

**TOWN OF WISNER, LOUISIANA**  
**Annual Financial Statements**  
**With Independent Auditor's Report**  
**As of and for the Year Ended June 30, 2008**  
**With Supplemental Schedules**

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 2/25/09

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**Annual Financial Statements**  
**With Independent Auditor's Report**  
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### Independent Auditor's Report

Honorable Allyn Jean Luckett, Mayor  
and Members of the Town Council  
Wisner, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business type activities, and each major fund of the Town of Wisner, as of and for the year ended June 30, 2008, which collectively comprise the Town of Wisner's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Wisner's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, and each major fund of the Town of Wisner as of June 30, 2008, 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*, we have also issued a report dated February 3, 2009, on our consideration of the Town of Wisner's internal control over financial reporting and on our 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 our testing 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 our audit.

Town of Wisner  
Wisner, Louisiana  
Independent Auditor's Report  
June 30, 2008

Management's Discussion and Analysis and the budgetary comparisons on pages 6 through 11 and 43 through 44, respectively, 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. We 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, we did not audit the information and express no opinion on it.

*Kenneth D. Jordan & Co*  
Jonesboro, Louisiana  
February 3, 2009

***Required Supplemental Information  
(Part I)***

**TOWN OF WISNER, LOUISIANA**  
**Management's Discussion and Analysis**  
**June 30, 2008**

The management of the Town of Wisner, Louisiana offers readers of the Town of Wisner, Louisiana's (Town) financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2008. This management discussion and analysis ("MD&A") is designed to provide an objective analysis of the Town's financial activities based on currently known facts, decisions, and conditions. It is intended to provide readers with a broad overview of Town's finances. It is also intended to provide readers with an analysis of the Town's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the Town. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the Town's financial activity, identify changes in the Town's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information presented throughout this report.

**Overview of the Financial Statements**

This section is intended to serve as an introduction to the Town's financial statements. The Town's basic financial statements consist of the government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information, which is in addition to the basic financial statements.

Government-Wide Financial Statements

Government-wide financial statements are designed by GASB Statement No. 34 to change the way in which governmental financial statements are presented. It now provides readers with a concise "entity-wide" Statement of Net Assets and Statement of Activities, which seeks to give the user of the financial statements a broad overview of the Town's financial position and results of operations in a manner similar to private sector businesses.

The statement of net assets presents information on all of the Town's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. The difference between the two is reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or weakening.

The statement of activities presents information which shows how the government's net assets changed during this fiscal year. All changes in net assets are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods.

Each of these reports is broken down between governmental activities and business-type activities. Governmental activities normally are those activities that are supported by taxes, licenses, permits, fines, and intergovernmental revenues; for example, the Police and Fire Departments. Business-type activities are functions that are intended to support their costs through charges for services or fees; such as the Water and Sewer Department.

**TOWN OF WISNER, LOUISIANA**  
**Management's Discussion and Analysis**  
**June 30, 2008**

**Government-wide Financial Analysis**

As noted earlier, net assets may, over time, serve as a useful indicator of a government's financial position. At the close of the most recent fiscal year, the Town's assets exceeded its liabilities by \$1,558,341 (net assets); this represents an increase of \$170,653 over last fiscal year. Of this total net asset amount, \$364,593 is unrestricted net assets. The Town's net assets are comprised of \$454,658 from governmental activities and \$1,103,683 from business-type activities.

The following is a condensed statement of the Town of Wisner's net assets as of June 30, 2008:

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
<b>Assets</b>			
Current and other assets	\$ 123,973	\$ 565,839	\$ 689,812
Capital assets (net)	385,131	1,494,910	1,880,041
<b>Total Assets</b>	<u>509,104</u>	<u>2,060,749</u>	<u>2,569,853</u>
<b>Liabilities</b>			
Other liabilities	35,675	110,374	146,049
Long-term liabilities	18,771	846,692	865,463
<b>Total Liabilities</b>	<u>54,446</u>	<u>957,066</u>	<u>1,011,512</u>
<b>Net Assets</b>			
Invested in capital assets, Net	363,304	830,089	1,193,393
Restricted	355	-	355
Unrestricted	90,999	273,594	364,593
<b>Total Net Assets</b>	<u>\$ 454,658</u>	<u>\$ 1,103,683</u>	<u>\$ 1,558,341</u>

By far the largest portion of the Town's net assets (\$1,193,393 or 77%) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, etc.) less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

Of the remaining balance, (\$355) is restricted for capital outlay and debt service and (23% or \$364,593) is unrestricted net assets, which may be used to meet the government's on-going obligations to citizens and creditors.

The Town has outstanding debt in the amount of \$903,941. Total liabilities of \$1,011,512 are equal to 65% of the total net assets. The Town's governmental activities increased net assets by \$178,591.



**TOWN OF WISNER, LOUISIANA**  
**Management's Discussion and Analysis**  
**June 30, 2008**

The following is a summary of the statement of activities for the year ended June 30, 2008:

	Governmental Activities	Business- Type Activities	Total
<b>Revenue</b>			
Program revenue	\$ 206,101	\$ 322,649	\$ 528,750
General revenue	225,128	25,600	250,728
Transfers	41,021	( 41,021 )	-
Total Revenue	<u>472,250</u>	<u>307,228</u>	<u>779,478</u>
<b>Expenses</b>			
General Government	56,950	-	56,950
Public Safety	196,742	-	196,742
Public Works	34,709	315,166	349,875
Culture and Recreation	5,258	-	5,258
Total Expenses	<u>293,659</u>	<u>315,166</u>	<u>608,825</u>
Increase (decrease) in net assets	178,591	( 7,938 )	170,653
Net Assets June 30, 2007	<u>276,067</u>	<u>1,111,621</u>	<u>1,387,688</u>
Net Assets June 30, 2008	<u>\$ 454,658</u>	<u>\$ 1,103,683</u>	<u>\$ 1,558,341</u>

Governmental revenues in the current and prior fiscal year are comprised of the following:

	Year Ended June 30, 2008	Year Ended June 30, 2007
<b>Program Revenues</b>		
Rents and Fees	\$ 4,496	\$ 3,613
Fines	97,185	70,212
Capital Grants	104,420	-
Total Program Revenue	<u>\$ 206,101</u>	<u>\$ 73,825</u>
<b>General Revenues</b>		
Property Taxes	\$ 18,822	\$ 21,934
Sales Taxes	112,117	96,266
Franchise Taxes	25,460	25,201
Licenses and Permits	22,653	15,562
Other Taxes	26,755	12,698
Investment Earnings	2,257	3,614
Other General Revenues	17,064	16,320
Total General Revenues	<u>\$ 225,128</u>	<u>\$ 191,595</u>

**TOWN OF WISNER, LOUISIANA**  
**Management's Discussion and Analysis**  
**June 30, 2008**

**Governmental Activities**

The governmental activities of the Town include General Government, Public Safety, Public Works, and Culture and Recreation. Revenues normally associated with municipal operations are sales tax, property tax, franchise fees, license fees, sanitation fees, permits, fines, and operating and capital grants.

**Business-Type Activities**

The business-type activities of the Town are those that charge a fee to customers for the services provided. The Town has one business-type activity which is accounted for in the enterprise fund. The Town uses the enterprise fund to account for the revenues and expenses related to the provision of water and sewer services.

