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**TOWN OF COUSHATTA, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2008**

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 7/1/09

TOWN OF COUSHATTA, LOUISIANA
DECEMBER 31, 2008
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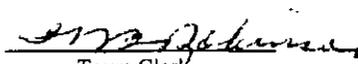
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TOWN OF COUSHATTA, LOUISIANA
FINANCIAL STATEMENTS
DECEMBER 31, 2008

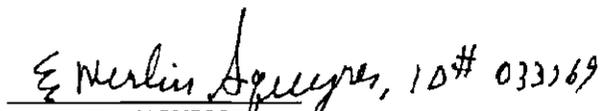
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

AFFIDAVIT

Personally came and appeared before the undersigned authority, W. B. Robinson, Clerk of the Town of Coushatta, Louisiana, who, duly sworn, deposes and says, that the financial statements herewith given presents fairly the financial position of the Town of Coushatta, Louisiana, at December 31, 2008 and the results of operations for the year then ended in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.


Town Clerk

Sworn to and subscribed before me, this 19th day of June, 2009.


NOTARY PUBLIC
E. Merlin Squires

HINES, JACKSON & HINES, L.L.C.

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INDEPENDENT AUDITORS' REPORT

Mayor and Town Council
Town of Coushatta
Coushatta, Louisiana 71019

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Coushatta, Louisiana, as of and for the year ended December 31, 2008, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Coushatta's management. Our responsibility is to express an opinion 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 opinion.

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Coushatta, Louisiana as of December 31, 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 June 19, 2009, on our consideration of the Town of Coushatta's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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.

The Management's Discussion and Analysis and the budgetary information on pages 3 through 8 and 35 through 38, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Coushatta's basic financial statements. The accompanying supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are 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 our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The financial information for the year ended December 31, 2007, which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion dated June 16, 2008, on the basic financial statements of the Town of Coushatta.

Hines, Jackson & Hines
Natchitoches, Louisiana
June 19, 2009

-MEMBERS-

American Institute of Certified Public Accountants Society of Louisiana Certified Public Accountants

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TOWN OF COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2008

The Management's Discussion and Analysis of the Town of Coushatta's financial performance presents a narrative overview and analysis of the Town of Coushatta's financial activities for the year ended December 31, 2008. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the Town of Coushatta's financial statements, which begin on page 9.

FINANCIAL HIGHLIGHTS

Governmental Activities

- 1) The Town of Coushatta had cash and investments of \$1,126,434 at December 31, 2008 which represents an increase of \$65,254 from prior year end.
- 2) The Town of Coushatta had accounts receivable of \$579,240 at December 31, 2008 which represents a decrease of \$203,574 from prior year end.
- 3) The Town of Coushatta had accounts payable and accruals of \$39,235 at December 31, 2008 which represents a decrease of \$223,799 from prior year end.
- 4) The Town of Coushatta had total revenues and transfers of \$1,308,394 for the year ended December 31, 2008 which represents a decrease of \$125,532 from prior year.
- 5) The Town of Coushatta had total expenses of \$1,168,123 for the year ended December 31, 2008 which represents an increase of \$93,171 from prior year.
- 6) The Town of Coushatta had capital asset purchases of \$268,382 for the year ended December 31, 2008 which represents a decrease of \$159,225 from prior year.

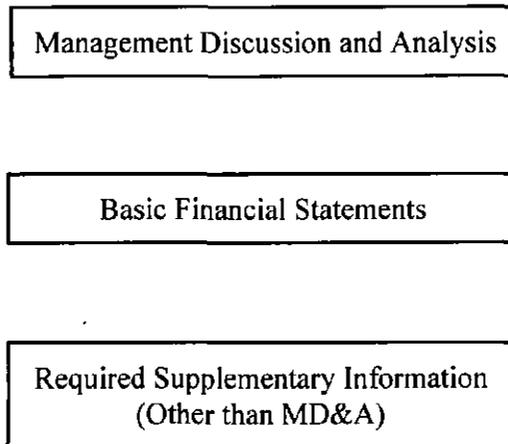
Business-Type Activities

- 1) The Town of Coushatta had cash and investments of \$518,967 for the year ended December 31, 2008 which represents an increase of \$20,628 from prior year.
- 2) The Town of Coushatta had accounts receivable of \$49,250 for the year ended December 31, 2008 which represents an increase of \$2,013 from prior year.
- 3) The Town of Coushatta had accounts payable and accruals of \$24,387 for the year ended December 31, 2008 which represents an increase of \$1,413 from prior year.
- 4) The Town of Coushatta had total revenues and transfers of \$634,015 for the year ended December 31, 2008 which represents an increase of \$97,742 from prior year.
- 5) The Town of Coushatta had total expenses of \$631,862 for the year ended December 31, 2008 which represents a decrease of \$5,003 from prior year.
- 6) The Town of Coushatta had capital asset purchases of \$94,849 for the year ended December 31, 2008 which represents an increase of \$92,849 from prior year.

TOWN OF COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2008

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for the Town of Coushatta as established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

This annual report consist of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 9 and 10) provide information about the activities of the Town of Coushatta as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 11. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report he Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds.

Reporting the Town as a Whole

The Statement of Net Assets and the Statement of Activities

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

TOWN OF COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2008

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

These two statements report the Town's Net assets and changes in them. You can think of the Town's net assets, the difference between assets and liabilities, as one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net assets are one indicator of whether its financial health is improving or deteriorating.

In the Statement of Net Assets and the Statement of Activities, we divide the Town into three kinds of activities:

Governmental Activities: Most of the Town's basic services are reported here including the police and general administration. Taxes, license and permits, fines and forfeitures, rents and commissions, interest income and state and federal grants finance most of these activities.

Business-Type Activities: The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's water and sewer system and garbage collections are reported here.

Component Units: The Town includes one separate legal entity in its report, Industrial Development Corporation. Although legally separate, the component unit is important because the Town is financially accountable for it.

Reporting the Town's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, the Town Council establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Town's two kind of funds, governmental and proprietary, use different accounting approaches.

Governmental Funds: Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual 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 Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's activities as well as what remains for future spending.

Proprietary Funds: When the Town charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and Statement of Activities. In fact, the Town's enterprise funds are the same as the business-type activities we reported in the government-wide statements but provide more detail and additional information, such as cash flows.

