

VILLAGE OF DELTA
DELTA, LOUISIANA
GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE 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 1-12-05

*DAVID Q. RICHARDSON
CERTIFIED PUBLIC ACCOUNTANT
P. O. BOX 891
TALLULAH, LOUISIANA 71284
318-574-0514*

VILLAGE OF DELTA
DELTA, LOUISIANA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2004

	<u>Exhibit</u>	<u>Page</u>
Accountant's Compilation Report		3
Required Supplemental Information (Part I)		
Management's Discussion and Analysis		5-6
Basic Financial Statements		
Government-Wide Financial Statements:		
Statement of Net Assets	A	8
Statement of Activities	B	9
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C	10
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	D	11
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	12
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	F	13
Statement of Revenues, Expenses, and Changes in Retained Earnings- Proprietary Funds	G	14
Statement of Cash Flows - Proprietary Funds	H	15
Notes to the Financial Statements		17-24
	<u>Schedule</u>	<u>Page No.</u>
Required Supplemental Information (Part II)		
Budget Comparison Schedules		
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	1	26
Statement of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual - Special Revenue Fund	2	27

VILLAGE OF DELTA
DELTA, LOUISIANA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2004

Other Supplemental Information (Part III)

	<u>Schedule</u>	<u>Page No.</u>
Combining Balance Sheet - Special Revenue Funds	3	29
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Special Revenue Funds	4	30
Schedule of Administrative Expenditures	5	31
Schedule of Compensation Paid to Mayor and Aldermen/Women	6	32
Independent Accountant's Report On Applying Agreed-Upon Procedures		33-35
Louisiana Attestation Questionnaire		36-37

David Q. Richardson
Certified Public Accountant
P.O. Box 891
Tallulah, Louisiana 71284
318-574-0514

Accountant's Compilation Report

The Honorable Robert F. Ott, Mayor and Members of
of the Board of Aldermen/Women
Village of Delta
Delta, Louisiana

I have compiled the accompanying combined financial statements of the Village of Delta, Delta, Louisiana, as of and for the year ended June 30, 2004, and the related supplementary information as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of the village officials. I have not audited or reviewed the accompanying financial statements and the related supplementary information and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the term of my engagement, I have also issued a report on agreed-upon procedures dated December 27, 2004.

Tallulah, Louisiana
December 27, 2004



REQUIRED SUPPLEMENTAL INFORMATION

PART I

VILLAGE OF DELTA

LOUISIANA

ROBERT F. OTT
MAYOR

POST OFFICE BOX 29
DELTA, LOUISIANA
71233

TELEPHONE
(318) 633-9566

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of The Village of Delta, Louisiana's financial performance provides an overview of the Village's financial activities for the year ended June 30, 2004. Please read it in conjunction with the Village's financial statements, which begin on page 8.

FINANCIAL HIGHLIGHTS

The Village's net assets increased \$ 42,381.57, as a result of this year's operations. This increase was almost entirely in cash and cash equivalents.

During the year, the Village had total expenses of \$ 232,095.37.

The Village only has one long term debt. This is a Water Revenue Bond that was issued March 3, 1977 for \$100,000.00. At the end of the current year the balance was \$54,897.59. The last payment on the bond will be in 2017.

Total revenue for the Village for the current year was \$262,634.94. This was up from \$216,069.05 in the previous year. A very large portion of this increase in revenue was made up of traffic fines, court fees, and crime lab income.

Total expenditures were \$232,095.37, or \$9,576.70 less than the prior year. The decrease consisted of a decrease of \$10,299.01 in the proprietary fund and an increase of \$722.31 in governmental funds.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and The Statement of Activities provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. Fund financial statements start on page 10. For governmental activities, these statements tell you how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds.

Reporting the Village as a Whole

One of the most important questions asked about the Village's finances is, "Is the Village as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and The Statement of Activities report about the Village as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Page Two

These two statements report the Village's *net assets* and changes in them. You can think of the Village's net assets-the difference between assets and liabilities-as one way to measure the Village's financial health, or *financial position*. Over time, *increases or decreases* in the Village's net assets are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Village's property tax base and the condition of the Village's roads, to assess the *overall health* of the Village.

