,745	(1,755)	209,281
Excess (deficiency) of revenues over expenditures	-	(1,755)	(1,755)	1,534
Fund balance, beginning	3,190	3,190	-	1,656
Fund balance, ending	\$ 3,190	\$ 1,435	\$ 1,755	\$ 3,190

CITY OF VILLE PLATTE, LOUISIANA  
Special Revenue Fund  
1995 Louisiana Community Development Block Grant Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable	1995
	<u>Budget</u>	<u>Actual</u>	<u>(Unfavorable)</u>	<u>Actual</u>
Revenues:				
Intergovernmental -				
Federal grant	\$456,020	\$456,020	\$ -	\$43,980
Expenditures:				
Capital outlay -				
Street improvement project	<u>456,020</u>	<u>456,020</u>	<u>-</u>	<u>43,980</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## DEBT SERVICE FUNDS

Public Improvement Bonds - To accumulate monies for payment of the 1963 \$175,000 Public Improvement serial bonds and the 1977 \$400,000 Public Improvement serial bonds. Debt service is financed by the levy of a specific ad valorem tax.

Sewerage District No. 1 Bonds - To accumulate monies for payment of the 1977 \$400,000 Sewerage District No. 1 serial bonds. Debt service is financed by the levy of a specific ad valorem tax.

Sales Tax Bonds - To accumulate monies for payment of the remaining 1987 \$3,300,000 Sewer Improvement serial bonds, the \$1,600,000 Public Improvement Sales Tax Bonds, Series ST-1995, and the \$3,025,000 Public Improvement Sales Tax Refunding Bonds, Series ST-1995. Debt service is financed by the collection of the 1984 one percent sales tax.

CITY OF VILLE PLATTE, LOUISIANA  
Debt Service Funds

Combining Balance Sheet  
June 30, 1996  
With Comparative Totals for June 30, 1995

	Public Improvement Bonds	Sewerage District No. 1 Bonds	Sales Tax Bonds	Totals
				1996
				1995
ASSETS				
Cash	\$ 43,547	\$ 81,458	\$ -	\$ 125,005
Interest-bearing deposits	165,095	194,171	712,715	1,071,981
Receivables:				
Taxes	62	62	-	124
Accrued interest	<u>520</u>	<u>612</u>	<u>-</u>	<u>1,132</u>
Total assets	<u>\$209,224</u>	<u>\$276,303</u>	<u>\$712,715</u>	<u>\$1,198,242</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to other funds	\$ 119	\$ 119	\$ -	\$ 238
Fund balances:				
Reserved for debt service	165,000	165,000	712,715	1,064,896
Unreserved, undesignated	<u>44,105</u>	<u>111,184</u>	<u>-</u>	<u>73,494</u>
Total fund balances	<u>209,105</u>	<u>276,184</u>	<u>712,715</u>	<u>1,138,390</u>
Total liabilities and fund balances	<u>\$209,224</u>	<u>\$276,303</u>	<u>\$712,715</u>	<u>\$1,138,628</u>

CITY OF VILLE PLATTE, LOUISIANA  
Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended June 30, 1996  
With Comparative Totals for Year Ended June 30, 1995

	Public Improvement Bonds	Sewerage District No. 1 Bonds	Sales Tax Bonds	Totals
	1996	1996	1996	1995
Revenues:				
Taxes - ad valorem	\$ 41,452	\$ 41,465	\$ -	\$ 82,917
Miscellaneous - interest	9,256	11,242	20,628	41,126
Total revenues	<u>50,708</u>	<u>52,707</u>	<u>20,628</u>	<u>124,043</u>
Expenditures:				
General government - paying agent fees	-	-	2,808	2,808
Debt service -				
Principal retirement	20,000	20,000	225,000	250,000
Interest	10,810	10,810	227,383	267,902
Total expenditures	<u>30,810</u>	<u>30,810</u>	<u>455,191</u>	<u>518,911</u>
Excess (deficiency) of revenues over expenditures	19,898	21,897	(434,563)	(392,768)
Other financing source:				
Operating transfer from - 1984 Sales Tax Fund	-	-	452,382	452,374
Excess of revenues and other financing source over expenditures	19,898	21,897	17,819	53,219
Fund balances, beginning	<u>189,207</u>	<u>254,287</u>	<u>694,896</u>	<u>1,138,390</u>
Fund balances, ending	<u>\$209,105</u>	<u>\$276,184</u>	<u>\$ 712,715</u>	<u>\$1,138,390</u>

CITY OF VILLE PLATTE, LOUISIANA  
Debt Service Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual  
Year ended June 30, 1996

	Public Improvement Bonds		Sewerage District No. 1 Bonds		Sales Tax Bonds		Variance - Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	Budget	Actual	
Revenues:							
Taxes - ad valorem	\$ 41,000	\$ 41,452	\$ 41,000	\$ 41,465	\$ -	\$ -	\$ -
Miscellaneous	10,000	9,256	10,000	11,242	20,000	20,628	628
Total revenues	51,000	50,708	51,000	52,707	20,000	20,628	628
Expenditures:							
General government -							
Paying agent fees	-	-	-	-	1,925	2,808	(883)
Debt service -							
Principal retirement	20,000	20,000	20,000	20,000	225,000	225,000	-
Interest	10,810	10,810	10,810	10,810	227,382	227,383	(1)
Total expenditures	30,810	30,810	30,810	30,810	454,307	455,191	(884)
Excess (deficiency) of revenues over expenditures	20,190	19,898	20,190	21,897	(434,307)	(434,563)	(256)
Other financing source:							
Operating transfer from 1984 Sales Tax Fund	-	-	-	-	453,658	452,382	(1,276)
Excess of revenues and other financing source over expenditures	20,190	19,898	20,190	21,897	19,351	17,819	(1,532)
Fund balance, beginning	189,207	189,207	254,287	254,287	694,896	694,896	-
Fund balance, ending	\$209,397	\$209,105	\$274,477	\$276,184	\$ 714,247	\$ 712,715	\$(1,532)

CAPITAL PROJECTS FUND

1993 Sales Tax Bonds Construction Fund - To account for the financing and construction of sewerage system improvements within the City. Funds have been provided through the issuance of \$1,600,000 Public Improvement Sales Tax Bonds, Series ST-1993.

CITY OF VILLE PLATTE, LOUISIANA  
Agency Funds

Combining Balance Sheet  
June 30, 1996  
With Comparative Totals for June 30, 1995

	<u>Payroll Fund</u>	<u>Disbursement Fund</u>	<u>Totals</u>	
			<u>1996</u>	<u>1995</u>
<b>ASSETS</b>				
Cash	\$80,313	\$ 119	\$80,432	\$55,326
Other receivables	-	-	-	9
Due from other funds	<u>730</u>	<u>-</u>	<u>730</u>	<u>750</u>
<b>Total assets</b>	<u>\$81,043</u>	<u>\$ 119</u>	<u>\$81,162</u>	<u>\$56,085</u>
<b>LIABILITIES</b>				
Due to other funds	<u>\$81,043</u>	<u>\$ 119</u>	<u>\$81,162</u>	<u>\$56,085</u>

CITY OF VILLE PLATTE, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Cash Flows (Continued)  
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents, beginning of period -		
Cash - unrestricted	\$ 303,830	\$ 467,238
Interest-bearing deposits, unrestricted	962,126	904,642
Cash - restricted	129,359	1,389,453
Interest-bearing deposits, restricted	2,276,690	1,197,575
Less: Interest-bearing deposits with a maturity over three months	<u>(71,266)</u>	<u>(68,373)</u>
Total cash and cash equivalents	<u>3,600,739</u>	<u>3,890,535</u>
Cash and cash equivalents, end of period -		
Cash - unrestricted	445,698	303,830
Interest-bearing deposits, unrestricted	1,001,372	962,126
Cash - restricted	149,552	129,359
Interest-bearing deposits, restricted	1,733,243	2,276,690
Less: Interest-bearing deposits with a maturity over three months	<u>(75,101)</u>	<u>(71,266)</u>
Total cash and cash equivalents	<u>3,254,764</u>	<u>3,600,739</u>
Net decrease	<u>\$ (345,975)</u>	<u>\$ (289,796)</u>
	=====	=====

CITY OF VILLE PLATTE, LOUISIANA  
Internal Service Fund  
Self Insurance Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
Year Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Operating revenues:		
Charges for service	\$273,044	\$ 262,197
Operating expenses:		
Specific stop loss insurance	72,908	83,001
Claims expense	150,107	236,425
Recoveries	(31,495)	(55,496)
Administrative and other	27,236	34,396
Total operating expenses	<u>218,756</u>	<u>298,326</u>
Operating income (loss)	54,288	(36,129)
Nonoperating revenues:		
Interest income	<u>754</u>	<u>1,264</u>
Net income (loss)	55,042	(34,865)
Retained earnings (deficit), beginning	<u>(90,495)</u>	<u>(55,630)</u>
Retained earnings (deficit), ending	<u>\$(35,453)</u>	<u>\$ (90,495)</u>

