

VILLAGE OF TICKFAW

Tickfaw, Louisiana

FINANCIAL STATEMENT AND AUDITOR'S REPORTS

As of and for the Year Ended
June 30, 2009

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 2/24/10

Anthony B. Baglio, C.P.A.
A Professional Accounting Corporation
Hammond, Louisiana

Village of Tickfaw, Louisiana
Annual Financial Statements
As of and for the Year Ended June 30, 2009
With Supplemental Information Schedules

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Independent Auditor's Report

The Honorable Anthony Lamonte, Mayor
and Members of the Board of Aldermen
Village of Tickfaw
Tickfaw, Louisiana

I 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 Village of Tickfaw, as of and for the year ended June 30, 2009, which collectively comprise the Village's basic financial statements as listed in the table of contents. I also have audited the financial statements of each of the Village's non-major governmental funds presented in the accompanying combining and individual fund financial statements and schedules as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the Village's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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. I believe that my audit provides a reasonable basis for my opinions.

In my 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 as well as the aggregate non-major governmental funds of the Village of Tickfaw, Louisiana as of June 30, 2009, 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.

In accordance with *Government Auditing Standards*, I have also issued my report dated January 7, 2010, on my consideration of the Village of Tickfaw's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my tests of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

The Honorable Anthony Lamonte, Mayor
And Members of the Board of Aldermen
Village of Tickfaw
Tickfaw, Louisiana

The management's discussion and analysis and budgetary comparison information on pages 7 through 15 and the required supplemental information (Part II) on pages 53-58 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Tickfaw's basic financial statements. The accompanying financial information, except for the schedule of insurance coverage in force (unaudited), listed in the table of contents as other supplemental information, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The schedule of insurance coverage in force (unaudited) has not been subjected to auditing procedures applied by me in the audit of the basic financial statements and, accordingly, I express no opinion on it.

Respectfully submitted,



Hammond, Louisiana
January 7, 2010

Required Supplemental Information (Part I)
Management's Discussion and Analysis

Village of Tickfaw, Louisiana
Management's Discussion and Analysis
As of and for the Year Ended June 30, 2009

Introduction

The Village of Tickfaw, Louisiana (the Village) is pleased to present its Annual Financial Statements developed in compliance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - For State and Local Governments* (GASB 34), and related standards.

The Village's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Village's financial activity, (c) identify changes in the Village's financial position, (d) identify any significant variations from the Village's financial plan, and (e) identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Village's financial statements on pages 17 through 30 of this report.

Financial Highlights

- At June 30, 2009, the Village's assets exceeded its liabilities by \$2,801,510 (net assets). Of this amount, \$352,701 (unrestricted net assets) may be used to meet the Village's ongoing obligations to its citizens.
- For the year ended June 30, 2009, the Village's total net assets increased by \$65,066.
- At June 30, 2009, the Village's governmental funds reported combined ending fund balances of \$198,713, an increase of \$28,186 for the year. Of this amount, \$198,713 is available for spending at the Village's discretion (unreserved fund balances).
- At June 30, 2009, the Village's proprietary funds reported combined ending net assets of \$2,001,334, an increase of \$12,445 for the year.
- For the year ended June 30, 2009, the Village's total long-term debt decreased by \$16,377.

Village of Tickfaw, Louisiana

Management's Discussion and Analysis As of and for the Year Ended June 30, 2009

Overview of the Annual Financial Report

The financial statement focus is on both the Village as a whole and on the major individual funds. Both perspectives, government-wide and major funds, allow the user to address relevant questions, broaden a basis for comparison, and enhance the Village's accountability. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The MD&A is intended to serve as an introduction to the Village's basic financial statements, which consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances in a manner similar to a private-sector business. Governmental and business-type activities are presented in separate columns along with a total column for the primary government.

The Statement of Net Assets presents information on the Village's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net assets. Over time, the increases or decreases in net assets and changes in the components of net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The Statement of Activities presents information showing how the Village's net assets changed during the most recent fiscal year, focusing on both the gross and net costs of various activities, both governmental and business-type, that are supported by the Village's general tax and other revenues. This is intended to summarize and simplify the reader's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

In both of the government-wide financial statements, the Village's activities are divided into two types:

- Governmental activities - Most of the Village's basic services are reported here, including general government, public safety, highways and streets, and sanitation. These activities are financed primarily by property taxes, franchise taxes, sales taxes, taxes on insurance premiums, occupational licenses, sanitation fees and fines.
- Business-type activities - The Village charges a fee to customers to help cover all of the cost of the services provided. The Village's water and sewer utility systems are reported in this section.

The government-wide financial statements include the Village of Tickfaw, Louisiana (primary government) only and can be found on pages 17 through 19 of this report.

Village of Tickfaw, Louisiana

Management's Discussion and Analysis As of and for the Year Ended June 30, 2009

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The Village uses two categories of funds to account for financial transactions: governmental funds and proprietary funds. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. Governmental funds are used to account for most of the Village's basic services. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances that are left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Village's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Village's programs. The basic governmental fund financial statements can be found on pages 21 and 23 of this report.

Proprietary funds account for water, and sewer utility services provided by the Village to its customers. Proprietary fund statements provide the same type of information as the government-wide financial statements, but the fund presentation provides more detail. The basic proprietary fund financial statements can be found on pages 25 through 30 of this report.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for governmental funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the Village's more immediate decisions on the current use of financial resources. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The reconciliations can be found on pages 22 and 24 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32 through 51 of this report.

Village of Tickfaw, Louisiana

**Management's Discussion and Analysis
As of and for the Year Ended June 30, 2009**

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the Village's net assets for the current year as compared to the prior year. For more detailed information, see the Statement of Net Assets on page 17 of this report.

**Net Assets
June 30, 2009 and 2008**

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Assets:						
Current and Other Assets	\$ 223,627	\$ 190,504	\$ 225,449	\$ 186,284	\$ 449,076	\$ 376,788
Capital Assets	<u>606,990</u>	<u>584,156</u>	<u>2,088,894</u>	<u>2,155,722</u>	<u>2,695,884</u>	<u>2,739,878</u>
Total Assets	<u>830,617</u>	<u>774,660</u>	<u>2,314,343</u>	<u>2,342,006</u>	<u>3,144,960</u>	<u>3,116,666</u>
Liabilities:						
Long-Term Debt Outstanding	5,527	7,128	274,803	289,579	280,330	296,707
Other Liabilities	<u>24,914</u>	<u>19,977</u>	<u>38,206</u>	<u>63,538</u>	<u>63,120</u>	<u>83,515</u>
Total Liabilities	<u>30,441</u>	<u>27,105</u>	<u>313,009</u>	<u>353,117</u>	<u>343,450</u>	<u>380,222</u>
Net Assets:						
Invested in Capital Assets, Net of Related Debt	601,463	577,028	1,814,091	1,866,143	2,415,554	2,443,171
Restricted	-	-	33,255	29,985	33,255	29,985
Unrestricted	<u>198,713</u>	<u>170,527</u>	<u>153,988</u>	<u>92,761</u>	<u>352,701</u>	<u>263,288</u>
Total Net Assets	<u>\$ 800,176</u>	<u>\$ 747,555</u>	<u>\$ 2,001,334</u>	<u>\$ 1,988,889</u>	<u>\$ 2,801,510</u>	<u>\$ 2,736,444</u>

Approximately 86% of the Village's net assets reflects its investment in capital assets (land, buildings, equipment, infrastructure, and improvements) net of any outstanding related debt used to acquire those capital assets. These capital assets are used to provide services to citizens and do not represent resources available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

Approximately 1% of the Village's net assets represents resources that are subject to external restriction on how they may be used. The Village's restricted net assets consist of cash reserves required by revenue bond agreements and cash for customer deposits net of corresponding liabilities.

Approximately 13% of the Village's net assets are unrestricted and may be used to meet the Village's ongoing obligations to its citizens.

The Village's activities increased its total net assets by \$65,066 with governmental activities increasing net assets by \$52,621 and business-type activities increasing net assets by \$12,445.

Long-term debt decreased by \$16,377 from the prior year. Sewer Revenue Bonds decreased by \$14,776. Principal on the capital lease decreased by \$1,600.

Village of Tickfaw, Louisiana

**Management's Discussion and Analysis
As of and for the Year Ended June 30, 2009**

In order to further understand what makes up the changes in net assets, the following table provides a summary of the results of the Village's activities for the current year as compared to the prior year. An analysis of the primary sources of these changes follows the table. For more detailed information, see the Statement of Activities on pages 18 and 19 of this report.

**Changes in Net Assets
For the Years Ended June 30, 2009 and 2008**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenues:						
Program Revenues:						
Charges for Services	\$ 416,713	\$ 414,034	\$ 201,877	\$ 204,796	\$ 618,590	\$ 618,830
Operating Grants and Contributions	46,634	13,326	5,825	53,500	52,459	66,826
Capital Grants and Contributions	-	-	-	-	-	-
General Revenues:						
Sales Taxes	134,185	137,329	44,996	45,776	179,181	183,105
Ad Valorem Taxes	34,380	29,574	-	-	34,380	29,574
Alcoholic Beverage Taxes	1,941	1,926	-	-	1,941	1,926
Franchise Taxes	17,138	15,986	-	-	17,138	15,986
Interest Income	1,608	6,223	892	1,825	2,500	8,048
Insurance Reimbursement	-	15,008	9,939	-	9,939	15,008
Other Revenues	10,140	1,429	-	-	10,140	1,429
Sale of Fixed Assets	10,232	-	-	-	10,232	-
Operating Transfer	-	-	-	-	-	-
Total Revenues	<u>672,971</u>	<u>634,835</u>	<u>263,529</u>	<u>305,897</u>	<u>936,500</u>	<u>940,732</u>
Expenses:						
General and Administrative	179,872	171,292	-	-	179,872	171,292
Police Department	329,685	322,598	-	-	329,685	322,598
Street Department	34,187	40,970	-	-	34,187	40,970
Street Lights	18,422	17,374	-	-	18,422	17,374
Sanitation	27,701	27,702	-	-	27,701	27,702
Fire Protection	12,881	11,949	-	-	12,881	11,949
Depreciation on Infrastructure	16,946	16,946	-	-	16,946	16,946
Interest on Capital Lease	656	811	-	-	656	811
Interest on Sales Tax Bonds	-	3,944	-	-	-	3,944
Water, and Sewer Utility	-	-	251,084	238,897	251,084	238,897
Total Expenses	<u>620,350</u>	<u>613,586</u>	<u>251,084</u>	<u>238,897</u>	<u>871,434</u>	<u>852,483</u>
Change in Net Assets	52,621	21,249	12,445	67,000	65,066	88,249
Net Assets, Beginning	747,555	726,306	1,988,889	1,921,889	2,736,444	2,648,195
Net Assets, Ending	<u>\$ 800,176</u>	<u>\$ 747,555</u>	<u>\$ 2,001,334</u>	<u>\$ 1,988,889</u>	<u>\$ 2,801,510</u>	<u>\$ 2,736,444</u>

Village of Tickfaw, Louisiana

Management's Discussion and Analysis As of and for the Year Ended June 30, 2009

Governmental Activities

The Village's governmental net assets increased by \$52,621 to \$800,176. The increase is approximately 7% of the prior year ending net assets. In the prior year the governmental net assets increased by \$21,249. The current year increase is \$31,372 more than the prior year increase. The increase is due to an increase in revenues in the amount of \$38,136. The increase in revenues is due primarily to increases in FEMA reimbursements of \$17,294 and supplemental pay of \$16,613.

Business-Type Activities

The Village's business-type net assets increased by \$12,445, to \$2,001,334. The increase in net assets is \$54,555 less than the prior year increase of \$67,000. This difference is due to a decrease in grant revenue of \$47,675.

Fund Financial Analysis

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Village's net resources available for spending at the end of the year. The basic governmental fund financial statements can be found on pages 21 and 23 of this report.

The general fund is the chief operating fund of the Village. At the end of the current year, the total fund balance for the general fund was \$150,208, all of which was unreserved. During the current year the general fund had an increase in fund balance of \$30,281.

As a measure of the general fund's liquidity, it may be useful to compare the fund balance to fund expenditures. At June 30, 2009, the fund balance of \$150,208 is approximately 26% of total general fund expenditures of \$576,626.

Proprietary Funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Village of Tickfaw, Louisiana

**Management's Discussion and Analysis
As of and for the Year Ended June 30, 2009**

General Fund Budgetary Highlights

For the general fund, actual revenues were \$18,575 more than final budgeted amounts. Actual expenditures were \$2,324 less than final budgeted amounts. The net change in fund balance was \$23,731 more than final budgeted amounts.

For the general fund, original budgeted revenues were \$587,600 and final budgeted revenues were \$578,100. Original budgeted expenditures were \$608,220 and final budgeted expenditures were \$578,950.

Significant variations from the general fund's original budget amounts and final budget amounts are as follows:

- Sales and Use Taxes were decreased by \$17,900.
- Taxes on Insurance Premiums were increased by \$55,000. This revenue was included in business licenses and permits in the original budget.
- Business licenses and permits were decreased by \$36,400. The original budget amount included the taxes on insurance premiums.
- Police fines were decreased by \$20,000.
- FEMA was increased to \$17,300.
- Capital outlay was increased to \$26,400 to account for renovations to the conference room.
- An operating transfer to the Utility Fund of \$50,000 was removed from the amended budget and added to the proposed budget for 2010.