**Fund Financial Statements – Town of Wisner – All Funds**

An analysis of the individual funds of the Town for the year ended June 30, 2008 is outlined below:

	Governmental Funds			Proprietary Fund Water & Sewer
	General Fund	Sales Tax Fund	Capital Projects Fund	
Revenue	\$297,050	\$112,156	\$27,490	\$ 322,649
Expenditures	356,044	888	35,066	263,843
Excess (Deficiency) of Revenues Over Expenditure	( 58,994 )	111,268	(7,576 )	
Operating Income	-	-		58,806
Other Financial Sources (uses)	128,276	( 94,855 )	7,600	( 41,021 )
Non-operating Revenue (expenses)	-	-	-	( 25,723 )
Net Change	69,282	16,413	24	( 7,938 )
Beginning Fund Balance	20,068	985	-	1,111,621
Ending Fund Balance	\$ 89,350	\$ 17,398	\$ 24	\$1,103,683

**Fund Financial Statements – Governmental Funds**

The fund financial statements provide more detailed information about the Town's most significant funds – not the Town as a whole. Funds are accounting devices that the Town uses to keep track of specific sources of funding and spending for a particular purpose.

**TOWN OF WISNER, LOUISIANA**  
**Management's Discussion and Analysis**  
**June 30, 2008**

The Town currently maintains three individual governmental funds (General Fund, Special Revenue – Sales Tax Fund, and Capital Projects Fund). Each fund is considered a major fund. Information is presented separately for each fund as outlined in the table of contents.

The Town adopts an annual budget for the General Fund and the Special Revenue – Sales Tax Fund. A statement of revenues, expenditures, and changes in fund balance for the General Fund and the Special Revenue – Sales Tax Fund are presented in the Required Supplemental Information (Part II), which compares actual revenues and expenditures to the budget figures.

**Financial Analysis of the Town's Governmental Funds**

The Town of Wisner's General Fund, Capital Projects Fund, and Special Revenue – Sales Tax Fund reported a combined ending fund balance of \$106,772, which is an increase of \$85,719 over the prior year. Of the total fund balance, \$15,773 is reserved for debt service and capital expenditure in accordance with grant agreements and \$90,999 is unreserved.

**Fund Financial Statements – Proprietary Funds**

The Town maintains one proprietary fund. Proprietary funds are used to report the same functions as business-type activities. The Town uses an enterprise fund to account for its Combined Water and Sewer Operations. This enterprise fund reports the same functions presented as business-type activities in the government-wide financial statements.

**Financial Analysis of the Town's Proprietary Fund**

The Town's proprietary fund shows a decrease in total net assets of \$7,938 from the prior fiscal year. The operating income of the Water and Sewer Department was \$58,806. The operating income included depreciation expense (a non-cash expense) in the amount of \$70,760.

In that the financial statements of enterprise funds are presented on the same basis of accounting as in both the government-wide financial statements and the individual funds statements, all comments and analysis made under business-type activities, also apply to these funds.

**General Fund Budgetary Highlights**

Actual revenues were \$144,950 more than the budgeted amounts. Actual expenditures exceeded the budget by \$119,772. Other financing sources were more than the budgeted amounts by \$36,276.

**Capital Asset and Debt Administration**

The total investment in net capital assets as of June 30, 2008 is \$1,880,041, which is an increase of \$24,708 from the amount of \$1,855,333 at June 30, 2007.

**TOWN OF WISNER, LOUISIANA**  
**Management's Discussion and Analysis**  
**June 30, 2008**

New major capital assets purchased or constructed in fiscal year 2008 are:

Governmental activities:

• (2) 2007 Chevrolet police cars	\$37,995
• Police equipment	3,676
• Computer equipment	5,072
• Utility tractor & mower for public works	20,360
• Firefighting equipment	6,930

Proprietary activities:

• Tractor and cutter	8,495
• 1997 Ford pickup truck	2,700
• Pump and control panel	8,766

Long-term Debt:

The Town of Wisner used long-term financing in past years to renovate the town hall building, purchase a fire truck, and construct and improve the Water System and the Sewer System.

The following is a summary of debt transactions of the Town for the fiscal year ended June 30, 2008:

	General Fund	Water & Sewer Fund	Total
Long-term obligations at Beginning of Year	\$54,400	\$876,776	\$931,176
Additions	-	8,495	8,495
Deductions	( 17,511 )	( 18,219 )	( 35,730 )
Long-term obligations at End of Year	<u>\$36,889</u>	<u>\$867,052</u>	<u>\$903,941</u>

Current Financial Factors

With the exception of Capital Grants, revenues for the upcoming fiscal year are expected to remain relatively constant. The Town has obtained a grant for the construction of a community center and a combination of a loan and grant from the U. S. Dept. of Agriculture-Office of Rural Development for a water system improvement project at an estimated cost of \$618,160.

Requests for Information

This financial report is designed to provide a general overview of the Town of Wisner's finances for all with an interest in the government's operations. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Clarice Collins, Town Clerk, Post Office Box 290, Wisner, Louisiana, 71378.

# ***Basic Financial Statements***

# ***Government-Wide Financial Statements***

## STATEMENT A

## TOWN OF WISNER, LOUISIANA

## Statement of Net Assets

June 30, 2008

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL
<b>ASSETS</b>			
Cash and cash equivalents	\$ 38,573	\$ 20,404	\$ 58,977
Investments	30,077	253,424	283,501
Receivables (net of allowances for uncollectibles)	31,312	36,653	67,965
Prepaid items	8,238	1,443	9,681
Restricted assets			
Cash and cash equivalents	355	46,853	47,208
Investments	15,418	204,179	219,597
Deferred charges (net of amortization)	-	2,883	2,883
Capital assets (net)	385,131	1,494,910	1,880,041
<b>TOTAL ASSETS</b>	<b>\$ 509,104</b>	<b>\$ 2,060,749</b>	<b>\$ 2,569,853</b>
<b>LIABILITIES</b>			
Accounts, salaries, and other payables	\$ 17,201	\$ 19,657	\$ 36,858
Payable from restricted assets			
Deposits due others	-	42,747	42,747
Accrued interest payable	356	27,610	27,966
Bonds and notes payable, due within one year	18,118	20,360	38,478
Bonds and notes payable, due beyond one year	18,771	846,692	865,463
<b>TOTAL LIABILITIES</b>	<b>54,446</b>	<b>957,066</b>	<b>1,011,512</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	363,304	830,089	1,193,393
Restricted for:			
Capital outlay	355	-	355
Debt service	-	-	-
Renewal and replacement of capital assets	-	-	-
Unrestricted	90,999	273,594	364,593
<b>TOTAL NET ASSETS</b>	<b>\$ 454,658</b>	<b>\$ 1,103,683</b>	<b>\$ 1,558,341</b>

The accompanying notes are an integral part of this statement.