TOWN OF COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2008

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
As of Year End

	Primary Government					
	Governmental Activities		Business-Type Activities		Component Units	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$ 1,708,155	\$ 1,862,620	\$ 570,108	\$ 555,971	\$ 60,900	\$ 54,900
Capital assets, net	<u>1,192,710</u>	<u>1,121,773</u>	<u>827,688</u>	<u>837,459</u>	<u>224,220</u>	<u>238,246</u>
Total Assets	<u>\$ 2,900,865</u>	<u>\$ 2,984,393</u>	<u>\$ 1,397,796</u>	<u>\$ 1,393,430</u>	<u>\$ 285,120</u>	<u>\$ 293,146</u>
Other liabilities	\$ 39,235	\$ 263,034	\$ 81,192	\$ 22,974	\$ 0	\$ 0
Compensated absences payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	39,235	263,034	81,192	22,974	0	0
Net assets						
Investment in capital assets, net of related debt	1,192,710	1,121,773	827,688	837,459	224,220	238,246
Unrestricted	<u>1,668,920</u>	<u>1,599,586</u>	<u>488,916</u>	<u>476,992</u>	<u>60,900</u>	<u>54,900</u>
Total Net Assets	<u>2,861,630</u>	<u>2,721,359</u>	<u>1,316,604</u>	<u>1,314,451</u>	<u>285,120</u>	<u>293,146</u>
Total Liabilities and Net Assets	<u>\$ 2,900,865</u>	<u>\$ 2,984,393</u>	<u>\$ 1,397,796</u>	<u>\$ 1,393,430</u>	<u>\$ 285,120</u>	<u>\$ 293,146</u>

Net assets of the Town of Coushatta increased by \$140,271 or 5.15%, increased by \$2,153 or 0.16%, and decreased by \$8,026 or 2.74% from the previous fiscal year in Governmental Activities, Business-Type Activities, and Component Units respectively. These changes are the result of operating and other expenses being less than/exceeding operating and nonoperating revenues during the fiscal year ended 2008 (See table below).

Statement of Activities
For the Year Ended

	Primary Government					
	Governmental Activities		Business-Type Activities		Component Units	
	2008	2007	2008	2007	2008	2007
General government Expenses	\$ (1,168,123)	\$ (1,074,952)	\$ (631,862)	\$ (636,865)	\$ (14,026)	\$ (14,027)
Program revenues						
Charges for services	0	0	537,462	503,052	0	0
Capital grants and contributions	<u>42,095</u>	<u>286,833</u>	<u>33,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	(1,126,028)	(788,119)	(61,400)	(133,813)	(14,026)	(14,027)
General revenues and transfers	<u>1,266,299</u>	<u>1,147,093</u>	<u>63,553</u>	<u>33,221</u>	<u>6,000</u>	<u>10,977</u>
Change in net assets	<u>\$ 140,271</u>	<u>\$ 358,974</u>	<u>\$ 2,153</u>	<u>\$ (100,592)</u>	<u>\$ (8,026)</u>	<u>\$ (3,050)</u>

The Town of Coushatta's total revenues and transfers decreased by \$125,532 or 8.75%, increased by \$97,742 or 18.23%, and decrease by \$4,977 or 45.34% from the previous fiscal year in Governmental Activities, Business-Type Activities, and Component Units respectively. The total cost of all programs and services increased by \$93,171 or 8.67%, decreased \$5,003 or 0.79%, and decreased \$1 or 0.01% from the previous fiscal year in Governmental Activities, Business-Type Activities, and Component Units respectively.

TOWN OF COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2008

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2008, the Town of Coushatta had \$1,192,710, \$827,688, and \$224,220, net of depreciation, in Governmental Activities, Business-Type Activities, and Component Units, respectively, invested in a broad range of capital assets (See table below). This amount represents a net increase (including additions and deductions) of \$70,937 or 6.32%, a decrease of \$9,771 or 1.17% and a decrease of \$14,026 or 5.89% in Governmental Activities, Business-Type Activities, and Component Units, respectively, from the previous year.

	Capital Assets at Year End (Net of Depreciation)					
	Primary Government				Component Units	
	Governmental Activities		Business-Type Activities			
	2008	2007	2008	2007	2008	2007
Land	\$ 54,458	\$ 54,458	\$ 10,782	\$ 10,782	\$ 112,077	\$ 112,077
Construction in progress	0	252,803	89,900	0	0	0
Buildings and other improvements	213,576	254,259	0	0	112,143	126,169
Distribution system	0	0	721,054	819,069	0	0
Streets and parking lots	797,583	412,963	0	0	0	0
Automobiles	25,586	40,832	0	0	0	0
Equipment, furniture and fixtures	101,507	106,458	5,952	7,608	0	0
Total	<u>\$ 1,192,710</u>	<u>\$ 1,121,773</u>	<u>\$ 827,688</u>	<u>\$ 837,459</u>	<u>\$ 224,220</u>	<u>\$ 238,246</u>

The following is the addition and retirements for the Town of Coushatta as of December 31, 2008:

	Primary Government		
	Governmental Activities	Business-Type Activities	Component Units
This year's major additions included:			
Construction in progress	\$ 0	\$ 89,900	\$ 0
Buildings and other improvements	0	0	0
Distribution system	0	4,949	0
Streets and parking lots	245,263	0	0
Automobiles	0	0	0
Equipment, furniture and fixtures	23,119	0	0
Total	<u>\$ 268,382</u>	<u>\$ 94,849</u>	<u>\$ 0</u>

This years's major retirements included:

Buildings and other improvements	\$ 7,000	\$ 0	\$ 0
Distribution system	0	16,358	0
Automobiles	67,497	0	0
Equipment, furniture and fixtures	4,850	5,662	0
Total	<u>\$ 79,347</u>	<u>\$ 22,020</u>	<u>\$ 0</u>

TOWN OF COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2008

Debt

The Town of Coushatta had \$0, \$0 and \$0 in long-term liabilities payable for Governmental Activities, Business-Type Activities, and Component Units, respectively, outstanding at year end compared to \$0, \$0 and \$0 in Governmental Activities, Business-Type Activities, and Component Units, respectively, at the previous year end, no change as shown in the table below.

Outstanding Debt at Year End

	Primary Government					
	Governmental Activities		Business-Type Activities		Component Units	
	2008	2007	2008	2007	2008	2007
Compensated absences payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Totals	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

New debt during the year included:

None.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Actual revenues were \$129,196 more than budgeted amounts due to taxes-sales being more than expected.

Actual expenditures were \$54,968 more than budgeted amounts due to capital outlay being more than expected.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Town of Coushatta's elected officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Taxes
- 2) License and permits
- 3) Rents and commissions
- 4) Number of utility customers
- 5) Cost of operations

The Town of Coushatta does not expect any significant changes in next year's results as compared to the current year.

CONTACTING THE TOWN OF COUSHATTA'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town of Coushatta's finances and to show the Town of Coushatta's accountability for the money it receives. If you have questions about this report or need additional financial information, contact W. B. Robinson, Clerk of the Town of Coushatta, Post Office Box 531, Coushatta, Louisiana 71019.