Significant variations from the general fund's final budget amounts and actual amounts are as follows:

- Actual capital outlays exceeded budgeted capital outlays by \$16,928. The cost of installing generators to city hall and the police station in the amount of \$21,245 was reclassified from repairs and maintenance.

Village of Tickfaw, Louisiana

**Management's Discussion and Analysis
As of and for the Year Ended June 30, 2009**

Capital Assets and Debt Administration

Capital Assets

The Village's investment in capital assets for its governmental and business-type activities as of June 30, 2009 amounts to \$2,695,884 (net of depreciation). The total decrease in the Village's investment in capital assets for the current fiscal year was \$43,994. This is due primarily to depreciation expense of \$125,948.

Major capital asset additions and deletions during the current fiscal year included the following:

- Renovations to the fire station totaling \$25,125
- Improvements to the conference room totaling \$16,886
- Purchase of a portable warehouse for \$5,196
- Renovations to city hall and the police station totaling \$21,245
- Police vehicles were sold during the year that were fully depreciated

The following table provides a summary of the Village's capital assets (net of depreciation) at the end of the current year as compared to the prior year. For more detailed information, see Note 8 to the financial statements on pages 43 and 44 of this report.

**Capital Assets (Net of Depreciation)
June 30, 2009 and 2008**

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 126,285	\$ 126,285	\$ 58,594	\$ 58,594	\$ 184,879	\$ 184,879
Buildings	312,317	265,110	2,121	2,121	314,438	267,231
Infrastructure	677,839	677,839	-	-	677,839	677,839
Vehicles and Equipment	243,805	232,120	105,314	100,739	349,119	332,859
Water Utility System	-	-	921,249	921,249	921,249	921,249
Sewer Utility System	-	-	2,105,316	2,105,316	2,105,316	2,105,316
Accumulated Depreciation	(753,256)	(717,198)	(1,103,700)	(1,032,297)	(1,856,956)	(1,749,495)
Capital Assets, Net	\$ 606,990	\$ 584,156	\$ 2,088,894	\$ 2,155,722	\$ 2,695,884	\$ 2,739,878

Village of Tickfaw, Louisiana

**Management's Discussion and Analysis
As of and for the Year Ended June 30, 2009**

Long-Term Debt

At June 30, 2009, the Village had total debt outstanding of \$280,330. Of this total, \$7,850 is due within one year and \$272,480 is due after one year. The following table provides a summary of the Village's outstanding debt at the end of the current year as compared to the prior year. For more detailed information, see Note 11 to the financial statements on pages 45 and 46 of this report.

**Outstanding Debt
June 30, 2009 and 2008**

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Sewer Revenue Bonds	\$ -	\$ -	\$ 274,803	\$ 289,579	\$ 274,803	\$ 289,579
Capital Lease, 2880 Copier	5,527	7,128	-	-	5,527	7,128
Total Outstanding Debt	\$ 5,527	\$ 7,128	\$ 274,803	\$ 289,579	\$ 280,330	\$ 296,707

Other Factors Affecting the Village

The Village of Tickfaw's management approach is conservative. When possible, the Mayor and Council attempt to provide services for the Village based on existing revenues and to finance long-term projects only when absolutely necessary. The Village actively pursues grant funds to minimize the cost of major projects to its citizens. The Village also attempts to keep utility rates at the minimum required to cover the costs of utility system operation.

The Proprietary Fund reported a profit after depreciation for the past two years due primarily to sales tax revenue derived from one half (½) of a one (1) percent sales tax designated for the proprietary fund.

Beginning in January 2009, the Village began paying \$1,500 per month additional principal on the Sewer Revenue Bonds. In January 2010 management will review the financial position of the Village and determine the amount of additional principal to be paid in 2010.

During the current year \$61,000 was invested in certificates of deposit in the proprietary fund and \$60,000 was invested in certificates of deposit in the general fund. The interest earned from the certificates are paid monthly to the operating accounts.

Contacting the Village's Financial Management

This financial report is designed to provide the Village's citizens, taxpayers, creditors and investors with a general overview of the Village's finances and show the Village's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to the Honorable Anthony Lamonte, Mayor, Post Office Box 249, Tickfaw, Louisiana 70466, telephone (985) 542-9249.

Basic Financial Statements
Government-Wide Financial Statements

Village of Tickfaw, Louisiana

Statement A

Statement of Net Assets
June 30, 2009

Assets	Governmental Activities	Business - Type Activities	Total
Cash and Cash Equivalents	\$ 132,904	\$ 73,617	\$ 206,521
Investment in Certificates of Deposit	60,000	-	60,000
Prepaid Insurance	2,418	-	2,418
Taxes Receivable	27,134	7,494	34,628
Accounts Receivable, Net	-	3,603	3,603
Due From Other Funds	-	10,658	10,658
Due From Other Governments	977	-	977
Other Receivables	44	-	44
Utility Deposit	150	-	150
Restricted Cash and Cash Equivalents	-	6,058	6,058
Investment in Certificates of Deposit	-	61,000	61,000
Inventory	-	57,700	57,700
Unamortized Bond Issue Costs	-	5,319	5,319
Land	126,285	58,594	184,879
Capital Assets, Net	480,705	2,030,300	2,511,005
Total Assets	<u>830,617</u>	<u>2,314,343</u>	<u>3,144,960</u>
Liabilities			
Accounts Payable	2,810	1,417	4,227
Other Accrued Expenses	2,625	-	2,625
Accrued Salary Payable	5,171	1,363	6,534
Accrued Vacation Payable	1,759	635	2,394
Accrued Interest Payable	-	988	988
Due To Other Funds	10,658	-	10,658
Due To Entergy	1,891	-	1,891
Customer Deposits	-	33,803	33,803
Long Term Liabilities:			
Due Within One Year	1,772	6,078	7,850
Due in More Than One Year	3,755	268,725	272,480
Total Liabilities	<u>30,441</u>	<u>313,009</u>	<u>343,450</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	601,463	1,814,091	2,415,554
Restricted for Debt Service	-	33,255	33,255
Unrestricted	198,713	153,988	352,701
Total Net Assets	<u>\$ 800,176</u>	<u>\$ 2,001,334</u>	<u>\$ 2,801,510</u>

The accompanying notes are an intergral part of this statement.

Village of Tickfaw, Louisiana

Statement of Activities
For the Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General and Administrative	\$ 179,872	\$ 80,814	\$ 17,294	\$ -
Police Department	329,685	300,035	29,340	-
Street Department	34,187	-	-	-
Street Lights	18,422	-	-	-
Sanitation	27,701	35,864	-	-
Fire Protection	12,881	-	-	-
Depreciation on Infrastructure	16,946	-	-	-
Interest on Capital Lease	656	-	-	-
Total Governmental Activities	<u>620,350</u>	<u>416,713</u>	<u>46,634</u>	<u>-</u>
Business-Type Activities:				
Water Utility	102,314	83,311	2,749	-
Sewer Utility	148,770	118,566	3,076	-
Total Business-Type Activities	<u>251,084</u>	<u>201,877</u>	<u>5,825</u>	<u>-</u>
Total Primary Government	<u>\$ 871,434</u>	<u>\$ 618,590</u>	<u>\$ 52,459</u>	<u>\$ -</u>

General Revenues:

Taxes:

Property Taxes

Franchise Taxes

Sales Taxes

Alcoholic Beverage Taxes

Interest Income

Sale of Capital Assets

Insurance Reimbursement

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets, Beginning

Net Assets, Ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and
Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
\$ (81,764)	\$ -	\$ (81,764)
(310)	-	(310)
(34,187)	-	(34,187)
(18,422)	-	(18,422)
8,163	-	8,163
(12,881)	-	(12,881)
(16,946)	-	(16,946)
<u>(656)</u>	<u>-</u>	<u>(656)</u>
<u>(157,003)</u>	<u>-</u>	<u>(157,003)</u>
-	(16,254)	(16,254)
-	(27,128)	(27,128)
<u>-</u>	<u>(43,382)</u>	<u>(43,382)</u>
<u>(157,003)</u>	<u>(43,382)</u>	<u>(200,385)</u>
34,380	-	34,380
17,138	-	17,138
134,185	44,996	179,181
1,941	-	1,941
1,608	892	2,500
10,232	-	10,232
-	9,939	9,939
<u>10,140</u>	<u>-</u>	<u>10,140</u>
<u>209,624</u>	<u>55,827</u>	<u>265,451</u>
52,621	12,445	65,066
<u>747,555</u>	<u>1,988,889</u>	<u>2,736,444</u>
<u>\$ 800,176</u>	<u>\$ 2,001,334</u>	<u>\$ 2,801,510</u>

Basic Financial Statements
Governmental Fund Financial Statements

Village of Tickfaw, Louisiana

Statement C

Balance Sheet
Governmental Funds
June 30, 2009

Assets	General Fund	1995 Sales Tax Fund	Fire Protection Fund	Sales Tax Bonds Series 1995	Total
Cash and Cash Equivalents	\$ 86,903	\$ 32,969	\$ 12,984	\$ 48	\$ 132,904
Certificates of Deposit	60,000	-	-	-	60,000
Prepaid Expense:					
Prepaid Insurance	2,418	-	-	-	2,418
Taxes Receivable:					
Public Utility Franchise	4,652	-	-	-	4,652
Sales and Use Taxes	14,988	7,494	-	-	22,482
Due From Other Funds	4,393	-	-	-	4,393
Due From Other Governments:					
Louisiana Beer Tax	557	-	-	-	557
LAMATS	420	-	-	-	420
Other Receivables	44	-	-	-	44
Utility Deposit	-	-	150	-	150
Total Assets	<u>\$ 174,375</u>	<u>\$ 40,463</u>	<u>\$ 13,134</u>	<u>\$ 48</u>	<u>\$ 228,020</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable	\$ 2,810	\$ -	\$ -	\$ -	\$ 2,810
Other Accrued Expenses	2,625	-	-	-	2,625
Accrued Salary	4,742	429	-	-	5,171
Accrued Vacation	1,441	318	-	-	1,759
Due to Other Funds	10,658	4,393	-	-	15,051
Due to Entergy	1,891	-	-	-	1,891
Total Liabilities	<u>24,167</u>	<u>5,140</u>	<u>-</u>	<u>-</u>	<u>29,307</u>
Fund Balances:					
Unreserved	150,208	35,323	13,134	48	198,713
Total Fund Balances	<u>150,208</u>	<u>35,323</u>	<u>13,134</u>	<u>48</u>	<u>198,713</u>
Total Liabilities and Fund Balances	<u>\$ 174,375</u>	<u>\$ 40,463</u>	<u>\$ 13,134</u>	<u>\$ 48</u>	<u>\$ 228,020</u>

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement D

Reconciliation of the Governmental Funds Balance Sheet to
the Government-Wide Statement of Net Assets
June 30, 2009

Fund Balances, Governmental Funds, Statement C \$ 198,713

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. These assets consist of:

Capital Assets, Net of Depreciation 606,990

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds. These liabilities consist of:

Cannon Copier, Capital Lease (5,527)

Net Assets, Governmental Activities, Statement A \$ 800,176

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement E

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2009

	General Fund	1995 Sales Tax Fund	Fire Protection Fund	Sales Tax Bonds Series 1995	Total
Revenues					
Taxes	\$ 120,355	\$ 44,595	\$ 20,753	\$ -	\$ 185,703
Licenses, Permits and Fees	80,814	-	-	-	80,814
Intergovernmental	31,281	-	-	-	31,281
Fines and Forfeitures	300,035	-	-	-	300,035
Sanitation Services	35,864	-	-	-	35,864
Fema	17,294	-	-	-	17,294
Interest Income	1,121	252	234	1	1,608
Other Revenues	9,911	-	229	-	10,140
Total Revenues	<u>596,675</u>	<u>44,847</u>	<u>21,216</u>	<u>1</u>	<u>662,739</u>
Expenditures					
General and Administrative	164,055	-	-	-	164,055
Police Department	311,937	-	-	-	311,937
Street Department	-	34,126	-	-	34,126
Street Lights	18,422	-	-	-	18,422
Sanitation	27,701	-	-	-	27,701
Fire Protection	-	-	8,908	-	8,908
Debt Service:					
Principal	1,600	-	-	-	1,600
Interest	656	-	-	-	656
Capital Outlay	52,255	-	25,125	-	77,380
Total Expenditures	<u>576,626</u>	<u>34,126</u>	<u>34,033</u>	<u>-</u>	<u>644,785</u>
Excess Revenues (Expenditures)	<u>20,049</u>	<u>10,721</u>	<u>(12,817)</u>	<u>1</u>	<u>17,954</u>
Other Financing Sources (Uses)					
Sale of Fixed Assets, Police	8,100	-	-	-	8,100
Sale of Fixed Assets, Other	2,132	-	-	-	2,132
Operating Transfers (Out) In	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>10,232</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,232</u>
Net Changes in Fund Balances	30,281	10,721	(12,817)	1	28,186
Fund Balances, Beginning	119,927	24,602	25,951	47	170,527
Fund Balances, Ending	<u>\$ 150,208</u>	<u>\$ 35,323</u>	<u>\$ 13,134</u>	<u>\$ 48</u>	<u>\$ 198,713</u>

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement F

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, 2009

Net Change in Fund Balances, Governmental Funds, Statement E \$ 28,186

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

Capital outlays are reported in governmental funds as expenditures. However in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. These differences consist of:

Capital Outlay	77,380
Depreciation Expense	(54,545)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. These differences consist of:

Capital Lease Principal Repayments	1,600
------------------------------------	-------