Reporting the Village's Most Significant Funds

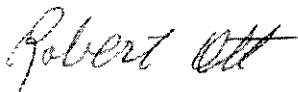
The fund financial statements begin on page 10 and provide detailed information about the most significant funds-not the Village as a whole. Some funds are required to be established by State law and by bond covenants. However, the Village Council establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

Financial Overview

The Village had an increase in net assets of \$42,381.57 for the year ended June 30, 2004. This is 16% of total revenues. This has been accomplished while maintaining the roads and sewer facilities very well. Management always tries to provide the best possible services for the residents of the Village of Delta in the most economic way possible.

CONTACTING THE VILLAGE'S MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the Village's finances and to show the Village's accountability for the money it receives. If you have questions about this report or need additional information, contact the Village's Office at P.O. Box 29, Delta, Louisiana 71233.



BASIC FINANCIAL STATEMENTS

VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENT OF NET ASSETS
JUNE 30, 2004

	<u>Government</u>	<u>Business Type</u>	<u>Total</u>
ASSETS			
Cash and cash equivalent	\$ 110,103.90	\$ 6,862.58	\$ 116,966.48
Accounts receivable	3,246.53	9,742.97	12,989.50
Restricted assets	-	27,981.66	27,981.66
Capital assets	489,385.45	151,629.70	641,015.15
Total Assets	<u>602,735.88</u>	<u>196,216.91</u>	<u>798,952.79</u>
LIABILITIES			
Accounts payable	2,455.07	-	2,455.07
Payroll taxes payable	1,208.47	-	1,208.47
Bonds payable	-	54,897.59	54,897.59
Accrued interest payable	-	1,078.97	1,078.97
Customer deposits	-	14,970.92	14,970.92
Total Liabilities	<u>3,663.54</u>	<u>70,947.48</u>	<u>74,611.02</u>
NET ASSETS			
Invested in capital assets, net of related debt	489,385.45	96,732.11	586,117.56
Restricted for debt services	-	27,981.66	27,981.66
Unrestricted	109,686.89	555.66	110,242.55
Total Net Assets	<u>\$ 599,072.34</u>	<u>\$ 125,269.43</u>	<u>\$ 724,341.77</u>

See Accountant's Compilation Report and accompanying notes to the financial statements.

VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

Function/Program	<u>Program-Revenue</u>		<u>Net Revenue Expenses</u>		<u>Total</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Government Activities</u>	<u>Business-Type Activities</u>	
Governmental Activities:					
General government	\$ 56,526.45	-	\$ (56,526.45)	-	\$ (56,526.45)
Public safety	69,252.92	121,120.77	51,867.85	-	51,867.85
Public works	17,250.69	-	(17,250.69)	-	(17,250.69)
Total Government Activities	<u>143,030.06</u>	<u>121,120.77</u>	<u>(21,909.29)</u>	<u>-</u>	<u>(21,909.29)</u>
Business Type Activities					
Water & sewer	<u>81,223.31</u>	<u>57,205.05</u>	<u>-</u>	<u>(24,018.26)</u>	<u>(24,018.26)</u>
Total Primary Government	<u>\$224,253.37</u>	<u>\$178,325.82</u>	<u>(21,909.29)</u>	<u>(24,018.26)</u>	<u>(45,927.55)</u>
General Revenues					
Ad valorem taxes			10,567.23	-	10,567.23
Licenses and permits			9,539.84	-	9,539.84
Sales tax			3,013.27	-	3,013.27
Franchise tax			5,284.61	-	5,284.61
Beer tax			338.16	-	338.16
Video poker revenue			8,501.21	-	8,501.21
Interest income			599.65	96.21	695.86
Grants			4,719.00	15,000.00	19,719.00
MCTA			8,616.51	-	8,616.51
Other revenue			22,033.43	-	22,033.43
Total General Revenues			<u>73,212.91</u>	<u>15,096.21</u>	<u>88,309.12</u>
Changes in Net Assets			51,303.62	(8,922.05)	42,381.57
Net Assets - Beginning			<u>547,768.72</u>	<u>134,191.48</u>	<u>681,960.20</u>
Net Assets - Ending			<u>\$ 599,072.34</u>	<u>\$ 125,269.43</u>	<u>\$ 724,341.77</u>

See Accountant's Compilation Report and accompanying notes to the financial statements.

