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**CITY OF VILLE PLATTE, LOUISIANA**

**Financial Statements**

**Year Ended June 30, 2004**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 12-8-04

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## MANAGEMENT LETTER

The Honorable Phillip A. Lemoine, Mayor  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana

During our audit of the financial statements of the City of Ville Platte for the year ended June 30, 2004, we noted certain areas in which the efficiency and effectiveness of the operations of the City could be improved.

### 04-1 Relative to the City's employee leave policy:

- Employee leave benefit information should be monitored for accuracy and compared to computer-generated reports to ensure that all employees are receiving the proper amount of benefits.
- The City's leave policy should be modified to specify the amount of leave available to certain police and fire department personnel who do not work on a shift-basis.
- Management should review and seek professional assistance in interpreting the leave policy included in the City's civil service rules and regulations.

### 04-2 Regarding police department operations:

- Invoices for all purchases of supplies must be maintained and given to the bookkeeper at city hall.
- All fees, grants, and revenues collected must be documented with a receipt and deposited in a checking account maintained by city hall accounting personnel.
- Policies for police department operations should be adopted to enhance accountability and promote efficient operations.

We would like to express our appreciation to you and your staff, particularly 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 please feel free to contact us.

*Kolder, Champagne, Slaven & Company, LLC*  
Certified Public Accountants

Ville Platte, Louisiana  
September 2, 2004

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**INDEPENDENT AUDITORS' REPORT**

\* A Professional Accounting Corporation

**The Honorable Phillip A. Lemoine, Mayor,  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ville Platte, Louisiana, as of and for the year ended June 30, 2004, which collectively comprise the basic financial statements of the City's primary government as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Nonprofit Organizations". 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 opinions.

The financial statements referred to above include only the primary government of the City of Ville Platte, Louisiana, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the City's legal entity. The financial statements do not include data for the City's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the City's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the City of Ville Platte, Louisiana as of June 30, 2004, and the changes in its financial position and its cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the primary government of the City of Ville Platte, Louisiana as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with Government Auditing Standards, we have also issued a report dated September 2, 2004 on our consideration of the City of Ville Platte, Louisiana's internal control over financial reporting and our tests on certain provisions of its compliance with laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The required supplementary information on pages 46 through 49 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The City of Ville Platte has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Ville Platte Louisiana's basic financial statements. The other supplementary information on pages 51 through 98 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards (page 92) is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the 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 basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic 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 an unqualified opinion on the primary government financial statements of the City of Ville Platte, Louisiana.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Ville Platte, Louisiana  
September 2, 2004

**BASIC FINANCIAL STATEMENTS**



**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

CITY OF VILLE PLATTE, LOUISIANA

Statement of Net Assets

June 30, 2004

With Comparative Totals for June 30, 2003

	2004			2003 Totals
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Current assets:				
Cash and interest-bearing deposits	\$7,888,221	\$ 322,747	\$ 8,210,968	\$ 9,165,511
Receivables, net	9,149	416,394	425,543	478,617
Due from other governmental units	414,121	-	414,121	213,973
Inventory-materials and supplies, at cost	-	30,553	30,553	43,612
Prepaid items	59,573	-	59,573	50,000
Total current assets	<u>8,371,064</u>	<u>769,694</u>	<u>9,140,758</u>	<u>9,951,713</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	-	1,401,826	1,401,826	3,659,533
Capital assets, net	6,739,517	13,346,727	20,086,244	16,836,787
Unamortized bond issuance costs	-	74,653	74,653	63,800
Total noncurrent assets	<u>6,739,517</u>	<u>14,823,206</u>	<u>21,562,723</u>	<u>20,560,120</u>
Total assets	<u>15,110,581</u>	<u>15,592,900</u>	<u>30,703,481</u>	<u>30,511,833</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and other payables	623,473	294,124	917,597	448,221
Compensated absences payable	110,566	21,999	132,565	141,631
Claims payable	50,790	-	50,790	67,994
Internal balances	232,477	(232,477)	-	-
Short term debt payable	573,621	385,000	958,621	855,000
Accrued interest	99,060	25,530	124,590	138,406
Total current liabilities	<u>1,689,987</u>	<u>494,176</u>	<u>2,184,163</u>	<u>1,651,252</u>
Noncurrent liabilities:				
Compensated absences payable	34,514	-	34,514	36,549
Customers deposits payable	-	419,623	419,623	439,387
Long term debt payable	6,142,424	3,585,000	9,727,424	10,755,000
Total noncurrent liabilities	<u>6,176,938</u>	<u>4,004,623</u>	<u>10,181,561</u>	<u>11,230,936</u>
Total liabilities	<u>7,866,925</u>	<u>4,498,799</u>	<u>12,365,724</u>	<u>12,882,188</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	3,836,049	9,761,727	13,597,776	10,278,031
Restricted for debt service	1,139,129	558,471	1,697,600	1,955,074
Unrestricted	2,268,478	773,903	3,042,381	5,396,540
Total net assets	<u>\$7,243,656</u>	<u>\$11,094,101</u>	<u>\$18,337,757</u>	<u>\$17,629,645</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF VILLE PLATTE, LOUISIANA

Statement of Activities  
For the Year Ended June 30, 2004

Activities	Program Revenues			Net (Expense) Revenues and Changes in Net Assets			
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental activities:</b>							
General government	\$ 1,179,993	\$ 339,967	\$ 115,736	\$ -	\$ (724,290)	\$ -	\$ (724,290)
Public safety:							
Police	1,134,451	67,860	38,214	-	(1,028,377)	-	(1,028,377)
Fire	654,946	-	24,408	-	(630,538)	-	(630,538)
Streets	898,265	-	39,552	403,961	(454,752)	-	(454,752)
Culture and recreation	299,619	-	-	-	(299,619)	-	(299,619)
Urban housing and redevelopment	328,843	-	382,607	-	53,764	-	53,764
Interest on long-term debt	307,234	-	-	-	(307,234)	-	(307,234)
Total governmental activities	4,803,351	407,827	600,517	403,961	(3,391,046)	-	(3,391,046)
<b>Business-type activities:</b>							
Gas	2,288,144	2,526,386	-	-	-	238,242	238,242
Water	829,015	1,003,971	-	-	-	174,956	174,956
Sewer	773,664	747,399	-	-	-	(26,265)	(26,265)
Total business-type activities	3,890,823	4,277,756	-	-	-	386,933	386,933
<b>Total</b>	<b>\$ 8,694,174</b>	<b>\$ 4,685,583</b>	<b>\$ 600,517</b>	<b>\$ 403,961</b>	<b>(3,391,046)</b>	<b>386,933</b>	<b>(3,004,113)</b>
<b>General revenues:</b>							
Taxes -							
Property taxes, levied for general purposes					535,286	-	535,286
Sales and use taxes, levied for general purposes					2,063,014	-	2,063,014
Payment in lieu of taxes					430,505	-	430,505
Franchise and chain store taxes					322,195	-	322,195
Grants and contributions not restricted to specific programs -							
State sources					23,331	-	23,331
Interest and investment earnings					118,431	30,673	149,104
Miscellaneous					188,790	-	188,790
Transfers					536,694	(536,694)	-
Total general revenues and transfers					4,218,246	(506,021)	3,712,225
Change in net assets					827,200	(119,088)	708,112
Net assets - July 1, 2003					6,416,456	11,213,189	17,629,645
Net assets - June 30, 2004					\$ 7,243,656	\$ 11,094,101	\$ 18,337,757

The accompanying notes are an integral part of the basic financial statements.

**FUND FINANCIAL STATEMENTS (FFS)**

## **FUND DESCRIPTIONS**

### **General Fund**

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

### **Special Revenue Funds**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

#### **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, and at least five percent of such tax annually for constructing, extending, improving and/or maintaining streets and sidewalks; constructing, improving and maintaining public buildings; including the purchase and acquisition of the necessary land, equipment and furnishings for the aforesaid; after making provision for annual debt service on bonds, which may be issued for the aforementioned purposes.

#### **Louisiana Community Development Block Grant Fund (LCDBG)**

To account for the administration of grant funds received from the State of Louisiana Division of Administration for street improvements.

### **Debt Service Funds**

Debt service funds are used to accumulate resources to be used to make debt service principal and interest payments on general obligation long-term debt.

#### **P.I. Sales Tax Bonds Debt Service Fund**

To accumulate monies for payment of the \$3,500,000 Public Improvement Sales Tax Bonds, Series ST-2001 and the \$2,380,000 Public Improvement Sales Tax Refunding Bonds Series ST-2003. Debt service is financed by the collection of the 1984 one percent sales tax.

### **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).

#### **Municipal Building Construction Fund**

To account for the financing and construction of a City Hall Complex including a City Court and Police Department. Funds have been provided through the issuance of \$3,500,000 Public Improvement Sales Tax Bonds, Series ST-2001.

#### **Street and Drainage Construction Fund**

To account for the financing and construction and improving of public streets and drainage facilities. Funds have been provided through the issuance of \$1,500,000 Street and Drainage Bonds, Series 2003.

### **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 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

Balance Sheet  
Governmental Funds  
June 30, 2004

With Comparative Totals for June 30, 2003

ASSETS

	1975 Sales Tax Special Revenue	1984 Sales Tax Special Revenue	Louisiana Community Development Block Grant	P. I. Sales Tax Bonds Debt Service Fund	Municipal Building Construction Fund	Street and Drainage Construction Fund	Other Governmental Funds	Totals (Memorandum Only) 2004	2003
Cash	\$ 292,454	\$ 102,751	\$ -	\$ -	\$ -	\$ -	\$ 24,432	\$ 480,170	\$ 359,278
Interest-bearing deposits	112,211	-	-	1,196,909	2,700,653	1,623,630	576,683	7,391,762	8,482,433
Receivables:									
Taxes	2,088	-	-	-	-	-	-	2,088	30,356
Accrued interest	103	-	-	-	5,264	337	-	7,061	10,491
Other	-	-	-	-	-	-	-	-	1,250
Due from other funds	264,500	-	56,365	-	61,282	-	28,482	580,629	204,552
Due from other governmental units	36,323	-	377,798	-	-	-	-	414,121	213,973
Prepaid items	59,573	-	-	-	-	-	-	59,573	50,000
Total assets	\$ 767,252	\$ 102,751	\$ 434,163	\$ 1,196,909	\$ 2,767,199	\$ 1,623,967	\$ 629,597	\$ 8,935,404	\$ 9,352,333

LIABILITIES AND FUND BALANCES

Liabilities:									
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,313
Accounts payable	73,119	595	-	-	45,166	-	1,426	120,901	132,009
Contracts payable	-	-	393,641	-	-	-	-	393,641	-
Retainage payable	-	-	40,522	-	-	-	-	40,522	-
Accrued liabilities	67,739	-	-	-	-	-	670	68,409	87,123
Compensated absences payable	105,825	-	-	-	-	-	4,741	110,566	119,990
Due to other funds	458,100	-	-	1,529	-	108,160	2,997	864,539	790,539
Total liabilities	704,783	595	434,163	1,529	45,166	108,160	9,834	1,598,578	1,134,974
Fund balances:									
Reserved for prepaid items	59,573	-	-	-	-	-	-	59,573	50,000
Reserved for debt service	-	-	-	1,195,380	-	-	42,809	1,238,189	1,171,944
Reserved for housing purposes	-	-	-	-	-	-	76,857	76,857	76,791
Unreserved, designated for subsequent years' expenditures	-	-	-	-	2,722,033	1,515,807	498,979	4,736,819	5,455,680
Unreserved, undesignated	2,896	102,156	-	-	-	-	1,118	1,225,388	1,462,944
Total fund balances	62,469	102,156	-	1,195,380	2,722,033	1,515,807	619,763	7,336,826	8,217,359
Total liabilities and fund balances	\$ 767,252	\$ 102,751	\$ 434,163	\$ 1,196,909	\$ 2,767,199	\$ 1,623,967	\$ 629,597	\$ 8,935,404	\$ 9,352,333

The accompanying notes are an integral part of the basic financial statements.

CITY OF VILLE PLATTE, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Assets  
June 30, 2004

Total fund balances for governmental funds at June 30, 2004		\$ 7,336,826
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land and construction in progress	\$ 1,418,824	
Buildings, net of \$1,248,881 accumulated depreciation	1,961,370	
Infrastructure, net of \$512,350 accumulated depreciation	2,608,579	
Equipment, furniture, and fixtures net of \$804,583 accumulated depreciation	485,342	
Improvements other than buildings, net of \$18,106 accumulated depreciation	<u>265,402</u>	6,739,517
Elimination of interfund assets and liabilities		
Due from other funds	632,062	
Due to other funds	<u>(632,062)</u>	-
Long-term liabilities at June 20, 2004:		
Bonds payable	(6,716,045)	
Compensated absences	(34,514)	
Accrued interest payable	<u>(99,060)</u>	(6,849,619)
Net assets of the Group Insurance Self- Insurance Internal Service Fund		<u>16,932</u>
Total net assets of governmental activities at June 30, 2004		<u>\$ 7,243,656</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF VILLE PLATTE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Governmental Funds

For the Year Ended June 30, 2004  
With Comparative Totals for the Year Ended June 30, 2003