Change in Net Assets, Governmental Activities, Statement B \$ 52,621

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement G

Statement of Net Assets
Proprietary Fund
June 30, 2009

Assets	Enterprise Fund
Current Assets:	
Cash and Cash Equivalents	\$ 73,617
Accounts Receivable, Net	3,603
Sales Tax Receivable	7,494
Due From Other Funds	10,658
Total Current Assets	<u>95,372</u>
Restricted Assets:	
Sewer Contingency Account	734
Sewer Reserve Account	557
Sewer Bond Sinking Fund	484
Utility Customer Deposits	4,283
Investment in Certificates of Deposit	61,000
Total Restricted Assets	<u>67,058</u>
Property, Plant, and Equipment:	
Land	58,594
Plant and Equipment, at Cost	3,134,000
Less: Accumulated Depreciation	<u>(1,103,700)</u>
Net Property, Plant, and Equipment	<u>2,088,894</u>
Other Assets:	
Inventory	57,700
Bond Issue Costs	8,866
Less: Accumulated Amortization	<u>(3,547)</u>
Total Other Assets	<u>63,019</u>
Total Assets	<u>2,314,343</u>

(Continued)

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement G

Statement of Net Assets
Proprietary Fund
June 30, 2009

	Enterprise Fund
Liabilities	
Current Liabilities (Payable From Current Assets):	
Accounts Payable	\$ 1,417
Accrued Salary Payable	1,363
Accrued Vacation Payable	635
Accrued Interest Payable	988
Revenue Bonds Payable	6,078
Total Current Liabilities (Payable From Current Assets)	<u>10,481</u>
Current Liabilities (Payable From Restricted Assets):	
Customer Deposits Payable	<u>33,803</u>
Total Current Liabilities (Payable From Restricted Assets)	<u>33,803</u>
Long-Term Liabilities:	
Revenue Bonds Payable	<u>268,725</u>
Total Long-Term Liabilities	<u>268,725</u>
Total Liabilities	<u>313,009</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	1,814,091
Restricted For Debt Service	33,255
Unrestricted	153,988
Total Net Assets	<u>\$ 2,001,334</u>

(Concluded)

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement H

Statement of Revenues, Expenses, and Changes in Net Assets
 Proprietary Fund
 For the Year Ended June 30, 2009

	Enterprise Fund
Operating Revenues	
Water Sales	\$ 79,908
Water Other	108
Service Connections	155
Penalties	1,786
Safe Drinking Water Fees	1,101
NSF Fees	376
Tap-in Fees	100
Sewer Charges	116,134
Service Connections	500
Penalties	1,580
Sewer Other	129
FEMA	5,825
Insurance Reimbursement	9,939
Total Operating Revenues	<u>217,641</u>
Operating Expenses	
Accounting and Auditing	10,200
Amortization	222
Auto Fuel	2,802
Chlorine	5,752
Depreciation	71,403
Diesel	1,768
Dues	713
Equipment Rental	946
Insurance, Liability	2,667
Insurance, Property	3,672
Insurance, Vehicle	2,561
Insurance, Workers Compensation	2,452
Miscellaneous	201
Office Expense	985
Payroll Taxes	3,828

(Continued)

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana

Statement H

Statement of Revenues, Expenses, and Changes in Net Assets
 Proprietary Fund
 For the Year Ended June 30, 2009

	Enterprise Fund
Professional	\$ 650
Repairs and Maintenance	39,496
Salaries	51,474
Safe Drinking Water Fees	804
Sewer Analysis	1,235
Supplies	1,382
Telephone	835
Utilities	30,026
Total Operating Expenses	<u>236,074</u>
Operating Income (Loss)	<u>(18,433)</u>
Nonoperating Revenues (Expenses)	
Sales Tax	44,996
Interest Revenue	892
Bond Interest Expense	<u>(15,010)</u>
Total Nonoperating Revenues (Expenses)	<u>30,878</u>
Change in Net Assets	12,445
Net Assets, Beginning	<u>1,988,889</u>
Net Assets, Ending	<u>\$ 2,001,334</u>

(Concluded)

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2009

Statement I

	<u>Enterprise Fund</u>
Cash Flows From Operating Activities	
Received From Customers	\$ 199,266
Received For Meter Deposits	694
Payments For Operations	(127,914)
Payments For Employees	(57,060)
Payments to Other Funds	(15,342)
Received From Insurance	9,939
Received From FEMA	5,824
Net Cash Provided (Used) by Operating Activities	<u>15,407</u>
Cash Flows From Noncapital Financing Activities	
Received From Sales Tax	44,588
Net Cash Flows Provided (Used) by Noncapital Financing Activities	<u>44,588</u>
Cash Flows From Capital and Related Financing Activities	
Received From Grants	24,500
Principal Repayments, Revenue Bonds Payable	(14,776)
Interest Payments, Revenue Bonds Payable	(15,109)
Purchases of Fixed Assets	(4,575)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(9,960)</u>
Cash Flows From Investing Activities	
Receipt of Interest	892
Purchases of Certificates of Deposit	(61,000)
Net Cash Provided (Used) by Investing Activities	<u>(60,108)</u>
Net Increase (Decrease) in Cash	(10,073)
Cash, Beginning of Year	89,748
Cash, End of Year	<u>\$ 79,675</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets	
Cash and Cash Equivalents, Unrestricted	\$ 73,617
Cash and Cash Equivalents, Restricted	6,058
Total Cash and Cash Equivalents	<u>\$ 79,675</u>

(Continued)

The accompanying notes are an integral part of this statement.

Village of Tickfaw, Louisiana
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2009

Statement I

	<u>Enterprise Fund</u>
Reconciliation of Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	\$ (18,433)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	71,403
Amortization of Bond Issue Costs	222
Change in Accounts Receivable	(1,894)
Change in Accounts Payable	(21,140)
Change in Accrued Salary	451
Change in Accrued Vacation	243
Change in Accrued Expenses	(78)
Change in Due To/From Other Funds	(15,449)
Change in Customer Deposits	82
Net Cash Provided (Used) by Operating Activities	<u>\$ 15,407</u>

(Concluded)

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

Village of Tickfaw, Louisiana

Notes to the Financial Statements As of and for the Year Ended June 30, 2009

Introduction

The Village of Tickfaw, Louisiana was incorporated on April 15, 1957, under the provisions of the Lawrason Act. The Village operates under a Mayor/Board of Aldermen form of government. The Mayor and each of three aldermen are elected at large for four-year terms. The Aldermen are compensated per diem for each meeting attended. The Mayor receives a salary. The Village is located approximately 8 miles north of Hammond, Louisiana, on LA Highway 51 north of Interstate 12 and east of Interstate 55. The Village's total population is 642, as reported by the U.S. Census Bureau, Census 2000. The Village provides police protection, services to maintain and develop streets, drainage, and sanitation, general and administrative services, and utilities services for area residents. The Village provides water and sewer services to 306 water customers, and 258 sewer customers inside and outside of the Village limits and 221 garbage customers. The Village employs 10 full-time employees and 1 part-time employee in addition to the Mayor and Board of Aldermen.

Governmental Accounting Standards Board (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 and 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. There are no other component units which the Village of Tickfaw has an oversight relationship.

1. Summary of Significant Accounting Policies

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., 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. For the most part, 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 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.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are presented as separate columns in the fund financial statements.

Village of Tickfaw, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

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, as are the proprietary fund financial statements. 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 recognized as 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 expenditures related to compensated absences and claims and judgments, 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, if any, 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.

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 other funds.

The *Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted by legal and regulatory provisions to finance specific activities. The 1995 Sales Tax Fund and the Fire Protection Fund are considered major funds for reporting purposes.

The *Debt Service Fund* is used to account for financial resources set aside to pay interest and principal on long-term debt. The Sales Tax Bonds, Series 1995 Fund is considered a major fund for reporting purposes.

The Village reports the following major proprietary funds:

The *Enterprise Fund* accounts for operations (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user fees, 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.

Village of Tickfaw, Louisiana

Notes to the Financial Statements As of and for the Year Ended June 30, 2009

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule, if applicable, are payments-in-lieu of taxes and other charges between the governments enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are user charges for the services provided by the enterprise funds. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Deposits and Investments

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Village's investment policy allow the Village to invest in collateralized certificates of deposit, government-backed securities, commercial paper, the state-sponsored investment pool and mutual funds consisting solely of government-backed securities.

Investments for the Village are reported at fair value. The state investment pool (LAMP) operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Village of Tickfaw, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

D. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

Property taxes are levied on a calendar year basis and become due on January 1 of each year. The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Fire Protection	10.00	10.00
General Corporate Purposes	6.91	6.91
Total	<u>16.91</u>	<u>16.91</u>

At June 30, 2009, there were no taxpayers whose percentage of total assessed valuation was 5% or greater of the total assessed valuation.

The Village assesses a 2% sales and use tax. Proceeds are dedicated to the following purposes:

The 1984 1% sales tax is to be used for the purpose of providing funds for the general fund of the Village and for additional purpose of providing funds for other lawful purposes of the Village. This tax is accounted for in the general fund.

In July 2007, citizens of the Village of Tickfaw voted to allocate one half of the 1995 1% sales tax to the Water and Sewer Utility Funds and one half for the purpose of constructing, improving, and maintaining streets and drainage facilities, including the overlaying of streets.

The sales tax is collected by the Tangipahoa Parish School Board and remitted to the Village in the month following the receipt by the School Board. The School Board receives the sales tax approximately one month after collection by vendors. Sales taxes collected by the School Board in June and July (which represent sales for May and June) and received by the Village in July and August have been accrued and are included under the caption "Taxes Receivable."

Village of Tickfaw, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

E. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

F. Restricted Assets

For the proprietary fund, restricted assets consist of cash resources set aside for repayment of customer deposits and revenue bonds and interest in accordance with applicable bond covenants.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Village maintains a threshold level of \$500 or more for capitalizing capital assets.

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.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All capital assets, other than land, are depreciated using the straight-line basis over the following useful lives:

Buildings	20 - 40 Years
Improvements	20 - 40 Years
Vehicles and Equipment	2 - 15 Years
Infrastructure	20 - 40 Years
Water Utility System	20 - 40 Years
Sewer Utility System	20 - 40 Years

Village of Tickfaw, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

H. Compensated Absences

The Village has the following policy relating to vacation and sick leave:

Vacation

Employees shall earn vacation by the following schedule:

- One (1) year of continuous service, 5 days (40 hours)
- Two (2) years of continuous service, 5 days (40 hours)
- Three (3) years of continuous service, 10 days (80 hours)
- Four (4) years of continuous service, 10 days (80 hours)
- Five (5) years of continuous service, 15 days (120 hours)

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

Sick Leave

Employees earn one day of sick leave per month. The maximum amount of sick leave that may be accrued is 24 days.

GASB statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

1. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
2. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

In accordance with GASB-16, *Accounting for Compensated Absences*, no liability has been accrued for unused employee sick leave.

The Police Department has the following policy relating to vacation and sick leave:

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2009**

Vacation

One (1) year of continuous service, 1/2 day per month
Two (2) years of continuous service, 1/2 day per month
Three (3) years of continuous service, 1 day per month
Four (4) years of continuous service, 1 day per month
Five (5) years of continuous service, 1 1/2 days per month

I. Long-Term Obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

J. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

K. Comparative Data

Comparative total data for the prior year have been presented only for individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds.

L. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the municipality, which are either unusual in nature or infrequent in occurrence.

M. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2009**

the reported amounts of revenues, expenditures and expenses during the reported period. Actual results could differ from those estimates.

N. Reconciliations of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets is presented in Statement D of the basic financial statements. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities is presented in Statement F of the basic financial statements.

2. Stewardship, Compliance and Accountability

Budgetary procedures applicable to the Village are defined in state law, Louisiana Revised Statutes 39:1301-15. The major requirements of the Local Government Budget Act are summarized as follows:

1. The Village must adopt a budget each year for the general fund and each special revenue fund, if applicable.
2. The chief executive officer or equivalent must prepare a proposed budget and submit the proposed budget to the Board of Aldermen for consideration no later than fifteen days prior to the beginning of each fiscal year. At the same time, if total proposed expenditures are \$500,000 or more, a notice of public hearing on the proposed budget must be published in the official journal in each parish in which the Village has jurisdiction.
3. All action necessary to adopt and implement the budget must be completed prior to the beginning of the fiscal year.
4. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving the increase in expenditures resulting from revenues exceeding amounts estimated, require the approval of the Board of Aldermen.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. Budgets for the general fund, special revenue funds and enterprise funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for enterprise funds are presented on the accrual basis of accounting. Other governmental funds are presented on the modified accrual basis of accounting. Accordingly, the budgetary comparison schedules present actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. All budgetary amounts presented reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

There were no budget variances that would result in unfavorable variances in violation of the Local Government Budget Act, for the fiscal year ended June 30, 2009.

Village of Tickfaw, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

3. Cash and Cash Equivalents

At June 30, 2009, the Village has cash and cash equivalents (book balances) totaling \$212,579 as follows:

Cash on Hand	\$	600
Interest-Bearing Demand Deposits		211,979
	\$	<u>212,579</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. 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.

At June 30, 2009, the Village had \$227,097 in interest-bearing demand deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance and \$147,757 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) 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 Village that the fiscal agent has failed to pay deposited funds upon demand.

4. Investments

Investments are categorized into three categories of credit risk:

1. Insured or registered, or securities held by the Village or its agent in the Village's name
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Village's name
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Village's name

At June 30, 2009, the Village had \$121,000 invested in certificates of deposit with original maturities of more than three months from the date of acquisition. These investments are secured from risk by \$250,000 of federal deposit insurance and \$147,757 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) 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 Village that the fiscal agent has failed to pay deposited funds upon demand.