VILLAGE OF DELTA
DELTA, LOUISIANA
BALANCE SHEET
JUNE 30, 2004

	Governmental Fund Types		Proprietary Fund Types	Total (Memorandum Only)
	General	Special Revenue	Enterprise	
ASSETS				
Cash	\$ 67,298.39	\$ 42,805.51	\$ 6,862.58	\$ 116,966.48
Receivables	3,246.53	-	9,742.97	12,989.50
Restricted assets:				
Cash-Note Fund	-	-	3,557.98	3,557.98
Cash - Water Depreciation	-	-	12,210.34	12,210.34
Cash - Water Revenue	-	-	12,213.34	12,213.34
Land	-	-	3,000.00	3,000.00
Fixed assets, net	-	-	148,629.70	148,629.70
Total Assets	\$ 70,544.92	\$ 42,805.51	\$ 196,216.91	\$ 309,567.34
LIABILITIES				
Revenue bonds payable	-	-	54,897.59	54,897.59
Accounts payable	2,455.07	-	-	2,455.07
Accrued taxes	1,208.47	-	-	1,208.47
Accrued interest	-	-	1,078.97	1,078.97
Payable from restricted assets:				
Customer deposits	-	-	14,970.92	14,970.92
Total Liabilities	3,663.54	-	70,947.48	74,611.02
EQUITY AND OTHER CREDITS				
Contributed capital - grants	-	-	332,518.00	332,518.00
Retained earnings				
Unreserved (deficit)	-	-	(235,230.23)	(235,230.23)
Reserved	-	-	27,981.66	27,981.66
Fund balance: undesignated	66,881.38	42,805.51	-	109,686.89
Total Equity & Other Credits	66,881.38	42,805.51	125,269.43	234,956.32
Total Liabilities, Equity, and Other Credits	\$ 70,544.92	\$ 42,805.51	\$ 196,216.91	\$ 309,567.34

See Accountant's Compilation Report and accompanying notes to the financial statements.

VILLAGE OF DELTA
DELTA, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET ASSETS
JUNE 30, 2004

Amounts reported for governmental activities in the Statement of Net Assets
are different because:

Fund Balances, Total Governmental Funds (Exhibit C) \$ 234,956.32

Capital assets used in governmental activities are not financial resources
and, therefore, are not reported in the governmental funds. 489,385.45

Net Assets of Governmental Activities (Exhibit A) \$ 724,341.77

See Accountant's Compilation Report and accompanying notes to the financial statements.

VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2004

	General Fund	Special Revenue	Total (Memorandum Only)
Revenues			
Ad valorem taxes	\$ 5,460.52	\$ 5,106.71	\$ 10,567.23
Fines & court fees	112,552.77	-	112,552.77
Licenses & permits	9,539.84	-	9,539.84
Crime lab	8,568.00	-	8,568.00
Sales tax	3,013.27	-	3,013.27
Franchise tax	5,284.61	-	5,284.61
Beer tax	338.16	-	338.16
Video poker	8,501.21	-	8,501.21
Interest	348.63	251.02	599.65
Miscellaneous	4,121.86	17,911.57	22,033.43
Grants	4,719.00	-	4,719.00
MCTA	8,616.51	-	8,616.51
Total Revenues	<u>171,064.38</u>	<u>23,269.30</u>	<u>194,333.68</u>
Expenditures			
Current Administrative (Schedule 5)	124,872.71	13,698.18	138,570.89
Highways & streets:			
Supplies	-	792.28	792.28
Salaries	-	975.00	975.00
Repairs & maintenance	-	1,820.56	1,820.56
Purchase of equipment	8,713.33	-	8,713.33
Total Expenditures	<u>133,586.04</u>	<u>17,286.02</u>	<u>150,872.06</u>
Excess of Revenues Over Expenditures	37,478.34	5,983.28	43,461.62
Fund balance - Beginning	<u>29,403.04</u>	<u>36,822.23</u>	<u>66,225.27</u>
Fund balance - Ending	<u>\$ 66,881.38</u>	<u>\$ 42,805.51</u>	<u>\$ 109,686.89</u>

See Accountant's Compilation Report and accompanying notes to the financial statements.