CITY OF VILLE PLATTE, LOUISIANA  
Internal Service Fund  
Construction Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Operating revenues:		
Charges for services -		
Water Utility Department	\$ 35,000	\$ 35,000
Gas Utility Department	<u>15,000</u>	<u>15,000</u>
Total operating revenues	<u>50,000</u>	<u>50,000</u>
Operating expenses:		
Salaries	57,951	65,066
Group insurance	10,033	10,396
Insurance	4,024	2,117
Workman's compensation	6,310	5,249
Gas, oil, and diesel	3,693	3,761
Small tools and supplies	2,303	2,358
Parts, labor and maintenance	8,042	7,347
Telephone and utilities	1,053	1,010
Depreciation	890	408
Payroll taxes	813	642
Retirement contributions	3,669	3,377
Miscellaneous	<u>250</u>	<u>45</u>
Total operating expenses	<u>99,031</u>	<u>101,776</u>
Operating loss	(49,031)	(51,776)
Nonoperating revenues:		
Interest income	<u>3,252</u>	<u>2,763</u>
Net loss	(45,779)	(49,013)
Retained earnings, beginning	65,152	114,165
Residual equity transfer to Utility Fund	<u>(19,373)</u>	<u>-</u>
Retained earnings, ending	<u>\$ -</u>	<u>\$ 65,152</u>

CITY OF VILLE PLATTE, LOUISIANA  
Internal Service Fund  
Municipal Garage Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Operating revenues:		
Charges for services -		
Gasoline and oil	\$ 11,499	\$13,401
Diesel and butane	<u>2,269</u>	<u>2,297</u>
Total operating revenues	<u>13,768</u>	<u>15,698</u>
Operating expenses:		
Gasoline, oil and grease	13,255	13,977
Equipment and building, repair and maintenance	215	289
Diesel	3,131	3,192
Shop expenses	<u>1,199</u>	<u>-</u>
Total operating expenses	<u>17,800</u>	<u>17,458</u>
Operating loss	(4,032)	(1,760)
Nonoperating revenues:		
Interest income	<u>2,153</u>	<u>1,853</u>
Net income (loss)	(1,879)	93
Retained earnings, beginning	53,556	53,463
Residual equity transfer to Utility Fund	<u>(51,677)</u>	<u>-</u>
Retained earnings, ending	<u>\$ -</u>	<u>\$53,556</u>

CITY OF VILLE PLATTE, LOUISIANA  
Internal Service Funds

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings  
Year Ended June 30, 1996  
With Comparative Totals for Year Ended June 30, 1995

	Municipal Garage Fund	Construction Fund	Self Insurance Fund	Totals 1996	1995
Operating revenues:					
Charges for services	<u>\$ 13,768</u>	<u>\$ 50,000</u>	<u>\$ 273,044</u>	<u>\$ 336,812</u>	<u>\$ 327,895</u>
Operating expenses:					
Municipal garage expenses	17,800	-	-	17,800	17,458
Utility construction and maintenance expenses	-	99,031	-	99,031	101,776
Self insurance expenses	<u>-</u>	<u>-</u>	<u>218,756</u>	<u>218,756</u>	<u>298,326</u>
Total operating expenses	<u>17,800</u>	<u>99,031</u>	<u>218,756</u>	<u>335,587</u>	<u>417,560</u>
Operating income (loss)	(4,032)	(49,031)	54,288	1,225	(89,665)
Nonoperating revenues:					
Interest income	<u>2,153</u>	<u>3,252</u>	<u>754</u>	<u>6,159</u>	<u>5,880</u>
Net income (loss)	(1,879)	(45,779)	55,042	7,384	(83,785)
Retained earnings (deficit), beginning	53,556	65,152	(90,495)	28,213	111,998
Residual equity transfer to Utility Fund	<u>(51,677)</u>	<u>(19,373)</u>	<u>-</u>	<u>(71,050)</u>	<u>-</u>
Retained earnings (deficit), ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$(35,453)</u>	<u>\$(35,453)</u>	<u>\$ 28,213</u>

CITY OF VILLE PLATTE, LOUISIANA  
Internal Service Funds

Combining Balance Sheet  
June 30, 1996  
With Comparative Totals for June 30, 1995

	Municipal Garage Fund	Construction Fund	Self Insurance Fund	Totals	
				1996	1995
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash	\$11,058	\$ -	\$ -	\$ 11,058	\$ 42,138
Interest-bearing deposits	41,542	59,555	76,495	177,592	132,500
Inventory	2,153	-	-	2,153	2,153
Receivables -					
Accrued interest	131	188	-	319	238
Other	-	4,167	-	4,167	4,445
Due from other funds	-	3,153	-	3,153	3,173
Total current assets	<u>54,884</u>	<u>67,063</u>	<u>76,495</u>	<u>198,442</u>	<u>184,647</u>
<b>Equipment, at cost, net of accumulated depreciation:</b>					
(1996 \$5,909; 1995 \$5,909)	-	-	-	-	-
(1996 \$76,903; 1995 \$76,903)	-	4,739	-	4,739	164
	<u>-</u>	<u>4,739</u>	<u>-</u>	<u>4,739</u>	<u>164</u>
<b>Total assets</b>	<u>\$54,884</u>	<u>\$71,802</u>	<u>\$ 76,495</u>	<u>\$203,181</u>	<u>\$184,811</u>
	=====	=====	=====	=====	=====
<b>LIABILITIES AND FUND EQUITY</b>					
<b>Current liabilities:</b>					
Cash overdraft	\$ -	\$ 9,098	\$ -	\$ 9,098	\$ 19,396
Accounts payable	2,477	830	-	3,307	4,198
Claims payable	-	-	51,948	51,948	48,106
Compensated absences payable	-	-	-	-	2,378
Due to other funds	52,407	39,354	60,000	151,761	60,000
Total liabilities	<u>54,884</u>	<u>49,282</u>	<u>111,948</u>	<u>216,114</u>	<u>134,078</u>
<b>Fund equity:</b>					
Contributed capital	-	22,520	-	22,520	22,520
Retained earnings (deficit) -					
Reserved for additional excess loss insurance premiums	-	-	-	-	14,937
Unreserved	-	-	(35,453)	(35,453)	13,276
Total retained earnings	<u>-</u>	<u>-</u>	<u>(35,453)</u>	<u>(35,453)</u>	<u>28,213</u>
<b>Total fund equity</b>	<u>-</u>	<u>22,520</u>	<u>(35,453)</u>	<u>(12,933)</u>	<u>50,733</u>
<b>Total liabilities and fund equity</b>	<u>\$54,884</u>	<u>\$71,802</u>	<u>\$ 76,495</u>	<u>\$203,181</u>	<u>\$184,811</u>
	=====	=====	=====	=====	=====

CITY OF VILLE PLATTE, LOUISIANA  
 Capital Projects Fund  
 1993 Sales Tax Bonds Construction Fund

Comparative Balance Sheet  
 June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
<b>ASSETS</b>		
Interest-bearing deposits	\$1,017,260	\$1,288,773
Due from other funds	<u>198,016</u>	<u>16,185</u>
Total assets	<u>\$1,215,276</u>	<u>\$1,304,958</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Retainage Payable	\$ 13,693	\$ -
<b>Fund balance:</b>		
Designated for subsequent year's expenditures	<u>1,201,583</u>	<u>1,304,958</u>
Total liabilities and fund balance	<u>\$1,215,276</u>	<u>\$1,304,958</u>

CITY OF VILLE PLATTE, LOUISIANA  
 Enterprise Fund  
 Utility Fund

Schedule of Changes in Assets Restricted For Debt Service  
 Year Ended June 30, 1996

	Revenue Bonds				Totals
	Cash With Paying Agent	Bond and Interest Sinking	Reserve	Renewal and Replacement	
Cash and interest-bearing deposits, July 1, 1995	\$ -	\$140,198	\$566,288	\$270,481	\$ 976,967
Cash receipts:					
Transfers from operating account	-	482,554	-	-	482,554
Transfers from sinking fund	486,797	-	-	-	486,797
Interest on interest-bearing deposits	-	14,527	30,279	14,093	58,899
Total cash receipts	<u>486,797</u>	<u>497,081</u>	<u>30,279</u>	<u>14,093</u>	<u>1,028,250</u>
Total cash and interest-bearing deposits available	<u>486,797</u>	<u>637,279</u>	<u>596,567</u>	<u>284,574</u>	<u>2,005,217</u>
Cash disbursements:					
Principal payments	220,000	-	-	-	220,000
Interest payments	263,218	-	-	-	263,218
Paying agents' fees	3,579	-	-	-	3,579
Transfer to paying agent	-	377,439	109,358	-	486,797
Total disbursements	<u>486,797</u>	<u>377,439</u>	<u>109,358</u>	<u>-</u>	<u>973,594</u>
Cash and interest-bearing deposits, June 30, 1996	\$ -	\$259,840	\$487,209	\$284,574	\$1,031,623