TOWN OF COUSHATTA, LOUISIANA
STATEMENT OF NET ASSETS
DECEMBER 31, 2008

ASSETS	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Current Assets				
Cash	\$ 933,342	\$ 40,687	\$ 974,029	\$ 60,900
Investments	193,092	478,280	671,372	0
Accounts receivable	579,240	49,250	628,490	0
Prepaid expenses	2,481	1,891	4,372	0
Total Current Assets	1,708,155	570,108	2,278,263	60,900
Noncurrent Assets				
Capital assets, net	1,192,710	827,688	2,020,398	224,220
Total Assets	\$ 2,900,865	\$ 1,397,796	\$ 4,298,661	\$ 285,120
LIABILITIES AND NET ASSETS				
LIABILITIES				
Current Liabilities				
Accounts payable and accruals	\$ 39,235	\$ 24,387	\$ 63,622	\$ 0
Total Current Liabilities	39,235	24,387	63,622	0
Noncurrent Liabilities				
Compensated absences payable	0	0	0	0
Customer deposits	0	56,805	56,805	0
Total Liabilities	39,235	81,192	120,427	0
NET ASSETS				
Investment in capital assets, net of related debt	1,192,710	827,688	2,020,398	224,220
Unrestricted	1,668,920	488,916	2,157,836	60,900
Total Net Assets	2,861,630	1,316,604	4,178,234	285,120
Total Liabilities and Net Assets	\$ 2,900,865	\$ 1,397,796	\$ 4,298,661	\$ 285,120

The accompanying notes are an integral part of this statement.

EXHIBIT B

TOWN OF COUSHATTA, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Component Units
Primary Government								
Governmental Activities								
General Government	\$ 617,173	\$ 0	\$ 0	\$ 0	\$ (617,173)	\$ 0	\$ (617,173)	\$ 0
Public safety	314,127	0	0	0	(314,127)	0	(314,127)	0
Highways and streets	6,639	0	0	0	(6,639)	0	(6,639)	0
Culture and recreation	32,739	0	0	0	(32,739)	0	(32,739)	0
Depreciation	197,445	0	0	42,095	(155,350)	0	(155,350)	0
Total Governmental Activities	1,168,123	0	0	42,095	(1,126,028)	0	(1,126,028)	0
Business-Type Activities								
Utility fund	631,862	537,462	0	33,000	0	(61,400)	(61,400)	0
Total Business-Type Activities	631,862	537,462	0	33,000	0	(61,400)	(61,400)	0
Total Primary Government	\$ 1,799,985	\$ 537,462	\$ 0	\$ 75,095	\$ (1,126,028)	\$ (61,400)	\$ (1,187,428)	\$ 0
Component Unit								
Industrial Development Corporation	\$ 14,026	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	(14,026)
Total Component Unit	14,026	0	0	0	0	0	0	(14,026)
General Revenues								
Taxes								
Ad Valorem					99,094	0	99,094	0
Franchise					141,199	0	141,199	0
Sales					527,023	0	527,023	0
Other					575	0	575	0
State revenue sharing					2,241	0	2,241	0
License and permits					141,969	0	141,969	0
Fines and forfeitures					13,068	0	13,068	0
Rents and commissions					353,747	0	353,747	6,000
Interest income					33,946	10,033	43,979	0
Miscellaneous					6,957	0	6,957	0
Transfers					(53,520)	53,520	0	0
Total General Revenues and Transfers					1,266,299	63,553	1,329,852	6,000
Change in Net Assets					140,271	2,153	142,424	(8,026)
Net Assets, Beginning of year					2,721,359	1,314,451	4,035,810	293,146
Net Assets, End of year					\$ 2,861,630	\$ 1,316,604	\$ 4,178,234	\$ 285,120

The accompanying notes are an integral part of this statement.

EXHIBIT C

TOWN OF COUSHATTA, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2008 AND 2007

	2008				2007	
	General Fund	Sales Tax	Economic Development	Street Tax	Other Governmental Funds	Total
Assets						
Cash	\$ 677,585	\$ 0	\$ 215,625	\$ 13,176	\$ 26,956	\$ 933,342
Investments	10,000	89,918	0	0	93,174	193,092
Accounts receivable	87,897	137,825	332,821	4,111	16,586	579,240
Prepaid expenses	2,481	0	0	0	0	2,481
Total Assets	<u>\$ 777,963</u>	<u>\$ 227,743</u>	<u>\$ 548,446</u>	<u>\$ 17,287</u>	<u>\$ 136,716</u>	<u>\$ 1,708,155</u>
Liabilities and Fund Balances						
Liabilities						
Accounts payable and accruals	\$ 25,247	\$ 626	\$ 0	\$ 10,350	\$ 3,012	\$ 39,235
Total Liabilities	25,247	626	0	10,350	3,012	39,235
Fund Balances						
Unreserved	752,716	227,117	548,446	6,937	133,704	1,668,920
Total Fund Balances	<u>752,716</u>	<u>227,117</u>	<u>548,446</u>	<u>6,937</u>	<u>133,704</u>	<u>1,668,920</u>
Total Liabilities and Fund Balances	<u>\$ 777,963</u>	<u>\$ 227,743</u>	<u>\$ 548,446</u>	<u>\$ 17,287</u>	<u>\$ 136,716</u>	<u>\$ 1,708,155</u>

The accompanying notes are an integral part of this statement.

EXHIBIT D

TOWN OF COUSHATTA, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2008

Total Fund Balances for Governmental Funds (Exhibit C) \$ 1,668,920

Total Net Assets reported for governmental activities in the statement of net assets is different because:

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

Land	\$ 54,458	
Buildings and other improvements, net of \$352,032 in accumulated depreciation.	213,576	
Streets and parking lots, net of \$336,881 in accumulated depreciation.	797,583	
Automobiles, net of \$98,245 in accumulated depreciation.	25,586	
Equipment, furniture, and fixtures net of \$110,899 in accumulated depreciation.	<u>\$ 101,507</u>	
Total Capital Assets		1,192,710

Long-term liabilities, including compensated absences payable, are not due and payable in the current period and therefore are not reported in the fund liabilities. 0

Total Net Assets of Governmental Activities (Exhibit A) \$ 2,861,630

EXHIBIT E

TOWN OF COUSHATTA, LOUISIANA
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
 FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008				2007	
	General Fund	Sales Tax	Economic Development	Street Tax	Other Governmental Funds	Total
Revenues						
Taxes						
Ad valorem	\$ 57,338	\$ 0	\$ 0	\$ 8,352	\$ 33,404	\$ 99,094
Franchise	141,199	0	0	0	0	141,199
Sales	0	527,023	0	0	0	527,023
Other	575	0	0	0	0	575
State revenue sharing	2,241	0	0	0	0	2,241
Intergovernmental	11,120	0	0	30,975	0	42,095
License and permits	141,969	0	0	0	0	141,969
Fines and forfeitures	13,068	0	0	0	0	13,068
Rents and commissions	353,747	0	0	0	0	353,747
Interest	11,947	2,202	17,123	0	2,674	33,946
Miscellaneous	4,502	0	0	0	2,455	6,957
Total Revenues	737,706	529,225	17,123	39,327	38,533	1,361,914
Expenditures						
General government	600,886	0	16,287	0	0	617,173
Public safety	308,727	0	0	0	5,400	314,127
Highways and streets	0	0	0	6,639	0	6,639
Culture and recreation	0	0	0	0	32,739	32,739
Capital outlay	35,316	0	0	233,066	0	268,382
Total Expenditures	944,929	0	16,287	239,705	38,139	1,239,060
Excess/(Deficiency) Of Revenues Over Expenditures	(207,223)	529,225	836	(200,378)	394	122,854
Other Financing Sources/(Uses)						
Transfers	204,201	(460,988)	0	193,581	9,686	(20,630)
Total Other Financing Sources/(Uses)	204,201	(460,988)	0	193,581	9,686	(20,630)
Net Change in Fund Balances	(3,022)	68,237	836	(6,797)	10,080	69,334
Fund Balances, Beginning of year	755,738	158,880	547,610	13,734	123,624	1,599,586
Fund Balances, End of year	752,716	227,117	548,446	6,937	133,704	1,668,920

The accompanying notes are an integral part of this statement.