VILLAGE OF DELTA
DELTA, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total Governmental Funds (Exhibit E)	\$ 43,461.62
Government 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. This is the amount by which capital outlays exceeded depreciation in the current period.	7,842.00
Net loss reported on Combined Statement of Revenues, Expenditures, and Changes in Retained Earnings - Proprietary Fund (Exhibit G)	<u>(8,922.05)</u>
Change in Net Assets of Governmental Activities (Exhibit B)	<u>\$ 42,381.57</u>

See Accountant's Compilation Report and accompanying notes to the financial statements.

VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN RETAINED EARNINGS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2004

Operating Revenues:	
Water and sewer revenue	<u>\$ 57,205.05</u>
Operating Expenses:	
Salaries	19,500.00
Repairs and maintenance	20,886.05
Materials and supplies	2,472.96
Utilities	7,050.03
Telephone	27.16
Office	1,224.97
Payroll taxes	2,067.05
Sales tax	755.00
Chemicals	2,530.54
Insurance	3,986.00
Depreciation	15,248.93
Discharge permit	495.00
Auto expense	1,514.00
Training expense	255.12
Dues	314.00
Total Operating Expenses	<u>78,326.81</u>
Net Operating Profit (Loss)	<u>(21,121.76)</u>
Non-operating Revenues (Expenses)	
Grant income	15,000.00
Interest income	96.21
Interest expense	<u>(2,896.50)</u>
Total Non-operating Revenue	<u>12,199.71</u>
Net Profit (Loss)	(8,922.05)
Retained Earnings (Deficit) - Beginning	<u>(225,660.71)</u>
Retained Earnings (Deficit) - Before Transfer to Reserved	(234,582.76)
Transfers to Reserved	<u>(647.47)</u>
Retained Earnings (Deficit) - Ending	<u><u>\$ (235,230.23)</u></u>

See Accountant's Compilation Report and accompanying notes to financial statements.

VILLAGE OF DELTA
 DELTA, LOUISIANA
 STATEMENT OF CASH FLOWS -PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2004

<i>Cash Flows From Operating Activities</i>	
Cash received from customers	54,941.53
Cash payments for operating expenses	(67,325.52)
Cash received from grants	<u>15,000.00</u>
Net cash provided by operating activities	<u>2,616.01</u>
<i>Cash Flows From Capital And Financing Activities</i>	
Interest payments	(2,896.50)
Principle paid on revenue bonds	<u>(3,032.50)</u>
Net cash provided (used) by capital and financing activities	<u>(5,929.00)</u>
<i>Cash Flows From Investing Activities</i>	
Interest income	<u>96.21</u>
Net Increase (Decrease) In Cash And Cash Equivalents	(3,216.78)
Cash And Cash Equivalents - Beginning	<u>38,061.02</u>
Cash And Cash Equivalents - Ending	<u>\$ 34,844.24</u>

See Accountant's Compilation Report and accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

INTRODUCTION

The Village of Delta, Louisiana (hereafter referred to as the Village) was created under the provisions of the Lawrason Act, Louisiana Revised Statute 33:321, August 28, 1973. Therefore, it operates under a Mayor-Board of Alderman form of government.

The Mayor and three Alderpersons are elected at large every four years by the citizens of the Village. The Mayor and Alderpersons are compensated for their services.

The purpose of the municipality is to promote the general welfare, safety, health, peace, good order, comfort, convenience, and morals of its inhabitants.

The Village is situated in the northwest part of Madison Parish with a population of 350 persons. Within the boundaries are approximately 5 miles of roads maintained by the Village. It is currently servicing 131 water and sewer customers and employs 6 people.

GASB Statement No.14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement the Village is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No.14, fiscally independent means that the Village may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Village does not have oversight of any other component units, therefore, no other government unit is included in the Village's financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a

VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. Government-Wide and Fund Financial Statements (cont.)

specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are revenue as soon as all eligibility requirements imposed by the provider have been met.

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 generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as claims and judgements, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (cont.)

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Fire Department Fund - A fee is added to each water bill monthly to be used for the maintenance and operation cost of the Village's fire department.

Street Fund - is used to maintain the Village's streets. A portion of the ad-valorem tax base is designated for this purpose.

Drug Fund - This fund recovers funds from each drug arrest within the Village and the proceeds are used in helping maintain the Village's police force.