Interest Rate Risk: The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value arising from increasing interest rates.

Village of Tickfaw, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

In accordance with GASB 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, all investments are carried at fair market value, with the estimated fair market value based on quoted market prices.

5. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts are based upon historical trends and the period aging and write-off of accounts receivable. Major receivables balances for the governmental activities include sales taxes, franchise taxes, and grants. Business-type activities report utilities earnings, sales taxes and grants as their major receivable.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales taxes, franchise taxes, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded only if paid within 60 days since they would be considered both measurable and available. Proprietary fund revenues consist of all revenues earned at year-end and not yet received. Utility accounts receivable, sales taxes and grants comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging and write-off of accounts receivable.

The Governmental Funds receivables of \$28,155 at June 30, 2009, consist of the following:

Taxes:		
Public Utility Franchise	\$	4,652
Sales and Use		22,482
Intergovernmental:		
State of Louisiana, Beer Tax Distribution		557
LAMATS		420
Entergy Commissions		44
	\$	<u>28,155</u>

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2009**

The Enterprise Fund accounts receivable of \$3,603 at June 30, 2009, consist of the following:

Active Accounts	
Current	\$ 2,790
30 Days	857
60 Days	346
90 Days	251
Over 120 Days	(657)
Total Active Accounts	<u>3,587</u>
Inactive Accounts	<u>2,016</u>
Total Accounts Receivables	<u>5,603</u>
Allowance for Bad Debts	(2,000)
Total Accounts Receivable, Net	<u>\$ 3,603</u>
Sales Taxes	<u>7,494</u>
	<u><u>\$ 11,097</u></u>

6. Interfund Receivables/Payables

The following is a detailed list of *interfund* balances reported in the fund financial statements on June 30, 2009:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 4,393	\$ 10,658
1995 Sales Tax Fund	-	4,393
Fire Protection Fund	-	-
Enterprise Fund	10,658	-
	<u>\$ 15,051</u>	<u>\$ 15,051</u>

The reasons for the interfund receivables/payables balances are as follows:

The reason for the interfund receivable in the General Fund is payroll and other expenses are paid in the General Fund for the Enterprise Fund and 1995 Sales Tax Fund. At June 30, 2009, payroll and other expenses not reimbursed from the 1995 Sales Tax Fund totaled \$4,393. The payable in the General Fund to the Enterprise Fund is for a reimbursement of expenses. All amounts are expected to be repaid in full within one year from the date of the financial statements.

7. Restricted Assets

Restricted assets applicable to the Enterprise Fund at June 30, 2009, consisted of cash and investments in certificates of deposit reserved for bond requirements of \$32,775 and for customer deposits of \$34,283.

Village of Tickfaw, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

8. Capital Assets

Capital assets and depreciation activity as of and for the year ended June 30, 2009 for governmental activities is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 126,285	\$ -	\$ -	\$ 126,285
Total Capital Assets Not Being Depreciated	<u>126,285</u>	<u>-</u>	<u>-</u>	<u>126,285</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	265,110	47,207	-	312,317
Vehicles and Equipment	232,120	30,172	18,488	243,804
Infrastructure	<u>677,839</u>	<u>-</u>	<u>-</u>	<u>677,839</u>
Total Capital Assets Being Depreciated	<u>1,175,069</u>	<u>77,379</u>	<u>18,488</u>	<u>1,233,960</u>
Less Accumulated Depreciation for:				
Buildings	89,763	8,453	-	98,216
Vehicles and Equipment	152,948	29,146	18,488	163,606
Infrastructure	<u>474,487</u>	<u>16,946</u>	<u>-</u>	<u>491,433</u>
Total Accumulated Depreciation	<u>717,198</u>	<u>54,545</u>	<u>-</u>	<u>753,255</u>
Capital Assets Being Depreciated, Net	<u>457,871</u>	<u>22,834</u>	<u>-</u>	<u>480,705</u>
Governmental Activities Capital Assets, Net	<u>\$ 584,156</u>	<u>\$ 22,834</u>	<u>\$ -</u>	<u>\$ 606,990</u>

Depreciation was charged to governmental functions as follows:

General Administration	\$ 15,816
Police Protection	17,748
Street Department	62
Fire Protection	3,973
Infrastructure	16,946
	<u>\$ 54,545</u>

Village of Tickfaw, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

Capital assets and depreciation activity as of and for the year ended June 30, 2009 for business-type activities is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 58,594	\$ -	\$ -	\$ 58,594
Total Capital Assets Not Being Depreciated	<u>58,594</u>	<u>-</u>	<u>-</u>	<u>58,594</u>
Capital Assets Being Depreciated:				
Buildings	2,121	-	-	2,121
Vehicles and Equipment	100,739	4,575	-	105,314
Water Utility System	921,249	-	-	921,249
Sewer Utility System	2,105,316	-	-	2,105,316
Total Capital Assets Being Depreciated	<u>3,129,425</u>	<u>-</u>	<u>-</u>	<u>3,134,000</u>
Less Accumulated Depreciation for:				
Buildings	495	70	-	565
Vehicles and Equipment	49,548	7,164	-	56,712
Water Utility System	415,002	22,062	-	437,064
Sewer Utility System	567,252	42,107	-	609,359
Total Accumulated Depreciation	<u>1,032,297</u>	<u>71,403</u>	<u>-</u>	<u>1,103,700</u>
Capital Assets Being Depreciated, Net	<u>2,097,128</u>	<u>(71,403)</u>	<u>-</u>	<u>2,030,300</u>
Business-Type Activities Capital Assets, Net	<u>\$ 2,155,722</u>	<u>\$ (71,403)</u>	<u>\$ -</u>	<u>\$ 2,088,894</u>

9. Accounts, Salaries, and Other Payables

The payables of \$33,710 at June 30, 2009 are as follows:

	General Fund	1995 Sales Tax Fund	Fire Protection Fund	Proprietary Fund	Total
Accounts	\$ 2,810	\$ -	\$ -	\$ 1,417	\$ 4,227
Salaries	4,742	429	-	1,363	6,534
Vacation	1,441	318	-	635	2,394
Withholdings	2,625	-	-	-	2,625
Due to Entergy	1,891	-	-	-	1,891
Sales Tax	-	-	-	-	-
Accrued Interest	-	-	-	988	988
Due to Other Funds	10,658	4,393	-	-	15,051
	<u>\$ 24,167</u>	<u>\$ 5,140</u>	<u>\$ -</u>	<u>\$ 4,403</u>	<u>\$ 33,710</u>

10. Short-Term Debt

The Village had no short-term debt outstanding at June 30, 2009, other than current maturities of bonds disclosed in Footnote 11 - Long Term Obligations.

Village of Tickfaw, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

11. Long-Term Obligations

The following is a summary of long-term obligation transactions for the year ended June 30, 2009:

	Governmental Activities	Business-Type Activities	Total
Long-term obligations at Beginning of Year	\$ 7,127	\$ 289,579	\$ 296,706
Additions	-	-	-
Deductions	1,600	14,776	16,376
Long-term obligations at End of Year	<u>\$ 5,527</u>	<u>\$ 274,803</u>	<u>\$ 280,330</u>

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of the long-term obligations:

	Governmental Activities	Business-Type Activities	Total
Current Portion	\$ 1,772	\$ 6,078	\$ 7,850
Long-Term Portion	3,755	268,725	272,480
	<u>\$ 5,527</u>	<u>\$ 274,803</u>	<u>\$ 280,330</u>

Long-term debt obligations at June 30, 2009, comprise the following:

	Principal Outstanding
<u>Governmental Activities</u>	
The Village of Tickfaw entered into a capital lease purchase agreement with Cannon Financial Services effective May 1, 2007 to lease purchase a Cannon Color Image Runner 2880 copier/printer. The lease is payable in 60 monthly payments of \$188. The Village has the option to purchase the copier on the date the last rental payment is scheduled for the purchase price of \$1. The cost of the equipment and accumulated depreciation was \$8,800 and \$3,813.	\$ 5,527
Total Long-term debt obligations - Governmental Activities	<u>\$ 5,527</u>
<u>Business-Type Activities</u>	
\$346,000 Series 1992 Sewer Revenue Bonds due in monthly installments of \$1,740 through April 4, 2033; Interest Rate is 5.25%. (Payable solely by a lien on and pledge of the net revenues of the Sewer System. The Sewer Revenue Bonds are collateralized by the revenue of the Sewer System and the various special funds established by the bonding authorizing resolution.)	\$ 274,803
Total Long-term debt obligations - Business-Type Activities	<u>274,803</u>
Total Long-term debt obligations	<u>\$ 280,330</u>

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2009**

The annual requirements to amortize all debt outstanding at June 30, 2009, including interest payments of \$194,019 are as follows:

Year Ending Date June 30	Capital Lease Copier	Sewer Revenue Bonds	Total
2010	\$ 2,256	\$ 20,885	\$ 23,141
2011	2,256	20,885	23,141
2012	1,880	20,885	22,765
2013	-	20,885	20,885
2014	-	20,885	20,885
2015 - 2019	-	104,425	104,425
2020 - 2022	-	104,425	104,425
2023 - 2027	-	104,425	104,425
2028 - 2032	-	50,257	50,257
	<u>\$ 6,392</u>	<u>\$ 467,957</u>	<u>\$ 474,349</u>

12. Dedication of Proceeds of Flow of Funds - Sales and Use Tax

The Village assesses a 2% sales and use tax. Proceeds are dedicated to the following purpose:

- A. The 1984 1% sales tax is to be used for the purpose of providing funds for the general fund of the Village and for the additional purpose of providing funds for any other lawful purposes of the Village. This tax is accounted for in the general fund.
- B. One half of the 1995 1% sales tax is to be used for the purpose of constructing, improving, and maintaining streets and drainage facilities, including the overlaying of streets and to fund bonds used for street overlay construction. One half of the 1995 1% sales tax is to be deposited into the Utility Fund for the additional purpose of providing funds for any other lawful purposes of the Utility Fund. This tax is accounted for One half in the 1995 Sales Tax Fund and One half in the Utility Fund.

13. Flow of Funds and Restrictions on Use - Sewer Revenues

The Village, through its governing authority, adopted a resolution on September 14, 1992, authorizing the issuance of Sewer Revenue Bonds, Series 1992, in an amount not to exceed \$346,000 for acquiring and construction of extensions to its sewer system. The resolution also authorized the sale and delivery of said bonds to the United States Department of Agriculture, Farmers Home Administration; prescribing the form, fixing the details and providing for the payment of principal and interest on such bonds and entering into certain covenants and agreements in connection with the security and payment of said bonds. In that resolution, the revenues of the Sewer System are irrevocably pledged and dedicated in an amount sufficient for payment of the bonds authorized and interest as they become due and for other purposes. In that resolution, certain funds were required to be established to account for the receipt and disbursement of Sewer System revenues. An analysis of these accounts is provided as follows:

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2009**

Sewer Revenue Fund - The bond resolution requires that all revenues of the Sewer System shall be deposited daily in a separate identifiable account to be established with the Village's fiscal agent bank and designated as the "Sewer Revenue Fund." The Village received permission from United States Department of Agriculture, Farmers Home Administration to deposit the revenues in the "Water Works Account" which is the operating account in the Utility Fund. The revenues shall be expended in the following priority:

From the Sewer Revenue Fund, the Village shall first pay all reasonable and necessary costs and expenses of operating and maintaining the Sewer System.

Sewer Revenue Bond and Interest Sinking Fund - After the payment of all reasonable and necessary costs and expenses of maintaining the Sewer System, monies from the Sewer Revenue Fund shall be transferred to a separately identifiable account to be established with the Village's fiscal agent bank and designated as the "Sewer Revenue Bond and Interest Sinking Fund" in amounts sufficient to pay promptly and fully the principal of and interest on the bonds as they severally become due and payable.

Monies from the Revenue Fund shall be transferred into the Sewer Revenue Bond and Interest Sinking Fund monthly in advance on or before the twentieth (20th) day of each month of each year a sum equal to one-twelfth (1/12) the interest falling due on the next interest payment date during the first year the Bond is outstanding and thereafter, a sum equal to the total amount of principal and interest falling due on the next principal and interest payment date.

The payments will continue monthly until April 2033, unless the bonds are called in advance of their maturity dates, in which event it is possible to reduce the required payments into the sinking fund.

During the fiscal year ending June 30, 2009, the Village of Tickfaw made monthly debt installments into the Sewer Revenue Bond and Interest Sinking Fund.

Sewer Revenue Bond Reserve Fund - From the Sewer Revenue Fund, there shall be transferred monthly in advance on or before the twentieth (20th) day of each month of each year commencing with the month following completion of and acceptance of the improvements and extensions financed with the proceeds of the bonds, to a separately identifiable account to be established with the Village's fiscal agent bank and designated as the "Sewer Revenue Bond Reserve Fund" a sum at least equal to 5% of the amount required to be paid into the Sewer Revenue Bond and Interest Sinking Fund for such month until such fund accumulates an amount equal to the scheduled maximum principal and interest requirements in any succeeding bond year.

Money in the Reserve Fund is to be retained solely for the purpose of payment of the principal and interest on all obligations payable from the Sinking Fund for which sufficient funds are not on deposit in the Sinking Fund and as to which there would otherwise be default.

At June 30, 2009, the Sewer Revenue Bond Reserve Fund was adequately funded, with a balance maintained of \$19,557.