CITY OF VILLE PLATTE, LOUISIANA  
 Capital Projects Fund  
 1993 Sales Tax Bonds Construction Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget (GAAP Basis) and Actual  
 Year Ended June 30, 1996  
 With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
Revenues:				
Miscellaneous - interest	\$ 56,000	\$ 54,461	\$ (1,539)	\$ 53,596
Expenditures:				
Capital outlay -				
Construction cost	200,000	199,940	60	54,384
Engineering and other	<u>20,000</u>	<u>20,910</u>	<u>(910)</u>	<u>2,610</u>
Total expenditures	<u>220,000</u>	<u>220,850</u>	<u>(850)</u>	<u>56,994</u>
Deficiency of revenues over expenditures	(164,000)	(166,389)	(2,389)	(3,398)
Other financing source				
Operating transfer from - 1984 Sales Tax Fund	<u>96,246</u>	<u>63,014</u>	<u>(33,232)</u>	<u>56,995</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(67,754)	(103,375)	(35,621)	53,597
Fund balance, beginning	<u>1,304,958</u>	<u>1,304,958</u>	<u>-</u>	<u>1,251,361</u>
Fund balance, ending	<u>\$1,237,204</u>	<u>\$1,201,583</u>	<u>\$(35,621)</u>	<u>\$1,304,958</u>

CITY OF VILLE PLATTE, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Cash Flows  
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Cash flows from operating activities:		
Net operating income	\$ 853,343	\$ 729,718
Adjustments to reconcile net operating income to net cash provided by operating activities -		
Depreciation	416,836	405,770
Changes in assets and liabilities:		
Increase in accounts receivable	(93,015)	(29,819)
Increase in provision for uncollectible accounts	47,321	19,985
Increase in unbilled utility receivables	(5,145)	(2,284)
Increase (decrease) in inventory	(1,755)	2,820
Increase in accounts payable	8,127	3,046
Increase (decrease) in accrued liabilities	(14,802)	7,342
Increase in compensated absences payable	10,120	106
(Decrease) in contracts payable	(27,864)	(42,363)
Increase in retainage payable	25,542	14,746
Total adjustments	<u>365,365</u>	<u>379,349</u>
Net cash provided by operating activities	<u>1,218,708</u>	<u>1,109,067</u>
Cash flows from noncapital financing activities:		
Cash received from other funds	99,250	6,617
Cash paid to other funds	(86,314)	(143,856)
Operating transfers from other funds	108,632	90,000
Operating transfers to other funds	(815,000)	(740,000)
Net cash used by noncapital financing activities	<u>(693,432)</u>	<u>(787,239)</u>
Cash flows from capital and related financing activities:		
Principal paid on revenue bonds	(220,000)	(205,000)
Interest and paying agent fees paid on revenue bonds	(266,797)	(277,339)
Acquisition and construction of property, plant and equipment	(784,901)	(531,159)
Proceeds from sale of equipment	-	1,500
Proceeds from meter deposits	79,659	49,695
Bad debt recoveries	2,777	5,457
Refund of meter deposits	(53,290)	(31,910)
Capital contributed from municipality	239,680	56,995
Capital contributed private grant	-	241,602
Payment for bond issuance costs	-	(52,104)
Net cash used by capital and related financing activities	<u>(1,002,872)</u>	<u>(742,263)</u>
Cash flows from investing activities:		
Purchase of interest-bearing deposits	(75,101)	(71,266)
Proceeds from maturities of interest-bearing deposits	71,266	68,373
Interest received on interest-bearing deposits	135,456	133,532
Net cash provided by investing activities	<u>131,621</u>	<u>130,639</u>
Net decrease in cash and cash equivalents	(345,975)	(289,796)
Cash and cash equivalents, beginning of period	<u>3,600,739</u>	<u>3,890,535</u>
Cash and cash equivalents, end of period	\$ 3,254,764	\$3,600,739
	=====	=====

(continued)

<u>Gas Department</u>		<u>Water Department</u>		<u>Sewerage Department</u>	
<u>1996</u>	<u>1995</u>	<u>1996</u>	<u>1995</u>	<u>1996</u>	<u>1995</u>
\$2,030,304	\$1,560,078	\$721,834	\$719,053	\$ 256,169	\$ 248,474
7,260	7,480	10,240	10,360	1,355	1,106
56,370	42,108	19,895	19,328	6,632	7,604
<u>2,093,934</u>	<u>1,609,666</u>	<u>751,969</u>	<u>748,741</u>	<u>264,156</u>	<u>257,184</u>
1,421,991	1,098,011	-	-	-	-
-	-	360,608	344,216	-	-
-	-	-	-	474,117	443,646
<u>1,421,991</u>	<u>1,098,011</u>	<u>360,608</u>	<u>344,216</u>	<u>474,117</u>	<u>443,646</u>
<u>\$ 671,943</u>	<u>\$ 511,655</u>	<u>\$391,361</u>	<u>\$404,525</u>	<u>\$(209,961)</u>	<u>\$(186,462)</u>

CITY OF VILLE PLATTE, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
Years Ended June 30, 1996 and 1995

	Totals	
	1996	1995
Operating revenues:		
Charges for services -		
Customer service charges	\$3,008,307	\$2,527,605
Connection and inspection fees	18,855	18,946
Miscellaneous	82,897	69,040
Total operating revenues	3,110,059	2,615,591
Operating expenses:		
Gas department expenses	1,421,991	1,098,011
Water department expenses	360,608	344,216
Sewerage department expenses	474,117	443,646
Total operating expenses	2,256,716	1,885,873
Operating income (loss)	853,343	729,718
Nonoperating revenues (expenses):		
Interest income	136,397	135,335
Interest expense	(261,057)	(273,040)
Bad debt recovery	2,777	5,457
Gain on sale of equipment	-	1,500
Paying agents' fees	(3,579)	(2,335)
Amortization of bond issuance cost	(3,596)	(3,596)
Total nonoperating revenues (expenses)	(129,058)	(136,679)
Income before operating transfers	724,285	593,039
Operating transfers in (out):		
Operating transfers in	108,632	90,000
Operating transfers out	(815,000)	(740,000)
Total operating transfers in (out)	(706,368)	(650,000)
Net income (loss)	17,917	(56,961)
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	43,169	43,169
Increase (decrease) in retained earnings	61,086	(13,792)
Retained earnings, beginning	2,021,342	2,035,134
Retained earnings, ending	\$2,082,428	\$2,021,342

	Totals	
	1996	1995
LIABILITIES AND FUND EQUITY		
Liabilities:		
Current liabilities (payable from current assets) -		
Accounts payable	\$ 53,830	\$ 45,703
Accrued liabilities	43,546	58,348
Contracts payable	-	27,864
Retainage payable	48,091	22,549
Compensated absences payable	20,565	10,445
Due to other funds	<u>106,188</u>	<u>6,938</u>
Total current liabilities (payable from current assets)	<u>272,220</u>	<u>171,847</u>
Current liabilities (payable from restricted assets) -		
Revenue bonds payable	225,000	220,000
Accrued interest payable	41,709	43,870
Customers' deposits	<u>415,746</u>	<u>389,377</u>
Total current liabilities (payable from restricted assets)	<u>682,455</u>	<u>653,247</u>
Long-term liabilities -		
Revenue bonds payable	<u>4,430,000</u>	<u>4,655,000</u>
Total liabilities	<u>5,384,675</u>	<u>5,480,094</u>
Fund equity:		
Contributed capital (net of accumulated amortization) -		
Municipality	7,335,719	7,096,929
Federal grants	827,379	847,484
State grants	392,472	408,820
Private grants	<u>255,229</u>	<u>261,945</u>
Total contributed capital	<u>8,810,799</u>	<u>8,615,178</u>
Retained earnings -		
Reserved for retirement of revenue bonds	764,914	713,097
Unreserved	<u>1,317,514</u>	<u>1,308,245</u>
Total retained earnings	<u>2,082,428</u>	<u>2,021,342</u>
Total fund equity	<u>10,893,227</u>	<u>10,636,520</u>
Total liabilities and fund equity	<u>\$16,277,902</u>	<u>\$16,116,614</u>

CITY OF VILLE PLATTE, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Balance Sheet  
June 30, 1996 and 1995

	Totals	
	1996	1995
<b>ASSETS</b>		
Current assets:		
Cash	\$ 445,698	\$ 303,830
Interest-bearing deposits	1,001,372	962,126
Receivables -		
Accounts	327,434	281,740
Unbilled utility	60,930	55,785
Accrued interest	4,646	3,705
Due from other funds	402,322	316,898
Inventory - materials and supplies, at cost	20,959	19,204
Total current assets	2,263,361	1,943,288
Restricted assets:		
Bond and interest sinking fund -		
Interest-bearing deposits	259,840	140,198
Bond reserve fund -		
Interest-bearing deposits	487,209	566,288
Renewal and replacement fund -		
Interest-bearing deposits	284,574	270,481
Customers' deposits -		
Cash	149,552	129,359
Interest-bearing deposits	266,194	260,018
Water construction fund -		
Interest-bearing deposits	435,426	1,039,705
Total restricted assets	1,882,795	2,406,049
Property, plant and equipment, at cost, net of accumulated depreciation	12,067,018	11,698,953
Other assets:		
Unamortized bond issuance costs	64,728	68,324
Total assets	\$16,277,902	\$16,116,614

## SPECIAL REVENUE FUNDS

1975 Sales Tax Fund - To account for the receipt and use of proceeds of the City's 1975 one percent sales and use tax. These taxes are dedicated to the following purposes: paying bonds; constructing, acquiring, improving and maintaining police and fire department stations and equipment; garbage and waste disposal facilities; streets, sidewalks, and drainage facilities; sewer and sewerage disposal works; park and pool facilities; and compensating firemen and policemen.