	General	1975				1984		Louisiana		P. I. Sales		Municipal		Street and		Other		Totals	
		Sales Tax Special Revenue	1,031,507	1,031,507	1,031,507	1,031,507	1,045,599	14,092	403,961	Community Development Block Grant	Tax Bonds Debt Service Fund	Municipal Building Construction Fund	Construction Fund	Drainage Construction Fund	Governmental Funds	2004	2003	(Memorandum Only)	
Revenues:																			
Taxes	\$ 1,287,986	\$ 1,031,507	\$ 1,031,507	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,351,000	\$ 3,377,730			
Licenses and permits	339,967	-	-	-	-	-	-	-	-	-	-	-	-	-	339,967	320,120			
Intergovernmental	203,027	-	-	-	-	-	403,961	-	-	-	-	-	-	420,821	1,027,809	666,153			
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	53,513	53,513	71,971			
Marshall fees	-	-	-	-	-	-	-	-	-	-	-	-	-	14,347	14,347	-			
Miscellaneous	193,367	43	43	-	10,470	10,470	-	-	-	-	68,260	13,650	13,650	6,958	306,840	262,843			
Total revenues	2,024,347	1,031,550	1,045,599	403,961	10,470	10,470	403,961	68,260	68,260	10,470	703,822	106,264	106,264	495,639	5,093,476	4,698,817			
Expenditures:																			
Current -																			
General government	678,624	27,594	27,594	-	982	982	-	-	-	-	-	-	-	327,965	1,062,759	1,116,158			
Public safety:																			
Police	1,088,493	-	-	-	-	-	-	-	-	-	-	-	-	-	1,088,493	1,141,865			
Fire	628,292	-	-	-	-	-	-	-	-	-	-	-	-	-	628,292	622,332			
Streets and drainage	779,768	-	-	-	-	-	-	-	-	-	-	-	-	-	779,768	841,674			
Culture and recreation	272,952	-	-	-	-	-	-	-	-	-	-	-	-	-	272,952	300,917			
Urban development and housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	328,843	320,078			
Capital outlay	100,174	-	59,752	460,326	-	-	460,326	-	-	-	703,822	106,264	106,264	60,567	1,490,905	578,780			
Debt service -																			
Principal retirement	83,317	-	-	-	430,000	430,000	-	-	-	-	-	-	-	-	513,317	410,000			
Interest and fiscal charges	61,489	-	-	-	247,321	247,321	-	-	-	-	-	-	-	-	308,810	330,806			
Total expenditures	3,693,109	27,594	27,594	460,326	678,303	678,303	460,326	703,822	703,822	678,303	703,822	106,264	106,264	717,375	6,474,139	5,662,610			
Excess (deficiency) of revenues over expenditures	(1,668,762)	1,003,956	958,253	(56,365)	(667,833)	(667,833)	(56,365)	(635,562)	(635,562)	(667,833)	(635,562)	(92,614)	(92,614)	(221,736)	(1,380,663)	(963,793)			
Other financing sources (uses):																			
Proceeds from capital lease	25,719	-	-	-	-	-	-	-	-	-	-	-	-	-	25,719	-			
Proceeds from long term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,882,025			
Payment to refund debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,406,443)			
Transfers in	1,896,007	-	55,000	56,365	733,773	733,773	56,365	-	-	-	-	177,465	177,465	167,077	3,085,687	2,933,464			
Transfers out	(191,542)	(1,046,201)	(1,259,148)	(1,204,148)	(1,204,148)	(1,204,148)	(1,204,148)	(635,562)	(635,562)	(1,204,148)	(635,562)	(56,365)	(56,365)	(58,020)	(2,611,276)	(2,822,717)			
Total other financing sources (uses)	1,730,184	(1,046,201)	(1,046,201)	56,365	733,773	733,773	56,365	(635,562)	(635,562)	733,773	(635,562)	121,100	121,100	109,057	500,130	1,586,329			
Net changes in fund balances	61,422	(42,245)	(245,895)	-	65,940	65,940	-	3,357,595	3,357,595	65,940	(635,562)	28,486	28,486	(112,679)	(880,533)	622,536			
Fund balances, beginning	1,047	144,401	1,365,113	-	1,129,440	1,129,440	-	3,357,595	3,357,595	1,129,440	3,357,595	1,487,321	1,487,321	732,442	8,217,359	7,594,823			
Fund balances, ending	\$ 62,469	\$ 102,156	\$ 1,119,218	\$ -	\$ 1,195,380	\$ 1,195,380	\$ -	\$ 2,722,033	\$ 2,722,033	\$ 1,195,380	\$ 2,722,033	\$ 1,515,807	\$ 1,515,807	\$ 619,763	\$ 7,336,826	\$ 8,217,359			

The accompanying notes are an integral part of the basic financial statements.



CITY OF VILLE PLATTE, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2004

Total net changes in fund balances at June 30, 2004 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ (880,533)
The change in net assets reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 1,490,905
Depreciation expense for the year ended June 30, 2004	<u>(262,084)</u> 1,228,821
Because governmental funds do not record fixed assets and accumulated depreciation, any assets disposed of with no selling price does not affect the statement of revenues, expenditures, and changes in fund balance. However, in the statement of activities, a gain or loss is shown on assets that are not fully depreciated.	
	(26,757)
Governmental funds report bonded debt repayments as expenditures. However, this expenditure does not appear in the statement of activities since the payment is applied against the bond payable balance on the statement of net assets	
	513,317
Add: Net income on the Group Insurance Self- Insurance Internal Service Fund	14,461
Less: Proceeds from the issuance of capital lease	(25,719)
Add: Excess of compensated absences used over compensated absences earned	2,035
Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	<u>1,575</u>
Total changes in net assets at June 30, 2004 per Statement of Activities	<u>\$ 827,200</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF VILLE PLATTE, LOUISIANA

Proprietary Funds  
Comparative Statement of Net Assets  
June 30, 2004 and 2003

	Business-type Activities - Enterprise Fund		Governmental Activities - Internal Service Fund	
	2004	2003	2004	2003
<b>ASSETS</b>				
Current assets:				
Cash	\$ 252,961	\$ 151,449	\$ 2,417	\$ -
Interest-bearing deposits	69,786	128,203	13,872	44,148
Receivables:				
Accounts	326,417	327,437	-	-
Unbilled utility receivables	86,540	84,748	-	-
Accrued interest receivable	244	999	-	-
Other	3,193	7,020	-	16,316
Due from other funds	409,540	536,120	51,433	75,000
Inventory - materials and supplies, at cost	30,553	43,612	-	-
Total current assets	<u>1,179,234</u>	<u>1,279,588</u>	<u>67,722</u>	<u>135,464</u>
Noncurrent assets:				
Restricted assets -				
Cash	89,409	64,539	-	-
Interest-bearing deposits	1,312,417	3,594,994	-	-
Capital assets, net of accumulated depreciation	13,346,727	11,297,977	-	-
Unamortized bond issuance costs	74,653	63,800	-	-
Total noncurrent assets	<u>14,823,206</u>	<u>15,021,310</u>	<u>-</u>	<u>-</u>
Total assets	<u>16,002,440</u>	<u>16,300,898</u>	<u>67,722</u>	<u>135,464</u>
<b>LIABILITIES</b>				
Current liabilities:				
Cash overdraft	-	-	-	64,999
Accounts payable	49,307	64,616	-	-
Contracts payable	72,730	-	-	-
Retainage payable	95,945	-	-	-
Accrued liabilities	76,142	94,161	-	-
Compensated absences payable	21,999	21,641	-	-
Claims payable	-	-	50,790	67,994
Due to other funds	177,063	25,133	-	-
Payable from restricted assets -				
Revenue bonds	385,000	350,000	-	-
Accrued interest payable	25,530	37,771	-	-
Total current liabilities	<u>903,716</u>	<u>593,322</u>	<u>50,790</u>	<u>132,993</u>
Noncurrent liabilities:				
Customers' deposits	419,623	439,387	-	-
Revenue bonds payable	3,585,000	4,055,000	-	-
Total noncurrent liabilities	<u>4,004,623</u>	<u>4,494,387</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>4,908,339</u>	<u>5,087,709</u>	<u>50,790</u>	<u>132,993</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	9,761,727	7,242,977	-	-
Restricted for debt service	558,471	883,765	-	-
Unrestricted	773,903	3,086,447	16,932	2,471
Total net assets	<u>\$ 11,094,101</u>	<u>\$ 11,213,189</u>	<u>\$ 16,932</u>	<u>\$ 2,471</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF VILLE PLATTE, LOUISIANA

Proprietary Funds  
 Comparative Statement of Revenues, Expenses, and Changes in Fund Net Assets  
 Years Ended June 30, 2004 and 2003

	Business-type Activities- Enterprise Fund		Governmental Activities - Internal Service Fund	
	2004	2003	2004	2003
Operating revenues:				
Charges for services	\$ 4,110,814	\$ 3,798,990	\$444,572	\$ 454,500
Connection and inspection fees	57,095	54,921	-	-
Miscellaneous	108,893	85,718	-	-
Total operating revenues	<u>4,276,802</u>	<u>3,939,629</u>	<u>444,572</u>	<u>454,500</u>
Operating expenses:				
Gas department expenses	2,007,194	2,318,861	-	-
Water department expenses	584,481	599,393	-	-
Sewerage department expenses	505,832	479,054	-	-
Depreciation expense	471,711	460,081	-	-
Self insurance expenses	-	-	512,626	563,176
Total operating expenses	<u>3,569,218</u>	<u>3,857,389</u>	<u>512,626</u>	<u>563,176</u>
Operating income (loss)	<u>707,584</u>	<u>82,240</u>	<u>(68,054)</u>	<u>(108,676)</u>
Nonoperating revenues (expenses):				
Interest income	30,673	39,290	381	783
Interest expense	(252,788)	(173,896)	-	-
Bad debt recovery	954	19,400	-	-
Paying agent's fees	(2,423)	(3,592)	-	-
Amortization of bond issuance costs	(46,543)	(5,800)	-	-
Total nonoperating revenues (expenses)	<u>(270,127)</u>	<u>(124,598)</u>	<u>381</u>	<u>783</u>
Income (loss) before contributions and transfers	<u>437,457</u>	<u>(42,358)</u>	<u>(67,673)</u>	<u>(107,893)</u>
Capital contributions	-	43,147	-	-
Transfers in (out):				
Transfers in	153,020	389,927	82,134	75,000
Transfers out	(709,565)	(575,674)	-	-
Total transfers in (out)	<u>(556,545)</u>	<u>(185,747)</u>	<u>82,134</u>	<u>75,000</u>
Change in net assets	(119,088)	(184,958)	14,461	(32,893)
Net assets, beginning	<u>11,213,189</u>	<u>11,398,147</u>	<u>2,471</u>	<u>35,364</u>
Net assets, ending	<u>\$ 11,094,101</u>	<u>\$ 11,213,189</u>	<u>\$ 16,932</u>	<u>\$ 2,471</u>

The accompanying notes are an integral part of this statement.

CITY OF VILLE PLATTE, LOUISIANA

Comparative Statement of Cash Flows  
 Proprietary Funds  
 For the Years Ended June 30, 2004 and 2003

	Business-type Activities - Enterprise Fund		Governmental Activities - Internal Service Fund	
	2004	2003	2004	2003
<b>Cash flows from operating activities:</b>				
Receipts from customers	\$ 4,167,137	\$ 3,881,703	\$ 379,573	\$ 438,841
Payments to suppliers	(2,460,300)	(2,804,422)	(513,514)	(484,031)
Payments to employees	(542,012)	(616,708)	-	-
Other receipts	108,893	85,718	-	-
Net cash provided (used) by operating activities	<u>1,273,718</u>	<u>546,291</u>	<u>(133,941)</u>	<u>(45,190)</u>
<b>Cash flows from noncapital financing activities:</b>				
Cash received from other funds	278,510	4,561	23,567	-
Cash paid to other funds	-	(125,634)	-	(20,940)
Transfers from other funds	153,020	389,927	82,134	75,000
Transfers to other funds	(709,565)	(575,674)	-	-
Net cash provided (used) by noncapital financing activities	<u>(278,035)</u>	<u>(306,820)</u>	<u>105,701</u>	<u>54,060</u>
<b>Cash flows from capital and related financing activities:</b>				
Principal paid on revenue bonds payable	(350,000)	(310,000)	-	-
Principal paid on revenue bonds refunding	(2,425,000)	-	-	-
Proceeds from issuance of revenue bonds	2,350,000	1,650,000	-	-
Interest and fiscal charges paid on revenue bonds and notes payable	(265,029)	(167,195)	-	-
Bad debt recoveries	954	19,400	-	-
Proceeds from meter deposits	45,032	95,221	-	-
Refund of meter deposits	(64,996)	(103,758)	-	-
Proceeds from federal grant	-	43,147	-	-
Acquisition of property, plant and equipment	(2,532,684)	(279,848)	-	-
Net cash provided (used) by capital and related financing activities	<u>(3,241,723)</u>	<u>946,967</u>	<u>-</u>	<u>-</u>
<b>Cash flows from investing activities:</b>				
Proceeds of investments and interest-bearing deposits with maturity in excess of ninety days	-	545,419	-	-
Interest on investments	31,428	39,788	381	783
Net cash provided by investing activities	<u>31,428</u>	<u>585,207</u>	<u>381</u>	<u>783</u>
Net increase (decrease) in cash and cash equivalents	(2,214,612)	1,771,645	(27,859)	9,653
Cash and cash equivalents, beginning of period	<u>3,939,185</u>	<u>2,167,540</u>	<u>44,148</u>	<u>34,495</u>
Cash and cash equivalents, end of period	<u>\$ 1,724,573</u>	<u>\$ 3,939,185</u>	<u>\$ 16,289</u>	<u>\$ 44,148</u>

CITY OF VILLE PLATTE, LOUISIANA

Comparative Statement of Cash Flows  
 Proprietary Funds (continued)  
 For the Years Ended June 30, 2004 and 2003

	Business-type Activities - Enterprise Fund		Governmental Activities - Internal Service Fund	
	2004	2003	2004	2003
Reconciliation of operating loss to net cash used by operating activities:				
Operating income (loss)	\$ 707,584	\$ 82,240	\$ (68,054)	\$ (108,676)
Adjustments to reconcile operating loss to net cash used by operating activities:				
Depreciation	471,711	460,081	-	-
Changes in current assets and liabilities:				
(Increase) Decrease in accounts receivable	(3,216)	157,913	16,316	-
(Increase) Decrease in provision for uncollectible accounts	4,236	(123,659)	-	-
(Increase) decrease in unbilled utility receivables	(1,792)	(6,462)	-	-
(Increase) decrease in other receivables	3,827	3,877	-	(15,659)
(Increase) decrease in inventory	13,059	(2,260)	-	-
(Increase) decrease in prepaid items	-	11,027	-	-
Increase in bond issuance costs	(57,396)	(26,448)	-	-
Decrease in cash overdraft	-	-	(64,999)	64,999
Increase (decrease) in accounts payable	(15,309)	(33,971)	(17,204)	-
Increase (decrease) in contracts payable	72,730	-	-	-
Increase (decrease) in retainage payable	95,945	(2,300)	-	-
Increase (decrease) in accrued liabilities	(18,019)	42,576	-	-
Increase (decrease) in compensated absences payable	358	(16,323)	-	-
Increase in claims payable	-	-	-	14,146
Net cash provided (used) by operating activities	<u>\$ 1,273,718</u>	<u>\$ 546,291</u>	<u>\$ (133,941)</u>	<u>\$ (45,190)</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	\$ 151,449	\$ 556,546	\$ -	\$ 1,756
Interest-bearing deposits - unrestricted	128,203	249,961	44,148	32,739
Cash - restricted	64,539	197,175	-	-
Interest-bearing deposits - restricted	3,594,994	1,163,858	-	-
Total cash and cash equivalents	<u>3,939,185</u>	<u>2,167,540</u>	<u>44,148</u>	<u>34,495</u>
Cash and cash equivalents, end of period -				
Cash - unrestricted	252,961	151,449	2,417	-
Interest-bearing deposits - unrestricted	69,786	128,203	13,872	44,148
Cash - restricted	89,409	64,539	-	-
Interest-bearing deposits - restricted	1,312,417	3,594,994	-	-
Total cash and cash equivalents	<u>1,724,573</u>	<u>3,939,185</u>	<u>16,289</u>	<u>44,148</u>
Net increase (decrease)	<u>\$ (2,214,612)</u>	<u>\$ 1,771,645</u>	<u>\$ (27,859)</u>	<u>\$ 9,653</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of Ville Platte (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsection of this note.

A. Financial Reporting Entity

The City was incorporated under the provisions of the Lawrason Act. The City operates under a Mayor-Board of Aldermen form of government. 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 and payment of salaries and other operating expenditures.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the City of Ville Platte, the primary government, as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The City's internal service fund is a governmental activity. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses.

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Fund financial statements report detailed information about the City.

The various funds of the City are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined

The major funds of the City are described below:

**Governmental Funds -**

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.

The 1975 Sales Tax Special Revenue Fund accounts for the proceeds of a one percent sales and use tax that is legally restricted to expenditures for specific purposes.

The 1984 Sales Tax Special Revenue Fund accounts for the proceeds of a one percent sales and use tax that is legally restricted to expenditures for specific purposes.

The Louisiana Community Development Block Grant Fund accounts for the administration of grant funds received from the State of Louisiana Division of Administration for street improvements.

The P. I. Sales Tax Bonds Debt Service Fund accounts for the accumulation of monies for payment of the \$3,500,000 Public Improvement Sales Tax Bonds, Series ST-2001, and the \$2,380,000 Public Improvement Sales Tax Refunding Bonds, Series ST-2003.