Sewer Depreciation and Contingency- From the Sewer Revenue Fund, there shall be transferred monthly on or before the twentieth (20th) day of each month of each year commencing with the month following completion of and acceptance of the improvements and extensions financed with the proceeds of the bonds to a separately identifiable account to be established with the Village's fiscal agent bank and designated as the "Sewer Depreciation and Contingency Fund" the sum of \$97 monthly. All monies in the Sewer Depreciation and Contingency Fund may be

Village of Tickfaw, Louisiana

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2009**

used for the purpose of paying the cost of any unusual and extraordinary maintenance and any repairs, replacements, extensions and improvements to the Sewer System. Money accumulated in this fund may also be used to pay principal and interest on the bonds falling due at any time there is not sufficient money for payment in the Sewer Revenue Bond and Interest Sinking Fund or the Sewer Revenue Bond Reserve Fund.

All monies remaining in the Revenue Fund after required deposits into the bond funds described herein shall be considered surplus and may be used for the purpose of retiring bonds in advance of their maturity or for any other lawful purpose. As of June 30, 2009, balances in the various funds created pursuant to the bond resolution were in accordance with the bond covenants.

At June 30, 2009, the Sewer Depreciation and Contingency Fund was adequately funded, with a balance maintained of \$12,734.

14. Compliance with Sewer Revenue Bond Covenants

The Village through its governing authority, adopted a resolution on September 14, 1992, authorizing the issuance of Sewer Revenue Bonds, Series 1992, in an amount not to exceed \$346,000 for construction of extensions to its sewage system. That bond resolution contained certain covenants and agreements in connection with the security and payment of the bonds. The major covenants contained in the bond resolution and agreement and the manner in which the Village has complied with these covenants is described as follows:

Rate Covenant - In the bond resolution, the Village covenants to fix, establish, maintain and collect such rates, fees, rents and other charges of the services and facilities of the Sewer System and to revise the rate whenever necessary as will always provide revenues in each fiscal year sufficient to pay the reasonable and necessary expenses of operating the System in each year, the principal and interest maturing on the bond in each year, and all reserves or sinking funds or other payments required for such year required by the bond resolution. The resolution further states that revenues must be provided in each year, after paying all reasonable and necessary expenses of operating and maintaining the system in such year, at least equal to 120% of the largest amount of principal and interest maturing on the bond in any future fiscal year and on any pari passu additional bonds hereinafter issued. In connection therewith, the Village adopted Ordinance No. 97 on September 14, 1993, which established sewer user classifications, set specific sewer rates, and provided a detailed procedure for annual review and adjustment of sewer rates.

For the fiscal year ended June 30, 2009, the Village of Tickfaw was in compliance with the above bond covenant. In connection with the rate covenant, the bond resolution also contained specific procedures with regards to delinquent sewer customers. The Village agreed that the failure of any person to pay the charges for any service rendered by the Sewer System within thirty (30) days of the date on which it is due shall cause such charge to become delinquent and a delinquent charge of ten percent (10%) of the delinquent amount shall be assessed. If a delinquent account is not paid within thirty (30) days of the date of delinquency, the Village will shut off water and sewer services to the affected premises. All delinquent accounts shall bear interest at the rate of six percent (6%) per annum.

For the fiscal year ended June 30, 2009 the Village of Tickfaw assessed a flat rate of \$6.00 to all delinquent accounts. This is sufficient to meet the 10% requirement.

The Village does not charge interest at 6% per annum on delinquent accounts.

Village of Tickfaw, Louisiana

Notes to the Financial Statements As of and for the Year Ended June 30, 2009

Records and Accounts and Audit Requirements - In the bond resolution the Village is required to maintain and keep accurate records and accounts for the Sewer System separate and distinct from its other records and accounts. These Sewer System records shall be maintained in accordance with generally accepted government accounting standards and shall be audited annually no later than (3) months after the close of each fiscal year by and independent certified public accountant.

On August 20, 2009, the Village received written approval from the United States Department of Agriculture - Office of Rural Development to 1) extend the cutoff date from 30 days to 60 days to agree with the Village's Ordinance, 2) extend the deadline from September 30 to December 31 for completing and submitting the annual audit report.

At June 30, 2009, the Village had an accounts receivable of 251 more than 90 days past due.

The Village is in compliance with the December 31 deadline for completing and submitting the annual audit report.

Insurance and Fidelity Bonds - In the bond resolution the Village is required to maintain full coverage of insurance on the system. The Village is also required to obtain fidelity bonds on all employees in a position of authority or in possession of money derived from the operation of the system.

As of June 30, 2009, the Village was in compliance with this bond covenant as all persons responsible for collection of receipts from customers were adequately bonded.

Other Requirements - The bond resolution contains additional covenants regarding utilization of funds, maintenance of the system and other miscellaneous provisions.

As of June 30, 2009, the Village was in compliance with these other bond covenants in all material respects.

15. Pension Plan

Some of the police department employees of the Village of Tickfaw are members of the Municipal Police Employees' Retirement System of Louisiana (System). This system is a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. Pertinent information relative to the plan follows:

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 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 Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (225) 929-7411.

Village of Tickfaw, Louisiana

Notes to the Financial Statements As of and for the Year Ended June 30, 2009

Funding Policy. Plan members are required by state statute to contribute 7.5% of their annual covered salary and the Village of Tickfaw is required to contribute at an actuarially determined rate. The contribution rate for the fiscal year ended June 30, 2009 was 9.5% of annual covered payroll. The contribution requirements of plan members and the Village of Tickfaw 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 Village of Tickfaw's contributions to the System for the years ending June 30, 2009, 2008 and 2007, were \$7,132, \$6,119 and \$8,816 respectively, equal to the required contributions for each year.

16. Retirement System

Employees of the Village are members of the social security system. In addition to employee payroll deductions, Village funds are remitted to match the employee contributions. Aggregate contributions to the social security system for the year ended June 30, 2009 was contributed by the Village.

17. Reserved and Designated Retained Earnings and Fund Balances

At June 30, 2009, the proprietary fund had restricted net assets of \$33,255, representing the Village's funds restricted by revenue bond debt covenants and contracts with customers for meter deposits, net of the related liability.

18. Risk Management

The Village is exposed to various risks of loss related to theft, damage, or destruction of assets, torts, injuries, natural disasters, and many other unforeseeable events. The Village purchases commercial insurance policies and bonds for any and all claims related to the aforementioned risks. The Village's payment of the insurance policy deductible is the only liability associated with these policies and bonds. There has been no significant decrease in insurance coverage from the prior year, and the amount of settlements has not exceeded the insurance coverage for the past three fiscal years.

19. On-Behalf Payments by the State of Louisiana

For the year ended June 30, 2009, the State of Louisiana made on behalf payments in the form of supplemental pay to the Village's policemen. In accordance with GASB 24, the Village has recorded \$29,340 of on behalf payments as revenue and as expense in the general fund.

20. Litigation

At June 30, 2009, the Village of Tickfaw was involved in the following two suits:

The plaintiff filed a petition for Declaratory Judgment, Writ of Mandamus, Injunction, and Damages against the Village of Tickfaw. The plaintiff alleges that they purchased a piece of property for development in Tickfaw and that they were informed by officials for the Village of Tickfaw that the property was zoned as "light industrial." The plaintiff alleges that months later an official for the Village of Tickfaw asserted that the property was zoned as "agricultural." He intended to sell a portion of the property and the planned development for the property involved industrial use. He also contends that the Village of Tickfaw informed them on several occasions that the projected uses of the property would not violate the zoning of the property. The plaintiff alleges that since a councilman for

Village of Tickfaw, Louisiana

Notes to the Financial Statements As of and for the Year Ended June 30, 2009

the Village of Tickfaw disagreed with the zoning of the property as industrial, a cloud has been placed on the property. Furthermore, he claims that they have spent time and money to secure improved roads for the property and to develop the property. The plaintiff is making a claim for detrimental reliance and negligent representation. The plaintiff is also seeking to recover for all damages, attorney fees, costs, and prejudgement interest. He has indicated that they are out of pocket almost \$150,000 as a result of the zoning dispute. The Village attorneys are currently nearing the end of the discovery phase of the proceeding.

The plaintiff filed a lawsuit against the Village of Tickfaw for injuries that were sustained in a vehicle accident on July 24, 2007. The plaintiff was driving a vehicle on Interstate 55 when she was rear-ended by a Tickfaw police officer. The petition alleges that the officer was intoxicated and was responding to a call when the accident occurred. At this time, we believe that liability is certain, and therefore we will obtain the plaintiff's medical records and evaluate this claim for possible settlement authority. We believe that this case has a potential judgement value of between \$150,000 and \$175,000 plus medicals. The Village attorneys are currently nearing the end of the discovery phase of the proceeding. Trial is currently set for April 12, 2010.

21. Subsequent Events

On July 29, 2009, at a special meeting, the council adopted a resolution ordering and calling a special election to be held in the Village of Tickfaw, State of Louisiana, on October 17, 2009, for the purpose of authorizing the levy and collection of a special ad valorem tax of ten (10) mills on all property subject to taxation within the boundaries of the Village of Tickfaw, commencing with the tax collection for 2009, and annually thereafter, for the purpose of providing Fire Protection to the residents of the Village of Tickfaw, under the authorization of Article VI, Sections 30 and 32 of the Constitution of the State of Louisiana of 1974, as amended making application to the State Bond Commission, and providing other matters in connection there with.

22. Compliance with Laws:

The Village did not comply with the bond resolution concerning delinquent utility customers, bid law violation, compliance with budget law, compliance with Article VII, section 14 of the 1974 Louisiana Constitution and violation of Code of Governmental Ethics Section 113A.

Required Supplemental Information (Part II)

Village of Tickfaw, Louisiana

Schedule 1

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 General Fund
 For the Year Ended June 30, 2009

Revenues	Budgeted Amounts		Actual Amounts: GAAP Basis	Variance with Final Budget: Favorable (Unfavorable)
	Original	Final		
Taxes:				
Sales and Use Taxes	\$ 98,900	\$ 81,000	\$ 89,590	\$ 8,590
Ad Valorem Taxes	12,400	12,400	13,627	1,227
Public Utility Franchise Taxes	15,600	15,600	17,138	1,538
Licenses, Permits and Fees:				
Business Licenses and Permits	49,100	12,700	16,212	3,512
Taxes on Insurance Premiums	-	55,000	64,602	9,602
Intergovernmental:				
Louisiana Beer Tax Distribution	2,100	2,100	1,941	(159)
State Supplemental Pay	35,000	29,800	29,340	(460)
Fines and Forfeits:				
Fines	325,000	305,000	300,035	(4,965)
State Grants:				
Police Grants	10,000	1,000	-	(1,000)
Sanitation Fees:				
Sanitation Fees	35,400	34,900	34,714	(186)
Sanitation Penalties	1,300	1,100	1,150	50
Other Revenues:				
FEMA	-	17,300	17,294	(6)
Interest Income	1,900	1,100	1,121	21
Entergy Commissions	600	600	548	(52)
Other	300	8,500	9,363	863
Total Revenues	<u>587,600</u>	<u>578,100</u>	<u>596,675</u>	<u>18,575</u>

(Continued)

See accountant's report.

Village of Tickfaw, Louisiana

Schedule 1

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 General Fund
 For the Year Ended June 30, 2009

Expenditures	Budgeted Amounts		Actual Amounts: GAAP Basis	Variance with Final Budget: Favorable (Unfavorable)
	Original	Final		
General and Administrative:				
Accounting and Auditing	\$ 5,500	\$ 5,500	\$ 5,101	\$ 399
Animal Control	-	3,100	3,085	15
Assessor	400	450	449	1
Auto Fuel	-	-	172	(172)
Auto Expense	600	1,300	1,124	176
Beautification	-	200	412	(212)
Capital Outlay	15,000	26,400	43,328	(16,928)
Capital Lease Principal	-	-	1,600	(1,600)
Capital Lease Interest	-	-	656	(656)
Christmas Parade	-	800	785	15
City Hall Gas	3,300	2,900	2,541	359
City Hall Utilities	6,700	8,100	6,673	1,427
Collection Fee	-	-	37	(37)
Contract Labor	300	300	36	264
Conventions and Travel	3,600	1,800	1,538	262
Copier Lease	3,600	3,600	1,257	2,343
Coroner	400	400	-	400
Dues, Bonds and Licenses	1,000	1,400	1,188	212
Insurance, E&O, PO liability	2,500	2,900	3,526	(626)
Insurance, Health	1,900	1,700	1,386	314
Insurance, Property	1,600	1,600	1,389	211
Insurance, Liability	5,700	6,500	5,841	659
Insurance, Vehicles	1,500	1,500	-	1,500
Insurance, Workers Compensation	3,100	3,000	3,271	(271)
Internet	120	-	-	-
Janitorial Services and Supplies	700	700	655	45
Kitchen supplies	200	400	332	68
Legal	25,000	21,000	19,196	1,804
Magistrate	6,600	6,600	6,600	-
Miscellaneous	1,100	1,700	1,601	99
Office Expense	6,000	6,500	6,297	203
Official Journal	2,600	2,300	3,092	(792)
Outside Services	-	-	1,500	(1,500)
Park Expense	800	800	255	545
Payroll Taxes	4,900	4,800	4,770	30
Pest Control	900	900	885	15
Postage	3,000	3,000	2,407	593
Public Relations	1,800	1,300	1,255	45

(Continued)

See accountant's report.