1984 Sales Tax Fund - To account for the receipt and use of proceeds of the City's 1984 one percent sales and use tax. These taxes are dedicated to the following purposes: constructing, acquiring, extending, improving, operating and/or maintaining sewers and sewerage disposal works, including the purchase and acquisition of the necessary land and equipment therefor; and at least 5 percent of such tax annually for constructing, extending, improving and/or maintaining streets and sidewalks, after making provision for annual debt service on bonds which may be issued for the aforementioned purposes.

City Court Fund - To account for the City's portion of City Court fine income and expenses paid directly from the City's funds.

Section 8 Housing Fund - To account for the administration of grant funds received from the U. S. Department of Housing and Urban Development to provide rental assistance to low income persons.

1995 Louisiana Community Development Grant (LCDBG) - To account for the administration of grant funds received from the State of Louisiana Division of Administration for street improvements.

## INTERNAL SERVICE FUNDS

Municipal Garage Fund - To account for the financing of gas, oil and other materials necessary for the maintenance and repair of municipal vehicles and equipment. These materials and services are provided to the City's various departments on a cost-reimbursement basis.

Construction Fund - To account for construction and maintenance work performed on the gas, water, and sewerage systems of the City. Financing is provided by monthly charges to the Utility Fund.

Self Insurance Fund - To account for monies accumulated to provide self-insurance against the City's uninsured risk of loss for commercial group health insurance.

Proprietary Fund Types		Fiduciary Fund Type Agency	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service		General Fixed Assets (Unaudited)	General Long- Term Debt	1996	1995
\$ -	\$ 9,098	\$ -	\$ -	\$ -	\$ 9,098	\$ 19,396
53,830	3,307	-	-	-	143,094	164,972
43,546	-	-	-	-	49,715	58,348
20,565	-	-	-	-	92,084	70,481
-	51,948	-	-	-	51,948	48,106
-	-	-	-	-	-	27,864
48,091	-	-	-	-	61,784	22,549
106,188	151,761	81,162	-	-	939,176	479,344
-	-	-	-	-	28,884	4,776
-	-	-	-	-	-	20,510
225,000	-	-	-	-	225,000	220,000
41,709	-	-	-	-	41,709	43,870
415,746	-	-	-	-	415,746	389,377
-	-	-	-	4,645,000	4,645,000	4,910,000
4,430,000	-	-	-	-	4,430,000	4,655,000
-	-	-	-	86,955	86,955	117,585
<u>5,384,675</u>	<u>216,114</u>	<u>81,162</u>	<u>-</u>	<u>4,731,955</u>	<u>11,220,193</u>	<u>11,252,178</u>
<u>8,810,799</u>	<u>22,520</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,833,319</u>	<u>8,637,698</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>6,550,910</u>	<u>-</u>	<u>6,550,910</u>	<u>6,473,650</u>
764,914	-	-	-	-	764,914	713,097
-	-	-	-	-	-	14,937
<u>1,317,514</u>	<u>(35,453)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,282,061</u>	<u>1,321,521</u>
<u>2,082,428</u>	<u>(35,453)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,046,975</u>	<u>2,049,555</u>
-	-	-	-	-	1,042,715	1,064,896
-	-	-	-	-	1,435	3,190
-	-	-	-	-	1,201,583	1,304,958
-	-	-	-	-	2,163,920	1,880,871
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,409,653</u>	<u>4,253,915</u>
<u>10,893,227</u>	<u>(12,933)</u>	<u>-</u>	<u>6,550,910</u>	<u>-</u>	<u>21,840,857</u>	<u>21,414,818</u>
<u>\$16,277,902</u>	<u>\$203,181</u>	<u>\$81,162</u>	<u>\$6,550,910</u>	<u>\$4,731,955</u>	<u>\$33,061,050</u>	<u>\$32,666,996</u>
=====	=====	=====	=====	=====	=====	=====

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

particular receivable. At June 30, 1996, an allowance for ad valorem taxes was considered unnecessary due to the immateriality of uncollected ad valorem taxes (see Note 3). The allowance for uncollectibles for customers' utility receivables was \$129,244 and \$81,922 at June 30, 1996 and 1995, respectively.

K. Bond Discount and Issuance Costs

Bond discount and issuance costs are being amortized over the life of the bond issue using the straight-line method.

L. Capitalization of Interest Expense

It is the policy of the City of Ville Platte to capitalize material amounts of interest resulting from borrowings in the course of the construction of fixed assets.

During the fiscal year ended June 30, 1996, there were no amounts of interest capitalized with construction projects.

M. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

N. Total Columns on Combined Statements - Overview

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows 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.

O. Adoption of GASB Statement 27

During the year ended June 30, 1996, the City of Ville Platte adopted GASB Statement 27, Accounting for Pensions by State and Local Government Employees. Although this statement is effective for periods beginning after June 15, 1997, the Governmental Accounting Standards Board is encouraging early implementation.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Board of Aldermen.

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City as an extension of formal budgetary integration in the funds.

G. Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

H. Statement of Cash Flows

For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

I. Inventories

Inventory in the Utility Fund, which consists of supplies and parts, is valued at the lower of cost (first-in, first-out) or market. Inventory in the Municipal Garage Fund, which includes gas and diesel, is valued at cost.

J. Bad Debts

Uncollectible amounts due for ad valorem taxes and customers' utility receivables 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

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

the year for which budgeted, that is, in the year in which such taxes are billed to taxpayers. Other major revenues that are considered susceptible to accrual include earned grant revenues and other intergovernmental revenues, charges for services and interest on interest-bearing deposits. Franchise fees, licenses and permits, and fines are recognized when received because they are not objectively measurable.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that accumulated unpaid vacation and sick pay are not accrued and principal and interest on general long-term debt are recognized when due. Purchase of various operating supplies are regarded as expenditures at the time purchased.

All proprietary funds are accounted for using the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when incurred. Unbilled utility service receivables, resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year end.

E. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The City Clerk prepares a proposed operating budget for the fiscal year and submits it to the Mayor and Board of Aldermen not later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

not to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems. The expenditures for infrastructure during the current year were \$708,054. No depreciation has been provided on general fixed assets.

All purchased fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. Estimated amounts are immaterial in relation to total fixed assets.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets.

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:

Buildings	20 - 30 years
Utility System and Improvements	10 - 50 years
Equipment	3 - 10 years

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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

Sales taxes are considered as "measurable" when received by the City from the Sales Tax Collector and are recognized as revenue at that time. Ad valorem taxes are recognized as revenue in

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (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 goods or 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 that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City applies all applicable FASB pronouncements issued after November 30, 1989 in accounting and reporting for its enterprise fund. The City of Ville Platte's enterprise fund is the Utility Fund.

Internal service funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

Fiduciary Funds -

Agency funds

Agency funds are used to account for assets held by the City 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.

C. Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental funds are accounted for on a spending or "financial flow" measurement focus, and only current assets and current liabilities are generally included on their balance sheets.

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 City has elected

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

B. Fund Accounting

The accounts of the City of Ville Platte are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into seven generic fund types and three broad fund categories as follows:

Governmental Funds -

General Fund

The General Fund is the general operating fund of the City. 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 expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Debt service funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital projects funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The City of Ville Platte (City) was incorporated under the provisions of the Lawrason Act. The City operates under a Mayor-Board of Aldermen form of government.

The accounting and reporting policies of the City of Ville Platte conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A. The Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but 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. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be 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. These financial statements report only the City of Ville Platte, the primary government and do not include two component units identified as follows:

City Marshal -

The City Marshal is controlled by the City Marshal, who is an independently elected official. The City Marshal is included as part of the operations of the City Court System. The City Court System is fiscally dependent on the City of Ville Platte for office space and courtrooms.