The Municipal Building Construction Capital Projects Fund accounts for the financing and construction of a City Hall complex, including a city court and police department, using proceeds from the issuance of \$3,500,000 Public Improvement Sales Tax Bonds, Series ST-2001.

The Street and Drainage Construction Capital Projects Fund accounts for the financing and construction and improving of public streets and drainage facilities, using proceeds from the issuance of \$1,500,000 Street and Drainage Bonds, Series 2003.



CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Additionally, the City reports the following fund types:

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).

Proprietary Funds -

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. The following are the City's proprietary fund types:

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'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. The City's internal service fund is the Self Insurance Fund.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

##### Measurement Focus

On the government-wide statement of net assets and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

##### Basis of Accounting

In the government-wide statement of net assets and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

#### Program revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the City's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the City's general revenues.

#### Allocation of indirect expenses

The City reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities

#### D. Assets, Liabilities and Equity

##### Cash and interest-bearing deposits

For purposes of the Statement of Net Assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the City. For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Investments

Under state law the City may deposit funds with a fiscal agent 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 United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

#### Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Assets.

#### Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem and sales and use taxes. Business-type activities report customer's utility service receivables as their major receivables. Uncollectible ad valorem taxes or utility service 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 particular receivable. At June 30, 2004, an allowance for ad valorem taxes was considered unnecessary due to immateriality. The allowance for uncollectibles for customers' utility receivables was \$35,260 and \$31,024 at June 30, 2004 and 2003, respectively. 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.

#### Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2004, are recorded as prepaid items.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Inventories

*Inventory of the Utility Fund consists of supplies and parts that are valued at lower of cost (first-in, first-out) or market.*

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to July 1, 2002, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Equipment	5 years
Utility system and improvements	20-40 years
Infrastructure	20 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Compensated Absences

Sick leave is earned at the rate of fourteen hours per month. Compensatory leave or K-time is earned at time and one-half the regular rate for overtime work and for work required on an observed holiday. Vacation leave is accumulated as follows:

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

	<u>Employees of</u>		
	Other		
	<u>Departments</u>	<u>Police</u>	<u>Fire</u>
1 - 4 years service	10 days	8 days	5 days
5 - 9 years service	15 days	12 days	7 days
10 or more years service	20 days	16 days	10 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. An employee may not carry over or accumulate more than thirty days of vacation leave from one employment anniversary date to another.

For fund financial statements, vested or accumulated sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a current fund liability of the governmental fund that will pay it. In the government-wide statements, amounts of vested or accumulated sick leave that are not expected to be liquidated with expendable available financial resources are recorded as long-term debt.

Restricted Assets

Restricted assets include cash and interest-bearing deposits of the proprietary fund that are legally restricted as to their use. The restricted assets are related to the revenue bond accounts and utility meter deposits.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of the revenue bonds payable and utility meter deposits payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character:  
Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

F. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales tax	See Note 3
Gas, water and sewer revenue	Debt service and utility operations

The City uses unrestricted resources only when restricted resources are fully depleted.

G. 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.



CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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.
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.

H. Use of Estimates

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

I. Report Classification

Certain previously reported amounts for the year ended June 30, 2003 have been reclassified to conform to the June 30, 2004 classifications.

(2) Ad Valorem Taxes

Ad valorem taxes attach as an 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.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

For the year ended June 30, 2004, taxes of 16.59 mills were levied on property with assessed valuations totaling \$32,571,270 and were dedicated as follows:

General corporate purposes	6.83 mills
Drainage maintenance	4.88 mills
Streets maintenance	<u>4.88</u> mills
Total	<u>16.59</u> mills

Total taxes levied were \$540,357. Taxes receivable at June 30, 2004 were \$2,088.

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

A one percent sales and use tax levied by the City in 1975 (2004 collections \$1,031,507; 2003 \$1,050,242) 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 (2004 collections \$1,031,507; 2003 \$1,050,243) is dedicated to these purposes:

Paying debt service on outstanding bonds; constructing, acquiring, extending, improving, operating and maintaining sewers and sewerage disposal works; with at least 5 percent of the tax proceeds annually for constructing, improving and maintaining city streets and sidewalks; constructing, improving and maintaining public buildings; and acquiring the necessary land, equipment and furnishings for the aforesaid.

(4) 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, 2004, the City has cash and interest-bearing deposits (book balances) totaling \$9,612,794 as follows:

Demand deposits	\$ 824,957
Money market accounts	3,995,998
Time deposits	<u>4,791,839</u>
Total	<u>\$ 9,612,794</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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, 2004, are as follows:

Bank balances	<u>\$ 9,974,753</u>
At June 30, 2004 the deposits are secured as follows:	
Federal deposit insurance	698,450
Pledged securities (Category 3)	<u>9,276,303</u>
<b>Total</b>	<b><u>\$ 9,974,753</u></b>

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.

(5) Receivables

Receivables at June 30, 2004 of \$425,543 consist of the following:

	<u>General</u>	<u>1984 Sales Tax</u>	<u>Mun Bldg Constr.</u>	<u>Street Constr.</u>	<u>Utility</u>	<u>Total</u>
Accounts	\$ -	\$ -	\$ -	\$ -	\$ 326,417	\$ 326,417
Unbilled utility	-	-	-	-	86,540	86,540
Taxes:						
Ad valorem	2,088	-	-	-	-	2,088
Interest	103	1,357	5,264	337	244	7,305
Other	-	-	-	-	3,193	3,193
<b>Totals</b>	<b><u>\$ 2,191</u></b>	<b><u>\$ 1,357</u></b>	<b><u>\$ 5,264</u></b>	<b><u>\$ 337</u></b>	<b><u>\$ 416,394</u></b>	<b><u>\$ 425,543</u></b>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(6) Due from Other Governmental Units

Amounts due from other governmental units consisted of the following at June 30, 2004:

Amount due from the State of Louisiana for fire insurance rebate for fiscal year ending June 30, 2004	\$ 24,408
Amount due from the State of Louisiana Division of Administration for Community Development Block Grant Funds	377,798
Amount due from the United States Department of Housing and Urban Development Section 8 Housing Program for June, 2004 rent	350
Amount due from the United States Department of Agriculture for the Summer Food Service Program for Children for the month of June, 2004	<u>11,565</u>
	<u>\$ 414,121</u>

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

Restricted assets consisted of the following at June 30, 2004:

Bond and interest sinking fund	\$ 182,404
Bond reserve fund	585,222
Renewal and replacement fund	201,375
Customers' deposits	419,623
Water construction fund	<u>13,202</u>
	<u>\$ 1,401,826</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Capital Assets

Capital asset activity for the year ended June 30, 2004 was as follows:

	Balance 07/01/03	Additions	Deletions	Balance 06/30/04
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 812,806	\$ 105,198	\$ -	\$ 918,004
Construction in progress	233,195	267,625		500,820
Other capital assets:				
Buildings	2,820,982	389,269	-	3,210,251
Infrastructure	2,580,116	540,813	-	3,120,929
Equipment, furniture and fixtures	1,364,330	74,291	148,696	1,289,925
Improvements other than buildings	169,799	113,709	-	283,508
Totals	<u>7,981,228</u>	<u>1,490,905</u>	<u>148,696</u>	<u>9,323,437</u>
Less accumulated depreciation				
Buildings	1,166,357	82,524	-	1,248,881
Infrastructure	435,444	76,906	-	512,350
Equipment, furniture and fixtures	831,689	93,476	120,582	804,583
Improvements other than buildings	8,928	9,178	-	18,106
Total accumulated depreciation	<u>2,442,418</u>	<u>262,084</u>	<u>120,582</u>	<u>2,583,920</u>
Governmental activities, capital assets, net	<u>\$ 5,538,810</u>	<u>\$ 1,228,821</u>	<u>\$ 28,114</u>	<u>\$ 6,739,517</u>
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 101,475	\$ -	\$ -	\$ 101,475
Construction in progress	116,290	2,274,876	-	2,391,166
Other capital assets:				
Gas system	3,944,698	-	-	3,944,698
Water system	5,184,237	236,897	-	5,421,134
Sewer system	10,027,874	-	-	10,027,874
Machinery and equipment	204,356	10,248	1,800	212,804
Totals	<u>19,578,930</u>	<u>2,522,021</u>	<u>1,800</u>	<u>22,099,151</u>
Less accumulated depreciation				
Gas system	2,709,982	78,604	-	2,788,586
Water system	2,627,982	156,762	-	2,784,744
Sewer system	2,830,882	207,728	-	3,038,610
Machinery and equipment	112,107	28,617	240	140,484
Total accumulated depreciation	<u>8,280,953</u>	<u>471,711</u>	<u>240</u>	<u>8,752,424</u>
Business-type activities, capital assets, net	<u>\$ 11,297,977</u>	<u>\$ 2,050,310</u>	<u>\$ 1,560</u>	<u>\$ 13,346,727</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 87,655
Police	32,849
Fire	13,382
Streets	103,876
Culture and recreation	<u>24,322</u>
 Total depreciation expense	 <u>\$ 262,084</u>

Depreciation expense was charged to business-type activities as follows:

Gas	\$ 92,149
Water	167,847
Sewer	<u>211,715</u>
 Total depreciation expense	 <u>\$471,711</u>

Construction in progress of \$500,820 in the governmental activities consists of \$395,390 in architectural and engineering fees relative to the Municipal Hall Complex and \$105,430 of engineering and legal fees relative to a street improvements project. Construction in progress of \$2,391,166 in the business-type activities consists mainly of costs incurred through June 30, 2004 on a sewer and water extension project in a newly annexed area of the City.

(9) Accounts, Salaries, and Other Payables

The accounts, salaries, and other payables consisted of the following at June 30, 2004:

	Governmental Activities	Business-type Activities	Total
Accounts	\$ 120,901	\$ 49,307	\$ 170,208
Contracts	434,163	168,675	602,838
Other liabilities	<u>68,409</u>	<u>76,142</u>	<u>144,551</u>
 Totals	 <u>\$ 623,473</u>	 <u>\$ 294,124</u>	 <u>\$917,597</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(10) Changes in Long-Term Debt

The following is a summary of bonds, notes, certificates of indebtedness and compensated absences transactions of the City for the year ended June 30, 2004:

	Governmental Activities			Business-Type Activities	Total
	General Obligation	Capital Lease	Compensated Absences	Revenue	
Long-term debt, July 1, 2003	\$ 7,205,000	\$ -	\$ 36,549	\$ 4,405,000	\$11,646,549
Additions	-	25,719	-	2,350,000	2,375,719
Retirements	<u>(505,000)</u>	<u>(9,674)</u>	<u>(2,035)</u>	<u>(2,785,000)</u>	<u>(3,301,709)</u>
Long-term debt, June 30, 2004	<u>\$ 6,700,000</u>	<u>\$ 16,045</u>	<u>\$ 34,514</u>	<u>\$ 3,970,000</u>	<u>\$10,720,559</u>

Bonds payable at June 30, 2004 are comprised of the following individual issues:

General obligation bonds:

\$3,500,000 Public Improvement Sales Tax Bonds, Series ST-2001, due in annual installments of \$105,000 - \$290,000 through March 1, 2021; interest at 5.00 - 7.00 percent, secured by sales tax revenues	\$ 3,230,000
\$2,380,000 Public Improvement Sales Tax Refunding Bonds, Series ST-2003, due in annual installments of \$380,000 - \$440,000 through March 1, 2009; interest at 2.20 - 4.00 percent, secured by sales tax revenues	2,045,000
\$1,500,000 Street and Drainage Bonds, Series 2003, due in annual installments of \$80,000 - \$145,000 through March 1, 2017; interest at 4.05 percent, secured by ad valorem taxes transferred from the General Fund	<u>1,425,000</u>
	<u>\$ 6,700,000</u>

Revenue bonds:

\$2,350,000 Utilities Revenue Refunding Bonds, Series 2004 due in annual installments of \$70,000 - \$420,000 through May 1, 2014; interest at 2.35 - 4.80 percent; secured by Utility Fund revenues	\$ 2,340,000
\$1,650,000 Utilities Revenue Bonds Series 2003, due in annual installments of \$20,000 - \$285,000 through May 1, 2015; interest at 2.20 - 5.20 percent; secured by Utility Fund revenues	<u>1,630,000</u>
	<u>\$ 3,970,000</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Capital Lease Payable:

\$25,719 equipment lease to First Continental Leasing, due in monthly installments of \$755, through April 6, 2006; interest at 3.59 percent

\$ 16,045

The bonds are due as follows:

Year ending June 30,	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal payments</u>	<u>Interest payments</u>	<u>Principal payments</u>	<u>Interest payments</u>
2005	565,000	297,180	385,000	153,178
2006	585,000	277,280	400,000	144,110
2007	615,000	255,230	415,000	133,280
2008	645,000	231,673	430,000	120,582
2009	670,000	205,650	445,000	105,923
2010-2014	1,465,000	756,117	1,610,000	310,607
2015-2019	1,590,000	377,353	285,000	14,820
2020-2021	565,000	45,315	-	-
Total	<u>\$ 6,700,000</u>	<u>\$ 2,445,798</u>	<u>\$ 3,970,000</u>	<u>\$ 982,500</u>

The City issued \$2,350,000 of utilities revenue refunding bonds to provide resources to purchase U. S. Government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$2,230,870 of utilities revenue bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the City's Enterprise Fund's balance sheet.

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. Government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City's Enterprise Fund's balance sheet and the governmental activities column of the statement of net assets. As of June 30, 2004, the amount of defeased utility revenue debt outstanding but removed from the Enterprise Fund's balance sheet amounted to \$5,255,870. Additionally, as of June 30, 2004 there remained a balance of \$3,350,000 of defeased Sewer Improvement Serial Bonds, which were removed from the statement of net assets.



CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Under the terms of the \$2,350,000 Utilities Revenue Refunding Bonds Series 2004 and \$1,650,000 Utilities Revenue Bonds Series 2003 bond indentures dated May 1, 2004 and May 1, 2003, all income and revenues of every nature derived from the operation of the system are pledged and dedicated to the retirement of said bonds.

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 (\$400,000 at June 30, 2004).

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.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Utility Rates

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.

(12) Employee Retirement

Substantially all employees of the City are members of the following statewide retirements systems: Municipal Employees Retirement System of Louisiana, Municipal Police Employees Retirement System of Louisiana, or Firefighters Retirement System of Louisiana. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Municipal Employees Retirement System of Louisiana (System)

Plan Description - The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the municipality are members of Plan A.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 925-4810.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Funding Policy - Under Plan A, members are required by state statute to contribute 9.25% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 11.00% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the City are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City's contributions to the System for the years ending June 30, 2004, 2003, and 2002 were \$133,796, \$101,508, and \$77,771, respectively, equal to the required contributions for each year.

B. Municipal Police Employees Retirement System of Louisiana (System)

Plan Description - All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3% of their final-average salary for each year of creditable service. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (225) 929-7411.

Funding Policy - Plan members are required by state statute to contribute 7.5% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 15.25% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City's contributions to the System for the years ending June 30, 2004, 2003, and 2002 were \$74,644, \$46,911, and \$53,306, respectively, equal to the required contributions for each year.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

C. Firefighters' Retirement System of Louisiana

Plan Description - Membership in the Louisiana Firefighters' Retirement System is mandatory for all full-time firefighters employed by a municipality, parish, or fire protection district that did not enact an ordinance before January 1, 1980, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3% of their final-average salary for each year of creditable service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, Post Office Box 94095, Baton Rouge, Louisiana 70804, or by calling (225) 925-4060.