TOWN OF COUSHATTA, 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 DECEMBER 31, 2008

Net Change in Fund Balances-Total Governmental Funds (Exhibit E)	\$ 69,334
The change in Net Assets reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$268,382) exceeds depreciation (\$197,445) in the current period.	70,937
Some expense reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	<u>0</u>
Change in Net Assets of Governmental Activities (Exhibit B)	<u>\$ 140,271</u>

EXHIBIT G

TOWN OF COUSHATTA, LOUISIANA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Assets		
Current Assets		
Cash	\$ 40,687	\$ 29,120
Investments	478,280	469,219
Accounts receivable	49,250	47,237
Prepaid expenses	<u>1,891</u>	<u>10,395</u>
Total Current Assets	570,108	555,971
Noncurrent Assets		
Capital assets, net	<u>827,688</u>	<u>837,459</u>
Total Assets	<u>\$ 1,397,796</u>	<u>\$ 1,393,430</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable and accruals	<u>\$ 24,387</u>	<u>\$ 22,974</u>
Total Current Liabilities	24,387	22,974
Noncurrent Liabilities		
Compensated absences payable	0	0
Customer deposits	<u>56,805</u>	<u>56,005</u>
Total Liabilities	81,192	78,979
Net Assets		
Investments in capital assets, net of related debt	827,688	837,459
Unrestricted	<u>488,916</u>	<u>476,992</u>
Total Net Assets	<u>1,316,604</u>	<u>1,314,451</u>
Total Liabilities and Net Assets	<u>\$ 1,397,796</u>	<u>\$ 1,393,430</u>

The accompanying notes are an integral part of this statement.

EXHIBIT H

TOWN OF COUSHATTA, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
OPERATING REVENUES		
Charges for services	\$ 531,303	\$ 497,589
Connect fees	4,820	4,220
Miscellaneous	1,339	1,243
Total Operating Revenues	<u>537,462</u>	<u>503,052</u>
OPERATING EXPENSES		
Bad debt expense	720	5
Contractual services	2,600	2,400
Depreciation	104,620	114,307
Dues and subscriptions	2,506	2,543
Employee benefits	27,916	23,639
Fuel	14,189	10,644
Insurance	17,447	16,865
Licenses and permits	4,652	3,355
Office supplies and expense	8,271	8,211
Operating supplies and tools	24,240	20,765
Payroll taxes	1,640	1,675
Professional services	0	24,088
Rent	1,474	1,940
Repairs and maintenance	26,156	28,590
Retirement	26,113	28,141
Salaries	197,648	196,410
Telephone	6,256	4,648
Training	378	378
Utilities	62,878	51,802
Waste management	93,449	86,952
Workman's compensation	8,709	9,507
Total Operating Expenses	<u>631,862</u>	<u>636,865</u>
Operating Income/(Loss)	(94,400)	(133,813)
Nonoperating Revenues/(Expenses)		
Interest income	10,033	12,591
Total Nonoperating Revenues/(Expenses)	<u>10,033</u>	<u>12,591</u>
Income/(loss) before Transfers	(84,367)	(121,222)
Capital contributions	33,000	0
Transfers	<u>53,520</u>	<u>20,630</u>
Change in Net Assets	2,153	(100,592)
Net Assets, Beginning of year	<u>1,314,451</u>	<u>1,415,043</u>
Net Assets, End of year	<u>\$ 1,316,604</u>	<u>\$ 1,314,451</u>

The accompanying notes are an integral part of this statement.

TOWN OF COUSHATTA, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Cash Flows From Operating Activities		
Receipts from customers	\$ 535,871	\$ 500,408
Cash payments to suppliers for goods and services	(272,712)	(273,314)
Cash payments to employees and related benefits	<u>(255,824)</u>	<u>(252,252)</u>
Net Cash From Operating Activities	7,335	(25,158)
Cash Flows From Noncapital Financial Activities		
Transfers	<u>53,520</u>	<u>20,630</u>
Net Cash From Noncapital Financial Activities	53,520	20,630
Cash Flows From Capital and Related Financing Activities		
Capital contributions	33,000	0
Acquisition/construction of capital assets	<u>(91,349)</u>	<u>(2,000)</u>
Net Cash From Capital and Related Financing Activities	(58,349)	(2,000)
Cash Flows From Investing Activities		
Purchase of investments	(1,350)	(10,916)
Interest income	<u>10,411</u>	<u>12,481</u>
Cash Flows From Investing Activities	<u>9,061</u>	<u>1,565</u>
Net Increase/(Decrease) in Cash	11,567	(4,963)
Cash, Beginning of year	<u>29,120</u>	<u>34,083</u>
Cash, End of year	<u>\$ 40,687</u>	<u>\$ 29,120</u>
Reconciliation of Operating Income to Net Cash From Operating Activities		
Operating income/(loss)	\$ (94,400)	\$ (133,813)
Adjustments to reconcile operating loss to net cash from operating activities		
Depreciation expense	104,620	114,307
Bad debt expense	720	5
(Increase)/decrease in operating assets		
Accounts receivable	(3,111)	(1,008)
Prepaid	793	228
Increase/(decrease) in operating liabilities		
Accounts payable and accruals	(2,087)	(3,241)
Customer deposits	<u>800</u>	<u>(1,636)</u>
Net Cash Flows From Operating Activities	<u>\$ 7,335</u>	<u>\$ (25,158)</u>

The accompanying notes are an integral part of this statement.

EXHIBIT J

TOWN OF COUSHATTA, LOUISIANA
STATEMENT OF NET ASSETS
COMPONENT UNITS
DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Assets		
Current Assets		
Cash	\$ 60,900	\$ 54,900
Total Current Assets	60,900	54,900
Noncurrent Assets		
Capital assets, net	224,220	238,246
Total Assets	<u>\$ 285,120</u>	<u>\$ 293,146</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable and accruals	\$ 0	\$ 0
Total Liabilities	0	0
Net Assets		
Investments in capital assets, net of related debt	224,220	238,246
Unrestricted	60,900	54,900
Total Net Assets	<u>285,120</u>	<u>293,146</u>
Total Liabilities and Net Assets	<u>\$ 285,120</u>	<u>\$ 293,146</u>

The accompanying notes are an integral part of this statement.