City Court -

The City Court is controlled by the City Court Judge who is an independently elected official. The City Court is included as part of the operations of the City Court System. The City Court System is fiscally dependent on the City of Ville Platte for office space and courtrooms.

CITY OF VILLE PLATTE, LOUISIANA

Combined Statement of Cash Flows - Proprietary Fund Types (continued)  
Years Ended June 30, 1996 and 1995

	Enterprise Funds		Internal Service Funds		Totals (Memorandum Only)	
	1996	1995	1996	1995	1996	1995
Cash flows from investing activities:						
Purchase of interest-bearing deposits	\$ (75,101)	\$ (71,266)	\$ -	\$ -	\$ (75,101)	\$ (71,266)
Proceeds from maturities of interest-bearing deposits	71,266	68,373	-	-	71,266	68,373
Interest received on interest-bearing deposits	<u>135,456</u>	<u>133,532</u>	<u>6,159</u>	<u>5,880</u>	<u>141,615</u>	<u>139,412</u>
Net cash provided by investing activities	<u>131,621</u>	<u>130,639</u>	<u>6,159</u>	<u>5,880</u>	<u>137,780</u>	<u>136,519</u>
Net increase (decrease) in cash and cash equivalents	(345,975)	(289,796)	14,012	(65,973)	(331,963)	(355,769)
Cash and cash equivalents, beginning of period	<u>3,600,739</u>	<u>3,890,535</u>	<u>174,638</u>	<u>240,611</u>	<u>3,775,377</u>	<u>4,131,146</u>
Cash and cash equivalents, end of period	<u>\$3,254,764</u>	<u>\$3,600,739</u>	<u>\$188,650</u>	<u>\$174,638</u>	<u>\$3,443,414</u>	<u>\$3,775,377</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:						
Cash and cash equivalents beginning of period -						
Cash - unrestricted	\$ 303,830	\$ 467,238	\$ 42,138	\$105,784	\$ 345,968	573,022
Interest-bearing deposits unrestricted	962,126	904,642	132,500	134,827	1,094,626	1,039,469
Cash - restricted	129,359	1,389,453	-	-	129,359	1,389,453
Interest-bearing deposits restricted	2,276,690	1,197,575	-	-	2,276,690	1,197,575
Less: Interest-bearing deposits with a maturity over three months	<u>(71,266)</u>	<u>(68,373)</u>	<u>-</u>	<u>-</u>	<u>(71,266)</u>	<u>(68,373)</u>
Total cash and cash equivalents	<u>3,600,739</u>	<u>3,890,535</u>	<u>174,638</u>	<u>240,611</u>	<u>3,775,377</u>	<u>4,131,146</u>
Cash and cash equivalents, end of period -						
Cash - unrestricted	445,698	303,830	11,058	42,138	456,756	345,968
Interest-bearing deposits, unrestricted	1,001,372	962,126	177,592	132,500	1,178,964	1,094,626
Cash - restricted	149,552	129,359	-	-	149,552	129,359
Interest-bearing deposits, restricted	1,733,243	2,276,690	-	-	1,733,243	2,276,690
Less: Interest-bearing deposits with a maturity over three months	<u>(75,101)</u>	<u>(71,266)</u>	<u>-</u>	<u>-</u>	<u>(75,101)</u>	<u>(71,266)</u>
Total cash and cash equivalents	<u>3,254,764</u>	<u>3,600,739</u>	<u>188,650</u>	<u>174,638</u>	<u>3,443,414</u>	<u>3,775,377</u>
Net increase (decrease)	<u>\$ (345,975)</u>	<u>\$ (289,796)</u>	<u>\$14,012</u>	<u>\$ (65,973)</u>	<u>\$ (331,963)</u>	<u>\$ (355,769)</u>

The accompanying notes are an integral part of this statement.

CITY OF VILLE PLATTE, LOUISIANA

Combined Statement of Cash Flows - Proprietary Fund Types  
Years Ended June 30, 1996 and 1995

	Enterprise Funds		Internal Service Funds		Totals (Memorandum Only)	
	1996	1995	1996	1995	1996	1995
<b>Cash flows from operating activities:</b>						
Net operating income (loss)	\$ 853,343	\$ 729,718	\$ 1,225	\$ (89,665)	\$ 854,568	\$ 640,053
<b>Adjustments to reconcile net operating income to net cash provided by operating activities -</b>						
Depreciation	416,836	405,770	890	408	417,726	406,178
<b>Changes in assets and liabilities:</b>						
Increase in accounts receivable	(93,015)	(29,819)	-	-	(93,015)	(29,819)
Increase in provision for uncollectible accounts	47,321	19,985	-	-	47,321	19,985
Increase in unbilled utility receivables	(5,145)	(2,284)	-	-	(5,145)	(2,284)
Increase (decrease) in inventory	(1,755)	2,820	-	(2,153)	(1,755)	667
(Increase) decrease in other receivables	-	-	(81)	(129)	(81)	(129)
Increase in other receivables	-	-	278	(278)	278	(278)
Increase (decrease) in cash overdraft	-	-	(10,298)	19,396	(10,298)	19,396
Increase (decrease) in accounts payable	8,127	3,046	(891)	1,397	7,236	4,443
Increase in claims payable	-	-	3,842	600	3,842	600
Increase (decrease) in accrued liabilities	(14,802)	7,342	-	-	(14,802)	7,342
Increase in compensated absences payable	10,120	106	(2,378)	24	7,742	130
Increase (decrease) in contracts payable	(27,864)	(42,363)	-	-	(27,864)	(42,363)
Increase in retainage payable	25,542	14,746	-	-	25,542	14,746
Total adjustments	365,365	379,349	(8,638)	19,265	356,727	398,614
Net cash provided (used) by operating activities	1,218,708	1,109,067	(7,413)	(70,400)	1,211,295	1,038,667
<b>Cash flows from noncapital financing activities:</b>						
Cash received from other funds	99,250	6,617	91,781	-	191,031	6,617
Cash paid to other funds	(86,314)	(143,856)	(71,050)	(1,453)	(157,364)	(145,309)
Operating transfers from other funds	108,632	90,000	-	-	108,632	90,000
Operating transfers to other funds	(815,000)	(740,000)	-	-	(815,000)	(740,000)
Net cash provided (used) by noncapital financing activities	(693,432)	(787,239)	20,731	(71,853)	(672,701)	(788,692)
<b>Cash flows from capital and related financing activities:</b>						
Principal paid on revenue bonds	(220,000)	(205,000)	-	-	(220,000)	(205,000)
Interest and paying agent fees paid on revenue bonds	(266,797)	(277,339)	-	-	(266,797)	(277,339)
Acquisition and construction of property, plant and equipment	(784,901)	(531,159)	(5,465)	-	(790,366)	(531,159)
Proceeds from sale of equipment	-	1,500	-	-	-	1,500
Proceeds from meter deposits	79,659	49,695	-	-	79,659	49,695
Bad debt recoveries	2,777	5,457	-	-	2,777	5,457
Refund of meter deposits	(53,290)	(31,910)	-	-	(53,290)	(31,910)
Capital contributed from municipality	239,680	56,995	-	-	239,680	56,995
Capital contributed private grant	-	241,602	-	-	-	241,602
Payment for bond issuance costs	-	(52,104)	-	-	-	(52,104)
Net cash used by capital and related financing activities	(1,002,872)	(742,263)	(5,465)	-	(1,008,337)	(742,263)

(continued)

CITY OF VILLE PLATTE, LOUISIANA

Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - Proprietary Fund Types  
Years Ended June 30, 1996 and 1995