**TOWN OF WISNER, LOUISIANA**

**STATEMENT B**

**Statement of Activities**

**For the Year Ended June 30, 2008**

	Program Revenues			Net (Expenses)/ Revenue	Net (Expenses) Revenues and Changes of Primary Government		Total
	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions		Governmental Activities	Business-type Activities	
<b>Governmental Activities</b>							
General government	\$ 56,950	\$ -	\$ 9,466	\$ ( 47,358 )	\$ ( 47,358 )	\$ -	\$ ( 47,358 )
Public safety	196,742	-	44,445	( 55,112 )	( 55,112 )	-	( 55,112 )
Public works	34,709	-	23,019	( 7,320 )	( 7,320 )	-	( 7,320 )
Cultural and recreation	5,258	-	27,490	22,232	22,232	-	22,232
<b>Total Governmental Activities</b>	<b>293,659</b>	<b>101,581</b>	<b>104,420</b>	<b>( 87,558 )</b>	<b>( 87,558 )</b>	<b>-</b>	<b>( 87,558 )</b>
<b>Business-type Activities</b>							
Water and Sewer	315,166	-	-	7,483	-	7,483	7,483
<b>Total Business-type Activities</b>	<b>315,166</b>	<b>-</b>	<b>-</b>	<b>7,483</b>	<b>-</b>	<b>7,483</b>	<b>7,483</b>
<b>Total Primary Government</b>	<b>\$608,825</b>	<b>\$424,330</b>	<b>\$ 104,420</b>	<b>\$ ( 80,075 )</b>	<b>\$ ( 87,558 )</b>	<b>\$ 7,483</b>	<b>\$ ( 80,075 )</b>
<b>General Revenues:</b>							
Property taxes					18,822	-	18,822
Sales taxes					112,117	-	112,117
Franchise taxes					25,460	-	25,460
Licenses & permits					22,653	-	22,653
Other taxes, penalties, interest, etc.					26,755	-	26,755
Investment earnings					2,257	21,502	23,759
Other general revenues					17,064	4,098	21,162
Transfers					41,021	( 41,021 )	-
<b>Total general revenues and transfers</b>					<b>266,149</b>	<b>( 15,421 )</b>	<b>250,728</b>
<b>Change in Net Assets</b>					<b>178,591</b>	<b>( 7,938 )</b>	<b>170,653</b>
<b>Net assets-beginning</b>					<b>276,067</b>	<b>1,111,621</b>	<b>1,387,688</b>
<b>Net assets-ending</b>					<b>\$ 454,658</b>	<b>\$1,103,683</b>	<b>1,568,341</b>

The accompanying notes are an integral part of this statement.



# ***Fund Financial Statements***

## STATEMENT C

## TOWN OF WISNER, LOUISIANA

## Balance Sheet, Governmental Funds

June 30, 2008

	GENERAL FUND	(MAJOR FUND) SALES TAX	(MAJOR FUND) CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>				
Cash and cash equivalents	\$ 36,073	\$ -	\$ 2,500	\$ 38,573
Investments	29,053	1,024	-	30,077
Receivables (net of allowances for uncollectibles)	14,786	16,526	-	31,312
Due from other funds	2,500	-	-	2,500
Restricted assets:				
Cash and cash equivalents	331	-	24	355
Investments	15,418	-	-	15,418
Prepaid Items	8,238	-	-	8,238
<b>TOTAL ASSETS</b>	<b>\$ 106,399</b>	<b>\$ 17,550</b>	<b>\$ 2,524</b>	<b>\$ 126,473</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries, and other payables	17,049	152	-	17,201
Payable from restricted assets	-	-	-	-
Due to other funds	-	-	2,500	2,500
<b>Total Liabilities</b>	<b>17,049</b>	<b>152</b>	<b>2,500</b>	<b>19,701</b>
<b>Fund balances:</b>				
<b>Reserved for:</b>				
Capital projects	331	-	24	355
Debt service	15,418	-	-	15,418
<b>Unreserved, reported in:</b>				
General Fund	73,601	-	-	73,601
Special revenue funds	-	17,398	-	17,398
	<u>89,350</u>	<u>17,398</u>	<u>24</u>	<u>106,772</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 106,399</b>	<b>\$ 17,550</b>	<b>2,524</b>	<b>\$ 126,473</b>

The accompanying notes are an integral part of this statement.

STATEMENT D

TOWN OF WISNER, LOUISIANA

Reconciliation of The Governmental Funds Balance Sheet  
to The Government-Wide Financial Statement of Net Assets

June 30, 2008

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

Fund Balances, Total Governmental Funds (Statement C)	\$ 106,772
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	385,131
Notes payable and bonds used in the governmental activities are not payable from current resources and therefore are not reported in the governmental funds.	<u>( 37,245)</u>
Net Assets of Governmental Activities (Statement A)	<u>\$ 454,658</u>

The accompanying notes are an integral part of this statement.

## TOWN OF WISNER, LOUISIANA

## STATEMENT E

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

For the Year Ended June 30, 2008

	GENERAL FUND	(MAJOR FUND) SALES TAX	(MAJOR FUND) CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>				
Taxes:				
Ad valorem	\$ 18,822	\$ -	\$ -	\$ 18,822
Sales and use	-	112,117	-	112,117
Other taxes, penalties, interest, etc.	26,755	-	-	26,755
Licenses and permits	22,653	-	-	22,653
Fees, charges and services	576	-	-	576
Intergovernmental revenues:				
State funds:				
State grants	76,930	-	-	76,930
Fees, charges, and commissions for services	3,920	-	-	3,920
Parish funds:				
Parish fire rebate	2,588	-	-	2,588
Local Community Development Block Grant	-	-	27,490	27,490
Fines and forfeitures	97,185	-	-	97,185
Investment earnings	2,218	39	-	2,257
Other revenues	45,403	-	-	45,403
Total Revenues	<u>297,050</u>	<u>112,156</u>	<u>27,490</u>	<u>436,696</u>
<b>EXPENDITURES</b>				
General government	52,210	888	-	53,098
Public safety	190,093	-	-	190,093
Public works	31,528	-	-	31,528
Culture and recreation	1,493	-	-	1,493
Capital outlay	80,720	-	35,066	115,786
Total Expenditures	<u>356,044</u>	<u>888</u>	<u>35,066</u>	<u>391,998</u>
Excess (Deficiency) of Revenues Over Expenditures	( 58,994 )	111,268	( 7,576 )	44,698
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	135,876	-	7,600	143,476
Transfers out	( 7,600 )	( 94,855 )	-	( 102,455 )
Total Other Financing Sources and Uses	<u>128,276</u>	<u>( 94,855 )</u>	<u>7,600</u>	<u>41,021</u>
Net Change in Fund Balances	69,282	16,413	24	85,719
Fund balances – beginning	20,068	985	-	21,053
Fund balances – ending	<u>\$ 89,350</u>	<u>\$ 17,398</u>	<u>\$ 24</u>	<u>\$ 106,772</u>

The accompanying notes are an integral part of this statement.

**STATEMENT F**

**TOWN OF WISNER, LOUISIANA**

**Reconciliation of The Statement of Revenues, Expenditures,  
and Changes in Fund Balances of Governmental Funds  
To the Statement of Activities**

**For the Year Ended June 30, 2008**

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

Net Change in Fund Balances, Total Governmental Funds, Statement E	\$ 85,719
--	-----------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for Capital Assets	115,786	
Sales of Capital Assets	( 5,467 )	
Less Current Year Depreciation Expense	<u>( 34,601 )</u>	75,718

The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Current year Loans and Bonds issued	-	
Current year Loan and Bonds repayments	<u>17,154</u>	<u>17,154</u>

Change in Net Assets of Governmental Activities, Statement B	<u>\$ 178,591</u>
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The accompanying notes are an integral part of this statement.