Funding Policy. Plan members are required by state statute to contribute 8.0% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 21.0% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City firefighters began participation in the system effective July 1, 1999. The City's contributions to the System for the years ending June 30, 2004, 2003 and 2002 were \$64,016, \$31,516, and \$26,671, respectively, equal to the required contributions for each year.

D. 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 contributions during the years ending June 30, 2004, 2003, and 2002 amounted to \$41,219, \$48,329 and \$42,553, respectively.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(13) Pending Litigation

At June 30, 2004, the City of Ville Platte was a defendant in several lawsuits. The City's legal counsel has reviewed the claims and lawsuits, in order to evaluate the likelihood of an unfavorable outcome to the City and to arrive at an estimate, if any, of the amount or range of potential loss to the City not covered by insurance. As a result of the review, there are no claims and lawsuits which might result in a liability to the City which are not considered coverable by insurance.

(14) Enterprise Fund Contracts

The City of Ville Platte, under contract dated November 15, 2001, purchased natural gas from LIG Chemical Company until the contract expired on June 1, 2004. The City began purchasing its natural gas from Crosstex Gulf Coast Marketing, under a contract commencing June 1, 2004. The contract will expire on June 1, 2005, after which time it can be renewed on an annual basis by mutual consent of the parties. The City purchased natural gas during fiscal year ended June 30, 2004 in the amount of \$1,256,237 of which \$74,238 was owed for purchases for the month of June 2004.

(15) 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, 2004 was as follows:

	<u>Gas Department</u>	<u>Water Department</u>	<u>Sewerage Department</u>	<u>Total Enterprise Fund</u>
Operating revenues	<u>\$ 2,525,814</u>	<u>\$ 1,003,751</u>	<u>\$ 747,237</u>	<u>\$ 4,276,802</u>
Operating expenses:				
Depreciation	92,149	167,847	211,715	471,711
Other	<u>2,007,194</u>	<u>584,481</u>	<u>505,832</u>	<u>3,097,507</u>
Total operating expenses	<u>2,099,343</u>	<u>752,328</u>	<u>717,547</u>	<u>3,569,218</u>
Operating income	<u>\$ 426,471</u>	<u>\$ 251,423</u>	<u>\$ 29,690</u>	<u>\$ 707,584</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(16) Compensation of City Officials

A detail of compensation paid to the Mayor and Board of Aldermen for the year ended June 30, 2004 follows:

Mayor:

Phillip A. Lemoine	<u>\$ 36,680</u>
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Aldermen:

Carol Alfred	\$ 8,766
James Bordelon	8,766
C. J. Dardeau	9,320
Earl Edwards	8,766
Freddie Jack	8,766
William B. Jeanmard	<u>9,412</u>
	<u>\$ 53,796</u>

(17) Risk Management

A. Commercial Insurance Coverage

The City is exposed to risks of loss in the areas of general and auto liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

B. Group Self- Insurance

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 Benesys, Inc. and the plan year ends on March 31 of each year. Under this plan, the Continental Assurance Company 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 \$35,000. For the plan year ending March 31, 2005, the Continental Assurance Company 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 \$438,772 or the total of monthly payments by the City. Monthly payments are calculated based on the number of employee with single coverage multiplied by a funding factor of \$265 and the number of employees with family coverage multiplied by a funding factor of \$755. For the plan year ending March 31, 2004, the aggregate reimbursement amount is the greater of \$396,488 or the total of monthly payments which is calculated based on the number of employees multiplied by a composite funding factor of \$265 and \$755 for single and family coverage, respectively.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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 \$50,790 reported in the fund at June 30, 2004 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

Unpaid claims, July 1, 2003	\$ 67,994
Insurance claims	400,969
Payments	<u>(418,173)</u>
Unpaid claims, June 30, 2004	<u>\$ 50,790</u>

Claims payable of \$50,790 at June 30, 2004 was determined as follows:

A. Claims incurred prior to June 30, 2004 and paid in July, 2004 and August, 2004	\$ 2,953
B. Claims incurred prior to June 30, 2004 and pending at August 31, 2004	14,314
C. Provision for claims incurred but not reported	<u>33,523</u>
Total claims payable	<u>\$ 50,790</u>

The provision for claims incurred but not reported of \$33,523 was calculated utilizing historical information adjusted for current trends.

Effective May 1, 2004, the plan was discontinued, at which time the City began purchasing conventional insurance for group insurance coverage.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(18) Interfund Receivables/Payables

A. A summary of interfund receivables and payables at June 30, 2004 follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major governmental funds:		
General Fund	\$ 264,500	\$ 458,100
1984 Sales Tax Special Revenue Fund	170,000	293,753
LCDBG	56,365	-
P. I. Sales Tax Bonds Debt Service Fund	-	1,529
Municipal Building Construction Fund	61,282	-
Street and Drainage Construction Fund	-	108,160
Total major governmental funds	<u>552,147</u>	<u>861,542</u>
Nonmajor governmental funds:		
Special revenue funds:		
City Court Fund	-	124
Sewerage District No.1 Bond Debt Service Fund	-	2,873
1993 Sales Tax Bond Construction Fund	<u>28,482</u>	<u>-</u>
Total nonmajor governmental funds	<u>28,482</u>	<u>2,997</u>
Total governmental funds	580,629	864,539
Proprietary funds:		
Enterprise Fund	409,540	177,063
Self-Insurance Internal Service Fund	<u>51,433</u>	<u>-</u>
Total	<u>\$1,041,602</u>	<u>\$1,041,602</u>

The amounts due to the General Fund from various other funds are for short-term loans. The amount due to the Enterprise Fund from the General Fund is for reimbursements owed for General Fund expenditures paid by the Enterprise Fund and for budgeted appropriations which were not transferred. The receivable in the Self-Insurance Fund is for amounts owed from various other funds for their share of health insurance premiums. The other receivable balances are for short-term loans.



CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

B. Transfers consisted of the following at June 30, 2004:

	<u>Transfers In</u>	<u>Transfers Out</u>
<b>Major governmental funds:</b>		
General Fund	\$ 1,896,007	\$ 191,542
1975 Sales Tax Special Revenue Fund	-	1,046,201
1984 Sales Tax Special Revenue Fund	55,000	1,259,148
LCDBG Fund	56,365	-
P. I. Sales Tax Bonds Debt Service Fund	733,773	-
Street and Drainage Construction Fund	<u>177,465</u>	<u>56,365</u>
	<u>2,918,610</u>	<u>2,553,256</u>
<b>Nonmajor governmental funds:</b>		
Special revenue funds:		
City Court Fund	167,000	-
1993 Sales Tax Bond Construction Fund	<u>77</u>	<u>58,020</u>
Total nonmajor governmental funds	<u>167,077</u>	<u>58,020</u>
Total governmental funds	<u>3,085,687</u>	<u>2,611,276</u>
<b>Proprietary funds:</b>		
Enterprise Fund	153,020	709,565
Internal Service Fund	<u>82,134</u>	<u>-</u>
Total proprietary funds	<u>235,154</u>	<u>709,565</u>
Total	<u>\$ 3,320,841</u>	<u>\$ 3,320,841</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
Year Ended June 30, 2004  
With Comparative Actual Amounts for Year Ended June 30, 2003

	2004		Actual	Variance with Final Budget Positive (Negative)	2003 Actual
	Budget				
	Original	Final			
<b>Revenues:</b>					
Taxes	\$1,259,500	\$1,293,800	\$ 1,287,986	\$ (5,814)	\$1,277,245
Licenses and permits	323,350	338,310	339,967	1,657	320,120
Intergovernmental	141,500	202,300	203,027	727	191,309
Miscellaneous	97,600	155,800	193,367	37,567	103,639
<b>Total revenues</b>	<u>1,821,950</u>	<u>1,990,210</u>	<u>2,024,347</u>	<u>34,137</u>	<u>1,892,313</u>
<b>Expenditures:</b>					
<b>Current -</b>					
General government	656,300	662,563	678,624	(16,061)	705,164
<b>Public safety:</b>					
Police	1,081,678	1,081,678	1,088,493	(6,815)	1,141,865
Fire	573,372	624,950	628,292	(3,342)	622,332
Streets and drainage	734,847	793,087	779,768	13,319	835,209
Culture and recreation	243,300	269,420	272,952	(3,532)	300,917
Capital outlay	88,500	114,000	100,174	13,826	363,691
Debt service	-	135,750	144,806	(9,056)	-
<b>Total expenditures</b>	<u>3,377,997</u>	<u>3,681,448</u>	<u>3,693,109</u>	<u>(11,661)</u>	<u>3,969,178</u>
<b>Deficiency of revenues     over expenditures</b>	<u>(1,556,047)</u>	<u>(1,691,238)</u>	<u>(1,668,762)</u>	<u>22,476</u>	<u>(2,076,865)</u>
<b>Other financing sources (uses):</b>					
Proceeds from capital lease	-	-	25,719	25,719	-
Transfers in	1,975,000	1,780,000	1,896,007	116,007	1,936,041
Transfers out	(136,750)	-	(191,542)	(191,542)	(51,433)
<b>Total other financing sources (uses)</b>	<u>1,838,250</u>	<u>1,780,000</u>	<u>1,730,184</u>	<u>(49,816)</u>	<u>1,884,608</u>
<b>Excess (deficiency) of revenues     and other sources over     expenditures and other uses</b>	282,203	88,762	61,422	(27,340)	(192,257)
Fund balance, beginning	1,047	1,047	1,047	-	193,304
Fund balance, ending	<u>\$ 283,250</u>	<u>\$ 89,809</u>	<u>\$ 62,469</u>	<u>\$(27,340)</u>	<u>\$ 1,047</u>

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

Budgetary Comparison Schedule  
Year Ended June 30, 2004  
With Comparative Actual Amounts for Year Ended June 30, 2003

	2004			Variance with Final Budget Positive (Negative)	2003 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes	\$ 1,040,000	\$ 1,010,000	\$ 1,031,507	\$ 21,507	\$ 1,050,242
Miscellaneous	1,200	1,200	43	(1,157)	1,693
<b>Total revenues</b>	<u>1,041,200</u>	<u>1,011,200</u>	<u>1,031,550</u>	<u>20,350</u>	<u>1,051,935</u>
<b>Expenditures:</b>					
<b>Current -</b>					
<b>General government:</b>					
Professional fees	7,500	8,500	8,905	(405)	8,765
Sales tax collection fees	-	12,500	18,689	(6,189)	20,401
<b>Total expenditures</b>	<u>7,500</u>	<u>21,000</u>	<u>27,594</u>	<u>(6,594)</u>	<u>29,166</u>
<b>Excess of revenues     over expenditures</b>	<u>1,033,700</u>	<u>990,200</u>	<u>1,003,956</u>	<u>13,756</u>	<u>1,022,769</u>
<b>Other financing uses:</b>					
<b>Transfers to -</b>					
General Fund	(725,000)	(700,000)	(785,000)	(85,000)	(742,000)
1984 Sales Tax Fund		(60,000)	(55,000)	5,000	-
City Court Fund	(165,000)	(180,000)	(65,500)	114,500	(186,000)
Utility Fund	(90,000)	(123,000)	(95,000)	28,000	(90,000)
Self Insurance Fund	-	-	(45,701)	(45,701)	-
<b>Total other financing uses</b>	<u>(980,000)</u>	<u>(1,063,000)</u>	<u>(1,046,201)</u>	<u>16,799</u>	<u>(1,018,000)</u>
<b>Excess (deficiency) of revenues     over expenditures and other     uses</b>	53,700	(72,800)	(42,245)	30,555	4,769
Fund balance, beginning	<u>144,401</u>	<u>144,401</u>	<u>144,401</u>	<u>-</u>	<u>139,632</u>
Fund balance, ending	<u>\$ 198,101</u>	<u>\$ 71,601</u>	<u>\$ 102,156</u>	<u>\$ 30,555</u>	<u>\$ 144,401</u>

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

Budgetary Comparison Schedule  
Year Ended June 30, 2004  
With Comparative Actual Amounts for Year Ended June 30, 2003

	2004			Variance with Final Budget Positive (Negative)	2003 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes	\$1,040,000	\$1,010,000	\$1,031,507	\$ 21,507	\$1,050,243
Miscellaneous	32,000	9,000	14,092	5,092	29,023
	<u>1,072,000</u>	<u>1,019,000</u>	<u>1,045,599</u>	<u>26,599</u>	<u>1,079,266</u>
<b>Expenditures:</b>					
Current -					
General government:					
Professional fees	7,500	8,500	8,905	(405)	9,210
Sales tax collection fees	-	12,500	18,689	(6,189)	20,402
Total general government	<u>7,500</u>	<u>21,000</u>	<u>27,594</u>	<u>(6,594)</u>	<u>29,612</u>
Capital outlay -					
Construction cost-Fire Bay	-	59,752	59,752	-	-
Street repairs and overlay	-	-	-	-	6,465
Total capital outlay	<u>-</u>	<u>59,752</u>	<u>59,752</u>	<u>-</u>	<u>6,465</u>
Total expenditures	<u>7,500</u>	<u>80,752</u>	<u>87,346</u>	<u>(6,594)</u>	<u>36,077</u>
Excess of revenues over expenditures	<u>1,064,500</u>	<u>938,248</u>	<u>958,253</u>	<u>20,005</u>	<u>1,043,189</u>
<b>Other financing sources (uses):</b>					
Transfer from 1975 Sales Tax Fund	-	60,000	55,000	(5,000)	-
Transfers to -					
General Fund	(750,000)	(550,000)	(490,375)	59,625	(650,000)
City Court	-	-	(10,000)	(10,000)	-
Self Insurance Fund	-	-	(25,000)	(25,000)	-
Capital Projects Fund	(240,000)	-	-	-	-
P. I. Sales Tax Bonds Debt Service Fund	<u>(716,518)</u>	<u>(665,000)</u>	<u>(733,773)</u>	<u>(68,773)</u>	<u>(733,768)</u>
Total other financing sources (uses)	<u>(1,706,518)</u>	<u>(1,155,000)</u>	<u>(1,204,148)</u>	<u>(49,148)</u>	<u>(1,383,768)</u>
Deficiency of revenues and other sources over expenditures and other uses	(642,018)	(216,752)	(245,895)	(29,143)	(340,579)
Fund balance, beginning	<u>1,365,113</u>	<u>1,365,113</u>	<u>1,365,113</u>	<u>-</u>	<u>1,705,692</u>
Fund balance, ending	<u>\$ 723,095</u>	<u>\$1,148,361</u>	<u>\$1,119,218</u>	<u>\$(29,143)</u>	<u>\$1,365,113</u>

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

Budgetary Comparison Schedule  
Year Ended June 30, 2004  
With Comparative Actual Amounts for Year Ended June 30, 2003

	2004			Variance with Final Budget Positive (Negative)	2003 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Intergovernmental -					
Federal grant	\$ -	\$ 403,961	\$ 403,961	\$ -	\$ 38,530
<b>Expenditures:</b>					
Capital outlay -					
Street improvements	-	460,326	460,326	-	-
Excess (deficiency) of revenues over expenditures	-	(56,365)	(56,365)	-	38,530
<b>Other financing sources (uses):</b>					
Transfer from Street & Drainage Construction	-	56,365	56,365	-	-
Transfer to Utility fund	-	-	-	-	(38,530)
Total other financing sources (uses)	-	56,365	56,365	-	(38,530)
Excess of revenues and other sources over expenditures and other uses	-	-	-	-	-
Fund balance, beginning	-	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ -	\$ -	\$ -