	Enterprise Fund		Internal Service Funds		Totals (Memorandum Only)	
	1996	1995	1996	1995	1996	1995
Operating revenues:						
Charges for services	\$3,008,307	\$2,527,605	\$336,812	\$327,895	\$3,345,119	\$2,855,500
Connection and inspection fees	18,855	18,946	-	-	18,855	18,946
Miscellaneous	82,897	69,040	-	-	82,897	69,040
Total operating revenues	<u>3,110,059</u>	<u>2,615,591</u>	<u>336,812</u>	<u>327,895</u>	<u>3,446,871</u>	<u>2,943,486</u>
Operating expenses:						
Gas department expenses	1,296,875	970,200	-	-	1,296,875	970,200
Water department expenses	244,031	238,224	-	-	244,031	238,224
Sewerage department expenses	298,974	271,679	-	-	298,974	271,679
Municipal garage expenses	-	-	17,800	17,458	17,800	17,458
Construction expenses	-	-	98,141	101,368	98,141	101,368
Depreciation expense	416,836	405,770	890	408	417,726	406,178
Self insurance expenses	-	-	218,756	298,326	218,756	298,326
Total operating expenses	<u>2,256,716</u>	<u>1,885,873</u>	<u>335,587</u>	<u>417,560</u>	<u>2,592,303</u>	<u>2,303,433</u>
Operating income (loss)	<u>853,343</u>	<u>729,718</u>	<u>1,225</u>	<u>(89,665)</u>	<u>854,568</u>	<u>640,053</u>
Nonoperating revenues (expenses):						
Interest income	136,397	135,335	6,159	5,880	142,556	141,215
Interest expense	(261,057)	(273,040)	-	-	(261,057)	(273,040)
Bad debt recovery	2,777	5,457	-	-	2,777	5,457
Gain on sale of equipment	-	1,500	-	-	-	1,500
Paying agents' fees	(3,579)	(2,335)	-	-	(3,579)	(2,335)
Amortization of bond issuance costs	(3,596)	(3,596)	-	-	(3,596)	(3,596)
Total nonoperating revenues (expenses)	<u>(129,058)</u>	<u>(136,679)</u>	<u>6,159</u>	<u>5,880</u>	<u>(122,899)</u>	<u>(130,799)</u>
Income (loss) before operating transfers	<u>724,285</u>	<u>593,039</u>	<u>7,384</u>	<u>(83,785)</u>	<u>731,669</u>	<u>509,254</u>
Operating transfers in (out):						
Operating transfers in	108,632	90,000	-	-	108,632	90,000
Operating transfers out	(815,000)	(740,000)	-	-	(815,000)	(740,000)
Total operating transfers in (out)	<u>(706,368)</u>	<u>(650,000)</u>	<u>-</u>	<u>-</u>	<u>(706,368)</u>	<u>(650,000)</u>
Net income (loss)	17,917	(56,961)	7,384	(83,785)	25,301	(140,746)
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>43,169</u>	<u>43,169</u>	<u>-</u>	<u>-</u>	<u>43,169</u>	<u>43,169</u>
Increase (decrease) in retained earnings	61,086	(13,792)	7,384	(83,785)	68,470	(97,577)
Retained earnings, beginning	2,021,342	2,035,134	28,213	111,998	2,049,555	2,147,132
Residual equity transfer to Utility Fund	-	-	(71,050)	-	(71,050)	-
Retained earnings (deficit), ending	<u>\$2,082,428</u>	<u>\$2,021,342</u>	<u>\$(35,453)</u>	<u>\$ 28,213</u>	<u>\$2,046,975</u>	<u>\$2,049,555</u>

The accompanying notes are an integral part of this statement.

Debt Service Funds			Capital Projects Fund		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 82,000	\$ 82,917	\$ 917	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
<u>40,000</u>	<u>41,126</u>	<u>1,126</u>	<u>56,000</u>	<u>54,461</u>	<u>(1,539)</u>
<u>122,000</u>	<u>124,043</u>	<u>2,043</u>	<u>56,000</u>	<u>54,461</u>	<u>(1,539)</u>
1,925	2,808	(883)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	220,000	220,850	(850)
265,000	265,000	-	-	-	-
<u>249,002</u>	<u>249,003</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>515,927</u>	<u>516,811</u>	<u>(884)</u>	<u>220,000</u>	<u>220,850</u>	<u>(850)</u>
<u>(393,927)</u>	<u>(392,768)</u>	<u>1,159</u>	<u>(164,000)</u>	<u>(166,389)</u>	<u>(2,389)</u>
453,658	452,382	(1,276)	96,246	63,014	(33,232)
-	-	-	-	-	-
<u>453,658</u>	<u>452,382</u>	<u>(1,276)</u>	<u>96,246</u>	<u>63,014</u>	<u>(33,232)</u>
59,731	59,614	(117)	(67,754)	(103,375)	(35,621)
<u>1,138,390</u>	<u>1,138,390</u>	<u>-</u>	<u>1,304,958</u>	<u>1,304,958</u>	<u>-</u>
<u>\$1,198,121</u>	<u>\$1,198,004</u>	<u>\$ (117)</u>	<u>\$1,237,204</u>	<u>\$1,201,583</u>	<u>\$ (35,621)</u>
=====	=====	=====	=====	=====	=====

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

(2) Cash and Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 1996, the City has cash and interest-bearing deposits (book balances) totaling \$8,235,427 as follows:

Demand deposits	\$1,097,913
Money market accounts	4,265,969
Time deposits	<u>2,871,545</u>
 Total	 \$8,235,427 <u>-----</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 1996, are as follows:

Bank balances	<u>\$8,385,958</u>
---------------	--------------------

At June 30, 1996 the deposits are secured as follows:

Federal deposit insurance	\$ 606,317
Pledged securities (Category 3)	<u>7,779,641</u>
 Total	 \$8,385,958 <u>-----</u>

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the City's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent has failed to pay deposited funds upon demand.

CITY OF VILLE PLATTE, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -  
All Governmental Fund Types  
Year Ended June 30, 1996

	General	Special Revenue	Debt Service	Capital Projects	Totals	
					1996	(Memorandum Only) 1995
<b>Revenues:</b>						
Taxes	\$ 620,378	\$ 1,539,274	\$ 82,917	\$ -	\$ 2,242,569	\$ 2,146,674
Licenses and permits	273,641	-	-	-	273,641	239,120
Intergovernmental	232,077	706,777	-	-	938,854	457,102
Fines and forfeits	-	84,266	-	-	84,266	67,910
Miscellaneous	76,190	78,094	41,126	54,461	249,871	243,734
Total revenues	<u>1,202,286</u>	<u>2,408,411</u>	<u>124,043</u>	<u>54,461</u>	<u>3,789,201</u>	<u>3,154,540</u>
<b>Expenditures:</b>						
Current -						
General government	357,456	214,820	2,808	-	575,084	550,101
Public safety:						
Police	889,992	-	-	-	889,992	885,249
Fire	408,533	-	-	-	408,533	357,927
Streets and drainage	497,489	-	-	-	497,489	563,277
Culture and recreation	185,579	-	-	-	185,579	192,317
Urban redevelopment and housing	-	222,820	-	-	222,820	209,281
Capital outlay	119,600	665,714	-	220,850	1,006,164	703,122
Debt service -						
Principal retirement	30,630	-	265,000	-	295,630	278,205
Interest and fiscal charges	9,537	-	249,003	-	258,540	267,902
Total expenditures	<u>2,498,816</u>	<u>1,103,354</u>	<u>516,811</u>	<u>220,850</u>	<u>4,339,831</u>	<u>4,007,381</u>
Excess (deficiency) of revenues over expenditures	<u>(1,296,530)</u>	<u>1,305,057</u>	<u>(392,768)</u>	<u>(166,389)</u>	<u>(550,630)</u>	<u>(852,841)</u>
<b>Other financing sources (uses):</b>						
Proceeds from capital lease	-	-	-	-	-	145,790
Operating transfers in	1,415,000	57,000	452,382	63,014	1,987,396	1,897,869
Operating transfers out	-	(1,281,028)	-	-	(1,281,028)	(1,247,869)
Total other financing sources (uses)	<u>1,415,000</u>	<u>(1,224,028)</u>	<u>452,382</u>	<u>63,014</u>	<u>706,368</u>	<u>(57,051)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	118,470	81,029	59,614	(103,375)	155,738	(57,051)
Fund balances, beginning	<u>109,610</u>	<u>1,700,957</u>	<u>1,138,390</u>	<u>1,304,958</u>	<u>4,253,915</u>	<u>4,310,966</u>
Fund balances, ending	\$ <u>228,080</u>	\$ <u>1,781,986</u>	\$ <u>1,198,004</u>	\$ <u>1,201,583</u>	\$ <u>4,409,653</u>	\$ <u>4,253,915</u>

The accompanying notes are an integral part of this statement.