Village of Tickfaw, Louisiana

Schedule 1

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts: GAAP Basis	Variance with Final Budget: Favorable (Unfavorable)
	Original	Final		
Repairs and Maintenance, City Hall	\$ 3,100	\$ 16,500	\$ 5,988	\$ 10,512
Salaries, Clerk	35,000	34,200	33,980	220
Salaries, Mayor and Council	29,000	29,000	28,800	200
Telephone	6,200	5,300	5,419	(119)
Unemployment	900	1,200	1,212	(12)
Zoning Contract	12,500	1,500	-	1,500
Total General and Administrative	197,120	211,150	209,639	1,511
Police Department:				
Accounting and Auditing	5,500	5,500	5,101	399
Advertising	600	1,500	1,248	252
Auto Fuel	28,800	23,000	22,563	437
Auto Repairs	5,600	7,000	8,829	(1,829)
Building Improvements	1,000	100	82	18
Capital Outlay, Vehicles	6,700	7,600	7,632	(32)
Capital Outlay, Other	2,000	2,000	1,295	705
Conventions and Travel	2,000	2,500	2,568	(68)
Copier Lease	700	700	558	142
Crime Stoppers	2,000	400	320	80
Dues	300	400	300	100
Drug & Psychological Testing	1,000	400	375	25
Employee Evaluations	1,000	200	183	17
Insurance, Health	8,000	2,400	2,396	4
Insurance, Liability (Personnel)	8,400	6,500	6,468	32
Insurance, Liability	2,100	800	693	107
Insurance, Property	900	-	723	(723)
Insurance, Vehicles	6,900	12,200	12,228	(28)
Insurance, Workers Compensation	8,500	7,900	8,466	(566)
Law Enforcement Fees	16,000	5,500	5,051	449
Miscellaneous	500	1,200	1,803	(603)
Office Expense	-	-	955	(955)
Payroll Taxes	14,900	11,700	11,437	263
Police Retirement	14,000	4,200	4,120	80
Postage	600	200	182	18
Prisoner Housing	800	100	35	65

(Continued)

See accountant's report.

Village of Tickfaw, Louisiana

Schedule 1

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 General Fund
 For the Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts: GAAP Basis	Variance with Final Budget: Favorable (Unfavorable)
	Original	Final		
Public Relations	\$ 1,200	\$ 500	\$ 373	\$ 127
Repairs and Maintenance, Equipment	5,000	5,100	5,111	(11)
Salaries	160,000	160,000	160,291	(291)
Salaries, Supplemental Pay	35,000	29,800	29,340	460
Supplies, Police	4,100	2,900	1,311	1,589
Supplies, Office	2,100	700	-	700
Telephone	8,000	9,700	10,522	(822)
Tracking	1,600	1,800	2,178	(378)
Training	2,500	1,400	1,182	218
Uniforms	3,300	1,900	1,890	10
Utilities	3,300	3,100	3,055	45
Total Police Department	<u>364,900</u>	<u>320,900</u>	<u>320,864</u>	<u>36</u>
Street Lights and Sanitation:				
Street Lights	17,700	19,200	18,422	778
Sanitation Collection	28,500	27,700	27,701	(1)
Total Street Lights and Sanitation	<u>46,200</u>	<u>46,900</u>	<u>46,123</u>	<u>777</u>
Total Expenditures	<u>608,220</u>	<u>578,950</u>	<u>576,626</u>	<u>2,324</u>
Excess Revenues (Expenditures)	<u>(20,620)</u>	<u>(850)</u>	<u>20,049</u>	<u>20,899</u>
Other Financing Sources (Uses)				
Sale of Fixed Assets, Police	2,500	5,300	8,100	2,800
Sale of Fixed Assets, Other	-	2,100	2,132	32
Operating Transfer Out	(50,000)	-	-	-
Total Other Financing Sources (Uses)	<u>(47,500)</u>	<u>7,400</u>	<u>10,232</u>	<u>2,832</u>
Net Change in Fund Balance	<u>(68,120)</u>	<u>6,550</u>	<u>30,281</u>	<u>23,731</u>
Fund Balance, Beginning	<u>101,290</u>	<u>119,927</u>	<u>119,927</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 33,170</u>	<u>\$ 126,477</u>	<u>\$ 150,208</u>	<u>\$ 23,731</u>

(Concluded)

See accountant's report.

Village of Tickfaw, Louisiana

Schedule 2

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 1995 Sales Tax Fund
 For the Year Ended June 30, 2009

Revenues	Budgeted Amounts		Actual Amounts: GAAP Basis	Variance with Final Budget: Favorable (Unfavorable)
	Original	Final		
Sales and Use Taxes	\$ 60,400	\$ 41,900	\$ 44,595	\$ 2,695
Interest Income	500	250	252	2
Total Revenues	<u>60,900</u>	<u>42,150</u>	<u>44,847</u>	<u>2,697</u>
Expenditures				
Accounting and Auditing	5,500	5,500	5,100	400
Auto Fuel	3,460	1,500	1,453	47
Capital Outlay	-	-	97	(97)
Diesel	1,200	1,800	1,749	51
Insurance, Liability	400	450	397	53
Insurance, Property	1,300	900	899	1
Insurance, Workers Compensation	800	700	757	(57)
Insurance, Vehicle	1,500	1,150	1,133	17
Miscellaneous	100	100	-	100
Payroll Taxes	1,100	1,100	1,077	23
Repairs and Maintenance	11,200	6,200	6,011	189
Salaries	13,900	14,300	14,643	(343)
Street Repairs	2,100	600	636	(36)
Supplies	200	200	174	26
Total Expenditures	<u>42,760</u>	<u>34,500</u>	<u>34,126</u>	<u>374</u>
Excess Revenues (Expenditures)	<u>18,140</u>	<u>7,650</u>	<u>10,721</u>	<u>3,071</u>
Other Financing Sources (Uses)				
Operating Transfers In	<u>3,427</u>	<u>47</u>	<u>-</u>	<u>(47)</u>
Total Other Financing Sources (Uses)	<u>3,427</u>	<u>47</u>	<u>-</u>	<u>(47)</u>
Net Change in Fund Balance	<u>21,567</u>	<u>7,697</u>	<u>10,721</u>	<u>3,024</u>
Fund Balance, Beginning	<u>32,299</u>	<u>24,602</u>	<u>24,602</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 53,866</u>	<u>\$ 32,299</u>	<u>\$ 35,323</u>	<u>\$ 3,024</u>

See accountant's report.

Village of Tickfaw, Louisiana

Schedule 3

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Fire Protection Fund
 For the Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts: GAAP Basis	Variance with Final Budget: Favorable (Unfavorable)
	Original	Final		
Revenues				
Ad Valorem Taxes	\$ 16,600	\$ 20,800	\$ 20,753	\$ (47)
Interest Income	400	250	234	(16)
Miscellaneous Revenue	-	200	229	29
Total Revenues	<u>17,000</u>	<u>21,250</u>	<u>21,216</u>	<u>(34)</u>
Expenditures				
Building Improvements	2,300	30,000	25,125	4,875
Fire Protection	4,200	4,200	4,200	-
Insurance	800	800	772	28
Miscellaneous	200	200	-	200
Repairs	500	500	851	(351)
Utilities	3,400	3,300	3,085	215
Total Expenditures	<u>11,400</u>	<u>39,000</u>	<u>34,033</u>	<u>4,967</u>
Net Change in Fund Balance	5,600	(17,750)	(12,817)	4,933
Fund Balance, Beginning	<u>24,037</u>	<u>25,951</u>	<u>25,951</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 29,637</u>	<u>\$ 8,201</u>	<u>\$ 13,134</u>	<u>\$ 4,933</u>

See accountant's report.

Other Supplemental Information

Village of Tickfaw, Louisiana

Schedule 4

Comparative Schedule of Net Assets
Proprietary Fund
June 30, 2009 and 2008

Assets	Enterprise Fund	
	2009	2008
Current Assets:		
Cash and Cash Equivalents	\$ 73,617	\$ 26,042
Accounts Receivable, Net	3,603	1,709
Sales Tax Receivable	7,494	7,086
Grant Receivable	-	24,500
Due From Other Funds	10,658	-
Total Current Assets	<u>95,372</u>	<u>59,337</u>
Restricted Assets:		
Sewer Contingency Account	734	11,559
Sewer Reserve Account	557	18,484
Sewer Bond Sinking Fund	484	476
Utility Customer Deposits	4,283	33,187
Investment in Certificates of Deposit	61,000	-
Total Restricted Assets	<u>67,058</u>	<u>63,706</u>
Property, Plant, and Equipment:		
Land	58,594	58,594
Plant and Equipment, at Cost	3,134,000	3,129,425
Less: Accumulated Depreciation	<u>(1,103,700)</u>	<u>(1,032,297)</u>
Net Property, Plant, and Equipment	<u>2,088,894</u>	<u>2,155,722</u>
Other Assets:		
Inventory	57,700	57,700
Bond Issue Costs	8,866	8,866
Less: Accumulated Amortization	<u>(3,547)</u>	<u>(3,325)</u>
Total Other Assets	<u>63,019</u>	<u>63,241</u>
Total Assets	<u>2,314,343</u>	<u>2,342,006</u>

(Continued)
See accountant's report.

Village of Tickfaw, Louisiana

Schedule 4

Comparative Schedule of Net Assets
Proprietary Fund
June 30, 2009 and 2008

Liabilities

	<u>Enterprise Fund</u>	
	<u>2009</u>	<u>2008</u>
Current Liabilities (Payable From Current Assets):		
Accounts Payable	\$ 1,417	\$ 22,557
Accrued Salary Payable	1,363	912
Accrued Vacation Payable	635	392
Accrued Interest Payable	988	1,087
Other Accrued Expenses	-	78
Due to Other Funds	-	4,791
Revenue Bonds Payable	6,078	5,970
Total Current Liabilities (Payable From Current Assets)	<u>10,481</u>	<u>35,787</u>
Current Liabilities (Payable From Restricted Assets):		
Customer Deposits Payable	33,803	33,721
Total Current Liabilities (Payable From Restricted Assets)	<u>33,803</u>	<u>33,721</u>
Long-Term Liabilities:		
Revenue Bonds Payable	268,725	283,609
Total Long-Term Liabilities	<u>268,725</u>	<u>283,609</u>
Total Liabilities	<u>313,009</u>	<u>353,117</u>
Net Assets		
Invested in Capital Assets, Net of Related Debt	1,814,091	1,866,143
Restricted For Debt Service	33,255	29,985
Unrestricted	153,988	92,761
Total Net Assets	<u>\$ 2,001,334</u>	<u>\$ 1,988,889</u>

(Concluded)

See accountant's report.

Village of Tickfaw, Louisiana

Schedule 5

Comparative Schedule of Revenues, Expenses, and Changes in Net Assets
 Proprietary Fund
 For the Years Ended June 30, 2009 and 2008

Operating Revenues	Enterprise Fund	
	2009	2008
Water Sales	\$ 79,908	\$ 80,169
Service Connections	155	35
Penalties	1,786	1,877
Safe Drinking Water Fees	1,101	1,117
NSF Fees	376	380
Water Other	108	-
Tap-in Fees	100	650
Sewer Charges	116,134	118,411
Service Connections	500	500
Sewer Penalty Revenue	1,580	1,657
Sewer Other	129	-
Insurance Reimbursement	9,939	-
FEMA	5,825	-
Total Operating Revenues	217,641	204,796
Operating Expenses		
Accounting and Auditing	10,200	5,102
Amortization	222	222
Auto Fuel	2,802	3,582
Auto Repairs	-	989
Chlorine	5,752	5,487
Depreciation	71,403	73,725
Diesel	1,768	1,068
Dues	713	983
Equipment Rental	946	450
Insurance, Liability	2,667	2,588
Insurance, Property	3,672	3,659
Insurance, Vehicle	2,561	3,250
Insurance, Workers Compensation	2,452	2,552
Miscellaneous	201	212
Office Expense	985	1,542
Payroll Taxes	3,828	3,620
Professional Fees	650	18,234

(Continued)
 See accountant's report.

Village of Tickfaw, Louisiana

Schedule 5

Comparative Schedule of Revenues, Expenses, and Changes in Net Assets
 Proprietary Fund
 For the Years Ended June 30, 2009 and 2008

	Enterprise Fund	
	2009	2008
Repairs & Maintenance	\$ 39,496	\$ 16,978
Salaries	51,474	48,706
Safe Drinking Water Fees	804	803
Sewer Analysis	1,235	960
Supplies	1,382	1,115
Telephone	835	706
Utilities	30,026	26,980
Total Operating Expenses	<u>236,074</u>	<u>223,513</u>
Operating Income (Loss)	<u>(18,433)</u>	<u>(18,717)</u>
Nonoperating Revenues (Expenses)		
Grant	-	53,500
Sales Tax	44,996	45,776
Interest Revenue	892	1,825
Bond Interest Expense	<u>(15,010)</u>	<u>(15,384)</u>
Total Nonoperating Revenues (Expenses)	<u>30,878</u>	<u>85,717</u>
Change in Net Assets	12,445	67,000
Net Assets, Beginning	<u>1,988,889</u>	<u>1,921,889</u>
Net Assets, Ending	<u>\$ 2,001,334</u>	<u>\$ 1,988,889</u>

(Concluded)
 See accountant's report.