***Proprietary Funds***

## STATEMENT G

## TOWN OF WISNER, LOUISIANA

Statement of Net Assets, Proprietary Funds  
Water and Sewer Enterprise Fund

June 30, 2008

<b>ASSETS</b>	
Current Assets:	
Cash and cash equivalents	\$ 20,404
Investments	253,424
Receivables (net of allowances for uncollectibles)	28,932
Unbilled accounts receivable	3,357
Accrued interest receivable	4,364
Prepaid items	1,443
<b>Total Current Assets</b>	<u>311,924</u>
Non-Current Assets:	
Restricted assets:	
Cash and cash equivalents	46,853
Investments	204,179
<b>Total restricted assets</b>	<u>251,032</u>
Deferred charges (net of amortization)	2,883
Capital assets (net of accumulated depreciation)	1,494,910
<b>Total Non-Current Assets</b>	<u>1,748,825</u>
<b>TOTAL ASSETS</b>	<u>2,060,749</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts and other payables	19,657
Accrued interest payable	27,610
Current portion of long-term debt	20,360
<b>Total Current Liabilities</b>	<u>67,627</u>
Current Liabilities Payable from Restricted Assets – Meter deposits	42,747
Long-term Liabilities:	
Revenue bonds & notes payable	846,692
<b>Total Long-term Liabilities</b>	<u>846,692</u>
<b>Total Liabilities</b>	<u>957,066</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	830,089
Restricted	-
Unrestricted	273,594
<b>TOTAL NET ASSETS</b>	<u>\$ 1,103,683</u>

The accompanying notes are an integral part of this statement.

## STATEMENT H

## TOWN OF WISNER, LOUISIANA

Statement of Revenues, Expenses and Changes in Net Assets  
 Proprietary Funds  
 Water and Sewer Enterprise Fund

For the Year Ended June 30, 2008

## Operating Revenues

## Charges for services:

Water sales	\$ 208,837
Sewer charges	93,854
Other services	19,958
Total Operating Revenues	<u>322,649</u>

## Operating Expenses

Salaries & wages	70,747
Employee benefits	18,059
Bad debts	879
Contracted service – garbage collection	8,165
Dues, fees and testing	6,795
Insurance	7,956
Office supplies & expense	6,985
Materials, supplies, repairs & fuel	38,963
Professional fees	11,494
Telephone and utilities	22,103
Travel & education	937
Depreciation	70,760
Total Operating Expenses	<u>263,843</u>

Operating Income	<u>58,806</u>
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## Nonoperating Revenues (Expenses)

Interest earnings	21,502
Gain on sales of capital assets	4,098
Interest expense	( 51,223 )
Amortization of bond discount	( 100 )
Total Nonoperating Revenues (Expenses)	<u>( 25,723 )</u>

Income Before Contributions and Transfers	33,083
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Transfer Out	<u>( 41,021 )</u>
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Change in Net Assets	( 7,938 )
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Total Net Assets-Beginning	<u>1,111,621</u>
Total Net Assets-Ending	<u>\$ 1,103,683</u>

The accompanying notes are an integral part of this statement.



## STATEMENT I

## TOWN OF WISNER, LOUISIANA

Statement of Cash Flows, Proprietary Funds  
Water and Sewer Enterprise fund

For the Year Ended June 30, 2008

<b>Cash Flows From Operating Activities</b>	
Receipts from customers and users	\$ 317,298
Payments to suppliers	( 119,857 )
Payments to employees	( 70,747 )
Net Cash Provided by Operating Activities	<u>126,694</u>
<b>Cash Flows From NonCapital Financing Activities</b>	
Transfers to other funds	( 41,021 )
Net Cash Provided (used) by Noncapital Financing Activities	<u>( 41,021 )</u>
<b>Cash Flows From Capital and Related Financing Activities</b>	
Purchase of capital assets, net of related debt	( 11,466 )
Principal paid on capital debt	( 18,228 )
Interest paid on capital debt	( 53,478 )
Sale of capital assets	4,308
Net Cash Provided (used) by Capital and Related Financing Activities	<u>( 78,864 )</u>
<b>Cash Flows From Investing Activities</b>	
Interest received on temporary investments	17,138
Proceeds from liquidation of investments	24,478
Interest reinvested	( 17,080 )
Net Cash Provided by Investing Activities	<u>24,536</u>
Net Increase in Cash and Cash Equivalents	31,345
Cash and Cash Equivalents, Beginning of Year	<u>35,912</u>
Cash and Cash Equivalents, End of Year	<u>\$ 67,257</u>
<b>Reconciliation of Operating Income to Net Cash Provided (used) by Operating Activities</b>	
Operating income	<u>\$ 58,808</u>
Depreciation expense	70,760
(Increase) decrease in accounts receivable	( 5,381 )
(Increase) decrease in prepaid items	( 1,443 )
Increase (decrease) in customer deposits	909
Increase (decrease) in accounts payable	3,043
Total Adjustments	<u>67,888</u>
Net Cash Provided by Operating Activities	<u>\$ 126,694</u>

The accompanying notes are an integral part of this statement.

## ***Notes to the Financial Statements***

# TOWN OF WISNER, LOUISIANA

## Notes to the Financial Statements As of and for the Year Ended June 30, 2008

### INTRODUCTION

The Town of Wisner, Louisiana was incorporated in 1930 as a village under the provisions of the Lawrason Act. In 1959, by proclamation of the Governor of the state of Louisiana, the Village of Wisner was reclassified as a town and became the Town of Wisner, Louisiana. The Town has a current population of approximately 1,128 residents. The Town operates under the Mayor-Council form of government. The Town Council consists of the mayor and five council members who are elected and receive no compensation. The Town is located in southern Franklin Parish.

The Town employs a town clerk, chief of police, maintenance superintendent, water and sewer clerk, water and sewer superintendent, and approximately five other full and part-time employees.

The Town provides the following services to its residents: public safety (police and fire), highways and streets, culture and recreation, and general administrative services through the general fund; and water, sewer and sanitation facilities through the enterprise fund.

The accounting policies of the Town of Wisner conform to generally accepted accounting principles as applicable to governments. The Town applies all relevant Governmental Accounting Standards Board (GASB) pronouncements, including GASB 34. The proprietary fund unit applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

### SCOPE OF THE REPORTING ENTITY

This report contains all of the funds of the Town of Wisner, Louisiana. There are no significant additional organizations, functions, or activities over which the Town has manifestations of oversight and accountability, or for which the scope of public service or special financial arrangements may require them to be included in this report as per NCGA Statement 1 and GASB 14.

## 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 changes in net assets) 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 is 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 meetings 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, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major

## TOWN OF WISNER, LOUISIANA

### Notes to the Financial Statements As of and for the Year Ended June 30, 2008

individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### **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 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Town of Wisner reports the following major governmental funds:

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

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. The Town has the following special revenue fund:

**Sales Tax Fund** - To account for the proceeds of sales taxes received and the expenditures of those funds in accordance with the law. This fund is considered by management to be a major governmental fund.

**Capital Projects Funds** - Capital Project Funds are used to account for the financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds. The Town currently is engaged in a project to construct improvements for a community center which is funded by a Local Community Development Block Grant. The capital projects fund is used to account for this project.

The Town reports the following major proprietary funds:

**Enterprise Funds** - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income

## TOWN OF WISNER, LOUISIANA

### Notes to the Financial Statements As of and for the Year Ended June 30, 2008

is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Town has the following enterprise fund:

**Water and Sewer Enterprise Fund** – To account for the operations of the water and sewer facilities owned by the Town. This fund is considered by management to be a major proprietary fund.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their statement of net assets. Their reported fund equity (net total assets) is segregated into Investment in Capital Assets, net of Related Debt, Restricted Net assets, and Unrestricted Net Assets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

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 are payments-in-lieu of taxes and other charges between the government's 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 Water and Sewer Enterprise Fund are charges for water and sewer services. Operating expenses for enterprise 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 Town's policy to use restricted resources first, then unrestricted resources as they are needed.

#### **C. Deposits and Investments**

The Town'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 allows the Town to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments for the Town are reported at fair value.