EXHIBIT K

TOWN OF COUSHATTA, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
COMPONENT UNITS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
OPERATING REVENUES		
Rents and commissions	\$ 6,000	\$ 6,000
Miscellaneous	<u>0</u>	<u>4,977</u>
Total Operating Revenues	6,000	10,977
OPERATING EXPENSES	<u>14,026</u>	<u>14,027</u>
Depreciation	<u>14,026</u>	<u>14,027</u>
Total Operating Expenses		
	(8,026)	(3,050)
Operating Income/(Loss)		
Nonoperating Revenues/(Expenses)	<u>0</u>	<u>0</u>
Interest income	<u>0</u>	<u>0</u>
Total Nonoperating Revenues/(Expenses)		
Change in Net Assets	(8,026)	(3,050)
Net Assets, Beginning of year	<u>293,146</u>	<u>296,196</u>
Net Assets, End of year	<u>\$ 285,120</u>	<u>\$ 293,146</u>

The accompanying notes are an integral part of this statement.

TOWN OF COUSHATTA, LOUISIANA
STATEMENT OF CASH FLOWS
COMPONENT UNITS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Cash Flows From Operating Activities		
Cash receipts from clients	\$ 6,000	\$ 6,000
Cash payments to suppliers for goods and services	<u>0</u>	<u>0</u>
Net Cash From Operating Activities	6,000	6,000
Cash Flows From Investing Activities		
Interest income	<u>0</u>	<u>0</u>
Cash Flows From Investing Activities	0	0
Cash Flows From Financing Activities		
Proceeds from sale of fixed assets	<u>0</u>	<u>20,900</u>
Cash Flows From Financing Activities	0	20,900
Net Increase/(Decrease) in Cash	6,000	26,900
Cash, Beginning of year	<u>54,900</u>	<u>28,000</u>
Cash, End of year	<u>\$ 60,900</u>	<u>\$ 54,900</u>
Reconciliation of Operating Income to Net Cash From Operating Activities		
Operating income/(loss)	\$ (8,026)	\$ (3,050)
Adjustments to reconcile operating loss to net cash from operating activities		
Depreciation expense	14,026	14,027
Gain on sale of fixed assets	<u>0</u>	<u>(4,977)</u>
Net Cash Flows From Operating Activities	<u>\$ 6,000</u>	<u>\$ 6,000</u>

The accompanying notes are an integral part of this statement.

TOWN OF COUSHATTA, LOUISIANA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Assets		
Cash	\$ <u>0</u>	\$ <u>0</u>
Total Assets	\$ <u>0</u>	\$ <u>0</u>
Liabilities		
Due to other governments	\$ <u>0</u>	\$ <u>0</u>
Total Liabilities	\$ <u>0</u>	\$ <u>0</u>

The accompanying notes are an integral part of this statement.

TOWN OF COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008

The Town of Coushatta was incorporated on April 22, 1872, under the provisions of a special home rule charter. The Town operates under a Mayor-Council form of government. The Town's major operations include public safety, fire protection, streets, sanitation, recreation and parks, utilities, and general administrative services.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accompanying financial statements of the Town of Coushatta have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, issued in June 1999.

B. Reporting Entity

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Town of Coushatta is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the Town of Coushatta may, without the approval or consent of another governmental entity, *determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.* The Town of Coushatta has one component unit (the Industrial Development Corporation of Coushatta) which is discretely presented in a separate column in the government-wide financial statements in conformity with accounting principles generally accepted in the United States of America.

C. Government - Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets, Exhibit A, and the Statement of Activities, Exhibit B) 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 a) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and b) 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 individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

TOWN OF COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary 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 judgements, are recorded only when payment is due.

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

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchases of various operating supplies are regarded as expenditures at the time purchased.

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishment, long-term proceeds, et cetera) are accounted for as other financing sources/(uses). These other financing sources/(uses) are recognized at the time the underlying events occur.

The Town of Coushatta reports the following governmental, proprietary and fiduciary funds:

Governmental Funds

Governmental funds account for all or most of the Town of Coushatta's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term obligations.

General Fund - is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. General tax revenues and other sources of revenue used to finance the fundamental operations of the Town are included in this fund. The fund is charged with all cost of operating the government for which a separate fund has not been established.

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 specific purposes. The Town's special revenue funds consist of the sales tax, street tax, fire tax, recreation tax and economic development funds.

TOWN OF COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Proprietary Funds

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. The Town of Coushatta applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Enterprise Fund - is 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 the periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiduciary Funds

These funds account for assets held by the Town as a trustee or agent for individuals, private organizations, other units of governments, and/or other funds.

Agency Fund - is used to account for the collection of property taxes and the subsequent distribution to other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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 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 a) charges to customers or applicants for goods, services, or privileges provided, b) operating grants and contributions, and c) 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. 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.

TOWN OF COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgetary Accounting

Formal budgetary accounting is employed as a management control. The Town of Coushatta prepares and adopts a budget each year for its general and special revenue funds in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the full accrual basis of accounting. The Town amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

F. Cash and Cash Equivalents

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.

G. Investments

Investments are limited by R.S. 33:2955 and the Town's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. Receivables

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

I. Bad Debts

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At December 31, 2008, \$0 and \$720 of Governmental and Business-Type Activities receivables, respectively, were considered to be uncollectible.

J. Capital Assets

Capital assets are carried at historical costs. Depreciation of all exhaustible capital assets used by the Town of Coushatta are charged as an expense against operations in the Statement of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Assets. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and other improvements, 10 to 25 years for the distribution system and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

K. Compensated Absences

All full time employees of the Town of Coushatta earn 80 and 96 hours of annual and sick leave, respectively, each year. However, leave cannot be accumulated or carried over from one year to the next. Therefore, no liability for compensated absences has been recorded in the accompanying financial statements.

TOWN OF COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Nonrecurring or non routine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions are reported as transfers.

M. Sales Taxes

The Town of Coushatta collections a one (1) percent sales and use tax with the net proceeds, after deducting costs of collection and administration, dedicated to constructing, acquiring, extending, improving and/or maintaining drainage facilities, streets, street lighting facilities, bridges, sidewalks, waterworks, sewers and sewer disposal works, recreational facilities, public parks, public buildings and fire department stations and equipment, payment of salaries of municipal employees, maintaining and operating the municipal police department and garbage collection and disposal facilities including the purchase of equipment there of, or for any one or more of said purposes, title to which improvements shall be in the public.

N. Estimates

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

NOTE 2 LEVIED TAXES

The Town of Coushatta levies taxes on real and business personal property located within its boundaries. The Red River Parish Tax Assessor assesses the property values and prepares the Town's property tax roll. The Town bills and collects its own property taxes. Ad valorem taxes are levied on October 31 and are payable upon receipt of notice. Ad valorem taxes attach as an enforceable lien on property as of December 31 of each year. The following is a summary of authorized and levied ad valorem taxes as of December 31, 2008:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General alimony	7.21	7.21	Statutory
Recreation Tax	3.15	3.15	2017
Street Tax	1.05	1.05	2017
Fire Tax	1.05	1.05	2017

NOTE 3 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

A. Deposits with Financial Institutions

For reporting purposes, deposits with financial institutions includes savings, demand deposits, time deposits, and certificates of deposit. Under state law the Town of Coushatta may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further the Fund may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings

TOWN OF COUSHATTA, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2008

NOTE 3 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

A. Deposits with Financial Institutions (Continued)

accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These pledged 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 December 31, 2008, the Town of Coushatta had bank deposits per balance sheet of \$1,705,501, as follows:

Demand deposits	\$	333,524
Interest-bearing demand deposits		700,605
Certificates of Deposit, maturities greater than 90 days		<u>671,372</u>
Total	\$	<u>1,705,501</u>

The deposits at December 31, 2008 were secured as follows:

	Cash	Certificates of Deposit	Total
Bank Balances (Category 3 Only, If Any)			
a. Uninsured and uncollateralized	\$ 0	\$ 0	\$ 0
b. Uninsured and uncollateralized with securities held by the pledging institution	0	0	0
c. Uninsured and uncollateralized with securities held by the pledging institution's trust department or agent but not in the entity's name	<u>0</u>	<u>0</u>	<u>0</u>
Total Category 3 Bank Balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Bank Balances (All Categories Including Category 3 Reported Above)	<u>\$ 1,085,954</u>	<u>\$ 671,372</u>	<u>\$ 1,757,326</u>

The following is a breakdown by banking institution and amount of the balances shown above:

Banking Institution	Amount
American Bank & Trust Co	\$ 385,544
Bank of Coushatta	817,198
Sabine State Bank	<u>554,584</u>
Total	<u>\$ 1,757,326</u>

B. Investments

At December 31, 2008, the Town of Coushatta had investments of \$0.

TOWN OF COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 4 ACCOUNTS RECEIVABLE

The following is a summary of accounts receivable at December 31, 2008:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Taxes			
Ad valorem	\$ 48,778	\$ 0	\$ 48,778
Franchise	30,844	0	30,844
Sales	137,683	0	137,683
Notes receivable	331,508	0	331,508
Rents and commissions	28,828	0	28,828
Charges for services	0	47,987	47,987
Interest	1,599	1,230	2,829
Other	0	33	33
Total	<u>\$ 579,240</u>	<u>\$ 49,250</u>	<u>\$ 628,490</u>

NOTE 5 CAPITAL ASSETS

A summary of the Town of Coushatta's capital assets at December 31, 2008 follows:

	<u>Balance December 31, 2007</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance December 31, 2008</u>
Primary Government				
Governmental Activities				
Capital Assets, not being depreciated				
Land	\$ 54,458	\$ 0	\$ 0	\$ 54,458
Construction in progress	252,803	0	(252,803)	0
Total Capital Assets, not being depreciated	307,261	0	(252,803)	54,458
Capital Assets, being depreciated				
Buildings and other improvements	572,608	0	(7,000)	565,608
Less accumulated depreciation	(318,349)	(40,683)	7,000	(352,032)
Total Buildings and Building Improvements	254,259	(40,683)	0	213,576
Streets and parking lots	636,398	498,066	0	1,134,464
Less accumulated depreciation	(223,435)	(113,446)	0	(336,881)
Total Streets and Parking Lots	412,963	384,620	0	797,583
Automobiles	191,328	0	(67,497)	123,831
Less accumulated depreciation	(150,496)	(15,246)	67,497	(98,245)
Total Automobiles	40,832	(15,246)	0	25,586
Equipment, furniture and fixtures	194,137	23,119	(4,850)	212,406
Less accumulated depreciation	(87,679)	(28,070)	4,850	(110,899)
Total Equipment, Furniture and Fixtures	106,458	(4,951)	0	101,507
Total Capital Assets, being depreciated	814,512	323,740	0	1,138,252
Governmental Activities				
Total Capital Assets, net	<u>\$ 1,121,773</u>	<u>\$ 323,740</u>	<u>\$ (252,803)</u>	<u>\$ 1,192,710</u>

TOWN OF COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 5 CAPITAL ASSETS (CONTINUED)

	Balance December 31, 2007	Additions	Retirements	Balance December 31, 2008
Business-Type Activities				
Capital Assets, not being depreciated				
Land	\$ 10,782	\$ 0	\$ 0	\$ 10,782
Construction in progress	<u>0</u>	<u>89,900</u>	<u>0</u>	<u>89,900</u>
Total Capital Assets, not being depreciated	10,782	89,900	0	100,682
Capital Assets, being depreciated				
Building and building improvements	70,207	0	0	70,207
Less accumulated depreciation	<u>(70,207)</u>	<u>0</u>	<u>0</u>	<u>(70,207)</u>
Total Building and Building Improvements	0	0	0	0
Distribution system	2,194,110	4,949	(16,358)	2,182,701
Less accumulated depreciation	<u>(1,375,041)</u>	<u>(102,964)</u>	<u>16,358</u>	<u>(1,461,647)</u>
Total Distribution System	819,069	(98,015)	0	721,054
Automobile	43,069	0	0	43,069
Less accumulated depreciation	<u>(43,069)</u>	<u>0</u>	<u>0</u>	<u>(43,069)</u>
Total Automobiles	0	0	0	0
Equipment, furniture and fixtures	16,731	0	(5,662)	11,069
Less accumulated depreciation	<u>(9,123)</u>	<u>(1,656)</u>	<u>5,662</u>	<u>(5,117)</u>
Total Equipment, Furniture and Fixtures	<u>7,608</u>	<u>(1,656)</u>	<u>0</u>	<u>5,952</u>
Total Capital Assets, being depreciated	<u>826,677</u>	<u>(99,671)</u>	<u>0</u>	<u>727,006</u>
Business-Type Activities				
Total Capital Assets, net	<u>\$ 837,459</u>	<u>\$ (9,771)</u>	<u>\$ 0</u>	<u>\$ 827,688</u>
Primary Government				
Total Capital Assets, net	<u>\$ 1,959,232</u>	<u>\$ 313,969</u>	<u>\$ (252,803)</u>	<u>\$ 2,020,398</u>
Component Units				
Capital Assets, not being depreciated				
Land	<u>\$ 112,077</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 112,077</u>
Total Capital Assets, not being depreciated	112,077	0	0	112,077
Building and building improvements	280,525	0	0	280,525
Less accumulated depreciation	<u>(154,356)</u>	<u>(14,026)</u>	<u>0</u>	<u>(168,382)</u>
Total Building and Building Improvements	<u>126,169</u>	<u>(14,026)</u>	<u>0</u>	<u>112,143</u>
Total Capital Assets, being depreciated	<u>\$ 126,169</u>	<u>\$ (14,026)</u>	<u>\$ 0</u>	<u>\$ 224,220</u>
Component Units				
Total Capital Assets, net	<u>\$ 238,246</u>	<u>\$ (14,026)</u>	<u>\$ 0</u>	<u>\$ 224,220</u>

No depreciation expense was charged directly to any governmental functions.

TOWN OF COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 6 ACCOUNTS PAYABLE AND ACCRUALS

The following is a summary of accounts payable at December 31, 2008:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Vendor	\$ 31,613	\$ 20,366	\$ 51,979
Salaries and related benefits	6,622	4,021	10,643
Other	1,000	0	1,000
Total	<u>\$ 39,235</u>	<u>\$ 24,387</u>	<u>\$ 63,622</u>

NOTE 7 INTERFUND TRANSFERS

Operating transfers for the year ended December 31, 2008, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 204,201	\$ 0
Sales tax	0	460,988
Street Tax	193,581	0
Other governmental funds	9,686	0
Utility fund	53,520	0
Total	<u>\$ 460,988</u>	<u>\$ 460,988</u>

NOTE 8 LEASES

The Town of Coushatta was not obligated under any noncancellable capital or operating lease commitments at December 31, 2008.