**OTHER SUPPLEMENTARY INFORMATION**

**OTHER FINANCIAL INFORMATION**



CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Revenues  
Year Ended June 30, 2004  
With Comparative Actual Amounts for Year Ended June 30, 2003

	2004				
	Budget		Actual	Variance with Final Budget	2003 Actual
	Original	Final		Positive (Negative)	
<b>Taxes:</b>					
Ad valorem	\$ 222,500	\$ 219,000	\$ 220,376	\$ 1,376	\$ 223,699
Drainage maintenance	160,000	155,000	157,455	2,455	159,562
Street maintenance	160,000	155,000	157,455	2,455	159,735
PILOT - Housing Authority	18,000	19,000	18,753	(247)	16,198
Franchise - utility companies	315,000	336,000	315,672	(20,328)	334,102
Utility Fund - payment in lieu of taxes	376,500	402,800	411,752	8,952	376,195
Chain store	7,500	7,000	6,523	(477)	7,754
	<u>1,259,500</u>	<u>1,293,800</u>	<u>1,287,986</u>	<u>(5,814)</u>	<u>1,277,245</u>
<b>Licenses and permits:</b>					
Occupational licenses	320,000	320,000	311,221	(8,779)	316,163
Building permits	2,000	16,200	25,258	9,058	2,213
Electrical permits	1,200	2,000	3,328	1,328	1,614
House moving permits	150	110	160	50	130
	<u>323,350</u>	<u>338,310</u>	<u>339,967</u>	<u>1,657</u>	<u>320,120</u>
<b>Intergovernmental:</b>					
State of Louisiana -					
Beer tax	18,500	22,000	23,331	1,331	38,858
State grants	42,000	63,700	62,193	(1,507)	11,961
Fire insurance rebate	20,000	24,000	24,408	408	22,728
Highway maintenance	14,000	13,800	13,769	(31)	13,769
Federal -					
Grants	-	25,800	25,783	(17)	58,333
Summer food service program	47,000	53,000	53,543	543	45,660
	<u>141,500</u>	<u>202,300</u>	<u>203,027</u>	<u>727</u>	<u>191,309</u>
<b>Miscellaneous:</b>					
Rental income -					
Gas department	15,000	15,000	15,000	-	15,000
Park and civic center	33,000	29,000	28,920	(80)	34,500
Land rent	900	-	9,850	9,850	10,300
Rent income other	9,500	10,000	14,570	4,570	-
Section 8 rent	4,200	4,250	4,250	-	-
City park receipts	6,500	7,900	11,866	3,966	7,663
Interest income	14,000	2,000	4,577	2,577	15,696
Sale of capital assets	2,200	6,900	3,750	(3,150)	1,230
Law enforcement revenue	-	3,100	8,140	5,040	890
Miscellaneous grants	-	40,000	54,378	14,378	-
Other sources	12,300	37,650	38,066	416	18,360
	<u>97,600</u>	<u>155,800</u>	<u>193,367</u>	<u>37,567</u>	<u>103,639</u>
<b>Total revenues</b>	<b><u>\$ 1,821,950</u></b>	<b><u>\$ 1,990,210</u></b>	<b><u>\$ 2,024,347</u></b>	<b><u>\$ 34,137</u></b>	<b><u>\$ 1,892,313</u></b>

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures  
Year Ended June 30, 2004  
With Comparative Actual Amounts for Year Ended June 30, 2003

	2004		Actual	Variance with Final Budget Positive (Negative)	2003 Actual
	Budget				
	Original	Final			
<b>General government:</b>					
<b>Executive -</b>					
Mayor salary	\$ 36,440	\$ 36,677	\$ 36,680	\$ (3)	\$ 37,340
Council salaries	58,500	53,798	53,796	2	57,244
Retirement	3,650	4,718	4,701	17	2,519
Medicare taxes	3,300	3,974	3,350	624	3,272
Group insurance	23,000	28,122	26,818	1,304	22,525
Auto allowances	20,400	20,700	20,700	-	20,100
Dues and conventions	9,000	6,890	7,482	(592)	10,212
Total executive	<u>154,290</u>	<u>154,879</u>	<u>153,527</u>	<u>1,352</u>	<u>153,212</u>
<b>Administrative -</b>					
Salaries	173,000	172,708	172,296	412	176,402
Contract services	65,000	49,254	45,961	3,293	33,653
Treasurer's pay	3,600	3,300	3,300	-	-
Utilities	6,500	6,553	6,880	(327)	6,610
Telephone	6,500	7,291	7,919	(628)	9,103
Insurance	23,000	29,770	32,138	(2,368)	20,271
Workman's compensation	1,500	1,355	1,970	(615)	1,472
Advertising and publicity	8,000	9,004	9,469	(465)	14,013
Group insurance	26,000	38,966	37,567	1,399	25,200
Office expense	21,000	21,003	24,675	(3,672)	33,366
Professional fees	65,800	56,104	62,071	(5,967)	102,393
Repairs and maintenance	14,250	5,998	6,582	(584)	12,615
Gas and oil	750	1,814	2,050	(236)	681
Association dues, conventions and travel	6,000	4,782	5,157	(375)	8,735
Chamber of Commerce social programs	6,500	12,830	12,830	-	13,841
Auto allowances	5,160	2,960	2,960	-	5,160
Retirement contributions	9,500	16,196	15,200	996	9,382
Medicare taxes	2,800	2,222	2,160	62	2,755
Payroll taxes	350	369	350	19	338
Uniforms	950	1,426	1,047	379	1,213
Summer feeding program expense	47,000	47,218	53,627	(6,409)	45,218
Election expense	-	-	-	-	15,075
Demolition of property	-	10,000	9,800	200	-
Miscellaneous	8,850	6,561	9,088	(2,527)	14,456
Total administrative	<u>502,010</u>	<u>507,684</u>	<u>525,097</u>	<u>(17,413)</u>	<u>551,952</u>
Total general government	<u>656,300</u>	<u>662,563</u>	<u>678,624</u>	<u>(16,061)</u>	<u>705,164</u>

(continued)

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (continued)  
Year Ended June 30, 2004  
With Comparative Actual Amounts for Year Ended June 30, 2003

	2004		Actual	Variance with Final Budget Positive (Negative)	2003 Actual
	Budget				
	Original	Final			
<b>Public safety:</b>					
<b>Police department -</b>					
Salaries	635,080	635,080	643,041	(7,961)	693,681
Gas and oil	35,000	35,000	39,900	(4,900)	40,291
Auto repairs	41,700	41,700	35,027	6,673	52,303
Equipment and building repairs and maintenance	6,000	6,000	5,192	808	7,334
Feeding prisoners	6,300	6,300	5,076	1,224	6,905
Supplies	23,500	23,500	25,321	(1,821)	20,553
Telephone	10,500	10,500	9,026	1,474	13,693
Insurance	65,000	65,000	56,026	8,974	62,928
Workman's compensation	35,000	35,000	38,817	(3,817)	29,012
Advertising and publicity	1,000	1,000	1,632	(632)	2,316
Uniforms and storage	15,000	15,000	19,723	(4,723)	18,432
Retirement contributions	78,298	78,298	67,659	10,639	44,718
Group insurance	80,000	80,000	77,074	2,926	78,433
Professional fees	1,500	1,500	1,367	133	8,805
Association dues, conventions and travel	2,000	2,000	7,024	(5,024)	4,078
Officer training program	4,800	4,800	7,941	(3,141)	6,641
Utilities	5,300	5,300	4,935	365	4,983
Medicare taxes	13,100	13,100	12,219	881	12,127
Payroll taxes	2,200	2,200	1,153	1,047	1,484
Dare, K-9 & DWI expense	1,900	1,900	4,965	(3,065)	4,653
Medical expense	11,000	11,000	15,922	(4,922)	15,998
Miscellaneous	7,500	7,500	9,453	(1,953)	12,497
Total police department	<u>1,081,678</u>	<u>1,081,678</u>	<u>1,088,493</u>	<u>(6,815)</u>	<u>1,141,865</u>
<b>Fire department -</b>					
Salaries	333,232	354,000	340,850	13,150	363,861
Auto allowance	3,600	3,600	3,600	-	3,600
Gas and oil	5,000	7,100	6,327	773	5,276
Equipment and building repairs and maintenance	29,000	19,000	26,634	(7,634)	35,631
Supplies	18,000	5,200	7,248	(2,048)	19,886
Telephone	5,000	5,100	4,460	640	5,405
Insurance	24,000	24,000	32,604	(8,604)	21,340
Workman's compensation	19,000	24,000	24,782	(782)	19,406

(continued)

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (continued)  
Year Ended June 30, 2004  
With Comparative Actual Amounts for Year Ended June 30, 2003

	2004			Variance with Final Budget Positive (Negative)	2003 Actual
	Budget		Actual		
	Original	Final			
Fire department (continued) -					
Uniforms	7,000	3,200	3,200	-	10,100
Retirement contributions	41,940	68,000	67,602	398	46,978
Group insurance	40,000	65,200	62,756	2,444	40,452
Utilities	15,000	15,900	14,382	1,518	14,014
Medicare taxes	5,500	5,400	5,063	337	5,820
School training	2,000	500	-	500	156
Payroll taxes	800	850	830	20	829
Contribution of fire insurance rebate	20,000	20,000	24,408	(4,408)	22,728
Professional fees	1,300	1,200	1,019	181	2,160
Miscellaneous	3,000	2,700	2,527	173	4,690
Total fire department	<u>573,372</u>	<u>624,950</u>	<u>628,292</u>	<u>(3,342)</u>	<u>622,332</u>
Total public safety	<u>1,655,050</u>	<u>1,706,628</u>	<u>1,716,785</u>	<u>(10,157)</u>	<u>1,764,197</u>
Streets and drainage:					
Salaries	330,000	329,000	317,672	11,328	338,079
Gas, oil and fuel	9,000	20,500	20,253	247	13,306
Truck and equipment repairs	34,000	23,000	23,755	(755)	62,870
Equipment lease	44,000	42,000	32,034	9,966	42,305
Tools and supplies	23,000	10,000	11,358	(1,358)	22,651
Telephone	900	3,000	3,005	(5)	1,916
Insurance	30,000	52,000	47,682	4,318	27,938
Workman's compensation	42,000	50,000	51,259	(1,259)	52,188
Retirement contributions	18,500	29,000	28,395	605	18,542
Group insurance	50,000	57,000	64,694	(7,694)	51,100
Uniforms	3,800	6,400	6,645	(245)	5,291
Auto allowance	-	-	100	(100)	600
Utilities - street lights	65,000	67,900	68,233	(333)	63,971
Medicare taxes	7,500	5,300	5,529	(229)	7,639
Payroll taxes	500	640	631	9	675
Medical expense	2,500	300	251	49	2,003
Sand, gravel, cement and dirt	3,500	2,800	2,450	350	6,351
Main street program/Economic development	24,000	41,100	41,765	(665)	13,516
Street, repairs and overlay	9,500	8,500	7,261	1,239	18,398
Hurricane expenditures	-	-	-	-	17,300
Professional fees	-	2,000	3,590	(1,590)	7,195
Impounder	3,500	8,000	7,370	630	6,682
Grass and tree cutting	4,500	4,000	3,203	797	10,434
EP Solid Waste	15,147	15,147	15,147	-	15,147
Miscellaneous	14,000	15,500	17,486	(1,986)	29,112
Total streets and drainage	<u>734,847</u>	<u>793,087</u>	<u>779,768</u>	<u>13,319</u>	<u>835,209</u>

(continued)

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (continued)  
Year Ended June 30, 2004  
With Comparative Actual Amounts for Year Ended June 30, 2003

	2004			Variance with Final Budget Positive (Negative)	2003 Actual
	Budget		Actual		
	Original	Final			
Culture and recreation:					
Salaries	94,000	106,000	104,875	1,125	131,121
Contract services	5,400	3,800	3,776	24	10,963
Gas, oil and diesel	3,000	2,600	2,923	(323)	5,046
Building and equipment repairs	35,000	31,000	34,234	(3,234)	29,759
Pool repairs	4,500	3,000	2,748	252	2,938
Small tools and supplies	14,000	9,000	17,511	(8,511)	19,340
Chemicals	9,500	6,000	4,430	1,570	17,381
Telephone	1,600	2,200	2,404	(204)	2,284
Insurance	10,000	12,000	8,095	3,905	7,549
Workman's compensation	5,000	5,000	4,954	46	9,077
Retirement contributions	5,000	7,500	7,911	(411)	4,995
Group insurance	16,000	17,500	16,808	692	15,250
Uniforms	1,200	1,570	1,603	(33)	1,686
Utilities	26,000	33,000	31,907	1,093	27,308
Medicare taxes	4,500	2,500	2,425	75	4,247
Payroll taxes	300	250	214	36	259
Professional fees	2,800	1,500	998	502	5,065
Grant expenditures	-	20,000	19,081	919	-
Miscellaneous	5,500	5,000	6,055	(1,055)	6,649
Total culture and recreation	<u>243,300</u>	<u>269,420</u>	<u>272,952</u>	<u>(3,532)</u>	<u>300,917</u>
Capital outlay:					
Administrative -					
Equipment	-	5,200	2,541	2,659	-
Public safety -					
Police:					
Equipment	-	5,500	9,808	(4,308)	15,147
Vehicles	20,000	10,000	10,000	-	73,718
Fire:					
Equipment	-	70,000	1,224	68,776	28,614
Streets and drainage -					
Equipment	8,500	-	34,219	(34,219)	70,571
Culture and recreation -					
Equipment & improvements	30,000	13,300	14,999	(1,699)	11,610
Entrance signs to Town	5,000	2,500	2,399	101	-
Downtown walking trail	10,000	-	-	-	-
Park improvements	15,000	7,500	24,984	(17,484)	164,031
Total capital outlay	<u>88,500</u>	<u>114,000</u>	<u>100,174</u>	<u>13,826</u>	<u>363,691</u>
Debt Service:					
Principal	-	75,000	83,317	(8,317)	-
Interest	-	60,750	61,489	(739)	-
Total debt service	<u>-</u>	<u>135,750</u>	<u>144,806</u>	<u>(9,056)</u>	<u>-</u>
Total expenditures	<u>\$3,377,997</u>	<u>\$3,681,448</u>	<u>\$3,693,109</u>	<u>\$ (11,661)</u>	<u>\$3,969,178</u>

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Other Financing Sources (Uses)  
Year Ended June 30, 2004  
With Comparative Actual Amounts for Year Ended June 30, 2003

	2004			Variance with Final Budget Positive (Negative)	2003 Actual
	Budget		Actual		
	Original	Final			
Other financing sources (uses):					
Proceeds from capital lease	\$ -	\$ -	\$ 25,719	\$ 25,719	\$ -
Transfers from (to) other funds -					
Utility Fund	500,000	530,000	620,632	90,632	544,041
1975 Sales Tax Fund	725,000	700,000	785,000	85,000	742,000
1984 Sales Tax Fund	750,000	550,000	490,375	(59,625)	650,000
Sales Tax Bond Debt Service	(136,750)	-	-	-	-
City Court	-	-	(14,000)	(14,000)	-
Street & Drainage Construction	-	-	(177,465)	(177,465)	-
Sewer System Construction	-	-	(77)	(77)	-
Self-Insurance Fund	-	-	-	-	(51,433)
Total other financing sources (uses)	<u>\$1,838,250</u>	<u>\$1,780,000</u>	<u>\$1,730,184</u>	<u>\$ (49,816)</u>	<u>\$1,884,608</u>