C. Cash and Cash Equivalents:

Cash includes amounts in demand deposits. Under state law, the Village may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principle offices in Louisiana. Certificates of deposits are classified as investments if their maturities exceed 90 days. However, if the original maturities are 90 days or less, they are classified as cash equivalents.

D. Investments

Investments are limited by Louisiana Revised Statute 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments. Otherwise, the investments are classified as cash and cash equivalents. In accordance with GASB Statement No. 31, investments are recorded at fair value with the corresponding increase or decrease reported in investment earnings. All investments of the Village are certificates of deposits held at local banks and the fair value is determined by the face value of the certificate.

E. Restricted Assets

Certain resources set aside for repayment of bonds are classified as restricted assets on the general purpose financial statements because their use is limited by applicable bond covenants.

VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

F. Property Taxes

Ad valorem taxes were levied for 2003 at seven mills. These taxes, which attach as enforceable liens on property as of January 1, are levied in October, become due on receipt and until December 31, 2003, and become delinquent on January 1 of the following year. The taxes are generally collected in December of the current year and January and February of the following year.

G. Compensated Absences

Employees of the Village do not accrue or "carry forward" vacation or sick pay from year to year. As such, there are no accruals made in either the Enterprise Funds, or the General Long-Term Debt account group for these payments.

H. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. The estimates are the responsibility of management. Actual results can differ from those estimated.

I. Retirement Plan

The Village does not participate in any retirement fund, therefore all employees are covered by the social security administration.

J. Memorandum Only - Total Columns

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

VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 2 - CASH AND CASH EQUIVALENTS

At June 30, 2004, the Village had cash and cash equivalents totaling \$144,948.14 as follows:

Demand deposits	\$ -
Interest bearing demand deposits	144,948.14
Total	<u>\$ 144,948.14</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits 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 the deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually accepted to both parties.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 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 district attorney that the fiscal agent has failed to pay deposited funds upon demand.

As of June 30, 2004, the book balance of the Village's deposit was \$144,948.14, and the bank balance was \$145,027.96. Of the bank balance, \$100,000.00 was covered by federal depository insurance, and \$45,027.96 by pledged securities.

NOTE 3 - RECEIVABLES

Receivables at June 30, 2004, consist of the following:

	General	Enterprise	Totals
Receivables:			
Taxes	\$ 3,246.53	-	\$ 3,246.53
Accounts	-	9,742.97	9,742.97
Total receivables	<u>\$ 3,246.53</u>	<u>\$ 9,742.97</u>	<u>\$ 12,989.50</u>

VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 4 - FIXED ASSETS PROPRIETARY FUNDS

The following is a summary of proprietary fund-type fixed assets at June 30, 2004:

	Enterprise Funds
Land	\$ 3,000.00
Water & sewer plant	473,350.00
Water well	50,000.00
Other equipment	20,715.22
Total	547,065.22
Less accumulated depreciation	395,435.52
Net fixed assets	\$ 151,629.70

In proprietary funds, the following estimated useful lives are used to compute depreciation:

Buildings	40 years
Water & sewer improvements	10 years
Water well	25 years
Other equipment	10 years

NOTE 5 - LONG-TERM REVENUE BONDS

Revenue Bonds: The government issued bonds and pledged income derived from the acquired or constructed assets to pay debt service. Revenue bonds outstanding, at June 30, 2004, are as follows:

<p>\$100,000 Water Revenue, dated March 3, 1977, interest at five percent payable in equal annual installments of \$5,929. This bond was sold to General Electric Credit Corporation in 1988.</p>	<p style="border-bottom: 3px double black;">\$ 54,897.59</p>
---	--

VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 5 - LONG-TERM REVENUE BONDS (cont.)

Revenue bond debt service requirements to maturity are as follows:

<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 3,184.06	\$ 2,744.94	\$ 5,929.00
2006	3,343.26	2,585.74	5,929.00
2007	3,510.48	2,418.52	5,929.00
2008	3,686.00	2,243.00	5,929.00
2009	3,870.30	2,058.70	5,929.00
2010-2014	22,455.17	7,189.83	29,645.00
2015-2019	14,848.32	2,938.68	17,787.00
Total	<u>\$ 54,897.59</u>	<u>\$22,179.41</u>	<u>\$ 77,077.00</u>

NOTE 6 - CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any to be immaterial.