Village of Tickfaw, Louisiana

Schedule 6

Comparative Schedule of Cash Flows
Proprietary Fund
For the Years Ended June 30, 2009 and 2008

	Enterprise Fund	
	2009	2008
Cash Flows From Operating Activities		
Received From Customers	\$ 199,266	\$ 204,366
Received For Meter Deposits	694	3,665
Payments For Operations	(127,914)	(138,070)
Payments For Employees	(57,060)	(54,588)
Payments to Other Funds	(15,342)	(57,267)
Received From Insurance	9,939	16,564
Received From FEMA	5,824	-
Payments For Repairs & Maintenance	-	(16,564)
Net Cash Provided (Used) by Operating Activities	<u>15,407</u>	<u>(41,894)</u>
Cash Flows From Noncapital Financing Activities		
Received From Sales Tax	<u>44,588</u>	<u>38,690</u>
Net Cash Provided (Used) by Noncapital Financing Activities:	<u>44,588</u>	<u>38,690</u>
Cash Flows From Capital and Related Financing Activities		
Received From Grants	24,500	29,000
Principal Repayments, Revenue Bonds Payable	(14,776)	(5,644)
Interest Payments, Revenue Bonds Payable	(15,109)	(15,241)
Purchases of Fixed Assets	<u>(4,575)</u>	<u>-</u>
Net Cash Used by Capital and Related Financing Activities	<u>(9,960)</u>	<u>8,115</u>
Cash Flows From Investing Activities		
Receipt of Interest	892	1,825
Purchase of Certificates of Deposit	<u>(61,000)</u>	<u>-</u>
Net Cash Provided (Used) by Investing Activities	<u>(60,108)</u>	<u>1,825</u>
Net Increase (Decrease) in Cash	(10,073)	6,736
Cash, Beginning of Year	<u>89,748</u>	<u>83,012</u>
Cash, End of Year	<u>\$ 79,675</u>	<u>\$ 89,748</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets		
Cash and Cash Equivalents, Unrestricted	\$ 73,617	\$ 26,042
Cash and Cash Equivalents, Restricted	<u>6,058</u>	<u>63,706</u>
Total Cash and Cash Equivalents	<u>\$ 79,675</u>	<u>\$ 89,748</u>

(Continued)

See accountant's report.

Village of Tickfaw, Louisiana

Schedule 6

Comparative Schedule of Cash Flows
 Proprietary Fund
 For the Years Ended June 30, 2009 and 2008

	Enterprise Fund	
	2009	2008
Reconciliation of Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	\$ (18,433)	\$ (18,717)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	71,403	73,725
Amortization of Bond Issue Costs	222	222
Change in Accounts Receivable	(1,894)	(430)
Change in Due To/From Other Funds	(15,449)	(57,267)
Change in Inventory	-	(57,700)
Change in Accounts Payable	(21,140)	14,335
Change in Accrued Salary	451	(102)
Change in Accrued Vacation	243	392
Change in Accrued Expenses	(78)	(17)
Change in Customer Deposits	82	3,665
Net Cash Provided (Used) by Operating Activities	\$ <u>15,407</u>	\$ <u>(41,894)</u>

(Concluded)
 See accountant's report.

Village of Tickfaw, Louisiana

Schedule 7

Combining Schedule of Revenues, Expenses, and Changes in Net Assets
 Proprietary Fund
 For the Year Ended June 30, 2009

	Water Utility System	Sewer Utility System	Total Enterprise Fund
Operating Revenues			
Water Sales	\$ 79,908	\$ -	\$ 79,908
Service Connections	155	-	155
Penalties	1,786	-	1,786
Safe Drinking Water Fees	1,101	-	1,101
NSF Fees	153	223	376
Tap-in Fees	100	-	100
Water Other	108	-	108
Sewer Charges	-	116,134	116,134
Service Connections	-	500	500
Sewer Penalty Revenue	-	1,580	1,580
Sewer Other	-	129	129
Insurance Reimbursement	2,498	7,441	9,939
FEMA	2,749	3,076	5,825
Total Operating Revenues	<u>88,558</u>	<u>129,083</u>	<u>217,641</u>
Operating Expenses			
Accounting and Auditing	5,100	5,100	10,200
Amortization	-	222	222
Auto Fuel	1,401	1,401	2,802
Chlorine	3,536	2,216	5,752
Depreciation	28,715	42,688	71,403
Diesel	883	885	1,768
Dues	713	-	713
Equipment Rental	-	946	946
Insurance, Liability	1,280	1,387	2,667
Insurance, Property	2,571	1,101	3,672
Insurance, Vehicle	1,334	1,227	2,561
Insurance, Workers Compensation	1,226	1,226	2,452
Miscellaneous	97	104	201
Office Expense	508	477	985
Payroll Taxes	1,914	1,914	3,828

(Continued)

See accountant's report.

Village of Tickfaw, Louisiana

Schedule 7

Combining Schedule of Revenues, Expenses, and Changes in Net Assets
 Proprietary Fund
 For the Year Ended June 30, 2009

	Water Utility System	Sewer Utility System	Total Enterprise Fund
Professional	\$ 325	\$ 325	\$ 650
Repairs and Maintenance	17,038	22,458	39,496
Salaries	25,737	25,737	51,474
Safe Drinking Water Fees	804	-	804
Sewer Analysis	-	1,235	1,235
Supplies	1,304	78	1,382
Telephone	835	-	835
Utilities	6,993	23,033	30,026
Total Operating Expenses	<u>102,314</u>	<u>133,760</u>	<u>236,074</u>
Operating Income (Loss)	<u>(13,756)</u>	<u>(4,677)</u>	<u>(18,433)</u>
Nonoperating Revenues (Expenses)			
Sales Tax	22,498	22,498	44,996
Interest Revenue	700	192	892
Bond Interest Expense	-	(15,010)	(15,010)
Total Nonoperating Revenues (Expenses)	<u>23,198</u>	<u>7,680</u>	<u>30,878</u>
Change in Net Assets	9,442	3,003	12,445
Net Assets, Beginning	<u>577,745</u>	<u>1,411,144</u>	<u>1,988,889</u>
Net Assets, Ending	<u>\$ 587,187</u>	<u>\$ 1,414,147</u>	<u>\$ 2,001,334</u>

(Concluded)
 See accountant's report.

Village of Tickfaw, Louisiana

Schedule 8

Schedule of Revenues, Expenses, and Changes in Net Assets
Budget (GAAP Basis) and Actual
Proprietary Fund - Water Utility System
For the Year Ended June 30, 2009

	Budget	Actual	Variance: Favorable (Unfavorable)
Operating Revenues			
Water Sales	\$ 79,700	\$ 79,908	\$ 208
Service Connections	100	155	55
Penalties	1,700	1,786	86
Safe Drinking Water Fees	1,100	1,101	1
NSF Fees	200	153	(47)
Tap-in Fees	100	100	-
Water Other	-	108	108
Insurance Reimbursement	2,498	2,498	-
FEMA	2,748	2,749	1
Total Operating Revenues	<u>88,146</u>	<u>88,558</u>	<u>412</u>
Operating Expenses			
Accounting and Auditing	4,900	5,100	(200)
Auto Fuel	1,500	1,401	99
Auto Repairs	300	-	300
Chlorine	3,500	3,536	(36)
Depreciation	27,300	28,715	(1,415)
Diesel	1,000	883	117
Dues	700	713	(13)
Insurance, Liability	1,300	1,280	20
Insurance, Property	2,700	2,571	129
Insurance, Vehicle	1,100	1,334	(234)
Insurance, Workers Compensation	1,400	1,226	174
Miscellaneous	100	97	3
Office Expense	500	508	(8)
Payroll Taxes	1,900	1,914	(14)
Postage	400	-	400
Professional	325	325	-
Repairs and Maintenance	16,600	17,038	(438)
Salaries	24,900	25,737	(837)
Safe Drinking Water Fees	800	804	(4)
Supplies	600	1,304	(704)
Telephone	800	835	(35)
Utilities	8,300	6,993	1,307
Total Operating Expenses	<u>100,925</u>	<u>102,314</u>	<u>(1,389)</u>
Operating Income (Loss)	<u>(12,779)</u>	<u>(13,756)</u>	<u>(977)</u>

(Continued)

See accountant's report.

Village of Tickfaw, Louisiana

Schedule 8

Schedule of Revenues, Expenses, and Changes in Net Assets
 Budget (GAAP Basis) and Actual
 Proprietary Fund - Water Utility System
 For the Year Ended June 30, 2009

	<u>Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
Nonoperating Revenues (Expenses)			
Interest Revenue	\$ 2,000	\$ 700	\$ (1,300)
Sales Tax Revenue	<u>21,800</u>	<u>22,498</u>	<u>698</u>
Total Nonoperating Revenues (Expenses)	<u>23,800</u>	<u>23,198</u>	<u>(602)</u>
Change in Net Assets	<u>\$ 11,021</u>	<u>\$ 9,442</u>	<u>\$ (1,579)</u>

(Concluded)
 See accountant's report.

Village of Tickfaw, Louisiana

Schedule 9

Schedule of Revenues, Expenses, and Changes in Net Assets
 Budget (GAAP Basis) and Actual
 Proprietary Fund - Sewer Utility System
 For the Year Ended June 30, 2009

	Budget	Actual	Variance: Favorable (Unfavorable)
Operating Revenues			
Sewer Charges	\$ 116,400	\$ 116,134	\$ (266)
Service Connections	600	500	(100)
Sewer Penalty Revenue	1,800	1,580	(220)
NSF Fees	200	223	23
Sewer Other	-	129	129
Insurance Reimbursement	7,441	7,441	-
FEMA	3,076	3,076	-
Total Operating Revenues	<u>129,517</u>	<u>129,083</u>	<u>(434)</u>
Operating Expenses			
Accounting and Auditing	4,900	5,100	(200)
Amortization	200	222	(22)
Auto Fuel	1,600	1,401	199
Auto Repairs	100	-	100
Chlorine	2,000	2,216	(216)
Depreciation	46,500	42,688	3,812
Diesel	1,000	885	115
Equipment Rental	900	946	(46)
Insurance, Liability	1,300	1,387	(87)
Insurance, Property	1,100	1,101	(1)
Insurance, Vehicle	1,100	1,227	(127)
Insurance, Workers Compensation	1,200	1,226	(26)
Miscellaneous	-	104	(104)
Office Expense	600	477	123
Payroll Taxes	1,900	1,914	(14)
Postage	400	-	400
Professional Fees	325	325	-
Repairs and Maintenance	37,600	22,458	15,142
Salaries	24,900	25,737	(837)
Sewer Analysis	1,300	1,235	65
Supplies	500	78	422
Utilities	22,900	23,033	(133)
Total Operating Expenses	<u>152,325</u>	<u>133,760</u>	<u>18,565</u>
Operating Income (Loss)	<u>(22,808)</u>	<u>(4,677)</u>	<u>18,131</u>

(Continued)
 See accountant's report.

Village of Tickfaw, Louisiana

Schedule 9

Schedule of Revenues, Expenses, and Changes in Net Assets
 Budget (GAAP Basis) and Actual
 Proprietary Fund - Sewer Utility System
 For the Year Ended June 30, 2009

Nonoperating Revenues (Expenses), Sewer	Budget	Actual	(Unfavorable)
Sales Tax	\$ 21,800	\$ 22,498	\$ 698
Sewer-interest income	50	192	142
Sewer-bond interest expense	(15,000)	(15,010)	(10)
Total Nonoperating Revenues (Expenses)	6,850	7,680	830
Change in Net Assets	\$ (15,958)	\$ 3,003	\$ 18,961

(Concluded)
 See accountant's report.

Village of Tickfaw, Louisiana

Schedule 10

Schedule of Utility Fund Customers and Rate Schedules
Year Ended June 30, 2009

At June 30, 2009, the Village of Tickfaw had the following customers:

Water Customers	<u>306</u>
Sewer Customers	<u>258</u>

At June 30, 2009, the Village of Tickfaw charged flat rates for water and sewer service as follows:

<u>Category of Service</u>	<u>Rate per month.</u>
Water Service - Inside Village	\$15.00
Water Service - Outside Village	\$21.25
Sewer Service - Inside Village	\$25.50
Sewer Service - Outside Village	\$31.25
Commercial & Multi-Family	Various

See accountant's report.

Village of Tickfaw, Louisiana

Schedule 11

Schedule of Insurance
Year Ended June 30, 2009

Insurance Company	Coverage	Amount	Period
LA Risk Management Agency Policy # LML-100-0141-12900	Commercial General Liability:		05/01/09 -
	Premises/Operations	\$500,000	05/01/10
	Products & Completed Work	500,000	
	Medical Payments:		
	Per Person	1,000	
	Per Occurrence	10,000	
	Fire Legal Liab-Per Occurrence	50,000	
LA Risk Management Agency Policy # LML-100-0141-12900	Law Enforcement Liability		05/01/09 -
	Total Limit	\$500,000	05/01/10
	Each Wrongful Act		
LA Risk Management Agency Policy # LML-100-0141-12900	Business Auto:		05/01/09 -
	Liability Limit	\$500,000	05/01/10
Scottsdale Insurance Company Policy Number CPS0802678	City Hall	\$ 151,222	11/14/08 -
	Business Personal Property	52,000	11/14/09
	Lift Station, 49256 Hwy 51	64,240	
	Water Tower, 14377 Hwy 442	427,244	
	Water Tower, 50215 Abene Rd	38,733	
	Building/Pumps, 49256 Hwy 51	135,433	
	Fire Station, 14994 3 rd St	100,000	
	Maintenance Bldg, 50089 Hwy 51	84,000	
Foremost Insurance Company Policy # 444-0018921502	Police Mobile Home Office:		08/12/08 -
	Building	\$24,000	08/12/09
	Contents	12,000	
LA Risk Management Agency Policy Number WC-170	Workers' Compensation & Employer's Liability:		01/01/09 -
	Single Combined Limit-Each Line of Coverage	\$500,000	01/01/10
LA Risk Management Agency Policy # LML-100-0141-12900	Public Officials Errors & Omissions	\$500,000	05/01/09 -
			05/01/10
Employer's Mutual Policy # T23237110	Public Employees Position Schedule Bond	\$150,000	02/16/09 -
			02/16/10

See accountant's report.