CITY OF VILLE PLATTE, LOUISIANA  
P. I. Sales Tax Bonds Debt Service Fund

Budgetary Comparison Schedule  
Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004			Variance with Final Budget Positive (Negative)	2003 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Miscellaneous - interest	\$ 25,000	\$ 22,000	\$ 10,470	\$(11,530)	\$ 18,959
Expenditures:					
Current -					
General government -					
Paying agent fees	3,000	-	982	(982)	28,763
Debt service -					
Principal retirement	505,000	430,000	430,000	-	410,000
Interest	308,071	247,321	247,321	-	330,806
Total expenditures	816,071	677,321	678,303	(982)	769,569
Deficiency of revenues over expenditures	(791,071)	(655,321)	(667,833)	(12,512)	(750,610)
Other financing sources (uses):					
Proceeds from issuance of bonds	-	-	-	-	2,380,000
Payment to refund debt	-	-	-	-	(2,406,443)
Transfers from other funds -					
1984 Sales Tax Fund	716,518	665,000	733,773	68,773	733,768
General Fund	136,750	-	-	-	-
Transfers to other funds -					
Sales Tax Bond Construction	-	-	-	-	(7,758)
Municipal Building Construction	-	-	-	-	(43,228)
Total other financing sources (uses)	853,268	665,000	733,773	68,773	664,405
Excess (deficiency) of revenues and other sources over expenditures and other uses	62,197	9,679	65,940	56,261	(86,205)
Fund balance, beginning	1,129,440	1,129,440	1,129,440	-	1,215,645
Fund balance, ending	\$1,191,637	\$1,139,119	\$ 1,195,380	\$ 56,261	\$1,129,440

CITY OF VILLE PLATTE, LOUISIANA  
Municipal Building Construction Fund

Budgetary Comparison Schedule  
Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004			Variance with Final Budget Positive (Negative)	2003 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Miscellaneous - interest	\$ 90,000	\$ 50,000	\$ 68,260	\$ 18,260	\$ 86,395
<b>Expenditures:</b>					
Capital outlay -					
Construction cost	3,173,000	632,000	521,040	110,960	-
Engineering and other	127,000	153,000	182,782	(29,782)	183,667
Total expenditures	<u>3,300,000</u>	<u>785,000</u>	<u>703,822</u>	<u>81,178</u>	<u>183,667</u>
Deficiency of revenues over expenditures	(3,210,000)	(735,000)	(635,562)	99,438	(97,272)
<b>Other financing source:</b>					
Transfer from P. I. Sales Tax Bonds Debt Service Fund	-	-	-	-	43,228
Deficiency of revenues and other source over expenditures	(3,210,000)	(735,000)	(635,562)	99,438	(54,044)
Fund balance, beginning	<u>3,357,595</u>	<u>3,357,595</u>	<u>3,357,595</u>	-	<u>3,411,639</u>
Fund balance, ending	<u>\$ 147,595</u>	<u>\$ 2,622,595</u>	<u>\$ 2,722,033</u>	<u>\$ 99,438</u>	<u>\$ 3,357,595</u>



CITY OF VILLE PLATTE, LOUISIANA  
Street and Drainage Construction Fund

Budgetary Comparison Schedule  
Year Ended June 30, 2004  
With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004			Variance with Final Budget Positive (Negative)	2003 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Miscellaneous - interest	\$ 10,000	\$ -	\$ 13,650	\$ 13,650	\$ 5,881
<b>Expenditures:</b>					
Capital outlay -					
Street improvements	1,378,000	250,000	106,264	143,736	-
Engineering and other	30,000	-	-	-	20,585
Total expenditures	<u>1,408,000</u>	<u>250,000</u>	<u>106,264</u>	<u>143,736</u>	<u>20,585</u>
Deficiency of revenues over expenditures	<u>(1,398,000)</u>	<u>(250,000)</u>	<u>(92,614)</u>	<u>157,386</u>	<u>(14,704)</u>
<b>Other financing sources (uses):</b>					
Proceeds from issuance of bonds	-	-	-	-	1,502,025
Transfers from (to) other funds -					
Transfers from General Fund	-	-	177,465	177,465	-
Transfer from 1984 Sales Tax Fund	240,000	-	-	-	-
Transfer to LCDBG	<u>-</u>	<u>(56,365)</u>	<u>(56,365)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>240,000</u>	<u>(56,365)</u>	<u>121,100</u>	<u>177,465</u>	<u>1,502,025</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(1,158,000)</u>	<u>(306,365)</u>	<u>28,486</u>	<u>334,851</u>	<u>1,487,321</u>
Fund balance, beginning	<u>1,487,321</u>	<u>1,487,321</u>	<u>1,487,321</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ 329,321</u>	<u>\$ 1,180,956</u>	<u>\$ 1,515,807</u>	<u>\$334,851</u>	<u>\$ 1,487,321</u>

**NONMAJOR GOVERNMENTAL FUNDS**

CITY OF VILLE PLATTE, LOUISIANA  
Nonmajor Governmental Funds

Combining Balance Sheet  
June 30, 2004  
With Comparative Totals for June 30, 2003

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals</u>	
				2004	2003
<b>ASSETS</b>					
Cash	\$ 18,164	\$ 6,268	\$ -	\$ 24,432	\$ 31,620
Interest-bearing deposits, at cost	66,102	40,084	470,497	576,683	836,195
Due from other funds	-	-	28,482	28,482	20,984
Due from other governmental units	-	-	-	-	10,831
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 84,266</u>	<u>\$ 46,352</u>	<u>\$ 498,979</u>	<u>\$ 629,597</u>	<u>\$ 899,630</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ 5,236
Accounts payable	1,426	-	-	1,426	23,127
Accrued liabilities	-	670	-	670	-
Compensated absences payable	4,741	-	-	4,741	8,841
Due to other funds	124	2,873	-	2,997	129,984
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>6,291</u>	<u>3,543</u>	<u>-</u>	<u>9,834</u>	<u>167,188</u>
Fund balances:					
Reserved for debt service	-	42,809	-	42,809	42,504
Reserved for housing purposes	76,857	-	-	76,857	76,791
Unreserved, designated for subsequent years' expenditures	-	-	498,979	498,979	610,764
Unreserved, undesignated	1,118	-	-	1,118	2,383
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balances	<u>77,975</u>	<u>42,809</u>	<u>498,979</u>	<u>619,763</u>	<u>732,442</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities and fund balances	<u>\$ 84,266</u>	<u>\$ 46,352</u>	<u>\$ 498,979</u>	<u>\$ 629,597</u>	<u>\$ 899,630</u>

CITY OF VILLE PLATTE, LOUISIANA  
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended June 30, 2004  
With Comparative Totals for June 30, 2003

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals</u>	
				2004	2003
<b>Revenues:</b>					
Intergovernmental	\$420,821	\$ -	\$ -	\$420,821	\$ 436,314
Fines and forfeits	53,513	-	-	53,513	71,971
Marshall fees	14,347	-	-	14,347	5,900
Miscellaneous	<u>1,303</u>	<u>430</u>	<u>5,225</u>	<u>6,958</u>	<u>11,353</u>
Total revenues	<u>489,984</u>	<u>430</u>	<u>5,225</u>	<u>495,639</u>	<u>525,538</u>
<b>Expenditures:</b>					
Current -					
General government	327,840	125	-	327,965	322,693
Urban redevelopment and housing	328,843	-	-	328,843	320,078
Capital outlay	<u>1,500</u>	<u>-</u>	<u>59,067</u>	<u>60,567</u>	<u>10,837</u>
Total expenditures	<u>658,183</u>	<u>125</u>	<u>59,067</u>	<u>717,375</u>	<u>653,608</u>
Excess (deficiency) of revenues over expenditures	<u>(168,199)</u>	<u>305</u>	<u>(53,842)</u>	<u>(221,736)</u>	<u>(128,070)</u>
<b>Other financing sources (uses):</b>					
Transfers in	167,000	-	77	167,077	212,361
Transfers out	<u>-</u>	<u>-</u>	<u>(58,020)</u>	<u>(58,020)</u>	<u>(268,813)</u>
Total financing sources (uses)	<u>167,000</u>	<u>-</u>	<u>(57,943)</u>	<u>109,057</u>	<u>(56,452)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(1,199)</u>	<u>305</u>	<u>(111,785)</u>	<u>(112,679)</u>	<u>(184,522)</u>
Fund balances, beginning	<u>79,174</u>	<u>42,504</u>	<u>610,764</u>	<u>732,442</u>	<u>916,964</u>
Fund balances, ending	<u>\$ 77,975</u>	<u>\$ 42,809</u>	<u>\$ 498,979</u>	<u>\$ 619,763</u>	<u>\$ 732,442</u>

## NONMAJOR SPECIAL REVENUE FUNDS

### **City Court Fund**

To account for the City's portion of City Court fine income and expenditures 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 qualified low income individuals.

CITY OF VILLE PLATTE, LOUISIANA  
Nonmajor Special Revenue Funds

Combining Balance Sheet  
June 30, 2004  
With Comparative Totals for June 30, 2003

	City Court	Section 8 Housing	Totals	
			2004	2003
<b>ASSETS</b>				
Cash	\$ 7,409	\$10,755	\$ 18,164	\$ 25,353
Interest-bearing deposits	-	66,102	66,102	44,090
Receivables:				
Due from other funds	-	-	-	20,984
Due from other governmental units	-	-	-	10,831
Total assets	<u>\$ 7,409</u>	<u>\$76,857</u>	<u>\$ 84,266</u>	<u>\$ 101,258</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Cash overdraft	\$ -	\$ -	\$ -	\$ 5,236
Accounts payable	1,426	-	1,426	4,524
Compensated absences payable	4,741	-	4,741	8,841
Due to other funds	124	-	124	3,483
Total liabilities	<u>6,291</u>	<u>-</u>	<u>6,291</u>	<u>22,084</u>
Fund balances:				
Reserved for housing purposes	-	76,857	76,857	76,791
Unreserved - undesignated	1,118	-	1,118	2,383
Total fund balances	<u>1,118</u>	<u>76,857</u>	<u>77,975</u>	<u>79,174</u>
Total liabilities and fund balances	<u>\$ 7,409</u>	<u>\$76,857</u>	<u>\$ 84,266</u>	<u>\$ 101,258</u>

CITY OF VILLE PLATTE, LOUISIANA  
Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended June 30, 2004  
With Comparative Totals for Year Ended June 30, 2003

	City Court	Section 8 Housing	Totals	
			2004	2003
<b>Revenues:</b>				
Intergovernmental	\$ 38,214	\$ 382,607	\$ 420,821	\$ 436,314
Fines and forfeits	53,513	-	53,513	71,971
Marshall fees	14,347	-	14,347	5,900
Miscellaneous	<u>1,303</u>	<u>-</u>	<u>1,303</u>	<u>-</u>
Total revenues	<u>107,377</u>	<u>382,607</u>	<u>489,984</u>	<u>514,185</u>
<b>Expenditures:</b>				
Current -				
General government	275,642	52,198	327,840	322,693
Urban redevelopment and housing	-	328,843	328,843	320,078
Capital outlay	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>10,837</u>
Total expenditures	<u>275,642</u>	<u>382,541</u>	<u>658,183</u>	<u>653,608</u>
Excess (deficiency) of revenues over expenditures	(168,265)	66	(168,199)	(139,423)
<b>Other financing sources:</b>				
Operating transfers in	<u>167,000</u>	<u>-</u>	<u>167,000</u>	<u>186,000</u>
Excess (deficiency) of revenues and other sources over expenditures	(1,265)	66	(1,199)	46,577
Fund balances, beginning	<u>2,383</u>	<u>76,791</u>	<u>79,174</u>	<u>32,597</u>
Fund balances, ending	<u>\$ 1,118</u>	<u>\$ 76,857</u>	<u>\$ 77,975</u>	<u>\$ 79,174</u>

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

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget (GAAP Basis) and Actual  
 Year Ended June 30, 2004  
 With Comparative Actual Amounts for Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
<b>Revenues:</b>				
Intergovernmental -				
Transfer from City Court	\$ 41,000	\$ 38,214	\$ (2,786)	\$ 38,213
Fines and forfeits	66,000	53,513	(12,487)	71,971
Marshall fees	-	14,347	14,347	5,900
Miscellaneous	900	1,303	403	-
Total revenues	<u>107,900</u>	<u>107,377</u>	<u>(523)</u>	<u>116,084</u>
<b>Expenditures:</b>				
General government	282,790	275,642	7,148	273,013
Capital outlay	-	-	-	10,837
Total expenditures	<u>282,790</u>	<u>275,642</u>	<u>7,148</u>	<u>283,850</u>
Deficiency of revenues over expenditures	<u>(174,890)</u>	<u>(168,265)</u>	<u>6,625</u>	<u>(167,766)</u>
<b>Other financing sources:</b>				
Transfers from other funds -				
General Fund	-	14,000	14,000	-
1975 Sales Tax Fund	180,000	65,500	(114,500)	186,000
1984 Sales Tax Fund	-	10,000	10,000	-
Utility Fund	-	77,500	77,500	-
Total other financing sources	<u>180,000</u>	<u>167,000</u>	<u>(13,000)</u>	<u>186,000</u>
Excess (deficiency) of revenues and other sources over expenditures	5,110	(1,265)	(6,375)	18,234
Fund balance (deficit), beginning	<u>2,383</u>	<u>2,383</u>	<u>-</u>	<u>(15,851)</u>
Fund balance, ending	<u>\$ 7,493</u>	<u>\$ 1,118</u>	<u>\$ (6,375)</u>	<u>\$ 2,383</u>



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

Statement of Expenditures Compared to Budget (GAAP Basis)  
 Year Ended June 30, 2004  
 With Comparative Actual Amounts for Year Ended June 30, 2003

	2004		Variance Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
<b>General government:</b>				
Salaries	\$ 170,000	\$ 163,004	\$ 6,996	\$ 167,044
Supplies	13,000	13,064	(64)	20,075
Postage	-	-	-	1,420
Telephone	3,000	2,840	160	3,972
Utilities	6,000	6,140	(140)	5,953
Dues and conventions	700	2,702	(2,002)	1,212
Building and equipment maintenance	5,500	5,271	229	7,983
Retirement contributions	16,600	16,532	68	11,827
Insurance	5,000	6,061	(1,061)	2,612
Group insurance	48,000	45,671	2,329	30,947
Workman's compensation	730	1,231	(501)	968
Payroll taxes	350	318	32	317
Witness expense	8,400	7,182	1,218	8,291
Miscellaneous	410	331	79	1,166
Medicare taxes	4,400	4,353	47	4,281
Professional fees	700	942	(242)	1,612
Janitorial service	-	-	-	3,333
	<u>282,790</u>	<u>275,642</u>	<u>7,148</u>	<u>273,013</u>
<b>Total general government</b>				
<b>Capital outlay:</b>				
Equipment	-	-	-	10,837
	<u>\$ 282,790</u>	<u>\$ 275,642</u>	<u>\$ 7,148</u>	<u>\$ 283,850</u>
<b>Total expenditures</b>				

CITY OF VILLE PLATTE, LOUISIANA  
 Nonmajor 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, 2004  
 With Comparative Actual Amounts for Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
<b>Revenues:</b>				
Intergovernmental -				
Federal grant	\$ 390,435	\$ 382,607	\$ (7,828)	\$ 398,101
Miscellaneous income	560	-	(560)	-
Total revenues	<u>390,995</u>	<u>382,607</u>	<u>(8,388)</u>	<u>398,101</u>
<b>Expenditures:</b>				
Current -				
General government -				
Administration	64,600	52,198	12,402	49,680
Urban redevelopment and housing -				
Housing assistance payments	328,006	328,843	(837)	320,078
Capital outlay	-	1,500	(1,500)	-
Total expenditures	<u>392,606</u>	<u>382,541</u>	<u>10,065</u>	<u>369,758</u>
Excess (deficiency) of revenues over expenditures	(1,611)	66	1,677	28,343
Fund balance, beginning	<u>76,791</u>	<u>76,791</u>	-	<u>48,448</u>
Fund balance, ending	<u>\$ 75,180</u>	<u>\$ 76,857</u>	<u>\$ 1,677</u>	<u>\$ 76,791</u>

## NONMAJOR DEBT SERVICE FUNDS

### **Public Improvement Bond Fund**

To accumulate monies for payment of the \$1,500,000 Street and Drainage Bonds, Series 2003. Debt service is financed by a specified ad valorem tax collected in and transferred from the General Fund.