## TOWN OF WISNER, LOUISIANA

### Notes to the Financial Statements As of and for the Year Ended June 30, 2008

#### 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 reported net of an allowance for uncollectibles. The Town's management considers past history of collections and current economic conditions in evaluating and establishing an allowance for uncollectible accounts.

Property taxes are levied on a calendar year basis on the assessed value of the real and business personal property located within the Town of Wisner and become due on January 1 of each year. The authorized and levied ad valorem tax for the current period was:

General corporate purposes – 6.48 mills on an assessed value of \$2,883,391

The Town of Wisner, Louisiana currently has an authorized sales tax of 1% for all taxable sales and use of goods and services within the Town of Wisner, Louisiana. The sales tax is collected for the Town by the Franklin Sales and Use Tax Department. The tax is to be used for the general operations of the Town of Wisner, Louisiana as approved by the mayor and town council.

#### E. Inventories and Prepaid Items

Inventory items (materials and supplies) are considered to be insignificant and are reported as expenditures 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 and Reserves

The Water and Sewer Revenue Bonds issued in 1989 and 1992 were secured by and payable solely from the income and revenues derived or to be derived from the operation of the water and sewer system after provision has been made for the payment of the reasonable and necessary expenses of operating and maintaining the system.

The bond agreement requires the Town to maintain certain cash accounts (sinking fund and depreciation and contingency fund) and sets forth the balances that must be maintained in these restricted accounts. In addition to the reserve funds indicated above, the Town is required to maintain a separate account in reserve in which all meter deposits are to be held by the Town.

Certificates of indebtedness issued in 2000 which were used for the purchase of a fire truck were accompanied by conditions which call for the establishment of a reserve fund in which monthly deposits are to be made until the amount of one annual payment is accumulated in the account.

#### G. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are

# TOWN OF WISNER, LOUISIANA

## Notes to the Financial Statements As of and for the Year Ended June 30, 2008

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 Town maintains a threshold level of \$500 or more for capitalizing capital assets used in the governmental funds. The Town of Wisner has elected not to report major general infrastructure assets retroactively.

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 method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	20-30 years
Buildings and building improvements	7-40 years
Furniture and fixtures	5-12 years
Vehicles	5-15 years
Equipment	5-20 years
Water & sewer system facilities	40 years

### H. Compensated Absences

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

Employees with one year of service earn five days of vacation leave per year. Employees with two to twenty years of service earn ten days vacation leave per year. After completing twenty years of service, employees are eligible for one extra day per year through the twenty-fifth year of service. The maximum annual vacation leave is fifteen days for an employee who has completed twenty-five years of service. Employees with less than one year of service receive no paid leave.

Each regular, full-time employee is granted ten sick days per year. Unused sick leave can be carried forward to the following year up to a maximum accumulation of fifteen days. There is no provision for compensation for sick days not used.

The cost of leave privileges, in accordance with GASB Statement No. 16, is recognized as a current expenditure when leave is actually taken, and is not accrued as a liability.

### 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 straight-line 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 statement, 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,

**TOWN OF WISNER, LOUISIANA**

**Notes to the Financial Statements  
As of and for the Year Ended June 30, 2008**

while discounts on debt issuances are reported as other financing uses. Issuance cost, 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. 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.

**L. Use of 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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

*BUDGET INFORMATION* - The Town uses the following budget practices:

1. Prior to June 30 of each year, the Town Clerk submits to the town council a proposed operating budget for the upcoming fiscal year. The operating budget includes proposed expenditures and the proposed revenues to finance them. The level of control for the detailed budgets is at the department head/function level.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget for the year ended June 30, 2008 was never officially adopted by the Town Council.
4. Budgets were prepared for the General Fund, the Special Revenue Sales Tax Fund, and the Water and Sewer Enterprise Fund in accordance with Generally Accepted Accounting Principles on the basis of accounting utilized for those funds respectively.
5. Appropriations lapse at the end of each fiscal year.

*EXCESS OF EXPENDITURES OVER APPROPRIATIONS* The following individual funds had actual expenditures over budgeted appropriations for the year ended June 30, 2008. Actual expenditures exceeded budgeted amounts by more than 5% for the General fund and the Sales Tax Fund.

<u>Fund</u>	<u>Budgeted Amount</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 236,272	\$356,044	\$ (119,772)
Sales Tax Fund	\$ -	\$ 888	\$ (888)



**TOWN OF WISNER, LOUISIANA**

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2008

**3. CASH AND CASH EQUIVALENTS**

At June 30, 2008 the Town had cash and cash equivalents (book balances) totaling \$106,185 as follows:

Demand deposits	\$	71,112
Interest-bearing demand deposits		35,067
Petty cash		6
Other		-
<b>Total</b>		<b>\$ 106,185</b>

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, 2008, the Town had \$136,495 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance. The remaining \$36,495 is secured by the pledge of securities owned by the fiscal agent bank.

**4. INVESTMENTS**

Investments are categorized into these three categories of credit risk:

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

Investments held at June 30, 2008 consist of \$123,810 in Louisiana Asset Management Pool and \$379,288 in certificates of deposits at financial institutions which are secured as follows:

<u>Type of Investment</u>	<u>Category</u>			<u>Fair Value</u>	<u>Cost</u>	<u>Carrying Amount</u>
	1	2	3			
Certificates of deposit	\$100,000	-	\$279,288	\$379,288	\$379,288	\$379,288
Louisiana Asset Management Pool	123,810	-	-	123,810	123,810	123,810
<b>Total</b>	<b>\$223,810</b>	<b>-</b>	<b>\$279,288</b>	<b>\$503,098</b>	<b>\$503,098</b>	<b>\$503,098</b>

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA Revised Statute 33:2955. LAMP investment guidelines and historical information are available on its website [www.lamppool.com](http://www.lamppool.com) or can be obtained by telephone at (504)525-LAMP.

**TOWN OF WISNER, LOUISIANA**

**Notes to the Financial Statements  
As of and for the Year Ended June 30, 2008**

LAMP is a 2a7-like investment pool. The following facts are relevant for 2A7-like investment pools as they relate to GASB Statement No. 40: Credit Risk: LAMP is rated AAA by Standard & Poor's; Custodial Credit Risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in the pool are not categorized in the three risk categories provided by GASB because the investment is in a pool of funds and therefore not evidenced by securities that exist in physical or book entry form; Concentration of credit risk: Pooled investments are excluded from the 5% disclosure requirement; Interest Rate Risk: 2a7-like investment pools are excluded from this disclosure requirement; Foreign currency risk: Not applicable to 2a7-like pools.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares. LAMP, Inc. is subject to the regulatory oversight of the Treasurer of the State of Louisiana and its board of directors. LAMP is not registered with the SEC as an investment company.

**5. RECEIVABLES**

The receivables at June 30, 2008 consist of the following:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Proprietary Enterprise Funds</u>	<u>Total</u>
Taxes:				
Ad valorem	\$	\$	\$	\$
Sales and use		16,526		16,526
Other	14,786		4,364	19,150
Accounts			34,886	34,886
Allowance for uncollectible accounts			(2,597)	(2,597)
<b>Total</b>	<b>\$ 14,786</b>	<b>\$ 16,526</b>	<b>\$ 36,653</b>	<b>\$ 67,965</b>

Based on prior payment experience, aging of accounts, and current economic conditions, the allowance for uncollectible accounts in the water and sewer enterprise fund has been established at 8% of outstanding receivables.