NOTE 9 RETIREMENT COMMITMENTS

The Town participates in two cost-sharing multiple employer statewide retirement systems (PERS) for its employees. Each retirement system is administered and controlled by a separate board of trustees.

Following is a brief description of each retirement system in which the Town participates:

A. Louisiana Municipal Employees' Retirement System

The Louisiana Municipal Employees' Retirement System was established by Act 356 of the 1954 Legislature to provide retirement benefits to employees of all incorporated villages, towns and cities within the State which do not have their own retirement system and elect to become members of the System.

Membership is mandatory as a condition of employment if the employee is on a permanent basis working at least thirty-five hours per week, not participating in another public funded retirement system, and under age sixty (60) at the date of employment. Those individuals paid jointly by the participating employer and the parish are not eligible for membership in the System.

TOWN OF COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 9 RETIREMENT COMMITMENTS (CONTINUED)

A. Louisiana Municipal Employees' Retirement System (Continued)

The System has two retirement plans available for its members; Plan "A" and Plan "B". Plan "A" combines the original plan and the supplemental plan for those members, participating in both plans, while Plan "B" is available for those members, participating in only the original plan. These plans have different contribution rates and provide different retirement benefits. All employees of the Town of Coushatta, Louisiana, who participate in this System are covered by Plan "A". Any member of Plan "A" can retire providing he meets one of the following criteria:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Under age 60 and five (5) years of creditable service and eligible for disability benefits.
5. Survivor's benefits require five (5) years creditable service at death of member.

Generally, the monthly retirement allowance for any member of Plan "A" shall consist of an amount equal to three percent of the member's final compensation multiplied by his years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Upon the death of any member of Plan "A" with five (5) or more years of creditable service, who is not eligible for retirement, benefits are provided for the surviving spouse and minor children as outlined in the statutes. The surviving spouse of an employee eligible for normal retirement at the time of death shall receive benefits for life.

A member of Plan "A" with five (5) years of creditable service is eligible for disability benefits. A disabled member receives a normal retirement allowance if eligible or, if age sixty, receives a benefit based on years of creditable service without regard to the minimum service requirement. If the member is under age sixty and is not eligible for a normal retirement allowance, he receives a disability benefit consisting of an amount equal to three percent of his final compensation multiplied by his years of creditable service projected to his earliest normal retirement age not to exceed sixty percent of his final compensation. Disability benefits are converted to a normal retirement allowance upon the member's attainment of his earliest normal retirement age based on his final compensation and creditable service.

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 or calling the Louisiana Municipal Employees' Retirement System.

Plan members are required by state statute to contribute 9.25% of their annual covered salary and the employer is required to contribute at an actuarially determined rate. The employer rate was 13.50% of annual covered payroll. The employees' contributions are deducted from the employees' salaries and are remitted by the Town on a monthly basis. The Town of Coushatta's contributions to the System for the years ended December 31, 2008, 2007 and 2006, were \$47,550, \$50,089 and \$54,035, respectively, equal to the required contributions for each year.

TOWN OF COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 9 RETIREMENT COMMITMENTS (CONTINUED)

B. Municipal Police Employees' Retirement System

The Municipal Police Employees Retirement System was established by Act 189 of 1973 to provide retirement benefits to employees of any municipality in the State which employs a full-time police officer, empowered to make arrests, or which has an elected Chief of Police whose salary is at least \$100 per month.

Eligible employees include any full-time police officer, empowered to make arrests, employed by a municipality of the State and engaged in law enforcement, earning at least \$375 per month excluding state supplemental pay, or an elected Chief of Police whose salary is at least \$100 per month. City or Ward Marshals, elected Councilmen and Mayors are excluded from membership. Persons who were members on September 7, 1977, must remain members of the System and persons hired on or after that date must become members of the System as a condition of employment if they are under age 50 and are not covered by the Social Security System.

All full-time police officers of the Town of Coushatta, Louisiana, are eligible to participate in this System. Benefit provisions are authorized within Act 189 of 1973 & amended by LRS 11:2211-11:2233.

Employees attaining the age of 50 completing 20 or more years of service, or the age of 55 and completing 12 years of service, are entitled to a yearly benefit of 3 1/3% of their average final compensation, as defined in the plan, times years of creditable service. Active employees who become disabled after 1985 due to total and permanent disability, with at least 5 years of creditable service, receive a benefit of 3% of average final compensation multiplied by the years of creditable service, but not less than 40% nor more than 60% of average final compensation. Upon reaching retirement age, disability pensioners receive the greater of disability benefits or accrued benefits earned to date of disability. Prior to the enactment of Act 81 of 1985, other disability rules may be applicable as described in the plan. The system also provides for death benefits as described in the plan.

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 or calling the Louisiana Municipal Police Employees' Retirement System.

Plan members are required by state statute to contribute 7.50% of their annual covered salary and the employer is required to contribute at an actuarially determined rate. The employer rate was 13.75% from January 1, 2008 through June 30, 2008 and 9.5% from July 1, 2008 through December 31, 2008 of annual covered payroll. The employees' contributions are deducted from the employees' salaries and are remitted by the Town on a monthly basis. The Town of Coushatta's contributions to the System for the years ended December 31, 2008, 2007 and 2006, were \$16,091, \$19,578 and \$27,048, respectively, equal to the required contributions for each year.

NOTE 10 RISK MANAGEMENT

The Town of Coushatta is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town.

TOWN OF COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 11 LITIGATION

The Town of Coushatta is a defendant in one lawsuit as of the close of business on December 31, 2008. Although the outcome of this lawsuit is not presently determinable, resolution of it would not create a liability in excess of insurance coverage, and therefore would not have a material adverse effect on the financial condition of the Town of Coushatta.

NOTE 12 CLAIMS AND JUDGMENTS

The Town of Coushatta participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. The Town believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the Town.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

TOWN OF COUSHATTA, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

	Original Budget	Amended Budget	Actual	Variance Fav./Unfav.)
Revenues				
Taxes				
Ad valorem	\$ 55,000	\$ 55,000	\$ 57,338	\$ 2,338
Franchise	140,000	140,000	141,199	1,199
Other	2,200	2,000	575	(1,425)
State revenue sharing	3,000	3,000	2,241	(759)
Intergovernmental	0	0	11,120	11,120
License and permits	135,150	139,700	141,969	2,269
Fines and forfeitures	5,000	10,500	13,068	2,568
Rents and commissions	338,100	337,100	353,747	16,647
Interest	18,500	12,000	11,947	(53)
Miscellaneous	2,200	2,825	4,502	1,677
Total Revenues	<u>699,150</u>	<u>702,125</u>	<u>737,706</u>	<u>35,581</u>
Expenditures				
General government	559,030	616,678	600,886	15,792
Public safety	289,000	291,100	308,727	(17,627)
Capital outlay	2,000	2,000	35,316	(33,316)
Total Expenditures	<u>850,030</u>	<u>909,778</u>	<u>944,929</u>	<u>(35,151)</u>
Excess/(Deficiency) Of Revenues Over Expenditures	(150,880)	(207,653)	(207,223)	430
Other Financing Sources/(Uses)				
Transfers	390,000	237,085	204,201	(32,884)
Total Other Financing Sources/(Uses)	<u>390,000</u>	<u>237,085</u>	<u>204,201</u>	<u>(32,884)</u>
Net Change in Fund Balances	239,120	29,432	(3,022)	(32,454)
Fund Balances, Beginning of year	<u>755,738</u>	<u>755,738</u>	<u>755,738</u>	<u>0</u>
Fund Balances, End of year	<u>\$ 994,858</u>	<u>\$ 785,170</u>	<u>\$ 752,716</u>	<u>\$ (32,454)</u>