However, the primary government financial statements, because they do not include the financial data of component units of the City of Ville Platte, Louisiana, do not purport to and do not present fairly the financial position of the City of Ville Platte, Louisiana as of June 30, 1996, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated August 28, 1996 on our consideration of the City of Ville Platte, Louisiana's internal control structure and a report dated August 28, 1996 on its compliance with laws and regulations.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the primary government financial statements of the City of Ville Platte, Louisiana. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which we expressed a qualified opinion on the primary government financial statements of the City of Ville Platte, Louisiana due to the inability to determine the accuracy of the general fixed assets acquired prior to July 1, 1973.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Ville Platte, Louisiana  
August 28, 1996

CITY OF VILLE PLATTE, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups (continued)  
June 30, 1996

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Liabilities:</b>				
Cash overdraft	\$ -	\$ -	\$ -	\$ -
Accounts payable	78,179	7,778	-	-
Accrued liabilities	-	6,169	-	-
Compensated absences payable	67,802	3,717	-	-
Claims payable	-	-	-	-
Contracts payable	-	-	-	-
Retainage payable	-	-	-	13,693
Due to other funds	280,811	319,016	238	-
Due to other governmental units	-	28,884	-	-
Deferred revenue	-	-	-	-
Payable from restricted assets -				
Revenue bonds	-	-	-	-
Accrued interest	-	-	-	-
Customers' deposits	-	-	-	-
Long-term debt -				
General obligation bonds payable	-	-	-	-
Revenue bonds payable	-	-	-	-
Lease obligation payable	-	-	-	-
<b>Total liabilities</b>	<u>426,792</u>	<u>365,564</u>	<u>238</u>	<u>13,693</u>
<b>Fund equity:</b>				
Contributed capital	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings -				
Reserved for retirement of revenue bonds	-	-	-	-
Reserved for additional excess loss insurance premiums	-	-	-	-
Unreserved	-	-	-	-
<b>Total retained earnings</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit) -				
Reserved for debt service	-	-	1,042,715	-
Reserved for housing purposes	-	1,435	-	-
Designated for subsequent year's expenditures	-	-	-	1,201,583
Unreserved - undesignated	228,080	1,780,551	155,289	-
<b>Total fund balances</b>	<u>228,080</u>	<u>1,781,986</u>	<u>1,198,004</u>	<u>1,201,583</u>
<b>Total fund equity</b>	<u>228,080</u>	<u>1,781,986</u>	<u>1,198,004</u>	<u>1,201,583</u>
<b>Total liabilities and fund equity</b>	<u>\$654,872</u>	<u>\$2,147,550</u>	<u>\$1,198,242</u>	<u>\$1,215,276</u>

The accompanying notes are an integral part of this statement.

<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Type Agency</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>	
<u>Enterprise</u>	<u>Internal Service</u>		<u>General Fixed Assets (Unaudited)</u>	<u>General Long- Term Debt</u>	<u>1996</u>	<u>1995</u>
\$ 445,698	\$ 11,058	\$80,432	\$ -	\$ -	\$ 948,065	\$ 738,356
1,001,372	177,592	-	-	-	5,404,271	5,385,827
327,434	-	-	-	-	327,434	281,740
60,930	-	-	-	-	60,930	55,785
-	-	-	-	-	671	198
4,646	319	-	-	-	10,877	8,242
-	4,167	-	-	-	5,417	5,704
402,322	3,153	730	-	-	939,176	479,344
-	-	-	-	-	38,952	15,718
20,959	2,153	-	-	-	23,112	21,357
149,552	-	-	-	-	149,552	129,359
1,733,243	-	-	-	-	1,733,243	2,276,690
-	-	-	607,246	-	607,246	607,246
-	-	-	1,911,744	-	1,911,744	1,905,009
-	-	-	2,076,563	-	2,076,563	2,076,563
-	4,739	-	1,955,357	-	1,960,096	1,884,832
18,135,688	-	-	-	-	18,135,688	17,142,579
(6,068,670)	-	-	-	-	(6,068,670)	(5,734,480)
-	-	-	-	-	-	291,018
64,728	-	-	-	-	64,728	68,324
-	-	-	-	1,042,715	1,042,715	1,064,896
-	-	-	-	3,689,240	3,689,240	3,962,689
<u>\$16,277,902</u>	<u>\$203,181</u>	<u>\$81,162</u>	<u>\$6,550,910</u>	<u>\$4,731,955</u>	<u>\$33,061,050</u>	<u>\$32,666,996</u>
=====	=====	=====	=====	=====	=====	=====

(continued)

CITY OF VILLE PLATTE, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups  
June 30, 1996

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS AND OTHER DEBITS				
Cash	\$102,953	\$ 182,919	\$ 125,005	\$ -
Interest-bearing deposits	295,648	1,840,418	1,071,981	1,017,260
Receivables:				
Accounts	-	-	-	-
Unbilled utility receivables	-	-	-	-
Taxes	547	-	124	-
Accrued interest	1,149	3,631	1,132	-
Other	1,250	-	-	-
Due from other funds	216,689	118,266	-	198,016
Due from other governmental units	36,636	2,316	-	-
Inventory, at cost	-	-	-	-
Restricted assets:				
Cash	-	-	-	-
Interest bearing deposits	-	-	-	-
Land	-	-	-	-
Buildings	-	-	-	-
Improvements other than buildings	-	-	-	-
Equipment	-	-	-	-
Utility property, plant and equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Construction in progress	-	-	-	-
Unamortized bond issuance costs	-	-	-	-
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-
<b>Total assets and other debits</b>	<b>\$654,872</b>	<b>\$2,147,550</b>	<b>\$1,198,242</b>	<b>\$1,215,276</b>
	=====	=====	=====	=====

**PRIMARY GOVERNMENT FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)**

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

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## INDEPENDENT AUDITOR'S REPORT

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The Honorable Bennett Baquet, Mayor,  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana

We have audited the accompanying primary government financial statements of the City of Ville Platte, Louisiana, as of and for the year ended June 30, 1996, as listed in the table of contents. These financial statements are the responsibility of the City of Ville Platte, Louisiana's elected officials. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Records reflecting the source from which general fixed assets were acquired and other necessary details were not maintained prior to July 1, 1973, and records for those years have not been reconstructed and updated. Consequently, we have been unable to determine the accuracy of the amounts reported as General Fixed Assets and express no opinion on the accompanying Statement of General Fixed Assets as of June 30, 1996.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments and offices that are not legally separate. Such legally separate entities are referred to as component units. In our opinion, except for the effects, if any, of the matter explained in the preceding paragraph, the primary government financial statements present fairly in all material respects, the financial position of the primary government of the City of Ville Platte, Louisiana, as of June 30, 1996 and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

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- (4) Consideration should be given to increasing rates and/or decreasing expenses in order to generate a profit in the sewerage utility department.

We would like to express our appreciation to you and your office staff for the courtesies and assistance rendered to us in the performance of our audit. Should you have any questions or need assistance in implementing any of our recommendations, please feel free to contact us.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Ville Platte, Louisiana  
August 28, 1996

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

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## MANAGEMENT LETTER

The Honorable Bennett Baquet, Mayor  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana

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During our audit of the financial statements of the City of Ville Platte for the year ended June 30, 1996, we noted certain areas in which improvements in the accounting system and financial practices of the City should be considered. Items 1, 3 and 4 were also included in our management letter dated August 28, 1995 relative to our audit of the June 30, 1995 financial statements, but are mentioned again for reemphasis.

- (1) The City should more closely adhere to the Utility Bond Resolution Covenant requiring a written policy regarding proper collection of delinquent accounts, assessment of late payment penalties and timeliness of utility service cut-offs. The accounts receivable listing should be closely monitored and aggressive action taken regarding non-payment of bills.
- (2) Fire and police department officials should maintain a monthly time sheet on each employee detailing dates, regular and overtime hours worked, K-time hours, and holiday, vacation, and sick leave. The time sheet should be signed by the employee on a daily basis and approved by the appropriate official. Copies of the time sheets should be forwarded to City Hall for approval and payment.
- (3) Although there has been improvement in the area of collections, utility tellers should continually strive for accuracy in collection and posting of payments on utility accounts receivable. In order to reduce the amount of cash overages and shortages, daily cash reconciliation reports prepared by the tellers should be closely monitored by the utility department supervisor.

MEMBER OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

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**CITY OF VILLE PLATTE, LOUISIANA**  
Financial Report  
Year Ended June 30, 1996

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. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court

Release Date NOV 27 1996

Recommendation:

The City of Ville Platte should adhere to the bond resolution covenant requiring a written policy regarding collection of delinquent accounts, assessment of late payment penalties and disconnection of services. Once the written policy is established, city officials should ascertain that the policy is strictly enforced.

Response:

The City of Ville Platte will establish the written collection policy and will adhere to the policy as required by the bond resolution covenant.

Violation of the Fair Labor Standards Act

Finding:

The City of Ville Platte violated Section 553.230 of the Fair Labor Standards Act requiring overtime payment for police officers for hours worked in excess of 171 hours per work period.

Recommendation:

The City should comply with Section 553.230 of the Fair Labor Standards Act regarding overtime payment for police officers.

Response:

In the future, the City will comply with Section 553.230 of the Fair Labor Standards Act.