According to the Village of Delta's mayor, there is no pending litigation or claims at June 30, 2004.

NOTE 7 - PROPRIETARY FUND - DEFICIT RETAINED EARNINGS

The Water & Sewer Enterprise Fund has operated at a continuing loss. The impact of depreciation is a major non-cash component of the loss. At June 30, 2004, the deficit retained earnings was \$235,230.23. Depreciation expense at June 30, 2004, was \$15,248.93. Federal and State grants were received which were used to purchase and/or construct depreciable assets, therefore, the deficit is not anticipated to reverse. Services are not anticipated to be altered as a result of the deficits.

VILLAGE OF DELTA
DELTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 8 - LEGAL COMPLIANCE - BUDGETS

1. Prior to the beginning of each fiscal year, the Mayor submits a proposed budget to the Board of Aldermen/Women for their approval.
2. A public hearing is conducted to obtain taxpayer comments.
3. The Board of Aldermen/Women approve the budget prior to the beginning of the fiscal year.
4. Budget amendments during the fiscal year require approval by the Board of Aldermen/Women.
5. All budgetary appropriations lapse at the end of the fiscal year.

REQUIRED SUPPLEMENTAL INFORMATION

PART II

VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance
	Original	Amended		Favorable (Unfavorable)
REVENUES				
Ad valorem taxes	\$ 13,000.00	\$ 10,471.93	\$ 5,460.52	\$ (5,011.41)
Fines and court fees	40,000.00	91,316.52	112,552.77	21,236.25
License & permits	10,000.00	13,954.00	9,539.84	(4,414.16)
Crime lab	4,550.00	7,693.00	8,568.00	875.00
Sales tax	6,500.00	2,913.89	3,013.27	99.38
Franchise tax	4,500.00	5,603.69	5,284.61	(319.08)
Beer tax	850.00	538.16	338.16	(200.00)
Video poker	8,000.00	8,869.80	8,501.21	(368.59)
Interest	300.00	329.66	348.63	18.97
Miscellaneous	2,850.00	3,349.61	4,121.86	772.25
Grants	-	-	4,719.00	4,719.00
MCTA	7,800.00	8,583.49	8,616.51	33.02
Total Revenue	<u>98,350.00</u>	<u>153,623.75</u>	<u>171,064.38</u>	<u>17,440.63</u>
EXPENDITURES				
Repairs	4,000.00	7,948.72	5,130.00	2,818.72
Dues	500.00	480.00	519.60	(39.60)
Insurance	7,348.00	9,371.95	9,371.95	-
Supplies	2,350.00	1,580.28	1,853.50	(273.22)
Payroll taxes	15,000.00	15,814.14	1,856.89	13,957.25
Police expenses	13,800.00	21,562.57	19,356.50	2,206.07
Salaries:				
Office	14,800.00	15,129.49	17,888.00	(2,758.51)
Mayor	5,541.00	5,541.00	6,000.00	(459.00)
Police	26,000.00	31,389.12	40,080.00	(8,690.88)
State funds- court fees	1,000.00	709.86	37.24	672.62
Tax Assesor	400.00	725.89	292.54	433.35
Telephone	325.00	625.15	625.99	(0.84)
Utilities	6,000.00	6,919.43	9,006.41	(2,086.98)
Professional fees	2,000.00	1,800.00	1,800.00	-
Crime labs	3,300.00	3,949.00	5,029.94	(1,080.94)
Alderman salary	1,440.00	1,440.00	1,440.00	-
Miscellaneous	5,400.00	1,348.53	4,584.15	(3,235.62)
Purchase of equipment	8,065.00	8,065.00	8,713.33	(648.33)
Total Expenditures	<u>117,269.00</u>	<u>134,400.13</u>	<u>133,586.04</u>	<u>814.09</u>
Excess (Deficit) of Revenue Over Expenditures	(18,919.00)	19,223.62	37,478.34	18,254.72
Fund Balance - Beginning	<u>29,403.04</u>	<u>29,403.04</u>	<u>29,403.04</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 10,484.04</u>	<u>\$ 48,626.66</u>	<u>\$ 66,881.38</u>	<u>\$ 18,254.72</u>

See Accountant's Compilation Report and accompanying notes to the financial statements.