SCHEDULE 2

TOWN OF COUSHATTA, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS - BUDGET (GAAP BASIS) AND ACTUAL - SALES TAX
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Fav./(Unfav.)</u>
Revenues				
Taxes				
Sales	\$ 420,000	\$ 436,785	\$ 527,023	\$ 90,238
Interest	<u>300</u>	<u>300</u>	<u>2,202</u>	<u>1,902</u>
Total Revenues	420,300	437,085	529,225	92,140
Expenditures				
General government	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess/(Deficiency) Of Revenues Over Expenditures	420,300	437,085	529,225	92,140
Other Financing Sources/(Uses)				
Transfers	<u>(420,300)</u>	<u>(437,085)</u>	<u>(460,988)</u>	<u>(23,903)</u>
Total Other Financing Sources/(Uses)	<u>(420,300)</u>	<u>(437,085)</u>	<u>(460,988)</u>	<u>(23,903)</u>
Net Change in Fund Balances	0	0	68,237	68,237
Fund Balances, Beginning of year	<u>158,880</u>	<u>158,880</u>	<u>158,880</u>	<u>0</u>
Fund Balances, End of year	<u>\$ 158,880</u>	<u>\$ 158,880</u>	<u>\$ 227,117</u>	<u>\$ 68,237</u>

SCHEDULE 3

TOWN OF COUSHATTA, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS - BUDGET (GAAP BASIS) AND ACTUAL - ECONOMIC DEVELOPMENT
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Fav./((Unfav.))</u>
Revenues				
Interest	\$ 16,600	\$ 17,000	\$ 17,123	\$ 123
Total Revenues	16,600	17,000	17,123	123
Expenditures				
General government	<u>0</u>	<u>0</u>	<u>16,287</u>	<u>(16,287)</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>16,287</u>	<u>(16,287)</u>
Excess/(Deficiency) Of Revenues Over Expenditures	16,600	17,000	836	(16,164)
Other Financing Sources/(Uses)				
Transfers	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources/(Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	16,600	17,000	836	(16,164)
Fund Balances, Beginning of year	<u>547,610</u>	<u>547,610</u>	<u>547,610</u>	<u>0</u>
Fund Balances, End of year	<u>\$ 564,210</u>	<u>\$ 564,610</u>	<u>\$ 548,446</u>	<u>\$ (16,164)</u>

SCHEDULE 4

TOWN OF COUSHATTA, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS - BUDGET (GAAP BASIS) AND ACTUAL - STREET TAX
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Fav./Unfav.)</u>
Revenues				
Taxes				
Ad valorem	\$ 7,900	\$ 7,000	\$ 8,352	\$ 1,352
Intergovernmental	<u>30,000</u>	<u>30,975</u>	<u>30,975</u>	<u>0</u>
Total Revenues	37,900	37,975	39,327	1,352
Expenditures				
Highways and streets	7,000	5,200	6,639	(1,439)
Capital outlay	<u>30,000</u>	<u>230,975</u>	<u>233,066</u>	<u>(2,091)</u>
Total Expenditures	<u>37,000</u>	<u>236,175</u>	<u>239,705</u>	<u>(3,530)</u>
Excess/(Deficiency) Of Revenues Over Expenditures	900	(198,200)	(200,378)	(2,178)
Other Financing Sources/(Uses)				
Transfers	<u>0</u>	<u>200,000</u>	<u>193,581</u>	<u>(6,419)</u>
Total Other Financing Sources/(Uses)	<u>0</u>	<u>200,000</u>	<u>193,581</u>	<u>(6,419)</u>
Net Change in Fund Balances	900	1,800	(6,797)	(8,597)
Fund Balances, Beginning of year	<u>13,734</u>	<u>13,734</u>	<u>13,734</u>	<u>0</u>
Fund Balances, End of year	<u>\$ 14,634</u>	<u>\$ 15,534</u>	<u>\$ 6,937</u>	<u>\$ (8,597)</u>

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE 5

TOWN OF COUSHATTA, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO
MEMBERS OF THE TOWN COUNCIL
YEAR ENDED DECEMBER 31, 2008

<u>Members</u>	<u>Number of Meeting Attended</u>	<u>Compensation</u>
Rose Byrd	15	\$ 6,000
Johnny Cox	14	6,000
John D. Henry	13	6,000
Mallory Parson	14	6,000
Rosetta Wilson	15	<u>6,000</u>
Total		<u>\$ 30,000</u>

Compensation Paid Board Members

The schedule of compensation paid to the members of the Town Council of the Town of Coushatta, Louisiana is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the Councilmen is included in the general government expenditures of the general fund.

TOWN OF COUSHATTA, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2008

SECTION #1

SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

- | | | |
|----|--|---------------|
| 1. | Type of auditors' report issued. | Unqualified |
| 2. | Internal control over financial reporting: | |
| | a) Material weakness(es) identified? | No |
| | b) Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| 3. | Noncompliance material to financial statements noted? | No |

SECTION #2

FINANCIAL STATEMENT FINDINGS

None reported.

HINES, JACKSON & HINES, L.L.C.

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

Mayor and Town Council
Town of Coushatta
Coushatta, Louisiana 71019

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Coushatta as of and for the year ended December 31, 2008, and have issued our report dated June 19, 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Coushatta's internal control over financial reporting as a basis for designing 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's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Coushatta'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 entity'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 entity's financial statements that is more than inconsequential will not be prevented or detected by the entity'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 entity'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 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 Coushatta'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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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This report is intended solely for the information and use of the Town of Coushatta, management and the Louisiana State 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.

Hines, Jackson & Hines

Natchitoches, Louisiana

June 19, 2009

SCHEDULE 7

TOWN OF COUSHATTA, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2008

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
2007-01	2007	The bank deposit balances of the Town of Coushatta exceeded federal deposit insurance corporation (FDIC) coverage and the depositing banks did not pledge sufficient securities to cover the amount exceeding the FDIC's coverage.	Yes	This finding has been resolved.

TOWN OF COUSHATTA, LOUISIANA
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2008

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name(s) of Contract Person(s)</u>	<u>Anticipated Completion Date</u>
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Nothing came to our attention that would require disclosure under Government Auditing Standards.