### **Sewerage District No. 1 Bond Fund**

To accumulate monies for payment of the 1977 \$400,000 Sewerage District No. 1 bonds. These bonds were paid out during the fiscal year ended June 30, 2002. The remaining funds were transferred to the Utility Fund during the fiscal year ending June 30, 2003.

CITY OF VILLE PLATTE, LOUISIANA  
Nonmajor Debt Service Funds

Combining Balance Sheet  
June 30, 2004  
With Comparative Totals for June 30, 2003

	<u>Public Improvement Bond</u>	<u>Sewerage District No. 1 Bond</u>	<u>Totals</u>	
			<u>2004</u>	<u>2003</u>
<b>ASSETS</b>				
Cash	\$ 3,395	\$ 2,873	\$ 6,268	\$ 6,267
Interest - bearing deposits	40,084	-	40,084	162,661
Investments	-	-	-	-
Total assets	<u>\$43,479</u>	<u>\$2,873</u>	<u>\$46,352</u>	<u>\$168,928</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accrued liabilities	\$ 670	\$ -	\$ 670	\$ -
Due to other funds	-	<u>2,873</u>	<u>2,873</u>	<u>126,424</u>
Total liabilities	670	2,873	3,543	126,424
Fund balances:				
Reserved for debt service	<u>42,809</u>	-	<u>42,809</u>	<u>42,504</u>
Total liabilities and fund balances	<u>\$43,479</u>	<u>\$2,873</u>	<u>\$46,352</u>	<u>\$168,928</u>

CITY OF VILLE PLATTE, LOUISIANA  
Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended June 30, 2004  
With Comparative Totals for Year Ended June 30, 2003

	Public Improvement Bond	Sewerage District No. 1 Bond	<u>Totals</u>	
			2004	2003
Revenues:				
Miscellaneous - interest	\$ 305	\$ 125	\$ 430	\$ 2,186
Expenditures:				
Current -				
General government	<u>-</u>	<u>125</u>	<u>125</u>	<u>-</u>
<i>Excess of revenues over</i>				
<i>expenditures</i>	305	-	305	2,186
Other financing use:				
Transfer to Utility Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>(125,754)</u>
<i>Excess (deficiency) of revenues over</i>				
<i>expenditures and other financing use</i>	305	-	305	(123,568)
Fund balances, beginning	<u>42,504</u>	<u>-</u>	<u>42,504</u>	<u>166,072</u>
Fund balances, ending	<u>\$ 42,809</u>	<u>\$ -</u>	<u>\$ 42,809</u>	<u>\$ 42,504</u>

CITY OF VILLE PLATTE, LOUISIANA  
 Nonmajor Debt Service Fund  
 Public Improvement Bond Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances -  
 Budget (GAAP Basis) and Actual  
 Year Ended June 30, 2004  
 With Comparative Actual Amounts for Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
<b>Revenues:</b>				
Miscellaneous - interest	\$ -	\$ 305	\$ 305	\$ 573
<b>Fund balances, beginning</b>	<u>42,504</u>	<u>42,504</u>	-	<u>41,931</u>
<b>Fund balances, ending</b>	<u>\$42,504</u>	<u>\$42,809</u>	<u>\$ 305</u>	<u>\$42,504</u>

CITY OF VILLE PLATTE, LOUISIANA  
 Nonmajor Debt Service Fund  
 Sewerage District No. 1 Bond Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget (GAAP Basis) and Actual  
 Year Ended June 30, 2004  
 With Comparative Actual Amounts for Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
Revenues:				
Miscellaneous - interest	\$ -	\$ 125	\$ 125	\$ 1,613
Expenditures:				
Current -				
General government	-	125	(125)	-
Excess of revenues over expenditures	-	-	-	1,613
Other financing use:				
Transfer to Utility Fund	-	-	-	(125,754)
Deficiency of revenues over expenditures and other use	-	-	-	(124,141)
Fund balance, beginning	-	-	-	124,141
Fund balance, ending	\$ -	\$ -	\$ -	\$ -

## NONMAJOR CAPITAL PROJECTS FUND

### **1993 Sales Tax Bond Construction Fund**

To account for the financing and construction of sewerage system improvements within the City. Funds were provided through the issuance of \$1,600,000 Public Improvement Sales Tax Bonds, Series ST-1993. These bonds were refunded during the fiscal year ended June 30, 2003.



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

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget (GAAP Basis) and Actual  
 Year Ended June 30, 2004  
 With Comparative Actual Amounts for Year Ended June 30, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
Revenues:				
Miscellaneous - interest	\$ -	\$ 5,225	\$ 5,225	\$ 9,167
Expenditures:				
Capital outlay -				
Construction cost	49,210	50,086	(876)	-
Engineering and other	-	8,981	(8,981)	-
Total expenditures	<u>49,210</u>	<u>59,067</u>	<u>(9,857)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(49,210)</u>	<u>(53,842)</u>	<u>(4,632)</u>	<u>9,167</u>
Other financing sources (uses):				
Transfers in	-	77	77	26,361
Transfers out	<u>(45,790)</u>	<u>(58,020)</u>	<u>(12,230)</u>	<u>(143,059)</u>
Total other financing sources (uses)	<u>(45,790)</u>	<u>(57,943)</u>	<u>(12,153)</u>	<u>(116,698)</u>
Deficiency of revenues and other sources over expenditures and other uses	(95,000)	(111,785)	(16,785)	(107,531)
Fund balance, beginning	<u>610,764</u>	<u>610,764</u>	<u>-</u>	<u>718,295</u>
Fund balance, ending	<u>\$515,764</u>	<u>\$498,979</u>	<u>\$ (16,785)</u>	<u>\$ 610,764</u>

CITY OF VILLE PLATTE, LOUISIANA  
 Enterprise Fund  
 Utility Fund

Schedule of Changes in Assets Restricted For Debt Service  
 Year Ended June 30, 2004

	Revenue Bonds					Totals
	Cash With Paying Agent	Bond and Interest Sinking	Reserve	Renewal and Replacement	Totals	
Cash and interest-bearing deposits, July 1, 2003	\$ -	\$ 301,317	\$ 580,761	\$ 389,458	\$ 1,271,536	
Cash receipts:						
Transfers from operating account	-	631,673	-	-	631,673	
Transfers from sinking fund	760,227	-	-	-	760,227	
Interest on interest-bearing deposits	-	9,641	4,461	2,296	16,398	
Total cash receipts	<u>760,227</u>	<u>641,314</u>	<u>4,461</u>	<u>2,296</u>	<u>1,408,298</u>	
Total cash and interest-bearing deposits available	<u>760,227</u>	<u>942,631</u>	<u>585,222</u>	<u>391,754</u>	<u>2,679,834</u>	
Cash disbursements:						
Principal payments	435,000	-	-	-	435,000	
Interest payments	265,030	-	-	-	265,030	
Paying agents' fees	2,801	-	-	-	2,801	
Bond issue costs	57,396	-	-	-	57,396	
Transfers to cash bond construction account	-	-	-	190,379	190,379	
Transfer to paying agent	-	760,227	-	-	760,227	
Total disbursements	<u>760,227</u>	<u>760,227</u>	<u>-</u>	<u>190,379</u>	<u>1,710,833</u>	
Cash and interest-bearing deposits, June 30, 2004	\$ -	\$ 182,404	\$ 585,222	\$ 201,375	\$ 969,001	

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

Analysis of Surplus  
Years Ended June 30, 2004 and 2003

	Annual Contribution Contract FW-2114	
	2004	2003
<b>Unreserved surplus:</b>		
Balance at beginning of fiscal year	\$(4,909,615)	\$(4,778,756)
Operating expenditures for the year	(382,541)	(369,758)
Increase in operating reserve	(66)	(28,343)
Provision for project account	(6,889)	267,242
Balance at end of fiscal year	(5,299,111)	(4,909,615)
<b>Reserved surplus (operating reserve):</b>		
Balance at beginning of fiscal year	76,791	48,448
Increase in operating reserve	66	28,343
Balance at end of fiscal year	76,857	76,791
<b>Project account - unfunded:</b>		
Balance at beginning of fiscal year	(34,705)	232,537
Provision for project account	6,889	(267,242)
Balance at end of fiscal year	(27,816)	(34,705)
<b>Cumulative HUD contributions:</b>		
Balance at beginning of fiscal year	4,959,475	4,561,374
Annual contributions earned	382,607	398,101
Balance at end of fiscal year	5,342,082	4,959,475
<b>Total surplus</b>	<b>\$ 92,012</b>	<b>\$ 91,946</b>
<b>Fund equity (GAAP basis):</b>		
Investment in general fixed assets	\$ 15,155	\$ 15,155
Fund balance - reserved for housing assistance	76,857	76,791
<b>Total fund equity</b>	<b>\$ 92,012</b>	<b>\$ 91,946</b>

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, 2004 and 2003

	Annual Contribution Contract FW-2114	
	<u>2004</u>	<u>2003</u>
Project LA48-E192-001		
Provision for project account:		
Maximum contribution available -		
Maximum annual contribution authorized	\$ 380,392	\$ 101,932
Project account balance at beginning of fiscal year	<u>(34,705)</u>	<u>232,537</u>
Total annual contribution available	<u>345,687</u>	<u>334,469</u>
Annual contribution required -		
Administrative fee earned	54,378	54,066
Hard to house fees	450	-
Audit fee	2,835	2,820
Housing assistance payments	<u>315,840</u>	<u>312,288</u>
Total annual contributions required	<u>373,503</u>	<u>369,174</u>
Project account at end of fiscal year	(27,816)	(34,705)
Project account at beginning of fiscal year	<u>(34,705)</u>	<u>232,537</u>
Provision for project account	<u>\$ 6,889</u>	<u>\$ (267,242)</u>
Annual contribution earned - lesser of total annual contribution available or total annual contribution required	<u>\$ 345,687</u>	<u>\$ 334,469</u>
Increase in operating reserve:		
Annual contribution earned	\$ 382,607	\$ 398,101
Less: Total expenditures	<u>(382,541)</u>	<u>(369,758)</u>
Increase in operating reserve	<u>\$ 66</u>	<u>\$ 28,343</u>

CITY OF VILLE PLATTE, LOUISIANA  
Enterprise Fund  
Utility Fund

Schedule of Number of Utility Customers  
(Unaudited)  
June 30, 2004 and 2003

Records maintained by the City indicated the following number of customers were being served during the months of June, 2004 and 2003:

<u>Department</u>	<u>2004</u>	<u>2003</u>
Gas (metered)	2,281	2,319
Water (metered)	3,067	3,059
Sewerage	2,856	2,860

CITY OF VILLE PLATTE, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
Years Ended June 30, 2004 and 2003

	2004	2003
Operating revenues:		
Charges for services -		
Customer service charges	\$ 4,110,814	\$ 3,798,990
Connection and inspection fees	57,095	54,921
Miscellaneous	<u>108,893</u>	<u>85,718</u>
Total operating revenues	<u>4,276,802</u>	<u>3,939,629</u>
Operating expenses:		
Gas department expenses	2,099,343	2,410,735
Water department expenses	752,328	765,424
Sewerage department expenses	<u>717,547</u>	<u>681,230</u>
Total operating expenses	<u>3,569,218</u>	<u>3,857,389</u>
Operating income (loss)	<u>707,584</u>	<u>82,240</u>
Nonoperating revenues (expenses):		
Interest income	30,673	39,290
Interest expense	(252,788)	(173,896)
Bad debt recovery	954	19,400
Paying agents' fees	(2,423)	(3,592)
Amortization of bond issuance cost	<u>(46,543)</u>	<u>(5,800)</u>
Total nonoperating revenues (expenses)	<u>(270,127)</u>	<u>(124,598)</u>
Income (loss) before contributions and transfers	<u>437,457</u>	<u>(42,358)</u>
Capital contributions	<u>-</u>	<u>43,147</u>
Transfers in (out):		
Transfers in	153,020	389,927
Transfers out	<u>(709,565)</u>	<u>(575,674)</u>
Total transfers in (out)	<u>(556,545)</u>	<u>(185,747)</u>
Decrease in retained earnings	(119,088)	(184,958)
Retained earnings, beginning	<u>11,213,189</u>	<u>11,398,147</u>
Retained earnings, ending	<u>\$ 11,094,101</u>	<u>\$ 11,213,189</u>

<u>Gas Department</u>		<u>Water Department</u>		<u>Sewerage Department</u>	
<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
\$ 2,459,187	\$ 2,292,339	\$ 939,221	\$ 929,180	\$ 712,406	\$ 577,471
15,325	16,223	27,100	25,098	14,670	13,600
<u>51,302</u>	<u>36,136</u>	<u>37,430</u>	<u>34,832</u>	<u>20,161</u>	<u>14,750</u>
<u>2,525,814</u>	<u>2,344,698</u>	<u>1,003,751</u>	<u>989,110</u>	<u>747,237</u>	<u>605,821</u>
2,099,343	2,410,735	-	-	-	-
-	-	752,328	765,424	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>717,547</u>	<u>681,230</u>
<u>2,099,343</u>	<u>2,410,735</u>	<u>752,328</u>	<u>765,424</u>	<u>717,547</u>	<u>681,230</u>
<u>\$ 426,471</u>	<u>\$ (66,037)</u>	<u>\$ 251,423</u>	<u>\$ 223,686</u>	<u>\$ 29,690</u>	<u>\$ (75,409)</u>

CITY OF VILLE PLATTE, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Departmental Analysis of Operating Expenses  
Years Ended June 30, 2004 and 2003