We considered these instances of noncompliance in forming our opinion on whether the City of Ville Platte, Louisiana's primary government financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated August 28, 1996, on those primary government financial statements.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Ville Platte, Louisiana  
August 28, 1996

CITY OF VILLE PLATTE, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual -  
All Governmental Fund Types  
Year Ended June 30, 1996

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance - Favorable Unfavorable	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:						
Taxes	\$ 617,350	\$ 620,378	\$ 3,028	\$ 1,510,000	\$ 1,539,274	\$ 29,274
Licenses and permits	256,620	273,641	17,021	-	-	-
Intergovernmental	203,088	232,077	28,989	706,777	706,777	-
Fines and forfeits	-	-	-	90,000	84,266	(5,734)
Miscellaneous	72,150	76,190	4,040	72,000	78,094	6,094
Total revenues	<u>1,149,208</u>	<u>1,202,286</u>	<u>53,078</u>	<u>2,378,777</u>	<u>2,408,411</u>	<u>29,634</u>
Expenditures:						
Current -						
General government	347,856	357,456	(9,600)	201,680	214,820	(13,140)
Public safety:						
Police	874,246	889,992	(15,746)	-	-	-
Fire	419,972	408,533	11,439	-	-	-
Streets and drainage	500,825	497,489	3,336	-	-	-
Culture and recreation	166,638	185,579	(18,941)	-	-	-
Urban redevelopment and housing	-	-	-	221,990	222,820	(830)
Capital outlay	96,580	119,600	(23,020)	668,425	665,714	2,711
Debt service -						
Principal retirement	20,132	30,630	(10,498)	-	-	-
Interest	2,991	9,537	(6,546)	-	-	-
Total expenditures	<u>2,429,240</u>	<u>2,498,816</u>	<u>(69,576)</u>	<u>1,092,095</u>	<u>1,103,354</u>	<u>(11,259)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,280,032)</u>	<u>(1,296,530)</u>	<u>(16,498)</u>	<u>1,286,682</u>	<u>1,305,057</u>	<u>18,375</u>
Other financing sources (uses)						
Operating transfers in	1,380,000	1,415,000	35,000	45,000	57,000	12,000
Operating transfers out	-	-	-	(1,284,904)	(1,281,028)	3,876
Total other financing sources (uses)	<u>1,380,000</u>	<u>1,415,000</u>	<u>35,000</u>	<u>(1,239,904)</u>	<u>(1,224,028)</u>	<u>15,876</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	99,968	118,470	18,502	46,778	81,029	34,251
Fund balances, beginning	<u>109,610</u>	<u>109,610</u>	<u>-</u>	<u>1,700,957</u>	<u>1,700,957</u>	<u>-</u>
Fund balances, ending	<u>\$ 209,578</u>	<u>\$ 228,080</u>	<u>\$ 18,502</u>	<u>\$ 1,747,735</u>	<u>\$ 1,781,986</u>	<u>\$ 34,251</u>

The accompanying notes are an integral part of this statement.

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CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

(5) Due from Other Governmental Units

Amounts due from other governmental units consisted of the following:

Amount due from U. S. Department of Agriculture for Summer Food Services Program revenues earned during fiscal year ending June 30, 1996.	\$ 2,961
Amount due from State of Louisiana for video poker revenue earned during fiscal year ending June 30, 1996.	12,194
Amount due from Housing Authority for payment in lieu of taxes for fiscal year ending June 30, 1996.	17,224
Amount due from State of Louisiana for reimbursement of Dare Program expenditures during fiscal year ending June 30, 1996.	4,257
Amount due from the City Court for salary supplement for fiscal year ending June 30, 1996.	<u>2,316</u>
	<u>\$38,952</u>

(6) Restricted Assets - Proprietary Fund Type (Enterprise Utility Fund)

Restricted assets consisted of the following at June 30:

	<u>1996</u>	<u>1995</u>
Bond and interest sinking fund	\$ 259,840	\$ 140,198
Bond reserve fund	487,209	566,288
Renewal and replacement fund	284,574	270,481
Customers' deposits	415,746	389,377
Water construction fund	<u>435,426</u>	<u>1,039,705</u>
	<u>\$1,882,795</u>	<u>\$2,406,049</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

(7) Changes in Fixed Assets

A summary of changes in general fixed assets follows:

	<u>Balance July 1, 1995</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1996</u>
Land	\$ 607,246	-	-	\$ 607,246
Buildings	1,905,009	6,735	-	1,911,744
Improvements other than buildings	2,076,563	-	-	2,076,563
Equipment	<u>1,884,832</u>	<u>70,525</u>	<u>-</u>	<u>1,955,357</u>
 Total general fixed assets	 <u>\$6,473,650</u>	 <u>\$77,260</u>	 <u>\$ -</u>	 <u>\$6,550,910</u>

A summary of proprietary fund type property, plant and equipment at June 30, 1996 follows:

	<u>Enterprise</u>	<u>Internal Service</u>
Land	\$ 76,445	\$ -
Buildings	4,027	-
Equipment	242,281	88,277
Gas system	4,308,476	-
Water system	4,658,025	-
Sewerage system	<u>8,846,434</u>	<u>-</u>
Total	18,135,688	88,277
 Less: Accumulated depreciation	 <u>6,068,669</u>	 <u>83,539</u>
 Net	 <u>\$12,067,019</u>	 <u>\$ 4,739</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

(8) Changes in Long-Term Debt

The following is a summary of bond and certificates of indebtedness transactions of the City of Ville Platte for the year ended June 30, 1996:

	<u>General Obligation</u>	<u>Revenue</u>	<u>Capital Leases</u>	<u>Total</u>
Long-term debt, July 1, 1995	\$4,910,000	\$4,875,000	\$117,585	\$9,902,585
Additions	-	-	-	-
Retirements	<u>(265,000)</u>	<u>(220,000)</u>	<u>30,630</u>	<u>(515,630)</u>
Long-term debt, June 30, 1996	<u>\$4,645,000</u>	<u>\$4,655,000</u>	<u>\$ 86,955</u>	<u>\$9,386,955</u>

Bonds payable at June 30, 1996 are comprised of the following individual issues:

General obligation bonds:

<p>\$400,000 1977 Public Improvement serial bonds due in annual installments of \$25,000 - \$30,000 through May 1, 2002; interest at 5.5 - 5.9 percent; secured by levy and collection of ad valorem taxes</p>	\$ 165,000
<p>\$400,000 1977 Sewerage District No. 1 serial bonds due in annual installments of \$25,000 - \$30,000 through May 1, 2002; interest at 5.5 - 5.9 percent; secured by levy and collection of ad valorem taxes</p>	165,000
<p>\$1,600,000 Public Improvement Sales Tax Bonds, Series ST-1993, due in annual installments of \$70,000 - \$155,000 through March 1, 2009; interest at 4.2 - 9.0 percent; secured by sales tax revenues</p>	1,410,000

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

\$3,025,000 Public Improvement Sales Tax Refunding Bonds, Series ST-1993, due in annual installments of \$170,000 - \$295,000 through March 1, 2009; interest at 3.0 - 5.3 percent; secured by sales tax revenues	<u>2,905,000</u>
	\$4,645,000
Revenue bonds:	
\$3,760,000 1989 Utilities Revenue Refunding serial bonds due in annual installments of \$140,000 - \$165,000 through May 1, 1999; interest at 7.35 - 7.55 percent, secured by Utility Fund Revenues	\$ 460,000
\$2,960,00 Utilities Revenue Refunding Bonds, Series 1995A due in annual installments of \$40,000 - \$345,000 through May 1, 2009; interest at 3.26 - 5.0 percent; secured by Utility Fund revenues	2,885,000
\$1,400,000 Utilities Revenue Bonds Series 1995B, due in annual installments of \$45,000 - \$110,000 through May 1, 2014; interest at 3.25 - 5.50 percent; secured by Utility Fund revenues	<u>1,310,000</u>
	<u>\$4,655,000</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Financial Statements (Continued)

(3) Ad Valorem Taxes

Ad valorem taxes attach as a enforceable lien on property as of January 1 of each year. Taxes are levied by the City in September or October and are actually billed to taxpayers in December. Billed taxes become delinquent on January 1 of the following year. The City bills and collects its own property taxes. Property tax revenues are recognized when levied to the extent that they result in current receivables.

For the year ended June 30, 1996, taxes of 20.39 mills were levied on property with assessed valuations totaling \$21,842,570 and were dedicated as follows:

General corporate purposes	6.83	mills
Drainage maintenance	4.88	mills
Streets maintenance	4.88	mills
Debt service	<u>3.80</u>	mills
 Total	 20.39	 mills
		<u>-----</u>

Total taxes levied were \$445,370. Taxes receivable at June 30, 1996 were \$673.

(4) Interfund Receivables/Payables

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$216,689	\$280,811
Special revenue funds:		
1975 Sales Tax Fund	10,000	111,000
1984 Sales Tax fund	106,188	198,016
City Court Fund	2,078	10,000
Debt service funds:		
Public Improvement Bonds Fund	-	119
Sewerage District Bond Fund	-	119
Capital projects fund	198,016	-
Enterprise Fund	402,322	106,188
Internal service funds:		
Municipal Garage	-	52,407
Construction Fund	3,153	39,354
Self-Insurance Fund	-	60,000
Agency funds:		
Payroll Fund	730	81,043
Disbursement Fund	<u>-</u>	<u>119</u>
	<u>\$939,176</u>	<u>\$939,176</u>
	<u>-----</u>	<u>-----</u>