**6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

At June 30, 2008, the Capital Projects Fund had a loan outstanding from the General Fund in the amount of \$2,500. The interfund payable to the General Fund originated in the current fiscal year. It is anticipated by management that the loan will be repaid in the next fiscal year.

A summary of the interfund transfers for the year ended June 30, 2008 are as follows:

	General Fund	Sales Tax Fund	Capital Projects Fund	Water & Sewer Fund	Total
Transfers In:	\$135,876		\$7,600		\$143,476
Transfers Out:	(\$ 7,600)	(\$94,855)		(\$41,021)	(\$143,476)

**TOWN OF WISNER, LOUISIANA**

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2008

**7. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended June 30, 2008, for the primary government is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	\$ 57,000	\$ -	\$ -	\$ 57,000
Construction in progress	-	35,066	-	35,066
Total capital assets, not being depreciated	<u>57,000</u>	<u>35,066</u>	<u>-</u>	<u>92,066</u>
Capital assets being depreciated				
Buildings and improvements	150,053	-	-	150,053
Improvements other than buildings	81,557	-	-	81,557
Machinery and equipment	78,473	42,725	7,000	114,198
Vehicles	263,019	37,995	-	301,014
Total capital assets being depreciated	<u>573,102</u>	<u>80,720</u>	<u>7,000</u>	<u>646,822</u>
Less accumulated depreciation for:				
Buildings	87,099	2,831	-	89,930
Improvements other than buildings	13,583	3,838	-	17,421
Machinery and equipment	42,004	7,402	1,533	47,873
Vehicles	178,003	20,530	-	198,533
Total accumulated depreciation	<u>320,689</u>	<u>34,601</u>	<u>1,533</u>	<u>353,757</u>
Total capital assets being depreciated, net	<u>252,413</u>	<u>46,119</u>	<u>5,467</u>	<u>293,065</u>
Total capital assets, net – Governmental activities	<u>\$ 309,413</u>	<u>\$ 81,185</u>	<u>\$ 5,467</u>	<u>\$ 385,131</u>
<b>Business-type activities:</b>				
Capital assets, not being depreciated				
Land	\$ 13,200	\$ -	\$ -	\$ 13,200
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets being depreciated				
Improvements other than buildings	2,833,474	-	-	2,833,474
Machinery & equipment	95,592	17,260	10,416	102,436
Vehicles	22,873	2,700	10,880	14,693
Total capital assets being depreciated	<u>2,951,939</u>	<u>19,960</u>	<u>21,296</u>	<u>2,950,603</u>
Less accumulated depreciation for:				
Improvements other than buildings	1,338,254	62,419	-	1,400,673
Machinery and equipment	58,687	7,416	10,416	55,687
Vehicles	22,278	925	10,670	12,533
Total accumulated depreciation	<u>1,419,219</u>	<u>70,760</u>	<u>21,086</u>	<u>1,468,893</u>
Total business-type assets being depreciated, net	<u>1,532,720</u>	<u>(50,800)</u>	<u>210</u>	<u>1,481,710</u>
Total capital assets, net – Business-type activities	<u>\$1,545,920</u>	<u>\$ (50,800)</u>	<u>\$ 210</u>	<u>\$1,494,910</u>

**TOWN OF WISNER, LOUISIANA**

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2008

Depreciation expense of \$34,601 for the year ended June 30, 2008, was charged to the following governmental functions:

General Government	\$ 3,852
Public Safety	23,803
Public Works	3,181
Culture and Recreation	<u>3,765</u>
<b>Total</b>	<b><u>\$ 34,601</u></b>

**8. ACCOUNTS, SALARIES, AND OTHER PAYABLES**

The payables at June 30, 2008 consist of the following:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Proprietary Enterprise Funds</u>	<u>Total</u>
Salaries	\$ -	\$ -	\$ -	\$ -
Payroll liabilities	1,466	-	2,785	4,251
Accounts	15,583	152	16,762	32,497
Other	-	-	110	110
<b>Total</b>	<b><u>\$17,049</u></b>	<b><u>\$ 152</u></b>	<b><u>\$ 19,657</u></b>	<b><u>\$ 36,858</u></b>

**9. SHORT-TERM DEBT**

The Town of Wisner had no short-term debt activities during the year ended June 30, 2008 and there was no short-term debt outstanding at the end of the fiscal year.

**10. LEASES**

The Town of Wisner had no lease activity for the year ended June 30, 2008 and had no leases outstanding at the end of the fiscal year.

**11. LONG-TERM OBLIGATIONS**

The following is a summary of the long-term obligation transactions for the year ended June 30, 2008:

	<u>Bonded Debt</u>	<u>Other Debt</u>	<u>Total</u>
Long-term obligations at Beginning of Year	\$ 931,176	\$ -	\$ 931,176
Additions		8,495	8,495
Deductions	<u>(34,804)</u>	<u>(926)</u>	<u>(35,730)</u>
<b>Long-term obligations at End of Year</b>	<b><u>\$ 896,372</u></b>	<b><u>\$ 7,569</u></b>	<b><u>\$ 903,941</u></b>

## TOWN OF WISNER, LOUISIANA

### Notes to the Financial Statements As of and for the Year Ended June 30, 2008

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 long-term obligations as of June 30, 2008:

	Bonded Debt	Other Debt	Total
Current portion	\$ 37,199	\$ 1,279	\$ 38,478
Long-term portion	859,173	6,290	865,463
Long-term obligations at End of Year	\$ 896,372	\$ 7,569	\$ 903,941

All municipal bonds outstanding at June 30, 2008, for \$896,372, are utility revenue and general obligation bonds with maturities from 2010 to 2031 and interest rates from 0% to 6%. Bond principal and interest payable in the next fiscal year are \$37,199 and \$52,141, respectively. The individual issues are as follows:

	Original Issue	Interest Rate	Final Payment Due	Interest to Maturity	Principal Outstanding
Utility Revenue Bond	11/01/89	6.00%	11/01/29	\$ 466,901	\$ 568,418
Utility Revenue Bond	02/27/92	5.75%	02/27/32	250,798	291,065
Public Facilities Bond	03/23/00	0.00%	03/15/10	0	8,000
Community Facilities Bond	03/23/00	4.50%	03/23/10	1,965	28,889

All principal and interest requirements of the utility revenue bonds are funded with the revenues provided by the operations of the Water and Sewer Enterprise Fund. The public and community facilities bonds are funded by general revenues of the General Fund. At June 30, 2008, the town has accumulated \$141,624 in restricted funds for future debt requirements. The bonds are due as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2009	\$ 37,199	\$ 52,141	\$ 89,340
2010	38,981	50,376	89,357
2011	21,408	48,514	69,922
2012	22,675	47,247	69,922
2013	24,018	45,904	69,922
2014-2018	143,190	206,419	349,609
2019-2023	190,927	158,682	349,609
2024-2028	254,586	95,023	349,609
2029-2032	163,388	19,113	182,501
Total	\$ 896,372	\$ 723,419	\$ 1,619,791

In accordance with R.S. 39:562, the municipality is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At June 30, 2008, the statutory limit is \$1,009,187, and outstanding bonded debt totals \$896,372.

In addition to the bonded indebtedness, the Town entered into a contract with John Deere Credit to finance the purchase of a tractor with a mower at a cost of \$8,495. The obligation was incurred on October 8, 2007, bears interest at the rate of 13.9%, and is payable in sixty monthly payments of \$197.38

## TOWN OF WISNER, LOUISIANA

### Notes to the Financial Statements As of and for the Year Ended June 30, 2008

beginning November 10, 2007. The obligation is secured by the tractor and mower and matures on October 10, 2012.