Village of Tickfaw, Louisiana

Schedule 12

Schedule of Compensation Paid Elected Officials
Year Ended June 30, 2009

The schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature:

<u>Board Member</u>	<u>Term Expires</u>	<u>Compensation Received</u>
Anthony "Tony" Lamonte, Mayor 14304 Nuccio Road Tickfaw, LA 70466 (985) 345-8796	12/31/10	\$ 18,000
William Watts, Councilman Post Office Box 221 Tickfaw, LA 70466 (985) 969-3113	12/31/10	3,600
Ronald Tanis, Councilman 14087 Manina Lane Tickfaw, LA 70466 (985) 542-4781	12/31/10	3,600
Toni Basso, Councilwoman Post Office Box 576 Tickfaw, LA 70466 (985) 345-6509	12/31/10	3,600
Jimmy Lee Sparacello, Chief of Police Post Office Box 131 Tickfaw, LA 70466 (985) 542-1716	12/31/10	41,100
		\$ <u>69,900</u>

See accountant's report.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENTAL AUDITING STANDARDS***

**ANTHONY B BAGLIO CPA
A PROFESSIONAL ACCOUNTING CORPORATION
2011 RUE SIMONE
HAMMOND, LOUISIANA 70403
PHONE: 985-542-4155 FAX: 985-542-4186**

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

Honorable Mayor Anthony Lamonte and
Members of the Board of Aldermen
Village of Tickfaw
Tickfaw, Louisiana

I have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Tickfaw, Louisiana (hereinafter referred to as "Village") as of and for the year ended June 30, 2009, which collectively comprise the Village's basic financial statements and have issued my report thereon dated January 7, 2010. I have conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Village's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Village's internal control over financial reporting.

My consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weakness. However, as discussed below, I identified certain deficiencies in internal control over financial reporting that I consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatement on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Village of Tickfaw's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Village's financial statements that is more than inconsequential will not be prevented or detected by the Village of Tickfaw's internal control. I consider the deficiencies described in the accompanying schedule of current year audit findings and recommendations as item 09-01 to be a significant deficiency in internal control over financial reporting.

Honorable Mayor Anthony Lamonte and
Members of the Board of Aldermen
Village of Tickfaw
Tickfaw, Louisiana
January 7, 2010
Page 2

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Village's internal control.

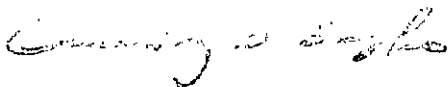
My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, I believe the significant deficiency described above is not a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether, the Village's financial statements are free of material misstatements, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of current year audit findings numbers 09-02 through 09-06.

The Village's response to the findings identified in my audit, are described in the accompanying schedule of managements corrective action plan for current year audit findings. I did not audit the Village's response and, accordingly, I express no opinion on it.

This report is intended for the information and use of the audit committee, management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Anthony B. Baglio, CPA
A Professional Accounting Corporation
Hammond, Louisiana
January 7, 2010

Schedule of Current Year Audit Findings

Village of Tickfaw
Tickfaw, Louisiana

Schedule of Current Year Audit Findings
As of and For the Year Ended June 30, 2009

INTERNAL CONTROL

FINDING NO. 09-01

Lack of Segregation of Duties

The Village clerk is the sole employee involved in recording, processing, summarizing, and reporting the Village's financial data.

An adequate system of internal control requires an appropriate segregation of duties consistent with control objectives. This deficiency could adversely affect the entity's ability to record, process, summarize and report financial data consistent with management's objectives.

The limited size of the Village precludes an adequate segregation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial. No change is recommended.

COMPLIANCE

FINDING NO. 09-02

Compliance Violation Concerning Sewer Revenue Bond Covenants

Bond resolution concerning delinquent utility customers not followed.

In connection with the rate covenant, the bond resolution also stated matters concerning delinquent sewer customers. The resolution states that if a delinquent account is not paid within sixty (60) days of the date of delinquency, the Village will shut off water and sewer services to the affected premises.

The Village was in non-compliance with the delinquent utility customers section of the bond resolution since there were several accounts that were 60 days past due, in which the Village did not adhere to sixty (60) day cut-off.

It is recommended the bond resolution be followed.

**Village of Tickfaw
Tickfaw, Louisiana**

**Schedule of Current Year Audit Findings
As of and For the Year Ended June 30, 2009**

FINDING 09-03

Bid Law Violation

The Village purchased and installed a generator for a total cost of \$21,245.44 and did not comply with the bid law.

R. S. 38:2212.1 Purchases of materials and supplies totaling \$20,000 or more must be bid:

- i. Advertised and let by contract to lowest bidder according to specifications.

It is recommended that the Village establish controls to insure that the public bid laws are being followed.

FINDING 09-04

Compliance with Budget Law

The village did not adopt their budget until July 3, 2009, after its year end.

Budget requirements of LSA-RS39:1306 require all action necessary to adopt and finalize the budget be completed prior to fiscal year end.

It is recommended that the Village establish procedures to ensure completion and approval of the budget before year end.

Village of Tickfaw
Tickfaw, Louisiana

Schedule of Current Year Audit Findings
As of and For the Year Ended June 30, 2009

FINDING 09-05

Compliance with Article VII, Section 14 of the 1974 Louisiana Constitution.

The Village allowed the Catholic Church to use the Village's tractor to cut the grass on the baseball field.

Article VII, Section 14 of the 1974 Louisiana Constitution states that no property or things of value can be loaned, pledged, or granted to anyone.

It is recommended that this practice of loaning Village equipment be discontinued.

FINDING 09-06

Compliance with Prohibited Contractual Agreements

The Village let out for bids surplus police cars. No bids were received and therefore a For Sale sign was put in vehicles, and they were offered to the general public on first come, first serve basis. One of the vehicles was purchased by the Municipal Clerk of the Village.

Statute R. S. 42:1113 prohibits a public servant from bidding on or entering into any contract, subcontract or other transaction that is under the supervision or jurisdiction of the agency of such public servant.

It is recommended the Village prohibit any future sales of surplus equipment to any employee of the Village or their immediate family.

Status of Prior Year Audit Findings

VILLAGE OF TICKFAW

Tickfaw, Louisiana

Status of Prior Audit Findings

Year Ended June 30, 2009

Ref No	Fiscal Year Finding Initially Occurred	Description of Finding	Management's Corrective Action Taken
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Section I - Internal Control and Compliance Material to the Financial Statements:

Internal Control

08-01	June-04	Lack of segregation of duties	No
-------	---------	-------------------------------	----

Compliance

Compliance Violations Concerning Sewer Revenue
Bond Covenants

<u>08-04 (A)</u>	June-04	Bond resolution concerning delinquent utility customers not followed.	No
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08-02 (B)	June-04	Bond resolution concerning Timely Audit Preparation not followed.	Yes
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Bid Law Violation

08-03 (A)		Purchases of materials and supplies totaling \$20,000 or more	No
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08-03 (B)		Purchases of \$10,000 but less than \$20,000	Yes
-----------	--	--	-----

08-04		Grant reporting requirements.	Yes
-------	--	-------------------------------	-----

**Management's Corrective Action Plan for
Current Year Audit Findings**

Village of Tickfaw
Tickfaw, Louisiana
Management's Corrective Action Plan for Current Year Audit Findings
Year Ended June 30, 2009

Ref	Description of Findings	Management Response
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Compliance and Internal Control

Section I **Internal Control**

09-01 **Lack of Segregation of Duties** *

An adequate system of internal control requires an appropriate segregation of duties consistent with control objectives. This deficiency could adversely affect the entity's ability to record, process, summarize and report financial data consistent with management's objectives.

Section II **Compliance**

09-02 **Compliance Violation Concerning Sewer Revenue Bond Covenants** *

A. Bond resolution concerning delinquent utility customers not followed

The Village was in non-compliance with the delinquent utility customers section of the bond resolution since there were several accounts that were 60 days past due in which the Village did not adhere to sixty (60) day cut-off.

*Management will submit their corrective action plan directly to the Legislative Auditor in the near future.

Village of Tickfaw
 Tickfaw, Louisiana
 Management's Corrective Action Plan for Current Year Audit Findings
 Year Ended June 30, 2009

Ref	Description of Findings	Management Response
	Compliance (con't)	
09-03	<p><u>Bid Law Violation</u></p> <p><u>The Village purchased and installed a generator for a total cost of \$21,245.44 and did not comply with the bid law.</u></p> <p>R. S. 38:2212.1 Purchases of materials and supplies totaling \$20,000 or more must be bid: i. Advertised and let by contract to lowest bidder according to specifications.</p>	*
09-04	<p><u>Compliance with Budget Law</u></p> <p><u>The Village did not adopt their budget until July 3, 2009, after its year end.</u></p> <p>Budget requirements of LSA-RS39:1306 require all action necessary to adopt and finalize the budget be completed prior to fiscal year end.</p>	*
09-05	<p><u>Compliance with Article VII, Section 14 of the 1974 Louisiana Constitution</u></p> <p><u>The Village allowed the Catholic Church to use the Village's tractor to cut the grass on the baseball field.</u></p> <p>Article VII, Section 14 of the 1974 Louisiana Constitution states that no property or things of value can be loaned, pledged, or granted to anyone.</p>	*

*Management will submit their corrective action plan directly to the Legislative Auditor in the near future.

Village of Tickfaw
Tickfaw, Louisiana
Management's Corrective Action Plan for Current Year Audit Findings
Year Ended June 30, 2009

Ref	Description of Findings	Management Response
-----	-------------------------	---------------------

Compliance (con't)

09-06	<u>Compliance with Prohibited Contractual Agreements</u>	*
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The Village let out for bids surplus police cars. No bids were received and therefore a For Sale Sign was put in vehicles, and they were offered to the general public on first come, first serve basis. One of the vehicles was purchased by the Municipal Clerk of the Village.

Section 1113A prohibits a public servant from bidding on or entering into any contract, subcontract or other transaction that is under the supervision or jurisdiction of the agency of such public servant.

*Management will submit their corrective action plan directly to the Legislative Auditor in the near future.

Village of Tickfaw

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February 3, 2010

Suzanne H. Elliott, CPA
Engagement Manager
Office of Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

Regarding Village of Tickfaw's Management's Response to Audit Findings

Finding No. 09-02

Bond resolution concerning delinquent utility customers not followed.

In connection with the rate covenant, the bond resolution also stated matters concerning delinquent sewer customers. The resolution states that if a delinquent account is not paid within sixty (60) days of the date of delinquency, the Village will shut off water and sewer services to the affected premises.

Compliance Violation Concerning Sewer Revenue Bond Covenants

At June 30, 2009, the Village had \$271 in accounts past 90 days. Effective February 17, 2010, any accounts past 60 days will be cut off.

Finding No. 09-03

Bid Law Violation

Finding

The Village purchased and installed a generator for a total cost of \$21,245.44 and did not comply with the bid law.

Management's Response

The generator was purchased in the previous fiscal year. During the current fiscal year the Village hired an electrician to connect the generator to the city hall and police department. The electrician's cost was capitalized as a public improvement since he made modifications to the City Hall and Police station. The expenditure was less than \$100,000.

Finding No. 09-04

Compliance with Budget Law

Finding

The Village did not adopt their budget until July 3, 2009, after its year end.

Management's Response

The notice of public meeting was published in the official journal on June 17, 2008. The budget was presented to the council in an open meeting on June 30, 2008. The budget died for lack of a second. On July 3, 2008 a notice of public meeting to re-introduce the 2008-2009 budget and set a public hearing was published in the official journal. The public hearing was held on July 16, 2008. The Budget was adopted in the public meeting.

The auditor's adoption date is not correct.

Finding 09-05

Finding

The Village allowed the Catholic Church to use the Village's tractor to cut the grass on the baseball field.

Management's Response

The Catholic Church hosts a co-ed softball league for the youth in Tickfaw. The Village allowed the Catholic Church to use the Village's tractor to cut the grass on the softball field. It was brought to the Village's attention that this practice is not acceptable. This practice has been discontinued.

Finding 09-06

Finding

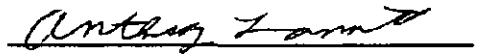
The Village let out for bids surplus police cars. No bids were received and therefore a For Sale sign was put in the vehicles, and they were offered to the general public on first come, first serve basis. One of the vehicles was purchased by the Municipal Clerk of the Village.

Management's Response

The car was let out on bid for \$2,500 and no bids were received. The car was offered to the general public. The Municipal Clerk purchased the vehicle for \$2,500. The Village will prohibit any future sales of surplus equipment to any employee of the Village or their immediate family. The Village will seek an Attorney General's regarding this matter.

The auditor did not start the audit until the end of December. The audit was not completed until January 7, 2010.

Sincerely,


Anthony "Tony" Lamonte, Mayor

MAYOR
Anthony "Tony" Lamonte

COUNCIL
William Preston Watts
Toni Jean Basso
Ron Tanis

CHIEF OF POLICE
Jimmy Sparacello

MAYOR PRO TEM
William Preston Watts

ATTORNEY AT LAW
Maurice Trippi

MUNICIPAL CLERK
Ruby LeCard