VILLAGE OF DELTA
DELTA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance
	Original	Amended		Favorable (Unfavorable)
Revenues				
Ad valorem taxes	\$ 6,000.00	\$ 5,106.71	\$ 5,106.71	\$ -
Interest	200.00	258.33	251.02	(7.31)
Miscellaneous	21,380.00	14,208.74	17,911.57	3,702.83
Total Revenues	<u>27,580.00</u>	<u>19,573.78</u>	<u>23,269.30</u>	<u>3,695.52</u>
Expenditures				
Insurance	1,637.00	1,109.00	1,474.00	(365.00)
Supplies	3,125.00	5,188.05	5,180.56	7.49
Mosquito control	-	3,842.58	3,842.58	-
Utilities	825.00	757.68	711.08	46.60
Miscellaneous	800.00	1,465.42	2,489.96	(1,024.54)
Highways & streets:				
Supplies	300.00	751.05	792.28	(41.23)
Salaries	554.10	886.90	975.00	(88.10)
Repairs & Maintenance	1,900.00	3,834.33	1,820.56	2,013.77
Total Expenditures	<u>9,141.10</u>	<u>17,835.01</u>	<u>17,286.02</u>	<u>548.99</u>
Excess (Deficit) of Revenues Over Expenditures	18,438.90	1,738.77	5,983.28	4,244.51
Fund Balance - Beginning	<u>36,822.23</u>	<u>36,822.23</u>	<u>36,822.23</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 55,261.13</u>	<u>\$ 38,561.00</u>	<u>\$ 42,805.51</u>	<u>\$ 4,244.51</u>

See Accountant's Compilation Report and accompanying notes to financial statements.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

OTHER SUPPLEMENTAL INFORMATION

PART III

VILLAGE OF DELTA
DELTA, LOUISIANA
COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS
JUNE 30, 2004

	<u>Street Account</u>	<u>Volunteer Fire Department</u>	<u>Drug Fund</u>	<u>Total</u>
Assets - Cash	<u>\$ 9,580.48</u>	<u>\$19,969.91</u>	<u>\$ 13,255.12</u>	<u>\$42,805.51</u>
Liabilities and Fund Equity Undesignated	<u>9,580.48</u>	<u>19,969.91</u>	<u>13,255.12</u>	<u>42,805.51</u>
Total Liabilities and Fund Equity	<u>\$ 9,580.48</u>	<u>\$19,969.91</u>	<u>\$ 13,255.12</u>	<u>\$42,805.51</u>

See Accountant's Compilation Report and accompanying notes to the financial statements.

VILLAGE OF DELTA
DELTA, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Street Account</u>	<u>Volunteer Fire Department</u>	<u>Drug Fund</u>	<u>Total</u>
Revenues				
Ad valorem taxes	\$ 5,106.71	-	-	\$ 5,106.71
Miscellaneous	1,170.00	6,136.57	10,605.00	17,911.57
Interest earned	74.68	109.78	66.56	251.02
Total Revenues	<u>6,351.39</u>	<u>6,246.35</u>	<u>10,671.56</u>	<u>23,269.30</u>
Expenditures				
Current - Administrative (Schedule 5)	5,346.86	4,473.41	3,877.91	13,698.18
Highways and streets:				
Supplies	792.28	-	-	792.28
Salaries	975.00	-	-	975.00
Repairs and maintenance	1,820.56	-	-	1,820.56
Total Expenditures	<u>8,934.70</u>	<u>4,473.41</u>	<u>3,877.91</u>	<u>17,286.02</u>
Excess (Deficiency) of Revenue Over Expenditures	(2,583.31)	1,772.94	6,793.65	5,983.28
Fund Balance - Beginning	<u>12,163.79</u>	<u>18,196.97</u>	<u>6,461.47</u>	<u>36,822.23</u>
Fund Balance - Ending	<u>\$ 9,580.48</u>	<u>\$ 19,969.91</u>	<u>\$ 13,255.12</u>	<u>\$ 42,805.51</u>

See Accountant's Compilation Report and accompanying notes to the financial statements.