#### 12. RETIREMENT SYSTEMS

One employee of the Town of Wisner is a member of the Municipal Employees Retirement System of Louisiana. The system is a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a board of trustees. Pertinent information relative to the plan follows:

*Plan Description.* The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. The Town's covered employee is a member of Plan B.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2% of their final-average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3% for each year retirement precedes age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100% of final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (504) 925-4810.

*Funding Policy.* Under Plan B, members are required by state statute to contribute 5.0% of their annual covered salary and the Town of Wisner is required to contribute at an actuarially determined rate. The current rate is 6.75% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town of Wisner 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 Town of Wisner's contributions to the System under Plan B for the years ending June 30, 2008, 2007, and 2006, were \$977, \$3,767, and \$3,338, respectively, equal to the required contributions for each year.

The Town withholds Social Security and Medicare taxes from the wages and salaries of all employees and is obligated for the matching employer contribution for the taxes.

#### 13. OTHER POST-EMPLOYMENT BENEFITS

The Town does not provide any post-retirement health insurance benefits, life insurance benefits, or employee termination benefits for its employees.

## TOWN OF WISNER, LOUISIANA

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2008

### 14. RESTRICTED NET ASSETS

The Town of Wisner had restricted net assets at June 30, 2008 as follows:

	General Fund	Enterprise Fund
Restricted Assets – Cash and Investments		
Community Facility Bond requirements	\$15,418	\$ -
Restricted to be spent in accordance with grants	355	-
Customer Deposits	-	24,074
Water and Sewer Revenue Bond requirements	-	226,958
Total Restricted Cash and Investments	<u>15,773</u>	<u>251,032</u>
Less Liabilities payable from restricted assets:		
Customer Deposits	<u>-</u>	<u>24,074</u>
Restricted Net Assets	<u>\$15,773</u>	<u>\$226,958</u>

### 15. RELATED PARTY TRANSACTIONS

The Town of Wisner had no related party transactions for the year ended June 30, 2008.

### 16. RISK MANAGEMENT

The Town is exposed to a variety of risks that may result in losses. These risks include possible loss from acts of God, injury to employees, property damage, or breach of contract. The Town manages these potential losses through purchasing insurance from several commercial insurance companies. The level of coverage has remained constant. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town. The Town is not a member of a risk pool.

### 17. LITIGATION AND CONTINGENCIES

The Town of Wisner is not involved in any litigation.

### 18. CORRECTION OF ERROR AND RESTATEMENT OF PRIOR PERIOD

During the course of the audit, it was discovered that a material error had been made in prior years in classifying significant capital assets. Also, the cost of substantial other capital assets was omitted in prior years, an infrastructure project was capitalized in error, and assets were depreciated in the wrong fund. Due to the error in classification, the useful lives of the assets were assigned incorrectly. The previously issued financial statements as of and for the year ended June 30, 2007 have been restated to reflect the correction of the errors. The effect of the correction on the current and prior fiscal period financial statements is presented below:

**TOWN OF WISNER, LOUISIANA**

**Notes to the Financial Statements  
As of and for the Year Ended June 30, 2008**

**General Fund:  
As of and for the year ended June 30, 2007**

Financial Statement Item	Before Correction	After Restatement	Effect of Correction
Capital Assets	\$1,293,777	\$630,102	\$( 663,675 )
Accumulated Depreciation	( 705,791 )	( 320,689 )	385,102
Capital Assets, net	587,986	309,413	( 278,573 )
Fund Equity: Invested in Capital Assets Net of Related Debt	533,586	255,013	( 278,573 )
Depreciation Expense	54,501	30,585	( 23,916 )

**Water and Sewer Enterprise Fund:  
As of and for the year ended June 30, 2007**

Financial Statement Item	Before Correction	After Restatement	Effect of Correction
Capital Assets	\$2,946,326	\$2,965,139	\$ 18,813
Accumulated Depreciation	(1,382,547 )	(1,419,219 )	( 36,672 )
Capital Assets, Net	1,563,779	1,545,920	( 17,859 )
Fund Equity: Invested in Capital Assets Net of Related Debt	686,994	669,135	( 17,859 )
Depreciation Expense	85,160	67,425	( 17,735 )

**General Fund  
As of and for the year ended June 30, 2008**

Financial Statement Item	Before Correction	After Restatement	Effect of Correction
Capital Assets	\$1,402,563	\$ 738,888	\$( 663,675 )
Accumulated Depreciation	( 738,859 )	( 353,757 )	385,102
Capital Assets, Net	663,704	385,131	( 278,573 )
Fund Equity: Invested in Capital Assets Net of Related Debt	641,877	363,304	( 278,573 )
Depreciation Expense	The effect on depreciation expense is not determinable		

**Water and Sewer Enterprise Fund  
As of and for the year ended June 30, 2008**

Financial Statement Item	Before Correction	After Restatement	Effect of Correction
Capital Assets	\$2,944,990	\$2,963,803	\$ 18,813
Accumulated Depreciation	(1,432,221 )	(1,468,893 )	( 36,672 )
Capital Assets, Net	1,512,769	1,494,910	( 17,859 )
Fund Equity: Invested in Capital Assets Net of Related Debt	847,948	830,089	( 17,859 )
Depreciation Expense	The effect on depreciation expense is not determinable		



**TOWN OF WISNER, LOUISIANA**

**Notes to the Financial Statements  
As of and for the Year Ended June 30, 2008**

As reflected in the details presented above, the correction of the errors related to capital assets and depreciation would have the following effect on the financial statements for the year ended June 30, 2008:

Net Assets:

General Fund – Beginning Net Assets is decreased by \$278,573.

Water and Sewer Enterprise Fund – Beginning Net Assets is decreased by \$17,859.

Change in Net Assets:

General Fund – The change in Net Assets is not determinable.

Water and Sewer Enterprise Fund – The change in Net Assets is not determinable.

As also reflected in the details presented above, the correction of the errors in the prior fiscal year would have the following effect on the Change in Net Assets for the year ended June 30, 2007:

General Fund – Change in Net Assets is increased by \$23,916.

Water and Sewer Enterprise Fund – Change in Net Assets is increased by \$17,735.

***Required Supplemental Information  
(Part II)***

# ***Budgetary Comparison Schedules***

## Schedule 1

## TOWN OF WISNER, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances-  
Budget (GAAP Basis) and ActualGeneral Fund  
For the Year Ended June 30, 2008

	Budgeted Amounts	Actual Amounts Budgetary Basis	Budget to Actual (GAAP) Differences Over(Under)
<b>Revenues</b>			
Taxes:			
Ad valorem	\$ 20,000	\$ 18,822	\$ ( 1,178 )
Other taxes	12,200	26,755	14,555
Licenses and permits	13,000	22,653	9,653
Intergovernmental revenues	2,000	83,438	81,438
Fines and forfeitures	75,000	97,185	22,185
Investment earnings	-	2,218	2,218
Other revenues	29,900	45,979	16,079
Total Revenues	<u>152,100</u>	<u>297,050</u>	<u>144,950</u>
<b>Expenditures</b>			
General government	71,400	52,210	19,190
Public safety	141,322	190,093	( 48,771 )
Public works	23,550	31,528	( 7,978 )
Culture and recreation	-	1,493	( 1,493 )
Capital outlay	-	80,720	( 80,720 )
Total Expenditures	<u>236,272</u>	<u>356,044</u>	<u>(119,772 )</u>
Excess of Revenues Over Expenditures	<u>( 84,172 )</u>	<u>( 58,994 )</u>	<u>25,178</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	92,000	135,876	43,876
Transfers out	-	( 7,600 )	( 7,600 )
Total Other Financing Sources (uses)	<u>92,000</u>	<u>128,276</u>	<u>36,276</u>
Net Change in Fund Balance	7,828	69,282	61,454
Fund Balance (Deficit) at Beginning of Year	<u>20,068</u>	<u>20,068</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 27,896</u>	<u>\$ 89,350</u>	<u>\$ 61,454</u>

**Notes to the Schedule:**

The budget for the General Fund was prepared on a basis consistent with generally accepted accounting principles.