	Gas Department		Water Department		Sewerage Department		Totals	
	2004	2003	2004	2003	2004	2003	2004	2003
Salaries	\$ 242,029	\$ 345,329	\$ 167,327	\$ 137,454	\$ 125,479	\$ 124,660	\$ 534,835	\$ 607,443
Retirement contributions	18,380	22,477	14,579	9,043	11,049	8,963	44,008	40,483
Payroll/medicare taxes	3,263	4,714	2,226	2,751	1,688	1,800	7,177	9,265
Group insurance	39,890	52,750	37,495	24,900	24,807	17,550	102,192	95,200
Uniforms	3,129	3,799	3,040	2,338	1,909	1,525	8,078	7,662
Insurance	6,432	21,280	13,993	7,312	32,934	17,729	53,359	46,321
Workman's compensation insurance	3,737	3,525	11,022	8,354	7,068	5,113	21,827	16,992
General Fund - payment in lieu of taxes	247,756	226,993	93,387	91,446	70,608	57,756	411,751	376,195
Natural gas purchased	1,256,237	1,369,011	-	-	-	-	1,256,237	1,369,011
Chataignier franchise tax	1,300	1,300	-	-	-	-	1,300	1,300
Dues & conventions	3,704	3,868	1,455	2,593	1,077	1,009	6,236	7,470
Equipment repairs and maintenance	30,638	50,853	25,508	61,228	57,848	52,272	113,994	164,353
Equipment lease	-	12,117	-	12,117	-	-	-	24,234
Materials and supplies	8,910	29,667	58,946	76,660	9,211	23,666	77,067	129,993
Chemicals	-	-	10,387	11,789	16,141	25,947	26,528	37,736
Testing and inspection fees	-	2,870	8,706	9,222	19,384	15,539	28,090	27,631
Professional fees	42,509	71,862	18,824	29,854	26,277	23,621	87,610	125,337
Utilities and telephone	8,132	6,925	89,347	81,370	79,090	75,013	176,569	163,308
Rent	17,375	15,000	-	-	-	-	17,375	15,000
Auto allowance	-	-	-	-	1,100	4,550	1,100	4,550
Gas, oil and fuel	5,619	8,123	7,858	10,636	3,243	6,309	16,720	25,068
Office supplies and postage	18,285	23,033	8,776	12,328	8,013	7,877	35,074	43,238
Depreciation	92,149	91,874	167,847	166,031	211,715	202,176	471,711	460,081
Miscellaneous	1,331	11,188	2,852	2,723	3,164	7,686	7,347	21,597
Sand, gravel and dirt	-	-	1,664	5,275	306	469	1,970	5,744
Bad debt expense	18,690	-	7,089	-	5,436	-	31,215	-
Judgments and fines	6,598	6,012	-	-	-	-	6,598	6,012
Gas leak survey	23,250	26,165	-	-	-	-	23,250	26,165
	<u>\$2,099,343</u>	<u>\$2,410,735</u>	<u>\$752,328</u>	<u>\$765,424</u>	<u>\$717,547</u>	<u>\$681,230</u>	<u>\$3,569,218</u>	<u>\$3,857,389</u>



CITY OF VILLE PLATTE, LOUISIANA

Combined Schedule of Interest-bearing Deposits - All Funds  
June 30, 2004

	Term	Maturity Date	Interest Rate	Amount
<b>Major governmental funds:</b>				
<b>General Fund:</b>				
Certificate of deposit - Allstate	30 days	07/31/04	1.50%	\$ 69,170
Certificate of deposit - Citizens Bank	90 days	07/24/04	1.35%	41,099
Savings account - Evangeline Bank	N/A	N/A	1.75%	<u>1,942</u>
Total General Fund				<u>112,211</u>
<b>1984 Sales Tax Fund -</b>				
Certificate of deposit - Evangeline Bank	30 days	07/25/04	0.75%	569,588
Certificate of deposit - Evangeline Bank	180 days	11/07/04	2.00%	455,645
Certificate of deposit - Allstate	30 days	07/31/04	1.50%	46,113
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	<u>110,330</u>
Total 1984 Sales Tax Fund				<u>1,181,676</u>
<b>Sales Tax Bond Debt Service Fund</b>				
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	450,671
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	<u>746,238</u>
Total Utility Bond Construction Fund				<u>1,196,909</u>
<b>Municipal Building Construction Fund -</b>				
Certificate of deposit - Evangeline Bank	180 days	11/24/04	2.15%	2,553,270
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	<u>147,383</u>
Total Municipal Building Construction Fund				<u>2,700,653</u>
<b>Street and Drainage Construction Fund -</b>				
Certificate of deposit - Evangeline Bank	30 days	07/12/04	1.50%	455,579
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	<u>1,168,051</u>
Total Street and Drainage Construction Fund				<u>1,623,630</u>
Total Major Governmental Funds				<u>6,815,079</u>

(continued)

CITY OF VILLE PLATTE, LOUISIANA

Combined Schedule of Interest-bearing Deposits - All Funds (Continued)  
June 30, 2004

	<u>Term</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
<b>Nonmajor governmental funds:</b>				
<b>Section 8 Housing Fund -</b>				
Interest-bearing checking account - Hancock	N/A	N/A	Variable	\$ 66,102
<b>Public Improvement Bond Fund -</b>				
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	40,084
<b>1993 Sales Tax Bond Construction Fund-</b>				
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	<u>470,497</u>
Total nonmajor governmental funds				<u>576,683</u>
<b>Utility Fund:</b>				
<b>Unrestricted assets:</b>				
Certificate of deposit - Evangeline Bank	30 days	07/28/04	2.00%	<u>69,786</u>
<b>Restricted assets:</b>				
Certificate of deposit - Evangeline Bank	30 days	07/28/04	2.00%	330,214
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	182,404
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	585,222
Certificate of deposit - Evangeline Bank	30 days	07/08/04	1.65%	201,375
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	<u>13,202</u>
Total restricted assets				<u>1,312,417</u>
Total Utility Fund				<u>1,382,203</u>
<b>Self-Insurance Fund:</b>				
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	<u>13,872</u>
Total all funds				<u>\$ 8,787,837</u>

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Insurance in Force  
(Unaudited)  
June 30, 2004

<u>Description of Coverage</u>	<u>Coverage Amounts</u>
Workmen's compensation - Employer's liability	Statutory
Surety bonds -	
Mayor	\$ 40,000
Mayor Pro-tem	40,000
City Clerk	40,000
Treasurer	40,000
Utility clerks (4)	40,000
Property tax collectors (3)	20,000
Purchasing agent	20,000
Council members (2)	20,000
City Court employees (5)	20,000
Police Department Notary Publics (2)	5,000
Blanket coverage on City property buildings and contents	4,482,216
Comprehensive automobile and physical damage	1,111,162
Commercial general liability	500,000
Errors and omissions liability	500,000
Police professional liability	500,000

**COMPLIANCE  
AND  
INTERNAL CONTROL**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Phillip A. Lemoine, Mayor  
and members of the Board of Aldermen  
City of Ville Platte, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ville Platte, Louisiana, as of and for the year ended June 30, 2004, which collectively comprise the City of Ville Platte, Louisiana's basic financial statements and have issued our report thereon dated September 2, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the City of Ville Platte's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Ville Platte's internal control over financial reporting 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 over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying summary schedule of current and prior year audit findings as item 04-1(IC) through 04-3(IC).

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A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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 over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider item 04-1(C) to be a material weakness.

We also noted other matters involving internal control over financial reporting that we reported to the management of the City of Ville Platte in a separate letter dated September 2, 2004.

This report is intended solely for the information and use of the City's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Ville Platte, Louisiana  
September 2, 2004

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable Phillip A. Lemoine, Mayor  
And Members of the Board of Aldermen  
Ville Platte, Louisiana

### Compliance

We have audited the compliance of the City of Ville Platte, Louisiana (the City) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2004. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

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### Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information of the City's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report maybe limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

*Ville Platte, Louisiana*  
September 2, 2004



CITY OF VILLE PLATTE, LOUISIANA

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2004

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<i>United States Department of Housing and Urban Development -</i>			
<i>Direct Award:</i>			
<i>Section 8 Housing Choice Vouchers</i>	14.871	\$382,607	\$382,541
<i>Community Development Block Grants/ State's Program</i>	14.228	403,961	403,961
<i>Federal Emergency Management Agency -</i>			
<i>Disaster Housing Program</i>	83.545	8,078	8,078
<i>Assistance to Firefighters Grant</i>	83.554	14,000	14,000
<i>Department of Justice, Bureau of Justice Assistance -</i>			
<i>Bulletproof Vest Partnership Program</i>	16.607	3,705	3,705
<i>United States Department of Agriculture -</i>			
<i>Summer Food Service Program for Children</i>	10.559	<u>53,543</u>	<u>53,627</u>
Total		<u>\$865,894</u>	<u>\$865,912</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2004

(1) General

*The accompanying Schedule of Expenditures of Federal Awards* presents the activity of all federal financial assistance programs of the City of Ville Platte (the City). The City's reporting entity is defined in Note 1 to the basic financial statements for the year ended June 30, 2004. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies. The Section 8 Housing Choice Vouchers Program and the Community Development Block Grant Program were considered to be major federal programs of the City for the year ended June 30, 2004.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's financial statements for the year ended June 30, 2004.

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2004

Part I. Summary of Auditors' Results:

1. An unqualified opinion was issued on the basic financial statements of the City of Ville Platte's primary government.
2. Two reportable conditions in internal control were disclosed by the audit of the financial statements. Reportable condition 04-1(IC) was considered to be a material weakness.
3. There were no material instances of noncompliance disclosed by the audit of the financial statements.
4. No reportable conditions in internal control over the major program were disclosed by the audit of the financial statements.
5. An unqualified opinion was issued on compliance for the major program.
6. The audit disclosed no findings required to be reported under Section 510(a) of Circular A-133.
7. The major programs were the U.S. Department of Housing and Urban Development's Section 8 Housing Choice Vouchers Program and the Community Development Block Grant Program.
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$300,000.
9. The auditee did not qualify as a low-risk auditee under Section 530 of Circular A-133.

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

A. Compliance Findings –

There were no compliance findings.

B. Internal Control Findings –

See internal control findings 04-1(IC) and 04-2(IC) on Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan.

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2004

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

A. Compliance Findings –

There were no compliance findings to be reported under the above guidance.

B. Internal Control Findings –

There were no internal control findings to be reported under the above guidance.

CITY OF VILLE PLATTE, LOUISIANA

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan  
Year Ended June 30, 2004

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
<u>Compliance:</u>						
There were no compliance findings noted for the year ending June 30, 2004.						
<u>Internal Control:</u>						
04-1(IC)	Unknown	Due to the small number of employees, the City did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Bryan Savant, City Clerk	N/A
04-2(IC)	2004	Relative to the City's employee leave policy: (1) leave benefit information should be monitored for accuracy and compared to computer-generated reports to ensure that all employees are receiving the proper amount of benefits, (2) the policy should be modified to specify the amount of leave available to certain police and fire department personnel who do not work on a shift-basis, and (3) management should review and seek professional assistance in interpreting the leave policy included in the City's civil service rules and regulations.	No	Efforts will be made to utilize the computer to record vacation, sick leave and other benefits that the employee is entitled to receive. Additionally, management intends to review and seek professional assistance in interpreting the leave policy included in the City's civil service rules and regulations.	Bryan Savant, City Clerk	Immediately
04-3(IC)	2004	Regarding police department operations: (1) invoices for all purchases of supplies must be maintained and given to the bookkeeper at city hall, (2) all fees, grants, and revenues collected must be documented with a receipt and deposited in a checking account maintained by city hall personnel and (3) policies for police department operations should be adopted to enhance accountability and promote efficient operations.	Partially	Efforts were made during the current fiscal year to improve operational procedures. However, city officials will ensure that all required invoices will be maintained and submitted to the bookkeeper at city hall and that receipts will be issued for all fees collected.	Romeo Hargrove, Police Chief	Immediately

Management Letter:

04-1(ML)	2003	Same as 04-2(IC) above.
04-2(ML)	2003	Same as 04-3(IC) above.

(continued)

CITY OF VILLE PLATTE, LOUISIANA

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan (Continued)  
Year Ended June 30, 2004

Ref. No.	Fiscal Year Finding Initially Occurred (6/30/03) --	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
03-1 (C)	2003	The City of Ville Platte violated the Utility Revenue Bond agreement which requires collection of net revenues equal to at least 135% of the largest amount of principal and interest maturing on the bonds in any future fiscal year.	Yes	N/A	Bryan Savant, City Clerk/ Utility Director	Immediately
03-2 (C)	1996	Although improvement in utility collections has been made during the fiscal year ended June 30, 2003, continued efforts are necessary in order to comply with the utility revenue bond indenture.	Yes	N/A	Bryan Savant, City Clerk/ Utility Director	Immediately
03-3 (C)	2003	The City violated LRS 33:404.1 by setting the salaries of the City Clerk, Tax Collector, and Street Commissioner by resolution, rather than an ordinance.	Yes	N/A	Bryan Savant, City Clerk	Immediately
03-4 (C)	2003	A misunderstanding regarding the method of compensation paid to the City Attorney resulted in a violation of Section 1113A of the Code of Governmental Ethics.	Yes	N/A	Bryan Savant, City Clerk	Immediately
03-5 (C)	2003	The City leased three (3) housing units in excess of the amount authorized by the U.S. Department of Housing and Urban Development's (HUD) Section 8 Housing Choice Vouchers Program. The 2003 Omnibus Bill enacted by Congress prohibits HUD from paying amounts for overleasing.	Yes	N/A	Rita Jack, Section 8 Administrator	Immediately
03-6 (C)	2003	The City did not have proper documentation on the tenant applications for the Section 8 Housing Choice Vouchers Program. Additionally, selection from a waiting list should be made in application date order and, if admitted out of date order, the reason should be documented.	Yes	N/A	Rita Jack, Section 8 Administrator	Immediately

Compliance:

(continued)

CITY OF VILLE PLATTE, LOUISIANA

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan (Continued)  
Year Ended June 30, 2004

Ref. No.	Fiscal Year Finding Initially Occurred (6/30/03) - (Continued)	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
<u>Internal Control:</u>						
03-1(IC)	Unknown	Due to the small number of employees, the City did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Bryan Savant, City Clerk	N/A
<u>Management Letter:</u>						
03-1 (ML)	1997	Consideration should be given to increasing rates and/or decreasing expenses in order to generate a profit in the gas and sewerage utility departments.	Yes	N/A	Bryan Savant, City Clerk	Immediately
03-2 (ML)	2002	During the last three fiscal years, the Group Self-Insurance Fund experienced operating losses of \$108,676, \$106,089 and \$108,665, respectively. The City should develop procedures to accurately monitor activity in the fund. Additionally, consideration should be made to exploring plan adjustments and premium increases in order for the fund to be self-sufficient.	Yes	N/A	Bryan Savant, City Clerk	Immediately
03-3 (ML)	2003	Bank statements for police accounts and invoices for all purchases of supplies must be maintained and given to the bookkeeper at City Hall in order to record all activity in the accounts on a monthly basis. All fees, grants, and revenues collected must be documented with a receipt and deposited into a checking account maintained by City Hall personnel. Any funds that are needed for supplies and "drug buys" should be withdrawn from the checking account in order to provide an audit trail. Additionally, disbursements of City funds should be made only by authorized personnel.	Partially	Yes	Romeo Hargrove, Police Chief	Immediately
03-4 (ML)	2003	Due to increased spending, the fund balance in the City's General Fund decreased from \$193,304 to \$1,047. City officials should closely monitor expenditures and consider ways to reduce spending in the General Fund.	Yes	N/A	Bryan Savant, City Clerk	Immediately