VILLAGE OF DELTA
DELTA, LOUISIANA
SCHEDULE OF ADMINISTRATIVE EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2004

Department	Special Revenue Funds				Total Special Revenue Funds
	General Fund	Street Account	Volunteer Fire Department	Drug Fund	
Administrative:					
Repairs	\$ 5,130.00	\$ -	\$ -	\$ -	\$ -
Dues	519.60	-	-	-	-
Insurance	9,371.95	365.00	1,109.00	-	1,474.00
Supplies	1,853.50	-	2,530.71	2,649.85	5,180.56
Mosquito control	-	3,719.96	122.62	-	3,842.58
Payroll taxes	1,856.89	-	-	-	-
Police expenses	19,356.50	-	-	-	-
Salaries:	-	-	-	-	-
Office	17,888.00	-	-	-	-
Mayor	6,000.00	-	-	-	-
Police	40,080.00	-	-	-	-
State funds - court fees	37.24	-	-	-	-
Tax assessor	292.54	-	-	-	-
Telephone	625.99	-	-	-	-
Utilities	9,006.41	-	711.08	-	711.08
Professional fees	1,800.00	-	-	-	-
Crime labs	5,029.94	-	-	-	-
Alderman salary	1,440.00	-	-	-	-
Miscellaneous	4,584.15	1,261.90	-	1,228.06	2,489.96
Total	\$124,872.71	\$ 5,346.86	\$ 4,473.41	\$ 3,877.91	\$13,698.18

See Accountant's Compilation Report and accompanying notes to the financial statements.

VILLAGE OF DELTA
DELTA, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO MAYOR AND ALDERMEN/WOMEN
FOR THE YEAR ENDED JUNE 30, 2004

The mayor, Robert Ott, received a monthly salary of \$500.00 for a total of \$6,000.00 for the year ended June 30, 2004.

Compensation paid to the Village's Aldermen/Women was as follows:

<u>Aldermen</u>	<u>2004</u>
Marvin Ashley	\$ 480.00
Shannon White	480.00
Charles Davis	<u>480.00</u>
Total	<u>\$ 1,440.00</u>

See Accountant's Compilation Report and accompanying notes to the financial statements.

David Q. Richardson
Certified Public Accountant
P.O. Box 891
Tallulah, Louisiana 71284
318-574-0514

Independent Accountant's Report
on Applying Agreed-Upon Procedures

Honorable Mayor and Members
of the Board of Aldermen/Women
Village of Delta, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Village of Delta and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village's compliance with certain laws and regulations during the year ended June 30, 2004, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below neither for the purpose for which this report has been requested nor for any other purpose.

Public Bid Law

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

There were no expenditures made during the year for materials and supplies that exceeded \$15,000 or public works in excess of \$100,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

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

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

Management provided me with the required list.

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

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

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

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

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

I traced the adoption of the original budget to the minutes of a meeting held on July 16, 2003 which indicated that the budget had been adopted by the Board of Aldermen of the Village of Delta by a vote of all in favor, and the budget was amended at the June 15, 2004 Board Meeting.

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

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues for the year were within 5% of budgeted amounts and expenditures for the year did not exceed budgeted amounts by 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

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

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

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

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

(C) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the mayor. The mayor indicated his approval by signing the check paying the expenditure.

Meetings

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

The Village of Delta is only required to post a notice of each meeting and the accompanying agenda on the door of the Village's office building. Management has asserted that such documents were properly posted on the door of the office including an agenda for the meeting. I could not find any evidence supporting such assertion, but it was advertised in the local newspaper each month, and the date and time of each meeting was disclosed on the monthly water bill.

Debt

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

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

Advances and Bonuses

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

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

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

This report is intended solely for the use of management of the Village of Delta and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Tallulah, Louisiana
December 27, 2004



**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

MAY 29, 2004

DAVID Q. RICHARDSON, CPA

P. O. BOX 891

TALLULAH, LA 71284 (Auditor)

In connection with your compilation of our financial statements as of June 30, 2004, and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 30, 2004.

Public Bid Law

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

Yes [X] No []

Code of Ethics for Public Officials and Public Employees

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

Yes [X] No []

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

Yes [X] No []

Budgeting

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

Yes [X] No []

Accounting and Reporting

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

Yes [X] No []

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

Yes [X] No []

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [X] No []

Meetings

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

Yes [X] No []

Debt

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

Yes [X] No []

Advances and Bonuses

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

Yes [X] No []

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

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

Pamela Stotter City Clerk 05-28-04 Date
Robert Pitt Mayor 05-28-04 Date