The budget did not include a provision for grant funds received and the expenditure of those funds.

The accompanying notes are an integral part of this statement.

## TOWN OF WISNER, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances-  
Budget (GAAP Basis) and ActualSales Tax Fund  
For the Year Ended June 30, 2008

	Budgeted Amounts	Actual Amounts Budgetary Basis	Budget to Actual (GAAP) Differences Over(Under)
<b>Revenues</b>			
Taxes:			
Sales and use	\$ 92,000	\$ 112,117	\$ 20,117
Investment earnings	-	39	39
Total Revenues	<u>92,000</u>	<u>112,156</u>	<u>20,156</u>
<b>Expenditures</b>			
General government	-	888	( 888 )
Total Expenditures	<u>-</u>	<u>888</u>	<u>( 888 )</u>
Excess of Revenues Over Expenditures	<u>92,000</u>	<u>111,268</u>	<u>19,268</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in		-	-
Transfers out	(92,000 )	( 94,855 )	( 2,855 )
Total Other Financing Sources (uses)	<u>(92,000 )</u>	<u>( 94,855 )</u>	<u>( 2,855 )</u>
<b>Net Change in Fund Balance</b>	-	16,413	16,413
<b>Fund Balance (Deficit) at Beginning of Year</b>	<u>985</u>	<u>985</u>	<u>-</u>
<b>Fund Balance at End of Year</b>	<u>\$ 985</u>	<u>\$ 17,398</u>	<u>\$ 16,413</u>

## Notes to the Schedule:

The budget for the sales tax fund was prepared on a basis consistent with generally accepted accounting principles.

The accompanying notes are an integral part of this statement.

***Other Supplemental Schedules  
(Part III)***

Schedule 2

TOWN OF WISNER, LOUISIANA

Schedule of Compensation Paid Elected Officials  
For the Year Ended June 30, 2008

Name	Position	Amount
Allyn Jean Lockett	Mayor	\$ 0
Bobby Blount	Council Member	0
Nettie Brown	Council Member	0
Thomas Lemle	Council Member	0
Marc McCarty	Council Member	0
Thomas Moore	Council Member	0
Total		<u>\$ 0</u>

The accompanying notes are an integral part of this statement.

TOWN OF WISNER, LOUISIANA

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2008

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER*</u>	<u>PASS- THROUGH GRANTOR'S NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
Department of Housing and Urban Development- Community Planning and Development: Community Development Block Grant/ State's Program – Public Facilities – Community Center	14:228		\$27,490



**Independent Auditor's Report Required  
by *Government Auditing Standards***

The following independent auditor's report on compliance and internal control is presented in compliance with the requirements of *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

## Kenneth D. Folden & Co.

Kenneth D. Folden, CPA

Certified Public Accountants

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### **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 Ailyn Jean Lockett, Mayor  
And the Members of the Town Council  
Wisner, Louisiana

We have audited the basic financial statements of the Town of Wisner, as of and for the year ended December 31, 2008, and have issued our report thereon dated February 3, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States 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 our audit, we considered the Town of Wisner's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Town of Wisner's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Wisner's internal control over financial reporting.

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 misstatements on a timely basis. A significant deficiency is a control deficiency or combination of control deficiencies, that adversely affects the Town of Wisner'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 Town of Wisner's financial statements that is more than inconsequential will not be prevented or detected by the Town of Wisner's internal control.

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 Town of Wisner's internal control.

Our consideration of 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 internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in the internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Wisner's financial statements are free of material misstatement, we 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 statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed two 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 Findings as Item 2008-01 and Item 2008-02.

The Town of Wisner's response to the findings identified in audit is described in the accompanying Schedule of Findings. We did not audit the Town of Wisner's response, and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Town of Wisner, management of the Town of Wisner, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

  
Kenneth D. Folden & Company, CPAs

Jonesboro, Louisiana  
February 3, 2009

**Town of Wisner**  
**Schedule of Findings and Questioned Costs**  
**FYE June 30, 2008 and Prior Year Findings FYE June 30, 2007**

We have audited the basic financial statements of the Town of Wisner as of and for the year ended June 30, 2008, and have issued our report thereon dated February 3, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of OMB Circular A-133. Our audit of the financial statements as of June 30, 2008 resulted in an unqualified opinion.

**SECTION 1. SUMMARY OF AUDITOR'S REPORTS**

**A. Report on Internal Control and Compliance Material to the Financial Statements**

Internal Control

Material Weaknesses  Yes  No      Other Conditions  Yes  No

Compliance

Compliance Material to Financial Statements  Yes  No

**SECTION II. FINDINGS - FINANCIAL STATEMENTS AUDIT FYE 2008**

2008-1-Untimely Filing of Report

The Town of Wisner did not have annual financial statements filed within six months of the close of the year as required by law.

Recommendation:

Management will put in place procedures to will ensure future financial filings are timely.

Management Response:

Practices have been put in place that will ensure future required filings will be submitted in a timely manner, and within the time frame required by state law.

2008-2-Compliance with Local Government Budget Law

Louisiana State Law requires that (1) the Budget be properly approved prior to the beginning of the fiscal year and (2) the Budget be amended if actual expenses exceed budget expenses by 5% or more and /or actual revenues are less than budgeted revenues by 5% or more.

For the fiscal year 2007-2008, the Town of Wisner's budget was not officially adopted by the Town Council prior to the beginning of the fiscal year, and for the fiscal year 2007-2008, actual expenses exceeded budget revenues by more than 5%.

**Recommendation:**

Management put into place procedures to insure the annual budget is amended when required and the budget is approved as required.

**Management Response:**

The Town of Wisner will institute procedures to ensure the budget is properly approved by ordinance prior to the beginning of the fiscal year, and that the budget will be amended when required.

**SECTION III. FINDINGS- FINANCIAL STATEMENTS AUDIT FYE 2007.**

2007-01- Under state law, Louisiana political subdivisions must follow generally accepted accounting principles in the area of accounting and reporting. The accounting system must comply with local, state, and federal provisions and the system must be an accurate reflection of the current fiscal condition. Due to the fact some transactions are not being entered into the accounting records, the system may not reflect the actual fiscal condition of the system.

**Recommendation:**

The Town needs to arrange with a CPA other than the auditor to review its accounting records on a monthly basis, and provide consultation, if needed.

**Management Response:**

Management agreed to meet with a CPA to expand the services provided in order to upgrade the level of accounting compliance. Management retained a CPA who reviewed and made adjusting entries prior to the Fiscal Year 2007-2008 audit commencing.

2007-02- The actual expenditures for the year exceed the budgeted expenditures with a variance far in excess of the 5% allowable by state statute.

**Recommendation:**

The management is reminded that the budget which is prepared annually for the management of the general fund should be according to Louisiana statute be projected to be accurate within 5% of its goals.

**Management Response:**

Management has agreed to amend the budget when revenues and expenditures are not in compliance with original budgeted amounts.